
Press Release

Record revenue with continued investments

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Highlights 2017

- Revenue 2017 amounts to 338.1 million euro, a 6.3% increase compared to last year.
- Operating profit (EBIT) amounts to 29.9 million euro, which is 19.2% higher than last year.
- Cash flow (EBITDA) amounts to 34.2 million euro, a 20.2% increase compared to last year.
- Net income attributable to the shareholders amount to 21.1 million euro compared to 17.1 million euro last year (earnings per share of 2.7 euro).
- Net cash increased by 19.8 million euro, from 3.2 million euro to 23.0 million euro.
- Based on the excellent result of the year and the current financial position, the Board proposes to the Annual Shareholders' meeting to approve a dividend of 1.00 euro per share.
- On January 2, 2018 JENSEN-GROUP acquired a participation of 30% in Inwatec, ApS, a Danish company that manufactures high-end heavy-duty laundry products.

Key figures

Income Statement Consolidated, audited key figures

	Dec 31, 2017 12M	Dec 31, 2016 12M	Change
(million euro)			
Revenue	338,1	318,2	6,3%
Operating result (EBIT)	29,9	25,1	19,2%
Cash flow from operations (EBITDA) ¹	34,2	28,5	20,2%
Financial result	-0,7	-1,3	-44,7%
Profit before taxes	29,1	23,7	22,8%
Taxes	-8,8	-6,8	29,0%
Net income from continuing operations	20,4	16,9	20,3%
Result from discontinued operations	0,0	-0,2	-109,3%
Result of companies consolidated under equity method	0,6	0,3	
Result attributable to Non Controlling Interest	-0,1	-0,2	
Net income (Group share in the profit)	21,1	17,1	23,3%
Net cash flow ²	25,5	20,5	24,0%

Balance sheet Consolidated, audited key figures

	Dec 31, 2017 12M	Dec 31, 2016 12M	Change
(million euro)			
Equity	113,5	100,2	13,2%
Net financial debt (+)/Net cash (-)	-23,0	-3,2	627,0%
Assets held for sale	0,4	0,5	-12,0%
Total assets	231,9	210,6	10,1%

Consolidated, audited key figures per share

	Dec 31, 2017 12M	Dec 31, 2016 12M	Change
(euro)			
Cash flow from operations (EBITDA) ¹	4,38	3,64	20,3%
Profit before taxes	3,73	3,04	22,7%
Net profit share of the Group (EPS)	2,70	2,19	23,3%
Net cash flow ²	3,26	2,63	24,0%
Equity	14,52	12,82	13,3%
Number of shares (end of period)	7.818.999	7.818.999	
Number of shares (average)	7.818.999	7.818.999	

¹ EBITDA = earnings before interest, taxes, depreciation and amortization. This is operating profit plus depreciation and amounts written off on stocks, trade debtors, impairment losses and provisions for other liabilities and charges.

² The net cash flow is the net income (Group share in the profit) excluding depreciation, amounts written off on stocks, trade debtors, impairment losses and provisions for other liabilities and charges.

Operating activities

- **Revenue** increased to 338.1 million euro as a result of high order intake and high activity levels in the business regions and in the plants throughout the year.
- Consolidated **EBIT** is 29.9 million euro compared to 25.1 million euro last year based on the higher revenue.

Other activities

- Total net finance cost amounts to 0.7 million euro. This primarily relates to interest charges (0.5 million euro), currency gain (0.4 million euro) and other bank charges (0.6 million euro).
- The net tax charges amount to 8.8 million euro and are higher than last year because of higher profit, revaluation of deferred tax assets due to lowered tax rates (USA) and disallowed expenses.
- Compared to December 2016, the net cash increased by 19.8 million euro, to 23.0 million euro.
- On January 2, 2018 JENSEN-GROUP acquired a participation of 30% in Inwatec, ApS, a Danish company that manufactures high-end heavy-duty laundry products. JENSEN-GROUP has the option to increase its shareholding from 2020-2023. This investment in laundry robotics and AI (Artificial Intelligence) confirms the Group's vision to automate all processes in the laundry.

Outlook

The order backlog at year-end is 8% higher than last year. Excluding orders that will not be delivered in 2018 and considering the finished goods and work in progress, production backlog is 2% higher than as at December 2016. The JENSEN-GROUP considers the order backlog strong to get off to a good start in 2018.

The main business risks have not changed materially from last year. Major risk factors are the volatility in the financial markets affecting our customers' investment decisions and their capacity to find financing, competitive pressure and political instability and uncertainty in certain parts of the world. The Group does not expect a significant impact from the Brexit. The potential impact of possible protectionist movements in various parts of the world cannot be



assessed today. Other risks that mainly affect our margin are exchange rate volatility and fluctuating raw material prices, energy and transportation costs.

Dividend

Based on the excellent result of the year and the current financial position, the Board proposes to the Annual Shareholders' meeting to approve a dividend of 1.00 euro per share. The order backlog at the beginning of the year as well as the cash position makes management confident that the Company is off to a good start of 2018.

Subject to approval by the Annual Shareholders' meeting of May 15, 2018, the share will trade ex-coupon as of May 29, 2018 and the dividend will be payable as from May 31, 2018 at the counters of KBC bank upon presentation of coupon n°13.

Financial calendar

- March 29, 2018: Publication Annual Report 2017 on the corporate website.
- May 14, 2018 (evening): Publication of the Trading Update 1st. quarter 2018.
- May 15, 2018:10.00 am: Annual Shareholders' meeting at JENSEN-GROUP Headquarters, Ghent.
- August 9, 2018 (evening): Half year results 2018 (Analyst Meeting August 10, 2018).

Consolidated statement of comprehensive income

	December 31, 2017	December 31, 2016
<i>(in thousands of euro)</i>		
Revenue	338.088	318.169
Raw materials and consumables	-157.355	-153.524
Services and other goods	-37.982	-36.778
Employee compensation and benefit expense	-108.223	-99.175
impairments	-4.620	-3.853
Total expenses	-308.180	-293.330
Other Income / (Expense)	-26	224
Operating profit before tax and finance (cost)/ income	29.882	25.063
Interest income	1.054	1.034
Other financial income	1.467	1.078
Financial income	2.521	2.112
Interest charges	-1.527	-1.675
Other financial charges	-1.728	-1.765
Financial charges	-3.255	-3.440
Profit before tax	29.148	23.735
Income tax expense	-8.773	-6.803
Profit for the year from continuing operations	20.375	16.932
Result from discontinued operations	23	-248
Result of companies consolidated under equity method	589	251
Consolidated profit for the year	20.987	16.935
Result attributable to Non-Controlling Interest	-119	-184
Consolidated result attributable to equity holders	21.106	17.119
Other comprehensive income (OCI):		
<i>Items that may be subsequently reclassified to Profit and Loss</i>		
Financial instruments	-244	356
Currency translation differences	-3.792	-176
<i>Items that will not be reclassified to Profit and Loss</i>		
Actual gains/(losses) on Defined Benefit Plans	39	-1.353
Tax on OCI	62	299
Other comprehensive income for the year	-3.936	-874
Total comprehensive income for the year	17.051	16.061
Profit attributable to:		
Equity holders of the company	21.106	17.119
Non-Controlling Interest	-119	-184
Total comprehensive income attributable to:		
Equity holders of the company	17.051	16.061
Non-Controlling Interest	-114	-179
Basic and diluted earnings per share (in euro)	2,70	2,19
Weighted average number of shares	7.818.999	7.818.999



Audit

The Statutory Auditor has confirmed that the audit of the consolidated accounts of JENSEN-GROUP, which is substantially complete, has as of today not revealed any material misstatement in the draft consolidated accounts, and that the accounting data which are reported in the press release are consistent, in all material respects, with the draft consolidated accounts from which these data have been taken.

Profile

The JENSEN-GROUP assists heavy-duty laundries worldwide to provide quality textile services economically. We have become a preferred supplier in the laundry industry by leveraging our broad laundry expertise to design and supply sustainable single machines, systems and integrated solutions. We are continuously growing by extending our offer and by developing environmental friendly and innovative products and services that address specific customer needs. Our success results from combining our global skills with our local presence. The JENSEN-GROUP has operations in 24 countries and has distribution in more than 40 countries. Worldwide, JENSEN-GROUP employs about 1,725 employees.

This press release is also available on the corporate website www.jensen-group.com.

(End of press release)

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