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Binder+Co: order intake upswing

Even though the first half of 2014 still brought Binder+Co, the international specialist for processing, environmental and packaging technology, tangible falls in both sales revenues and results, the level of new business recovered considerably.

Gleisdorf, 13 August 2014

The sideways trend in Binder+Co order intake that has been evident for several months was successfully interrupted in the second quarter of 2014. In the first half of 2014, the company was able to acquire new orders with a total value of EUR 53.99 million and thus exceeded the figure for the comparable period of 2013 of EUR 37.95 million by nearly a half (+42.3%).

Karl Grabner, Member of the Binder+Co Management Board: *"It is especially pleasing that in the second quarter we were able to capture an increasing number of system and plant projects. Previously, over a long period our new business was carried by single machine contracts alone. This was still evident in the sales revenues of the first half-year, which at EUR 46.22 million were 22.6% below the 2013 figure. EBIT was therefore also negative at minus EUR 0.49 million. The main reasons were the continuation of weak order intake in the first quarter of 2014, as well as the fact that a major order obtained in 2013, which will extend over several years, will not contribute to sales revenues in 2014. The Comec-Binder S.r.l., Bublon GmbH and Binder+Co Machinery (Tianjin) Ltd. subsidiaries, and the parent company were all affected by this negative development."*

Conversely, the order backlog situation and hence the medium-term outlook are both promising. As at 30 June 2014, Binder+Co order backlog totalled EUR 54.79 million, which was a notable 72.0% up on the EUR 31.86 million of the previous year. However, some EUR 23.46 million of this figure will first have an effect on sales revenues in 2015 and the following years.

Segment sales revenues and results lower, but more orders across the board

As the strongest segment, during the period under report **Processing Technology** provided sales revenues of EUR 18.82 million. Although slightly down, this again represented the largest share of total sales, whereby as in the first quarter the segment result remained negative. The losses suffered by the young subsidiaries allocated to this segment and the lack of result contributions from the parent company continued to be a burden. By contrast, order intake was raised by almost 60% and included larger systems orders.

The sales revenues of the **Environmental Technology** Segment, which focuses on sorting machines for glass and plastics recycling, totalled EUR 8.65 million and were therefore clearly down on the value of the preceding year. Segment EBIT was just positive and thus also demonstrated a tangible fall. Nonetheless, order intake was raised, mainly through large volume system business.

The **Packaging Technology** Segment, which is managed by the independent subsidiary Statec Binder GmbH, also showed a downturn in sales revenues and results as compared to the aboveaverage figures for the same period of 2013. However, order intake for the period was raised by around a third and apart from a continuation of positive single machine, spare part and service business, a larger sized systems order was also captured.

Stable outlook

As already mentioned, as at 30 June 2014 Binder+Co order backlog was 72.0% up on the value for the preceding year at EUR 54.79 million. However, current order backlog contains contracts of around EUR 23.46 million, which will extend beyond 2014. On the basis of an order backlog of around EUR 31.33 million for 2014, the aim of the management continues to be the retention of sales revenues and results at the levels of 2013.

Workforce numbers constant

In 2013, continuing internationalization resulted in a marked increase in the size of the Binder+Co workforce to 370 at year-end. As at 30 June 2014, the company had 369 own employees.

Investments

In the first half of 2014, Binder+Co invested a sum of EUR 3.3 million. The focus of this spending continued to be the construction of the new group headquarters at Gleisdorf, which commenced in 2012.

Binder+Co share price remains solid

During the first six months of 2014 the price of the Binder+Co share, which is traded on the mid market of the Vienna Stock Exchange, fell back by 6.6% from EUR 21.40 to EUR 19.99 and then remained stable.

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%). In 2010, Binder+Co was awarded the Austrian National Innovation Prize for its successful implementation of inventive capacity. Moreover, in 2011 it received both the Austrian National Prize for Work Safety for its introduction of special safety measures for apprentices, and the Best Open Innovator Award of the Zeppelin University Friedrichshafen as the top SME in the D-A-CH region. In 2012, the company was also presented with the TRIGOS Styria in the Ecology category for its efforts in the resource conservation area.

