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The first half of 2005 for the Kardex Remstar International Group: Substantial improvements in sales and profits

As announced, the Kardex Remstar Group's financial statements for the first half of 2005 are reported for the first time under IFRS and in euros. For comparative purposes, the previous year's figures have been restated.

At the last Annual General Meeting on May 23, 2005, the Management Board of the Kardex Remstar Group announced "profitable growth" as its top priority. The half-year figures for 2005 demonstrate that the strategic course we have set is the correct one. Although the materials handling sector is still beset by fierce competition, great restraint among investors worldwide and a hard-fought price war which is putting pressure on margins, the Kardex Remstar Group succeeded in increasing sales and earnings.

The growth in sales was particularly gratifying. At EUR 195.4 million (previous year: EUR 159.3 million), revenues were 22.7% up on the comparable period of 2004. All three relevant divisions contributed to this result with double-digit sales growth. Earnings and other key figures also showed a positive trend. Given the unsatisfactory performance in this area in the first half of 2004, a percentage comparison is not particularly illuminating, but the absolute values speak for themselves. After-tax earnings amounted to EUR 4.8 million (previous year: EUR -3.4 million); earnings before tax totalled EUR 7.6 million (previous year: EUR -2.8 million); EBIT stood at EUR 8.2 million (previous year EUR -0.6 million); and EBITDA was EUR 12.4 million (previous year EUR 5.1 million).

Consolidated key figures for the first half of 2005

in EUR million	1st half-year 2005	1st half-year 2004	Change
Net revenues	195.4	159.3	+22.7%
Operating profit (EBIT)	8.2	-0.6	-
EBITDA	12.4	5.1	+143.1%
Profit before tax (EBT)	7.6	-2.8	-
Profit after tax	4.8	-3.4	-
Bookings	216.2	190.0	+13.8%
Backlog at June 30	161.3	122.6	+31.6%

K A R D E X

Background

These gains are not least a result of the Group's market-oriented structure, the strengthened capital basis, the capable new management team and enthusiastic employees at every level of the organization. In addition to volume gains, the Dynamic Storage and Retrieval Systems Division (KRM) made significant advances in productivity and profitability. The Industrial Automation and Conveyor Technology Division (AFT) reported a loss, despite marked sales growth in the first semester. This was due to high, non-recurring and non-transferable costs arising from a major order. The Static Storage Systems Division (Stow) produced an outstanding performance on all fronts, the most noticeable being the improvement in margins. The small Special-Purpose Handling Systems Division (STE) will not be shown separately in future.

Outlook

New orders recorded by the Kardex Remstar Group in the first half of 2005 reached EUR 216.2 million (previous year: EUR 190.0 million), a gain of 13.8%. Orders in hand as of June 30, 2005, totalled EUR 161.3, up from EUR 122.6 million. This represented an advance on the previous year of 31.6%. The Kardex Remstar Group considers this a solid basis for a good second-half performance and improved results for the 2005 financial year as a whole.

Important dates in 2006

Media conference: Thursday, April 27, 2006, 9 am, Zunfthaus zum Rüden, Zurich

Analysts' meeting: Thursday, April 27, 2006, 11 am, Zunfthaus zum Rüden, Zurich

Annual General Meeting: Monday, May 22, 2006, 11 am, Lake Side Casino Zürichhorn, Zurich

Kardex Remstar International Group

Australia, Austria, Belgium, China, Cyprus, Czech Republic, Finland, France, Germany, Great Britain, Greece, Hungary, India, Ireland, Italy, Mexico, Netherlands, Norway, Poland, Portugal, Singapore, Slovakia, South Korea, Spain, Switzerland, Taiwan, USA.

Parent company

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