

## Press release / Main company information

### 2014 not a brilliant year for Binder+Co, but a good basis for 2015

- **2014 sales revenues at EUR 88.0 million slightly down on those of the previous year**
- **EBIT considerably lower at EUR 4.3 million**
- **Bublun GmbH makes a positive contribution to results in only its second business year**
- **Order intake up by 22% at EUR 109.2 million**

Gleisdorf, March 12, 2015

*Karl Grabner, from the Binder+Co Management Board: "2014 was certainly not a brilliant year for Binder+Co and both sales revenues and EBIT were below the levels of 2013. On the one hand, this was due to the poor order intake in the first quarter and on the other, to initial losses at our younger subsidiaries. However, a turnaround commenced in the second quarter with a marked improvement in demand and a 22% increase in order intake as compared to 2013 provides a good basis for the current financial year."*

#### **Problematic and inconsistent market environment**

Particularly in the EU, demand in the industries served by Binder+Co remained weak in 2014 and almost inevitably this led to a deterioration in result margins, which was especially evident in the plant and systems area. By contrast, Binder+Co experienced strong demand from the global potash processing industry and the North American recycling market.

#### **Sales revenues and EBIT down on the preceding year**

On the basis of order backlog of EUR 36.59 million at the beginning of the financial year, Binder+Co achieved consolidated sales revenues of EUR 87.94 million in 2014, which were thus 5.5% down on the previous year. The main reason for this decline was the lack of large-volume system and plant orders. EBIT fell from EUR 5.39 million to EUR 4.30 million owing to both the high level of competitive pressure in the markets and branches served in Europe, residual costs derived from the sizeable fluctuations in the use of capacity, and the negative EBIT contributions from the Comec-Binder S.r.l. und Binder+Co Machinery (Tianjin) Ltd. subsidiaries. As a consequence, the EBIT margin declined to 4.9% (2013: 5.8%).

#### **Processing Technology Segment with new order intake record**

Processing Technology is the strongest segment in terms of sales revenues, but in 2014 its business was characterized by systems orders obtained under price pressure, which resulted in a tangible reduction in result quality. Furthermore, the losses at the Comec-Binder S.r.l. and Binder+Co Machinery (Tianjin) Ltd. subsidiaries, which are reported in this segment, had a negative effect on the segment result. By contrast, the Bublun GmbH was already able to make a positive contribution to results in its second year of business. Segment sales revenues amounted to EUR 46.58 million and thus constituted 52.97% of total sales revenues. Owing to strong single machine and spare part business results, segment EBIT, which was negative in 2013, was clearly positive at EUR 1.01 million. Moreover, order intake stood at a new record level of EUR 57.94 million.

#### **Environmental Technology Segment under pressure**

Demand for Environmental Technology Segment products during 2014 fell short of expectations and in addition competitive pressure increased sharply. Nonetheless, as a consequence of the capture of several plant projects from mid-year onwards, order intake was raised considerably to EUR 20.52 million. Sales revenues were down on the 2013 figure at EUR 18.87 million and therefore in 2014 the Environmental Technology Segment provided 21.46% of total sales revenues. Relatively low result margins on plant and systems projects resulted in an EBIT contribution of only EUR 0.30 million.

#### **Packaging Technology with virtually doubled order intake**

In 2014, the independent subsidiary Statec Binder GmbH nearly doubled its order intake to a total of EUR 30.73 million. Segment sales revenues were down on the record level of 2013 at EUR 22.49 million, but remained well above the average of recent years. Moreover, with EBIT of EUR 2.99 million, Packaging Technology again provided a highly significant percentage of group EBIT.

#### **Export business further enlarged**

The international share of total sales revenues rose slightly to 94.2%, thus again underlining the enormous importance of export business. With a share of sales revenues of 42.5%, Western Europe (excluding Austria) was once more the largest sales market, followed by Asia and Australia with 26.1%, while Africa provided 9.7%, the Americas 8.5%, Central and Eastern Europe (CEE and CIS) 7.4% of sales revenues.

#### **Demand clearly higher**

Binder+Co was able to raise its order intake by 22% to EUR 109.19 million and therefore as at 31 December 2014, possessed an order backlog of EUR 57.80 million for 2015 and subsequent years.

#### **Binder+Co share price development**

Starting from a level of EUR 21.40 at the beginning of 2014, during the year the price of the Binder+Co share fell by 11.9% to close at EUR 18.85. It was therefore 188.5% above the value of the initial quotation on 27 December 2006.

#### **Outlook**

With an order backlog of EUR 57.80 million at the beginning of the year, in 2015 it should be possible to resume the growth course initiated in 2008 with renewed intensity and thus secure a solid basis for further expansion. The objective of the management is to maintain sales

growth and result quality at a level above the branch average.

***The Binder+Co Group***

*Binder+Co is a specialist in the field of processing, environmental and packaging technology and the world market leader in the screening and glass recycling segments. The company was listed on the Vienna Stock Exchange at the end of 2006 and is now part of the Third Market in the mid market segment. The Binder+Co Group consists of Binder+Co AG, the three fully owned subsidiaries Comec-Binder S.r.l., Bublon GmbH and Binder+Co Machinery (Tianjin) Ltd., as well as the Statec Binder GmbH joint venture (50.7%).*