

Press release

euromicron AG publishes 2019 Half-Year Report

- Final half-year figures equivalent to the published figures
- EUR 3.8 million increase in EBITDA (before IFRS 16) shows improved quality of the margin
- Forecast for 2019 as a whole confirmed

Frankfurt/Main, August 8, 2019 – euromicron AG, a medium-sized technology group and specialist for the digital networking of business and production processes, published its report for the first half of 2019 today.

Consolidated sales for euromicron in the first half of 2019 amounted to EUR 146.7 million (previous year: EUR 150.6 million). At the same time, the company significantly improved its EBITDA (before IFRS 16) by EUR 3.8 million to EUR 2.1 million (previous year: EUR -1.7 million). The Group's EBITDA margin (before IFRS 16) was 1.4% (previous year -1.1%). Overall, consolidated net income (before IFRS 16) as of June 30, 2019, amounted to EUR -4.6 million (previous year: EUR -6.9 million).

“In the first half of the year, we continued to work on the successful implementation of our business. We succeeded in further improving the quality of the margin in our projects. In the second quarter, we continued to develop positively, particularly in the “Smart Buildings” segment, which made a significant contribution to the substantial margin increase. In our view the premise of ‘profitability before sales’ still applies,” explains Bettina Meyer, Spokeswoman for the Executive Board.

In the reporting period, euromicron generated operating cash flow (before IFRS 16) of EUR -7.3 million, which improved by EUR 1.5 million compared to the same period last year (previous year: EUR -8.8 million). In addition, euromicron significantly reduced its working capital compared with June 30, 2018. Adjusted for factoring effects, working capital amounted to EUR 33.2 million as of June 30, 2019, and was thus well below the figure on the previous year's reporting date (previous year: EUR 41.4 million). As a result, the working capital ratio (after factoring) improved to 10.6% (previous year: 12.6%).

“The EUR 18.2 million increase in the order book to EUR 157.9 million provides a good basis for further growth in the second half of the year. As a reliable partner for cities and municipalities in fiber optic expansion, for example, we are currently connecting 60,000 buildings to the high-speed fiber optic network of Stadtwerke Münster. In other words, we are supplying innovative and secure network technology and advising our customers individually. We are also currently working on offering new customer-oriented digital service models for secure infrastructure solutions and thus further expanding the service share of our business,” adds Dr. Frank Schmitt, Chief Technical Officer (CTO) of euromicron AG.

For 2019, the Executive Board continues to expect consolidated sales of between EUR 325 million and EUR 345 million and an EBITDA margin between 4.0% and 5.5%. The revenue development in the first half of 2019 was characterized in particular by a change in the seasonality of revenue in the Critical Infrastructures segment compared to the previous year. The company therefore expects this seasonal fluctuation to compensate for itself in the second half of 2019.

The full report on the first half of 2019 will be published on the company's website at <https://www.euromicron.de/en/financial-reports>.

About euromicron AG:

euromicron AG (www.euromicron.de) is a medium-sized technology group that unites 16 companies from the fields of Smart Buildings, Smart Industry, Critical Infrastructures and Smart Services. Rooted in Germany, euromicron operates internationally with its around 1,900 employees at 40 locations. Backed by its expertise in sensor systems, terminal devices, infrastructures, platforms, software and services, euromicron is able to offer its customers end-to-end solutions from a single source. As a result, euromicron helps small and medium-sized enterprises, large companies and public-sector organizations enhance their agility and efficiency, prevent security risks and develop new business models. As a German specialist for the Internet of Things (IoT), euromicron enables its customers to network business and production processes and successfully achieve digitization. euromicron AG generated total sales of €318.0 million in fiscal year 2018.

Social media profiles and RSS feeds: www.euromicron.de/aktuelles/social-media



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