

**Positive development at technotrans continues**

*Revenue and earnings grow according to plan / investment into new facility completed / positive free cash flow and net profit of € 5.1 million / earnings per share of € 0.77*

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Business progressed highly satisfactory in the third quarter and the first nine months 2005 for technotrans, leading systems supplier of equipment for the printing industry and the manufacture of micro technology components. Revenue after nine months reached € 94.5 million, equivalent to growth of 11.3 percent or almost € 10 million. Considered within the context of a growth target of up to 10 percent for the current year, this is at the upper end of the target range. The Print segment remained the driving force behind this year's developments, growing by 14.2 percent overall.

Earnings rose in the same measure as revenue. Gross profit was up 11.9 percent at the nine-month mark, at € 33 million. The operating result was up by almost 9 percent to € 8.7 million; this already included the necessary adjustments, now amounting to e 1 million in total, to the carrying value of the land to be sold in Stadtbergen. The operating margin was consequently back up at 10.8 percent in the third quarter, and compared with the previous year it was 9.2 percent for the ninemonth period (previous year 9.4 percent).

After the first three quarters of the year, the net profit totalled € 5.1 million, a rise of 8.6 percent (previous year € 4.7 million). In the third quarter alone, a profit of more than € 1.9 million was realised in spite of the one-off charges. This corresponds to overall earnings per share of € 0.77 (previous year € 0.71).

The technotrans Group employed an average total of 680 people over the first nine months of 2005 (previous year: 609), comprising 468 (421) in Germany and 212 (188) outside Germany.

**Outlook**

The Board of Management expects two aspects to have significant impact on the coming months ahead: the continuing progress in tapping new product areas and the improving situation in the printing industry in general. Heinz Harling, Chairman of the Board: "Experience has taught us that technotrans is able to benefit from a recovery more swiftly and to a greater extent than other market players."

Burkard Rausch, Chief Financial Officer, sees the financial targets of 2005 coming into reach: "The healthy development in revenue means that we are at the upper end of our target range after nine months and that we are sure to

achieve or slightly exceed our target for the year of € 120 to 125 million. The operating result for the nine-month period is more than satisfactory as well. We therefore expect that we will also reach our target for the full year of a net profit of € 7 to 7.5 million.”

### **The Segments**

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

At € 21.8 million, revenue for the **Print segment** in the third quarter was slightly down on the dynamic first two quarters of 2005 (€ 22.3 and 23.3 million). The total revenue of € 67.5 million represents a year-on-year increase of 14.2 percent (€ 59.1 million) and is consequently in line with the original target. The Print segment remains the focal area of the technology company, accounting for almost three quarters of revenue.

The result for the segment showed an 18.1 percent year-on-year improvement to € 5.4 million (€ 4.6 million). The margin returned to a satisfactory level of 9.5 percent in the third quarter – this despite the depreciation of the carrying value of the land in Stadtbergen, increased expenditure on R&D activities and the investments into the new product area.

With first-half year revenue for the **Micro Technologies segment** remaining virtually unchanged from the previous year, the third quarter brought yet another downturn compared with the prior-year quarter. technotrans' smallest segment generated revenue in the first nine months of only € 5.0 million, compared with € 5.9 million in 2004, and has consequently slipped back to the magnitude of other product areas that are of only minor significance for technotrans' success.

It is pleasing to note that even with this reduced level of revenue, the third quarter nevertheless showed a positive result. It was consequently possible to reduce the loss that had built up in the first half of the year to € -152,000. Thanks to the structural measures implemented in recent quarters, the segment is on course for achieving the goal of breaking even on an operating level for the year as a whole.

Revenue for the **Services segment** at the nine-month mark showed an overall rise of 10.5 percent to € 22.0 million (previous year: € 19.9 million). Revenue for the third quarter was roughly on a par with previous quarters, at € 7.3 million.

As was already the case at the half-way point in 2005, the expansion of the service structures, particularly in Asia, is temporarily diminishing margins. The result for the segment of € 3.3 million was 12.5 percent down on the prior-year figure (€ 3.7 million), and the rate of return for the segment remains 14.8 percent. As structural expansion usually generates additional revenue with a time lapse of 6–9 months, Management remains confident that earnings will soon be able to return to the customary levels.

CFO Burkard Rausch satisfied with the business progress so far.”With the rising volume we are able to report a positive free cash flow, less capital expenditure, of € 0.6 million after only nine months. Our task will be to ensure technotrans 3rd quarter and nine months 2005

that this growth is reflected overproportionally in the result, by means of strict cost monitoring, intelligent management of the working capital and, last but not least, a highly motivated team.”

**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 1-9/2005 is available for downloading from the internet at [www.technotrans.de](http://www.technotrans.de), Investor Relations, Reports.

**Dates:** technotrans will hold a presentation at the Eigenkapitalforum, Frankfurt, on November 23, 2005. More details on our website.

The results for the fiscal year 2005 will be published on March 8, 2006.

**Securities:** technotrans AG – ISIN DE0007449001 – WKN 744 900

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**technotrans Group**  
**Key figures acc. to IFRS**

		Change qoq	1.1.-30.9.05	1.1.-30.9.04	2004	2003
				restated	restated	restated
<b>Earnings</b>						
Revenue	T€	11,3%	94,502	84,901	117,259	106,737
Print	T€	14.2%	67,479	59,074	81,418	70,631
MicroTech	T€	-15.0%	5,050	5,943	8,127	10,774
Services	T€	10.5%	21,973	19,884	27,714	25,332
Gross profit	T€	11.9%	32,961	29,467	39,694	35,906
EBITDA (3)	T€	13.9%	12,211	10,725	14,799	12,638
EBITA (2)	T€	5.5%	8,834	8,371	11,662	9,037
Operating profit	T€	8.9%	8,710	7,995	11,108	7,475
Earnings before interest and tax (EBIT) (1)	T€	11.5%	8,834	7,926	11,071	7,330
Net profit for the period	T€	8.6%	5,087	4,682	6,670	-10,989
as % of revenue	%	-2.4%	5.4	5.5	5.7	-10.3
Net profit per share (IFRS)	€	8.1%	0.77	0.71	1.01	-1.66
<b>Balance sheet</b>						
Issued capital	T€	1.3%	6,684	6,600	6,600	6,600
Equity	T€	13.2%	44,571	39,387	40,674	36,288
Equity ratio	%		52.6	49.5	53.5	50.1
Return on equity	%		15.9	12.4	17.3	-25.0
Balance sheet total	T€	6.4%	84,709	79,580	76,086	72,391
Working capital	T€	6.4%	28,322	26,616	26,861	24,318
<b>Employees</b>						
Number of employees (average)		11.7%	680	609	628	593
Personnel expenses	T€	11.7%	26,166	23,418	32,344	29,322
as % of revenue	%		27.7	27.6	27.6%	27.5%
Revenue per employee	T€	0.0%	139	139	187	180
<b>Cash flow</b>						
Cash flow (4)	T€	11.7%	8,725	7,810	11,595	6,491
Free cash flow (5)	T€	-90.9%	599	6,617	9,364	5,394
<b>Share</b>						
Number of shares at end of period		1.3%	6,683,601	6,600,000	6,600,000	6,600,000
Share price (max)	€	18.2%	17.99	15.22	14.69	12.64
Share price (min)	€	33.4%	13.21	9.90	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

Note: the consolidated financial statements of technotrans AG at September 30. 2005 are prepared in accordance with the International Financial Reporting Standards (IFRS) applicable on the reporting date. The rule on the reporting of share based payment transactions (IFRS 2) was also taken into account. This IFRS specifies the recognition of the issuing of options to employees as an expense. technotrans AG consequently reported personnel expenditure in the period under review as a result of the issuing of options in 2003 and 2004. In agreement with IFRS 2.55. the information for previous periods provided for purposes of comparison was restated in this interim report.