



AUSTRIAN ENERGY  
& ENVIRONMENT

a company of A-TEC INDUSTRIES AG

## **Austrian Energy & Environment Group reports continuing growth in third quarter**

Austrian Energy & Environment (AE&E) AG is looking back over three highly successful quarters, in which sales, earnings and order books all increased significantly. "With sales reaching the total for the whole of 2006 after just nine months, AE&E contributed almost half of A-TEC Industries Group revenue," says Christian Schmidt, Member of the Management Board of A-TEC Industries and of AE&E's Supervisory Board, expressing his pleasure at the successful development of the Austrian industrial group's largest division. "AE&E is in a strong position internationally today, and as an expert in plant engineering is benefiting from rapidly growing demand from industrial and emerging economies for alternative and environmentally friendly energy solutions," he continues.

### **Sales virtually doubled**

The Austrian plant engineering group recorded significant increases in revenue and all main earnings indicators in the first nine months of the current financial year. Revenue almost doubled to EUR 709.4m, compared with EUR 388.4m a year earlier. Earnings before interest and tax (EBIT) were up 46.4%, from EUR 18.5m to EUR 27.7m. Earnings before tax (EBT) was also up significantly, at EUR 30.4m compared with EUR 21.4m for the same period in 2006.

AE&E's consistent development of international markets using complete packages of economically and ecologically sound solutions tailored to its customers' needs and rising demand for efficient and environmentally friendly energy production are reflected in order intake in the first nine months of EUR 1.08 bn (Q1–3 2006: EUR 0.89 bn). The order book stood at EUR 1.81 bn as at 30th September 2007, up about 34% on the same period a year earlier (EUR 1.35 bn).

### **Strategy of complementary acquisitions continued**

In the third quarter of 2007 AE&E continued on its path of largely organic growth. In October AE&E successfully completed the acquisition of a 90% joint venture interest in Deltak Power Equipment China Co. This acquisition was made as part of the strategy of making complementary additions to the portfolio, and gives the Group a new boilermaking production site in China.

### **Success in international energy markets**

The record order book of EUR 1.81 bn is attributable to numerous large-scale international orders, primarily from Australia, Germany and the USA. As part of a consortium with Siemens and IHI, AE&E won an order for a hard-coal-fired power station in Lünen, Germany (AE&E's share is worth about EUR 280m). For AE&E, this is a major milestone, marking its entry into the market for large scale coal-fired power stations.

Swiss subsidiary Roll Inova also performed encouragingly in the first three quarters of the year, booking new orders amounting to EUR 37m in the USA since the start of the year. Highlights included winning an order for the supply of a waste incineration plant in Olmsted County, Minnesota, which supplies the Rochester region with renewable energy in the form of steam and electricity.

*“Globally rising demand for energy, the need to retrofit ageing thermal power stations, new emissions standards and ambitious EU climate targets for 2020 have triggered an enormous demand for industrial energy generation solutions. The strategic acquisitions of the last year have helped us to build up an international presence so that we can make a significant contribution with our technologies and skills to efficient and environmentally friendly energy generation. We now approach our customers as a full-line-supplier with a unique portfolio of products, including power station and environmental protection technology that meets the highest operating efficiency and emission standards,”* says AE&E CEO, Jürgen Wild, who is optimistic that positive developments will continue in future and that growth will be sustained long-term.