

Press Release
May 8, 2019



NORMA Group SE
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NORMA Group increases its sales to EUR 275.6 million in first quarter of 2019

- Sales in the first quarter of 2019 rose by 1.1 percent compared to the same quarter of last year to EUR 275.6 million
- Adjusted EBITA declined by 13.3 percent to EUR 39.6 million
- Adjusted EBITA margin for the full year 2019 expected to be at the lower end of the range of between 15 and 17 percent

Maintal, Germany, May 8, 2019 – [NORMA Group](http://www.normagroup.com), a global market leader in engineered joining technology, increased its sales moderately by 1.1 percent to EUR 275.6 million in the first quarter of 2019 (Q1 2018: EUR 272.6 million). While sales fell organically by 4.2 percent, Kimplas and Statek, the companies acquired in 2018, contributed 2.3 percent and EUR 6.2 million respectively. Currency effects contributed 3.1 percent to sales growth. Adjusted earnings before interest, taxes and amortization of intangible assets (adjusted EBITA) fell by 13.3 percent year-on-year in the first quarter of 2019 to EUR 39.6 million (Q1 2018: EUR 45.7 million). The adjusted EBITA margin was 14.4 percent (Q1 2018: 16.8 percent). Net operating cash flow increased by EUR 13.5 million to EUR -0.3 million (Q1 2018: EUR -13.8 million).

The business development in the first quarter of 2019 is mainly attributable to the lower production and sales figures in the automotive sector in all three regions. Above all, the EMEA and Asia-Pacific regions were characterized by a very volatile market environment: lower production volumes in the European automobile industry due to the difficulties encountered in the summer of 2018 in implementing the standardized, stricter test procedure for emission values (WLTP) and a sharp decline in demand from the Chinese automotive industry. For fiscal year 2019, NORMA Group continues to expect an adjusted EBITA margin within the range of 15 to 17 percent forecast in March 2019, whereby the lower end of this range is more likely to be reached.

“In view of the uncertain market situation worldwide and the more volatile than expected market environment, particularly in the EMEA and Asia-Pacific regions, we have substantiated our forecast for the adjusted EBITA margin in 2019,” said Bernd Kleinhens, CEO of NORMA Group. “We are confident that the situation on the markets will improve in the coming quarters and that we are well positioned for the future with our broad product range and commitment to key markets such as electromobility and water management.”

Development in EMEA, the Americas and Asia-Pacific

In the **EMEA** region (**Europe, Middle East and Africa**), sales fell slightly year-on-year by 2.8 percent to EUR 128.4 million (Q1 2018: EUR 132.2 million). The decline in sales was due in particular to the continuing WLTP issues at the beginning of the year and a decline in business in the automotive sector

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due to lower production and sales figures. By contrast, the acquisition of Statek in Germany made a positive contribution to sales.

In the **Americas** region, sales in the first quarter of 2019 rose solidly by 4.0 percent year-on-year to EUR 111.6 million (Q1 2018: EUR 107.3 million). The water management segment in particular posted strong growth in the first three months of 2019. While the business with commercial vehicles and agricultural machinery continued to develop solidly, production figures in the North American automotive sector were negative.

In the **Asia-Pacific** region, NORMA Group increased its sales by 7.5 percent year-on-year from January to March 2019 to EUR 35.6 million (Q1 2018: EUR 33.1 million). While the Chinese automotive sector experienced significant production declines, the acquisition of Kimplas in India contributed to additional sales revenues.

As of the reporting date March 31, 2019, NORMA Group had 9,065 employees worldwide, including temporary staff (December 31, 2018: 8,865 employees).

Forecast confirmed at the lower end of the expected range

NORMA Group confirms its forecast of moderate organic Group growth of around 1 to 3 percent. In addition, sales from the acquisitions of Kimplas and Statek are expected to total around EUR 13 million. The company is sticking to its target of an adjusted EBITA margin of between 15 and 17 percent and expects to achieve the lower end of the range. NORMA Group expects net operating cash flow of around EUR 100 million for 2019.

NORMA Group SE in figures

Key figures at a glance (in EUR millions)	1st Quarter 2019	1st Quarter 2018	4th Quarter 2018
Income statement	01/01 – 03/31/2019	01/01 – 03/31/2018	10/01 – 12/31/2018
Sales	275.6	272.6	267.0
Adjusted EBITA*	39.6	45.7	42.7
Adjusted EBITA margin*	14.4%	16.8%	16.0%
Balance sheet	03/31/2019	03/31/2018	12/31/2018
Total assets	1,533.7	1,307.6	1,471.7
Equity	631.6	552.6	602.4
Equity ratio	41.2%	42.3%	40.9%
Net debt**	455.5	361.4	400.3

*Adjustments: Q1/2019: by integration costs (EUR 0.1 million), step-up effects from purchase price allocations (EUR 0.9 million) and "Rightsizing/Footprint" (EUR 1.7 million); Q1/2018: by acquisition-related costs and step-up effects from purchase price allocations; Q4/2018: by acquisition-related costs, integration costs, step-up effects from purchase price allocations and "Rightsizing/Footprint."

**Net debt including hedging instruments (hedging instruments as of March 31, 2019, amounting to: EUR 0.9 million; March 31, 2018: EUR 1.9 million; December 31, 2018: EUR 0.8 million)

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Additional information is available in the Investor Relations section on www.investors.normagroup.com.
Press photos are available from our platform at www.normagroup.com/images.

Further dates

Publication of the financial figures for the second quarter of fiscal year 2019 is scheduled for August 6, 2019.



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About NORMA Group

NORMA Group is an international market and technology leader in [engineered joining technology](#) (joining, connecting and fluid handling technology). The company manufactures a [wide range](#) of innovative connecting solutions and [water management](#) technology offering more than 40,000 products to customers in over 100 countries with around 9,100 employees. NORMA Group helps its customers and business partners react to global challenges such as climate change and increasing scarcity of resources. 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. In 2018 the company generated sales of around EUR 1.08 billion. NORMA Group operates a [global network](#) of 30 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

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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.