



# K A R D E X

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## **Kardex Remstar International Group: Results in line with revised expectations**

Despite a decline during the fourth quarter, the Kardex Remstar Group posted sales of CHF 560.5 million in 2001. Of this total, STOW, acquired on April 1, 2001, contributed CHF 87.2 million in nine months. Without STOW, growth would have stood at 7.3%.

As already announced in November 2001, the profit situation worsened drastically during the second half of last year, particularly in the final quarter. The divisions to suffer most from the depressing world economic situation were our traditional core business, Dynamic Storage and Retrieval Systems (Kardex Remstar Megamat) and Special Storage Technology. Many projects were postponed and, as to be expected, the competition for remaining orders was fierce.

The new divisions, acquired more recently (Industrial Automation and Conveyor Technology, AFT, and Static Storage Systems, STOW), proved to be considerably more resilient. Both companies have fully lived up to original expectations and generated good results.

The Kardex Remstar Group reacted swiftly to the changed conditions in its traditional areas and introduced a package of restructuring measures. The costs arising from this action, which have been caused mainly by staff reductions in various countries, were an additional drain on last year's result. Furthermore, the result was reduced because goodwill is shown in the balance sheet and the amortisation appears in the income statement.

## **Key consolidated figures for 2001**

	Jan.–Dec. 00 (TCHF) (not restated)	Jan.–Dec. 00 (TCHF) (restated)	Jan.–Dec. 01 (TCHF)	Change %
<b>Total revenues</b>	<b>441 056</b>	<b>441 056</b>	<b>560 468</b>	<b>27.1</b>
Operating result (1)	34 085	34 085	26 465	-22.4
- Restructuring costs	0	0	-4 562	-
- Amortisation of goodwill	0	-5 140	-4 759	-7.4
<b>Operating result</b>	<b>34 085</b>	<b>28 945</b>	<b>17 144</b>	<b>-40.8</b>
Income before tax (1)	29 276	29 276	18 291	-37.5
- Restructuring costs	0	0	-4 562	-
- Amortisation of goodwill	0	-5 140	-4 759	-7.4
<b>Income before tax</b>	<b>29 276</b>	<b>24 136</b>	<b>8 970</b>	<b>-62.8</b>
<b>Income after tax</b> (before minority interests)	<b>24 630</b>	<b>19 490</b>	<b>6 126</b>	<b>-68.6</b>
<b>Income after tax</b> (after minority interests)	<b>24 630</b>	<b>19 490</b>	<b>4 051</b>	<b>-79.2</b>
<b>Cash Flow</b> (2)	<b>30 047</b>	<b>30 047</b>	<b>21 261</b>	<b>-29.2</b>

(1) Before restructuring cost and amortization of goodwill

(2) Income after restructuring costs and taxes, before minority interests, including depreciation and amortization of goodwill



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## **Changed conditions**

In recent years, the Kardex Remstar Group has grown strongly, both internally and as the result of acquisitions. Sales have virtually doubled since 1999. During this period Kardex Remstar has increased its worldwide significance, established a very positive image and acquired larger market shares. In the years ahead, management intends to focus primarily on improving the profitability of divisions individually and of the Group as a whole. The new dimensions and the wider, newly structured range of products and services, are an ideal springboard. The world's materials handling markets are now being addressed by four separate divisions, each highly professional and experienced in its own particular field. The sales organizations are structured so as to be able to react swiftly and flexibly to their customers' requirements. The Group's development and production facilities are geared consistently to providing customer benefits.

## **Outlook**

Assuming the economic climate does not further deteriorate, the Kardex Remstar Group is expecting sales of around CHF 600 million in financial year 2002. Implementation of the restructuring measures – the costs of which are reflected in last year's figures – should herald a return to considerably higher profitability.

## **No dividend for financial year 2001**

Since its stock market flotation in 1987, Kardex has not only paid an annual dividend but also increased it regularly, thus demonstrating a decidedly shareholder-friendly policy. This year, for the first time ever, the Board of Directors will be asking the Annual General Meeting to accept that no dividend will be paid for 2001. However, it is the Board's declared intention to return to an attractive dividend payment again as soon as circumstances permit.

## **Important dates in 2002**

Media conference:

Monday, April 29, 2002, 9 a.m., Zunfthaus zum Rüden, Zurich

Analysts' meeting:

Monday, April 29, 2002, 11 a.m., Zunfthaus zum Rüden, Zurich

Annual General Meeting:

Tuesday, May 28, 2002, 11 a.m., Bernhard Theater, Zurich