



## EANS-Adhoc: BENE AG / Earnings first half-year of 2011/12 (with document)

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- Strong pace of growth in UK, Germany and Middle East
- Solid order intake
- Total sales rose by 14.3 %
- Disproportionate improvement in all earnings figures
- Gross profit margin further increased to 53.7 %
- Active expansion in the growth markets Asia / Pacific

Vienna/Waidhofen an der Ybbs, September 21, 2011. In a very competitive environment, the Vienna Stock Exchange listed Bene AG has raised sales by 14.3 % in the first six months of the current financial year (February 1, until July 31, 2011). In the same period, the international office furniture manufacturer has disproportionately improved all earnings figures and further increased the gross profit margin.

### Continued growth trend

After the significant sales increase in the first quarter (plus 18.5 % compared to the previous year's reference period), the Bene Group has again successfully realised several major international projects in the second quarter of 2011/12, and thus has carried on with the positive dynamics of the prior period. In the first half-year of the current financial year, total sales rose by 14.3 % to EUR 88.2 million (first half-year 2010/11: EUR 77.1 million). In comparison with the first half-year of the prior year, the segments UK (plus 32.2 % to EUR 11.7 million), Germany (plus 19.6 % to EUR 24.3 million) as well as 'other markets' (plus 72.4 % to EUR 22.7 million) showed considerable increases in sales. Over the quarter, also the Russia segment recorded a positive development. After sales of EUR 3.2 million in the first quarter of 2011/12, Bene achieved sales in the amount of EUR 3.7 million in the second quarter. In fact, after the first six months, accumulated sales dropped by 11.6 % to EUR 6.9 million; however because of last weeks' incoming orders, a distinct upswing in the Russian market in the second half-year may be expected. In the Austria segment, in the second quarter, Bene consistently pursued the change in strategy introduced at the beginning of the year 2011/12 to counteract the ongoing weak margin development on major projects in the home market. Although the Bene Group has consciously taken a decline in sales of 16.2 % to EUR 22.7 million in the first six months of the financial year (first half-year 2010/11: EUR 27.1 million), Bene is still undisputed market leader in the home market. By this measure, in the medium term, Bene expects an expansion in sales of medium and small projects as well as a stronger market penetration and thus an improvement in margins.

### Disproportionate improvement in earnings

The considerable rise in sales, the well-targeted control of the product portfolio in the different sales markets and the focus on high-margin projects reflected in the positive development of earnings in the first half-year of 2011/12. Thus, the EBITDA of EUR 1.8 million (first half-year 2010/11: EUR - 2.1 million) turned positive. The Bene Group likewise significantly improved the EBIT, which with EUR - 2.3 million after the first six months of the current business year (first half-year 2010/11: EUR - 6.4 million) was still negative, but was 63.4 % higher than the reference value of the previous year. The gross profit margin (revenue +/- inventory changes - expenses for materials and supplies in relation to revenue) further improved and increased from 52.8 % in the first quarter to 53.7 % in the second quarter. Thus, despite the achieved

expansion in sales it was clearly higher than the reference value of the prior year (first half-year 2010/11: 52.8 %). Expenses for materials and supplies increased by 6.4 million to EUR 43.7 million in the first six months (first half-year 2010/11: EUR 37.3 million) and represented 49.6 % of revenue (first half-year 2010/11: 48.3 %).

#### Solid assets and capital structure

In comparison with the balance sheet date January 31, 2011, as of July 31, 2011, the balance sheet total decreased by EUR 13.7 million to EUR 135.5 million (January 31, 2011: EUR 149.2 million). Accordingly, the equity ratio came to 25.1 % (January 31, 2011: 25.9 %).

#### Investments

Investments in replacements at the site in Waidhofen/Ybbs as well as the expansion and the modernisation of the show rooms in London, Moscow and Villingen-Schwenningen primarily determined the investment volume of the first six months, which with EUR 3.1 million (first half-year 2011/12: EUR 3.0 million) was slightly higher than the comparison value of the previous year.

#### Headcount steady

On the reporting date July 31, 2011, the Bene Group occupied 1,261 employees in total and thus 4 persons or 0.3 % less than in the past year.

#### Outlook

On the basis of the further increased order intake in the first two quarters, the Management of the Bene Group assumes a substantial growth in sales in the second half-year of 2011/12 as well as a significant improvement in earnings for the overall year 2011/12. Against this background and provided that the positive development continues over the coming months, the Bene Group changes its outlook and expects to record a positive EBIT for the financial year 2011/12. On the basis of existing capacities, the Bene Group has a great organic growth potential to exploit, provided that the markets continue to develop positively. Particularly against the background of the successful market introduction of more new and profitable product groups in the past financial year.

#### Note

Among others, this report contains statements on potential future developments, which were made on the basis of currently available information. Such statements, which reflect the current assessment of future developments by our Management Board, cannot be construed as guarantees for future performance and bear unforeseeable risks and uncertainties. There may be a variety of reasons for actual results and conditions to diverge from the assumption, on which the statements were based.

The report for the first half-year 2011/12 is available on the Internet under [www.bene.com/office-furniture/investor-relations-status-reports](http://www.bene.com/office-furniture/investor-relations-status-reports).

#### About Bene

Bene is convinced that there is a clear connection between the design of office and work environments, corporate culture and the success of a company. Bene's concepts, products, and services put this philosophy into reality. Development, design, and production as well as consulting and sales are covered under one roof. With 85 sites in 36 countries and 1,261 employees worldwide, Bene offers its customers regional access to all of its services. In the business year 2010/11, consolidated sales of the Bene Group amounted to EUR 170.8 million. Bene is market leader in Austria and number five in Europe.

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