

## Ad hoc Press release 2008

### A further chapter in the Binder+Co success story

*Gleisdorf, March 4, 2009.* At today's presentation of its Annual Report for 2008, Binder+Co was able to impress with considerable growth. As already reported in advance on February 9, during the past year the Styrian specialist for processing, environmental and packaging technology increased its sales by 37.4% to EUR 73.45 million. EBIT was also raised by 47.2% to EUR 7.20 million and at EUR 85.25 million, order intake was 48.3% up on the preceding year. To date, the company has only been moderately affected by the economic downturn.

#### Generally positive market environment

The general economic situation in 2008 proved extremely favourable for the mechanical engineering business of Binder+Co. The construction and construction sub-supply industry in western and eastern Europe, the global recycling branch and the iron and steel industry all showed solid development and thus formed a stable basis for the highly successful course of business of Binder+Co during the past year.

#### Sales and result markedly higher

Due to the positive market climate, in 2008 the Binder+Co increased its sales by 37.4% to EUR 73.45 million (2007: EUR 53.44 million). The main factor behind this impressive growth rate was the conclusion of numerous large system and plant projects in all three product segments.

Following the powerful sales growth in recent years, EBIT in 2008 was again raised considerably. At EUR 7.20 million, EBIT was a notable 47.2% higher than the figure for 2007 (2007: EUR 4.89 million). The basis for this excellent development was formed by a marked improvement in market presence, which resulted in the stimulation of a considerable increase in demand for Binder+Co products. In addition, the optimisation programme for a reduction in the delivery times and greater productivity launched in 2007 also had a positive effect in all company segments.

#### Performance of the individual product segments

In 2008, the **Processing Technology** Segment benefited from the continuing strong demand in western and eastern Europe, as well as that from the Asian iron and steel industry. Processing Technology Segment sales in 2008 rose to EUR 33.48 million (45.6% of total sales), the resultant EBIT contribution amounting to EUR 3.38 million (47.0% of total EBIT). Order intake in this segment was characterised by a satisfactory blend of single machine and system contracts and as at the year-end stood at a total of EUR 48.11 million. The order value thus obtained in 2008 was virtually double that of the previous year.

The past financial year in the **Environmental Technology Segment** was characterised by numerous system projects. Binder+Co was particularly successful with the marketing of its new CLARITY PLUS technology. Environmental Technology Segment sales of EUR 28.26 million (38.5% share of sales) represented an increase of 87.0% over the preceding year and the segment also furnished an EBIT contribution of EUR 3.61 million (50.1% of total EBIT). In total, new orders with a value of EUR 29.13 million were captured in 2008.

With effect from October 1, 2008 the Binder+Co Packaging Technology Segment was brought into the subsidiary Statec Binder GmbH, a joint venture with the former competitor, Statec GmbH. Binder+Co AG has a 50.7% shareholding in Statec Binder GmbH, which has thus been fully consolidated within Binder+Co's consolidated financial statements.

During 2008, the **Packaging Technology Segment** achieved sales of EUR 11.71 million (15.9% of total sales), which was 12.3% higher than in the preceding year. However, as a result of the clearance of low-margin system projects, at EUR 0.21 million (2.9% of total EBIT) segment EBIT remained at the level of the previous year. In total, the segment achieved order intake of EUR 8.01 million.

#### Export business continues to be of major significance

Binder+Co's international sales during the period under review provided 90.0% (2007: 87.0%) of total sales, which underlined the massive importance of export business. With a share of sales of 47.4%, western Europe excluding Austria remained the largest sales market, followed by central and eastern Europe (CEE and CIS) with 25.2%. Asia and Australia furnished 11.1% of sales, Africa and the Americas, 6.3%.

#### Positive order situation maintained

Total order intake in 2008 amounted to EUR 85.25 million, which was EUR 27.76 million or 48.3%, above the value of the previous year (2007: EUR 57.49 million). As at December 31, 2008, the Binder+Co Group had secured an order backlog of EUR 32.99 million. This figure already contains an order volume of EUR 9.27 million for 2010.

#### Outlook

Although to date Binder+Co has not felt any major effects of the economic and financial crisis and, due to the high order backlog, 2009 is well covered, at present a longer range forecast concerning company development is difficult. On the basis of solid order backlog, Binder+Co expects that the positive sales and EBIT levels of 2008 can be retained. However, following the strong growth of 2007 and 2008, even under normal economic conditions, it would have been difficult to improve markedly on the sales and results of previous years.

#### The Binder+Co share shows a solid price trend

During 2008, the price of the Binder+Co share, which is listed in the mid market of the Vienna Stock Exchange, could not escape the general market trend. Starting from a level of EUR 12.79 at the beginning of the year, by the year-end 2008 the price had fallen by some 26% to stand at EUR 9.45. This was the lowest level since the IPO. However, as compared to the ATX, which fell by over 61% in the same period,

the Binder+Co share performed relatively well.

#### **Share buy-back**

For the planned stock option programme, the Management Board of Binder+Co AG continued the share buy-back approved by the Annual General Meeting on March 26, 2008, to an amount equalling 10% of share capital.

#### **Inquiries**

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#### **The Binder+Co Group**

*Binder+Co AG 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 has been listed on the Vienna Stock Exchange since December 2006 and in June 2007 was admitted to the new mid market segment. It has been authorised to participate in regulated OTC trading since July 2007.*

*With effect from October 1, 2008, the activities of the Binder+Co Packaging Technology Segment were brought into the subsidiary, Statec Binder GmbH, in which Binder+Co AG*

*holds a majority interest of 50.7%. In 2008, Binder+Co had an average workforce of 236, sales amounting to EUR 73.45 million and EBIT of EUR 7.2 million. The company therefore had a solid EBIT margin of 9.8%.*