

Result 2000 of the Franke Group

Franke improves growth and result

Sales Development

In terms of growth, the Franke Group developed very positively in the year 2000. Backlog grew compared to previous year considerably. Consolidated sales rose from CHF 1,402.6 Mio to CHF 1,559.3 Mio, which is a raise of + 11.2% respectively of CHF 156.7 Mio or + 8.6% in local currency and, therefore, also underlines the dynamic growth of the Group. Considering a unique business project of the Contract Group Division, undertaken and concluded in 1999, the self-growth of the Group amounted to 9.6%. Growth from acquisitions amounted to 6.0 %.

Divisions

The growth of the Group by divisions was as follows:

	1999	%	2000	%	+/-%
Kitchen Systems	694.3	49.4	792.9	50.8	+14.2
Contract Group	464.7	33.2	503.1	32.3	+8.3
Beverage Containers	100.3	7.2	103.9	6.7	+3.6
Diversified Products	143.3	10.2	159.4	10.2	+11.2
Total	1402.6	100.0	1559.3	100.0	+11.2

Regions

The growth of the Group by regions was as follows:

	1999	%	2000	%	+/-%
EU	623.7	44.5	716.1	45.9	+14.8
North America	495.1	35.3	483.8	31.0	-2.3
Switzerland	89.6	6.4	98.6	6.3	+10.0
Other countries	194.2	13.8	260.8	16.8	+34.3
Total	1402.6	100.0	1559.3	100.0	+11.2

Profit Situation

Despite a negative currency influence on cash flow and EBITDA, profitability of the Group could have been risen.

Personnel

In the reporting year, Franke employed on an average 5,305 employees worldwide (previous year 4,778). With this, the personnel count rose by 11.0 %. This rise resulted primarily from acquisitions but also from expansions in low-cost countries like China, India, South Africa and different Eastern European countries.

Investments

In the reporting year, total investments amounted to CHF 117.9 Mio (previous year CHF 121.2 Mio).

Forecast

Because of a wide product range, technical know-how and a global presence Franke holds a good position and, therefore, is confident for the current year. Barring extraordinary incidents, the Group counts on a positive growth based on the level of the previous year. In the future, Franke will challenge themselves with further acquisitions.

	1999	2000	+/-%
Sales	1402.6	1559.3	+11.2
Investments	121.2	117.9	-2.7
Personnel	4778	5305	+11.0

Remark:

Detailed course of business 2000 will be presented at the press conference in the Hotel Marriott in Zurich on May 22, 2001, 8.30 h.

Information: G. Hepp (+41 62 787 3291)

The Franke Group today is globally active with 62 companies in 30 countries. Apart from the division Kitchen Systems Franke is also active in the divisions Contract Group (producer/ supplier to chain restaurants) and Beverage Containers (drink tanks for the beer and soft drink industry, containers for the chemical and pharmaceutical industry) - all three divisions are global market leaders in their respective segments.