



K A R D E X

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Kardex Remstar International Group: Board proposes dividend

As announced on several occasions, Kardex Remstar's main priority in 2003 was to increase profits. This goal was achieved, with income after tax and minority interests rising by 168.7% from CHF 3 million to CHF 8.1 million. The positive aspect of this figure is that it was not exclusively generated as a result of cost-cutting measures but mainly through the Group's market success. In a very demanding year, Kardex Remstar also pushed up sales by an impressive 11.6% and topped the CHF-600-million mark for the first time ever. Any comparison of companies in the materials handling market would have to conclude that the Kardex Remstar Group is very competitive. Progress was also made on three other fronts: EBITA (+4.7%), EBIT (+6.7%) and income before tax (+86.1%).

Consolidated key figures for 2003

	Jan.–Dec. 03 (TCHF)	Jan.–Dec. 02 (TCHF)	Change in %
Total revenues	613 491	549 935	+11.6
EBITA	24 454	23 348	+4.7
Amortization of goodwill	-4 786	-4 909	-2.5
EBIT	19 668	18 439	+6.7
Income before tax	14 728	7 914	+86.1
Income after tax (after minority interests)	8 080	3 007	+168.7
Cash flow *)	25 386	22 460	+13.0

*) Income after tax and before minority interests, including depreciation and amortization.

The largest single contribution towards sales growth was made by the Industrial Automation and Conveyor Technology division. AFT increased its sales volume by an impressive 47.3% compared with the previous strong year. Static Storage Systems (Stow) had a hesitant start to the year but still managed to boost sales by 7.6%. Dynamic Storage and Retrieval Systems (KRM), the strongest division in terms of sales, reported a slight drop of 3.0% in turnover, while the Group's smallest division, Special-Purpose Handling Systems, posted a 25.5% decrease following the sale of Retis Software Company.

The three largest divisions all posted profits while the Special-Purpose Handling Systems division managed to halve its losses of the previous year.



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Outlook

Kardex Remstar logistics solutions and its employees have performed creditably at a time of great economic difficulty. If the upturn that appears to have started actually materializes, the Group will make use of its strong position on the world's major markets to make further progress in sales and profits.

Special focus on Far Eastern markets

The Group is consciously promoting its operations in China and South Korea, as well as in India, Taiwan and Singapore. In all these growth markets the Kardex Remstar Group can draw on established production and service capacities that were established at an early stage and can be expanded as required.

Dividend

The Board of Directors of Kardex AG will ask the Annual General Meeting to approve its proposal for a dividend of CHF 3 per share/participation certificate.

Enclosed

Please note the enclosed information about current major transactions.

Important dates in 2004

Analysts' meeting: Thursday, April 22, 2004, 11 a.m., Zunfthaus zum Rden, Zurich
Annual General Meeting: Monday, May 17, 2004, 11 a.m., Bernhard-Theater, Zurich

Kardex Remstar International Group

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

Parent company

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