

# Eurofoam

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	1999	2000
<b>Sales (in Euro m):</b>	110	127.4
<b>Employees:</b>	1,025	1,049
<b>Locations:</b>	46	47

In 2000, Eurofoam, Europe's leading PUR flexible foam producer provided 25 % of Group sales. Due to the addition of cutting shops, the number of locations increased to a total of 47 operations in 13 countries.

For **Eurofoam Germany**, 2000 was characterised by increasing raw material prices, which were only gradually and partially passed on to the customers. The sales volume delivered to the German furniture industry continued to decline. Stiffer competition demanded further cost-cutting measures.

There were positive tendencies in the mattress industry, where the market share of foam products has increased at the expense of down and latex core mattresses. There is also optimism concerning the future in this area. Technical foam sales continued to grow.

The decision to focus on core competence in the lamination sector has shown itself to be a successful strategy, particularly with regard to the use of capacity at the new plant in Ebersbach. However, the uncertain outlook in the automotive sector could put sales and results under pressure during 2001.

As a result of the systematic niche policy adopted during recent years, **Eurofoam Austria** was more than able to compensate

for further shrinkage in the upholstered furniture market.

The largest growth was achieved in the "pac-tec" Business Area, which is primarily involved with the supply of packaging solutions and recycled packaging to the automotive industry. The construction of a new production centre with adjacent office complex at the Kremsmünster location is planned for 2001.

Growth was also attained in the noise insulation and mattress core sectors. Unfortunately, the massive increases in raw material prices had a negative effect on the earnings situation. In 2001, there will be a heightened emphasis on innovations in these areas and their subsequent marketing.

Eurofoam also intends to open up new markets and applications in the technical foam (Linz plant) area with lightweight foam and roof lining foam.

In **Central and Eastern Europe**, Eurofoam was able to further strengthen its position as the leading foamer and achieve excellent business results. The sale of technical foam continued to develop in a positive manner. The pioneer phase in the "core" countries (Poland, Hungary, Czech Republic, Slovakia) is definitively past. The focus is now on product technology possibilities, in order to be able to provide a comprehensive range of foams.

Despite numerous competitors, Eurofoam enjoyed a record year in Poland.

Eurofoam maintained its ranking as the market leader in Hungary. Poliflex was able to complete the difficult start-up phase at the foaming plant in Sibiu and establish a stable market position. Integrated cutting shops

allow a high standard of customer service in both countries.

[www.euro-foam.com](http://www.euro-foam.com)

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With its new SMT (Surface Modified Technology) cutting system, apart from brand exclusivity, Eurofoam offers its customers completely new design possibilities with high-quality mattress cores.



Uniform quality, precise processing and extensive service ensure the long-term trust of our customers.



Lamination products (thin layers of coated foam) are primarily used in the automotive sector.