

Press Release
August 9, 2017



NORMA Group SE
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NORMA Group with successful first half of 2017

- **Sales increased by 12.2 percent to EUR 519.0 million from January to June 2017**
- **Adjusted EBITA rose by 9.3 percent to EUR 91.7 million**
- **Adjusted EBITA margin at a sustained high level of 17.7 percent**
- **Growth in all three regions of EMEA, the Americas and Asia-Pacific**
- **Adjusted outlook of around 4 to 7 percent organic growth for fiscal year 2017 confirmed**

Maintal, Germany, August 9, 2017 – NORMA Group, a global market leader in engineered joining technology, posted solid growth in the first half of its current fiscal year 2017. Sales rose by 12.2 percent to EUR 519.0 million in the first half of the year compared to the first six months of the previous year (H1 2016: EUR 462.8 million). Organic growth of 4.8 percent was achieved. The acquisitions of Autoline, Lifial and Fengfan contributed 6.2 percent to sales. Currency effects also contributed positively at 1.2 percent. From January to June 2017, adjusted earnings before interest, taxes and amortization of intangible assets (adjusted EBITA) increased by 9.3 percent to EUR 91.7 million compared to the first half of the previous year (H1 2016: EUR 83.9 million). The adjusted EBITA margin for the period January to June of 2017 remained at a sustainable high level of 17.7 percent (H1 2016: 18.1 percent).

“The first half of 2017 went better than we initially expected. This is why we raised our forecast for the full year 2017 in July,” said Werner Deggim, CEO of NORMA Group. “The good results in the second quarter of 2017 confirm this assessment. Since the business picked up significantly in all three regions, we now expect organic sales growth of around 4 to 7 percent for 2017.”

Group sales in the second quarter of 2017 increased by 11.8 percent to EUR 264.1 million compared to the same quarter of the previous year (Q2 2016: EUR 236.2 million). Adjusted EBITA reached EUR 46.6 million from April to June 2017, an increase of 6.6 percent compared to the second quarter of 2016 (Q2 2016: EUR 43.8 million). The adjusted EBITA margin was 17.7 percent in the second quarter of 2017 (Q2 2016: 18.5 percent).

Strong sales growth in all three regions

In the **EMEA region (Europe, Middle East and Africa)**, NORMA Group increased its sales by 10.7 percent in the first six months of 2017 to EUR 251.6 million compared to the same period last year (H1 2016: EUR 227.3 million). This was due to strong organic sales growth as well as the acquisition-related growth from consolidating Autoline and Lifial.

Sales in the **Americas** region totaled EUR 212.6 million in the first half of 2017 (H1 2016: EUR 198.5 million), an increase of 7.1 percent. This can be attributed to the gradual recovery of the US market for commercial vehicles, agricultural and construction machinery. Strong business with solutions for water

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management in the second quarter also had a positive effect on the growth in sales. Additional sales revenues came from the acquisition of Autoline and positive currency effects related to the US dollar.

In the **Asia-Pacific** region, NORMA Group generated sales growth of 48.1 percent to EUR 54.9 million from January to June 2017 (H1 2016: EUR 37.0 million). This was partly due to successful production localizations, a high demand for joining technology, especially in the division for customized product solutions (Engineered Joining Technology, EJT) as well as the acquisitions of Autoline and Fengfan.

Successful completion of the Fengfan acquisition

In the second quarter of 2017, NORMA Group, after approval by the competent authorities, successfully completed the acquisition of Fengfan Fastener Co., Ltd. ("Fengfan"). The company had signed the purchase agreement for 80 percent of the shares in the Chinese manufacturer of stainless steel and plastic joining products as well as specialty textiles back on March 28, 2017. The consolidation of Fengfan took place in the second quarter of 2017. In January 2017, NORMA Group had already acquired the Portuguese manufacturer of metal clamps Lifial – Indústria Metalúrgica de Águeda, Lda. ("Lifial").

Equity slightly decreased

As of the reporting date June 30, 2017, Group equity amounted to EUR 476.0 million. This represents a slight decline of 1.6 percent compared to the end of 2016 (December 31, 2016: EUR 483.6 million). The equity ratio was at 36.0 percent at the end of the second quarter of 2017 (December 31, 2016: 36.2 percent). This was due to the dividend payment totaling EUR 30.3 million in May 2017 as well as due to effects arising from the acquisition of Fengfan. Net debt including hedging instruments increased by 7.5 percent to EUR 423.9 million as of June 30, 2017, compared to the end of the previous year (December 31, 2016: EUR 394.2 million). That was influenced by payments for the dividend as well as for the acquisitions.

Adjusted outlook for fiscal year 2017 confirmed

On July 13, 2017, NORMA Group increased its sales outlook for fiscal year 2017 on the basis of the preliminary, unaudited figures for the second quarter of 2017 as well as the expected consolidated sales revenues by the end of the year. NORMA Group confirms this forecast with the final figures for the second quarter of 2017. For 2017 as a whole, the Management Board expects organic growth of around 4 to 7 percent (previous outlook: "moderate organic growth of around 1 to 3 percent"). The Management Board also expects the acquisitions of Autoline, Lifial and Fengfan to contribute approximately EUR 55 million to Group sales (previous outlook: "approximately EUR 45 million"). In 2017, NORMA Group aims to achieve a sustainable adjusted EBITA margin of over 17.0 percent (2016: 17.6 percent, 2015: 17.6 percent, 2014: 17.5 percent).

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Including temporary workers, NORMA Group employed a total staff of 7,414 on June 30, 2017. This represents an increase of 750 employees compared to the end of the previous year (December 31, 2016: 6,664 employees). This was due in particular to the acquisitions of Lifial and Fengfan in the first half of 2017.

NORMA Group in figures

Key figures at a glance (in EUR millions)	H1 2017	H1 2016	Fiscal year 2016
Income statement	01/01 – 06/30/2017	01/01 – 06/30/2016	01/01 – 12/31/2016
Sales	519.0	462.8	894.9
Adjusted EBITA*	91.7	83.9	157.5
Adjusted EBITA margin*	17.7%	18.1%	17.6%
Balance sheet	06/30/2017	06/30/2016	12/31/2016
Total assets	1,323.4	1,174.1	1,337.7
Equity	476.0	433.4	483.6
Equity ratio	36.0%	36.9%	36.2%
Net debt**	423.9	354.1	394.2

Key figures at a glance (in EUR millions)	Q2 2017	Q2 2016	Q1 2017
Income statement	04/01 – 06/30/2017	04/01 – 06/30/2016	01/01 – 03/31/2017
Sales	264.1	236.2	254.9
Adjusted EBITA	46.6	43.8	45.0
Adjusted EBITA margin	17.7%	18.5%	17.7%

*Adjustments: In the first half of 2017 by integration costs related to Autoline (EUR 0.8 million) and step up effects from purchase price allocations (EUR 2.6 million), as well as reimbursed transaction taxes (EUR -0.5 million); in the first half of 2016 by acquisition-related costs (EUR 1.2 million) and depreciation of PPA; in fiscal year 2016 by step up effects from purchase price allocations (EUR 3.0 million) and other expenses mainly related to the acquisition of Autoline (EUR 4.1 million, particularly other operating expenses)

**Net debt including hedging instruments; hedging instruments of EUR 1.9 million in H1 2017; EUR 6.0 million in H1 2016 and EUR 2.2 million in FY 2016

Additional information is available from NORMA Group's Investor Relations section at www.investors.normagroup.com. Please visit www.normagroup.com/Images for press photos.

Upcoming events

The publication of the financial results for the third quarter of fiscal year 2017 is scheduled for November 8, 2017.



NORMA Group Blog

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About NORMA Group

NORMA Group is a global market leader in engineered joining technology. The company manufactures a wide range of innovative connecting solutions and water management technology offering more than 35,000 products to customers in 100 countries with around 7,400 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. The company generated sales of around EUR 895 million in 2016. NORMA Group operates a global network of 29 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.