

Greiner defies the economic slowdown: sales revenues raised again

- **2019: sales revenues in excess of EUR 1.67 billion and over 10,700 employees worldwide**
- **Opening of the Greiner Campus extension at group headquarters**
- **Foundation of the INNOVENTURES corporate incubator**
- **A focus on sustainability**

Kremsmünster, 11 May 2020. During the 2019 financial year, Greiner was able to continue on its growth course in a problematic market environment. Indeed, in the face of a progressive economic slowdown, product and market diversification, a global orientation and innovation-driven sustainable action again demonstrated their value. As compared to the previous year, Greiner managed to increase its consolidated sales revenues by 3 percent to EUR 1.675 billion (2018: EUR 1.631 billion) and at EUR 144 million, cash flow was also 13 percent higher than in the preceding year (2018: EUR 128 million). All of the investments made in the 2019 financial year were once more financed from cash flow. During the year Greiner spent EUR 99 million on tangible assets (2018: EUR 108 million) and was active worldwide with 10,745 employees at 140 locations in 34 countries. On the 31 December 2019 reporting date, Greiner had workforces of 2,543 in Austria, 6,251 in the remainder of Europe, 775 in Asia, 821 in North America, 219 in South America and 136 in the rest of the world.

Future-oriented thinking: the Greiner Campus, innovation and sustainability

Apart from the opening of the Greiner Campus extension to group headquarters, the other central features of the past financial year were the foundation of the INNOVENTURES corporate incubator and the further advancement of sustainability activities, which included the publication of an initial Sustainability Report. CEO Axel Kühner, "The opening of the modern Greiner Campus office and training center has created the spatial basis for continuous expansion at our headquarters location in Kremsmünster. In addition, with our intensive focus upon sustainability and the publication of our first Sustainability Report, which defines measurable sustainability targets for the period up to 2030, we have assumed group-wide responsibility. We are convinced that only companies demonstrating sustainability will also enjoy economic success in the years to come."

In a reference to the launch of Greiner's INNOVENTURES corporate incubator, which has the task of developing scalable business models and the foundation of separate companies within twelve months, CFO Hannes Moser adds, "Innovation is an ongoing process and apart from diversification and globalization it constitutes one of our three strategic cornerstones. Furthermore, it provides the basis for earnings-oriented growth. With the start of the INNOVENTURES corporate incubator, we have provided the prerequisites for innovations that do not relate directly to Greiner core activities, as well as the creation of new business areas."

Foam competence consolidation

In April 2020, Greiner further consolidated its leading position in the foam sector with the complete acquisition of Eurofoam. Eurofoam was founded in 1992 as a 50:50 joint venture between Greiner AG and the Belgian Recticel S.A., and is a leading manufacturer of flexible polyurethane foams. In 2019, Eurofoam recorded sales revenues of around EUR 400 million and employed some 2,100 personnel throughout Europe, all of whom have been taken over by Greiner. As a clearly satisfied Axel Kühner, remarks, “Our foam division has long been a key element within our group and with the increase of our Eurofoam participation to 100 percent, we can continue to enhance our global competence in the foam sector and step up the intensity of future expansion.” Moreover, as Hannes Moser explains, “This strategic and long-planned acquisition is the largest in the history of our company and that this was possible even at a time of the corona crisis is due to our far-sighted and sustainable economic management, which over the years has enabled us to build up reserves.”

In the corona crisis diversification proves its worth

With four divisions and 140 locations in 34 countries, Greiner is active globally in a variety of industrial sectors. Particularly during the corona crisis, this product and market diversification has proven invaluable. Indeed, Greiner Packaging and Greiner Bio-One currently demonstrate extremely positive order backlog owing to the fact that the products of both divisions are of central importance to the security of supply and hygiene of foods and medicines. Axel Kühner, “At present, consumers are paying particularly close attention to product hygiene and sell-by dates. As a result, important packaging features such as the protection of the contents against bacteria and viruses, the prolongation of shelf life, and transport and storage functions have all moved into the spotlight. People have thus sensed that packaging is important and of value.”

In the medical sector, Greiner Bio-One products are making a major contribution to combating the crisis, as they are required for corona testing and the development of medication and vaccines. However, deliveries to the automotive and aviation industries, as well as the demand for capital goods (Greiner Foam and Greiner Extrusion), are currently at a reduced level.

Outlook 2020

Since the end of 2019, the world has been gripped by the new coronavirus and at the moment its effects upon the global economy in general and Greiner in particular cannot be predicted in detail. Therefore, from a current perspective a reliable outlook for the entire financial year is not possible.

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Greiner

Greiner is headquartered in Kremsmünster, Austria, and has four operating divisions comprised by Greiner Packaging, Greiner Bio-One, Greiner Foam and Greiner Extrusion. Greiner is one of the leading producers of foam and processors of plastics for the packaging, furniture, sport, automotive, medical technology and pharmaceutical sectors. It also numbers among the top manufacturers of extrusion lines, tools and complete profile extrusion plants. In the 2019 financial year, Greiner achieved sales revenues of EUR 1.675 billion and employed a workforce of over 10,700 at 140 locations in 34 countries. The Greiner CEO is Axel Kühner and its CFO is Hannes Moser.

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