

Press Release | Annual Report 2012

Langbroek, 26 February 2013

Aalberts Industries realises a revenue of more than EUR 2 billion and a 5% higher operating profit (EBITA)

2012 Headlines

- Revenue +5% to EUR 2,025 million
- Operating profit (EBITA) +5% to EUR 219.1 million
- Net profit before amortisation +4% to EUR 152.1 million
- Earnings per share before amortisation +3% to EUR 1.40
- Cash flow from operations +9% to EUR 271.4 million
- Capital expenditure +23% to EUR 103.6 million
- Industrial Services: revenue +3% and good profitability maintained
- Flow Control: revenue +5% and operating profit (EBITA) +8%

Key figures

in EUR million

	2012	2011	Delta
Revenue	2,024.5	1,937.4	5%
Added-value	1,197.1	1,145.9	4%
Added-value margin in % of revenue	59.1	59.1	
Operating profit (EBITDA)	296.1	279.4	6%
EBITDA in % of revenue	14.6	14.4	
Operating profit (EBITA)	219.1	208.9	5%
EBITA in % of revenue	10.8	10.8	
Net profit before amortisation	152.1	145.8	4%
Average number of shares (x million)	108.9	107.5	1%
Earnings per share before amortisation (x EUR 1)	1.40	1.36	3%
Dividend per share (x EUR 1)	0.35	0.34	3%
Total equity as a % of total assets	50.1	44.4	
Net debt	541.6	605.6	(11%)
Leverage ratio: Net debt/EBITDA (12 month rolling)	1.8	2.0	
Interest cover: EBITDA/Net interest expense (12 month rolling)	14.4	12.9	
Net debt / Total equity	0.6	0.7	
Cash flow from operations	271.4	250.0	9%
Cash flow (net profit + depreciation + amortisation)	229.1	216.3	6%
Capital expenditure	103.6	84.3	23%
Net working capital	370.0	345.4	7%
Net working capital as a % of revenue	18.3	17.3	
Number of employees at end of period (x1)	12,048	12,282	
Effective tax rate in %	25.2	21.6	

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Wim Pelsma, CEO: *"In 2012, we realised record revenue of more than EUR 2 billion, an increase of 5% compared to 2011. The operating profit (EBITA) also increased by 5% to EUR 219.1 million with an EBITA margin of 10.8%. Net profit amounted to EUR 152.1 million, an increase of 4%. This meant the earnings per share increased by 3% to EUR 1.40. A large number of new projects was commenced during the year under review and capital expenditure increased by 23% to EUR 103.6 million. The balance sheet ratios could again be improved.*

The good progress was the result of our continued focus on strengthening our marketing and sales approach, the strong improvement of our product and technology portfolio, and the continued development of certain market segments. At the same time, we have increased the speed of innovation and product development, as well as the speed of the implementation of projects to increase the production efficiency. The mutual cooperation also improved.

At Industrial Services, revenue increased by 3% to EUR 595 million, and the good profitability was maintained with an operating profit (EBITA) of EUR 79.6 million and an EBITA margin of 13.4%. These results were achieved thanks to a strong increase in product and technology development, including a lot of associated engineering activities for new projects. We also offer a combination of technologies to various major clients on the basis of key account management, with increasing success.

Despite challenging market conditions, revenue of Flow Control increased by 5% to EUR 1,430 million. The operating profit (EBITA) increased by 8% to EUR 139.5 million and the EBITA margin amounted to 9.8%. This progress has been made thanks to the increasing marketing and sales focus on rapidly growing product lines and the intensification of the sales of complete specified systems. We have also further expanded our positions in the market segments of industry, district energy, and especially oil & gas.

The company is well equipped for continued profitable growth. There are many strategic, marketing and sales initiatives in progress, and we continue to pay significant attention to technology and product development, and continuous improvement of our production efficiency and operating margin. In addition, in 2013 there will be continued investment in more efficient production, sales force, engineering capacity and supplementary acquisitions that contribute to strengthening our market positions. Against this background, we anticipate that 2013 will develop as a good year for the company, with continued profitable growth.

We look back on a successful 2012. On behalf of the Management Board, I would like to sincerely thank all of our employees, customers and partners for this achievement. I am fully confident that we will also be able to present ourselves during the coming year as an innovative, good profitable, market-driven company that is continuing to improve its performance."

Financial results

Revenue Revenue amounted to EUR 2,024.5 million (2011: EUR 1,937.4 million), an increase of 5%.

Added-value The added-value (revenue minus raw materials and work subcontracted) amounted to EUR 1,197.1 million, or 59.1% of revenue (2011: EUR 1,145.9 million, or 59.1% of revenue).

Operating profit The operating profit before depreciation and amortisation (EBITDA) increased by 6% to EUR 296.1 million (2011: EUR 279.4 million). The EBITDA margin amounted to 14.6% of revenue (2011: 14.4%) at Industrial Services 18.6% (2011: 18.6%), and at Flow Control 13.0% (2011: 12.6%).

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Depreciation and amortisation amounted to EUR 94.0 million (2011: EUR 84.9 million).

The operating profit after depreciation and before amortisation (EBITA) increased by 5% to EUR 219.1 million (2011: EUR 208.9 million). The EBITA margin amounted to 10.8% of revenue (2011: 10.8%). Industrial Services achieved an EBITA margin of 13.4% (2011: 13.8%), and Flow Control achieved an EBITA margin of 9.8% (2011: 9.5%).

Net finance cost Net finance cost amounted to EUR 20.2 million (2011: EUR 26.6 million); net interest cost was EUR 20.5 million (2011: EUR 23.0 million). This decrease was thanks to the average lower interest rates and lower surcharges of the banks because of the improved leverage ratio.

Tax on profits The total tax on profits was EUR 45.9 million (2011: EUR 36.3 million); the effective tax rate was 25.2% (2011: 21.6%). The relatively low tax rate in 2011 was particularly the result of (non-recurring) contributions from tax credits from previous years, the use of offsetting for losses, and decreasing European tax rates.

Net profit Net profit before amortisation amounted to EUR 152.1 million (2011: EUR 145.8 million), an increase of 4%. Earnings per share before amortisation were EUR 1.40 (2011: EUR 1.36), an increase of 3%.

Dividend proposal The number of shares issued at the end of 2012 was 109.4 million (at the end of 2011: 108.1 million). The increase was the result of the stock dividend for 2011. It will be proposed to the General Meeting that the dividend for 2012 be set at EUR 0.35 in cash per share, or in shares, according to the shareholder's preference. This means that Aalberts Industries is continuing its policy to pay approximately 25% of the realised net profit before amortisation as dividend. This implies an increase of 3% compared to 2011 (EUR 0.34). The stock dividend will be fixed on 17 May 2013 after close of trading on the basis of the volume-weighted average share price of all traded shares in Aalberts Industries N.V. as at 13, 14, 15, 16, and 17 May 2013, in such a way that the value of the dividend in shares is virtually equivalent to the value of the cash dividend.

Capital expenditure and cash flow Capital expenditure amounted to EUR 103.6 million (2011: EUR 84.3 million), of which EUR 56.5 million was at Industrial Services and EUR 47.1 million at Flow Control. At the end of 2012, net working capital amounted to EUR 370.0 million, 18.3% of revenue (at the end of 2011: EUR 345.4 million, or 17.3%).

The cash flow from operations increased by 9% to EUR 271.4 million (2011: EUR 250.0 million). The cash flow (net profit plus depreciation and amortisation) increased by 6% to EUR 229.1 million (2011: EUR 216.3 million). This clearly indicates the strong cash flow generating ability of Aalberts Industries.

Balance sheet ratios At the end of 2012, total equity amounted to EUR 980.0 million (2011: EUR 858.5 million), 50.1% of the balance sheet total (2011: 44.4%). Solid balance sheet ratios were thus maintained, which is also evidenced by the development of the three ratios important for the company: the leverage ratio improved from 2.0 to 1.8; the interest cover ratio went from 12.9 to 14.4, and the gearing was 0.6 compared to 0.7 in 2011.

Operational developments

Industrial Services At Industrial Services, revenue increased by 3% to EUR 595 million (2011: 579 million). The organic revenue growth amounted to 3.7% negative. The operating profit (EBITA) amounted to EUR 79.6 million (2011: EUR 79.8 million), or 13.4% of revenue (2011: 13.8%). Capital expenditure increased by 37% to EUR 56.5 million (2011: EUR 41.2 million).

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The markets for Industrial Services showed a mixed picture. In some markets, volume decreased during the year, while in various other markets sales continued at normal level. The good profit could especially be achieved due to the continued focus on innovation of new products and technologies in cooperation with customers. In addition this approach yielded a lot of engineering work. It also enabled the benefits to be reaped from the considerable investments during recent years. The expansion of the operations, including in North America, Poland, Slovakia and China, brought additional growth. The sales and engineering capacity was expanded with dozens of employees during the year under review. In 2012, several investment projects were started for new and existing customers in the Netherlands, Germany, France, Scandinavia, the United Kingdom, Poland, and the United States. In India production was started in the second half of the year. The establishment in China showed a significant growth with many new products; all the preparations have been made for the realisation of a second manufacturing location in China in 2013.

The market demand in the **semiconductor industry** was good in the first half-year, but decreased somewhat in the second half-year. The flattening demand could partially be offset by the development of new technologies for a new generation of semiconductor manufacturing machines, which increased the engineering work. Continuous innovation and intensive joint key account management provided Industrial Services with ample opportunities in this market. A positive revenue boost came from the many new customers who have begun to use the high-purity gas technology from Lamers High Tech Systems, which was acquired in 2011. Industrial Services was also able to achieve a strong growth in vacuum systems for the semiconductor industry and other industries. The activities for LED production lines remained at a low level.

The activities focused on the **automotive industry** continued at a stable, high level. This was particularly visible in the German market, where Industrial Services has a good market position and benefits from the strong German exports. For many new models from major car manufacturers, projects for new products and heat and surface treatment processes have been approved and ordered. One example of these is the automated surface treatment of turbo parts for certain engine types; the production has meanwhile been expanded. There were also orders received for production and surface treatment of the inner front fork of motorcycles. The outer front fork is already produced. Due to the very high demand for specialised thin chrome treatments, further expansion of the capacity is being developed. At Galvanotechnik Baum, which was acquired in 2011, various projects have been initiated and the capacity has been increased to meet the growing demand in countries including Germany, Poland, Czech Republic and Slovakia. With a view to the market opportunities and the future growth, the sales facilities in the latter three countries have been additionally strengthened. In Poland and Slovakia, orders increased for industrial products, and a new site for surface treatment was opened in the fourth quarter. The activities for the heat treatment of customer-specific products also developed well in North America, and the capacity was further increased. The reduced demand from French customers could be partially compensated by many new product initiatives, such as the development of new types of connectors.

The activities in the **turbine and aerospace industry** grew strongly, particularly in North America, France, and the United Kingdom. Investments are planned in these countries for further growth and the development of complementary technologies. A strong growth was realised in Germany with aluminium extrusion products for use in aerospace. The activities in surface treatment also did well, which was the result of the acquisition of new customers, improving the efficiency, and strengthening of the management resulting from the acquisition of DEC. The capacity in the United Kingdom was also increased to enable the surface treatment activities to continue growing. The demand for vacuum welding of components for aircraft engines and gas turbines continued to increase in North America. This market, for which the production capacity was expanded in 2012, offers good prospects for further growth, partly on the basis of a joint approach.

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A lot of attention has been paid to the development of the market positions in the **oil and gas market**. The significant expansion of the sales and engineering capacity led to a sharp increase in orders and project requests. In addition to the continued improvement of the key account management, it is mainly the combination of technologies - for example long-hole precision drilling and heat and surface treatments – that provides Industrial Services with a unique position in this strongly growing market that yields many new opportunities.

Market demand in **machine building** also showed a stable, good development. Full benefit was realised from the strong market position of Industrial Services in Germany. Previous investments realised returns and provided additional revenue and orders. The increasing number of projects enabled the capacity to be increased further at several German establishments.

In the **metal and electronics market** the demand from French customers declined, a situation which was partly offset by innovative product developments. Various projects are gradually reaching their completion, and a lot of added value is expected from these activities during the coming years. In China and Poland, revenue increased and the engineering and sales efforts have been further expanded. Additional added value was realised as a result of the development of more complete products through the combination of activities such as engineering, precision stamping, heat treatment, overmoulding, and assembly.

Flow Control Revenue increased by 5% to EUR 1,430 million (2011: EUR 1,358 million). The organic revenue growth amounted to 2.1%. The operating profit (EBITA) amounted to EUR 139.5 million (2011: EUR 129.0 million), an increase of 8% with an EBITA margin of 9.8% of revenue (2011: 9.5%). Capital expenditure increased by 9% to EUR 47.1 million (2011: EUR 43.1 million).

The markets for Flow Control showed divergent trends. While the market for building installations in Europe remained unchanged and challenging, there was a visible improvement in North America. In the markets for climate control, industry, and oil & gas, good growth could be realised. A lot of attention has been paid to strengthening the market positions: by improving the product portfolio, by sharpening the management focus on specific market segments, product and brand development, by joint marketing, through the presentation of and training on the product and system portfolio for employees, end users, and prescribing bodies, through the specification and tracking of projects, and by strengthening the key account management. A lot has been invested in marketing support, and dozens of employees have been recruited in marketing and sales. Many projects to improve production efficiency and capital expenditure on production automation contributed to further cost reductions.

In the market segment **building installations in Europe**, it was mainly the new build construction that continued to be difficult. In contrast, the renovation, repair and maintenance market remained reasonably stable. In Western Europe, there were fewer projects for commercial buildings, with the exception of Germany. In contrast to a still very weak market in Southern Europe, the markets in Eastern Europe, North Africa and the Middle East developed well. By focusing on fast-growing product lines for metal and plastic piping systems with associated regulator valves for a safe, easy to use, and swift system installation, good growth could be realised. Much attention was given to training installers to stimulate the use of fast growing product lines. Also the market for products and systems for specific sub-segments, such as renovation packages, underfloor heating, piping systems in metal and plastic for sprinkler systems, flexible adapter connections of composite materials, and gas pressure regulators for the utilities market, showed a positive trend.

In the market segment **building installations in North America**, there was increasing benefit from the joint marketing and sales approach of a complete portfolio for each market segment. Consequently, and by offering an improved portfolio per market segment combined with associated regulator valves, growth was

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realised. The number of new houses, building applications, and renovations accompanying the increasing sales of houses increased gradually during the year. The number of projects in the commercial building sector declined somewhat. By the improved portfolio also in this segment, good progress could be recorded. There was growth in the retail activities, particularly in the sale of plastic and metal regulator valves. The joint activities in the irrigation sector had a successful year. In different locations investments were made in improving the efficiency of production and assembly.

In the **climate control** market segment, efforts were concentrated on the supplying of complete energy-efficient systems for heating and cooling in residential and commercial buildings. There is an ever-increasing demand for the supply of a combined system of various customer-specific boiler pump groups with associated controls, and valves that regulate the (hot) water flow in buildings, in combination with thermostatic valves and underfloor heating. The end user receives a complete energy-efficient system which delivers optimum building comfort. Where possible, this is offered in combination with metal and plastic piping systems with corresponding regulator valves. The marketing and sales attention, training and education have been strengthened and focused on the organisations that specify the projects. The product development of additional electronic applications for (hot) water measurement systems and the control of complete (sub) systems has increased significantly. The number of electrical specialists, measurement system specialists and associated software specialists has been greatly expanded during the year under review. There were very good sales developments in Eastern Europe. The first successful projects in Asia were also commenced.

The position in the European, North American and Asian **industry markets** has been additionally strengthened. The sale of regulator valves to sub-segments such as power stations, the pulp and paper industry, (petro)chemical industry and the food industry showed an upward trend, again partly as a result of improving and expanding the product portfolio and the sharpened focus on marketing and sales. The favourable market development in North America and the combined offering of industrial plastic connection systems with corresponding regulator valves yielded growth acceleration. The sales team in this area has been further expanded, as has the production capacity for the larger steel and stainless steel regulator valves. The market for high-pressure regulator valves for the automotive, technical gas, and medical industries also developed well, with a considerable increase in orders. The district energy activities also experienced a good year. This was mainly thanks to the sharpened management focus and the greatly improved portfolio of recent years: larger diameters, expansion of the system offering for so-called heating sub-stations, the complete offering of underground regulator valves, new products for higher-pressure applications, and a competitive offering of regulator valves of smaller dimensions. Also, the sales and project specification organisation was expanded in countries including Germany, Russia, Kazakhstan, Ukraine, Poland and Romania. Good growth was realised in these countries. The beer and soft drinks market continued to show a strong development, partly as a result of the joint marketing and sales approach, not only in North America and Europe, but also in Asia.

Substantial growth was able to be realised in the **oil and gas market**. This was mainly the result of the expansion of the portfolio of regulator valves for larger dimensions with higher pressures and lower temperatures. The business progress was also favourably influenced by the business unit organisation set up in 2012 with new management, and the strengthening of the sales efforts in countries including Poland, Ukraine, Russia, Turkmenistan, Kazakhstan, and Azerbaijan. To meet the rising demand, the production capacity has been further increased in Poland and Russia. Plans are in preparation to expand the marketing and sales activities in these countries. A joint approach to the strongly growing market for oil and gas in North America is also being developed. BSM Valves, acquired in January 2013, will contribute to the strengthening of the market position, especially in the area of high-quality regulator valves made of customer specific materials that can be rapidly delivered worldwide. In particular, the expertise in

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engineering and materials science can be used elsewhere within the company for the production of larger ranges for other segments in this market.

Organisation and Personnel

The average number of employees grew from 12,246 to 12,399. At the 2012 year-end, the number of employees was 12,048 (2011: 12,282). This decrease was mainly due to the improvement of production efficiency.

Outlook

After achieving record revenue and profit in 2012, Aalberts Industries will also in 2013 continue strengthening the technology and product portfolio, plus the marketing and sales force, expand the engineering capacity, increase the production efficiency, and widen the position in specific market segments.

The management is sharply focused on achieving the many plans for profitable growth and higher operational margins, complemented by acquisitions that add value and strengthen the market positions, while making the best possible use of the solid balance sheet ratios.

The expectation is that this will enable revenue, profit and capital expenditure to further increase in 2013 - barring unforeseen circumstances.

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Attachments:

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Key figures

	2012	2011	2010	2009	2008
Result (in EUR million)					
Revenue	2,024.5	1,937.4	1,682.8	1,404.9	1,750.8
Added-value	1,197.1	1,145.9	1,004.2	827.6	1,014.8
Operating profit (EBITDA)	296.1	279.4	248.2	168.8	251.6
Operating profit (EBITA)	219.1	208.9	179.9	98.9	181.5
Net profit before amortisation	152.1	145.8	117.3	54.2	105.0
Depreciation	77.0	70.5	68.3	69.9	70.1
Cash flow* (net profit+depreciation)	229.1	216.3	185.6	124.1	175.1
Cash flow from operations	271.4	250.0	235.4	240.5	264.5
Balance sheet (in EUR million)					
Intangible assets	686.1	701.0	609.2	584.8	594.7
Property, plant and equipment	592.4	565.3	530.4	493.6	516.3
Capital expenditure	103.6	84.3	63.2	45.1	110.5
Net working capital	370.0	345.4	304.0	243.6	315.8
Total equity	980.0	858.5	745.7	626.5	587.0
Net debt	541.6	605.6	593.7	630.6	765.2
Total assets	1,955.5	1,932.0	1,777.5	1,577.9	1,703.4
Number of staff at year-end					
Industrial Services	4,585	4,701	4,026	3,706	4,253
Flow Control	7,445	7,563	7,494	6,276	6,608
Other	18	18	16	17	19
Total	12,048	12,282	11,536	9,999	10,880
Ratios					
Added-value as a % of revenue	59.1	59.1	59.7	58.9	58.0
EBITDA as a % of revenue	14.6	14.4	14.8	12.0	14.4
EBITA as a % of revenue	10.8	10.8	10.7	7.0	10.4
Interest cover ratio (twelve months-rolling)	14.4	12.9	10.4	5.8	6.0
Net profit* as a % of revenue	7.5	7.5	7.0	3.9	6.0
Total equity as a % of balance sheet total	50.1	44.4	42.0	39.7	34.5
Net debt / total equity	0.6	0.7	0.8	1.0	1.3
Leverage ratio (twelve months-rolling)	1.8	2.0	2.3	3.4	2.9
Shares issued (x million)					
Ordinary shares (average)	108.9	107.5	106.4	106.1	103.3
Ordinary shares (at year-end)	109.4	108.1	106.7	106.1	103.3
Cumulative preference shares	-	-	-	-	0.45
Figures per share (in EUR 1)					
Cash flow*	2.10	2.01	1.74	1.17	1.69
Net profit*	1.40	1.36	1.10	0.51	1.02
Dividend	0.35	0.34	0.28	0.13	0.28
Share price at year-end	15.70	12.98	15.77	10.09	5.06

* Before amortisation

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Consolidated income statement

in EUR million

	2012	2011
Revenue	2,024.5	1,937.4
Raw materials and work subcontracted	(827.4)	(791.5)
Personnel expenses	(557.2)	(532.0)
Depreciation of property, plant and equipment	(77.0)	(70.5)
Amortisation of intangible assets	(17.0)	(14.4)
Other operating expenses	(343.8)	(334.5)
Total operating expenses	(1,822.4)	(1,742.9)
Operating profit	202.1	194.5
Interest income	8.5	9.6
Interest expenses	(29.0)	(32.6)
Foreign currency exchange results	(1.5)	(2.5)
Derivative financial instruments	1.8	(1.1)
Net finance cost	(20.2)	(26.6)
Profit before tax	181.9	167.9
Tax expenses	(45.9)	(36.3)
Net profit after tax	136.0	131.6
Attributable to:		
Shareholders	135.1	131.4
Non-controlling interests	0.9	0.2
Net profit before amortisation	152.1	145.8
Earnings per share before amortisation		
Basic	1.40	1.36
Diluted	1.40	1.35

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Consolidated balance sheet before appropriation

in EUR million

	31 December 2012	31 December 2011
ASSETS		
Goodwill	504.2	504.3
Other intangible assets	181.9	196.7
Property, plant and equipment	592.4	565.3
Deferred income tax assets	14.4	17.4
Non-current assets	1,292.9	1,283.7
Inventories	428.2	421.1
Trade receivables	204.7	199.2
Other current assets	29.6	27.9
Cash and cash equivalents	0.1	0.1
Current assets	662.6	648.3
Total assets	1,955.5	1,932.0
EQUITY AND LIABILITIES		
Shareholders' equity	968.9	849.0
Non-controlling interests	11.1	9.5
Total equity	980.0	858.5
Non-current borrowings	264.9	384.4
Employee benefit plans	26.6	26.7
Deferred income tax liabilities	70.5	71.4
Other provisions and long term liabilities	8.5	27.3
Non-current liabilities	370.5	509.8
Current borrowings	150.3	84.7
Current portion of non-current borrowings	126.4	136.6
Trade and other payables	207.0	211.3
Current income tax liabilities	11.1	13.7
Other current liabilities	110.2	117.4
Current liabilities	605.0	563.7
Total equity and liabilities	1,955.5	1,932.0

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Consolidated cash flow statement

in EUR million

	2012	2011
Cash flows from operating activities		
Operating profit	202.1	194.5
Adjustments for:		
Depreciation of property, plant and equipment	77.0	70.5
Amortisation of intangible assets	17.0	14.4
Result on sale of equipment	(0.8)	(0.6)
Changes in provisions and other movements	(0.6)	(0.9)
Changes in inventories	(5.4)	(20.1)
Changes in trade and other receivables	(6.6)	20.3
Changes in trade and other payables	(11.3)	(28.1)
Changes in working capital	(23.3)	(27.9)
Cash flow from operations	271.4	250.0
Finance income received	8.7	9.7
Finance expenses paid	(31.8)	(35.0)
Income taxes paid	(45.9)	(26.8)
Net cash from operating activities	202.4	197.9
Cash flows from investing activities		
Acquisition of subsidiaries	(18.3)	(110.4)
Purchase of property, plant and equipment	(103.8)	(81.0)
Purchases of intangible assets	(2.8)	(3.4)
Proceeds from sale of equipment	3.4	3.1
Net cash from investing activities	(121.5)	(191.7)
Cash flows from financing activities		
Proceeds from non-current borrowings	20.1	102.3
Repayment of non-current borrowings	(148.6)	(133.8)
Dividends paid	(19.9)	(8.5)
Dividends to non-controlling interests	(0.2)	(0.1)
Net cash from financing activities	(148.6)	(40.1)
Net increase/decrease in cash and current borrowings	(67.7)	(33.9)
Cash and current borrowings at beginning of period	(84.6)	(49.7)
Net increase/decrease in cash and current borrowings	(67.7)	(33.9)
Currency differences on cash and current borrowings	2.1	(1.0)
Cash and current borrowings as at end of period	(150.2)	(84.6)

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Segment reporting

in EUR million

Industrial Services	2012	2011	Δ
Revenue	595.2	579.2	3%
Operating profit (EBITDA)	110.5	107.8	3%
EBITDA as a % of revenue	18.6	18.6	
Operating profit (EBITA)	79.6	79.8	-
EBITA as a % of revenue	13.4	13.8	
Capital expenditure	56.5	41.2	37%
Depreciation	30.9	28.0	10%
Average number of employees (x1)	4,756	4,463	7%
Number of employees at end of period (x1)	4,585	4,701	(2%)

Flow Control	2012	2011	Δ
Revenue	1,429.3	1,358.2	5%
Operating profit (EBITDA)	185.6	171.6	8%
EBITDA as a % of revenue	13.0	12.6	
Operating profit (EBITA)	139.5	129.1	8%
EBITA as a % of revenue	9.8	9.5	
Capital expenditure	47.1	43.1	9%
Depreciation	46.1	42.5	8%
Average number of employees (x1)	7,625	7,767	(2%)
Number of employees at end of period (x1)	7,445	7,563	(2%)

Geographic spread of revenue

	2012 in EUR million	2012 in % of revenue	2011 in EUR million	2011 in % of revenue
United States	388.5	19	344.6	18
Germany	357.6	18	337.9	17
Benelux	281.7	14	286.9	15
Eastern Europe	220.0	11	204.9	11
France	212.4	10	210.7	11
United Kingdom	187.7	9	185.8	10
Scandinavia	92.2	5	94.4	5
Spain & Portugal	45.8	2	47.8	2
Other European countries	100.6	5	101.1	5
Other countries outside Europe	138.0	7	123.3	6
Total	2,024.5	100	1,937.4	100

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Consolidated statement of comprehensive income

in EUR million

	2012	2011
Profit for the period	136.0	131.6
Exchange rate differences	6.8	(2.8)
Fair value changes derivative financial instruments	(1.8)	(5.6)
Taxes on direct equity movements	0.3	1.3
Total comprehensive income	141.3	124.5
Attributable to:		
Shareholders	139.5	125.5
Non-controlling interests	1.8	(1.0)

Consolidated statement of changes in equity

in EUR million

	Issued capital	Share premium account	Other reserves	Currency translation and hedging reserve	Retained earnings	Shareholders' equity	Non-controlling interests	Total equity
As at 1 January 2011	26.7	201.7	418.8	(19.1)	104.4	732.5	13.2	745.7
Dividends 2010	0.3	(0.3)	-	-	(8.5)	(8.5)	(0.1)	(8.6)
Addition to other reserves	-	-	95.9	-	(95.9)	-	-	-
Share-based payments	-	-	0.5	-	-	0.5	-	0.5
Acquisition of non-controlling interests	-	-	(1.0)	-	-	(1.0)	(2.6)	(3.6)
Total comprehensive income	-	-	-	(5.9)	131.4	125.5	(1.0)	124.5
As at 31 December 2011	27.0	201.4	514.2	(25.0)	131.4	849.0	9.5	858.5
Dividends 2011	0.3	(0.3)	-	-	(19.9)	(19.9)	(0.2)	(20.1)
Addition to other reserves	-	-	111.5	-	(111.5)	-	-	-
Share-based payments	-	-	0.3	-	-	0.3	-	0.3
Total comprehensive income	-	-	-	4.4	135.1	139.5	1.8	141.3
As at 31 December 2012	27.3	201.1	626.0	(20.6)	135.1	968.9	11.1	980.0

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Financial calendar 2013-2014

provisional

28 March 2013	Registration date for the General Meeting
24 April 2013	Trading update (before start of trading)
25 April 2013	General Meeting At the Hilton Hotel, Apollolaan 138 in Amsterdam, commencing 10:30 uur
29 April 2013	Quotation ex dividend
2 May 2013	Record date for dividend
3 to 16 May 2013	Dividend option period stock or cash dividend
17 May 2013	Stock dividend conversion ratio notification* (after close of trading)
22 May 2013	Paying out dividend and issuing new shares
15 August 2013	Publication of half-year figures for 2013 (before start of trading)
22 October 2013	Trading update (before start of trading)
26 February 2014	Publication of annual figures for 2013 (before start of trading)

* The stock dividend conversion ratio will be determined based on the volume weighted average price of all Aalberts Industries N.V. shares traded on 13, 14, 15, 16 en 17 May 2013, in such a way that the value of the dividend in shares is substantially the same as the value of the cash dividend.