Q1 2016

INTERIM STATEMENT

NORMA GROUP SE

Overview of Key Figures 2016

		Q1 2016	Q1 2015	change in %
Order situation				
Order book (31 Mar)	EUR millions	**284.7**	300.0	−5.1
Income statement				
Revenue	EUR millions	**226.6**	221.5	2.3
Gross profit	EUR millions	**137.7**	133.1[1]	3.5
Adjusted EBITA[1]	EUR millions	**40.1**	39.2	2.2
Adjusted EBITA margin[1]	%	**17.7**	17.7	n/a
EBITA	EUR millions	**39.6**	36.2	9.5
Adjusted profit for the period[1]	EUR millions	**22.6**	22.9	−1.1
Adjusted EPS[1]	EUR	**0.71**	0.72	−1.1
Profit for the period	EUR millions	**19.4**	17.9	8.5
EPS	EUR	**0.61**	0.56	8.5
Cash flow				
Operating cash flow	EUR millions	**19.4**	10.3	89.2
Operating net cash flow	EUR millions	**11.8**	11.6	1.1
Cash flow from investing activities	EUR millions	**−11.1**	−10.5	5.7
Cash flow from financing activities	EUR millions	**−1.6**	−12.2	−86.7
Balance sheet		**31 Mar 2016**	31 Dec 2015	
Total assets	EUR millions	**1,164.1**	1,167.9	−0.3
Equity	EUR millions	**437.1**	429.8	1.7
Equity ratio	%	**37.5**	36.8	n/a
Net debt	EUR millions	**347.8**	360.9	−3.6
Non-financial control parameters		**Q1 2016**	Q1 2015	
Number of new patent applications		**22**	38	−42.1
Defective parts per million (PPM)		**17**	14	21.4
Quality-related customer complaints per month		**8**	10	−20.0
Employees		**31 Mar 2016**	31 Dec 2015	
Core workforce		**5,097**	5,121	−0.5

Share data		
IPO		April 2011
Stock exchange		Frankfurt Stock Exchange, Xetra
Market segment		Regulated Market (Prime Standard), MDAX
ISIN		DE000A1H8BV3
Security identification number		A1H8BV
Ticker symbol		NOEJ
Highest price Q1 2016[2]	EUR	51.540
Lowest price Q1 2016[2]	EUR	39.895
Closing price as of 31 Mar 2016[2]	EUR	49.230
Market capitalisation as of 31 Mar 2016[2]	EUR millions	1,569
Number of shares		31,862,400

[1] Adjustments are described in chapter → Adjustments on p. 6.
[2] Xetra price.

Date of publication: 4 May 2016

CONTENTS

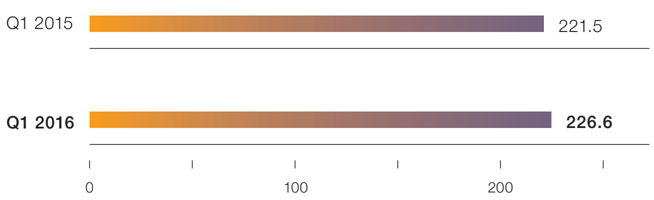
EXPLANATION OF SYMBOLS

@ Internet → Cross Reference → Reference to the 2015 Annual Report

Highlights First Quarter 2016

DEVELOPMENT OF SALES Q1 2016

in EUR milions

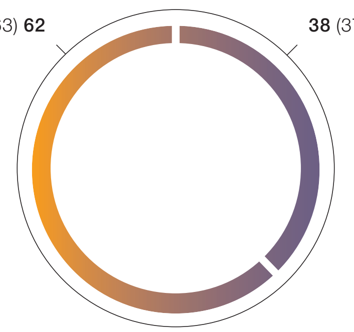


EFFECTS ON GROUP SALES

	in EUR millions	share in %
Sales Q1 2015	221.5	
Organic growth	5.2	2.4
Currency effects	−0.2	−0.1
Sales Q1 2016	**226.6**	**2.3**

DISTRIBUTION OF SALES BY SALES CHANNELS

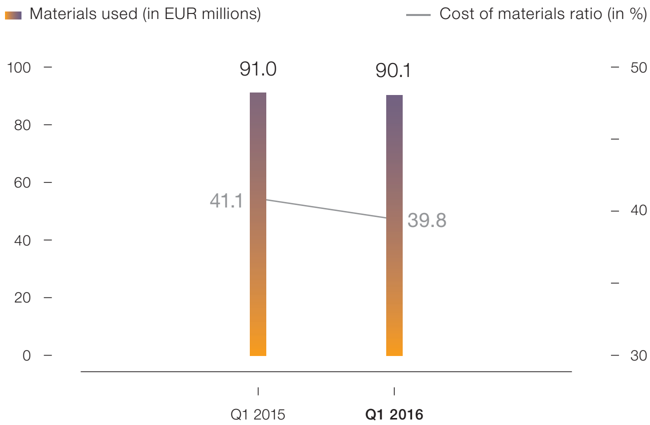
in % Q1 2015 in brackets



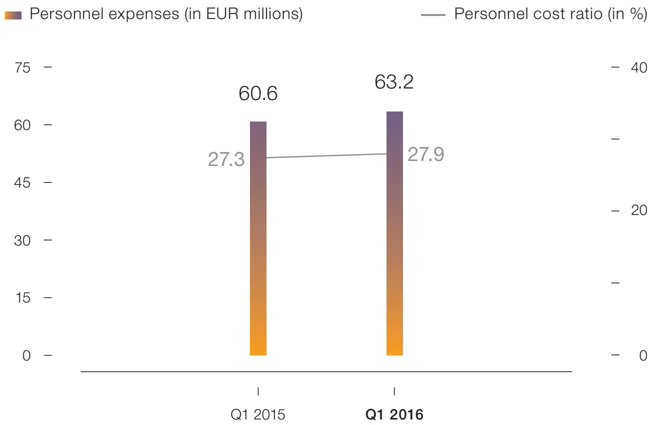
DEVELOPMENT OF SALES CHANNELS

	EJT		DS	
	Q1 2016	Q1 2015	**Q1 2016**	Q1 2015
Group sales (in EUR millions)	**139.0**	138.9	**86.6**	81.8
Growth (in %)	**0.1**		**5.8**	
Share of sales (in %)	**61.6**	62.9	**38.4**	37.1

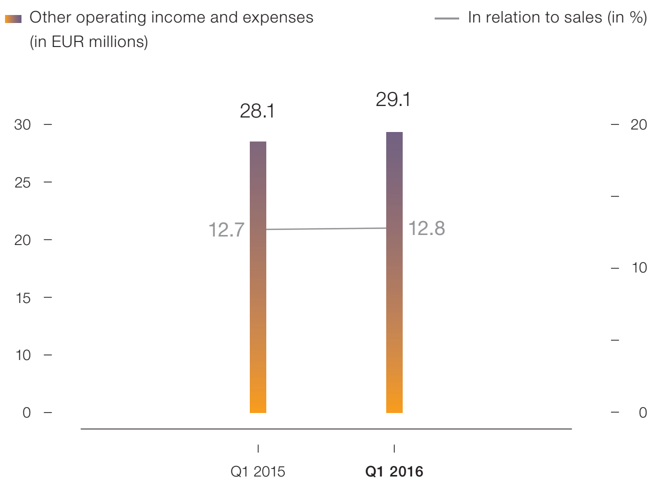
COSTS OF MATERIALS AND COST OF MATERIALS RATIO[1]



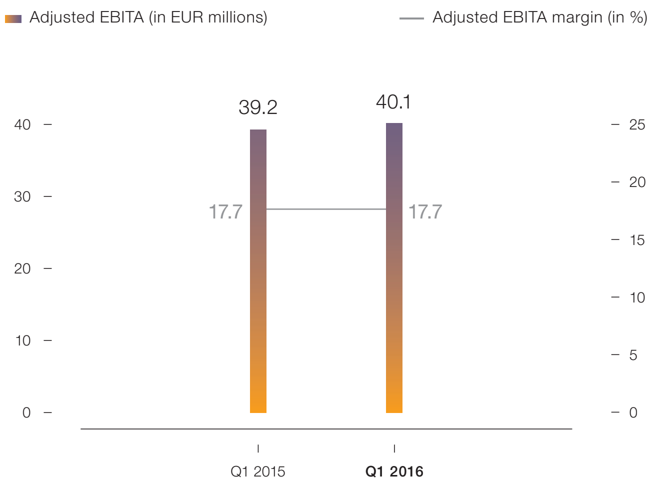
PERSONNEL EXPENSES AND PERSONNEL COST RATIO



OTHER OPERATING INCOME AND EXPENSES ALSO IN RELATION TO SALES[1]



ADJUSTED EBITA AND ADJUSTED EBITA MARGIN[1]

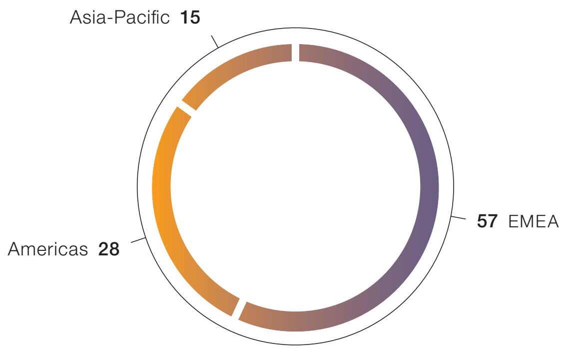


OPERATING NET CASH FLOW

in EUR millions	Q1 2016	Q1 2015
(Adjusted) EBITDA[1]	45.4	44.5
Change in working capital	–24.1	–22.4
Investments from operating business	–9.5	–10.5
Operating net cash flow	**11.8**	**11.6**

CORE WORKFORCE BY SEGMENT

in %



[1] Adjustments are described in chapter → Adjustments on p. 6.

Course of Business

NORMA Group's business developed as expected overall in the first quarter of 2016. Therefore none of the Company's relevant performance indicators deviated significantly from the forecast values.

Earnings, Assets and Financial Position

ADJUSTMENTS

In the first three months of 2016, depreciation of tangible assets from purchase price allocations in the amount of EUR 0.5 million (Q1 2015: EUR 0.6 million) was presented within EBITA (earnings before interest, taxes and amortisation of intangible assets) and amortisation of intangible assets from purchase price allocations in the amount of EUR 4.1 million (Q1 2015: EUR 4.4 million) was adjusted within EBIT as in previous years.

No further adjustments were made in the reporting period. In the same period of the previous year, expenses totalling EUR 2.5 million were adjusted within EBITDA (earnings before interest, taxes, depreciation of tangible assets and amortisation of intangible assets) in connection with the acquisition and integration of National Diversified Sales, Inc. (NDS).

EARNINGS POSITION

Order backlog
The order backlog amounted to EUR 284.7 million on 31 March 2016 and was thus 5.1% lower than in the comparable prior year period (31 Mar 2015: EUR 300.0 million).

Sales increased as expected
Group sales amounted to EUR 226.6 million in the first quarter of 2016 and were thus 2.3% higher than last year's level (Q1 2015: EUR 221.5 million).

As expected, organic growth in the first quarter of 2016 was positive compared to the prior year quarter and amounted to 2.4%. This was due to the positive developments of the European automotive industry and the water business. In contrast, the sustained weakness in the commercial vehicle and agricultural machinery sectors in the Americas had a negative impact on the development of sales for NORMA Group.

In addition, negative currency effects lowered the Group's sales growth by 0.1%.

ADJUSTMENTS*

in EUR millions	Q1 2016 unadjusted	Total adjustments	Q1 2016 adjusted
Revenue	226.6	0	226.6
Changes in inventories of finished goods and own work capitalised	0.7	0	0.7
Other own work capitalised	0.5	0	0.5
Raw materials and consumables used	−90.1	0	−90.1
Gross profit	137.7	0	137.7
Other operating income and expenses	−29.1	0	−29.1
Employee benefits expense	−63.2	0	−63.2
EBITDA	45.4	0	45.4
Depreciation	−5.8	0.5	−5.3
EBITA	39.6	0.5	40.1
Amortisation	−6.3	4.1	−2.1
Operating profit (EBIT)	33.3	4.7	38.0
Financial costs - net	−4.7	0	−4.7
Profit before income tax	28.6	4.7	33.3
Income taxes	−9.2	−1.5	−10.7
Profit for the period	19.4	3.2	22.6
Non-controlling interests	0.1	0	0.1
Profit attributable to shareholders of the parent	19.4	3.2	22.6
Earnings per share (in EUR)	0.61		0.71

* Deviations may occur due to commercial rounding.

Strong positive organic sales growth in the areas of DS; EJT strengthened by EMEA

NORMA Group posted sales of EUR 139.0 million in the EJT unit in the first quarter of 2016 and thus 0.1% more than in the same period of the previous year (Q1 2015: EUR 138.9 million). Sales of the DS unit, which has benefitted from the positive development in the area of water management, in particular, amounted to EUR 86.6 million and were thus 5.8% higher than in the first quarter of 2015 (EUR 81.8 million).

Improvement of the cost of materials ratio

Costs of materials amounted to EUR 90.1 million in the first quarter of 2016 and thus decreased by 1.0% compared to the same quarter of the previous year (Q1 2015: EUR 91.0 million adjusted). On the basis of revenues generated in the period January to March 2016, this resulted in a cost of materials ratio of 39.8%, which represents an improvement over the previous year (Q1 2015: 41.1% adjusted) of 1.3 percentage points.

In the same period last year, the adjustments made to the costs of materials are related in an amount of EUR 2.4 million to expenses for raw materials, which are a result of the remeasurement of acquired inventories within the purchase price allocation for the acquisition of NDS. The unadjusted cost of materials ratio was 42.2%.

Gross margin increased

Gross profit (sales less the cost of materials plus changes in inventories and other own work capitalised) amounted to EUR 137.7 million in the first quarter of 2016. This equates to an increase of 3.5% compared to the first quarter of 2015 (EUR 133.1 million adjusted). This results in an improved gross margin of 60.8% in relation to sales (Q1 2015: 60.1% adjusted).

Personnel cost ratio increases slightly

As of 31 March 2016, NORMA Group had 6,322 employees worldwide, including temporary workers, 5,097 of whom belong to the Company's core workforce. This means the total number of employees increased by 1.6% compared to the previous year (Q1 2015: 6,225) and that the core workforce grew by 2.6%.

Within the Americas and Asia-Pacific regions, the core workforce grew equally strongly by 2.1% each. This is partly due to the ramp up of another Distribution Center in the US. On the other hand, the core workforce in the Asia-Pacific region grew as a result of the building of a RE-Engineering Center. The number of employees in the EMEA region increased by 3.0% during the same period, mainly due to recruitment at the Serbian site. → 2015 Annual Report, p. 70.

As a result of the higher average headcount, expenses for employee benefits also increased by 4.4% to EUR 63.2 million in the first quarter of 2016 compared to the same period last year (Q1 2015: EUR 60.6 million). Based on sales, this resulted in an increased personnel cost ratio of 27.9% (Q1 2015: 27.3%). This increase in the personnel cost ratio can mainly be attributed to temporary below average revenue development in the Americas region in the first quarter of 2016.

PERSONNEL DEVELOPMENT

	31 Mar 2016	31 Mar 2015
EMEA	**2,883**	2,798
Americas	**1,435**	1,405
Asia-Pacific	**779**	763
Core workforce	**5,097**	4,966
Temporary workers	**1,225**	1,259
Total number of employees including temporary workers	**6,322**	**6,225**

Other operating income and expenses

In the first quarter of 2016, the balance of other operating income and expenses amounted to EUR –29.1 million, which was 3.6% above the previous year's figure of EUR –28.1 million (adjusted). This increase compared to the same period last year is due to the increased activities of NORMA Group. In relation to sales, other operating income and expenses increased slightly compared to the same period last year and amounted to 12.8% (Q1 2015: 12.7%). → Selected Notes to the Consolidated Statement of Comprehensive Income, p. 11.

Within other operating income and expenses, acquisition-related costs in the amount of EUR 80 thousand were adjusted in the same period last year.

Improved EBITDA and adjusted EBITA

Earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to EUR 45.4 million in the first quarter of 2016 and were thus 2.0% above the previous year's figure (Q1 2015: EUR 44.5 million adjusted). This results in an EBITDA margin of 20.0% (Q1 2015: 20.1% adjusted).

Adjusted EBITA, which was adjusted for amortisation of tangible assets from purchase price allocations, amounted to EUR 40.1 million for the 3-month period January to March 2016. This represents a 2.2% increase over the previous year (Q1 2015: EUR 39.2 million). The resulting adjusted EBITA margin was unchanged compared to the same period last year at 17.7% and thus again remained at a sustained high level.

Currency related increase of financial expenditure

The financial result for the first quarter of 2016 amounted to EUR –4.7 million. In the same quarter of last year, it amounted to EUR –3.1 million. This change in the financial result is partly due to currency effects. Thus the high exchange rate volatility of the euro against the US dollar had a negative impact on the financial result, considering the dynamic security concept of current exposures. → 2015 Annual Report, p. 146.

Adjusted earnings after taxes

Earnings after taxes adjusted for depreciation from purchase price allocations amounted to EUR 22.6 million in the reporting period and were thus 1.1% lower compared to the previous year (Q1 2015: EUR 22.9 million).

Adjusted income taxes for the reporting period from January to March 2016 amounted to EUR 10.7 million (Q1 2015: EUR 11.5 million). This results in a lower adjusted tax rate of 32.1% compared to the previous year (Q1 2015: 33.5%), which is mainly due to the inclusion of NORMA Group SE in the German tax group since 2015.

Adjusted earnings per share

Adjusted earnings per share amounted to EUR 0.71 in the first quarter of 2016 (Q1 2015: EUR 0.72). Unadjusted earnings per share were EUR 0.61 and thus 8.5% higher (Q1 2015: EUR 0.56).

NET ASSET POSITION

Total assets

Total assets as of 31 March 2016 amounted to EUR 1,164.1 million and were thus a slight 0.3% lower than at the end of 2015 (EUR 1,167.9 million).

Compared to 31 March 2015 (EUR 1,185.4 million), they declined by 1.8% as a result of the appreciation of the euro against the US dollar.

Assets impacted by currency effects

Non-current assets amounted to EUR 767.6 million as of 31 March 2016. This means they declined by 3.3% compared to the end of 2015 (EUR 793.6 million). This can be attributed for the most part to currency effects caused by the appreciation of the euro as of the reporting date and resulted in a decrease in goodwill, other intangible assets and fixed assets. Non-current assets accounted for 65.9% of total assets as of 31 March 2016.

Current assets amounted to EUR 396.5 million as of 31 March 2016 and thus rose by 5.9% compared to the end of 2015 (EUR 374.3 million). This increase resulted for the most part from the increase in trade receivables (EUR 15.9 million). By contrast, inventories decreased by EUR 4.6 million to EUR 125.3 million. Current assets accounted for 34.1% of total assets.

Compared to the previous year (31 Mar 2015: EUR 372.9 million), current assets rose by 6.3%.

Rise in (trade) working capital

(Trade) working capital (inventories plus receivables minus liabilities, both primarily from trade payables and trade receivables) was EUR 172.5 million as of 31 March 2016, and thus 13.5% higher than at the end of the year 2015 (EUR 151.9 million) for seasonal reasons. The increase resulted primarily from the expansion of business activities and the increase in trade receivables, but also from the reduction in liabilities from goods and services.

Compared to the previous year (31 Mar 2015: EUR 182.6 million), trade working capital declined by 5.5%. This can be attributed to the continued optimisation of working capital management.

Group equity ratio continues to improve

Group equity amounted to EUR 437.1 million on 31 March 2016 and was thus 1.7% higher than in December 2015 (EUR 429.8 million). This equates to an increased equity ratio of 37.5% (31 Dec 2015: 36.8%). The change in equity is mainly the result of the earnings for the period. By contrast, negative currency translation differences reduced Group equity. → Selected Notes to the Consolidated Statement of Financial Position, p. 14.

Net debt significantly lower

Net debt amounted to EUR 347.8 million as of 31 March 2016 and thus declined by 3.6% compared to the end of the year (31 Dec 2015: EUR 360.9 million). This includes derivative hedging instruments in the amount of EUR 4.4 million. The reduction in net debt essentially resulted from the decline in loan liabilities in US dollars from the syndicated credit line and the promissory note issued in financial year 2014 due to exchange rate effects, but also from the increase in cash and cash equivalents.

This resulted in gearing (net debt in relation to equity) of 0.80 (31 Dec 2015: 0.84) and leverage (net debt in relation to adjusted EBITDA) of 1.9 (31 Dec 2015: 2.0).

Lower non-current liabilities, higher current liabilities

Non-current liabilities amounted to EUR 563.8 million as of 31 March 2016 and were thus 2.0% lower than at the end of 2015 (EUR 575.4 million). This was due to the currency-related decline in financial liabilities in US dollars. This means non-current liabilities accounted for 48.4% of total assets (31 Dec 2015: 49.3%).

Current liabilities, on the other hand, increased slightly by 0.4% from EUR 162.6 million at the end of the year to EUR 163.2 million and thus accounted for 14.0% of total assets at the end of the reporting period (31 Dec 2015: 13.9%).

FINANCIAL POSITION

Group-wide financial management

For a more detailed overview of NORMA Group's general financial management, please refer to the 2015 Annual Report. → 2015 Annual Report, p. 53.

Operating net cash flow

Operating net cash flow amounted to EUR 11.8 million for the 3-month period and was thus 1.1% higher than in the same quarter of last year (Q1 2015: EUR 11.6 million). This was mainly due to a year on year increase in EBITDA (prior year adjusted) and reduced capital expenditure (Q1 2016: EUR 9.5 million; Q1 2015: EUR 10.5 million). By contrast, changes in working capital had the opposite effect (Q1 2016: EUR 24.1 million; Q1 2015: EUR 22.4 million).

In relation to total sales, net operating cash flow for the period January to March 2016 was unchanged at 5.2%.

Cash flow from operating activities

Cash inflow from operating activities amounted to EUR 19.4 million for the reporting period January to March 2016 (Q1 2015: EUR 10.3 million) and rose mainly as a result of improved working capital management. → Selected Notes to the Consolidated Statement of Cash Flows, p. 17.

Among other measures, NORMA Group uses a supplier-side reverse factoring programme to improve its working capital. An attempt is also made to optimise working capital on the customer side, however, by using the appropriate instruments, such as an Asset Backed Securities (ABS) programme, for example. → 2015 Annual Report, p. 148.

Cash flow from investing activities

Cash flow from investing activities amounted to EUR – 11.1 million in the first quarter of 2016 (Q1 2015: EUR – 10.5 million) and was primarily influenced by payments made to purchase intangible assets and fixed assets (EUR 9.5 million). In addition, net payments for acquisitions from previous years (Q1 2016: EUR 1.6 million; Q1 2015: EUR 0.1 million) also had an impact on cash flow from investing activities.

NORMA Group invests the funds from its operating cash flow in further growth and in the maintenance of its production machinery. The investments in the first quarter of 2016 related mainly to the sites in Germany, Serbia, Poland, China and the US.

Cash flow from financing activities

Cash flow from financing activities for the period January to March 2016 amounted to EUR – 1.6 million (Q1 2015: EUR – 12.2 million). This mainly comprises cash flows from interest paid in the amount of EUR – 1.8 million (Q1 2015: EUR – 2.6 million). Furthermore, cash flow from financing activities was impacted by payments received in connection with hedging derivatives in the amount of EUR 0.3 million (Q1 2015: EUR – 10.0 million).

Outlook

The Management Board confirms the forecast published in the 2015 Annual Report without any changes. → 2015 Annual Report, p. 77.

Consolidated Statement of Comprehensive Income

for the period from 1 January to 31 March 2016

in EUR thousands	Q1 2016	Q1 2015
Revenue	226,565	221,486
Changes in inventories of finished goods and work in progress	734	2,259
Other own work capitalised	495	335
Raw materials and consumables used	–90,081	–93,403
Gross profit	**137,713**	**130,677**
Other operating income	3,785	3,736
Other operating expenses	–32,882	–31,889
Employee benefits expense	–63,228	–60,557
Depreciation and amortisation	–12,071	–11,903
Operating profit	**33,317**	**30,064**
Financial income	20	154
Financial costs	–4,707	–3,295
Financial costs – net	**–4,687**	**–3,141**
Profit before income tax	**28,630**	**26,923**
Income taxes	–9,199	–9,017
PROFIT FOR THE PERIOD	**19,431**	**17,906**
Other comprehensive income for the period, net of tax		
Other comprehensive income that can be reclassified to profit or loss, net of tax	**–12,046**	**27,423**
Exchange differences on translation of foreign operations	–10,804	27,970
Cash flow hedges, net of tax	–1,242	–547
Other comprehensive income for the period, net of tax	**–12,046**	**27,423**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**7,385**	**45,329**
Profit attributable to		
Shareholders of the parent	19,374	17,838
Non-controlling interests	57	68
	19,431	**17,906**
Total comprehensive income attributable to		
Shareholders of the parent	7,331	45,372
Non-controlling interests	54	–43
	7,385	**45,329**
Undiluted earnings per share (in EUR)	**0.61**	0.56

Selected Notes to the Consolidated Statement of Comprehensive Income

REVENUE AND RAW MATERIALS AND CONSUMABLES USED

Revenue for the first three months of 2016 (EUR 226,565 thousand) was 2.3% higher than revenue for the first three months of 2015 (EUR 221,486 thousand).

The raw materials and consumables used increased disproportionately lower in relation to revenues, leading to a ratio of 39.8% (Q1 2015: 42.2%). Also in relation to the total value, raw materials and consumables used are, with a ratio of 39.5%, below last year's level (Q1 2015: 41.7%). In 2015, EUR 2,434 thousand, associated with the acquisition of NDS, were adjusted within expenses for raw materials and consumables used, leading to an adjusted ratio of 40.6% in Q1 2015.

OTHER OPERATING INCOME AND OTHER OPERATING EXPENSES

Other operating income in the first three months of 2016 totaled EUR 3,785 thousand, which was EUR 49 thousand higher than in the first three months of 2015 (EUR 3,736 thousand). Other operating income included, in particular, operational currency gains in the amount of EUR 2,292 thousand (Q1 2015: EUR 2,955 thousand), government grants and reversals from provisions as well as from accruals for compensation elements for employees.

Other operating expenses for the first three months of 2016 (EUR 32,882 thousand) were 3.1% higher than other operating expenses for the first three months of 2015 (EUR 31,889 thousand). In relation to the total value, other operating expenses increased slightly disproportionately higher with a ratio of 14.4% (Q1 2015: 14.2%). Other operating expenses included currency losses in the amount of EUR 1,885 thousand (Q1 2015: EUR 2,741 thousand). The composition of other operating expenses did not change significantly compared to financial year 2015.

EMPLOYEE BENEFITS EXPENSE

In the first three months of 2016, employee benefits expense amounted to EUR 63,228 thousand compared to EUR 60,557 thousand in the first three months of 2015. This 4.4% increase is mainly due to an increase in the average headcount in the first three months of 2016 compared to the first three months of 2015. In relation to the total value, employee benefits expense increased slightly disproportionately higher with a ratio of 27.8% (Q1 2015: 27.0%).

Average headcount was 5,117 in the first three months of 2016 (Q1 2015: 4,900).

FINANCIAL RESULT

The financial result for the first three months of 2016 (EUR –4,687 thousand) changed by EUR –1,546 thousand compared to the first three months of 2015 (EUR –3,141 thousand). In the first three months of 2016, net foreign exchange gains / losses (including income / expense from the valuation of foreign exchange derivatives) amounted to EUR –1,624 thousand (Q1 2015: EUR 1,020 thousand). Net interest expenses (EUR 2,864 thousand) decreased by EUR 1,132 thousand in the first three months of 2016 compared to the first three months of 2015 (EUR 3,996 thousand).

Consolidated Statement of Financial Position

as of 31 March 2016

ASSETS

in EUR thousands	31 March 2016	31 Dec 2015	31 March 2015
Non-current assets			
Goodwill	**335,821**	343,829	346,551
Other intangible assets	**256,181**	271,009	288,314
Property, plant and equipment	**166,879**	169,939	163,157
Other non-financial assets	**227**	234	318
Income tax assets	**457**	458	911
Deferred income tax assets	**8,032**	8,105	13,179
	767,597	**793,574**	**812,430**
Current assets			
Inventories	**125,312**	129,902	130,789
Other non-financial assets	**15,328**	13,711	12,100
Other financial assets	**3,902**	3,856	2,621
Derivative financial assets	**2,063**	248	675
Income tax assets	**6,189**	3,772	2,559
Trade and other receivables	**138,765**	122,865	147,800
Cash and cash equivalents	**104,957**	99,951	76,389
	396,516	**374,305**	**372,933**
Total assets	**1,164,113**	**1,167,879**	**1,185,363**

EQUITY AND LIABILITIES

in EUR thousands	31 March 2016	31 Dec 2015	31 March 2015
Equity attributable to equity holders of the parent			
Subscribed capital	**31,862**	31,862	31,862
Capital reserves	**210,323**	210,323	216,603
Other reserves	**9,085**	21,128	30,030
Retained earnings	**184,974**	165,600	134,056
Equity attributable to shareholders	**436,244**	**428,913**	**412,551**
Non-controlling interests	**864**	898	816
Total equity	**437,108**	**429,811**	**413,367**
Liabilities			
Non-current liabilities			
Retirement benefit obligations	**11,878**	11,951	12,457
Provisions	**10,507**	10,842	6,799
Borrowings	**435,274**	443,711	367,149
Other non-financial liabilities	**1,234**	1,368	1,726
Other financial liabilities	**658**	681	4,174
Derivative financial liabilities	**4,238**	2,510	3,443
Deferred income tax liabilities	**99,976**	104,380	117,760
	563,765	**575,443**	**513,508**
Current liabilities			
Provisions	**9,820**	9,972	6,714
Borrowings	**7,889**	7,056	79,308
Other non-financial liabilities	**33,470**	28,653	27,846
Other financial liabilities	**4,508**	6,019	2,281
Derivative financial liabilities	**185**	876	31,882
Income tax liabilities	**15,751**	9,172	14,420
Trade and other payables	**91,617**	100,877	96,037
	163,240	**162,625**	**258,488**
Total liabilities	**727,005**	**738,068**	**771,996**
Total equity and liabilities	**1,164,113**	**1,167,879**	**1,185,363**

Selected Notes to the Consolidated Statement of Financial Position

PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Intangible assets are as follows:

	Carrying amounts	
in EUR thousands	31 March 2016	31 Dec 2015
Goodwill	335,821	343,829
Customer lists	179,268	190,749
Licenses, rights	644	717
Software	9,518	10,384
Trademarks	43,320	45,586
Patents & technology	12,271	13,203
Internally generated intangible assets	6,024	6,259
Intangible assets, other	5,136	4,111
Total	592,002	**614,838**

The change in goodwill from EUR 343,829 thousand as of 31 December 2015 to EUR 335,821 thousand as of 31 March 2016 resulted from foreign exchange differences, mainly from the USD area.

The change in goodwill is summarised as follows:

in EUR thousands	
Balance as of 31 December 2015	**343,829**
Currency effect	– 8,008
Balance as of 31 March 2016	**335,821**

For details regarding the historical development of the cumulative amortisation and impairments, please refer to 2015 Annual Report. 2015 Annual Report, p. 138.

Tangible assets are as follows:

	Carrying amounts	
in EUR thousands	31 March 2016	31 Dec 2015
Land and buildings	58,000	59,258
Machinery & tools	71,465	75,318
Other equipment	13,664	13,320
Assets under construction	23,751	22,043
Total	166,879	**169,939**

In the first three months of 2016, EUR 8,584 thousand were invested in property, plant and equipment and intangible assets, including own work capitalised in the amount of EUR 495. The main focus of investments was on expansion in Germany, Serbia, Poland, China and the USA. There were no major disinvestments.

CURRENT ASSETS

The increase in current assets is due to an increase in trade receivables resulting from the increased sales volume in the first quarter of 2016 compared to the last quarter of 2015. Furthermore, cash and cash equivalents increased by EUR 5,006 thousand despite cash outflows from investing activities in the amount of EUR 11,106 thousand.

EQUITY

Changes in equity resulted from the profit for the period (EUR 19,431 thousand), exchange differences on translation of foreign operations (EUR – 10,804 thousand) and cash flow hedges (EUR – 1,242 thousand). Furthermore, NORMA Group paid out dividends to non-controlling interests in the amount of EUR 88 thousand in the first three months of 2016.

FINANCIAL DEBT

NORMA Group's net debt is as follows:

in EUR thousands	31 March 2016	31 Dec 2015
Bank borrowings, net	443,163	450,705
Derivative financial liabilities – hedge accounting	4,266	3,312
Derivative financial liabilities – held for trading	157	74
Other borrowings (e.g. factoring and reverse factoring)	0	62
Finance lease liabilities	247	289
Other financial liabilities	4,919	6,411
Financial debt	452,752	**460,853**
Cash and cash equivalents	104,957	99,951
Net debt	347,795	**360,902**

NORMA Group's financial debt decreased by 1.8% from EUR 460,853 thousand as of 31 December 2015 to EUR 452,752 thousand as of 31 March 2016. The decrease within the bank borrowings is due to effects from changes in the exchange rates on the USD portion of parts of the syndicated bank facilities issued in December 2015 and of the promissory note issued in financial year 2014. A slightly opposite effect results from the increase in the negative market value of the hedging derivatives. The decrease in other financial liabilities is due to the repayment of the contingent consideration resulting from the acquisition of National Diversified Sales, Inc. in 2014.

Compared to 31 December 2015 (EUR 360,902 thousand), net debt decreased by EUR 13,107 thousand or 3.6% to EUR 347,795 thousand. An increase in cash and cash equivalents in the amount of EUR 5,006 thousand as well as a decline in USD financial liabilities due to changes in the exchange rate positively influenced net debt, whereby valuation effects on derivatives had negative effects on net debt.

The increase in cash and cash equivalents results from the increase of net cash provided by operating activities which overcompensated the cash outflows from investing and financing activities.

The maturity of the syndicated bank facilities and the promissory note on 31 March 2016 is as follows:

in EUR thousands	up to 1 year	> 1 year up to 2 years	> 2 years up to 5 years	> 5 years
Bank borrowings, net	4,861	4,861	87,502	0
Promissory note, net	0	32,946	210,551	100,371
Total	**4,861**	**37,807**	**298,053**	**100,371**

Parts of the syndicated bank facilities and the majority of tranches of the promissory note with variable interest rates are hedged against interest rate changes. The derivative liability increased from EUR 2,510 thousand as of 31 December 2015 to EUR 4,238 thousand as of 31 March 2016.

OTHER NON-FINANCIAL LIABILITIES

The other non-financial liabilities are as follows:

in EUR thousands	31 March 2016	31 Dec 2015
Non-current		
Government grants	**1,180**	1,316
Other liabilities	**54**	52
	1,234	1,368
Current		
Government grants	**94**	0
Non-income tax liabilities	**3,533**	1,559
Social liabilities	**5,530**	3,547
Personnel-related liabilities (e.g. holiday, bonus, premiums)	**22,632**	21,544
Deferred income	**24**	1,113
Prepayments received	**931**	0
Other liabilities	**726**	890
	33,470	28,653
Total other non-financial liabilities	**34,704**	**30,021**

DERIVATIVE FINANCIAL INSTRUMENTS

Foreign exchange derivatives

On 31 March 2016, foreign exchange derivatives with a positive market value of EUR 198 thousand and a negative market value of EUR 16 thousand were classified as cash flow hedges. Furthermore, foreign exchange derivatives with a positive market value of EUR 1,823 thousand and a negative market value of EUR 12 thousand were classified as fair value hedges.

Foreign exchange derivatives classified as cash flow hedges are used to hedge foreign currency risk within the operative business. The foreign exchange derivatives classified as fair value hedges are used to hedge foreign currency risk of external debt and intragroup monetary items.

As part of its financial risk management, NORMA Group not only employs traditional approaches, such as using so-called natural hedges to reduce USD exposure and rolling hedging with foreign currency derivatives, but has also delegated certain parts of its exposure to banking partners. The purpose of this instrument is to protect NORMA Group against any unfavourable exchange rate developments while at the same time letting the Company take advantage of positive developments in foreign exchange markets. A dynamic protection concept with variable rate hedging is used here that analyses market trends on the basis of quantitative models and implements these findings in a technical security model. All activities must always follow the strict requirements of internal risk management. Foreign exchange derivatives resulting from the described dynamic protection concept are classified as held for trading. On 31 March 2016, this led to foreign exchange derivatives with a positive market value of EUR 42 thousand and a negative market value of EUR 157 thousand.

Interest rate swaps

In order to avoid interest rate fluctuations, NORMA Group has hedged parts of its loans against changes in interest rates.

The development of the effective part recognised in other comprehensive income in the first quarter of 2016 is as follows:

in EUR thousands	Foreign exchange derivatives	Interest rate swaps	Total
Balance as of 31 December 2015	24	−2,509	**−2,485**
Foreign currency translation effects	−1	0	**−1**
Reclassification in profit or loss	−24	369	**345**
Net fair value changes	−1	−2,098	**−2,099**
Balance as of 31 March 2016	**−2**	**−4,238**	**−4,240**

Amounts recognised in the hedging reserve in equity will be released in profit or loss during the maturity of the loans.

Consolidated Statement of Cash Flows

for the period from 1 January to 31 March 2016

in EUR thousands	Q1 2016	Q1 2015
Operating activities		
Profit for the period	**19,431**	**17,906**
Depreciation and amortisation	12,071	11,903
Gain (–) / loss (+) on disposal of property, plant and equipment	22	42
Change in provisions	–490	–1,126
Change in deferred taxes	224	–54
Change in inventories, trade account receivables and other receivables, which are not attributable to investing or financing activities	–22,747	–35,403
Change in trade and other payables, which are not attributable to investing or financing activities	5,881	9,598
Change in reverse factoring liabilities	20	5,541
Interest expenses of the period	2,830	3,673
Income (–) / expenses (+) due to measurement of derivatives within a hedge	–2,640	12,818
Other non-cash expenses (+) / income (–)	4,789	–14,647
Net cash provided by operating activities	**19,391**	**10,251**
thereof interest received	36	20
thereof income taxes	–4,997	–5,918
Investing activities		
Payments for acquisitions of subsidiaries, net	–1,622	–52
Investments in property, plant and equipment and intangible assets	–9,534	–10,533
Proceeds from the sale of property, plant and equipment	50	80
Net cash used in investing activities	**–11,106**	**–10,505**
Financing activities		
Interest paid	–1,773	–2,565
Dividends paid to non-controlling interests	–88	–110
Proceeds from borrowings	22	451
Repayment of borrowings	–62	0
Proceeds from / repayment of hedging derivatives	314	–9,982
Repayment of lease liabilities	–41	–36
Net cash used in financing activities	**–1,628**	**–12,242**
Net change in cash and cash equivalents	**6,657**	**–12,496**
Cash and cash equivalents at the beginning of the year	99,951	84,271
Effect of foreign exchange rates on cash and cash equivalents	–1,651	4,614
Cash and cash equivalents at the end of the period	**104,957**	**76,389**

Selected Notes to the Consolidated Statement of Cash Flows

In the statement of cash flows, a distinction is made between cash flows from operating activities, investing activities and financing activities.

Net cash provided by operating activities is derived indirectly from profit for the period. The profit for the period is adjusted to eliminate non-cash expenses such as depreciation and amortisation as well as expenses and payments for which the cash effects are investing or financing cash flows and to eliminate other non-cash expenses and income. Net cash provided by operating activities of EUR 19,391 thousand (Q1 2015: EUR 10,251 thousand) represents changes in current assets, provisions and liabilities (excluding liabilities in connection with financing activities).

The Group participates in a reverse factoring programme and in an ABS programme. The payments to the factor and from the ABS programme are included in cash flows from operating activities, as this represents the economic substance of the transactions.

The correction of income due to measurement of derivatives within a hedge in the amount of EUR –2,640 thousand (Q1 2015: expenses in the amount of EUR 12,818 thousand) relates to fair value gains and losses recognised within the income statement assigned to the cash flows from financing activities.

Other non-cash income (–) / expenses (+) in net cash provided by operating activities mainly include foreign exchange rate gains and losses on external debt and intragroup monetary items in the amount of EUR 4,715 thousand (Q1 2015: EUR –15,133 thousand). Furthermore, other non-cash income (–) / expenses (+) include non-cash interest expenses from the amortisation of accrued costs, amounting to EUR 74 thousand (Q1 2015: EUR 351 thousand). In the prior year, non-cash personnel expenses from the Matching Stock Programme amounting to EUR 135 thousand were also included in this position.

Cash flows resulting from interest paid are disclosed as cash flows from financing activities.

Cash flows from investing activities include net cash outflows from the acquisition and disposal of property, plant and equipment and intangible assets amounting to EUR 9,484 thousand (Q1 2015: EUR 10,453 thousand) including the repayment of liabilities from prior year investments in property, plant and equipment and intangible assets amounting to EUR –950 thousand (Q1 2015: EUR –4,071 thousand). Furthermore, net payments for acquisitions of subsidiaries in the amount of EUR 1,622 thousand (Q1 2015: EUR 52 thousand) are included in the cash flows from investing activities.

Cash flows from financing activities mainly comprise outflows resulting from interest paid (Q1 2016: EUR –1,773 thousand, Q1 2015: EUR –2,565 thousand) as well as proceeds from hedging derivatives in the amount of EUR 314 thousand (Q1 2015: repayment of EUR –9,982 thousand).

Furthermore, dividend payments to non-controlling interests in the amount of EUR 88 thousand (Q1 2015: EUR 110 thousand), net repayment from other loans amounting to EUR 40 thousand (Q1 2015: net proceed of EUR 451 thousand) and repayments from finance lease liabilities in the amount of EUR 41 thousand (Q1 2015: EUR 36 thousand) are disclosed as cash flows from financing activities.

The changes in balance sheet items that are presented in the Consolidated Statement of Cash Flows cannot be derived directly from the balance sheet, as the effects of currency translation are non-cash transactions and changes in the consolidated Group are shown directly in the net cash used in investing activities.

On 31 March 2016, cash and cash equivalents consisted of cash on hand and demand deposits of EUR 104,826 thousand (31 March 2015: EUR 75,800 thousand) as well as cash equivalents valued at EUR 131 thousand (31 March 2015: EUR 589 thousand).

Segment Reporting

for the period from 1 January to 31 March 2016

	EMEA		Americas		Asia-Pacific	
in EUR thousands	**Q1 2016**	Q1 2015	**Q1 2016**	Q1 2015	**Q1 2016**	Q1 2015
Total revenue	**118,856**	113,865	**98,226**	99,951	**19,238**	18,744
thereof inter-segment revenue	**6,806**	8,303	**2,262**	2,228	**687**	543
Revenue from external customers	**112,050**	**105,562**	**95,964**	**97,723**	**18,551**	**18,201**
Contribution to consolidated Group sales	**50%**	48%	**42%**	44%	**8%**	8%
Gross profit[1]	**70,818**	68,136	**58,417**	56,741	**9,234**	8,759
EBITDA[1]	**26,242**	**23,782**	**20,390**	**20,113**	**2,183**	**2,081**
EBITDA margin[1,2]	**22.1%**	20.9%	**20.8%**	20.1%	**11.3%**	11.1%
Depreciation without PPA depreciation[3]	**−2,510**	−2,401	**−1,882**	−1,968	**−631**	−625
Adjusted EBITA	**23,732**	**21,381**	**18,508**	**18,145**	**1,552**	**1,456**
Adjusted EBITA margin[2]	**20.0%**	18.8%	**18.8%**	18.2%	**8.1%**	7.8%
Assets (prior year as of 31 Dec 2015)[4]	**476,219**	489,161	**603,940**	636,294	**84,922**	84,422
Liabilities (prior year as of 31 Dec 2015)[5]	**106,951**	136,903	**328,228**	358,563	**29,446**	30,805
CAPEX	**2,869**	1,849	**1,996**	3,021	**952**	743

[1] Adjusted in 2015.
[2] Based on segment sales.
[3] Depreciation from purchase price allocations.
[4] Including allocated goodwills, taxes are shown within the column 'consolidations'.
[5] Taxes are shown within the column 'consolidations'.

Selected Notes to the Segment Reporting

In the first three months of 2016, the share of sales realised internationally increased to around 78%, which means that this figure rose slightly compared to the previous year (Q1 2015: 77%). The main reason for this was the increase in sales in the EMEA region.

EMEA

External sales in the EMEA region amounted to EUR 112.1 million in the first quarter of 2016 and thus increased by 6.1% over the same quarter of the previous year (Q1 2015: EUR 105.6 million). This can be mainly attributed to the positive development in the area of EJT. The EMEA region's share of total sales amounted to approximately 50% (Q1 2015: 48%).

EBITDA in the EMEA region as of 31 March 2016 amounted to EUR 26.2 million and was thus 10.3% higher than in the previous year (Q1 2015: EUR 23.8 million). This resulted in an EBITDA margin of 22.1% (Q1 2015: 20.9%). Adjusted EBITA for the 3-month period amounted to EUR 23.7 million and thus rose by 11.0% compared to the same quarter of the previous year (Q1 2015: EUR 21.4 million). Accordingly, the adjusted EBITA margin in the EMEA region was 20.0% (Q1 2015: 18.8%).

Investments in the 3-month period amounted to EUR 2.9 million and were thus 55.2% higher than last year's level (Q1 2015: EUR 1.8 million). The EMEA region's assets were valued at EUR 476.2 million as of 31 March 2016 (31 Dec 2015: EUR 489.2 million).

AMERICAS

Sales growth in the Americas region was primarily negatively affected by the continued weakness of the commercial vehicle and agricultural machinery sectors in the Americas region. External sales amounted to EUR 96.0 million and were thus 1.8% lower than in the same quarter of the previous year (Q1 2015: EUR 97.7 million). This means the share of sales of the Americas region declined from around 44% (Q1 2015) to approximately 42% in the quarter that just ended.

Total segments		Central functions		Consolidation		Consolidated Group	
Q1 2016	Q1 2015	**Q1 2016**	Q1 2015	**Q1 2016**	Q1 2015	**Q1 2016**	Q1 2015
236,320	232,560	**7,197**	7,466	**−16,952**	−18,540	**226,565**	221,486
9,755	11,074	**7,197**	7,466	**−16,952**	−18,540	**0**	0
226,565	**221,486**	**0**	**0**	**0**	**0**	**226,565**	**221,486**
100%	100%						
138,469	133,636	**n/a**	n/a	**−756**	−525	**137,713**	133,111
48,815	**45,976**	**−3,382**	**−1,536**	**−45**	**41**	**45,388**	**44,481**
						20.0%	20.1%
−5,023	−4,994	**−244**	−241	**0**	0	**−5,267**	−5,235
43,792	**40,982**	**−3,626**	**−1,777**	**−45**	**41**	**40,121**	**39,246**
						17.7%	17.7%
1,165,081	1,209,877	**359,122**	404,821	**−360,090**	−446,819	**1,164,113**	1,167,879
464,625	526,271	**520,734**	556,760	**−258,354**	−344,963	**727,005**	738,068
5,817	5,613	**2,767**	849	**n/a**	n/a	**8,584**	6,462

EBITDA in the Americas region amounted to EUR 20.4 million (Q1 2015: EUR 20.1 million adjusted). This resulted in an increased EBITDA margin of 20.8% (Q1 2015: 20.1% adjusted). Adjusted EBITA of EUR 18.1 million also rose by 2.0% from EUR 18.1 million in the same quarter of the previous year to EUR 18.5 million. This resulted in an adjusted EBITA margin of 18.8% (Q1 2015: 18.2%).

Investments in the Americas region amounted to EUR 2.0 million for the 3-month period (Q1 2015: 3.0 million) and included mainly the plants in the US. Assets decreased by 5.1% to EUR 603.9 million as of the balance sheet date (31 Dec 2015: EUR 636.3 million).

ASIA-PACIFIC

The Asia-Pacific region generated external sales of EUR 18.6 million in the first quarter of 2016 (Q1 2015: EUR 18.2 million) and thus showed positive growth of 1.9%. Besides strong organic growth, negative currency effects had the opposite effect on sales. The share of sales of the Asia-Pacific region remained unchanged compared to the same quarter of the previous year at around 8%.

EBITDA amounted to EUR 2.2 million and was thus 4.9% higher than last year's level (Q1 2015: EUR 2.1 million). The EBITDA margin amounted to 11.3% and thus increased compared to last year (Q1 2015: 11.1%). At the same time, adjusted EBITA increased to EUR 1.6 million (Q1 2015: EUR 1.5 million), which resulted in an 8.1% increase in the adjusted EBITA margin (Q1 2015: 7.8%).

Investments amounted to EUR 1.0 million for the 3-month period (Q1 2015: EUR 0.7 million). Assets increased slightly by 0.6% to EUR 84.9 million compared to the end of 2015.

Financial Calendar 2016

04.05.2016	Publication of Q1 Interim Results 2016
02.06.2016	Annual General Meeting 2016 in Frankfurt / Main
03.08.2016	Publication of Q2 Interim Results 2016
02.11.2016	Publication of Q3 Interim Results 2016

The financial calendar is constantly updated. Please visit the Investor Relations section on the Company website @ http://investors.normagroup.com for up-to-date information.

Contact and Imprint

If you have any questions regarding NORMA Group or would like to be included in the distribution list, please contact the Investor Relations team:

E-Mail: ir@normagroup.com

Andreas Trösch
Vice President Investor Relations
Phone: + 49 6181 6102 741 | Fax: + 49 6181 6102 7641
E-mail: andreas.troesch@normagroup.com

Dana Feuerberg
Manager Investor Relations
Phone: + 49 6181 6102 748 | Fax: + 49 6181 6102 7648
E-mail: dana.feuerberg@normagroup.com

EDITOR
NORMA Group SE
Edisonstraße 4
63477 Maintal
Germany
Phone: + 49 6181 6102 740
E-mail: info@normagroup.com
Internet: www.normagroup.com

CONCEPT AND LAYOUT
3st kommunikation, Mainz

Note on the interim statement
This interim statement is also available in German. If there are differences between the two, the German version takes priority.

Note on rounding
Please note that slight differences may arise as a result of the use of rounded amounts and percentages.

Forward-looking statements
This interim statement contains certain future-oriented statements. Future-oriented statements include all statements which do not relate to historical facts and events and contain future-oriented expressions such as 'believe', 'estimate', 'assume', 'expect', 'forecast', 'intend', 'could' or 'should' or expressions of a similar kind. Such future-oriented statements are subject to risks and uncertainties since they relate to future events and are based on the company's current assumptions, which may not in the future take place or be fulfilled as expected. The company points out that such future-oriented statements provide no guarantee for the future and that the actual events including the financial position and profitability of the NORMA Group SE and developments in the economic and regulatory fundamentals may vary substantially (particularly on the down side) from those explicitly or implicitly assumed in these statements. Even if the actual assets for the NORMA Group SE, including its financial position and profitability and the economic and regulatory fundamentals, are in accordance with such future-oriented statements in this interim statement, no guarantee can be given that this will continue to be the case in the future.