

Bene AG presents its interim report on the first quarter of 2013/14

Vienna/Waidhofen, 11 June 2013: The Bene Group is currently undergoing a phase of intense change. Having had to face substantial operating losses in financial year 2012/13 and the one-off effects of the restructuring measures it has introduced, the negative effects of this restructuring of operations continued to be a feature of the first quarter of its current financial year (1 February to 30 April 2013).

Business development

Overall **revenue** in the first quarter fell year-on-year by 8.2% to around EUR 43.8 million (Q1 2013/14: EUR 47.8 million). This is in line with the restructuring concept presented in April 2013, which includes a controlled reduction in revenue by means of changes to sales processes. Order intake as foreseen in the first three months of 2013/14 was lower than the comparable figure for the previous year; this was due to a selective procedure for taking on new orders.

Implementation of the restructuring programme hit key earnings figures. Bene's **EBITDA** for the first three months of financial year 2013/14 accordingly showed a loss of around EUR 2.6 million (Q1 2012/13: EUR 2.5 million). **EBIT** and **EBT** were also correspondingly negative. The Group's **net debt** (cash and cash equivalents less financial liabilities) increased from the figure of EUR 55.1 million reported as at financial year-end on 31 January 2013 to EUR 60.1 million as at the quarterly reporting date. As at 30 April 2013, the Group's **cash and cash equivalents** amounted to EUR 15.4 million. The Bene Group is in a position to meet all of its payment obligations and that there are no effects on its operations.

Bene implemented a large number of measures in the first three months to reduce its material and personnel expenses. These formed part of its programme to ensure that it succeeds in turning around its operations. These included a reduction in the Group's global **headcount** since the year-end reporting date on 31 January 2013 by 44 employees or 3.2%. Other employees were still serving their notice as at the quarterly reporting date, so that a total reduction of 110 employees is in fact being implemented. In order to hold off the loss of any more staff, holiday and overtime credits are currently being run down so that the personnel capacity matches the requirements of the factory in Waidhofen/Ybbs.

Expansion in Asia continues

Together with a joint-venture partner, it started operations in India in the first quarter and booked its first orders there. The Bene Group's investment strategy is essentially hampered by the tight financial restrictions prevailing in its current restructuring phase. Capital expenditure for other fixed assets were reduced year-on-year from EUR 2.6 million to EUR 0.7 million in the first quarter of the current financial year.

Outlook

The Bene Group's Executive Board is confident that it will return the company to the success it enjoyed in previous years. To this end, following an in-depth analysis, it has developed and presented a restructuring concept. This essentially comprises measures to cut costs and improve earnings, rounded off by a refinancing concept agreed with the banks financing the Group. In line with this restructuring concept, Bene is focusing on markets with great potential for growth and on orders generating strong earnings. Against this background, Bene will take a controlled approach to reducing revenue. From today's perspective, we may assume that operating earnings will improve against the first quarter as a result of the large number of measures related to the quality of pricing and cutting of costs. However, a further fall in EBITDA for the financial year as a whole is foreseen. All forward looking statements relating to the future are subject to the condition that an agreement is reached with the banks financing Bene AG on a long-term viable financing and restructuring concept.

About Bene

The Bene Group, with its head office and production facilities in Waidhofen an der Ybbs, employs 1,343 people at 82 locations in 35 countries around the world (as of 30 April 2013). Bene is convinced that there is a clear connection between the design of office and working environments, company culture and the success of a company. Bene's concepts, products and services turn this philosophy into reality. Development, design and production as well as consulting and sales are united under one roof. The globally active company maintains long-term customer relationships with the high quality of its products and consulting services – providing stability that is reflected in over 220 years of company history. In the business year 2012/13, consolidated sales of the Bene Group amounted to EUR 213.6 million. Bene is the market leader in Austria and number five in Europe.