

## **STEICO SE: Impact of the Corona crisis**

**Corporate News**  
19 March 2020

- **Production in France suspended temporarily**
- **Outlook for 2020 withdrawn**
- **STEICO is very well positioned for the period after the crisis**

Feldkirchen (Munich), 19 March 2020 - The STEICO Group (ISIN DE000A0LR936) is providing information on the impact that the corona crisis has already had and also the possible future impact:

### **Production**

Production at the French plant will be temporarily suspended with effect from today due to local restrictions. The plant is initially scheduled to close through to 5 April. Production at the Polish plants, which contribute to more than 90% of the Group's added value, has not been affected to date. Provision has been made for short-term adjustment of production to current conditions.

### **Sales**

There has been no slump in orders to date on key markets such as Germany and the UK. Activities are being put in place to continue to maintain critical functions such as order acceptance. In France, construction activity has virtually come to a standstill. Customers are being supported by the French sales staff who are working from home.

**Logistics**

In principle, cross-border goods traffic - and thus the delivery of STEICO products - is possible in Europe. However, in practice this is only possible to a limited extent due to border congestion, tight logistics availability and lockdowns. Major restrictions are noticed in exports to overseas markets, especially in container logistics.

**Outlook**

Depending on the type and duration of the activities to contain the corona virus, further negative effects are to be expected. The Board of Directors therefore believes that in 2020 it will not be possible to reach the original outlook with revenue growth of more than 10% and an EBIT ratio around 10% (in terms of total operating revenue). At the present time, the concrete impact of the corona crisis cannot be quantified.

At the same time, the STEICO Group will do everything in its power to minimize the impact on its business. This includes appropriate precautionary measures and putting emergency plans in place to maintain business operations. Short-time working has been introduced at STEICO France to mitigate the economic impact and STEICO is considering to put this in place in other countries, too.

The STEICO Group believes that it is very well equipped for the period after the corona crisis. Stocks already have been increased as a precautionary measure to guarantee immediate deliveries. With an equity ratio of over 50%, the Group also has a healthy balance sheet structure. What is more, STEICO has unused credit lines totaling around € 100 million as part of its group financing. As a result, management is confident that STEICO will be able to continue the growth it has enjoyed to date after the crisis.

The corporate news can be downloaded from

[www.steico.com/de/ir](http://www.steico.com/de/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 wood fiber insulation materials, stable wood fiber insulation boards, wood fiber insulation boards for facade insulation (WDVS) and also bracing insulation boards. The construction elements comprise I-joists and laminated veneer lumber. In addition, the STEICO group also produces natural fiber boards 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. 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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