

P R E S S R E L E A S E Sto SE & Co. KGaA, Stühlingen

- Sto's consolidated turnover rises by 30.7 % to EUR 216.1 million in the first quarter of 2014
- Favourable weather conditions lead to strong growth
- Year-on-year reduction in usual net loss seen in Q1
- Group workforce increases from 4,788 to 4,951 employees
- Outlook for the 2014 fiscal year unchanged: rise in turnover of around 5 % and EBIT of EUR 90 to 100 million expected

Stühlingen, 15 May 2014 – Sto SE & Co. KGaA saw a considerable increase of 30.7 % in its **consolidated turnover** in the first three months of 2014 compared to the same period of the previous year thanks to favourable weather conditions to reach EUR 216.1 million (previous year: EUR 165.3 million). The mild winter led to high demand for Sto products, especially in **Germany**, and business volume grew by 48.4 % to EUR 97.2 million (previous year: EUR 65.5 million). This growth was largely driven by facade systems, sales of which had previously been somewhat lower. **Foreign turnover** rose by 19.1 % to EUR 118.9 million during the reporting period (previous year: EUR 99.8 million), which corresponded to a 55.0 % share in consolidated turnover compared to 60.4 % in the same period of the previous year. The effects of consolidation and exchange factors resulted in an overall conversion effect of EUR -1.3 million. Adjusted for these factors, the growth in consolidated turnover stood at 31.5 %.

Business performance in **April 2014** was very sluggish compared to the first quarter.

Improved earnings

Due to the marked seasonality of the facade business, Sto does not generally make a profit in the first few months of the fiscal year. While this was also the case in the first quarter of 2014, the net loss was lower compared to the same period of the previous year thanks to a sharp increase in business volume.

4,951 people were employed by the Sto Group worldwide as at 31 March 2014 compared to 4,788 on the same day of the previous year (+3.4 %). The company mainly expanded its workforce in growth markets. Overall, the foreign workforce increased by 134 to 2,367 employees (+6.0 %). The number of employees in Germany rose moderately from 2,555 to 2,584 (+1.1 %). The share of international employees in the Group workforce amounted to 47.8 % (previous year: 46.6 %).

Outlook for 2014

The rise in turnover achieved in the first quarter of 2014 thanks to favourable weather conditions is not representative of the entire year, as the comparable 2013 level was very low due to poor weather conditions. As previously announced, normalisation is therefore anticipated over the course of the year. Sto expects a rise in consolidated turnover for the 2014 fiscal year of approximately 5 % to around EUR 1,225 million, although economic conditions will likely remain difficult in numerous countries. Based on current information, EBIT will reach EUR 90 to 100 million (previous year: EUR 99.9 million). Financial performance will be strained by expected factors such as a significant increase in personnel costs and rising material costs, particularly for specialty chemicals and petroleum-based products.

Sto SE & Co. KGaA is a major international manufacturer of products and systems for building coatings. In 2013, consolidated turnover totalled EUR 1,166.0 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 complete interim report is available for download at www.sto.de and can be found in the "Investor Relations" section under "Unternehmen" (Company).