

IR-News:

Company

DNick Holding expects to confirm earnings forecast for 2010

- Sales increase by approx. 19 per cent to about EUR 200 million
- Operating EBITDA on previous year level
- 2011 commences with good utilisation of capacities

Schwerte, 24.03.11 – DNick Holding plc has today presented provisional figures for the 2010 business year. The publicly quoted manufacturer of nickel, nickel alloys and coin blanks accordingly expects to confirm or slightly surpass the earnings forecast of about EUR 9 million (operating EBITDA). Furthermore, the DNick group has recorded a good start to the 2011 business year with a high demand for nickel alloys and good utilisation of capacities.

“The group’s order and earnings position has clearly stabilized following the 2009 year of crisis,” comments Dr. Götz-Peter Blumbach, Chief Executive Officer of DNick Holding. Based on the provisional results, the group is expected in 2010 to achieve or slightly surpass the previous year’s operating performance of EUR 9.3 million. Group sales in 2010 of about EUR 200 million show growth of about 19 per cent compared with the previous year.

According to Blumbach, the sales upturn was due, apart from a marked increase in the price of metals, above all to a significant revival of the core iron-nickel business. Especially since second quarter 2010 order intake developed very positively. Due to the longer processing times in the iron-nickel business the increased order intake is not yet fully reflected in the 2010 year sales and earnings.

Capacities in the coin blanks segment continued to be well utilised. However, the price competition in this highly competitive segment had a negative impact on the earnings position: “The comparatively high margins of the previous years could not be realized,” says Blumbach. Nevertheless, a remarkable profit was also generated in this segment in 2010.

The working capital of the DNick group saw a significant increase in 2010. “This position was reduced in the previous year because of weak demand in the iron-nickel business,” comments Blumbach. The reasons for the increase in the working capital lay in the expansion of the business volume and substantial increases in the price of metals. Working capital financing was therefore accordingly increased towards the end of the 2010 business year.

The group reports a good start to the 2011 business year: “The demand for nickel alloys is unbroken,” says Blumbach. The order backlog in some areas is so high that capacities will be utilised well into the second half of 2011. In the current business year, Blumbach also expects an initial sale of real property that is not required for operations at the site in Schwerte. The site concept for the main plant in Schwerte envisages further development of premises used for operations and the disposal of non-operational property.

The group plans to publish the final annual report for 2010 on 19 May 2011.

Further information is available at: www.dnickholding.de

About DNick Holding plc:

DNick Holding plc is one of the leading manufacturers worldwide of special materials made of nickel and nickel alloys, as well as of metal products. From its administrative centre in Schwerte in North Rhine-Westphalia, the company bundles all business activities of the DNick group as a holding company. The group is divided into the business areas of iron-nickel and coin blanks. In the business area iron-nickel, the group acts with the operative subsidiary companies Deutsche Nickel GmbH (Schwerte), Auerhammer Metallwerk GmbH (Aue) and Deutsche Nickel America Inc. (USA). In the business area coin blanks, the SAXONIA EuroCoin GmbH (Halsbrücke) and Compania Europea de Cospeles S.A. (Spain) are active. In the 2009 business year, profit before tax of the group amounted to EUR 5.3 million. The founding of the DNick Holding plc as a public limited company in accordance with British law took place in 2005 in order to function as a holding for the business activities of the former Deutsche Nickel AG. Following successful restructuring of the entire company group, the DNick Holding plc was placed on the stock market in 2006. The stock is traded in the German unofficial regulated market at the stock exchange centres in Frankfurt, Berlin and on the XETRA platform.

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