



PRESS RELEASE

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Revenues, earnings and cash flow performance in H1 2018/19 according to plan. Group revenues approaching trend projected in the full-year forecast. Earnings before income tax down by EUR 1.2 million primarily because of prior-year extraordinary income. Full-year forecast confirmed by the Management Board: consolidated earnings expected to improve noticeably although revenues decline at medium single-digit percentage rate.

Business in the first six months of the fiscal year 2018/19 was in line with expectations. Group revenues declined by 5.0 percent or EUR 5.5 million from EUR 110.8 million to EUR 105.3 million, thus approaching the trend projected in the full-year forecast. Due to extraordinary income recorded in the same period of the previous year, earnings before income tax dropped by EUR 1.2 million to EUR -1.7 million in the first half of 2018/19, which appears to be quite a strong reduction at first sight. In the previous year, the sale of an unused plot of land in Sri Lanka and of a work of art led to a book profit of EUR 0.8 million. Adjusted for this one-time income, the result before income tax in the first half of the current fiscal year was EUR 0.4 million below, and thus close to the prior year level, as had been expected. Ahlers has concluded its earnings and efficiency increasing programme and is on schedule for the current fiscal year. Operating cash flow stood at EUR 1,5 million at the six-month stage, which was above the previous year's EUR -0.8 million.

The Management Board has confirmed the forecast for the fiscal year 2018/19 published in the 2017/18 Annual Report, according to which revenues will decline by a medium single-digit percentage rate. Consolidated earnings after taxes are expected to increase at a high double-digit percentage rate but still to remain negative in 2018/19, which will be a year of transition. In the second half of 2018, provisions for the efficiency programme had reduced the result by around EUR 5 million, whereas this year the company projects hardly any extraordinary expenses but rather one-time income on balance. The company aims to return to profit in 2020 when all measures initiated will take effect.

All figures are provisional. The final figures for H1 2018/19 will be published on July 10, 2019.

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