

## PRESS RELEASE

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### Highest order intake in the company's history

## GILDEMEISTER increases sales revenues and earnings significantly in 2011

### Financial year 2011

- **Highest order intake in the company's history:**  
€ 1,927.3 million (+36%; previous year: € 1,418.4 million)
- **Second highest sales revenues ever: € 1,687.7 million**  
(+23%; previous year: € 1,376.8 million)
- **EBT significantly increased: € 66.9 million** (previous year: € 6.5 million)
- **Annual profit markedly improved: € 45.5 million** (previous year: € 4.3 million). Third best result in the company's history.
- **Dividend proposal amounting to € 0.25 per share**

**GILDEMEISTER was able to increase order intake, sales revenues and earnings key performance indicators steadily over the year. Through this we reached our targets and consider business performance in 2011 to be positive overall. Worldwide demand for machine tools continues to be stable.**

In the reporting year, GILDEMEISTER achieved the second highest **sales revenues** in the company's history. They exceeded the previous year's figure by € 310.9 million and reached € 1,687.7 million (previous year: € 1,376.8 million). This represents an increase of 23%. In the fourth quarter sales revenues reached € 493.4 million (previous year: € 518.4 million). The group's international sales revenues rose by 20% to € 1,055.1 million; domestic sales revenues amounted to € 632.6 million (+27%). The export share amounted to 63% (previous year: 64%).

**Order intake** was the highest in the company's history. It reached € 1,927.3 million and was some € 508.9 million or 36% above the previous year (€ 1,418.4

million). In the fourth quarter order intake reached € 415.0 million (previous year's quarter: € 404.6 million). In the whole year domestic orders rose overall by 42% to € 764.2 million (previous year: € 537.7 million). International orders grew by 32% to € 1,163.1 million (previous year: € 880.7 million). The proportion of international orders was 60%.

As of 31 December 2011, the group **order backlog** was € 811.2 million and thus € 182.9 million or 29% above the previous year's figure (31 Dec. 2010: € 628.3 million).

**GILDEMEISTER was able to markedly increase its earnings key performance indicators in financial year 2011.** As of **31 December 2011**, the results of operations developed as follows: **EBITDA** for the whole year amounted to € 146.1 million (previous year: € 74.5 million); **EBIT** rose to € 112.5 million (previous year: € 45.0 million). **EBT** rose to € 66.9 million (previous year: € 6.5 million) and the group **annual profit** grew to € 45.5 million (previous year: € 4.3 million).

In the **fourth quarter EBITDA** reached € 56.5 million (previous year: € 44.3 million); **EBIT** amounted to € 46.0 million (previous year: € 35.9 million). **EBT** rose to € 40.3 million (previous year: € 24.8 million). **Earnings after taxes** amounted to € 27.4 million (previous year: € 17.9 million).

**Equity** rose by € 242.3 million to € 655.2 million (previous year: € 412.9 million) essentially due to the two capital increases and to the annual profit. The shares that we purchased within the scope of the share buyback programme reduced equity by € 20.7 million (3.0% of voting rights). The equity ratio thus rose to 47.8% (previous year: 30.4%).

As of 31 December 2011, GILDEMEISTER had 6.032 **employees** (previous year: 5,445), of whom 222 were trainees. The number of employees rose in comparison with the previous year by 587. The rise in personnel numbers results primarily from combining sales and service activities in Germany with Mori Seiki and the associated integration of 101 employees as of 1 September 2011. Moreover, the companies in the growth markets of China, India and Russia increased their workforce. At year-end, 3,577 employees (59%) worked at our domestic companies and 2,455 employees (41%) at our foreign companies.

The **GILDEMEISTER share** clearly lost in value in financial year 2011 as a consequence of volatility on the international capital markets. In the 2011 stock market year, the share was quoted at the start of the year at € 16.90 (3 Jan. 2011) and reached its highest value of € 17.50 on 3 May 2011. The lowest value of the year was € 8.69 (4 Oct. 2011). The share closed the year on 30 December 2011 at € 9.75. The share is currently quoted at € 12.21 (14 Mar. 2012). The Executive Board and the Supervisory Board will propose to the Annual General Meeting of Shareholders on 18 May 2012 that a dividend of € 0.25 per share be distributed. This represents a dividend yield of 2.6% relating to the closing quotation as of 31 December 2011.

## Forecast 2012

In their current forecasts for the machine tool market worldwide in 2012, the VDW (German Machine Tool Builders' Association) and the British economic research institute, Oxford Economics, expect production output and market volume to grow in value by 2.5% each.

**GILDEMEISTER** had a good start to financial year 2012. Order intake developed in line with plans in January and February. Orders rose by 29% to € 374.9 million (previous year: € 291.6 million). This was due in part to our successful annual kick-off events. We enjoyed positive trade fair results from the NORTEC in Hamburg, our traditional in-house exhibition in Pfronten and the METAV in Dusseldorf. In the **first quarter of 2012** we are expecting order intake of more than € 500 million (previous year's quarter: € 445.9 million). We are planning sales revenues of more than € 400 million (previous year's quarter: € 377.4 million). Earnings should clearly improve in a year-on-year comparison with the previous year's quarter.

In **financial year 2012** we expect further growth. For the whole year we are expecting order **intake of more than € 2 billion for the first time**. Due to this order intake expectation, and based on the sound order backlog, we are planning to increase **sales revenues in 2012 to more than € 1.9 billion**. On condition that the market continues to develop in line with our expectations, we are planning to increase **EBT to more than € 100 million**. For financial year 2012 we intend to pay a higher dividend per share.

## GILDEMEISTER Aktiengesellschaft

### The Executive Board

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Dipl.-Kffr. Kathrin Dahnke; Dipl.-Kfm. Christian Thönes  
Amtsgericht Bielefeld HRB 7144

<u>GILDEMEISTER group</u>	2011	2010	Changes	
	1.1.-31.12.	1.1.-31.12.	2011 to 2010	
	€ million	€ million	€ million	%
<b>Sales revenues</b>	1,687.7	1,376.8	310.9	23
<b>Order intake</b>	1,927.3	1,418.4	508.9	36
<b>EBITDA</b>	146.1	74.5	71.6	96
<b>EBIT</b>	112.5	45.0	67.5	150
<b>EBT</b>	66.9	6.5	60.4	929
<b>Annual profit</b>	45.5	4.3	41.2	958

The consolidated financial statements of GILDEMEISTER Aktiengesellschaft as of December 2011 were prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union.

**Note:** We will gladly forward the complete annual report 2011 to you upon request. Current images are available at <http://ag.gildemeister.com>.

**Statements relating to the future:** This report contains statements relating to the future, which are based on current evaluations of the management regarding future developments. Such statements are subject to risks and uncertainties relating to factors that are beyond GILDEMEISTER's ability to control or estimate precisely, such as the future market environment and economic conditions. Such uncertainties may arise for GILDEMEISTER in particular as a result of the following factors: Changes in general economic and business conditions (including margin developments in the major business areas as well as the consequences of recession); the risk that customers may delay or cancel orders or become insolvent or that prices will be further depressed due to a constantly unfavourable market environment than we currently expect; developments in the financial markets including fluctuations in interest rates and exchange rates, in the price of raw materials, in borrowing and equity margins as well as the general financial situation; increasing volatility and further decline in the capital markets; a worsening of conditions for borrowing and, in particular, increasing uncertainty arising out of the mortgage, financial and liquidity crisis, as well as the future economic success of the core business areas in which we operate; challenges arising of the integration of major acquisitions and the implementation of joint ventures and the realisation of anticipated synergy effects and other significant portfolio measures; the introduction of competitive products or technologies by other companies; a lack of acceptance of new products and services in customer target groups of the GILDEMEISTER group; changes in corporate strategy; the outcome of public investigations and associated legal disputes as well as other official measures. Should one of these uncertainty factors or other unforeseeable event occur, or should the assumptions on which these statements are based prove incorrect, the actual results may differ materially from the results expressed in, or implied by, these statements. GILDEMEISTER disclaims any intention or special obligation to update any forward-looking statements to reflect any change in events or developments occurring after the reporting period. Forward-looking statements must not be understood as a guarantee or assurance of future developments or events contained therein.