

ATB Austria Antriebstechnik AG

HANNOVER FAIR 2013

April 10th, 2013

ATB Group increased its performance by 26%

The main focus of all ATB locations is to develop, test and produce optimal drive solutions for their customers and their individual applications. The group has access to technologies, solutions, and opportunities in a broad performance range (50 watts to 25 megawatts), which are used and continually evolved across ten production sites and three sales offices. In the past year, however, the economic difficulties in all markets and the currency crisis restricted the activities of many companies considerably. Nevertheless, the ATB maintained sales approximately on the same level as 2011. Operational performance, on the contrary, was significantly increased due to continuous improvements in all areas of the company. The EBITDA increased year on year by 26% to EUR 26.8 million

Excellent development of the sites despite difficult economic conditions

By applying targeted measures, ATB could not only offset these difficult economic conditions at all sites, but implement significant improvements in development, production and customer service. Some highlights: Last year ATB Spielberg took significant steps in the development of drives in efficiency class IE4 and filed the relevant patents, by which the company is better positioned in the area of high energy efficiency. The site Welzheim has introduced significant production optimizations, such as the overhaul of the test bed, the installation of a CNC machine and the purchase of a machine for multistage shaft processing. One of the most important players for explosion-proof products is undoubtedly ATB Nordenham. Last year, ATB could achieve a significant market share of 55% in the German chemical and petrochemical industry with its explosion-proof product range from Nordenham. Today, the product offering is fully available in the IE3 efficiency class. The implementation of efficiency class IE4 is on the way. ATB Schorch could further increase its production capabilities and

meanwhile shorten delivery times. With the goal of better use of group resources, the site cooperates very well with the Serbian plant ATB Sever. In addition, the first implementation phase of a series of investments totaling EUR 10 million has been launched, of which EUR 2.5 million in investments were implemented in 2012. At ATB Tarnów in the Polish city Tarnów, a large part of the production has undergone a complete restructuring, which resulted in a significant increase in efficiency across various manufacturing processes. The implementation of a new SAP-based production planning system could optimize financial and controlling activities at the site. An important step for the plant also represents the receipt of the CC certification for the NEMA premium product with which the entry in the North American market can be achieved. At the English site ATB Laurence Scott, a new test bed with integrated sound separation was completed last year. It is the biggest test bed ever installed by the manufacturer and one of the largest in Europe. Especially noteworthy is the extraordinary delivery reliability in high-voltage motors: ATB Laurence Scott could achieve an impressive 100% delivery reliability for four years in a row. ATB Morley also finished the last year very successfully with sales growth of 22%. Last but not least a new record for ATB Special Products: last year the small location in Cradley Heath (UK) achieved the highest profit in its history.

Extensive investments in development of innovative products

Last year, EUR 4.3 million was invested in the development of products, primarily for projects to improve energy efficiency. The company ATB has always had a leading role in the development of high efficiency class IE3 and IE4 motors. A complete IE3 range was successfully launched last year. At the site ATB Spielberg a patent for a special IE4 solution was registered in the second half of the year. Other projects for continuous development of the product portfolio have been started to further range among of the top suppliers of energy efficient drives in the future.

New product: ATB presents IE4 asynchronous motors program

As a result of another successful collaboration between the production sites in the ATB group, the IE4 Super Premium Motor Series FS 280-355 was introduced at the Hannover Fair. The products are available in asynchronous technology and cover the entire power range from 90 kW to 315 kW, 2-pole and 4-pole. ATB is once again one of the pioneers in the field of energy-efficient drives in this segment. At the production site ATB Tarnów engineers have worked diligently for the past few weeks to develop this IE4 motor series.

ATB is now able to offer and deliver the motor series FS 280-355 in the power range from 90 kW to 315 kW in IE4 acc. CDV IEC 60034-30-1Ed1. By doing that, ATB is ahead of the mandatory introduction of IE4 usage by years and provides customers with tomorrow's opportunity to realize significant savings on their energy systems, to protect the environment and reduce their own operating costs. At the Hannover trade fair ATB exhibits an IE4 FS 315 motor of this series for the first time. More information and specific performance data can be found in IE4 folder. It is attached to this press release.

Full range of IE3 flameproof motors

The ATB Group has an exceptional know-how and many years of R&D expertise in the field of explosion-proof motors. Whereas the production site ATB Welzheim manufactures motors according to the protection type "non-sparking", ATB Nordenham specializes in flameproof products. By 2006, ATB had already introduced a full range of flameproof IE3 motors, at that time known as "High Efficiency Motors". This was driven by an Australian regulation for the sole use of high efficiency motors, which had been imposed voluntarily by the countries authorities. Since then, many countries have followed worldwide and have tightened their energy efficiency regulations. ATB exports products, for example, to China under the China Energy Label and has also received the appropriate certificate issued by the local audit unit NEPSI for explosion-proof motors. However, the largest turnover with explosion-proof IE3 motors is realized in the German home market or within Europe. Until short, ATB was even the only supplier able to deliver these specialized products. As influential partners the ATB experts were of particular help in the chemical industry when it came to retrofit the engines in use with new motors of greater efficiency classes. It was easy to calculate the lower life cycle costs by an immediate transition to IE3 motors (without the intermediate step IE2). Thus, it did not require much persuasion to introduce a voluntary minimum requirement for IE3 efficiency in the chemical industry. The ATB Nordenham plant benefited from this important step so that it was able to realize 15% of its turnover with flameproof IE3 products in the last year. And although the so-called "ex-engines" are excluded from the regulation for mandatory use of IE3 motors from January 1st 2015 on, the demand for energy-efficient motors in explosion-proof products is continuously rising. Because of increased energy costs and the social commitment to a "green production" more and more manufacturers are turning to high-efficiency motors. ATB delivers IE3 motors worth EUR 3 million per year to Toshiba. Permanent customers of the chemical industry include BASF, Bayer and Wacker. In the oil and gas business, for example, Shell, BP and Statoil trust the quality of products from the German production plant in Nordenham. The site offers the entire range in IE3 in sizes 63-

500 from 0.12 to 880 kW and thus already covers the relevant range of demand for energy-efficient motors with explosion protection.

Explosion-proof motor with frequency inverters - a success story

In a new project, the development of a motor with frequency inverters in flameproof enclosure was completed recently. While the standard inverter is purchased, ATB provides the IE3 motor and a flameproof box where the inverter is installed explosion-proof. On the one hand one can expect to realize the increased energy efficiency of the engine, and on the other hand a total of 50 to 80% of energy savings can be achieved, mainly through this particular combination type of motor and inverter processes improved, depending on the application. The development includes the power range 0.75 to 11kW, which covers the most requested product range within the chemical industry. The prototype is currently being built and is expected to be completed mid-year. The Physikalisch-Technische Bundesanstalt (PTB) in Braunschweig will conduct the tests. If everything goes according to plan, the new products will be in production as of 1.1.2014.

Investment of EUR 15.7 million across all locations

As part of the goal of the group to achieve sustained positive results, investing activities in 2012 were fully restored after a series of investment stops in the last two years. As a result EUR 15.7 million were invested in total across all locations. These include, for example, the installation of modern test facilities, the acquisition of several CNC machining centers and the construction of new production facilities. The group also invested heavily in the optimization of its production and logistics processes. An SAP roll-out at the ATB Tamel site last year led to considerable improvements in production planning as well as financial and controlling processes.

Further expansion of the site ATB Nordenham

Through an investment volume of EUR 5.3 million, ATB Nordenham has invested in a modern CNC machining center, a testing field based on the latest technology, and in new production facilities at the site. Here, the construction of a new facility, an assembly hall with integrated coating and dispatch center, was started. The building structure has been completed and the floors have been poured, but due to the continuing freezing temperatures, the hardening of the soil took more time than expected. The interior of the facility will soon be

started and the installation of brand new coating center. This system can efficiently handle the latest color products and it meets the most diverse customer requirements in terms of corrosion protection for all types of applications. Specific offshore installations in the oil and gas business require special zinc coatings that can withstand the most extreme elements and adhere to the highest standards of cleanliness. Well-known producers such as BP and Statoil and other offshore drilling companies are waiting for the commissioning, which will take place as planned in September. Parallel to the construction of the new coating process, a new dispatch center will be completed. The move of assembly production into the new hall will be completed in the coming months. In the course this move the Testing Field for series production will also be replaced by new equipment. A focus of all refurbishment and expansion work is the high value is placed on energy saving, environmental friendliness and sustainability. The entire construction project should be completed by the end of September. Customers, suppliers, industry insiders, experts, employees and their families, and other interested parties are warmly invited to the grand re-opening event on 8-10h October to see for themselves the exciting changes.

8 - 10 October symposium and star-studded re-opening at ATB Nordenham

In the course of the opening of the new facilities and equipment, Managing Director Harald Lutz welcomes guests to an extraordinary event that should be noted in your calendar. Through presentations, expert discussions, sightseeing tours, and customer and employee interviews, everything will revolve around the central theme of energy efficiency. There are 100-150 guests from various fields expected. In a three-day program expects to welcome representatives of business, professional colleagues, partners, employees, and especially present and future customers. Due to the specific suitability of explosion-proof motors for the chemical industry, the main focus will be on cooperation with representatives from the chemical and petrochemical industries. ATB Nordenham was able to convince the Verbraucherkreis Chemie, the most important professional society in the German chemical and energy industry, to hold its semi-annual meeting at the ATB Nordenham plant. This presents a unique opportunity for the location to put into the forefront its exceptional know-how in the field of drive technology solutions for the chemical processing industry. Following the meeting there will be at an international conference of experts from around the industry to participate several lectures focused around the topics of motors, drives, inverters, energy, explosion protection and energy management. This will offer the opportunity to meet and discuss with well-known professors and players in the industry. For example, Mr. Hans-Jürgen Kastner of Umwelt-Technik-Marketing has already been confirmed as a key-note speaker on the topics of energy saving technology and energy efficiency. Rounding out the

discussions will be speakers from the various ATB departments. Planned for the final day is an open house at ATB Nordenham for all interested visitors, and in the evening social activities with musical and cultural contributions.

ATB is becoming a global player

Up until now, the presence of the ATB Group has been increasingly focused on Europe, but in 2012 strategic measures were taken to create a global group of companies for the future. A new sales office has been accordingly opened in Shanghai to more effectively service the Asian market. The Lindeteves-Jacoberg organization, to which ATB is the majority shareholder, has also opened new distribution centers in the United States. As part of the expansion of Brook Crompton motors, several distribution locations have been opened in the U.S. over the last few months. In addition to a location in Cleveland, Ohio, the group is now represented with a distribution center in Chicago, Illinois. Additionally, distribution and warehouse space in Los Angeles, California and Houston, Texas has been leased. With its strategy of quick product availability, the ATB Group can supply the entire U.S. market in a timely fashion and satisfy the needs of local customers. In addition, ATB has operated worldwide for many years together with a large number of sales partners, allowing the company to market its products across all continents.

PHOTOS:



Figure 1: One of the largest test beds in Europe with integrated noise separation at ATB

Laurence Scott



Fig.2: IE4 Super Premium motor FS 315 from ATB Tamei

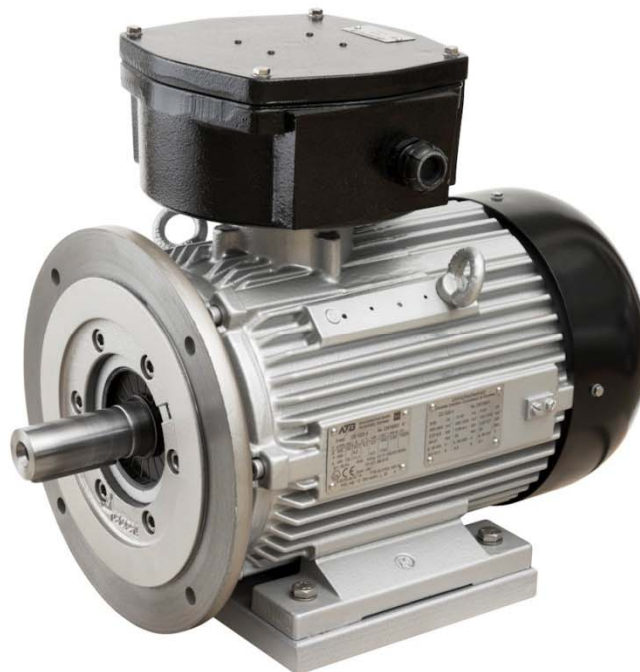


Figure 3: Ex de IIC low voltage motor from the complete series IE3



Figure 4: Construction of the new assembly, painting, and shipping buildings at ATB Nordenham



Figure 5: Motor with frequency inverters in flameproof enclosure



Fig.6: Warehouse concept North America - ATB warehouse in Chicago, Illinois

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