

EANS-Adhoc: Balda AG / Business development in the first quarter of 2011 in line with expectations / Progress made in the reorganisation of the Group / The Board of Directors is planning a dividend payment for 2012

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05.05.2011

- Sales revenue of 26.7 million euros in the first quarter slightly above the previous year's figure of 26.0 million euros
- EBIT improved by 0.4 million euros to minus 1.9 million euros following minus 2.3 million euros in the first quarter of 2010
- EBT improved by 2.7 million euros to 4.7 million euros thanks to positive financial earnings (same period for the previous year: 2.0 million euros)
- Cash flow from current business activities increased significantly by 10.7 million euros to 9.1 million euros (previous year: minus 1.6 million euros).
- MobileCom segment: Looking for a strategic partner and to stabilise current processes
- Expansion of the Medical segment with an acquisition, possibly in a related product area, as planned / Balda able to finance a potential takeover by its own means
- Forecast for 2011: Sales revenue at the previous year's level with a slightly positive EBIT

Bad Oeynhausen, 5 May 2011 - The Frankfurt SDax listed company Balda AG generated sales of 26.7 million euros in the first quarter of 2011 compared to 26.0 million euros in the same period for the previous year. This is a slight increase of 0.7 million euros or 2.8 percent. The Group's EBIT of minus 1.9 million euros was also an improvement on the previous year's figure (minus 2.3 million euros). The sales and earnings situation is in line with the Group's targets for the first quarter of 2011.

The Balda Group achieved positive financial earnings of 6.6 million euros in the first quarter of 2011 following 4.3 million euros in the previous year. An increase in interest income of 0.8 million euros and currency gains of 6.8 million euros relating to internal financing are responsible for this. The EBT was plus 4.7 million euros thanks to positive financial earnings (same period

for the previous year: 2.0 million euros).

Overall the Balda Group recorded a consolidated profit after the first three months of the current financial year of 4.4 million euros compared to 1.5 million euros in the same period of the previous year. In the period under the review the earnings per share were 7.4 cents. In the same period of the previous year this figure was 3.0 cents.

Significant increase in operational cash flow

Due to the fall in working capital (current assets less current liabilities) particularly in the MobileCom segment, the cash flow from current business activities was at 9.1 million euros better than the previous year's figure of minus 1.6 million euros. In addition, losses did not need to be offset. The earnings before interest, taxes, depreciation and amortisation (EBITDA) was at only minus 0.1 million euros in the first quarter of 2011.

Heterogeneous development for the three operational Group segments

The MobileCom segment generated sales revenue of 13.2 million euros in the first quarter compared to 14.2 million euros in the previous year. Overall the segment recorded an EBIT of minus 0.9 million euros in the first quarter following a slightly positive EBIT in the previous year. The continuing pressure on prices as a result of intense competition among suppliers of mobile phone manufacturers (and electronics producers) resulted in stagnant sales and lower margins. The Balda Group has taken immediate measures to improve performance and is looking for a strategic partner for the two production plants in Beijing.

The Electronic Products achieved its goals in the first quarter. The segment increased its sales revenue significantly in the first quarter by 19.8 percent to 6.6 million euros (previous year: 5.5 million euros). The measures taken to reduce costs had a positive impact in the 2010 financial year. The Electronic Products segment's EBIT was, at minus 0.8 million euros, 0.9 million euros less than the previous year's loss of 1.7 million euros.

The Medical segment's sales were above target. The Medical segment benefited from advance payments made in 2010 for future projects. The segment generated sales revenue of 6.8 million euros in the first quarter of 2011 following 6.2 million euros in the previous year. The Medical segment achieved an EBIT of 0.3 million euros as of 31 March 2011 following 0.4 million euros in the same period for the previous year.

The Group is working hard and determined on the acquisition of a substantial share in a company in the Medical market segment or related to the Medical market segment. The due diligence phase in the acquisition processes will soon

be completed.

Equity increased

The Balda Group's equity has increased from 749.7 million euros as of 31 December 2010 to 816.0 million euros as of the balance sheet date of the period under review. The subsequent value of the TPK shares as of 31 March 2011 was responsible for this. The fall in currency conversion differences due to changes in euro exchange rates had an opposite effect. The equity ratio as of 31 March 2011 was 93.2 percent (31 December 2010: 92.5 percent). Liquid funds as of 31 March 2011 totalled 48.3 million euros (31 December 2010: 48.9 million euros). Thus, the company continues to have a comfortable financial base.

Outlook for 2011

For the 2011 financial year the Board of Directors confirms the forecast it provided in the Annual Report 2010, i.e. the Board of Directors is expecting sales revenue to be at the previous year's level and a slightly positive EBIT. Not including income from the planned sale of TPK shares, the EBT is likely to be at the same level as the EBIT. The Board of Directors still plans to pay an attractive dividend in the 2012 financial year.

By the end of the first half of 2011 the Supervisory Board should have received a submission for decision concerning the acquisition in the Medical segment.

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Company profile of Balda AG

The Balda Group develops and produces complete plastic assemblies, electronic products and products for the medical technology industry. Balda's customers are leading companies in the mobile phone, consumer electronics, electronic communications, pharmaceutical and medical technology markets. The Group is internationally positioned with production sites in China, Malaysia and Germany. A subsidiary in the USA serves North American customers in product design and development. Within the scope of its shareholding in a leading touchscreen manufacturer in China, Balda is participating in the dynamic development of the touchscreen displays market.

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This ad-hoc announcement contains forward-looking statements, which are based on the current expectations of Balda's management. They therefore contain a range of risks and uncertainties because they relate to future events and depend on circumstances that will occur in the future, such as, for example, developments in the mobile communications industry, changes in technology and the ability to

timely and successfully develop new products and various other factors. Balda will neither revise these forward-looking statements nor correct them in the event of any unexpected development, unless there is a legal obligation to do so.

This ad-hoc announcement represents neither an offer to buy shares nor an invitation to submit an offer to buy shares in the United States or any other country. The shares in Balda AG (the "shares") may not be offered or sold in the United States or to or for the account of U.S. persons (as defined in Regulation S of the U.S. Securities Act of 1933, in its current version (the "Securities Act")), unless they are registered or are exempt from registration under the Securities Act. The shares have not been and will not be registered under the Securities Act.

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stockmarkets: regulated dealing/prime standard: Frankfurt, free trade: Berlin,
Hamburg, Stuttgart, Düsseldorf, München
language: English

Digitale Pressemappe: http://www.ots.at/pressemappe/EASY_11953/aom

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INHALTLICHER VERANTWORTUNG DES AUSSENDERS - WWW.OTS.AT ***

OTS0009 2011-05-05/07:59

050759 Mai 11

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https://www.ots.at/presseaussendung/OTS_20110505_OTS0009