

P R E S S R E L E A S E

from Schaltbau Holding AG, Munich

Schaltbau Group reports good third quarter

- Orders and sales figures up for Mobile Transportation Technology and Components
- Investment backlog in German railway network slows down Stationary Transportation segment and leads to organic sales decline
- Third-quarter EBIT well up on previous year

Munich, 30 October 2014 – The Schaltbau Group recorded a 13.3 per cent increase in sales to € 115.8 million in the third quarter 2014. According to preliminary figures, earnings for the nine-month period rose by 5.6 per cent year-on-year to € 312.5 million. Adjusted for the contributions of RAWAG and ALTE Technologies, which have been consolidated since April and May respectively, sales decreased moderately by 2.5 per cent, although to a lesser degree than at the six-month stage, helped by perceptible growth in demand for components in other European countries as well as in China and added stability in the sale of brake systems.

Rail Infrastructure, however, did not manage to match the figure seen one year earlier, as in the third quarter the PSD project in Sao Paulo was again delayed and there were no major contracts awarded to alleviate the overdue modernisation of control and safety engineering in the German railway network. The market situation in that field is not likely to improve significantly before the end of 2015. The decrease in sales was partially compensated by major success in exporting railway signals technology, which gained additional momentum in the third quarter.

At € 338.2 million, order intake was 12.9 per cent up on last year's nine-month figure, with organic growth at 4.9 per cent. The encouraging increase in the third quarter (28.2 per cent; 9.2 per cent in organic terms) is partly attributable to growing demand for contactors

and snap-action switches in Eastern Europe and China as well as a new order in the USA for master controllers and panels as part of a large-scale rail project. Moreover, the Mobile Transportation Technology segment was awarded sizable framework contracts for road vehicles in the third quarter, which are not yet included in order intake.

With an increase of € 9.8 million to € 11.5 million, earnings from operating activities (EBIT) surpassed the previous year's figure by 17.3 per cent in the third quarter and, at € 23.8 million, were only 13.2 per cent down for the nine-month period, compared with 30.1 per cent after six months. The principal reasons for the decline up to the end of the reporting period were firstly project delays in the field of Stationary Transportation Technology and secondly expenditure for projects that will only be reflected in sales at a later point – particularly the PSD project in Brazil. Additional expense was incurred for personnel and materials needed to modernise the IT infrastructure. Of the two entities consolidated for the first time, RAWAG made a highly positive and ALTE Technologies a negative contribution to earnings respectively, as expected.

Despite the lower EBIT, nine-month earnings before tax climbed by € 9.0 million to € 28.1 million, mainly due to the gain resulting from the revaluation of the 42.6 per cent share in RAWAG previously held, which was required in conjunction with the acquisition of a majority share. The profit attributable to shareholders of Schaltbau Holding AG amounted to € 24.2 million (2013: € 16.4 million). Earnings per share therefore increased to € 3.94, compared with € 2.67 one year earlier.

The interim report as at 30 September 2014 will be published on 7 November.

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