

PRESS RELEASE

FIRST HALF OF 2016: RECORD RESULTS

- **Net income up 67% to €3.0 million**
- **EBITDA of €4.4 million, with a record EBITDA margin of 28.5%**
- **Strong growth and historic profitability levels expected for the full year in 2016**

Brussels, October 31st, 2016 (5:45 pm) – COIL, the world leader for aluminium anodising, is reporting record results for the first half of 2016, confirming its ambitions for development combining sustained business growth with increased profitability.

Strong sales growth

First-half revenues are up 22% to €15.5 million. Growth in business is being driven by the strong development of traditional subcontracting activities and the diversification of the product-customer mix, thanks in particular to the broader product ranges introduced and the stronger penetration of the aluminium composite panel market.

The very significant upturn in sales of packaged offers (anodising with metal included) has also helped drive growth in sales. During the first half of the year, COIL notably received a historic order to supply anodised aluminium for the construction of a major new building in China.

Perfect execution of a major investment cycle

COIL has continued moving forward with its investment programme, further strengthening its industrial facilities in Belgium and setting up a sixth production line in Germany.

In Belgium, the investments in Line 2 were completed, as scheduled, during the first half of the year, notably incorporating the main mechanical elements from the continuous anodising line acquired in Italy in 2015. Following the successful investments in Line 1 in 2014, this latest modernisation of production facilities will help strengthen the Company's capacity to process thinner gauge metal and offer a wider range of finishings.

Alongside this, COIL has permanently closed Line 4 in Belgium as planned. The elimination of this line's previously high operating costs has had a positive impact on profitability for the first half of 2016. The automated batch anodising line, acquired in Italy in 2015, will occupy the space freed up and is expected to be operational by 2017. This facility, the only one of its kind in the world, will offer an opportunity to further diversify COIL's core business into anodising flat-rolled aluminium products. More specifically, it will enable it to deliver small quantities of anodised sheets, a major strategic element for designing new colours and finishings, as well as developing architectural markets.

In Germany, work is ongoing to set up a sixth continuous anodising line at the Bernburg site. Focused on the architecture industry, this line is expected to be brought into production in the first quarter of 2017. The completion of this investment will enable the Bernburg site to become the world's most modern continuous anodising plant, with major processing capacity in terms of surface finishings and sizes.

Sustained growth in profitability

For the first half of 2016, COIL achieved historic levels of profitability. Profitability indicators show robust growth thanks to the progress made with revenues, the positive change in the product mix, the improvement in the fixed cost structure and the increase in productivity levels.

Illustrating this, EBITDA (operating income + depreciation and provisions) is up 42% from the first half of 2015 to €4.4 million, representing 28.5% of revenues, an all-time high.

After €1.1 million of depreciation and amortisation, operating income came to €3.3 million, up 57% year-on-year, with a record operating margin of 21.6%.

In particular, after €0.3 million of net financial expenses, net income represents €3.0 million, with a net margin ratio of 19.5%, up from 14.3% the previous year.

Condensed income statement

€'000,000	H1 2016	H1 2015	Change	2015
Revenues	15.5	12.7	+22%	24.9
EBITDA*	4.4	3.1	+42%	6.9
% of revenues	28.5%	24.8%		27.5%
Operating income	3.3	2.1	+57%	4.6
% of revenues	21.6%	16.4%		18.2
Pre-tax income	3.1	1.8	+72%	3.7
Net income	3.0	1.8	+67%	3.6
% of revenues	19.5%	14.3%		14.4%

Financial structure further strengthened

In line with its earnings, COIL has significantly strengthened its balance sheet. Shareholders' equity represents €27.6 million, up €7.4 million from December 31st, 2015, taking into account half-year earnings and the €4.4 million reserved capital increase carried out in the first quarter of 2016.

Net debt represented €12.8 million at June 30th, 2016, stable compared with December 31st, 2015 despite investments being ramped up in Belgium and Germany. With debt under control and strong growth in equity, the ratio of net financial debt to equity has improved from 64% at December 31st, 2015 to 46%.

Acceleration in growth for the third quarter of 2016

Revenues for the third quarter of 2016 climbed 53.8% compared with the third quarter of 2015 to reach €9.1 million. The acceleration in growth reflects the ramping up of sales of anodising services, with year-on-year growth of nearly 42%, and the very strong development of sales of packaged offers, which generated 15% of revenues for the quarter, compared with 8% one year earlier.

For the first nine months of 2016, COIL's revenues came to €24.6 million, up 32.3% year-on-year.

Outlook

Building on these elements, COIL is very confident about the end of 2016, with significant revenue growth and strong progress with profitability expected.

COIL aims to further strengthen its leadership in diversified markets. The programme of investments in Germany and Belgium will be completed shortly in 2017, enabling COIL to be more aggressive with a view to supporting its sustainable growth.

Next date

2016 full-year revenues will be released on Tuesday January 24th, 2017 (after close of trading)



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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