

## Press release

25/03/2015



NORMA Group SE  
Media Relations  
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[www.normagroup.com](http://www.normagroup.com)

## NORMA Group continues on its successful path in financial year 2014 and expects solid growth for 2015

- Sales increased by 9.3% to EUR 694.7 million in the financial year 2014
- Adjusted EBITA grew by 7.9% to EUR 121.5 million
- Adjusted EBITA margin with 17.5% at sustainably high level
- Adjusted earnings per share improved to EUR 2.24
- Proposed increase of dividend to EUR 0.75 per share
- Organic sales growth between 4% and 7% expected for 2015

**Maintal, Germany, 25 March 2015** – NORMA Group SE (“NORMA Group”), a global market leader for engineered joining technology, looks back on a successful financial year 2014. The MDAX-listed group increased its sales between January and December 2014 by 9.3% compared to the previous year, reaching EUR 694.7 million (2013: EUR 635.5 million). This result was supported by acquisitions in 2013 and 2014 totalling EUR 22.0 million. The organic growth was 6.5%. The adjusted earnings before interest, taxes, and amortization (adjusted EBITA) increased throughout 2014 by 7.9% to EUR 121.5 million (2013: EUR 112.6 million). The adjusted EBITA margin was once again at a sustainably high level of 17.5% (2013: 17.7%). The adjusted earnings per share increased on the basis of outstanding shares to EUR 2.24 as of 31 December 2014 (2013: EUR 1.95).

“2014 was a successful financial year for us. We continued our growth trajectory,” says Werner Deggim, CEO of NORMA Group. “The economic recovery in the second half of the year for the US market, which is becoming increasingly important for us, and the continued dynamic development in Asia strengthened the growth even more. In the future, we will also focus on new product solutions and innovative technology, for example in order to face the challenges of stricter emissions standards together with our clients.”

NORMA Group expects sales in the financial year 2015 to have a solid organic growth of between 4% and 7% compared to the previous year. The company expects additional revenue of around EUR 110 million from the acquisitions of National Diversified Sales, Inc. (“NDS”) and Five Star Clamps, Inc.

### Growth in all three regions – Acquisition of NDS in Americas region

In the region **EMEA**, sales grew by 1.7% to EUR 394.5 million in financial year 2014 (2013: EUR 388.0 million). NORMA Group was able to expand its business in the region despite the generally weak economic situation and the overall lower levels of industrial production in Europe. In particular in the first

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quarter of 2014 the group benefited from the startups of engines as a consequence of the introduction of the Euro 6 emissions standard. In 2014, NORMA Group expanded its capacity at the German locations in Maintal and Gerbershausen as well as in Serbia, the Czech Republic, Sweden, and Great Britain.

In the region **Americas**, NORMA Group achieved significant sales growth of 24.1% to EUR 237.8 million in 2014 (2013: EUR 191.6 million). The improved economic situation and in particular the once again rising dynamics of the US automotive market contributed significantly to the strong growth. In addition in the fourth quarter, the revenue from the acquisition of NDS on 31 October 2014 totalling EUR 13.9 million had a positive effect.

NDS is a leading provider in water management, agricultural irrigation, and infrastructure in the field of water with a portfolio of more than 5,000 products and supplies over 7,700 retail and wholesale locations in the USA. With the largest acquisition since going public in 2011 NORMA Group continues its path to expansion in the global water management market and diversification of the business. In April 2014, NORMA Group had already expanded its activities in the USA with the acquisition of the joining technology specialist Five Star Clamps, Inc. Besides this, in April 2014 NORMA Group started its production in Brazil in order to strengthen its market position in South America. At its plant in Atibaia near Sao Paulo, quick connectors, fluid systems, exhaust pipe clamps, and profile clamps for the automotive and commercial vehicle industry are manufactured.

In the region **Asia-Pacific**, NORMA Group once again developed dynamically and achieved sales growth of 11.6% reaching EUR 62.5 million (2013: EUR 56.0 million). Revenues from the two acquisitions in Australia in 2013 also contributed to the successful result. In February 2014, NORMA Group invested once again in the region Asia-Pacific and purchased the remaining 15% of the shares of Chien Jin Plastic Sdn. Bhd. in Malaysia, a manufacturer of thermoplastic joining systems for drinking and industrial water supply as well as for irrigation systems. In May 2014, NORMA Group also opened its second production site in China in order to address the increased demand for joining technology in the region. In the newly opened production site in Changzhou near Shanghai, worm-drive clamps and profile clamps for the automotive and commercial vehicle industries are manufactured.

### **Second promissory note successfully placed**

To ensure its financial flexibility, in December 2014 NORMA Group issued a promissory note with a total volume of around EUR 209 million. Among other purposes, the funds served to finance the acquisition of NDS. The company's equity at the end of the financial year 2014 was EUR 368.0 million and was thus improved by 15% year-on-year (31 December 2013: EUR 319.9 million). The increase resulted in large part from the group's consolidated net income of EUR 54.9 million as well as positive currency effects totalling EUR 14.3 million. By contrast, the dividend payments of EUR 22.3 million reduced equity. With the increased total assets due to the acquisition of NDS, at the end of the financial year 2014 the equity ratio was 34.1% (2013: 38.8%).

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The net debt excluding hedging instruments after the issuance of the promissory note at the end of the reporting period was EUR 352.9 million (31 December 2013: EUR 138.2 million). As a result, the ratio of net debt to equity (gearing) was 1.0 (31 December 2013: 0.5).

### **Proposed increase of dividends to EUR 0.75 per share**

The NORMA Group management board and supervisory board will propose a dividend of EUR 0.75 per share for financial year 2014. With an increase once again of EUR 0.05, this corresponds to total dividend payments of EUR 23.9 million. As a consequence, the pay-out ratio amounts to 33.4% of the group's adjusted net income in 2014 (EUR 71.5 million).

As of 31 December 2014, NORMA Group employed a global workforce (including temporary staff) of 5,975 and thus, including the acquisitions, 1,028 more employees than the previous year (31 December 2013: 4,947 employees). In Germany, the number of employees including temporary employees grew by 36 to 938 compared to year-end 2013.

### **2015 solid organic sales growth expected between 4% and 7%**

From today's perspective, NORMA Group expects moderate global economic growth in 2015, driven primarily by the industrialized countries and emerging Asian markets. In particular due to its broad diversification, the company is well-positioned to continue to benefit from the growth trends in the various end markets and regions. For the region **EMEA**, NORMA Group anticipates moderate organic growth due to a slight improvement of the overall economic situation in financial year 2015. In particular in the automotive industry, increasing production volumes are assumed as a consequence of more exports. Positive effects are also expected in the mid-term due to the new EU fleet regulations, which will demand improved technologies and increasing motor efficiency in the future. For the region **Americas**, NORMA Group forecasts solid organic growth that will be further strengthened by the completed acquisitions. It is expected that the overall economic growth in the region, especially in the USA, will continue in financial year 2015 and show effects in the end markets relevant to the group. For the region **Asia-Pacific**, NORMA Group anticipates double-digit growth due to increasing business activities. Despite subdued growth predictions for China, the dynamics in the region should continue in part due to stricter emissions standards for vehicles.

In total, NORMA Group expects solid organic sales growth of between 4% and 7% year-on-year for financial year 2015. In addition, the MDAX-listed company anticipates additional revenues totalling around EUR 110 million from the NDS and Five Star Clamps, Inc. acquisitions. A sustainable adjusted EBITA margin of over 17% as in previous years is targeted for the financial year 2015 (2012: 17.4%; 2013: 17.7%; 2014: 17.5%).

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## NORMA Group SE – Overview of consolidated figures 2014

Key figures at a glance (in EUR millions)	Financial year 2014	Financial year 2013	Financial year 2012
Income statement	01/01-31/12/2014	01/01-31/12/2013	01/01-31/12/2012
Sales	694.7	635.5	604.6
Adjusted EBITA	121.5	112.6	105.4
Adjusted EBITA margin	17.5%	17.7%	17.4%
Adjusted earnings per share*	2.24	1.95	1.94
Balance sheet	31/12/2014	31/12/2013	31/12/2012
Total assets	1,078.4	823.7	691.8
Equity	368.0	319.9	289.2
Equity ratio	34.1%	38.8%	41.8%
Net debt**	352.9	138.2	174.2

Key figures at a glance (in EUR millions)	Q4 2014	Q4 2013	Q4 2012
Income statement	01/10 – 31/12/2014	01/10 – 31/12/2013	01/10 – 31/12/2012
Sales	176.2	152.8	137.3
Adjusted EBITA	29.2	27.6	21.9
Adjusted EBITA margin	16.6%	18.0%	15.9%

\*Adjusted pro forma earnings per share based on the number of shares as at year-end 2014

\*\*Net debt excluding hedging instruments totalling EUR 20.2 million (2013: EUR 15.3 million)

Adjusted by amortization from purchase price allocations and other expenses, mainly in the context of the acquisition of NDS (in particular other operating expenses).

The financial report 2014 is available from [www.normagroup.com/publications](http://www.normagroup.com/publications). Additional information is available from the Investor Relations section at [www.normagroup.com](http://www.normagroup.com).

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### About NORMA Group

NORMA Group is an international market and technology leader in engineered joining technology. The company manufactures a wide range of innovative joining technology solutions in three product

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categories (clamp, connect and fluid) and offers more than 35,000 high-quality products and solutions to more than 10,000 customers in 100 countries. NORMA Group joining products can be found in vehicles and trains, ships and aircraft, buildings and water management as well as in applications for the pharmaceutical and biotechnology industry. The company generated sales of around EUR 695 million in 2014. With around 6,000 employees, NORMA Group operates a global network of 22 production facilities as well as numerous sales and distribution sites across Europe, the Americas, and Asia-Pacific. NORMA Group has its headquarters in Maintal, Germany. NORMA Group SE is listed on the German stock exchange (Prime Standard) and included in the MDAX index.

### Disclaimer

This press release contains certain future-oriented statements. Future-oriented statements include all statements which do not relate to historical facts and events and contain future-oriented expressions such as “believe”, “estimate”, “assume”, “expect”, “forecast”, “intend”, “could” or “should” or expressions of a similar kind. Such future-oriented statements are subject to risks and uncertainties since they relate to future events and are based on the company’s current assumptions, which may not in the future take place or be fulfilled as expected. The company points out that such future-oriented statements provide no guarantee for the future and that the actual events including the financial position and profitability of NORMA Group SE and developments in the economic and regulatory fundamentals may vary substantially (particularly on the down side) from those explicitly or implicitly assumed in these statements. Even if the actual assets for NORMA Group SE, including its financial position and profitability and the economic and regulatory fundamentals, are in accordance with such future-oriented statements in this press release, no guarantee can be given that this will continue to be the case in the future.