

Aalberts realises organic revenue growth in line with expectations

trading update - first ten months 2024

In the first ten months Aalberts realised -2.9% organic revenue growth compared to last year, for building technology segment -4.7% and industrial technology segment -0.7%. The added value margin remained on a good level.

Productivity improvement, cost savings and inventory reduction plans are in place to manage cost inflation and lower volumes. We are deploying our strategic initiatives with our long-term business plans and portfolio optimisation. We accelerated our operational excellence program leading to a one-off strategic restructuring cost of approximately EUR 50 million with an annual benefit of approximately EUR 25 million.

In **eco-friendly buildings** we continued to see lower activity in Europe, especially in Germany and France, where in Benelux and Switzerland demand improved. We continued to see the impact of decreasing end-user demand in new build and slowdown in renovation. Stock levels at wholesales remain low for our products. We saw better activity in America, Asia and Middle East compared to Europe. Our water treatment offering for heating systems continued to grow. Energy & resource efficiency in residential and commercial buildings remains a long-term growth driver.

In **semicon efficiency** growth continued with volatile demand. Our orderbook remained on a high level, where we are benefiting from a healthy mix of customers. Service and refurbishments remain a growth activity and we are investing in more capacity. Our further expansions are on track, enabling the strategic growth and new business development plans of our customers. We see the semicon market in transition.

In **sustainable transportation** we faced lower demand in automotive, both in Europe and America. Aerospace continued to grow with strong air travel demand and aging fleets supporting the need for new deliveries.

The demand for precision manufactured parts and specialised surface technologies remained on a good level, driven by new developments in e-mobility, lightweight materials, sustainability and reshoring.

In **industrial niches** we faced lower activity with reduced demand in general industries and machine build, predominantly in Germany and France. Our order intake continued to be strong for our industrial valves in America.

portfolio optimisation

Aalberts acquired Steel Goode Products LLC in America (industrial technology, September), a thermal spray coating and finishing services provider generating an annual revenue of approximately USD 15 million. Aalberts divested Elkhart Products Corporation in America (building technology, August), a copper solder fitting manufacturer generating an annual revenue of approximately USD 80 million.

CEO statement

Stéphane Simonetta comments: "I would like to thank the Aalberts team for showing strong resilience, serving our customers while taking all actions possible to manage challenging markets, cost saving actions and inventory reductions. We continue to invest for future growth and remain well positioned for the rebound of activity. We are looking forward to give an update of our strategy during our Capital Markets Day on 10 December."

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regulated information

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