

PRESS RELEASE

**OPERATIONAL PROFITABILITY SHOWS GOOD RESILIENCE DURING THE
FIRST HALF OF 2013, EXCLUDING NON-RECURRING ITEMS**

**SOLID FUNDAMENTALS TO SUPPORT THE INDUSTRIAL AND
COMMERCIAL EXPANSION**

Brussels, October 23rd, 2013 (5:45pm) – COIL, the world leader for aluminium anodising, recorded a solid level of operating income during the first half of 2013. With its profitability proving resilient in a difficult environment, based on a sound financial structure, it is well positioned to move forward with the development of new production capacities to consolidate its international expansion strategy.

Slowdown in business due to the economic environment

Sales for the first half of 2013 dropped 7.6% compared with the first half of 2012 to reach €11,034,000. This slowdown in business needs to be qualified in view of the significant contraction affecting the construction industry in Europe.

Against a backdrop of weak demand from European metal distributors, COIL has further strengthened its commercial positions by expanding its end customer base and drawing on the development of its product ranges, with growing added value, particularly on new industrial markets (composite panels, noise-reduction barriers, etc.).

In Asia, while demand has been buoyant in Korea, commercial activity in China has been held back temporarily by a period of political transition. The Chinese market still offers major opportunities, with promising prospects in this country for COIL, as illustrated by its contributions in 2012 for the construction of the Dalian International Conference Center, the world's largest anodised aluminium building.

From an industrial perspective, COIL has capitalized on this period to further strengthen its production capabilities in Belgium, with the refurbishment of the first production line, requiring it to be closed for part of the half-year period.

High profitability maintained, excluding non-recurring items

Despite the contraction in sales, COIL has been able to maintain its high margins. Nevertheless, its half-year earnings reflect the impact of the exceptional €1,020,000 provision recognised in relation to a long-term bonus plan for Finance Management International, which was initially intended to be paid through a capital operation.

All of the funds concerned will be reinvested in ordinary COIL shares. In view of this, the Board of Directors decided on October 23 to carry out a €1,020,000 capital increase, issuing 143,864 new shares at a subscription price of €7.09, in line with the price determined by the Company's auditors based on the intrinsic value of the Company under Article 598 of the Belgian commercial code. The Board of Directors has decided to reserve subscriptions for this capital increase to its Chief Executive Officer, Finance Management International, represented by Tim Hutton. The effective subscriptions will take place after the start of trading on October 24. As a result of this operation, the total number of securities will be increased to 1,854,858 shares.

Excluding this non-recurring item, EBITDA came to €2,225,000 at June 30th, 2013. The EBITDA rate (20.2% of consolidated sales, versus 21.2% at June 30th, 2012) shows a limited decline thanks to the good management of operating costs. Operating income (excluding the non-recurring provision) remains sound, coming in at €1,229,000, equivalent to 11.1% of sales, compared with 13.3% one year earlier.

After factoring in the exceptional €1,020,000 provision, operating income comes out at €209,000, with a margin rate of 1.9%.

With net financial expenses down 36% to €358,000 and a €72,000 tax charge, net income represents a total of €(221,000).

Condensed income statement (unaudited data)

(€'000)	H1 2013	H1 2012
Sales	11,034	11,939
EBITDA (excl. exceptional provision)	2,225	2,533
% of sales	20.2%	21.2%
Operating income (excl. exceptional provision)	1,229	1,591
% of sales	11.1%	13.3%
Operating income	209	1,591
% of sales	1.9%	13.3%
Pre-tax net income	(149)	1,032
Net income	(221)	975
% of sales	(2.0)%	8.2%

Sound balance sheet

COIL is in a healthy and sound financial position. After factoring in earnings for the first half of the year, shareholders' equity represents €14,442,000, close to the level at December 31st, 2012.

Despite the increase in net financial debt (+8.6% to €5,558,000), reflecting the investments in production lines 1 and 6, the ratio of net financial debt to equity remains under control at 0.38, compared with 0.35 at December 31st, 2012.

Third-quarter sales

Sales for the third quarter of 2013 came to €4,629,000, down 22.1% compared with a high reference figure for the third quarter of 2012 (16.1% growth). Over the first nine months of 2013, sales totalled €15,663,000, down 12.4% in relation to the same period the previous year.

Outlook

While remaining cautious over the short term in view of the sluggish economic conditions in Europe, COIL has sound fundamentals in place for embarking on a new investment phase under positive conditions, in addition to consolidating its value-creating development over the medium and long term.

In this way, COIL has relaunched its investment in a sixth production line in Bernburg, Germany. This increase in capacity will help create a world leading site for the production of a complete range of architectural sheet metal in anodised aluminium. This investment will drive development with a view to supporting growth in new regional markets over the medium term, particularly in Asia. The new production line is expected to be operational by January 2015, in line with the initial budget of €20.9 million (38% subsidised by the German authorities).

The new regional markets, particularly outside of Europe, offer major opportunities. The recent efforts made to develop South Asian markets in particular are expected to contribute to COIL's development in the near future.

The Board of Directors' report and the auditor's report will be available on COIL's financial information site (<http://investors.coil.be>) on October 24 (before start of trading).

The half-year financial report will be available on the same site by October 31 (after close of trading) at the latest.

NEXT DATE: 2013 full-year sales on January 23rd, 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.

Alternext
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Reuters: ALCOI.PA
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