

PRESS RELEASE

Muehlhan AG publishes first quarter 2017 results

- Business performance within expected range
- €55.8 million of sales revenues, €1.2 million of EBIT

Hamburg, 4 May 2017 – From January to March 2017, Muehlhan AG (Open Market; ISIN DE000A0KD0F7) generated €55.8 million in sales (previous year: €59.3 million) and earnings before interest and taxes (EBIT) of €1.2 million (previous year: €1.1 million). The results for the traditionally weak first quarter were therefore within our range of expectations. Cash flow from operating activities was strongly positive at €4.7 million (previous year: €1.4 million).

On a geographic basis, sales revenues in **Europe** declined 6% year on year, as expected, to €41.1 million. In the **Middle East**, Muehlhan posted a slight increase of 2% in sales revenues, to €5.9 million. In **North America**, sales revenues decreased by €1.0 million to €4.7 million during the reporting period as a major long-term project was largely completed. In the **Rest of the World**, the business trend was positive, with sales revenues increasing by 5% to €4.1 million.

As expected, sales revenues in the **Ship** business segment decreased to €14.3 million, €2.7 million lower than in the prior year period. Due to continuing difficulties in the market environment, sales revenues in the **Oil & Gas** business segment decreased €2.2 million year on year to €15.1 million. As in the previous year, the **Renewables** business segment generated €7.6 million of sales. The **Industry and Infrastructure** business managed to boost sales revenues to €18.8 million, a 9% increase over the prior year figure.

In January 2017, Muehlhan took over the business operations of Degraform Bekistingen en Steigers BV, thereby strengthening its scaffolding business in the Netherlands. The results from Degraform's business activities are included in the quarterly results.

In March 2017, Muehlhan's Danish subsidiary signed a 5-year order with Maersk with a volume of €100 to €130 million. The contract covers stable, steady work volumes without any major risks. As a result, the contribution to the Muehlhan Group's earnings will be below average. Work for Maersk will begin in the second quarter of 2017.

Muehlhan expects profitability to continue to improve in 2017. The company expects sales revenues to remain constant at around €250 million, with EBIT increasing slightly year on year to between €6.5 million and €8.5 million.

The company's key performance indicators are shown in the following table:

in € million	1 st quarter of 2017	1 st quarter of 2016
Results		
Sales revenues	55.8	59.3
EBITDA ¹	3.2	2.8
EBIT ²	1.2	1.1
EBT ³	0.9	0.7
Consolidated earnings after non-controlling interests	0.3	0.2
Earnings per share from continuing operations (in €)	0.02	0.01
Cash flow from operating activities	4.7	-1.4
Capital expenditures	3.6	2.8

in € million	31.3.2017	31.12.2016
Balance sheet		
Balance sheet total	149.9	146.5
Fixed assets ⁴	55.6	53.7
Group equity	68.4	68.1
Equity ratio in %	45.6	46.5

	31.3.2017	31.12.2016
Employees		
Number of employees (annual average)	2,712	2,881

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 €254 million in 2016. 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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