

STEICO SE: Solid growth and stable margins at a high level

Corporate News
15. July 2019

• H1 2019: Continued growth with new record-breaking revenues and earnings

Feldkirchen near Munich, 15. July 2019 – Today the STEICO group (ISIN DE000A0LR936) released its half-year report 2019.

Business Development H1 2019

KPI	H1 2019	H1 2018
Revenues	139.6 € m	122.8 € m
Total operating revenue (TOR)	140.5 € m	119.8 € m
EBITDA	26.0 € m	21.4 € m
EBITDA-Margin in % TOR	18.5 %	17.9 %
EBIT	13.7 € m	12.4 € m
EBIT-Margin in % TOR	9.8 %	10.4 %
Consolidated net income	9.2 € m	8.5 € m
Equity ratio in % (30.06.2019 to 31.12.2018)	51.8%	51.3 %

The STEICO Group continued its growth in the first six months of 2019 with new record-breaking revenues and earnings.

It reports solid growth with revenues up by 13.6% to € 139.6 million. This positive growth is due to both construction products and also insulation materials.

Earnings also enjoyed pleasing growth. EBITDA improved in the first six months by 21.3% to € 26.0 million and EBIT lifted by 10.5% to € 13.7 million. Net income for the period increased by 7.4% to € 9.2 million.

The EBITDA margin of 18.5 and the EBIT margin of 9.8% mean that STEICO has continued its growth with a constant high level of profitability.

Q2 2019 – viewed in isolation

Revenues of € 68.7 million were recorded in the second quarter (previous year: € 63.6 million) This corresponds to an increase of 7.9%. Total operating revenues amounted to € 69.7 million (previous year: € 61.7 million)

Gross profits amounted to € 32.9 million (previous year: € 30.2 million).

EBITDA in the second quarter lifted by 8.2% to € 12.9 million (previous year: € 12.0 million). EBIT fell by 6.8% to € 7.1 million (previous year: € 7.6 million). The EBITDA margin is 18.6% (previous year: 19.4%), the EBIT margin is 10.1% (previous year: 12.3%).

Following an announced increase in sales prices as of 1 March 2019, the first quarter was characterized by significant pull-forward effects on orders and exceptional growth. The trend in the second quarter was therefore somewhat more subdued. Nevertheless, pleasing growth was recorded.

EBIT in the second quarter was also depressed by higher depreciation and amortization as a result of more expensive CO₂ certificates. Nevertheless, stable high profit margins were achieved - in EBITDA as well as in EBIT. The second quarter is thus fully in line with the forecast.

Outlook

The management is very positive about the second half of 2019. The European construction industry is proving to be an anchor of stability despite the gloomy general economic outlook, and the timber construction segment continues to enjoy dynamic growth.

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The STEICO Group's innovative products and capacity reserves in production mean that the Group is excellently positioned to continue its growth. The Board of Directors therefore confirms the outlook for 2019 as a whole with revenue growth above 10% and an EBIT ratio of between 9% and 10% (in terms of total operating revenue).

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.

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