

## **Dynamic start to fiscal 2012**

- **Revenue increase of 11.8% to €18.9 million**
- **Profit margin at full-year 2011 level**
- **Forecast for full-year 2012 confirmed**

**Delbrück, May 9, 2012. paragon AG, an exchange-listed direct supplier to the automotive industry, performed much better than expected in the first quarter of 2012. Revenue increased by 11.8% to €18.9 million (previous year: €16.9 million), and the profit margin remained at the high level achieved for full-year 2011. “We are especially pleased with the trends in operating cash flows and free liquidity, which we will utilize primarily to continue developing the business,” stated CEO Klaus Dieter Frers.**

EBITDA (earnings before interest, taxes, depreciation and amortization) increased by 4.1% to €3.7 million (previous year: €3.5 million). This led to an EBITDA margin of 19.4%, which is at the level reached in full-year 2011. EBIT (earnings before interest and taxes) grew by 2.3% to €2.5 million (previous year: €2.4 million). The resulting EBIT margin of 13.2% is exactly the same as the margin for full-year 2011. Net profit for the year amounted to €1.9 million (previous year: €1.8 million). Earnings per share increased similarly by 6.4% to €0.46 (previous year: €0.44).

As a particular reflection of the Company’s positive operating performance, cash flows from operating activities increased by 52.4% to €1.9 million (previous year: €1.3 million). The good earnings level led to an increase in free liquidity of 17.5% to €11.8 million (previous year: €7.1 million). paragon also succeeded in reducing interest-bearing liabilities by 28.6% to €14.6 million (previous year: €20.5 million) and net

debt by even more with a decrease of 35.6% to €6.7 million (previous year: €10.4 million). Equity rose strongly to €11.7 million (previous year: €6.3 million), resulting in an equity-to-assets ratio of 27.5% (previous year: 14.0%).

As of the 31 March 2012 reporting date, paragon AG had 369 regular employees and 52 temporary employees, all of whom worked in Germany. The number of employees thus rose versus the prior-year reporting date from 376 (316 regular employees and 60 temporary employees) to 421. paragon AG's individual locations posted the following figures for regular/temporary employees as of the March 31, 2012 reporting date: Delbrück (68/1), Suhl (212/46), Nuremberg (28/3) and St. Georgen (61/2).

Although the dynamic start to the year 2012 exceeded the expectations of the Managing Board, the Company's management is still forecasting revenue growth in the single-digit percentage range and an EBIT margin at the same level as in the previous year.



+++ Pressemitteilung / Press Information +++

### **Portrait**

paragon AG has steadily grown to become one of the best-known suppliers to the automotive industry since its founding in 1988 in the Westphalian town of Delbrück. Listed on the stock exchange since 2000, paragon uses innovative solutions that not only improve communication but also make the driving experience healthier, more comfortable, and more efficient. Every worker at paragon is passionate about automobiles. Every day they strive to be inventive, better and unique in all they do. Their dedication goes far beyond sensors and solutions for automotive interiors, however. Increasingly, paragon has been embracing more sophisticated systems such as electric vehicles and kinematics.

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