

Successful start into the year 2005 for technotrans

revenues after 3 months up 15% / operating profit plus 35% / earnings per share of 0,22 € / number of employees increased by 12 % / Annual Shareholder's Meeting on May 13, 2005 to decide on dividend for 2004 of 0.45 € per share (+ 50%)

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technotrans, leading systems supplier of equipment for the printing industry and the manufacture of micro technology, posted revenue of € 30.8 million in the first quarter of 2005, representing an increase of 15.3 percent on the revenue figure for the first quarter of last year (€26.7 million). All segments contributed towards this positive development, in particular the largest segment Print, which enjoyed an upswing in revenue of 16 percent. The new financial year consequently got off to a flying start.

Profitability was likewise up. Thanks to an optimised costs structure the company succeeded in boosting the operating result by a disproportionately high 35.3 percent to €2.8 million (previous year €2.0 million). The operating margin consequently reached an outstanding 9 percent as soon as the first quarter.

In the first three months, technotrans posted a net profit for the period of € 1.5 million (previous year € 1.3 million). The rise in earnings of 13.5 percent therefore almost matched the increase in revenue. Earnings per share for the first quarter of 2005 amount to €0.22 (previous year: €0.20).

During the last 12 months the number of employees in the technotrans grew. On March 31, 2005 680 persons were employed (previous year: 606), comprising 470 (421) in Germany and 210 (185) abroad, a gain of 74 jobs.

Outlook

"As matters stand, we expect the positive trend of the first quarter to hold up. This would already provide a sound basis on which to achieve the targets for 2005 (revenue of € 120 to 125 million and a net profit for the year of € 7 to 7.5 million)", says Heinz Harling, Chairman of the Executive Board of technotrans AG. In parallel with the operative business, technotrans is moreover making preparations to enter a new dimension. "Based on our long-standing successful strategy of 'More technotrans per printing press', we are currently developing a blanket cleaner with which we now aim to tap into the market for cleaning systems as well." According to Harling developments are progressing according to schedule and he expects volume production to start in the second half of 2005.

The segments

technotrans is active in three areas of business: Print, Micro Technologies and Services.

The positive development of the **Print segment** gained further momentum in the first quarter of 2005. Revenue was up 16 percent in the first three months, to €22.3 million (previous year: €19.2 million) and is therefore at the upper end of the target range. The Print segment contributed more than 72 percent of consolidated revenue in the first quarter of 2005.

The result for the segment was €1.8 million, representing a 41 percent rise on the prior-year period (€1.3 million). The rate of return for the segment rose to 8.1 percent and is consequently higher than the level for both the prior quarter (6.7 percent) and the entire prior year (7.9 percent). The further rises in revenue planned and an advantageous product mix should help at least to maintain this welcome development throughout the year in progress.

Compared with the slack first quarter of the previous year, revenue for the **Micro Technologies** segment improved to €1.2 million in the first three months of 2005 (previous year: €729 thousand). It reflects in particular a lingering reluctance to invest within the CD/DVD sector, while the revenue contribution of the microstructure technology area remains low.

As expected, the segment was still unable to report a positive result at this level, though the figure of €-255 thousand represented an improvement on the prior-year quarter, when a loss of €-521 was posted. Appropriate measures to improve profitability have been launched and should help to avoid a loss for the year as a whole.

The positive development in the Services segment continued at the start of 2005. Revenue rose by 7.4 percent compared with the first quarter of the previous year, to €7.2 million (previous year €6.7 million). This segment consequently continued to generate over 23 percent of consolidated revenue.

Earnings were unable to keep pace with this growth. The result for the segment of €1.2 million was slightly down (-6 percent) on the first quarter of 2004. This is attributable in the first instance to the more intensive level of service support that was required, as expected, for the new products launched in the course of the past year. The development of Technical Documentation has moreover received a major boost through a marketing campaign, which is likewise temporarily diminishing the rate of return for the Services segment. It is nevertheless still a satisfying 16.1 percent and is likely to improve further in the course of the year.

Note : Any forward-looking statements contained in this report represent our best judgement as to what will occur in the future. The Company's actual results could differ materially from those forecasted, depending on a number of competitive and economic factors, some of which are and will be outside the control of the Company.

Download: The full Interim Report 1-3/2005 is available for downloading from the internet at www.technotrans.de

Dates: The results for the first half year and the second quarter of 2005 will be published on August 9th, 2005.

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technotrans Group
Key Figures acc. to IFRS

		qoq change	1.1-31.3.05	1.1-31.3.04	2004	2003
Earnings						
Revenue	TEUR	15.3%	30,758	26,675	117,259	106,737
Print	TEUR	16.0%	22,325	19,247	81,418	70,631
MicroTech	TEUR	70.0%	1,239	729	8,127	10,774
Services	TEUR	7.4%	7,194	6,699	27,714	25,332
Gross profit	TEUR	3.7%	9,811	9,459	39,765	35,929
EBITDA (3)	TEUR	21.2%	3,526	2,909	14,942	12,685
EBITA (2)	TEUR	28.5%	2,741	2,133	11,805	9,084
Operating profit	TEUR	35.3%	2,773	2,049	11,251	7,522
Earnings before interest and tax (EBIT) (1)	TEUR	38.4%	2,741	1,981	11,214	7,377
Net profit for the period	TEUR	13.5%	1,484	1,307	6,758	-10,960
as % of revenue	%		4.8	4.9	5.8	-10.3
Net profit per share (IFRS)	EUR	12.4%	0.22	0.20	1.02	-1.66
Balance sheet						
Issued capital	TEUR	0.0%	6,600	6,600	6,600	6,600
Equity	TEUR	12.5%	42,644	37,904	40,674	36,288
Equity ratio	%		49.8	48.9	53.5	50.1
Return on equity	%		3.6	3.5	14.3	-30.2
Balance sheet total	TEUR	10.5%	85,671	77,555	76,086	72,391
Working capital	TEUR	10.2%	28,920	26,242	26,861	24,318
Employees						
Number of employees (average)		11.9%	670	599	628	593
Personnel expenses	TEUR	9.4%	8,346	7,629	32,201	29,275
as % of revenue	%		27.1	28.6	27.5	27.4
Revenue per employee	TEUR	3.0%	46	45	187	180
Cash flow						
Cash flow (4)	TEUR	-103.3%	-79	2,380	11,595	6,491
Free cash flow (5)	TEUR	-241.4%	-2,860	2,022	9,364	5,394
Share						
Number of shares at end of period		0.0%	6,600,000	6,600,000	6,600,000	6,600,000
Share price (max)	€	12.7%	17.15	15.22	14.69	12.64
Share price (min)	€	22.0%	13.21	10.83	9.90	3.81

1 EBIT = Operating profit + foreign currency exchange gains/losses

2 EBITA = EBIT + amortisation of goodwill

3 EBITDA = EBITA + depreciation on intangible and tangible assets

4 Cash flow = cash from operating activities acc. to cash flow statement

5 Free Cash flow = cash from operating activities + cash used for investments acc. to cash flow statement