

PRESS RELEASE

## HOMANN HOLZWERKSTOFFE GmbH stays on growth track and gains even more momentum in second half of 2017

- Notable revenue and earnings growth in year to date and positive expectation for 2018
- Debt capital reduced as planned through repayment of 2012/2017 corporate bond
- Pioneering role in environmentally friendly processes and products will continue to be implemented as of January 1, 2018

Munich/Herzberg am Harz, December 14, 2017 – HOMANN HOLZWERKSTOFFE GmbH, a leading European supplier of thin finished wooden fibreboards for the furniture, doors, coatings and automobile industries, has stayed on the growth track in the year to date and even gained some more momentum in the second half of 2017. At the 11-month stage, revenues were up by more than 15% on the previous year. Earnings before interest, taxes, depreciation and amortisation (operating EBITDA) have increased by roughly 20% on the previous year in the year to date. Fritz Homann, Managing Director of HOMANN HOLZWERKSTOFFE GmbH: "We are satisfied with the results achieved to date. Our core activities, high-density fibreboards, are in line with our objectives and plans. The notable earnings growth does not include any positive effects from insulating materials and door cores, which we have launched only in the current fiscal year as a systems solution for the doors industry. We still see potential in this young business segment."

The continued good performance in all segments goes hand in hand with a further improvement in the balance sheet ratios. The temporarily increased debt capital has now been repaid as planned through the full repayment of the corporate bond issued in 2012. Old investors had swapped their notes for notes under the new 2017/2022 corporate bond (ISIN: DE000A2E4NW7; WKN: A2E4NW), which carries a coupon of 5.250%, already in June 2017. The remaining EUR 63.7 million will today be repaid as planned.

HOMANN HOLZWERKSTOFFE remains optimistic also for 2018. The company intends to continue its 2017 achievements at a stable high level in the next year, primarily on the basis of an increased share of finished products in the portfolio. Environmental aspects also play an important role in this context. As an industry-leading manufacturer of thin, high-density fibreboards HOMANN HOLZWERKSTOFFE and its operating subsidiaries have always been especially committed to protecting the environment. HOMANIT, for instance, played a pioneering role in 1991 in producing its HOMADUR boards using the environmentally-friendly dry process.

As of January 1, 2018, HOMANIT will proactively meet California's CARB 2 emissions standard across the complete product portfolio and comply with the upcoming U.S. requirements regarding permissible formaldehyde limits. This means that the company will not only meet the limits of European emission standard E1 but even remain below them. Fritz Homann: "The special thing is that we offer not only individual products that are particularly environmentally friendly but that we will adjust the complete product portfolio to meet this standard. This reflects our commitment as an industry leader to playing a leading role also in environmental aspects."

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