

BAUER AG half-year performance hampered by weak machinery business and extraordinary effects

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- Total Group revenues up 9.6 percent to EUR 701.5 million
- Orders in hand up 16.0 percent to EUR 778.6 million
- After-tax result of EUR -3.1 million (previous year: EUR +5.6 million) negatively impacted by extraordinary effects totalling EUR 7.5 million

Earnings forecast for 2012 adjusted

Schrobenhausen - Healthy levels of orders in hand and a number of ongoing large-scale projects in the Construction and Resources segments characterized the first half of the year for BAUER Aktiengesellschaft. Earnings were hampered by the weak performance of the Equipment segment as well as by some extraordinary effects.

Total Group revenues of the international construction and machinery manufacturing concern for the half-year were in line with planning at EUR 701.5 million, up 9.6 percent on the previous year comparative period (EUR 639.9 million). Orders in hand increased by 16.0 percent to EUR 778.6 million (previous year: EUR 671.1 million) thanks to very positive trends in the Construction and Resources segments. Half-year earnings are well down against the planned target. While EBIT (earnings before interest and taxes) declined from EUR 28.3 million to EUR 19.0 million, an after-tax loss of EUR 3.1 million was made (previous year: profit of EUR 5.6 million). A factor in this was that approximately EUR 7.5 million in respect of expected losses from large-scale projects in the Construction and Resources segments was taken into account. Excluding those extraordinary effects, a net profit of around EUR 3.8 million would have been made.

As a consequence, and in view of the weak machinery business, the Group is adjusting its full-year after-tax profit forecast for 2012 to a figure between EUR 25 and 30 million. The previous forecast had been around EUR 35 million. The forecast for total Group revenues remains unchanged at EUR 1.45 billion. As a number of major projects will be fully operational in the second half of the year, the Group expects to see a positive trend in revenues through to the year-end.

A number of major projects - especially in the Far East - drove total Group revenues in the Construction

segment up 18.4 percent in the first half of the year, from EUR 270.5 million to EUR 320.3 million. Segment EBIT rose from EUR 3.3 million to EUR 6.4 million. The earnings growth was attributable to the improved ratio of fixed costs to revenues resulting from the large number of projects in progress all over the world.

The machinery business recorded much weaker sales than expected. In the first half of the year the total Group revenues of the Equipment segment fell 7.4 percent against the previous year comparative period to EUR 291.2 million (previous year: EUR 314.4 million). There is a measure of uncertainty and reluctance to place orders among customers due to the problems being faced by many economies around the world. Markets in Europe and China, especially, are in decline. Segment EBIT fell by EUR 11.4 million to EUR 11.6 million.

The Resources segment saw positive growth, increasing its total Group revenues by 29.4 percent to EUR 123.6 million (previous year: EUR 95.5 million). The segment's EBIT of EUR 1.0 million for the first half-year is EUR 1.8 million down against the previous year comparative. The on-going problems on the well drilling project in Jordan, the company has taken into account.

Group-wide orders in hand increased in the reporting period by 16.0 percent to EUR 778.6 million (previous year: EUR 671.1 million). "We are currently seeing a very positive trend in order receipts in the Construction and Resources segments," comments Chairman of the Management Board Professor Thomas Bauer. "We have succeeded in acquiring major projects in a number of regions around the world, and we have good prospects to acquire more." Orders in hand in the Construction segment totalling EUR 484.6 million are above the 2011 year-end level and 30.3 percent up on the previous year comparative period. The Resources segment likewise has outstanding levels of orders in hand, amounting to EUR 158.7 million. The level is below the previous year comparative figure of EUR 180.3 million because of the large-scale projects currently being handled. Orders in hand in the Equipment segment totalling EUR 135.4 million are on the same level as in the previous year comparative.

For the entire press release with key figures, the interim report and analyst presentation please refer to the following webpage of BAUER AG: http://www.bauer.de/en/investor_relations/

Source: BAUER Aktiengesellschaft; Bauer Group