

Press release

euromicron AG on course after the first six months of 2018

- Consolidated sales in continuing core business increased by EUR 1.5 million
- Operating EBITDA at EUR 0.8 million as forecast
- Working capital EUR -5.4 million lower, working capital ratio declined by 1.1 percentage points
- Operating cash flow (adjusted for factoring effects) improved by EUR 7.9 million
- Order backlog from continuing core business up EUR 4.7 million year-on-year

Frankfurt/Main, August 9, 2018 – euromicron AG, a medium-sized technology group and specialist for the “Internet of Things” (IoT), published its report on the first half of 2018 today.

Sales in the first half of 2018 amounted to EUR 150.6 million and were thus EUR -3.0 million below the figure for the same period of the previous year (EUR 153.6 million). Adjusted for sales effects from operations that have since been sold or discontinued (EUR 4.5 million), sales in the continuing core business rose by EUR 1.5 million or around 1.0% in the first half of 2018. Operating EBITDA in the first half of 2018 amounted to EUR 0.8 million (previous year: EUR 0.7 million) and is thus on target.

The consolidated loss for the period as of June 30, 2018, amounts to EUR -6.9 million and is thus EUR -1.5 million higher than in the first half of 2017 (EUR -5.4 million). At EUR -1.0 million, this effect is mainly due to higher special costs affecting EBITDA and at EUR -0.2 million to special costs recorded in the financial result. In the first half of 2018, the special costs with an impact on EBITDA totaled EUR -2.5 million. Depending on the pace of implementation of various measures to transform business processes, we expect additional special costs that could impact the result.

In addition, the Group made further progress in reducing working capital. The working capital ratio was reduced by 1.1 percentage points to 20.8%, compared to 21.9% as of June 30, 2017. Adjusted for factoring effects, working capital amounted to EUR 68.8 million as of June 30, 2018, and was thus EUR -5.4 million lower than on June 30, 2017 (EUR 74.2 million). Operating cash flow (adjusted for factoring effects) amounted to EUR -3.2 million as of June 30, 2018, a significant improvement of EUR 7.9 million (previous year: EUR -11.1 million).

“We developed in line with our expectations in the first half of 2018. In particular, the reduction in working capital and the improvement in operating cash flow encourage us to continue resolutely along the path we have embarked upon,” said Bettina Meyer, Spokeswoman for the Executive Board.

At EUR 159.8 million, incoming orders from the euromicron Group’s continuing operations in the first six months of 2018 were down EUR -7.0 million or -4.2% year-on-year (EUR 166.8 million). By contrast, the order backlog of the continuing core business increased by EUR 4.7 million or 3.5% to EUR 139.1 million, compared to EUR 134.4 million in the first half of 2017.

“There is a great need to invest in digitalized network infrastructures. Companies need to digitalize their business models in all areas in order to keep pace with rapid technological change. One example: We now support the Rohde & Schwarz technology group with the maintenance and repair of the R&S QPS200 high-tech security scanners used to check people at German airports. With our expertise, we help to ensure smooth processes for passengers and ensure the shortest possible response times should a breakdown occur,” explains Jörn Trierweiler, euromicron Executive Board member.

Bettina Meyer adds with a view to the second half of the year: “We are working intensively on further bundling our competencies within the Group. We support our customers as a solution provider and implement their individual needs.”

The full report on the first half of 2018 is available as of today on the company’s website at www.euromicron.de in the section “Investor Relations/Publications/ Financial Reports.”

About euromicron AG:

euromicron AG (www.euromicron.de) is a medium-sized technology group. As a German specialist for the Internet of Things (IoT), euromicron enables its customers to network business and production processes and successfully move to a digital future. With its solutions for Digital Buildings, Smart Industry and Critical Infrastructures, flanked by Smart Services, the euromicron Group is the partner to small and medium-sized enterprises, large companies and public-sector organizations. Tailor-made, innovative technology solutions are a core competence of euromicron. With its expertise in sensors, devices, infrastructure, software and services, euromicron is in a position to offer its customers networked and comprehensive solutions from a single source. In this way, euromicron helps its customers to increase flexibility and efficiency as well as to develop new business models.

The euromicron Group comprises a total of 16 subsidiaries, including the brand names ELABO, LWL-Sachsenkabel, MICROSENS and telent. The technology group is headquartered in Frankfurt/Main, has been listed on the stock exchange since 1998 and employs around 1,800 people at 30 locations. euromicron AG generated total sales of €332.9 million in fiscal year 2017.

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