

STEICO SE: Record-breaking profitability despite slower pace of sales

Corporate News
19. July 2018

• H1 2018: Continued growth with new record-breaking revenues and earnings

Feldkirchen near Munich, 19. July 2018 – Today the STEICO group (ISIN DE000A0LR936) released its half-year report 2018.

Business Development H1 2018

KPI	H1 2018	H1 2017
Revenues	122.8 € m	114.6 € m
Total operating revenue (TOR)	119.8 € m	113.2 € m
EBITDA	21.4 € m	18.4 € m
EBITDA-Margin in % TOR	17.9 %	16.3 %
EBIT	12.4 € m	10.6 € m
EBIT-Margin in % TOR	10.4 %	9.3 %
Consolidated net income	8.5 € m	6.4 € m
Equity ratio in % (30.06.2018 to 31.12.2017)	51.3 %	53.9 %

The STEICO Group continued its growth in the first six months of 2018 with new record-breaking revenues and earnings.

The pace of sales was slightly slower, up by 7.2% to € 122.8 million. This was due to the poor weather conditions in the first quarter, which resulted in slower construction activity in the UK in particular. In addition the weaker exchange rate for pounds sterling lead to a downturn in the timber wholesale business in the UK. On this market STEICO offers various wooden products to supplement its own I-joists. These are purchased as merchandise in the eurozone.

In terms of its earnings, the STEICO Group once again proved its profitability. EBITDA improved compared to the first six months of the previous year by 16.3% to € 21.4 million. EBIT lifted by 17.0% to € 12.4 million. Net income for the period increased by 32.8% to € 8.5 million.

The EBITDA margin of 17.9% and the EBIT margin of 10.4% mean that the first half of the year also reached new record-breaking figures in terms of profitability.

Q2 2018 – viewed in isolation

Revenues of € 63.6 million were recorded in the second quarter (previous year: € 60.5 million) This corresponds to an increase of 5.1%.

Total operating revenue amounted to € 61.7 million (previous year: € 58.3 million).

Gross profits amounted to € 30.2 million (previous year: € 25.8 million).

EBITDA in the second quarter lifted by 20.0% to € 12.0 million (previous year: € 10.0 million). EBIT grew by 26.7% compared to the same quarter of the previous year and totaled € 7.6 million (Q2 2017: € 6.0 million). The EBITDA margin is 19.4% (previous year: 17.1%), the EBIT margin is 12.3% (previous year: 10.3%).

In terms of both revenues and earnings this was the most successful quarter in the company's history.

Outlook

As a result of the slightly slower pace of sales in the first six months, the company's management is now aiming for revenue growth over the year as a whole in the upper single-digit percentage range. In contrast, in terms of earnings, above average growth is also forecast for the year as a whole.

The complete financial report can be downloaded at www.steico.com/ir

Company Profile

STEICO develops, produces and markets ecological construction products made of renewable raw materials. STEICO is the European market leader in the wood-fibre insulation materials segment.

STEICO is positioned as a system provider for ecological residential construction and is the only manufacturer in the industry to offer an integrated wooden construction system in which insulation material and construction components supplement each other. These include flexible and stable wood fiber insulation panels, composite thermal insulation systems, insulation panels with a reinforcing effect, as well as cavity wall insulation made of wood fibers and cellulose. The construction elements comprise I-joists and laminated veneer lumber. In addition, the STEICO group also produces fiberboard and operates in the wood trade.

The Munich-based company's products are used in new construction and when renovating roofs, walls, ceilings, floors and facades. STEICO's products allow the construction of future-proof, healthy buildings with a particularly high quality of living and a healthy atmosphere. STEICO's products offer reliable protection against cold, heat and also noise, and they permanently improve the building's energy efficiency..

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