



PRESS RELEASE

Austrian Energy & Environment Group: 2005 results

- **Consolidation of market leadership through numerous major international orders.**
- **Increases in both revenue and earnings.**
- **Further energy business purchases from the Alstom Industrial Boilers and Plants planned for 2006.**

Raaba/Graz, 5.4.2006. Austrian Energy & Environment AG, the international plant building group owned by A-TEC Industries AG with headquarters in Raaba near Graz, can point to a successful fiscal 2005. Christian Schmidt, a member of both the A-TEC Industries Managing Board and the Austrian Energy & Environment Supervisory Board, is satisfied with Group development, *“Following a period of dynamic growth, 2005 was a year of consolidation, characterised by the further integration of the companies acquired in the recent past. Moreover, during the past twelve months, despite stiff international competition, we succeeded in capturing major future-oriented contracts, above all in Germany and France, but also in the newly accessed Swedish market. We have therefore defended our leadership in the international energy generation and environmental engineering sector.”*

This satisfactory course of business is mirrored by Austrian Energy & Environment’s consolidated results, which following the leap forward made in 2004, again demonstrated growth in revenue and earnings during the past financial year. As compared to the preceding year, revenue rose by around 3% from EUR 430.7 m to EUR 443.3 m. The profit from operations (EBIT) was also raised by 8% from EUR 21.1 m to EUR 23.1 and ROS (return on sales) stood at 5%. The profit before tax was up by more than 18%, surging from EUR 19.6 m to EUR 23.2 m. On the balance sheet date of December 31, 2005, balance sheet total for the year amounted to EUR 460.6 m, following EUR 453.2 m in 2004. Moreover, the equity quota was also improved considerably, rising from 10.5% in 2004 to 20.2% in 2005. Order intake (approx. EUR 380 m) and order backlog (approx. EUR 626 m) were both down on the figures for 2004. In particular, this was due to the postponement of a major project, which, however, was subsequently concluded in the first quarter of 2006.

Apart from organic growth, in 2005 the Austrian Energy & Environment Group was strengthened still further by a supplementary acquisition and took the next logical step en route to expansion and internationalisation. In December, the Australian energy business of Alstom Industrial Boilers and Plants was acquired, thus opening up an important point of access to the Asian-Pacific growth region, which has a particularly large demand backlog with regard to new investments in the power sector. In the meantime, the integration of the company, which now operates under

the name Austrian Energy & Environment (Australia) Pty. Ltd., has been virtually completed. The two companies purchased in India during 2004 were also fully integrated during the past financial year.

As a result of the addition of the new locations in India and Australia, as well as growth in personnel at existing Group companies, during the year the workforce increased by around 30% to stand at a total of 2,153 employees on December 31, 2005. Of these, 286 are employed at the Austrian locations in Graz and Vienna, 552 at the Swiss company, Von Roll Inova, 429 at Babcock Power España in Spain, 365 at the Duro Dakovic production centre in Croatia, 331 at the two Indian locations and 190 at the latest acquisition in Australia.

In 2006, the Austrian Energy & Environment Group will continue to grow and subject to approval by the responsible German anti-trust authorities, will take over further segments of the Alstom Industrial Boilers and Plants Division in Germany and the Czech Republic. As a consequence of this ongoing international expansion, a new Group structure is currently being implemented, which apart from the Group managing board and the appropriate supporting corporate functions, will consist of six business divisions in Austria, Australia, Croatia, India, Spain and Switzerland. As Christian Schmidt concludes, *“Our main priority is to offer the complete Austrian Energy & Environment Group product portfolio via each of the national organisations. In 2006, the focus will be on the further integration and structuring of our rapidly expanding Group and the optimum use of the resulting synergies and additional earnings potential.”*

Austrian Energy & Environment

The Austrian Energy & Environment AG Group is a leading supplier of power generation and environmental technology. The company's success is based on continuous development of engineering in the special fields of fluidised bed, industrial, liquor, waste-fired grate, biomass and PC boilers as well as gas cleaning systems, HRSG, boiler and valve manufacturing as well as services. The portfolio is complete with turn-key solutions as well as manufacturing and engineering services. The Group, which also includes the Swiss company, Von Roll Inova and the Spanish Babcock Power España employs a workforce of around 2,150 in Graz and Vienna (Austria), Zurich (Switzerland), Paris (France), Norcross (USA), Bilbao and Madrid (Spain), Shanghai (China), Chennai (India), Sydney (Australia) and Slavonski Brod (Croatia), and is owned by A-TEC Industries AG.

A-TEC Industries

A-TEC INDUSTRIES AG is a privately owned, international industrial group based in Vienna, which is a successful, global player in the fields of drive technology, plant building, mechanical engineering and metals. The Group currently employs a workforce of some 10,000 in Austria, Germany, Switzerland, France, the USA, Spain, Italy, Croatia, the Czech Republic, Slovakia, the UK, Serbia and Montenegro, China, India and Australia.

Further information is available on the Internet under www.aee.co.at and www.a-tecindustries.at

For inquiries, please contact:

Press Office A-TEC Industries AG
Claudia Müller-Stralz, Pleon Publico, Neulinggasse 37, 1030 Vienna
Tel: +43-1-71786-107, Fax: +43-1-71786-60
claudia.mueller@pleon-publico.at