

STEICO SE: Strong operating growth with significant earnings increase

Corporate News
16. October 2019

• 9-month figures confirm growth with new record values

Feldkirchen (Munich), 16. October 2019 – The STEICO Group (ISIN DE000A0LR936) published its interim report on Q3 2019 today.

9-month growth

KPI	9M 2019	9M 2018
Revenues	215.3 €m	187.7 €m
Total operating revenue (TOR)	215.9 €m	184.5 €m
EBITDA	45,0 €m	33.3 €m
EBITDA margin as a percentage of TOR	20.8 %	18.1 %
EBIT	26.8 €m	19.6 €m
EBITmargin as a percentage of TOR	12.4 %	10.6 %
Net income for the period	19.6 €m	13.5 €m
Equity ratio in % (30.09.2019 compared to 31.12.2018)	52.1%	53.7 %

The STEICO Group continued its growth in the first nine months of 2019 with new record-breaking figures.

Revenue in the first nine months improved by 14.7% to € 215.3 million. New record-breaking earnings were also recorded. EBITDA improved by 34.8% to € 45.0 million and EBIT lifted by 36.9% to € 26.8 million. Net income for the period improved by 45.2% to € 19.6 million.

It should be noted that the 9-month results are characterized by a positive special effect. In the third quarter, the Polish production company received a credit of around € 2.4 million to compensate for the sharp rise in electricity prices in the first half of 2019. The Polish

government aims to use this compensation to alleviate the burden of the sharp rise in electricity costs for Polish citizens and companies.

The profitability of the STEICO Group was further increased even after adjustment for this effect. The adjusted third quarter was also the most successful in the company's history in terms of both revenues and earnings.

Growth in the third quarter

In the third quarter of 2019 the STEICO Group recorded revenue growth of 16.6% with revenues of € 75.7 million (Q3 2018: € 64.9 million). Total operating revenue amounted to € 75.4 million (Q3 2018: € 64.7 million). As a result, the third quarter enjoyed the highest revenues in the company's history.

Gross profits in Q3 totaled € 38.1 million (Q3 2018: € 28.4 million) and were thus up by 34.1%.

EBITDA was up by 61.0% in the third quarter to € 19.0 million (Q3 2018: € 11.9 million). The EBITDA margin is 25.2%.

EBIT was up 82.4% year-on-year to € 13.1 million (Q3 2018: € 7.2 million). The EBIT margin amounted to 17.4%.

EBT amounted to € 12.8 million, up 84.8% year-on-year (Q3 2018: € 6.9 million).

Net income for the period totaled € 10.4 million and was thus up by 110.5% compared to the previous year (Q3 2018: € 5.0 million).

The third quarter is thus also the most profitable in the company's history in terms of results.

Outlook

The positive trend is expected to continue in the coming months, although the fourth quarter may be affected by an early onset of winter. The Board of Directors therefore expects for 2019 as a whole revenue growth above 10% and an EBIT ratio around 10% (in terms of total operating revenue).

The Board of Directors also looks forward to 2020 in a positive light, even though the general economic conditions in a number of sectors have clouded over. Thanks to stable

construction activity, especially in timber construction, growth is expected to continue with sustained good profitability.

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 fibers insulation panels, composite thermal insulation systems, insulation panels with a reinforcing effect, as well as air injected 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.

Contact

Andreas Schulze
STEICO SE
Otto-Lilienthal-Ring 30
85622 Feldkirchen
Fon: +49-(0)89-99 15 51-548
Fax: +49-(0)89-99 15 51-704
E-Mail: a.schulze@steico.com
www.steico.com