

PRESS RELEASE

Sto AG, Stühlingen

- Sto consolidated turnover in the first six months of 2013 stable at EUR 520.1 million (previous year: EUR 519.2 million)
- Domestic business in decline, foreign turnover continues to grow overall
- Consolidated EBIT falls from EUR 23.1 million to 18.8 million
- Number of employees across the Group rises from 4,724 to 4,844
- Outlook for the 2013 fiscal year unchanged: slight growth in consolidated turnover and decline in EBIT expected

Stühlingen, 29 August 2013 – Sto AG, a major international manufacturer of products and systems for building coatings, reported stable **consolidated turnover** in the first six months of 2013 in the amount of EUR 520.1 million compared to EUR 519.2 million in the same period last year. The comparatively weak dynamics seen during the reporting period were mainly due to unfavourable weather conditions over prolonged periods. In addition, difficult economic conditions persisted in individual regions and there was a continued reluctance to invest in Germany with respect to the future funding of energy-efficiency upgrade measures. Furthermore, the current discussion regarding the ecological effects and fire risks of facade systems and concerning architectural culture has led to increasing uncertainty among prospective building owners and Sto stakeholders.

Against this background, **domestic turnover** fell by 1.2% to EUR 229.5 million (previous year: EUR 232.2 million). By contrast, **foreign turnover** rose by 1.3 % to EUR 290.6 million (previous year: EUR 287.0 million). Business in America

and France was particularly positive and was able to more than compensate for declines in other countries. The international share of consolidated volume rose from 55.3% to 55.9% during the reporting period.

The first-time consolidation of Natursteinindustrie Johann Neumeyer & Brigl GmbH & Co. KG, Eichstätt, which was acquired in early February, resulted in additional turnover of EUR 4.0 million. On balance, changes to exchange rates were of minor importance. Once adjusted for such effects, consolidated turnover was 0.5% lower than the previous year's value.

Stable consolidated turnover in the first six months of 2013 was accompanied by increasing costs, in particular with relation to personnel, marketing and maintenance, and by higher depreciation and amortisation costs. All figures considered, **consolidated EBIT** fell by 18.6% to EUR 18.8 million (previous year: EUR 23.1 million) and net income by 21.7% to EUR 12.6 million (previous year: EUR 16.1 million). Despite the loss of income, **financial position and cash flows** remained healthy. At mid-year, the company reported **net financial assets** of EUR 31.9 million (previous year: EUR 30.8 million). The **equity ratio** was 61.6% (previous year: 61.2 %).

On 30 June 2013, the Sto Group had 4,844 **employees** compared to 4,724 on the same date in the previous year. This rise was due to 120 employees joining the domestic workforce to total 2,562 employees (+4.9%). Of these, 66 employees were attributable to the first-consolidation of Natursteinindustrie Johann Neumeyer & Brigl GmbH & Co. KG. The number of employees working for Sto outside Germany remained unchanged as at the end of June at 2,282. The share of international employees in the Group workforce amounted to 47.1% (previous year: 48.3 %).

Outlook for the 2013 fiscal year

In terms of 2013 as a whole, Sto still expects a slight rise in consolidated turnover of approx. 2% to around EUR 1,165 million. Weather permitting, the company is confident that it will be able to compensate for the deficit generated in the first six months of the year compared to what had been projected. The annual forecast also takes into account that, unlike in previous years, there will be no more significant positive exchange rate effects in 2013.

As previously stated, it is expected that consolidated EBIT will see a further reduction: from what we know at the current point in time, major cost items will continue to increase at a higher rate than business volume. This applies in particular to personnel, marketing and maintenance costs and to depreciation and amortisation costs.

Based on current conditions, Sto anticipates that investments in intangible assets and property, plant and equipment will total around EUR 37.0 million (previous year: EUR 36.3 million).

Sto AG is a major international manufacturer of products and systems for building coatings. In 2012, consolidated turnover totalled approximately EUR 1,142 million. The company is a leader in the field of external wall insulation systems. Core products also include high-quality facade elements and render, plaster and paints for both exterior and interior use. Other focus areas include concrete restoration/floor coatings, acoustic systems and rainscreen cladding systems.

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The full semi-annual report for the first six months of 2013 is available for download at www.sto.de and can be found in the "Investor Relations" section under "Unternehmen" (Company).