

PRESS RELEASE

Muehlhan releases 2012 figures

- **Corporate turnover and EBIT were increased significantly**
- **Corporate result shows a small surplus**

Hamburg, 3 April 2013 - With an increase of 8.1 percent in turnover to € 186.2m (2011: € 172.3m), Muehlhan AG (Entry Standard; ISIN DE000A0KD0F7) reported significantly better Earnings before Interest and Tax than in the previous year. The EBIT improved by € 5.8m from € -1.3m to its current level of € 4.5m. Due to a very high income tax burden, the corporate surplus amounted to € 148k (2011: € -3.9m).

The improved income data confirm that the Group's strategic reorientation of placing greater emphasis on industrial corrosion protection in the gas and oil sectors, industry and other services is the correct step to compensate for the decline in the maritime sector and to lead Muehlhan sustainably back into the profit zone.

As in the previous year, **Europe** was the primary driver as regards turnover and EBIT. At € 151m, turnover was increased by 11.9 percent as compared with the previous year (€ 135m). A significant increase was also recorded in the EBIT to € 10.7m as compared with € 9.5m in the previous year.

As expected, the turnover of € 16.3m in **North America** remained below the previous year's turnover of € 20.0m. The main reason for this was the termination of activities in the US Gulf Coast since the building of new ships has almost come to a complete standstill in this region. The closure of the Canadian subsidiary company, Muehlhan Canada, also had a negative effect on the result in terms of one-off costs so that a loss of € -0.6m (previous year: € -3.1m) had to be recorded in this region.

In **Asia and Middle East** Muehlhan was able to increase turnover from € 16.0m to € 18.8m. At an EBIT of € -1.5m, although this region is still recording a loss, a significant improvement was also recorded here as compared with the previous year (€ -2.5m).

As expected, the **Ship Newbuilding** business sector continued to suffer from the structural changes in this market in 2012. As expected, the turnover in the financial year declined further to € 25.8m. Although the EBIT was still negative at € -1.7m, it reflects a positive trend as compared with the previous year's value of € -3.6m.

Fortunately, turnover recovered more rapidly in the **Ship Repair** sector than anticipated - despite the continuing low freight rates and the entire sector's associated strained liquidity situation.

At € 42.8m the sector recorded growth of 9.1m as compared with 2011 (€ 33.7m) which is equivalent to an increase of 27 percent. Here, the EBIT of € 2.8m increased even more significantly (previous year: € 0.6m).



The **Industry** business also recorded significant growth. Turnover increased by almost 35 percent from € 26.9m to € 36.2m. Simultaneously, the EBIT contribution of € 2.7m almost doubled in comparison with the previous year (€ 1.4m). Here, as in the previous year, the main driver was the US bridge sector.

With a turnover of € 42.2m, activities for customers in the oil and gas, petrochemical and renewable energies sectors as summarised in the **Energy** business sector also record an increase as compared with the previous year (€ 39.7m). The slightly negative result of € -0.1m (previous year: € 0.7m) is a result of the costs incurred by the closure of the Canadian subsidiary company.

Those business sectors summarised under the collective term, **Other Services**, also demonstrated positive development. Here, turnover increased from € 34.4m to € 39.0m. At € 4.9m, the EBIT lies at the previous year's level. In particular, the scaffolding construction located in Hamburg profited from a continuing high demand from civil engineering and from the construction of foundations for offshore wind energy plants.

In contrast to developments in previous years, the terms of both the bond and the working capital financings were fulfilled at all times. In order to ensure the future stable financing of the company and to reduce the disproportionately high interest cost to market levels, negotiations were initiated with several banks towards the end of the previous year with a view to restructuring the company's banking relationship.

Muehlhan refers to the Annual Report published on 3rd April 2013 for all further information concerning the financial year 2012 and the outlook for 2013.

The most important company key values are recorded in the following table:

In EUR million	Financial year 2012	Financial year 2011
Sales	186.2	172.3
EBITDA	10.7	6.4
EBIT	4.5	-1.3
Net loss/profit for the year	0.1	-3.9
Cash flow	9.9	6.1
Fixed assets	42.4	44.9
Equity	57.8	57.1
Equity ratio in %	51	51
Balance sheet total	113.5	112.2
Employees (annual average)	2,266	2,131

About Muehlhan:

Worldwide, the Muehlhan Group is a reliable partner for industrial services and high-quality surface protection. As one of the few full-service providers, we offer our customers a broad range of services designed to meet the exacting quality standard expected in professional industrial services. Our customers benefit from our exceptional organizational skills, the technical expertise that differentiates us from our competitors and our more than 130 years of experience.

Our operations are divided into five business fields: Ship Newbuilding, Ship Repair, Energy, Industry and Other Services. With our workforce of over 2,200 employees we generated a turnover of € 186m in about 30 locations worldwide in 2012. We intend to use this stable foundation to further expand our business in the coming years and to continue to move our company forward through our proximity to our customers in the global market.

More information at www.muehlhan.com.

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