

STEICO SE: Sustainable growth with high profitability

Corporate News
01. May 2019

- **Preliminary figures confirmed by final financial statements 2018**
- **The supervisory board proposes a dividend of 0.25 Euro per share for the financial year 2018**
- **Positive first quarter with significant jump in sales and earnings**

Feldkirchen near Munich, 01. May 2019 – Today the STEICO group (ISIN DE000A0LR936) released its annual report for the financial year 2018 and its interim report for the first quarter 2019.

Business Development 2018

KPI	2018	2017
Revenue	252.0 €m	230.3 €m
Total operating revenue (TOR)	254.1 €m	232.3 €m
EBITDA	44.4 €m	37.9 €m
EBITDA-Margin in % TOR	17.5 %	16.3 %
EBIT	24.6 €m	22.0 €m
EBIT-Margin in % TOR	9.7%	9.5 %
Consolidated net income	16.2 €m	15.3 €m
Earnings per share	1.15 €	1.08 €
Equity ratio in % (as of 31.12.)	53.7%	53.9 %

With revenue up 9.4% to € 252.0 million in 2018, STEICO was able to continue its growth story and once again reports the most successful year in the company's history. Earnings even increased at an above average rate to new record levels. EBITDA improved by 17.1% to € 44.4 million and EBIT lifted by 11.6% to € 24.6 million.

In particular, wood fibre insulating materials (+10.6%) and laminated veneer lumber (LVL) (+46.3%) were the driving forces behind the positive growth. Even stronger growth would have been possible for LVL. However, technical aspects had a dampening effect on the output volume of the second LVL production line in the first months of the start-up phase. We expect to be able to fully exploit these capacities in 2019.

Earnings per share amounted to 1.15 € (previous year: 1.08 €).

Dividend proposal

Based on the positive business development the board of administration proposes to annual general meeting at June 27 2019 to appropriate the net retained profits in 2018 to pay a dividend of 0.25 € per share (dividend 2017: 0.21 € per share). The volume of the dividend distribution would amount to 3,520,866.25 € in total.

Positive first quarter with significant jump in sales and earnings

The STEICO Group once again recorded new records for its revenues and earnings in the first quarter of 2019.

Revenue improved by 19.8% to € 70.9 million. The increase in revenues was primarily driven by environmentally friendly insulation materials and laminated veneer lumber.

Earnings increased at an above-average rate in the first quarter. EBITDA improved by 37.8% to € 13.0 million and EBIT lifted by 37.5% to € 6.6 million.

The very pleasing growth, however, contrasts with a relatively weak first quarter of 2018. In addition, due to a price increase effective from 1 March 2019, it is to be expected that the first two months of the past quarter will also be marked by pull-forward effects.

KPI	Q1 2019	Q1 2018
Revenue	70.9 €m	59.2 €m
Total operating revenue (TOR)	70.8 €m	58.1 €m
EBITDA	13.0 €m	9.5 €m
EBITDA-Margin in % TOR	18.4 %	16.3 %

EBIT	6.6 €m	4.8 €m
EBIT-Margin in % TOR	9.4%	8.3 %
Profit of the period	4.6 €m	3.2 €m

The company's management believes that this growth will continue dynamically in the coming quarters.

Forecast

The management is very positive about 2019 as a whole. Both Germany and the other core markets are characterised by stable construction activity and a dynamic timber construction sector. On the other hand there is still uncertainty concerning the further development of the "Brexit", which is being closely monitored by STEICO's management.

Thanks to new capacities for wood fiber insulating materials and capacity reserves for laminated veneer lumber, the STEICO Group is excellently positioned to continue its growth. The Board of Directors therefore confirms the outlook for 2019 with revenue growth above 10% and an EBIT ratio of between 9% and 10% (in terms of total operating revenue).

The complete financial reports 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 (LVL). 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