



May 16, 2006 - Press Release: SIMONA AG's Report 2005

SIMONA Group achieves revenue growth of 8.4 per cent in FY 2005 Group revenue climbs to record level of 230.6 million

SIMONA AG, a leading manufacturer of semi-finished plastics, based in Kirn/Germany, increased its revenue by 6.1 per cent to 201.8 million in the 2005 financial year; at Group level revenue rose by 8.4 per cent to 230.6 million. Achieving a slight improvement in sales volumes of 0.5 per cent, the company managed to counteract the general decline in manufacturing volume within the plastics-processing industry and extend SIMONA's market position.

Yet again, foreign sales proved to be the driving force in 2005; within this area revenue grew by 9.1 per cent to 143.8 million. At 62.4 per cent, the Group's export ratio reached a new all-time high, a tribute to the successful marketing strategy implemented at international level. The forward momentum produced by SIMONA AMERICA Inc., the US subsidiary established in 2004 and located in Mountaintop, Pennsylvania, also contributed to growth. Operating in its second year, the subsidiary managed to double its revenue.

Profit from ordinary activities improved by 25.5 per cent within the AG (parent company), taking the total to 18.3 million. The EBIT margin reached 8.5 per cent, which was well within the target range of 7 to 10 per cent.

Consolidated net profit, which was calculated according to International Financial Reporting Standards (IFRS) for the first time, stood at 13.5 million. Owing to the changeover to IFRS accounting, comparability with the financial indicators for the preceding years is limited.

Based on the net profit for the period and retained earnings brought forward from the previous year, the Supervisory Board and Management Board will propose to the General Meeting a dividend payment of 7.50. This corresponds to a dividend yield of 3.1 per cent.

The Group is targeting revenue growth of 4 per cent in FY 2006, taking the overall figure to 240 million, while consolidated earnings before interest and taxes (EBIT) are to rise to 15.0 million, calculated on the basis of IFRS. This forecast is based on the assumption of continuing buoyancy in the core markets of chemical engineering, mechanical engineering, advertising as well as waste-water disposal and sewer rehabilitation. In addition, new areas of application such as those identified within the automotive sector and the construction industry are to contribute to corporate growth, alongside further international expansion.



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