



K A R D E X

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First half of 2001 for Kardex Remstar International Group: Vigorous sales growth as margins come under pressure

Once again, revenues during the first six months of 2001 increased sharply and, compared with the same period last year, were up 19.1% to CHF 230.4 million. The increase in orders received was even more pronounced. Major, prestige-linked projects, however, are hotly contested and in some cases were accepted with narrow margins merely in order to guarantee follow-up orders and open up new market segments. As a result, the figures for cash flow (+3.3%), income before tax (-6.8%) and income after tax (-9.8%) failed to keep pace with growth in total revenues. The increase in revenues and orders received, however, is proof enough that the decision to target the larger materials handling market has been well received worldwide and that the Kardex Remstar Group is in a position to remain competitive even when the economy has gone off the boil.

Key consolidated figures for the first half of 2001

	Jan.–June 00 (TCHF)	Jan.–June 01 (TCHF)	Change %
Total revenues	193 498	230 417	+19.1
Cash flow*	13 547	13 999	+3.3
Income before tax	13 623	12 693	-6.8
Income after tax	11 167	10 078	-9.8

* Income after tax plus depreciation

Successful new developments

The sustained growth is founded mainly on a number of newly developed and improved systems, which have now been successfully launched. Efforts in our R&D centres at Kardex/Megamat and AFT (Automation and Conveyor Technology) have been stepped up and are now beginning to pay off. With new systems designed specially for clean room storage, heavy load handling, automobile manufacture, e-commerce and distribution centres, Kardex Remstar is continuously opening up new applications and industries.



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Additional growth through acquisition

Kardex Remstar acquired a majority interest in the Belgian Stow Group retrospectively to April 1, 2001. At its production facilities in Belgium and China Stow manufactures static storage systems that will complement and consolidate the current Kardex Remstar range. The Stow takeover not only gives Kardex Remstar leading-edge expertise in automated series production but also means the Group can use Stow products to extend its customer base in the industrial and commercial sectors considerably. The Stow Group has 360 employees and is expecting to generate sales worth CHF 120 million in 2001, which will not figure in the half-yearly accounts.

Outlook

In view of the encouraging state of the order books, Kardex Remstar can look forward to revenues of around CHF 500 million, which represents internal growth of 14%, from its traditional operations for the current financial year. However, the acquisition of the Stow Group and its consolidation for nine months (from April to December 2001) means that Kardex Remstar can expect revenues for the current financial year of almost CHF 600 million.

Important dates in 2002

Media conference:

Monday, April 29, 2002, 9 am, Zunfthaus zum Rüden, Zurich

Analysts' meeting:

Monday, April 29, 2002, 11 am, Zunfthaus zum Rüden, Zurich

Annual General Meeting:

Tuesday, May 28, 2002, 11 am, Bernhard Theater, Zurich