

**P R E S S R E L E A S E****Interim Report 2010  
Full year and 4th Quarter 2010**Telephone: +49 / 5205 / 74-3001  
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email: tanja.figge@gildemeister.comBielefeld, 9 February 2011  
PR 0202**Out of the most difficult machine tool crisis worldwide without losses****GILDEMEISTER also achieves positive results in 2010**

Bielefeld. The worldwide machine tool crisis has been overcome. The worldwide market for machine tools is also developing positively again. GILDEMEISTER recorded a clear upwards trend in 2010. Order intake rose by 24% to €1,418.4 million (previous year: €1,145.9 million). Of this, the machine tool business accounted for €854.2 million, the business area "Services" for €419.2 million and "Energy Solutions" for €144.8 million. Sales revenues grew by €195.6 million (+17%) to €1,376.8 million (previous year: €1,181.2 million).

GILDEMEISTER achieved positive results in financial year 2010 and thus confirms its goals. Profitability developed as follows: EBITDA amounted to €73.6 million (previous year: €60.9 million); EBIT totalled €44.7 million (previous year: €31.8 million). EBT was positive at €6.5 million (previous year: €7.1 million). The group annual net profit amounted to €4.2 million (previous year: €4.7 million). Earnings per share amounted to €0.09. As already announced, we will propose to the annual general meeting of shareholders on 13 May 2011 that no dividend be distributed for financial year 2010. All figures are provisional and are subject to audit as well as to the approval of the annual accounts by the Supervisory Board.

**Sales revenues** rose by €195.6 million or 17% to €1,376.8 million (previous year: €1,181.2 million). Sales revenues in the fourth quarter reached €518.4 million (+55%). In the "Machine Tools" segment, sales revenues for the whole year of €769.9 million were up on the previous year's figure (€757.7 million). "Services" rose to €367.2 million (+18%). In "Energy Solutions" we were able to double sales revenues to €239.5 million (+113%) (previous year: €112.3 million).



Group international sales revenues rose to € 877.7 million (+28%), domestic sales revenues amounted to € 499.1 million (+1%). The export ratio amounted to 64% (previous year: 58%).

Regarding the **order intake** we registered increasing successes in the course of the year. It rose by 24% to € 1,418.4 million (previous year: € 1,145.9 million). In the fourth quarter order intake reached € 404.6 million (previous year: € 327.7 million) – an increase of 23%. In our core business of “Machine Tools“ we were able to increase order intake considerably by 50% to € 854.2 million for the whole year (previous year: € 568.0 million). “Services“ also developed positively, order intake rose by +60% to € 419.2 million (previous year: € 262.8 million). In “Energy Solutions“ we recorded order intake of € 144.8 million (-54%). Due to the high order backlog, order intake performed below the previous year’s level as planned.

In total, domestic orders rose by 56% to € 537.7 million (previous year: € 343.9 million). International orders grew by 10% to € 880.7 million (previous year: € 802.0 million). International orders accounted for 62% of orders (previous year: 70%).

On 31 December 2010, the **order backlog** within the group amounted to € 628.3 million.

**GILDEMEISTER achieved positive results and thus confirms its goals for financial year 2010.** Following on from the third quarter, the **fourth quarter** was also positive as expected. **EBITDA** reached € 43.4 million (previous year: € 15.4 million), **EBT** rose to € 35.6 million (previous year: € 8.0 million). **EBT** amounted to € 24.8 million (previous year: € 0.1 million). **Earnings after taxes** amounted to € 17.8 million (previous year: € 0.2 million).

As of **31 December 2010**, profitability developed as follows: **EBITDA** over the whole year amounted to € 73.6 million (previous year: € 60.9 million); **EBIT** totalled € 44.7 million (previous year: € 31.8 million). **EBT** was positive at € 6.5 million (previous year: € 7.1 million). The **group annual net profit** amounted to € 4.2 million (previous year: € 4.7 million). We consider the result achieved to be positive, given the background of the worst machine tool crisis in history and the structural changes in the competitive environment.



As of 31 December 2010, GILDEMEISTER had 5,445 **employees**, of whom 213 were trainees (previous year: 5,450). Compared to the previous year, the number of employees has practically remained the same. In expectation of an improvement in business development, we have purposely retained our highly-qualified specialist personnel. At year-end, 3,306 employees (61%) worked for our domestic companies and 2,139 employees (39%) for our international companies. The personnel ratio was 24.2% (previous year: 30.3%); employee expenses decreased by €13.2 million to €332.9 million (previous year: €346.1 million).

The **GILDEMEISTER share** made clear gains in value in the first eight months of the year and most especially in the fourth quarter. With an increase of 47% (year-on-year), the GILDEMEISTER share performed better than the MDAX (+35%). The share started the last stock market year 2010 at a price of €11.62 (4 Jan. 2010) and reached its highest value of the year of €17.28 on 14 December 2010. The lowest value of the year was €7.53 (25 May 2010). The share closed the year on 30 December 2010 at €16.70. The share is currently quoted at €16.85 (7 Jan. 2011).

## Forecast 2011

Current forecasts for machine tools expect further growth in 2011. The VDW (the German Machine Tool Builders Association) expects consumption worldwide to increase by 20% and even by some 30% in Germany.

**GILDEMEISTER** has made a good start to the business year 2011. Order intake has been developing positively as expected. Our traditional in-house exhibition in Pfronten ended last Saturday with order intake of €107.7 million (+102%) and 391 machines sold, it was thus the most successful in-house exhibition of all time. In the **first quarter of 2011** we are expecting order intake of more than €350 million (previous year's quarter: €302.3 million) and sales revenues of more than €300 million (previous year's quarter: €244.4 million). The result will improve significantly to the comparable quarter of the previous year.



We plan to carry out capital increases, which was already announced at the end of last year, in the first six months of 2011 - given an ongoing friendly capital market environment. GILDEMEISTER is confident of achieving significant cash inflows. We will announce in due time the terms of the capital increases.

GILDEMEISTER takes an optimistic view of **financial year 2011**. We are expecting further growth in demand for machine tools worldwide and for the service business. The “Energy Solutions“ business division will also continue to develop positively. For the whole year we are now expecting order intake of more than €1.6 billion and sales revenues of over € 1.5 billion. GILDEMEISTER is strategically well-positioned to grow profitably again. We are expecting considerable growth in EBT and net profit.

In **financial year 2012** we are expecting dynamic development in all our business divisions. We are assuming a further increase in order intake, sales revenues and results.

GILDEMEISTER Aktiengesellschaft  
The Executive Board





## Provisional figures on business development 2010

GILDEMEISTER Group	2010	2009	Changes	
	1.1.-31.12. € million	1.1.-31.12. € million	2010 to 2009 € million	%
Sales revenues	1,376.8	1,181.2	195.6	17
Order intake	1,418.4	1,145.9	272.5	24
EBITDA	73.6	60.9	12.7	21
EBIT	44.7	31.8	12.9	41
EBT	6.5	7.1	-0.6	-8
Annual net income	4.2	4.7	-0.5	-11

All figures are subject to audit. The Consolidated Financial Statements were prepared in accordance with the International Financial Reporting Standards (IFRS), as applicable within the European Union.

**Note:** Up-to-date images are available at [www.gildemeister.com/pressebilder.htm](http://www.gildemeister.com/pressebilder.htm). On the occasion of the balance sheet press conference on 17 March 2011, GILDEMEISTER will publish detailed information on the financial year 2010 and the forecast for 2011.

**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.