

Envipco Holding N.V.

Innovative recycling systems

For a cleaner environment

Envipco Reports Annual Results

Amsterdam, The Netherlands, 30 March 2005

Envipco Holding N.V. (Euro.NM:ENV) today announced the financial results for the year ended 31 December 2004

Consolidated Income Statement (All Figures in EURO thousands)

	Unaudited Q/E 12/31/04	Unaudited Q/E 12/31/03	Unaudited Y/E 12/31/04	Audited Y/E 12/31/03
Operating revenues	11,442	11,670	44,354	46,308
Cost of sales	(8,462)	(9,614)	(31,788)	(34,675)
Leasing depreciation	(386)	(430)	(1,673)	(2,265)
Gross profit	2,594	1,626	10,893	9,368
Operating expenses	(3,137)	(1,974)	(11,157)	(9,423)
Depreciation - others	(284)	(488)	(1,537)	(1,820)
Operating income/(loss)	(827)	(836)	(1,801)	(1,875)
Net financial items	935	2,086	(80)	1,470
Other costs	(418)	(644)	(831)	(1,171)
Loss before extra-ordinary items	(310)	606	(2,712)	(1,576)
Extra-ordinary items	(869)	-	(869)	-
Loss before tax	(1,179)	606	(3,581)	(1,576)
Taxes	(100)	7	(170)	18
Loss after tax	(1,279)	613	(3,751)	(1,558)
Minority	122	(124)	1	25
Net loss	(1,157)	489	(3,750)	(1,533)

EBITDA(earnings before interest, taxes, depreciation and amortization)

	(125)	1,275	522	3,145
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Extra-ordinary items	869	-	869	-
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EBITDA before extra-ordinary items	744	1,275	1,391	3,145
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Loss/(earnings) per share

	€ 0.05	(€ 0.02)	€ 0.15	€ 0.06
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(No. of issued and outstanding shares 24,407,811)

Consolidated Balance Sheet

(All Figures in EURO thousands)

ASSETS

Fixed assets and investments	12,808	14,401
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Cash and cash equivalents	685	1,477
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Other current assets	20,481	20,148
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TOTAL ASSETS	33,974	36,026
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LIABILITIES & EQUITY

Group equity	(4,747)	(653)
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Minority	249	253
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Long term liabilities	22,507	25,388
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Provisions	832	522
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Current liabilities	15,133	10,516
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TOTAL LIABILITIES & EQUITY	33,974	36,026
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Certain figures have been restated for comparative purposes.

ANNUAL RESULTS 2004

The Group showed a loss for the fourth quarter of €1.1m on sales of €11.4m compared to a profit of €0.5m on sales of €11.7m for the same period in 2003. The loss was largely attributable to the write-off of goodwill and extra-ordinary provisions of €0.8m and to an increase in loss of €0.3m in the helicopter business.

The loss for the year was €3.7m on sales of €44.3m, compared with a loss of €1.5m on sales of €46.3m in 2003. EBITDA for the year before extra-ordinary items was €1.4m (2003 €3.1m). The gross profit increased by 4.3% from €9.4m to €10.9m due to continued cost reductions and reduced depreciation.

Reverse Vending Machine operations in the USA continued to show losses although the pickup side of the business showed improved profits in line with expectations. New placements under a contract to a large retailer combined with further cost reductions should result in improved performance in the RVM business later in 2005

Sorepla, the plastics recycling operation in France showed a net profit before tax of €0.6m on sales of €13.6m. This compares with a loss of €0.2m on sales of €11.3m in 2003. The improved performance was due to increased sales and margins which were partly offset by the higher operating cost of the larger facility.

The Group continued to maintain a presence in Germany at a cost of €0.1m.

In Canada, RVM placements increased by 200 to 500. However, market development costs resulted in a small loss of €0.1m.

In Japan, progress in market development continues to be slow and the Group's share of the joint venture loss was €0.4m (2003 – Loss €0.8m). We now expect this market to materialise in the medium to longer term.

The helicopter Group showed a loss of €1.3m on sales of €16.9m. This compares with a loss of €0.4m on sales of €17.4m in 2003. The increased loss was due to reduced margins caused by a change in the sales mix to the Group's major customer in the USA and to continuing exchange losses due to the weakness of the US Dollar. In addition, the Group incurred license fees and royalties in the amount of €0.4m which were not applicable in previous years. It is anticipated the margins and profitability will be restored in 2005.

As part of the cost reduction exercise, the board of directors is considering a change in the Group auditors and thus the audited results have been delayed. We expect to publish audited figures by 27 May 2005.

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