

## PRESS RELEASE

### Sto AG, Stühlingen

- Sto consolidated turnover up by 2.3 % to EUR 892.0 million in the first nine months of 2013
- Foreign growth, domestic business still sluggish
- EBIT and net income higher than in previous year
- Workforce grows from 4,744 to 4,882 employees
- Outlook for 2013: Consolidated turnover as projected with growth of approximately 2 %, EBIT forecast adjusted upwards

*Stühlingen, 14 November 2013* – Sto AG, a major international manufacturer of products and systems for building coatings, saw a 2.3 % increase in **consolidated turnover** for the first nine months of 2013 compared to the same period in the previous year to EUR 892.0 million (previous year: EUR 871.7 million). Business performance was very positive in the summer months, which made it possible for the company to make up for losses resulting from unfavourable weather and market conditions in the opening months of 2013.

On balance, **foreign turnover** rose by 2.8 % to EUR 481.0 million (previous year: EUR 467.8 million). Business in America and in France, which is still bucking the economic trend in Europe, was particularly pleasing. As such, it was possible to more than compensate for shortfalls in regions such as Eastern Europe. The international share of consolidated business volume amounted to 53.9 % (previous year: 53.7 %).

**Domestic turnover** totalled EUR 411.0 million following EUR 403.9 million in the comparison period. This moderate increase stemmed from a reluctance to invest in Germany, which has been triggered by continuing uncertainty with respect to the future funding of energy-efficiency upgrade measures. Furthermore, the discussion regarding the ecological effects of facade systems and concerning architectural culture has led to increasing uncertainty among prospective building owners and Sto stakeholders.

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 6.0 million. Negative effects of EUR -4.2 million could be attributed to exchange rate fluctuations.

Costs such as those for materials were lower than expected over the course of the year. As a result of this, **EBIT** and **net income** after three quarters were higher than comparable prior-year figures.

At the end of September, there were 4,882 **employees** at the Sto Group compared to 4,744 on the same day of the previous year (+2,9 %). Most of this expansion took place in the domestic workforce, which rose by 118 to 2,607 employees (+4.7 %). Of these, 66 employees were attributable to the first-time consolidation of Natursteinindustrie Johann Neumeyer & Brigl GmbH & Co. KG. Overall personnel numbers outside Germany also rose: the foreign workforce was made up of 2,275 employees on the reporting date compared to 2,255 one year ago (+0.9 %).

**Investments** in property, plant and equipment and intangible assets stood at a total of EUR 15.9 million in the first nine months of 2013 (previous year: EUR 18.8 million). The most important projects included the expansion of our logistics centre in Stühlingen and the construction of a new silo cleaning plant, both of which were successfully completed in the first six months of 2013. Construction of the

new head office for the Belgian Sto subsidiary was completed in September 2013. In addition, the expansion of a site in Arizona is now under way with the aim of modernising and focussing the production structure in the USA.

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

In terms of consolidated turnover, the company still expects to see growth of approximately 2 % to around EUR 1,165 million. Contrary to previous projections, we also anticipate that consolidated EBIT for the 2013 fiscal year will be higher than the prior-year figure of EUR 95.3 million. This is partly due to the overall cost of raw materials, which was lower than expected. However, as always, it is difficult to predict the weather, which could yet impact very negatively on business performance in November and December 2013.

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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. 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 management report for the second half of 2013 is available for download at [www.sto.de](http://www.sto.de) and can be found in the "Investor Relations" section under "Unternehmen" (Company).