

Börsen-Zeitung

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CeWe Color completes digital reorganisation

No restructuring expenses next year

Hamburg – Europe's leading photo developer CeWe Color has presented a slightly raised mid-year loss of just over 34% to 15.2 million euros. This means a loss of 2.12 (1.64) euros per share. The decisive quarterly periods for the group are still to come.

In line with the standard seasonal nature of the business, the loss generated in the first quarter was reduced in the second quarter. In the second quarter the company earned 1.01 (0.27) euros per share, with the improvement being due to the fact that there are no longer any restructuring costs, of which one million euros were incurred in the same period of the previous year. A slow-down in investment activities contributed to improving cash flow, which is also negative for seasonal reasons, to -6.6 (-14.5) million euros.

CEO Rolf Hollander confirmed the outlook, saying that sales and earnings for the full year would be maintained at the same level as those of the previous year, despite a negative environment. CeWe is aiming for a largely unchanged turnover of "420 to 425 million euros", operative earnings before taxes and restructuring of "20 to 25 million euros" and pre-tax earnings of "10 to 15 million euros". Investments are to be scaled back by around 22% to 26 (33) million euros, which will have a positive effect on the free cash flow, targeted at 16 to 21 million euros.

CeWe currently has a capital ratio of 35.3 (39.8) %. Liquid funds to the amount of 9.2 (6.7) million euros are available. Credit facilities which have just been increased to more than 90 million euros secure the financing of further growth. For 2009, restructuring costs of 10 million euros have been scheduled, so that CeWe will for the time being not have to deal with this issue. Rolf Hollander confirmed that the transformation-related process of restructuring, with which the company had prepared itself for the digital world, had now come to an end. "The transformation process from analogue to digital technology which we pro-actively pursued and the fact that we focused on new products such as photos books and posters at an early stage are now paying off."

Photo book sales rise

CeWe was able to raise sales of high-margin photo books by 50%, hence further reinforcing its position as the clear Number One on the European photo book market.

The share price remained at 25.37 euros, which meant that it did not respond to the mid-year figures. CeWe is backed by a stable group of shareholders.