

PRESS RELEASE

2017 FIRST-HALF EARNINGS: HIGH MARGINS MAINTAINED

- **Robust EBITDA representing 27% of revenues, compared with 28% one year earlier**
- **Net income of €2.3 million, with a net margin representing 16% of revenues**
- **Net debt totalling 37% of shareholders' equity, compared with 40% last year**
- **Finalization in 2017 of the programme of major strategic investments to support growth and further strengthen profitability**

Brussels, October 3, 2017 (5:45 pm) – COIL, the world leader for aluminium anodising, is releasing its earnings for the first half of 2017.

Half-year highlights

In 2017, COIL is focusing its actions on completing its major investment programme in Belgium and Germany. The industrial developments rolled out aim to provide strong and flexible levels of available production capacity to support the company's growth and effectively capitalise on its markets' potential.

At its Bernburg site (Germany), the company finalised the installation of its sixth continuous anodising line during the first half of this year. Inaugurated in September, this 15,000 ton capacity line offers performance capabilities that are unrivalled worldwide in terms of surface finishings and sizes. Its rapid ramp-up in the fourth quarter of 2017 will help further strengthen the Bernburg plant's competitiveness, as well as its leadership for producing thick-gauge anodised aluminium for the construction and architecture markets.

At its Landen site (Belgium), following the successful investments in Line 1 in 2014 and Line 2 in 2016, the company has moved forward with work to install a leading-edge innovative automated batch anodising line. This strategic installation will make it possible to deploy bespoke treatments for reduced quantities and timeframes. It will be operational from the end of 2017 and enable the company to further diversify its offers and client base.

Earnings

Half-year revenues came to €14.4 million (-7%), compared with a high reference basis since the first half of 2016 saw 22% growth. Sales of anodising services have been held back primarily by the wait-and-see approach adopted by distributors, against a backdrop of volatile aluminium prices. Sales of packaged offers including metal have consolidated their international development, particularly in Asia.

The reduction in costs and increase in productivity have partially offset the slowdown in sales due to the general economic environment. EBITDA came to €3.9 million, representing 26.9% of revenues, close to the previous year's all-time high. Operating income came to €2.7 million; although down 20% from the first half of 2016, it represents a high operating margin ratio with 18.6% of revenues.

After €0.3 million of net financial expenses, net income represents €2.3 million, with a net margin ratio of 16.0%, versus 19.5% last year.

Condensed income statement

€M	H1 2017	H1 2016	Change	2016
Revenues	14.4	15.5	-7%	33.0
EBITDA*	3.9	4.4	-13%	8.0
% of revenues	26.9%	28.5%		24.1%
Operating income	2.7	3.3	-20%	5.3
% of revenues	18.6%	21.6%		16.1%
Pre-tax income	2.3	3.1	-24%	4.7
Net income	2.3	3.0	-24%	4.7
% of revenues	16.0%	19.5%		14.1%

Financial structure

In line with these results, the company has continued to strengthen its balance sheet. Shareholders' equity is up €2.4 million from 31 December 2016 to €31.8 million. Net debt represented €11.8 million at 30 June 2017, down €0.1 million from 31 December 2016. In this context, the net debt-to-equity ratio shows a further improvement to 37%, compared with 40% at December 31, 2016.

Outlook

Despite an unfavourable base effect, which will continue to have an adverse impact in the third quarter, the company is expected to see a gradual improvement in sales over the second half of the year, in view of the improvement in its market conditions. Alongside this, the company will be completing its major strategic investment cycle, with the effective strengthening of its Bernburg plant in Germany and its automated batch anodising line to be set up in Belgium at the end of 2017.

In this context, the company is targeting full-year revenues of nearly €30 million.

At the leading-edge of aluminium anodising, COIL has outstanding fundamentals in place to further strengthen its value creation in a market for which the long-term outlook is very positive. With its strong production capacity and extensive product portfolio, the company will benefit from increased potential from 2018 to further strengthen its dynamic, profitable growth around long-term foundations.

Next date

2017 third-quarter revenues will be released on Tuesday November 7, 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.

Euronext Growth Paris
ISIN: BE0160342011 - ALCOI
Reuters: ALCOI.PA
Bloomberg: ALCOI:FP
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