

EANS-Adhoc: SW Umwelttechnik: Quarter 1 results

ad-hoc disclosure transmitted by euro adhoc with the aim of a Europe-wide distribution. The issuer is solely responsible for the content of this announcement.

- * Turnover of EUR 8.3 m on the same level as that of the previous year
- * EBIT and Group result have significantly improved
- * Good market outlook for the water conservation segment

Quarter 1 turnover reached the same level as that of the previous year even though it was a severe and snowy winter - the result was noticeably improved due to the instigated cost saving measures and focusing on locally financed projects. In the words of managing director Bernd Wolschner: "Due to dealing with the market in a proactive manner and by stringently saving on fixed costs, we were able to improve our Group results. In addition the stabilisation of the CEE currencies has contributed to our financial result and means we can show a strong POA in comparison to the previous years."

The bad weather during the first two months of the year caused our turnover to collapse, however we were already able to significantly improve this by March. Our turnover by this stage was EUR 8.3 m (2009: EUR 8.4 m) and thus reached the same level as that of the previous year. The operative result could be improved by EUR 0.9 m due to the cost saving measures introduced in 2009 and we were thus able to report EBITDA of EUR - 1.5 m (2009: EUR - 2.3 m) and EBIT of EUR - 2.9 m (2009: EUR - 3.7 m).

The financial result shows a profit of EUR 0.5 m (2009: EUR - 5.2 m) due to reduced interest costs and the stabilisation of the FX rates of HUF and RON compared to the previous year. This results in a POA for the first quarter of EUR - 2.5 m (2009: EUR - 8.9 m).

Segmental analysis

The allocation of turnover between the different segments has remained the same in comparison to the same period (quarter 1) in 2009. The water conservation segment remains the strongest with 48 % of total turnover (2009: 48 %), infrastructure holds 42 % (2009: 41 %) and the project engineering segment has 10 % (2009: 11 %).

We have noted strong regional movement as the market for SW Umwelttechnik has significantly improved in our prime market Hungary. Turnover increased to EUR 5.5 m (2009: EUR 3.9 m) and now holds 66 % of the Group's turnover (2009: 46 %).

Turnover in Romania of EUR 1.4 m remains below the level of the previous year (EUR 1.7 m) mainly due to the delay of local project financing. It now makes up 16 % of the total turnover (2009: 21 %). The market situation in Austria has, as expected, greatly deteriorated and its share of total turnover is now only 12 % (2009: 30 %) with EUR 1.0 m (2009: EUR 2.5 m). Exports mainly to Italy as well as to Slovenia, Slovakia and Germany were slightly increased to EUR 0.4 m (2009: EUR 0.3 m).

Financial status

The fixed assets that were strongly devalued in quarter one of 2009 due to the FX volatility increased from EUR 69.8 m to EUR 80.6 m. This supports the view of the company that a normalisation of the FX rates leads to the real value of fixed assets to again be represented in the financial statements.

Current assets remained almost the same with EUR 29.7 m (2009: EUR 28.7 m) despite the FX revaluations and because of the enforced tightening of

inventories and the stringent claims management. The balance sheet total shows EUR 110.3 m (2009: EUR 98.5 m) and equity stands at EUR 17.3 m (2009: 6.2 m) which results in an equity ratio of 15.7 %.

Financial liabilities were slightly reduced to EUR 78.9 m (2009: EUR 79.9 m) of which about 60 % remain long-term liabilities.

Volume of orders

We were able to increase our volume of orders to EUR 36.8 m in comparison to the last trading day 2009 of EUR 32.8 m (2009: EUR 41.4 m). The volume of orders reflects the current economic situation.

Hungary shows an increase in the volume of orders with EUR 19.6 m (2009: EUR 12.2 m) and is 17 % higher than on 31 December 2009 when it lay at EUR 16.8 m. In Austria the volume of orders of EUR 2.7 m (2009: EUR 4.3 m) is 23 % above the level of 31 December 2009 when it was EUR 2.2 m. Romania shows a similar level of orders with EUR 13.8 m compared to 31 December 2009 where it was EUR 13.5 m (2009: EUR 20.9 m).

The volume of orders in the water conservation segment of EUR 10.8 m (2009: EUR 7.2 m) is already 25 % higher than on the last trading day of 2009 and in the infrastructure segment it has increased to EUR 10.4 m so by 12 % in comparison to the ultimo 2009 (2009: EUR 16.9 m). The shifting of the infrastructure segment to the water conservation segment, which was already noted in the turnover of 2009, is reflected in these figures. The volume of orders in the engineering projects remains stable with EUR 15.6 m (2009: EUR 17.3 m).

Outlook

The company's current performance is consistent with our forecast for 2010. Clear incentives have been noted in the markets that SW Umwelttechnik works in mainly due to the support of the IMF and the ECB in Hungary and Romania. We expect a decrease in trade and industry projects in Austria for 2010 that can only be partially compensated with local investments. The industry and trade sector in Hungary should stabilise and we anticipate a significant increase in local investments already in the first half of 2010. From 2011 on we expect a considerable improvement for all segments in the market. We are now experiencing a more relaxed market environment in Romania due to the involvement of the IMF and the ECB as well as because of the government's sanction for the recapitalisation measures of the budget. We predict an improvement by mid 2010 compared to the previous year and significant growth by 2011.

Notification:

The report on Quarter 1 can be downloaded from our website (www.sw-umwelttechnik.com) and ordered from the company's headquarters.

SW Umwelttechnik, a family firm founded in 1910 and listed on the Viennese stock exchange since 1997, stands for sustainable management and consistent growth in Eastern and South Eastern Europe. With our innovative technology to protect the environment we provide an important contribution for the development of necessary infrastructure in Central and South Eastern Europe.

Further inquiry note:

DI Dr. Bernd Wolschner
Member of the Management Board
Tel.: +43 / (0) 463 / 32109 - 202
Mobil: +43 / (0) 664 / 34 13 953

Mag. Michaela Werbitsch
Investor Relations
Tel.: +43 / (0) 463 / 32109 - 204
Mobil: +43 / (0) 664 / 811 7662
E-Mail: michaela.werbitsch@sw-umwelttechnik.com

Web: www.sw-umwelttechnik.com

issuer: SW Umwelttechnik Stoiser & Wolschner AG
Bahnstraße 87-93
A-9020 Klagenfurt

phone: 0043-463-321090

FAX: 0043-463-37667

mail: office@sw-umwelttechnik.com

www: <http://www.sw-umwelttechnik.com>

sector: Technology

ISIN: AT0000808209

indexes: WBI

stockmarkets: free trade: Berlin, Frankfurt, Regulated free trade: Wien

language: English



Aussendung übermittelt durch euro adhoc
The European Investor Relations Service