

PRESS RELEASE Sto SE & Co. KGaA, Stühlingen

- Sto's consolidated turnover rises by 2.1 % to EUR 1,166.0 million in 2013
- Consolidated EBIT improves by 4.8 % to EUR 99.9 million
- Net profit of EUR 68.5 million after EUR 65.4 million in the previous year
- Dividend unchanged: bonus remains at EUR 4.56 and basic dividend at EUR 0.31 per preference share and EUR 0.25 per ordinary share
- Group workforce increases from 4,689 to 4,791 employees
- Change of legal form from Sto AG to Sto SE & Co. KGaA completed at end of March 2014
- Outlook for 2014: rise in turnover of around 5 % and EBIT of EUR 90 to 100 million expected

Stühlingen, 25 April 2014 – Sto SE & Co. KGaA increased its **consolidated turnover** in the 2013 fiscal year by 2.1 % to EUR 1,166.0 million (previous year: EUR 1,141.7 million). This was in line with forecasts, although performance in the first few months of the year was very low due to poor weather conditions. Strong demand in the summer months and favourable weather conditions towards the end of the year compensated for this. Key figures here include a 2.3 % rise in **foreign turnover** to EUR 631.3 million (previous year: EUR 617.0 million), although this was cut by EUR -7.9 million due to the impact of negative currency translations. The share of international business within consolidated turnover therefore stood at 54.1 % (previous year: 54.0 %).

Domestic turnover rose by 1.9 % to EUR 534.7 million, which was largely as a result of acquisitions (previous year: EUR 524.7 million). The first-time consolida-

tion and deconsolidation of German companies generated additional turnover of EUR 7.2 million. By contrast, business performance in Germany was subdued, which could largely be attributed to poor industry-wide sales of external wall insulation systems. The major contributing factor here was the very slow start to the 2013 fiscal year as a result of bad weather conditions. Another factor to play a role here was the reluctance shown by building owners and investors in response to the unclear situation regarding support for energy efficiency upgrade measures.

With respect to costs, material costs in particular were lower than projected.

EBIT was therefore 4.8 % higher than the previous year's result at EUR 99.9 million and was in line with November's upwardly revised forecast. **Consolidated net profit** totalled EUR 68.5 million (previous year: EUR 65.4 million).

Financial position and cash flows remained healthy in 2013. Cash and cash equivalents totalled EUR 103.9 million at the end of the year (previous year: EUR 94.8 million). Taking borrowings into account, net financial assets increased from EUR 78.2 million to EUR 94.8 million. Cash flow from operating activities stood at EUR 80.9 million (previous year: EUR 71.8 million).

Based on stable financial performance, financial position and cash flows, the general partner of Sto SE & Co. KGaA - STO Management SE - and the Supervisory Board will propose an **unchanged dividend payout** to the ordinary AGM on 17 June 2014. In accordance with the proposal, the limited partnership shareholders will receive a basic dividend of EUR 0.31 per preference share, EUR 0.25 per ordinary share and a bonus of EUR 4.56.

Sto had 4,791 **employees** at the end of December 2013 compared to 4,689 on the same date in the previous year. This rise of 2.2 % was due to 104 employees joining the domestic workforce to total 2,586 employees (+4.2 %). Of these, 63 employees were attributable to the first-time consolidation of Natursteinindustrie Johann Neumeyer & Brigl GmbH & Co. KG. The number of employees working

for Sto Group companies outside Germany remained stable, changing from 2,205 at the end of 2012 compared to 2,207 on the same date in 2013.

Outlook for 2014

Thanks to the mild winter, the start to the 2014 fiscal year has thus far been positive. However, the rise in turnover that has been estimated for the first quarter of 2014 is not representative of the entire year, as the comparable 2013 level was very low due to poor weather conditions. 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. 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.

Since its entry in the commercial register on 26 March 2014, the former Sto Aktiengesellschaft has been trading under the name Sto SE & Co. KGaA. The conversion was made possible after the legal dispute concerning the validity of Sto Aktiengesellschaft's AGM resolution dated 12 June 2013 regarding said change of legal form was settled.

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 annual report for 2013 will be available for download at www.sto.de from 30 April 2014 and can be found in the "Investor Relations" section under "Unternehmen" (Company).