

## PRESS RELEASE

### Sto AG, Stühlingen

- Sto consolidated turnover up by 3.2% to EUR 1,141.7 million in the 2012 fiscal year
- Continued growth in foreign business, domestic business slightly down on previous year due to de-consolidation
- EBIT falls by 8.8% to EUR 95.3 million
- Net profit for the year at EUR 65.4 million compared to EUR 70.3 million in 2011
- Dividend payout stable: bonus remains at EUR 4.56 and basic dividend remains at EUR 0.31 per preference share and EUR 0.25 per ordinary share
- Group outlook for 2013: moderate increase in turnover and EBIT down on previous year expected

*Stühlingen, 25 April 2013* – Sto AG, a major international manufacturer of products and systems for building coatings, saw steady growth again in 2012 as measured against the sluggish performance of its target market segments internationally: **consolidated turnover** rose by 3.2% to EUR 1,141.7 million (previous year: EUR 1,106.8 million).

This growth was primarily driven by strong international demand for Sto products. Business was positive in Asia, the USA and Northern Europe, whereas the situation in countries throughout Southern and Eastern Europe remained difficult. In net terms, **foreign turnover** saw a 6.9% increase to EUR 617.0 million (previous year:

EUR 577.4 million) and the international share of consolidated turnover rose further from 52.2% to 54.0%.

**Domestic turnover** fell slightly in 2012 by 0.9% to EUR 524.7 million (previous year: EUR 529.4 million). This decrease was mainly due to the deconsolidation of Inotec GmbH. Additionally, the previously dynamic performance of the domestic facade business saw a noticeable decline. A welcome increase in interior product sales in Germany served to partly compensate for this.

**Currency factors** accounted for a positive contribution of EUR 15.4 million to turnover in 2012. Meanwhile, the **effects of consolidation** lowered business volume by EUR 0.9 million. Adjusted for these factors and effects, turnover grew by 1.8%.

The moderate rise in turnover was accompanied by **disproportionate cost increases** in areas such as sales, personnel, energy and maintenance. By contrast, the cost increases associated with material procurement did not come into effect due to the partial decrease in raw material prices during the second half of the year. As such, the **EBIT** decline of 8.8% to EUR 95.3 million (previous year: EUR 104.5 million) was less pronounced than expected. **Consolidated net profit for the year** amounted to EUR 65.4 million (previous year: EUR 70.3 million).

Despite lower earnings, Sto's **financial position and asset situation** remained highly stable. The Group's equity ratio was 65.6% at the end of December 2012 compared to 63.6% on the same day of the previous year. Cash and cash equivalents amounted to EUR 94.8 million (previous year: EUR 102.6 million) Taking borrowings into consideration, net financial assets totalled EUR 78.2 million (previous year: EUR 69.6 million). Cash flow from operating activities amounted to EUR 71.8 million (previous year: EUR 92.7 million).

Based on Sto's solid income, financial position and asset situation, the Executive Board and the Supervisory Board proposed an **unchanged dividend payout** at the annual general meeting on 12 June 2013. As such, shareholders should once again

receive a basic dividend of EUR 0.31 per preference share and EUR 0.25 per ordinary share and a bonus of EUR 4.56 per preference and ordinary share.

As at the end of December 2012, Sto employed 4,689 **employees** across the Group compared to 4,695 on the same day of the previous year. The number of domestic employees fell slightly from 2,495 to 2,482. This decrease was solely due to the deconsolidation of Inotec GmbH, which resulted in 66 employees no longer being included in the consolidated annual financial statements. This consolidation-specific loss has been almost completely offset by individual new recruitments at Sto AG and in other domestic subsidiaries. In total, Sto employees abroad numbered 2,207 on the reporting date compared to 2,200 at the end of 2011.

### **Outlook for the 2013 fiscal year**

Sto anticipates a slight increase in turnover of approximately 2% to around EUR 1,165 million in the 2013 fiscal year. This forecast is based on a moderate rise overall in demand in most of Sto's target markets. Furthermore, it has been assumed that there will be no more significantly positive exchange rate effects on turnover in 2013. Performance at the start of the current reporting period was also sluggish because of unfavourable weather conditions. EBIT is expected to fall decline further, as it currently appears that key cost items will once again rise at a higher rate than business volume.

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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. Sto's core product range also includes high-quality facade elements, as well as renders, plasters and paints for building exteriors and interiors alike. There is also a focus on concrete restoration/floor coatings, acoustics and rainscreen cladding systems.

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The annual report for 2012 will be available for download from 30 April 2013 at [www.sto.de](http://www.sto.de) and can be found in the "Investor Relations" section under "Unternehmen" (*Company*).