

## **Press release**

### **ATB Austria Antriebstechnik posts record results**

- § **Big increases in revenue and profits**
- § **Record order intake and backlog**
- § **Product and market diversification through acquisitions**
- § **Dividend unchanged at EUR 0.50**
- § **Headcount almost 4,000**

Vienna, 1 March 2005 – Vienna listed Austria Antriebstechnik AG (ATB), a Spielberg based subsidiary of the A-TEC Industries Group, recorded the best results in its history in 2004. ATB posted record revenue, profit on ordinary activities (POA) and net profit, as well as an increased return on sales.

#### **Record revenue and profits**

The international electric motor group — which operates in Austria, the Czech Republic, France, Germany, Serbia and Montenegro (acquired at the end of 2004 and not included in the results) and the UK — returned a 20.2% increase in revenue to EUR 181.0m in financial 2004 (2003: EUR 150.6m). Earnings before interest and tax (EBIT) were slightly lower at EUR 4.6m (2003: EUR 4.7m). Profit on ordinary activities (POA) climbed by 46.1%, from EUR 4.2m to EUR 6.1m, and net profit for the year (before minority interests) advanced by 18.7% to EUR 4.1m (2003: EUR 3.4m). Return on sales was up from 2.8% to 3.4%.

Order intake (excluding the new Serbian subsidiary Sever) rose from EUR 153.0m to an all-time high of EUR 196.7m. As at 31 December 2004 order backlog (excluding Sever) stood at EUR 39.4m. The group has sufficient work in hand, and is in a good position going into 2005. At year end the headcount including the Sever Group was 3,970 people — an increase of 183% over the previous year.

#### **Rapid growth driven by acquisitions in France, Serbia and UK**

The rapid growth and significant improvements in all key financial indicators recorded in 2004 were chiefly due to the acquisitions made during the year. These greatly strengthened the group in terms of both its product and market portfolios. In April the ATB Group acquired and rapidly integrated a well-known French electric motor manufacturer which now trades under the name of ATB SELNI. This first major acquisition of the year enabled ATB to return to washing machine motor manufacturing which it had exited some years earlier. In October 2004 ATB acquired ATB Morley, located in Leeds, UK, which specialises in developing and manufacturing electric motors for use in coal mines. The company is an ideal fit for ATB's Explosion-proof Motors Business Unit. The Group will continue to pursue its expansion strategy in 2005. ATB took a decisive step in this direction when it

purchased a 63% interest in Sever Holding International which produces quality low and high voltage industrial motors. This major acquisition gives ATB a modern production site in Southeastern Europe.

### **Dividend policy unchanged**

On 10 August 2004 the number of ATB shares was increased from three to nine million in a three for one split. Earnings per share were EUR 0.44 (equal to EUR 1.14 before dilution) in 2004 compared to EUR 0.38 in 2003 — an increase of 14.9%. The Management Board will be recommending an unchanged EUR 0.50 dividend (equal to EUR 1.50 per share before dilution) to the Annual General Meeting on 4 May 2005.

### **Outlook**

The ATB Group will continue to pursue its dynamic growth strategy into 2005, and will further diversify its product portfolio by making additional acquisitions. ATB's activities — particularly those of the House and Garden business unit — will focus more strongly on the Chinese growth market. The first production line in Shanghai is due to start up in the spring of 2005. ATB chief executive Mariko Kovats said: "Last year's acquisitions have not only extended our technological base and product portfolio, they have also enabled us to break into markets such as the US, Eastern Europe, North Africa and South America where we previously had little or no presence. Exploiting this potential, identifying new takeover targets and leveraging all the Group's synergies, as well as integrating the new subsidiaries quickly and efficiently will be the main challenges this coming year. At the same time we also plan to build out our R&D capabilities. A new R&D centre under construction in Rankweil will mainly be used to develop electric motors for the automobile industry." Expressing optimism about the coming year, Kovats added, "Our constantly growing market shares, continued rapid growth, sound finances and satisfactory order books gives us a strong platform for another good performance, and we expect revenue and earnings to increase again in 2005."

### **ATB Group results**

(according to IFRS in EUR '000)

	<b>2004</b>	<b>2003</b>	<b>% change</b>
<b>Revenue</b>	180,976	150,591	20.2%
<b>EBITDA</b>	11,752	11,229	4.7%
<b>EBIT</b>	4,608	4,733	-2.6%
<b>POA</b>	6,139	4,203	46.1%
<b>Net profit for the year before minority interests</b>	4,089	3,445	18.7%
<b>ROS</b>	3.4%	2.8%	21.5%
<b>Total assets</b>	125,042	99,547	25.6%
<b>Employees (full-time basis)</b>	3,970	1,400	183.6%

## **About Austria Antriebstechnik AG (ATB)**

The Vienna listed Austria Antriebstechnik AG (ATB) Group, headquartered in Spielberg, Austria, is one of the world's leading manufacturers of electrical drive systems for industrial applications and appliances. Its subsidiaries are: ATB Antriebstechnik, Welzheim, Germany; ATB Motorentchnik, Nordenham, Germany; the Thien Group, Rankweil, Austria; ATB Bastro s.r.o., Ostrava, Czech Republic; ATB Selni, Nevers, France, ATB Morley, UK; and ATB Sever a.d., Serbia and Montenegro. ATB currently has about 4,000 employees.

## **About A-TEC Industries**

A-TEC Industries AG is a privately owned industrial group based in Vienna with successful operations in the electric motor, plant engineering, machine tool and metallurgical industries. The Group currently employs around 7,000 people in Austria, Croatia, the Czech Republic, France, Germany, Italy, Serbia and Montenegro, Spain, Switzerland, the UK and the USA. Consolidated revenue for 2004 is expected to top EUR 1 billion.

For further information visit [www.a-tecindustries.at](http://www.a-tecindustries.at) and [www.atb.co.at/](http://www.atb.co.at/).

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