# PRESS RELEASE

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# Further growth in Schuler’s operating results

## Record adjusted operating result (EBITDA)

## Increased equity ratio and capital expenditures

## Acquisition of Yadon expands presence in China

*Göppingen, March 4, 2016* – The press manufacturer Schuler AG achieved further improvements in sales and adjusted earnings in its fiscal year 2015. At € 1.20 (prior year: 1.18) billion, sales reached their second-highest level in the company’s 176-year history. Earnings even set a new record: the operating result (EBITDA) adjusted for one-off effects from the new manufacturing concept reached € 138.8 (110.5) million. This resulted in an EBITDA margin of 11.6 (9.4) percent.

“Our strongest sales growth was in Asia and North America in 2015,” stated CEO Stefan Klebert on presentation of the company’s annual accounts in Göppingen, Germany. “In terms of new orders, the cyclical decline in large equipment for the automotive sector was partially offset by growth in our other divisions.”

**Yadon deal expected to be closed in spring**

Schuler is focusing in particular on new growth markets in China and other emerging markets. In spring this year, the company’s acquisition of a majority stake in Chinese press manufacturer Yadon is expected to be finally closed. The necessary approval from China’s anti-trust authorities has now been received. Based in the eastern Chinese province of Jiangsu, Yadon’s 1,000 employees achieve annual sales of around € 110 million. “Our majority stake is the strategic key which will open the door to the fast-growing, medium price-performance press segment,” explained Schuler CEO Klebert. “This segment cannot be conquered with high-price, cutting-edge technology exported from Germany alone – neither in China, nor in the USA nor in the emerging markets.”

Germany will remain Schuler’s central development and manufacturing base for premium technology, as used for example in lightweight car manufacturing, or for the production of large pipes and railway equipment. As already announced, Schuler will reduce the number of production sites in Germany from seven to four by the end of 2017 in order to improve its cost structures and manufacturing flexibility. This will affect around 450 of the 5,176 employees recorded at year-end 2015 (prior year: 5,423). Talks are currently being held with the respective works councils to agree a settlement for these workers.

In connection with the new manufacturing concept and the accompanying measures to enhance efficiency, Schuler recognized special items of around € 73 million in 2015. Including these items, earnings before interest, taxes, depreciation and amortization (EBITDA) still amounted to € 70.9 (prior year: 120.9) million, with a margin of 5.9 (10.3) percent. The Group profit for the year reached € 39.3 (66.9) million.

**Growth in China and North America**

At € 605 (658) million, Europe still accounted for the largest share of sales totaling € 1.20 billion in 2015. China increased to € 299 (272) million and the region North America to € 190 (133) million. In the USA, Schuler was able to win a major US car manufacturer as a new customer for its press lines for the first time in several years.

New orders received by the Schuler Group fell to € 1.02 (1.19) billion in 2015 and the order backlog at the end of the year stood at € 0.89 (1.06) billion. “We cannot fully escape the effects of a slowdown in major economies around the world, nor the impact that various geopolitical conflicts are having on the investment climate,” stated CFO Norbert Broger. “For 2016, we therefore expect sales and earnings to fall well short of the prior-year figures.”

**Increased equity and new syndicated loan agreement**

The positive earnings trend and moderate dividend policy over the past few years have enabled Schuler – in which the Austrian ANDRITZ Group holds over 90 percent of capital – to steadily improve its financial structure. In 2015, the equity ratio rose to 34.3 (28.7) percent – the highest level since the company’s IPO in 1999. Moreover, Schuler used the current favorable market conditions to negotiate a new syndicated loan agreement totaling € 350 million with its banks and insurers. The contract has a term of five years which can be extended twice by one year each, while the amount can be increased by a further € 150 million.

“We have a very solid financial base in terms of both equity and debt that allows us to grasp such strategic opportunities as the Yadon acquisition,” explained CEO Klebert. Net financial status (liquid funds less financial debt) amounted to € 281 (404) million in 2015 and was thus still above the long-term average. Schuler increased its capital expenditures by over 40 percent to € 38.2 (26.5) million in 2015.

**Schuler Group at a glance (IFRS):**

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|  |  | **2015** | **2014** |
| Sales | € million | **1,200.0** | 1,178.5 |
| New orders | € million | **1,015.7** | 1,193.7 |
| Order backlog | € million | **894.7** | 1,057.9 |
| EBITDA without SI / with SI | € million | **138.8** / 70.9 | 110.5 / 120.9 |
| EBIT without SI / with SI | € million | **115.7** / 43.1 | 88.8 / 99.2 |
| EBT without SI / with SI | € million | **116.6** / 44.0 | 90.3 / 100.7 |
| EBITDA margin without SI / with SI | % | **11.6** / 5.9 | 9.4 / 10.3 |
| Group profit | € million | **39.3** | 66.9 |
| Total statement of financial positions | € million | **1,074.5** | 1,121.7 |
| Shareholders’ equity | € million | **369.1** | 322.0 |
| Equity ratio2 | % | **34.3** | 28.7 |
| Net financial status2 | € million | **281.3** | 403.9 |
| Employeesincl. apprentices | persons | **5,176** | 5,423 |

SI = special items affecting income from the implementation of restructuring programs

The online Annual Report 2015 can be found at the following link:

<http://www.schulergroup.com/investor_relations/finanzberichte>

## Captions

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| M:\DATEN\GP\Media Relations\Vorgänge\2016_03_04_BPK\Bild1.jpg | Bild1.jpg: The majority stake in Chinese press manufacturer Yadon opens the door for Schuler to the fast-growing, medium price-performance segment. |
| M:\DATEN\GP\Media Relations\Vorgänge\2016_03_04_BPK\2016_03_04_bpk2.jpg | Bild2.jpg: Germany will remain Schuler’s central development and manufacturing base for premium technology, such as hot stamping lines. |
| M:\DATEN\GP\Media Relations\Vorgänge\2016_03_04_BPK\2016_03_04_bpk3.jpg | Bild3.jpg: Schuler increased its capital expenditures by over 40 percent to € 38,2 (26.5) million in 2015 – for example for the construction of its new head office in Göppingen. |

*Please name Schuler as the photo source.*

***About the Schuler Group –*** [***www.schulergroup.com***](http://www.schulergroup.com)

*Schuler is the technological and global market leader in forming equipment. The company offers cutting edge presses, automation, dies, process know-how and services for the entire metal forming industry and lightweight vehicle construction. Its clients include car manufacturers and their suppliers, as well as companies in the forging, household equipment, packaging, energy and electrical industries. Schuler is the market leader in coin minting presses and supplies systems solutions for the aerospace, railway and large pipe industries. In fiscal year 2015 (ending Dec. 31), Schuler posted sales of € 1.20 billion. With around 5,200 employees, Schuler is represented in 40 countries and is a member of the Austrian ANDRITZ Group.*