



Baldwin Technology Company, Inc.
2 Trap Falls Rd.
Shelton, CT 06484

Contact Information

Hawk Associates, Inc.
Frank N. Hawkins, Jr. or Julie Marshall
Phone: (305) 451-1888
E-mail: info@hawkassociates.com
<http://www.hawkassociates.com>

Baldwin Reports Results for Q3 of FY'07

Shelton, CT, April 26, 2007 -- Baldwin Technology Company, Inc. (AMEX: BLD), a leading global manufacturer of printing press accessories and control equipment reported today net sales of \$53,211,000 for the third fiscal quarter ended March 31, 2007, compared with net sales of \$45,447,000 for the third quarter last year, an increase of \$7,764,000 or 17%. The increase in net sales was attributable to the acquisition of Oxy-Dry Corporation and the favorable impact of currency translation of \$1,911,000.

Net income for the third quarter was \$1,296,000 or \$0.09 per basic share and \$0.08 per diluted share, compared to net income of \$1,745,000, or \$0.12 per basic and \$0.11 per diluted share for the comparable period a year earlier. Organizational restructuring expenses and increased interest expense due to higher debt levels as well as a higher tax rate than in the prior year's comparable quarter, offset somewhat by favorable currency effects, were the primary causes of the difference.

Net sales for the nine months ended March 31, 2007 were \$144,586,000, compared to \$131,918,000 for the prior year's nine month period. The favorable impact of currency translation for the nine months was \$4,479,000.

Net income for the nine months ended March 31, 2007 was \$3,024,000 or \$0.20 per basic and \$0.19 per diluted share, compared to \$4,321,000 or \$0.29 and \$0.28 per basic and diluted share, respectively, for the same period in 2006. The difference in net income between the two periods arose from a slight decrease in gross margin for the current period, combined with costs incurred for organizational restructuring and increased interest expense associated with higher debt levels.

The Company's backlog at March 31, 2007 was \$63,930,000, compared to \$58,614,000 at December 31, 2006. Orders placed in the third quarter were \$58,527,000, compared to \$45,908,000 for the previous quarter, an increase of 27%.

Vice President and CFO John P. Jordan commented, "Overall, we are pleased with our performance on the top line this quarter and with the potential of the newly-acquired Oxy-Dry entities. Although operating expenses increased by \$2,132,000 over last year's third quarter due primarily to the addition of Oxy-Dry, the effect of strong currencies abroad, and the transition

undertaken with both the Company's CFO position and its public accounting firm, we will remain vigilant in controlling operating costs to maximize the return from good top line performance." Jordan further commented, "Working capital increased with the addition of Oxy-Dry, and the Baldwin Operations Team has instituted processes to manage working capital to best-practice levels."

President and COO Karl Puehringer commented, "The integration of the Oxy-Dry companies acquired in November 2006 is proceeding on plan, and we fully expect to realize the savings and synergies we originally anticipated. We are also very pleased with the continuing positive response from our customers."

Puehringer added, "In addition, during the fourth quarter, we were pleased to report that, based on a successful alliance started in March of 2005, we acquired Swiss-based Hildebrand Systeme. This acquisition adds web cleaning technology to our product portfolio and further strengthens Baldwin's position as the market leader in cleaning applications, with well-established interfaces at essentially every major press manufacturer in the world."

Baldwin will review its third quarter results and discuss its business outlook during a **conference call** today beginning at **11 a.m. EDT**. To participate, call **(888) 655-9181**. The toll dial-in number is **(210) 839-8504**. The passcode is "**Baldwin Q3**." Interested investors are encouraged to log onto **<http://www.vcall.com/IC/CEPage.asp?ID=115978>**, and either participate in the call or access the webcast and replay of the call. The replay will be available from one hour after the call through Thursday, May 3, 2007, toll free at (866) 443-1213 and toll (203) 369-1091.

About Baldwin

Baldwin Technology Company, Inc. is a leading global manufacturer of press accessories and controls for the commercial and newspaper printing industries. Baldwin offers its customers a broad range of market-leading technologies, products and systems that enhance the quality of printed products and improve the economic and environmental efficiency of printing presses. Headquartered in Shelton, Ct., the company has sales and service centers, product development and manufacturing operations in the Americas, Asia and Europe. Baldwin's technology and products include cleaning systems, fluid management and ink control systems, web press protection systems and drying systems. For more information, visit <http://www.baldwintech.com>.

Investors may contact Frank Hawkins or Julie Marshall at (305) 451-1888 or e-mail info@hawkassociates.com. For an online investor relations kit, visit <http://www.hawkassociates.com>. An investor profile about Baldwin Technology may be found at <http://www.hawkassociates.com/bldprofile.aspx>.

Baldwin Technology Company, Inc.
 Condensed Consolidated Statements of Income
 (Unaudited, in thousands, except per share data)

	Quarter ended March 31	
	<u>2007</u>	<u>2006</u>
Net sales	\$ 53,211	\$ 45,447
Cost of goods sold	<u>35,774</u>	<u>30,384</u>
Gross profit	17,437	15,063
Operating expenses	14,275	12,143
Restructuring charges	<u>---</u>	<u>---</u>
Operating income	3,162	2,920
Interest expense	749	256
Interest (income)	(44)	(31)
Other (income), net	<u>220</u>	<u>(43)</u>
Income before income taxes	2,237	2,738
Provision for income taxes	<u>941</u>	<u>993</u>
Net income	<u>1,296</u>	<u>1,745</u>
Net income per share – basic	<u>\$ 0.09</u>	<u>\$ 0.12</u>
Net income per share – diluted	<u>\$ 0.08</u>	<u>\$ 0.11</u>
Weighted average shares outstanding – basic	<u>15,203</u>	<u>14,966</u>
Weighted average shares outstanding – diluted	<u>15,697</u>	<u>15,806</u>

	Nine Months ended March 31	
	<u>2007</u>	<u>2006</u>
Net sales	\$ 144,586	\$ 131,918
Cost of goods sold	<u>97,269</u>	<u>88,013</u>
Gross profit	47,317	43,905
Operating expenses	39,335	36,466
Restructuring charges	<u>994</u>	<u>---</u>
Operating income	6,988	7,439
Interest expense	1,532	803
Interest (income)	(132)	(92)
Other (income), net	<u>169</u>	<u>(164)</u>
Income before income taxes	5,419	6,892
Provision for income taxes	<u>2,395</u>	<u>2,571</u>
Net income	<u>3,024</u>	<u>4,321</u>
Net income per share – basic	<u>\$ 0.20</u>	<u>\$ 0.29</u>
Net income per share – diluted	<u>\$ 0.19</u>	<u>\$ 0.28</u>
Weighted average shares outstanding – basic	<u>15,100</u>	<u>14,947</u>
Weighted average shares outstanding – diluted	<u>15,705</u>	<u>15,649</u>

Baldwin Technology Company, Inc.
 Condensed Consolidated Balance Sheets
 (Unaudited, in thousands)

	March 31, 2007 ⁽¹⁾	June 30, 2006
Current assets:		
Cash and equivalents	\$ 15,278	\$ 14,986
Trade receivables	49,154	39,862
Inventory	30,669	22,657
Prepaid expenses and other	<u>6,809</u>	<u>5,274</u>
Total current assets	101,910	82,779
Property, plant and equipment, net	5,533	3,617
Intangible assets	30,274	13,749
Other assets	<u>14,106</u>	<u>12,618</u>
Total assets	<u><u>151,823</u></u>	<u><u>112,763</u></u>
Current liabilities:		
Loans payable	\$ 3,394	\$ 2,622
Current portion of long-term debt	2,224	853
Other current liabilities	<u>63,068</u>	<u>49,539</u>
Total current liabilities	68,686	53,014
Long-term debt	25,610	7,080
Other long-term liabilities	<u>6,924</u>	<u>6,736</u>
Total liabilities	101,220	66,830
Shareholders' equity	<u>50,603</u>	<u>45,933</u>
Total liabilities and shareholders' equity	<u><u>\$ 151,823</u></u>	<u><u>\$ 112,763</u></u>

(1) = includes preliminary allocation of purchase price paid for the Oxy-Dry group of companies acquired November 21, 2006.

Cautionary Statement: This release may contain statements regarding expected future order, backlog and sales rates, operating margins and profitability or other statements, which may constitute "forward-looking" information as defined in the Private Securities Litigation Reform Act of 1995 or by the Securities and Exchange Commission. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and actual results may differ. See Item 1A "Risk Factors" and Exhibit 99 to the company's Report on Form 10-K for the fiscal year ended June 30, 2006.