

**BT Industries, January - June 1999**

## Lifting to new heights

- **Orders received rose 10%:** SEK 4,823 m. (SEK 4,391 m.)
- **Invoiced sales rose 16%:** SEK 4,770 m. (SEK 4,121 m.)
- **Income after net financials rose 21%:** SEK 298 m. (SEK 247 m.)
- **Earnings/share (after estimated tax):** SEK 6,20 (5,15)

*With an average annual sales growth rate of 23% during the last five years, BT has reached a leading position in the world market for warehouse trucks.*

*Over the same period, the market has grown by 10% annually and BT's share of the world market now exceeds 20%. The reasons for the market's growth are increasing demands for fast flow of goods and efficient use of capital. Market growth is expected to continue.*

*BT's income during the last five years has risen by an average 24% per annum. The positive trend continued also during the first half of 1999.*

### **Market and orders received**

Growth for the market as a whole is estimated at between 5 and 10% during the first half of 1999 and demand for warehouse trucks has developed well, especially in North America where business area BT RAYMOND reported a 13% increase in orders received, to SEK 2.225 m. Demand was also good in Western Europe, primarily in southern regions. Orders received for business area BT EUROPE rose by 3% to SEK 2.550 m.

Markets outside Western Europe and North America also reported growth, although at a lower level than is expected long-term. Orders received for business area BT INTERNATIONAL rose by 37% to SEK 279 m. during the period.

### **More new products**

During January-June, a number of new products were launched in North America and Western Europe. In the U.S. the new *Millennium*<sup>™</sup> Series of powered pallet trucks and EASi Order Pickers were launched. The new products have actively contributed to the progress of business area BT RAYMOND which increased its market shares during the period.

In Europe, a new series of U.S.-manufactured Combi Trucks was launched together with VEFLEX, a Mjölby-manufactured, AC powered very narrow aisle truck. AC technology is also used in the new M-series of REFLEX reach trucks which complements the existing range with reach trucks targeted at users with lower capacity needs. The M-series was unveiled in June along with a new version of BT's well-established OP order picking truck. The impact of the new products in Western Europe is expected during the third and fourth quarters.

### Acquisitions

In March BT acquired 45% of the shares in CESAB Carrelli Elevatori S.p.A., Italy's second largest manufacturer of counterbalanced trucks. As a co-owner, BT now has access to a wide range of electric-, gas- and diesel-powered counterbalanced trucks under its own brand name. The new range has been received well and deliveries have begun to customers in Austria, France and the Netherlands. On July 1, following the conclusion of the report period, BT acquired 51% of the shares in SOUEL Warehousing S.A., BT's distributor in the relatively small but fast growing Greek market. SOUEL, which has sales of approximately SEK 30 m., will be consolidated as a subsidiary as of July 1 of this year.

### Coordinated production

In order to utilize available production capacity, production will begin in Muscatine (U.S.) of 4000 lb. capacity powered pallet trucks during the late summer. Annual production volume is approximately 3,000 units.

"By coordinating production, we utilize available capacity more effectively in a growing market and where we continue to gain market share", comments CEO **Carl-Erik Ridderstråle**. "It is also one of the final steps in the efforts to capitalize on the approximately \$15 million in synergies that were identified when Raymond was acquired in 1997."

"The investments made within BT EUROPE, in, among others, the new Business Support System and in recruitment of sales staff, has put pressure on margins. The effect is temporary. With improved market coverage, more efficient administration and new products, we expect improved margins in the future."

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*For questions or comments, please contact CEO **Carl-Erik Ridderstråle** (tel +46-142-862 12) or CFO **Per Zaunders** (tel +46-142-860 32). General questions can be addressed to PR Manager*



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