



World leader for aluminium anodising - <http://investors.coil.be>
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PRESS RELEASE

CHANGE IN EARNINGS IN LINE WITH EXPECTATIONS, SET AGAINST A REALIGNMENT OF ACTIVITIES AROUND CONTINUOUS ANODISING

Brussels, April 25th, 2012 (5:45pm) – Coil (formerly United Anodisers), the world leader for aluminium anodising, recorded an acceleration in its organic growth over 2011, with "continuous anodising" sales climbing 18.3%. As previously announced, the realignment of activities around the historical core business and the resulting sale of the batch anodising branch affected net profitability for the year. While the operating margin has remained strong, consolidate net income for 2011 came in negative at €950,000.

STRONG GROWTH ON CONTINUOUS ANODISING

On continuous anodising, sales came to €21,892,000, up 18.3% in relation to 2010. This rise confirms the continued dynamic development and the growing penetration achieved in new emerging markets (primarily South Korea and China) in connection with major architectural projects, including metal supplies. Nevertheless, business was held back in the fourth quarter by a brief destocking period among distributors following the drop in aluminium prices, with sales returning to normal levels at the end of the year.

REALIGNMENT AROUND THE CORE BUSINESS

On batch anodising, sales came to €7,331,000, up 51.9%. Following a significant slowdown in 2010, due to the lower level of spending on architectural projects in the UK's public and private construction sectors, the business picked up again significantly, notably driven by the upturn in local demand for high-end construction projects during the second half of the year.

To realign its strategic development around continuous anodising, the company signed an agreement in December 2011 to sell off all of this branch's assets. As announced on January 31st this year, this operation had a negative impact on the consolidated accounts for 2011 following the inter-company debt written off in connection with the sale of the batch anodising business (€3.2 million capital loss).

TEMPORARY DROP IN PROFITABILITY

As expected and announced when full-year sales were released, the sale of the batch anodising branch and the realignment of activities around continuous anodising had a temporary impact on profitability for 2011.

The continuous anodising business recorded sound operational performances, with a slight impact due to the slowdown in activity in the fourth quarter. They also factor in the investments made for growth, particularly in emerging markets, reflected in a significant increase in operating costs.

In this climate, EBITDA has remained high, close to the previous year's level, representing 18.2% of sales at December 31st, 2011. Operating income totalled €1,948,000, representing 8.9% of sales, compared with 11.4% in 2010.

Net financial expenses are relatively stable at €526,000, versus €476,000 for 2010.

After factoring in the net loss from discontinued operations for €2,317,000, consolidated net income shows a €(950,000) loss, compared with a €1,172,000 profit for 2010.

CONSOLIDATED INCOME STATEMENT

€'000	2011	2010 <i>restated</i>	2010 <i>reported</i>
Sales	21,892	18,505	23,333
Gross profit	7,421	5,960	6,699
<i>% of sales</i>	33.9%	32.2%	28.7%
EBITDA	3,899	4,210	4,022
<i>% of sales</i>	18.2%	22.7%	17.2%
Operating income	1,948	2,106	1,738
<i>% of sales</i>	8.9%	11.4%	7.4%
Pre-tax income	1,422	1,629	1,173
Income from continuing operations after tax	1,366	1,611	1172
<i>% of sales</i>	6.2%	8.7%	5.0%
Income from discontinued operations	(2,317)	(439)	-
Net income	(950)	1,172	1,172
<i>% of sales</i>	(4.3%)	6.3%	5.0%

BALANCE SHEET SIGNIFICANTLY STRENGTHENED

In light of these results, consolidated shareholders' equity represented €12,575,000 at December 31st, 2011, compared with €12,864,000 one year earlier. Net financial debt is down 46% to €4,262,000, confirming the Group's deleveraging. In this way, the ratio of net financial debt to equity came to 0.34, compared with 0.62 at December 31st, 2010.

OUTLOOK FOR 2012

The company is approaching 2012 with confidence, expecting to see its performance improve. The start of the year has confirmed the upturn for the continuous anodising business, as seen at the end of 2011. During the first quarter of 2012, sales climbed 2% to €5,910,000.

Business is being driven by the positive trend for the distribution market in Europe, combined with the development of sales outside of Europe (including metal supplies), benefiting from the new contracts set up in China.

Alongside this, the building of a sixth production line in Germany in 2012 and an aluminium service centre is ensuring that Coil is well-positioned to respond to the promising developments in new emerging markets.

NEXT DATE: general meeting on June 6th, 2012



COIL is the world's largest architectural and industrial anodiser.

Anodising is an electrochemical process - electrolysis - that develops a natural and protective exterior layer on aluminium that can be coloured, providing exceptional corrosion protection and/or increased functionality for the metal.

Anodising preserves all the natural and ecological properties of aluminium - it retains its high strength-to-weight ratio, non-magnetic properties and exceptional corrosion resistance without any impact on the total and repeated recyclability of the metal.

Anodised aluminium is used across a wide range of architectural, designer, industrial and automotive applications.

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