

PRESS RELEASE

## HOMANN HOLZWERKSTOFFE GmbH reports strong revenue growth and stable earnings for H1 2017

- Sales revenues climb 13.5% to EUR 129.5 million
- Moderate decline in EBITDA; strong increase in net result

Munich/Herzberg am Harz, September 28, 2017 – HOMANN HOLZWERKSTOFFE GmbH, a leading European supplier of thin finished wooden fibreboards for the furniture, doors, coatings and automobile industries, reports strong revenue growth and stable earnings for the first half of 2017. “The business trend in the first six months was successful. Our plants are well utilised and we were once again able to increase the share of finished products, to expand our product portfolio and, last but not least, to optimise our financing structure,” said Fritz Homann, Managing Director of HOMANN HOLZWERKSTOFFE GmbH, about the figures for the first half of 2017.

Consolidated sales revenues were up by 13.5% on the previous year to EUR 129.5 million in H1 2017 (H1 2016: EUR 114.1 million). The positive revenue trend was primarily attributable to the additional capacity created at the plant in Krosno, Poland, in conjunction with good capacity utilisation at all plants. EBITDA declined moderately to EUR 14.9 million, which was due to a temporary increase in the price of glue, the company’s second most important raw material behind wood. The net result for the first half of the year amounted to EUR 5.7 million, up from EUR 2.6 million in the same period of the previous year.

“Thanks to the positive earnings trend, we were able to further optimise our capital structure and to strengthen our equity ratio,” said Homann. Taking into account the silent partnership, the equity ratio stood at 16.7% on June 30, 2017, compared to 16.0% on December 31, 2016. This improvement was achieved in spite of the temporary increase in debt capital in the balance sheet. Following the successful bond issue and bank financing measures completed in the first half of the year, the debt capital slightly exceeds the company’s target, which will be reached again once the old bond is repaid in December 2017.

The company expects revenues to continue to grow dynamically in the second half of the year to EUR 240 million. EBITDA (before extraordinary effects) are expected to show a much better trend in the second half of the year than in the first six months. This is mainly due to the fact that procurement prices, especially the price of glue, returned to the planned level in July. The company has set itself an EBITDA target of EUR 38 million for 2017, which would exceed the prior year level by 15%.

The full interim consolidated financial statements for the first half of 2017 are available at [www.homann-holzwerkstoffe.de](http://www.homann-holzwerkstoffe.de).

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