

PRESS RELEASE

HOMANN HOLZWERKSTOFFE GmbH

- **Corporate credit rating BB+**
- **Investment in company growth continues**
- **Steady improvement in profitability**

Munich/Herzberg am Harz, 1 November 2013 – HOMANN HOLZWERKSTOFFE GmbH, a leading European provider of thin, refined fibreboard panels for the furniture, door, coating and automotive industry, received a corporate credit rating of BB+ by Creditreform Rating AG, today. The rating reflects the current business situation, which is particularly characterised by the upgrades to the Polish production sites at Krosno and Karlino and the associated investments and costs.

Both locations in Poland saw consistent expansion of the manufacturing centres fuelled by major investments. At the same time, gradual cuts were made at the labour-intensive post processing plant in Losheim, Germany. By implementing these measures and systematically tapping resources along the entire value chain, the company is able to further improve its profitability for the future. The upgrades to the finishing processes at the Polish locations also make HOMANN HOLZWERKSTOFFE GmbH less vulnerable to fluctuations in commodity prices, which in turn has a positive effect on profitability. By maintaining its specialisation in highly refined thin fibreboard panels, the company is reinforcing its market position, which will enable further international expansion in the years to come.

"The rating by Creditreform Rating AG reflects the momentary situation of our company," says Fritz Homann, Managing Director of Homann Holzwerkstoffe GmbH. "The measures we have initiated – cutting labour-intensive processes in Germany, expanding the Polish finishing centres, and planning a new HDF panel plant at our location in Krosno, Poland – we will strengthen our company over the long term and improve its earnings power." Overall, the Group is investing approximately EUR 25 million in all three plants until 2014. This figure does not yet include the investments made in the planned HDF panel plant.

As was the case with the first tranche, the proceeds from the second tranche over EUR 25 million will be invested in the company's future growth. "Apart from further strengthening our three sites, we also remain open to possible acquisitions of companies or production sites", adds Fritz Homann.

See also: www.homann-holzwerkstoffe.de



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