

PRESS RELEASE

HOMANN HOLZWERKSTOFFE GmbH: over-proportional earnings growth in the 1st half of 2019

- Continuation of growth course
- Operating EBITDA increases by 11.2% to EUR 24.8 million
- Forecast for 2019 confirmed

Munich, 23 September 2019 - The HOMANN HOLZWERKSTOFFE Group, a leading European supplier of thin, refined wooden fibreboard for the furniture, door, coatings and automotive industries, was able to continue its growth course in the first half of 2019. Adjusted for the discontinuation of the insulation material division in December 2018, revenues rose by 2% from EUR 137.8 million to EUR 140.2 million. With this moderate growth, HOMANN HOLZWERKSTOFFE was able to successfully decouple itself from the difficult development of the markets, which in some cases were marked by a significant decline in demand for medium-density and high-density fibreboard (MDF/HDF).

HOMANN HOLZWERKSTOFFE was able to increase earnings at a disproportionately high rate. In the first half of 2019, the Group's EBITDA rose again from EUR 14.1 million to EUR 25.7 million compared to the already very strong first half of 2018. The EBITDA margin is thus 18.0%. Adjusted for one-off effects such as currency effects, bond issue costs and losses from discontinued operations, operating EBITDA amounted to EUR 24.8 million, compared to EUR 22.3 million in the same period of the previous year. This 11.2% year-on-year increase exceeded the company's own planning for the reporting period. Overall, HOMANN HOLZWERKSTOFFE was able to achieve consolidated net income after taxes of EUR 13.7 million for the first six months of 2019. In the prior-year period, the figure was EUR 6.8 million adjusted for the insulation material division.

Fritz Homann, Managing Director of HOMANN HOLZWERKSTOFFE GmbH: "Concentrating on our core business was the right step and there was no alternative. We intend to continue this successful and profitable growth of our core business in the future. Accordingly, we are focusing on increasing productivity, accompanied by continuous improvements in quality and customer service." All three plants for the production of MDF/HDF boards continued their positive development in the first half of 2019. 23% of revenues were generated in Germany. The largest share of foreign revenues (93%) was generated in the EU.

HOMANN HOLZWERKSTOFFE remains optimistic for the financial year 2019 and expects revenues growth compared to the previous year. The operating EBITDA margin is also expected to improve further compared to the previous year. In addition to its own productivity improvements, HOMANN HOLZWERKSTOFFE also expects a further easing in raw material prices. In order to secure future growth, additional possibilities for capacity expansion will continue to be examined. This could involve the acquisition of existing plants or a new greenfield investment with the aim of further increasing production capacity in the medium and long term.

The Half-Year Report 2019 is available at www.homann-holzwerkstoffe.de

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