



World leader for aluminium anodising – www.coil.be
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PRESS RELEASE

STRONG EARNINGS GROWTH FOR 2012

- > **Sustained growth in operational profitability: +42%**
- > **Increase in net income, with the net margin rate climbing to 8.7% of sales**
- > **Sound financial structure to support the international expansion strategy**
- > **Investment in a sixth production line in Germany in 2013**
- > **New products – new markets**

Brussels, April 25th, 2013 (5:45 pm) – COIL, the world leader for aluminium anodising, recorded strong earnings growth in 2012, with operating income climbing 42% compared with 2011 to reach €2,759,000. Net income (Group share) is up to €1,948,000, with €1.17 in net earnings per share.

SALES UP 4.4%

In 2012, COIL faced a major economic downturn in Europe, its primary regional market. Sales totalled €22,808,000, an increase of 4.2% compared with 2011, benefiting from a particularly dynamic second half of the year, with 15.8% growth. Anodising sales with metal included represented 9% of sales.

In Europe, while sales to rolling mills contracted, with the majority intended for European metal distributors, COIL successfully increased its sales thanks to the development of new end-user customers and the launch of new products.

Coil supplied the interior and exterior cladding for the new Louvre-Lens museum in Northern France using a specially developed semi-reflective architectural sheet. The Company also supplied exterior cladding materials for a major refurbishment project, Tour Descartes, in Paris-la-Defense in France.

In Asia, COIL has continued to develop at a strong rate, with notable successes In China: the Dalian International Conference Centre, the world's largest anodised aluminium building, and the Shenzhen Stock Exchange. These two architectural creations illustrate the major potential for continuous anodised aluminium in Asia.

CLEAR IMPROVEMENT IN PROFITABILITY

Despite a backdrop of economic and monetary uncertainties, COIL recorded good results, in keeping with the company's 40th anniversary.

In terms of operational profitability, COIL is benefiting from its effective control over production and staff costs. EBITDA came to €4,638,000, with an EBITDA margin rate of 20.3%, versus 18.2% in 2011.

Operating income is up 42% to €2,759,000, giving an operating margin rate of 12.1%, compared with 8.9% one year earlier. It factors in negative non-recurring elements for €314,000, relating to losses on receivables linked to the sale of the UK batch anodising business in 2011.

Net financial expenses are up 26.6% to €666,000, in view of the banking costs for financing the investment to modernise Line 1 in Belgium and the initial financing for building Line 6 in Germany, which was temporarily put on hold in 2012.

Following a tax charge of €97,000, net income for 2012 shows a strong rate of growth, coming in at €1,996,000 (versus €1,366,000 in 2011 for continuing operations), with a net margin rate of 8.7% and €1.17 in net earnings per share.

CONSOLIDATED INCOME STATEMENT

€'000	2012	2011	Change
Sales	22,808	21,892	+4.2%
EBITDA	4,638	3,989	+16.3%
% of sales	20.3%	18.2%	
Operating income	2,759	1,948	+41.6%
% of sales	12.1%	8.9%	
Pre-tax income	2,093	1,422	+47.2%
Income from continuing operations after tax	1,996	1,366	+46.1%
% of sales	8.7%	6.2%	
Income from discontinued operations *	-	(2,317)	
Net income	1,996	(950)	+€2.9 M
% of sales	8.7%	(4.3%)	

* batch anodising business in the UK sold in 2011

HEALTHY AND SOUND BALANCE SHEET

In line with the year's results, consolidated shareholders' equity is up 16.3% to €14,630,000 at December 31st, 2012, compared with €12,575,000 one year earlier. Despite a slight increase in net financial debt, reflecting the investments for production lines 1 and 6, the ratio of net financial debt to equity is stable at 0.35. COIL's sound balance sheet means that it is able to look ahead with confidence concerning its plans to expand and finance new production capacities.

OUTLOOK

The economic outlook over the medium term is still sombre in Europe, with many European countries continuing to face uncertainties. However, COIL is still optimistic. Its positioning on the high-end of the architectural market is enabling it to be very resilient in a difficult economic environment. New end markets in Europe and the launch of new products this year are expected to open up new opportunities, even in depressed markets.

To further strengthen the development of new regional markets, particularly in Asia, over the medium term, COIL's Board of Directors has decided to reactivate the investment to build a sixth production line in Germany, which will cover architectural anodising and Asian markets.

In view of the levels of demand seen, this capacity investment for a total of €21,000,000 (38% subsidised by the Saxony-Anhalt government) represents a major driving force for development with a view to supporting the regional development strategy as it is ramped up. The subsidies, obtained from local municipal bodies, will enable COIL to increase its production capacities under optimum conditions for profitability. This new line is expected to move into production during the fourth quarter of 2014.

COIL continues to extend its international network of agents and distributors, including new distribution arrangements in China and a new partnership in Europe for the development of anodised aluminium for the composite panel market.

After 40 years serving the anodised aluminium sector, the outlook for COIL is still positive, capitalising on an outstanding product, in line with the requirements seen today. More specifically, the continuous anodised product continues to be highly sought after around the world for its authentic metal appearance, its exceptional proven durability and its 100% recyclability.

NEXT DATE: General Meeting on June 5th, 2013



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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ISIN: BE0160342011 - ALUAN
Reuters: ALUAN.PA
Bloomberg: ALUAN:FP
www.coil.be

COIL

Tim Hutton
Chief Executive Officer
tim.hutton@coil.be
Tel: +32 479 208500

CALYPTUS

Cyril Combe
cyril.combe@calyptus.net
Tel: +33 (0)1 53 65 68 68