

PRESS RELEASE

Muehlhan publishes results for fiscal year 2015

- **The Group continues to move forward with its process of transformation**
- **Results suffer from oil-price trend and losses in the project business**
- **Slightly positive outlook**
- **Dividend of €0.04 per share is proposed**

Hamburg, 5 April 2016 – In fiscal year 2015, the Muehlhan Group (Entry Standard; ISIN DE000A0KD0F7) successfully proceeded with its transformation process but was unable to maintain the upward trend in earnings seen in recent years to the extent intended. Sales revenues increased by 12%, to €239 million, EBIT dropped by 30%, to €5.2 million, and consolidated net income decreased slightly from the prior-year level, to €2.1 million. The different performance at the two earnings levels reflected the separate reporting for the businesses in Singapore that are currently being shut down. Pursuant to IFRS 5 requirements, these figures are eliminated at the accounts level and added back under operating income. After reporting EBIT of €1.5 million in the previous year, the Singapore operations managed to generate €0.5 million of EBIT during the year under review in connection with the disposal of assets as part of the closure.

The Group's unsatisfactory profitability - caused by the structural change in the maritime segment and the drop in the price of oil - underscores the necessity of the strategy adopted by management to further diversify Muehlhan in order to make the Group more resilient to setbacks in individual markets.

A regional review shows that sales in **Europe** increased by 4% to €188.4 million. By contrast, EBIT dropped sharply from €10.2 million to €3.1 million, in part because of declining margins in the offshore business in Great Britain caused by the lower price of oil, but also because of project losses in Germany and Scotland.

The business in **America** stabilized, with sales revenues increasing by €4.9 million to €23.1 million, primarily because of a major contract initiated during the reporting year and positive developments in the refinery business. EBIT decreased slightly (by €0.3 million) to €0.4 million.

In the **Middle East**, on the other hand, the Group reported positive results for the year under review: sales revenues rose by €2.6 million, to €16.8 million; EBIT amounted to €1.7 million.

Thanks to several big orders, the **Ship** business segment managed to increase sales by €4.1 million to €82.9 million and EBIT by €1.5 million to €3.8 million. This increase was due not to any generally positive trend in the ship newbuilding market, but rather to large orders with time limits.

In the **Renewables** segment, sales revenues increased by €8.9 million, to €23.7 million. By contrast, EBIT decreased from €0.9 million to €-2.5 million due to the closure of a site in Denmark and project losses in Germany and Scotland.

The **Oil & Gas** business segment managed to increase sales revenues from €48.1 million in 2014 to €53.0 million in 2015 by acquiring the MSI Group. Also because of the MSI acquisition, EBIT rose by €0.6 million, to €4.2 million.

The **Industry/Infrastructure** business increased sales revenues by €8.1 million to €79.3 million. Due to the completion of a big, profitable contract in Qatar and the absence of follow-up contracts, EBIT declined by €2.1 million from the prior-year level to €4.2 million.

With the Supervisory Board's agreement, the Executive Board will recommend to the Annual General Meeting that a dividend of €0.04 per share be distributed for 2015.

The Executive Board will continue to implement the transformation process in 2016 with a strategic focus on markets outside of the shipping industry and on business segments beyond the traditional core area of surface protection. In operations, project management improvements have been adopted that should significantly improve results from future projects. In 2016, management expects sales revenues to remain constant and EBIT to improve to between €5.0 million and €7.0 million.

For additional information on fiscal year 2015 and details on the outlook for 2016, please consult the Muehlhan Annual Report published on 5 April 2016.

The company's key performance indicators are shown in the following table. The figures for 2015 and 2014 are presented in accordance with the requirements of IFRS 5.

in EUR million	Fiscal year 2015	Fiscal year 2014
Results		
Sales	239.0	213.1
EBITDA ¹	12.0	13.2
EBIT ²	5.2	7.5
EBT ³	3.3	5.2
Earnings per share (EUR)	0.07	0.08
Consolidated earnings after non-controlling interests	1.4	1.6
Profit/(loss) from discontinued operations	0.5	-1.5
Cash flow	12.7	12.1
Capital expenditures	10.8	13.7

in EUR million	31.12.2015	31.12.2014
Balance sheet		
Fixed assets ⁴	53.1	47.6
Equity	66.0	61.3
Equity ratio in %	48	52
Balance sheet total	138.0	118.5



Employees	Fiscal year 2015	Fiscal year 2014
Number of employees (annual average)	2,844	2,675

¹ EBITDA: Earnings before interest, taxes, depreciation and amortization

² EBIT: Operating income (Earnings before interest and taxes)

³ EBT: Earnings before taxes

⁴ Fixed assets: Total of non-current assets less deferred tax assets

About Muehlhan: Worldwide, the Muehlhan Group is a reliable partner in industrial services and high-quality surface protection. As one of the few full-service providers, we offer our customers a broad range of services designed to meet the exacting quality standards expected in professional industrial services. Our customers benefit from our exceptional organizational skills, on-time delivery, the technical expertise that differentiates us from our competitors and our more than 130 years of experience.

We have an established market presence in the four business segments in which we operate: Ship, Renewables, Oil & Gas and Industry/Infrastructure. With our workforce of more than 2,800 employees at over 30 locations worldwide, we generated sales revenues of €239 million in 2015. We intend to use this stable foundation to further expand our business in the coming years and to continue moving our Group forward through proximity to our customers in the global market.

For more information, visit www.muehlhan.com.

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