



EANS-Adhoc: BENE AG / Bene with significant improvement in earnings and slight decrease in sales in the financial year 2010/11 (with document)

ad-hoc disclosure transmitted by euro adhoc with the aim of a Europe-wide distribution. The issuer is solely responsible for the content of this announcement.

- EBITDA positive again - EBIT increased by EUR 5.8 million
- Gross profit margin further improved to 53.8 %
- Clearly positive operating cash flow (EUR 13.8 million)

Vienna/Waidhofen an der Ybbs, May 19, 2011. In the past financial year (February 1, 2010 until January 31, 2011), where in a difficult economic environment the consolidation process of the late cycle office furniture industry further accelerated, the Vienna stock exchange listed Bene Group has successfully maintained its market position, with a slight decline in sales but significant increases in EBITDA and EBIT. The Bene Group has quickly and resolutely responded to the challenging environment prevailing since 2008/09 without leaving the strategic focus. In line with this, the international specialist for office and working environments has significantly expanded the product range by entering the segment of swivel chairs and upholstered furniture, has reasonably developed the direct sales net - a clear competitive advantage - and has as well significantly strengthened the "Bene" brand's content and awareness. The Bene Group's operating gross profit margin further improved to 53.8 % (2009/10: 51.5 %) and the portion of high-margin products of total sales increased considerably.

Clearly increased sales in the second half-year - further improved gross profit margins

In the first half-year of the reporting period, sales decreased by 19.5 % to EUR 77.1 million compared to the previous year's reference period (first half-year 2009/10: EUR 95.8 million). In the second half-year of 2010/11, sales amounted to EUR 93.7 million and thus were already 12.2 % higher than the prior year value. Overall, compared to the previous year, in the financial year 2010/11, the Bene Group had to report only a slight decline in sales of 4.7 % to EUR 170.8 million (2009/10: EUR 179.3 million).

In the Austria segment, in the financial year 2010/11, the Bene Group increased sales by 3.0 % to EUR 55.1 million (2009/10: EUR 53.5 million). In a generally difficult economic environment, in the business year 2010/11, sales of the Germany segment dropped by 13.4 % to EUR 44.1 million (2009/10: 50.9 million). After two difficult years, the Bene Group achieved the turnaround in the UK segment and improved sales by 20.0 % to EUR 19.0 million (2009/10: EUR 15.8 million). The Bene Group could not escape the continued unfavourable market environment in Russia and recorded a decline in sales of 36,8 % to EUR 14.9 million in the Russia segment (2009/10: EUR 23.6 million). In the `Other markets` segment, sales improved by 6.3 % from EUR 35.4 million to EUR 37.7 million.

Substantial improvement in earnings figures - EBITDA positive again

On the basis of the increased gross profit margin, the focused strengthening of the sales structures as well as an appropriate cost management in line with the strategic targets, the Bene Group achieved a slightly positive EBITDA of EUR 0.5 million, which was clearly exceeding the reference value of the prior year (2009/10: EUR -5.2 million). Despite the slightly declining sales, the EBIT improved to EUR - 8.2 million (2009/10: EUR -14.0 million) compared to the reference period of the previous year.

Balance sheet structure still solid

With a value of EUR 149.2 million as of the balance sheet date January 31, 2011 the balance sheet total was 7.7 % lower than the previous year's reference value (January 31, 2010: EUR 161.7 million). The equity ratio reached 25.9 % (January 2010: 31.7 %). Despite the clearly negative operating result, the Bene Group achieved a significant positive operating cash flow in the amount of EUR 13.8 million in the business year 2010/11 (2009/10: EUR 7.4 million). An important contribution was the reduction in working capital of EUR 9.9 million to EUR 11.0 million (2009/10: EUR 20.9 million). With 19.2 %, the Bene Group likewise reported a solid value for the net gearing and has a long-term oriented financing structure.

Number of employees increased slightly.

On the balance sheet date January 31, 2011 the Bene Group occupied 1,271 employees worldwide. This corresponds to an increase of 23 employees or 1.8 % compared to January 31, 2010.

Dividend policy.

Due to the economic environment and the earnings development, it will be proposed to the General Meeting of shareholders not to distribute any dividend for the financial year 2010/11.

Outlook.

For the financial year 2011/12, the Management of the Bene Group assumes a bottoming out in the relevant markets, however still expects high volatility in the markets and of the price levels. For the business year 2011/12, the Management Board of the Bene Group therefore remains optimistic to achieve a significant improvement in sales and to further increase earnings. However, for the overall financial year 2011/12, the Bene Group will presumably report a slightly negative result. 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.

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.

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 82 sites in 35 countries and 1,271 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.

Further inquiry note:

Investor Relations:
Martina Vomela
Schwarzwiesenstraße 3
A-3340 Waidhofen/Ybbs
IR Hotline: +43-7442-500-3100
ir@bene.com

Attachments with Announcement:

<http://resources.euroadhoc.com/us/seAerGsw>
<http://resources.euroadhoc.com/us/mJfLrh7z>

issuer: BENE AG
Schwarzwiesenstrasse 3
A-3340 Waidhofen/Ybbs
phone: +43/7442/500-0

*FAX: +43/7442/500-3380
mail: office@bene.com
WWW: www.bene.com
sector: Furnishings & Furniture
ISIN: AT00000BENE6
indexes: ATX Prime
stockmarkets: official market: Wien
language: English*



Aussendung übermittelt durch euro adhoc
The European Investor Relations Service