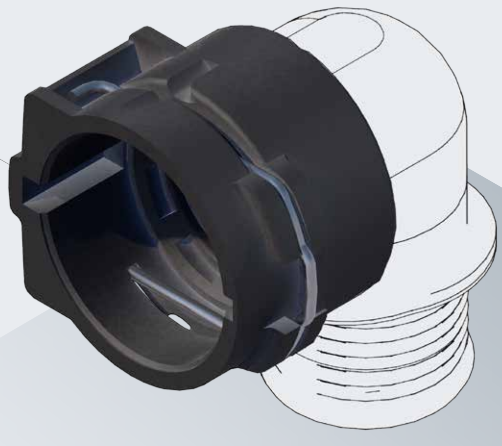


INTERIM STATEMENT

FIRST QUARTER 2019

OVERVIEW OF KEY FIGURES

		Q1 2019[1]	Q1 2018[1]	Change in %
Order situation				
Order book (Mar 31)	EUR millions	398.3	356.5	11.7
Income statement				
Revenue	EUR millions	275.6	272.6	1.1
Gross profit	EUR millions	161.3	158.7	1.6
Adjusted EBITA	EUR millions	39.6	45.7	– 13.3
Adjusted EBITA margin	%	14.4	16.8	n/a
EBITA	EUR millions	36.9	44.4	– 16.8
EBITA margin	%	13.4	16.3	n/a
Adjusted profit for the period	EUR millions	25.2	29.5	– 14.7
Adjusted EPS	EUR	0.79	0.92	– 13.9
Profit for the period	EUR millions	19.2	25.0	– 23.3
EPS	EUR	0.60	0.78	– 23.1
NORMA Value Added (NOVA)	EUR millions	10.9	17.1	– 36.3
Cash flow				
Operating cash flow	EUR millions	9.8	– 5.9	n/a
Net operating cash flow	EUR millions	– 0.3	– 13.8	– 98.0
Cash flow from investing activities	EUR millions	– 16.6	– 12.1	– 36.5
Cash flow from financing activities	EUR millions	– 13.9	– 1.0	n/a
		Mar 31, 2019	**Dec 31, 2018**	**Change in %**
Balance sheet				
Total assets	EUR millions	1,533.7	1,471.7	4.2
Equity	EUR millions	631.6	602.4	4.8
Equity ratio	%	41.2	40.9	n/a
Net debt	EUR millions	455.5	400.3	13.8
Employees				
Core workforce		6,998	6,310	10,9
		Q1 2019	**Q1 2018**	
Non-financial control parameters				
Number of invention applications		6	11	
Defective parts per million (PPM)		9	6	
Quality-related customer complaints per month		6	8	

Share data		
IPO		April 2011
Stock exchange		Frankfurter Stock Exchange, Xetra
Market segment		Regulated Market (Prime Standard), MDAX
ISIN		DE000A1H8BV3
Security identification number/ticker symbol		A1H8BV/NOEJ
Highest price Q1 2019[2]	EUR	49.26
Lowest price Q1 2019[2]	EUR	41.38
Closing price as of Mar 31, 2019[2]	EUR	43.26
Market capitalization as of Mar 31, 2019[2]	EUR millions	1,378.4
Number of shares		31,862,400

1_Adjustments are described on ▸ PAGE 08.
2_Xetra price

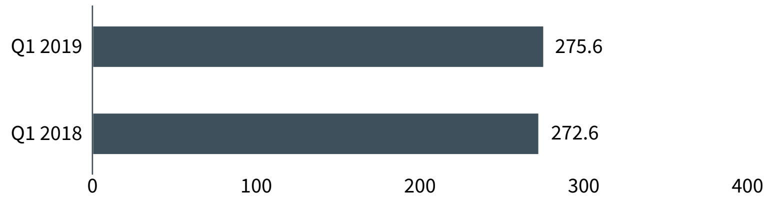
INTERIM STATEMENT Q1 2019

CONTENTS

HIGHLIGHTS FIRST QUARTER 2019 [1]

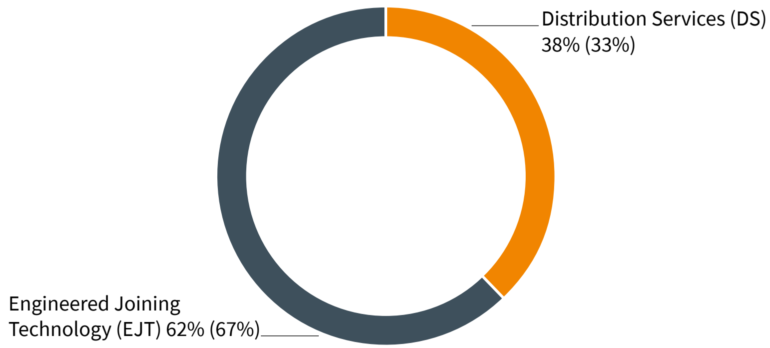
DEVELOPMENT OF REVENUE Q1 2019

IN EUR MILLION



DISTRIBUTION OF SALES BY REVENUE CHANNELS

IN %, PREVIOUS YEAR IN BRACKETS



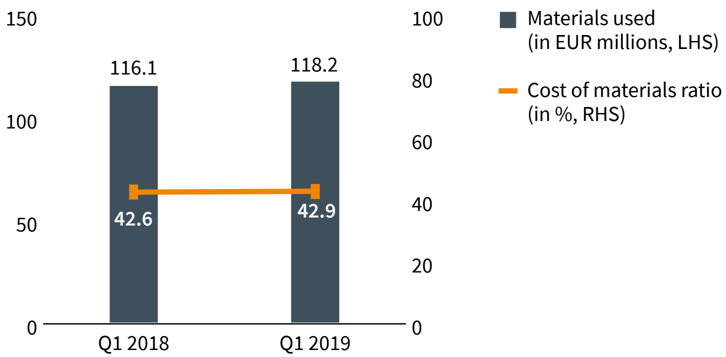
EFFECTS ON GROUP REVENUE

	in EUR million	Share in %
Group revenue Q1 2018	272.6	
Organic growth	– 11.6	– 4.2
Acquisitions	6.2	2.3
Currency effects	8.4	3.1
Group revenue Q1 2019	**275.6**	**1.1**

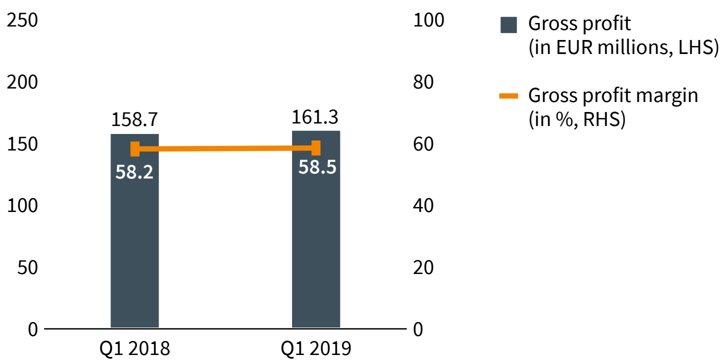
DEVELOPMENT OF REVENUE CHANNELS

	Engineered Joining Technology (EJT)		Distribution Services (DS)	
	Q1 2019	Q1 2018	Q1 2019	Q1 2018
Group sales (in EUR million)	169.5	181.1	105.2	90.0
Growth (in %)	– 6.4		16.9	
Share of sales (in %)	62	67	38	33

COSTS OF MATERIALS AND COST OF MATERIALS RATIO

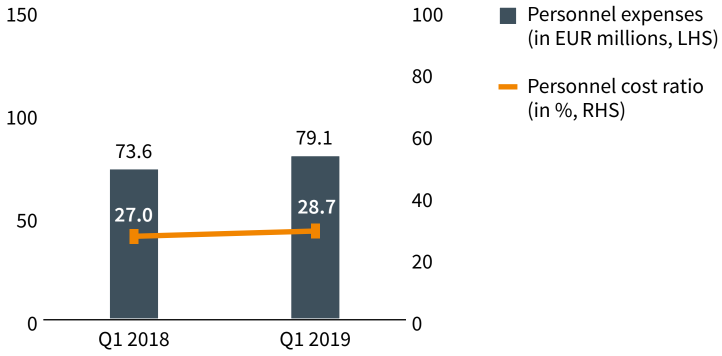


GROSS PROFIT AND GROSS PROFIT MARGIN

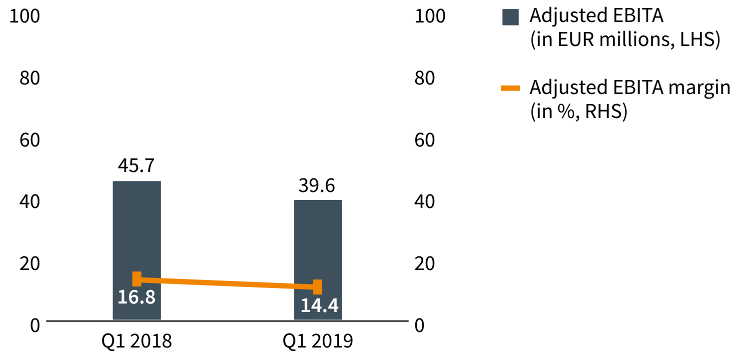


1_Adjustments are described on ▸ PAGE 08.
2_Including the positive effect of EUR 2.6 million due to the first-time adoption of IFRS 16.

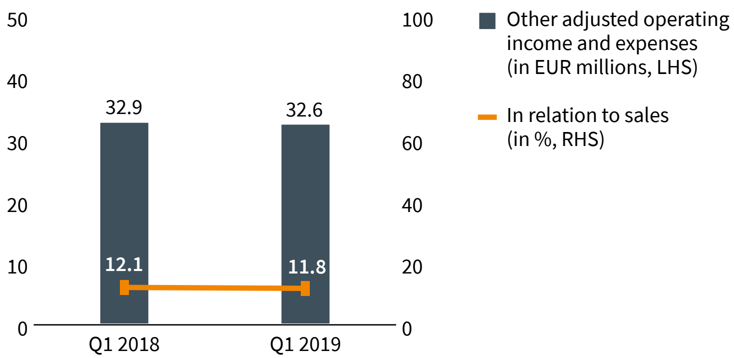
ADJUSTED PERSONNEL EXPENSES AND PERSONNEL COST RATIO [1]



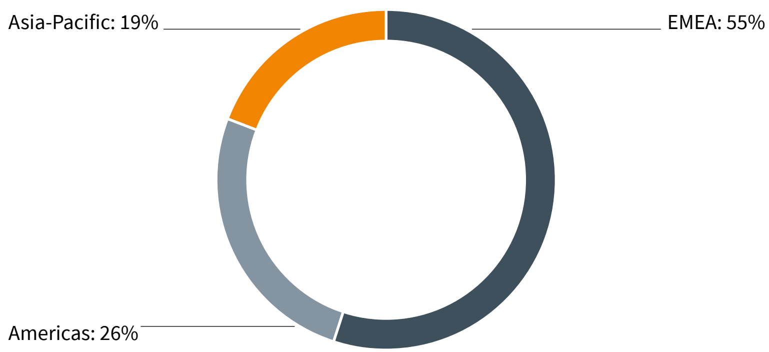
ADJUSTED EBITA AND ADJUSTED EBITA MARGIN [1]



NET EXPENSES FROM ADJUSTED OTHER OPERATING INCOME AND EXPENSES AS WELL AS IN RELATION TO SALES [1,2]



CORE WORKFORCE BY SEGMENT



NET OPERATING CASH FLOW [2]

IN EUR MILLION	Q1 2019	Q1 2018
Adjusted EBITDA	49.7	52.2
Change in working capital	– 38.1	– 55.5
Investments from operating business	– 11.8	– 10.5
Net operating cash flow	**– 0.3**	**– 13.8**

1_Adjustments are described on ▸ PAGE 08.
2_Including the positive effect of EUR 2.6 million due to the first-time adoption of IFRS 16.

COURSE OF BUSINESS

Fiscal year 2019 got off to a cautious start for the NORMA Group as expected, posting Group sales of EUR 275.6 million in the first quarter of 2019, a slight increase of 1.1%.

The Group's organic sales revenues were negative at –4.2%, however the decline was offset by acquisition-related growth of 2.3% and positive exchange rate effects of 3.1%. The decline in organic growth was due in particular to lower production and sales figures in the automotive sector in all three regions. The EMEA and Asia-Pacific regions in particular were characterized by a highly volatile market environment in the first quarter of 2019. In China, the decline in the automotive industry, which had already started in the second half of 2018, continued in the first quarter of 2019.

Adjusted EBITA was impacted by lower sales revenues in the first quarter of 2019 as a result of the volatile market environment and significantly higher personnel expenses in relation to sales. The latter is the result of the low flexibility of personnel structures, which does not permit any immediate, complete adjustment to the temporary decline in production volume. The adjusted EBITA margin of 14.4% in the first quarter of 2019 is below expectations. Overall, the Management Board expects to achieve the lower end of the range of the adjusted EBITA margin forecast of 15% to 17% for the year as a whole. ▶ FORECAST, P. 22

SIGNIFICANT DEVELOPMENTS

In February 2019, the Management Board of NORMA Group announced the introduction of a rightsizing program for the long-term optimization of the Group's structures. ▶ 2018 ANNUAL REPORT, P. 44

NORMA Group has grown rapidly in recent years, both organically and through acquisitions. This has also been accompanied by rapid growth in the production landscape and organizational structures. In order to further harmonize processes and systems within the Group and thus lay the foundations for further growth, optimization measures are to be implemented in all regions – EMEA, the Americas and Asia-Pacific – in the years to come. The objective is also to focus the business model on the requirements of future strategic growth areas such as electromobility and water management.

The measures already implemented and planned are expected to result in an annual positive earnings contribution (adjusted EBITA) of around EUR 10 million to EUR 15 million from 2021 on. The Management Board estimates the total costs of the project at around EUR 10 million to EUR 15 million spread out over a period of approximately two years.

The costs incurred within the framework of the project are shown adjusted.
▶ ADJUSTMENTS, P. 8

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from January 1 to March 31, 2019

IN EUR THOUSANDS	Q1 2019	Q1 2018
Revenue	275,625	272,615
Changes in inventories of finished goods and work in progress	3,161	1,676
Other own work capitalized	755	569
Raw materials and consumables used	– 118,240	– 116,142
Gross profit	**161,301**	**158,718**
Other operating income	3,836	4,527
Other operating expenses	– 36,980	– 37,913
Employee benefits expense	– 80,307	– 73,596
Depreciation and amortization	– 18,580	– 13,889
Operating profit	**29,270**	**37,847**
Financial income	251	111
Financial costs	– 3,957	– 3,559
Financial result	**– 3,706**	**– 3,448**
Profit before income tax	**25,564**	**34,399**
Income taxes	– 6,404	– 9,426
Profit for the period	**19,160**	**24,973**
Other comprehensive income for the period, net of tax		
Other comprehensive income that can be reclassified to profit or loss, net of tax	**12,093**	**– 6,716**
Exchange differences on translation of foreign operations	12,624	– 7,534
Cash flow hedges, net of tax	– 531	818
Other comprehensive income that cannot be reclassified to profit or loss, net of tax	**10**	**0**
Remeasurements of post-employment benefit obligations, net of tax	10	0
Other comprehensive income for the period, net of tax	**12,103**	**– 6,716**
Total comprehensive income for the period	**31,263**	**18,257**
Profit attributable to		
Shareholders of the parent	19,194	24,880
Non-controlling interests	– 34	93
	19,160	**24,973**
Total comprehensive income attributable to		
Shareholders of the parent	31,280	18,088
Non-controlling interests	– 17	169
	31,263	**18,257**
(Un)diluted earnings per share (in EUR)	**0.60**	**0.78**

ADJUSTMENTS

NORMA Group adjusts certain expenses for the operational management of the Company. The adjusted results presented in the following reflect the Management's view.

In the first quarter of 2019, net expenses totaling EUR 1.8 million were adjusted within EBITDA (Q1 2018: EUR 0.5 million). These relate primarily to other operating expenses (EUR 0.5 million) and expenses for employee benefits (EUR 1.2 million) in connection with the rightsizing project initiated in the fourth quarter of 2018 to optimize Group structures. Furthermore, expenses for integration costs in connection with the acquisitions of Kimplas and Statek (EUR 79 thousand) were adjusted within other operating expenses.

In addition, in the first three months of fiscal year 2019, as in the previous year, depreciation on property, plant and equipment from purchase price allocations amounting to EUR 0.9 million (Q1 2018: EUR 0.9 million) was adjusted within EBITA (earnings before interest, taxes and amortization of intangible assets) and amortization of intangible assets from purchase price allocations amounting to EUR 5.5 million (Q1 2018: EUR 4.8 million) was adjusted within EBIT.

Notional income taxes resulting from the adjustments are calculated using the tax rates of the respective local companies concerned and included in adjusted earnings after taxes.

The following table shows earnings adjusted for these effects:

ADJUSTMENTS [1]

IN EUR MILLION	Q1 2019 reported	Total adjustments	Q1 2019 adjusted
Revenue	**275.6**	**0**	**275.6**
Changes in inventories of finished goods and work in progress	3.2	0	3.2
Other own work capitalized	0.8	0	0.8
Raw materials and consumables used	– 118.2	0	– 118.2
Gross profit	**161.3**	**0**	**161.3**
Other operating income and expenses	– 33.1	0.6	– 32.6
Employee benefits expense	– 80.3	1.2	– 79.1
EBITDA	**47.9**	**1.8**	**49.7**
Depreciation	– 11.0	0.9	– 10.0
EBITA	**36.9**	**2.8**	**39.6**
Amortization	– 7.6	5.5	– 2.1
Operating profit (EBIT)	**29.3**	**8.3**	**37.5**
Financial result	– 3.7	0	– 3.7
Profit before income tax	**25.6**	**8.3**	**33.8**
Income taxes	– 6.4	– 2.2	– 8.6
Profit for the period	**19.2**	**6.0**	**25.2**
Non-controlling interests	0	0	0
Profit attributable to shareholders of the parent	**19.2**	**6.0**	**25.2**
Earnings per share (in EUR)	**0.60**	**0.19**	**0.79**

1_Deviations in decimal places may occur due to commercial rounding.

EFFECTS FROM FIRST-TIME ADOPTION OF IFRS 16

Due to the first-time adoption of IFRS 16 since January 1, 2019, the Consolidated Financial Statements of NORMA Group have been subject to changeover effects in the following areas. The effects of the first-time adoption of IFRS 16 on the consolidated balance sheet as of January 1, 2019, and the effects on the income statement for the period from January 1, 2019, to March 31, 2019, are as follows:

EFFECTS FROM IFRS 16 ON THE ADJUSTED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME [1]

IN EUR MILLION	Q1 2019 adjusted	Effects of IFRS 16	Q1 2019 adjusted without IFRS 16
Revenue	**275.6**	**0**	**275.6**
Changes in inventories of finished goods and work in progress	3.2	0	3.2
Other own work capitalized	0.8	0	0.8
Raw materials and consumables used	– 118.2	0	– 118.2
Gross profit	**161.3**	**0**	**161.3**
Other operating income and expenses	– 32.6	2.6	– 35.2
Employee benefits expense	– 79.1	0	– 79.1
EBITDA	**49.7**	**2.6**	**47.1**
EBITDA margin (in %)	18.0	0.9	17.1
Depreciation	– 10.0	– 2.3	– 7.7
EBITA	**39.6**	**0.3**	**39.3**
EBITA margin (in %)	14.4	0.1	14.3
Amortization	– 2.1	0	– 2.1
Operating profit (EBIT)	**37.5**	**0.3**	**37.2**
Financial result	– 3.7	– 0.3	– 3.4
Profit before income tax	**33.8**	**0**	**33.8**
Income taxes	– 8.6	0	– 8.6
Profit for the period	**25.2**	**0**	**25.2**
Non-controlling interests	0	0	0
Profit attributable to shareholders of the parent	**0**	**0**	**0**
Earnings per share (in EUR)	**0.79**	**0**	**0.79**

1_Deviations in decimal places may occur due to commercial rounding.

EFFECTS OF IFRS 16 ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (EXCERPT) [1]

IN EUR MILLION	Dec 31, 2018 as initially reported	IFRS 16	Jan 1, 2019 after accounting changes
Assets			
Non-current assets			
Property, plant and equipment	243.3	30.5	273.8
Deferred income tax assets	6.6	0.7	7.2
Other non-current assets	678.4	0	678.4
	928.3	**31.1**	**959.4**
Current assets			
Other current assets	543.4	0	543.4
	543.4	**0**	**543.4**
Total assets	**1,471.7**	**31.1**	**1,502.8**
Equity and Liabilities			
Equity			
Retained earnings	356.0	– 2.0	354.0
Other equity	246.4	0	246.4
	602.4	**– 2.0**	**600.4**
Liabilities			
Non-current liabilities			
Other financial liabilities	2.0	33.1	35.1
Deferred income tax liabilities	73.1	0	73.1
Other non-current liabilities	477.0	0	477.0
	552.1	**33.1**	**585.2**
Current liabilities			
Other financial liabilities	18.9	0	18.9
Other current liabilities	298.3	0	298.3
	317.1	**0**	**317.1**
Total liabilities	**869.2**	**33.1**	**902.4**
Total equity and liabilities	**1,471.7**	**31.1**	**1,502.8**

NOTES TO THE SALES AND EARNINGS DEVELOPMENT

ORDER BACKLOG REMAINS AT HIGH LEVEL

As of March 31, 2019, NORMA Group's order backlog totaled EUR 398.3 million, an increase of EUR 41.8 million or 11.7% compared to the same period of the previous year (March 31, 2018: EUR 356.5 million).

ORGANIC SALES DOWN IN FIRST QUARTER OF 2019

In the first quarter of 2019, NORMA Group's sales amounted to EUR 275.6 million, up 1.1% on the same period of the previous year (Q1 2018: EUR 272.6 million). Organic sales revenues declined by 4.2% in the first three months of 2019. The lower production volumes in the European automotive industry as a result of the WLTP issue that arose in the summer of 2018 continued to have a negative impact here. In addition, the sharp decline in demand from the Chinese automotive industry also had a negative effect on organic growth.

Kimplas and Statek, the companies acquired in fiscal year 2018, made a positive contribution of EUR 6.2 million, or 2.3%, to sales growth. Furthermore, changes in exchange rates, especially in connection with the US dollar, had a positive effect of 3.1% on Group sales.

SOUND GROWTH IN DS, EJT BUSINESS BURDENED IN ALL REGIONS BY THE DECLINE IN PRODUCTION IN THE AUTOMOTIVE INDUSTRY

The DS division generated sales of EUR 105.2 million in the first quarter of 2019, an increase of 16.9% over the previous year (Q1 2018: EUR 90.0 million). This includes organic growth of 5.6%, which is attributable, among other developments, to NDS's good water business in the Americas. In addition, Kimplas's and Statek's sales revenues of EUR 6.0 million, or 6.7%, contributed positively to growth in the area of DS. Currency effects also had a positive effect of 4.6%.

On the other hand, the EJT business got off to a restrained start to the current fiscal year. At EUR 169.5 million, sales in the first quarter of 2019 were 6.4% down on the comparable figure for the previous year (Q1 2018: EUR 181.1 million). Organic sales revenues declined by 8.7%. The main reason for this was the generally weak environment in the automotive sector during the first quarter of 2019 with declining production and sales figures in all regions. Positive exchange rate effects dampened the decline in sales in the EJT business by 2.3%.

GRADUAL RETURN TO NORMAL MATERIAL PRICES

In the first quarter of 2019, the situation on the international commodity markets eased noticeably compared to fiscal year 2018. While prices for engineering plastics are still at a relatively high level as a result of a persistent market shortage, spot prices for alloy surcharges in particular have returned to normal compared to the previous year.

Costs of materials amounted to EUR 118.2 million in the first three months of 2019, an increase of 1.8% compared to the same quarter of the previous year (Q1 2018: EUR 116.1 million). This resulted in a cost of materials ratio – cost of materials in relation to sales – of 42.9% (Q1 2018: 42.6%). The ratio of cost of materials to total operating performance (sales revenue plus changes in inventories and other own work capitalized) was 42.3% in the first quarter of 2019, unchanged from the prior-year quarter.

SLIGHT IMPROVEMENT IN THE GROSS MARGIN COMPARED TO PREVIOUS YEAR

Gross profit (sales revenues less cost of materials plus changes in inventories and other own work capitalized) amounted to EUR 161.3 million in the first quarter of 2019, compared to EUR 158.7 million in the previous year. This equates to an increase of 1.6%. The resulting gross margin improved to 58.5% (Q1 2018: 58.2%).

Gross profit was also influenced by a higher increase in inventories of finished goods and work in progress compared to the previous year. This amounted to EUR 3.2 million in the first quarter of 2019 (Q1 2018: EUR 1.7 million). The reasons for this were the holding of safety reserves against the backdrop of the uncertain outcome of the Brexit negotiations, pre-production due to the relocation of production pending as part of the rightsizing project, and NDS's good water business.

HIGHER ADJUSTED PERSONNEL COST RATIO

Adjusted employee benefit expenses amounted to EUR 79.1 million in the first quarter of 2019, an increase of 7.4% over last year (Q1 2018: EUR 73.6 million). The resulting personnel cost ratio was 28.7%, a significant increase compared to the prior-year quarter (Q1 2018: 27.0%). This was due in particular to the lower sales volume in combination with less flexible personnel structures, particularly in the EMEA and Asia-Pacific regions.

As of March 31, 2019, NORMA Group employed 9,065 people worldwide, including temporary workers (March 31, 2018: 8,120). Of these, 6,998 employees are attributable to the core workforce (March 31, 2018: 6,310). Accordingly, the total headcount grew by 11.6% compared to the previous year, while the number of persons attributable to the core workforce rose by 10.9% compared to the previous year. The average number of employees in the first quarter of 2019 was 6,999.

Compared to the end of 2018 (Dec 31, 2018: 8,865), the total number of employees as of March 31, 2019, increased by 2.3%.

DEVELOPMENT OF PERSONNEL FIGURES

	Mar 31, 2019	Mar 31, 2018
EMEA	3,853	3,676
Americas	1,805	1,634
Asia-Pacific	1,340	1,000
Employees excluding temporary workers	**6,998**	**6,310**
Temporary workers	2,067	1,810
Employees including temporary workers	**9,065**	**8,120**

ADJUSTED OTHER OPERATING INCOME AND EXPENSES DOWN SLIGHTLY

The balance of adjusted other operating income and expenses amounted to EUR – 32.6 million in the first quarter of 2019 and was thus 1.1% below the previous year's level (Q1 2018: EUR – 32.9 million). Adjusted other operating income and expenses as a percentage of sales amounted to 11.8% in the first three months of the current fiscal year (Q1 2018: 12.1%).

Other operating income includes in particular currency gains from operating activities in the amount of EUR 1.9 million (Q1 2018: EUR 2.0 million) and income from the reversal of liabilities and unused provisions in the amount of EUR 0.7 million (Q1 2018: EUR 1.2 million).

Other operating expenses include currency losses of EUR 1.3 million (Q1 2018: EUR 2.4 million). In addition, the first-time adoption of IFRS 16 had a positive impact of EUR 2.6 million on other operating expenses.

OPERATING RESULT AND MARGIN NEGATIVELY IMPACTED BY HIGHER PERSONNEL COST

Adjusted EBITDA for the first quarter of 2019 was EUR 49.7 million, 4.8% lower than in the same quarter of the last year (Q1 2018: EUR 52.2 million). The adjusted EBITDA margin for the reporting period was 18.0% (Q1 2018: 19.2%). Adjusted EBITDA includes a positive effect of EUR 2.6 million from the first-time adoption of IFRS 16.

The main reasons for the decline in the margin were the significantly lower production volumes in the automotive industry and the resulting revenue losses in all three regional segments as well as the disproportionately high increase in personnel costs, which is attributable to a low flexibility of personnel structures, particularly in the EMEA and Asia-Pacific regions.

Reported EBITDA amounted to EUR 47.9 million in the first quarter of 2019 (Q1 2018: EUR 51.7 million). The resulting EBITDA margin was 17.4% (Q1 2018: 19.0%).

Adjusted EBITA, which was additionally adjusted for depreciation of tangible assets from purchase price allocations of EUR 0.9 million (Q1 2018: EUR 0.9 million), decreased by 13.3% to EUR 39.6 million in the first quarter of 2019 (Q1 2018: EUR 45.7 million). The adjusted EBITA margin was 14.4% (Q1 2018: 16.8%).

Based on unadjusted EBITA of EUR 36.9 million (Q1 2018: EUR 44.4 million), the unadjusted EBITA margin reached 13.4% (Q1 2018: 16.3%).

NORMA VALUE ADDED (NOVA)

NORMA Value Added (NOVA), the relevant benchmark for the long-term remuneration of the Management Board, amounted to EUR 10.9 million in the first quarter of 2019, a decrease on the previous year (Q1 2018: EUR 17.1 million). Reasons were the decrease in the adjusted EBIT as well as the increased capital employed due to the acquisitions made in fiscal year 2018.

FINANCIAL RESULT

The financial result amounted to EUR – 3.7 million in the first quarter of 2019 and thus fell by 7.5% compared to the previous year (Q1 2018: EUR – 3.4 million). On the one hand, this is due to the slightly higher net interest expense of EUR 3.2 million (Q1 2018: EUR 3.1 million). On the other hand, interest expenses from leases of EUR – 0.3 million (Q1 2018: TEUR – 2) and other financial expenses of EUR – 0.4 million (Q1 2018: EUR – 0.2 million) had a negative impact on the financial result.

By contrast, exchange rate changes had a positive effect of EUR 0.4 million on the financial result in the first three months of 2019 (Q1 2018: EUR – 0.4 million).

ADJUSTED INCOME TAXES AND TAX RATE

Adjusted income taxes for the period January to March 2019 amounted to EUR 8.6 million (Q1 2018: EUR 11.1 million). In relation to adjusted pre-tax earnings of EUR 33.8 million (Q1 2018: EUR 40.6 million), the adjusted tax rate was 25.5% (Q1 2018: 27.3%), which is lower than in the prior-year period.

ADJUSTED EARNINGS FOR THE PERIOD AND ADJUSTED EARNINGS PER SHARE LOWER

Adjusted profit for the period (after taxes) amounted to EUR 25.2 million in the current reporting period and was thus 14.7% below the previous year's level (Q1 2018: EUR 29.5 million). Based on an unchanged number of 31,862,400 shares, adjusted earnings per share fell by 13.9% year-on-year to EUR 0.79 (Q1 2018: EUR 0.92).

The reported result for the first quarter of 2019 was EUR 19.2 million (Q1 2018: EUR 25.0 million). This equates to a decline of 23.3% compared to the previous year. Reported earnings per share amounted to EUR 0.60 (Q1 2018: EUR 0.78) and thus declined by 23.1%. Adjustments to net profit for the period totaled EUR 6.0 million in the first quarter of 2019 (Q1 2018: EUR 4.6 million). Correspondingly, the effect on adjusted earnings per share was EUR 0.19.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

IN EUR THOUSANDS	Mar 31, 2019	Dec 31, 2018	Mar 31, 2018
Non-current assets			
Goodwill	393,044	389,505	352,435
Other intangible assets	282,290	283,394	245,524
Property, plant and equipment	287,379	243,326	204,270
Other non-financial assets	2,401	2,404	1,083
Derivative financial assets	1,474	2,180	3,024
Income tax assets	944	878	104
Deferred income tax assets	7,371	6,571	3,851
	974,903	**928,258**	**810,291**
Current assets			
Inventories	184,353	178,107	153,194
Other non-financial assets	21,472	17,984	17,483
Other financial assets	5,282	5,231	1,001
Derivative financial assets	683	584	422
Income tax assets	5,465	6,807	7,427
Trade and other receivables	168,273	143,138	182,654
Contract assets	1,162	1,185	0
Cash and cash equivalents	172,123	190,392	135,131
	558,813	**543,428**	**497,312**
Total assets	**1,533,716**	**1,471,686**	**1,307,603**

EQUITY AND LIABILITIES

IN EUR THOUSANDS	Mar 31, 2019	Dec 31, 2018	Mar 31, 2018
Equity attributable to equity holders of the parent			
Subscribed capital	31,862	31,862	31,862
Capital reserve	210,323	210,323	210,323
Other reserves	14,593	2,517	– 15,156
Retained earnings	373,205	356,022	323,025
Equity attributable to shareholders	**629,983**	**600,724**	**550,054**
Non-controlling interests	1,656	1,717	2,502
Total equity	**631,639**	**602,441**	**552,556**
Liabilities			
Non-current liabilities			
Retirement benefit obligations	13,014	12,804	12,030
Provisions	7,680	7,260	10,895
Borrowings	458,177	455,759	449,978
Other non-financial liabilities	440	431	465
Contract liabilities	132	149	0
Other financial liabilities	34,782	1,992	4,252
Derivative financial liabilities	701	605	866
Deferred income tax liabilities	73,549	73,099	58,351
	588,475	**552,099**	**536,837**
Current liabilities			
Provisions	10,156	8,750	9,802
Borrowings	115,941	113,332	34,417
Other non-financial liabilities	34,657	26,984	35,277
Contract liabilities	525	453	0
Other financial liabilities	17,857	18,866	6,074
Derivative financial liabilities	150	153	992
Income tax liabilities	6,898	6,580	9,508
Trade and other payables	127,418	142,028	122,140
	313,602	**317,146**	**218,210**
Total liabilities	**902,077**	**869,245**	**755,047**
Total equity and liabilities	**1,533,716**	**1,471,686**	**1,307,603**

NOTES TO THE FINANCIAL AND ASSET POSITION

TOTAL ASSETS

Total assets amounted to EUR 1,533.7 million as of March 31, 2019, an increase of 4.2% compared to the end of 2018 (Dec 31, 2018: EUR 1,471.7 million). Compared to March 31, 2018 (EUR 1,307.6 million), total assets increased by 17.3%.

FIXED ASSETS

Non-current assets amounted to EUR 974.9 million as of March 31, 2019, an increase of 5.0% compared to the end of 2018 (Dec 31, 2018: EUR 928.3 million). The main reason for this development is an increase in property, plant and equipment, which is attributable in particular to the rights of use from operating leases (right of use (RoU) assets) to be capitalized for the first time as part of the first-time adoption of IFRS 16 (Leases). Furthermore, positive currency effects on the reporting date and the investments in fixed assets made in the first quarter of 2019 increased property, plant and equipment. Non-current assets accounted for 63.6% of total assets as of March 31, 2019 (Dec 31, 2018: 63.1%).

A total of EUR 12.2 million was invested in fixed assets in the period from January to March 2019 (Q1 2018: EUR 10.5 million). In addition, EUR 9.6 million was recognized as additions to non-current assets for the capitalization of RoU assets for leased land and buildings. Capital expenditure included own work capitalized of EUR 0.8 million (Q1 2018: EUR 0.6 million). In the first quarter, investment activities focused on Germany, Serbia, the UK, France, China, India, the US and Mexico. There were no significant disposals.

Current assets amounted to EUR 558.8 million on the balance sheet date and thus increased slightly by 2.8% compared to the end of 2018 (Dec 31, 2018: EUR 543.4 million). The increase is due in particular to an increase in trade receivables (+17.6%) and inventories (+3.5%). In contrast, cash and cash equivalents decreased (– 9.6%). Current assets increased by 12.4% compared to the previous year's reporting date (March 31, 2018: EUR 497.3 million). This development was primarily due to a significant increase in cash and cash equivalents (+27.4%) and inventories (+20.3%).

Cash and cash equivalents amounted to EUR 172.1 million as of March 31, 2019 (Dec 31, 2018: EUR 190.4 million). Current assets accounted for 36.4% of total assets as of March 31, 2019 (Dec 31, 2018: 36.9%).

RISE IN (TRADE) WORKING CAPITAL

Trade working capital (inventories plus trade receivables minus trade payables) was EUR 225.2 million as of March 31, 2019, 25.7% higher than at the end of 2018 (Dec 31, 2018: EUR 179.2 million) due also to seasonal factors. In addition to the increase in trade receivables, the main driver here was a decrease in trade payables and similar liabilities compared to the end of 2018 (March 31, 2019: EUR 127.4 million; Dec 31, 2018: EUR 142.0 million).

Compared to the previous year (March 31, 2018: EUR 213.7 million), (trade) working capital increased by 5.4%.

EQUITY RATIO ONCE AGAIN AT A HIGH LEVEL

Group equity amounted to EUR 631.6 million as of March 31, 2019. This represents an increase of 4.8% compared to the end of 2018 (Dec 31, 2018: EUR 602.4 million). The equity ratio was 41.2% as of the reporting date for the quarter (Dec 31, 2018: 40.9%). The significant increase in equity is attributable in particular to an increase in retained earnings due to a positive result for the period (EUR 19.2 million) and the increase in other reserves due to positive currency translation differences (EUR +12.1 million).

INCREASE IN NET DEBT

Net debt as of March 31, 2019 was EUR 455.5 million, up from EUR 400.3 million at the end of 2018, an increase of 13.8% or EUR 55.2 million. This increase is attributable on the one hand to the increase in financial liabilities due to the first-time adoption of IFRS 16 in 2019 as a result of the first-time recording of liabilities from capitalized leases (EUR 41.2 million) and on the other hand to the decline in cash and cash equivalents compared to the end of 2018. The decrease in cash and cash equivalents is attributable to cash outflows from investing activities (EUR – 16.6 million) and financing activities (EUR – 13.9 million). These more than offset the cash inflow from operating activities (EUR +9.8 million).

In addition, the non-cash currency effects from foreign currency loans had a negative impact on net debt.

At 0.7, gearing (net debt in relation to equity) was exactly the same as at the end of 2018 (Dec 31, 2018: 0.7). With the increase in net debt in the first quarter of 2019, leverage (net debt excluding hedging derivatives in relation to adjusted EBITDA for the last 12 months) was 2.3 (Dec 31, 2018: 1.9). Without the effects of the first-time adoption of IFRS 16, leverage would be 2.1.

The net financial debt of NORMA Group is as follows:

NET DEBT

IN EUR THOUSANDS	Mar 31, 2019	Dec 31, 2018
Bank borrowings, net	574,118	569,091
Derivative financial liabilities – hedge accounting	851	758
Finance lease liabilities	41,188	32
Other financial liabilities	11,451	20,826
Financial debt	**627,608**	**590,707**
Cash and cash equivalents	172,123	190,392
Net debt	**455,485**	**400,315**

FINANCIAL LIABILITIES

At EUR 627.6 million, the financial liabilities of NORMA Group as of March 31, 2019, exceeded the level of December 31, 2018 (EUR 590.7 million) by 6.2%. The increase in liabilities from leases is attributable to the aforementioned effects of the first-time adoption of IFRS 16.

Non-current liabilities totaled EUR 588.5 million as of March 31, 2019, an increase of 6.6% or EUR 36.4 million compared to the end of 2018 (Dec 31, 2018: EUR 552.1 million). This increase resulted from an increase in other financial liabilities that is mainly attributable to the first-time adoption of IFRS 16.

Current liabilities amounted to EUR 313.6 million as of the reporting date of the current quarter. As of December 31, 2018, these amounted to EUR 317.1 million.

The maturities of the syndicated loans and the promissory note loans as of March 31, 2019, are as follows:

MATURITY BANK BORROWINGS AS OF MAR 31, 2019

IN EUR THOUSANDS	up to 1 year	> 1 year up to 2 years	> 2 years up to 5 years	> 5 years
Syndicated bank facilities, net	4,913	4,913	175,692	0
Promissory note, net	107,607	29,000	162,805	86,500
Total	**112,520**	**33,913**	**338,497**	**86,500**

OTHER NON-FINANCIAL LIABILITIES

Other non-financial liabilities are as follows:

OTHER NON-FINANCIAL LIABILITIES

IN EUR THOUSANDS	Mar 31, 2019	Dec 31, 2018
Non-current		
Government grants	391	391
Other liabilities	49	40
	440	**431**
Current		
Government grants	1,419	1,068
Non-income tax liabilities	3,217	2,398
Social liabilities	5,094	4,521
Personnel-related liabilities (e.g. vacation, bonus, premiums)	24,569	18,671
Other liabilities	358	326
	34,657	**26,984**
Total other non-financial liabilities	**35,097**	**27,415**

DERIVATIVE FINANCIAL INSTRUMENTS

FOREIGN CURRENCY DERIVATIVES

As of March 31, 2019, foreign currency derivatives with a positive fair value of EUR 0.3 million and foreign currency derivatives with a negative fair value of EUR 0.1 million were held to hedge cash flows. In addition, foreign currency derivatives with a positive fair value of EUR 0.1 million were held to hedge changes in fair value.

The foreign currency derivatives used to hedge cash flows are used against fluctuations in the exchange rate from operating activities. Foreign currency derivatives used to hedge changes in fair value serve to hedge external financial liabilities and intragroup monetary items against exchange rate fluctuations.

INTEREST RATE HEDGING INSTRUMENTS

Parts of NORMA Group's external financing were hedged against interest rate fluctuations by means of interest rate swaps. As of March 31, 2019, interest rate hedges with a positive market value of EUR 1.7 million and a negative market value of EUR 0.7 million were held.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the period from January 1 to March 31, 2019

IN EUR THOUSANDS	Q1 2019	Q1 2018
Operating activities		
Profit for the period	**19,160**	**24,973**
Depreciation and amortization	18,580	13,889
Gain (–)/loss (+) on disposal of property, plant and equipment	– 22	30
Change in provisions	1,819	1,940
Change in deferred taxes	– 388	– 261
Change in inventories, trade account receivables and other receivables, which are not attributable to investing or financing activities	– 27,606	– 35,048
Change in trade and other payables, which are not attributable to investing or financing activities	– 6,572	– 15,456
Change in reverse factoring liabilities	1,525	721
Interest expenses in the period	3,734	3,172
Income (–)/expenses (+) due to measurement of derivatives	158	– 311
Other non-cash expenses (+)/income (–)	– 597	463
Cash flow from operating activities	**9,791**	**– 5,888**
thereof interest received	248	98
thereof income taxes	– 5,370	– 5,918
Investing activities		
Payments for acquisitions of subsidiaries, net	– 546	0
Investments in property, plant and equipment and intangible assets	– 16,177	– 12,693
Proceeds from the sale of property, plant and equipment	151	551
Cash flow from investing activities	**– 16,572**	**– 12,142**
Financing activities		
Interest paid	– 2,017	– 1,794
Dividends paid to non-controlling interests	– 42	– 73
Repayment of borrowings	– 8,960	0
Proceeds from/repayment of derivatives	– 263	954
Repayment of lease liabilities	– 2,634	– 46
Cash flow from financing activities	**– 13,916**	**– 959**
Net change in cash and cash equivalents	**– 20,697**	**– 18,989**
Cash and cash equivalents at the beginning of the year	190,392	155,323
Effect of foreign exchange rates on cash and cash equivalents	2,428	– 1,203
Cash and cash equivalents at the end of the period	**172,123**	**135,131**

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

GROUP-WIDE FINANCIAL MANAGEMENT

A detailed overview of the general financial management of NORMA Group can be found in the 2018 Annual Report. ▶ ANNUAL REPORT 2018, P. 47

NET OPERATING CASH FLOW

In the reporting period from January to March 2019, net operating cash flow amounted to EUR –0.3 million. Net cash outflow thus declined by EUR 13.5 million compared to the same quarter of 2018 (Q1 2018: EUR –13.8 million). This development is mainly attributable to a lower increase in (trade) working capital (EUR –38.1 million) as of March 31, 2019, compared to the end of 2018. As of March 31, 2018, this increase amounted to EUR 55.5 million. Furthermore, the first-time adoption of IFRS 16 had a positive impact of EUR 2.6 million on net operating cash flow.

CASH FLOW FROM OPERATING ACTIVITIES

Cash flow from operating activities reached a value of EUR 9.8 million in the current reporting quarter following a negative value of EUR –5.9 million in the first quarter of 2018. This corresponds to an improvement of EUR 15.7 million.

The significant improvement in the cash flow from operating activities compared to the same quarter of the previous year is mainly due to the development of (trade) working capital in relation to EBITDA generated discussed earlier.

Cash flow from operating activities is influenced by the changes in current assets, provisions and liabilities (excluding liabilities in connection with financing activities).

As in the previous year, the company participates in a reverse factoring program, a factoring program and an ABS program. Liabilities under the reverse factoring program are reported under trade payables and similar liabilities. The cash flows from the reverse factoring, factoring and ABS programs are shown under cash flow from operating activities, as this corresponds to the economic content of the transactions.

The corrections of EUR 0.2 million included in cash flow from operating activities for expenses from the valuation of derivatives relate to the fair value changes of foreign currency derivatives and interest rate swaps allocated to financing activities and recognized in income. In contrast, the first quarter of 2018 included corrections for income from the measurement of derivatives in the amount of EUR –0.3 million.

The adjusted other non-cash income (–)/expenses (+) mainly include expenses from the currency translation of external financial liabilities and intragroup monetary items in the amount of EUR –0.7 million (Q1 2018: EUR 0.4 million).

Cash flows from interest paid are reported under cash flows from financing activities.

CASH FLOW FROM INVESTING ACTIVITIES

Cash flow from investing activities amounted to EUR –16.6 million in the first quarter of 2019 (Q1 2018: EUR –12.1 million) and includes net cash outflows from the procurement and sale of non-current assets of EUR 16.0 million (Q1 2018: EUR 12.1 million). This includes the change in liabilities for the acquisition of intangible assets and property, plant and equipment of EUR –4.3 million (Q1 2018: EUR –2.2 million). The investments made in the period from January to March 2019 related in particular to the sites in Germany, Serbia, the UK, France, China, India as well as the US and Mexico.

The first quarter of 2019 also includes net cash outflows for acquisitions of EUR –0.5 million, compared to no net cash outflows for acquisitions in the prior-year quarter.

CASH FLOW FROM FINANCING ACTIVITIES

Cash flow from financing activities amounted to EUR –13.9 million in the first three months of 2019 (Q1 2018: EUR –1.0 million). This mainly includes repayments of loans of EUR –9.0 million (Q1 2018: EUR 0), repayments of lease liabilities of EUR –2.6 million (Q1 2018: EUR 0) and interest payments (Q1 2019: EUR –2.0 million; Q1 2018: EUR –1.8 million). Also included are repayments from hedging derivatives amounting to EUR –0.3 million (Q1 2018: cash inflow of EUR 1.0 million).

SEGMENT REPORTING

for the period from January 1 to March 31, 2019

	EMEA		Americas		Asia-Pacific		Total segments		Central functions		Consolidation		Group	
IN EUR THOUSANDS	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018
Total revenue	137,161	144,583	114,140	109,979	36,369	33,966	287,670	288,528	7,088	6,701	–19,133	–22,614	275,625	272,615
thereof inter-segment revenue	8,753	12,427	2,510	2,639	782	847	12,045	15,913	7,087	6,701	–19,132	–22,614	0	0
Revenue from external customers	**128,408**	**132,156**	**111,630**	**107,340**	**35,587**	**33,119**	**275,625**	**272,615**	**1**	**0**	**–1**	**0**	**275,625**	**272,615**
Contribution to consolidated Group sales	47%	49%	40%	39%	13%	12%	100%	100%						
Gross profit	80,093	82,829	64,742	61,024	16,580	15,123	161,414	158,976	n/a	n/a	–114	–258	161,301	158,718
Adjusted EBITDA[1]	**25,373**	**27,478**	**21,786**	**21,566**	**5,340**	**4,834**	**52,499**	**53,878**	**–2,896**	**–1,662**	**74**	**–10**	**49,677**	**52,206**
EBITDA margin[1,2]	18.5%	19.0%	19.1%	19.6%	14.7%	14.2%							18.0%	19.2%
Depreciation without PPA depreciation[3]	–4,248	–2,984	–3,574	–2,151	–1,806	–995	–9,628	–6,130	–413	–351	0	0	–10,041	–6,481
Adjusted EBITA[1]	**21,125**	**24,494**	**18,212**	**19,415**	**3,534**	**3,839**	**42,871**	**47,748**	**–3,309**	**–2,013**	**74**	**–10**	**39,636**	**45,725**
Adjusted EBITA margin[1,2]	15.4%	16.9%	16.0%	17.7%	9.7%	11.3%							14.4%	16.8%
Adjustments	786	478	1,897	421	53	0	2,736	899	16	470	n/a	n/a	2,752	1,369
EBITA	**20,339**	**24,016**	**16,315**	**18,994**	**3,481**	**3,839**	**40,135**	**46,849**	**–3,325**	**–2,483**	**n/a**	**n/a**	**36,884**	**44,356**
EBITA margin	14.8%	16.6%	14.3%	17.3%	9.6%	11.3%							13.4%	16.3%
Assets[4,5]	649,881	624,446	673,945	649,757	258,701	250,416	1,582,527	1,524,619	366,711	361,153	–415,522	–414,086	1,533,716	1,471,686
Liabilities[5,6]	213,048	198,342	300,468	291,204	56,667	54,814	570,183	544,360	678,674	671,394	–346,780	–346,509	902,077	869,245
CAPEX	4,977	4,648	3,403	3,934	3,606	1,112	11,986	9,694	245	771	n/a	n/a	12,231	10,465

1_For details regarding the adjustments, refer to PAGE 08.
2_Based on segment sales.
3_Depreciation from purchase price allocations.
4_Including allocated goodwill, taxes are shown in the column 'consolidation'.
5_Previous year's figures as of Dec 31, 2018.
6_Taxes are shown in the column 'consolidation'.

NOTES TO SEGMENT DEVELOPMENT

The share of sales generated by foreign Group companies amounted to 81.6% (Q1 2018: 79.9%) in the first three months of 2019.

EMEA

Revenue (external revenue) in the EMEA region amounted to EUR 128.4 million in the first quarter of 2019, 2.8% below the level of the previous year (Q1 2018: EUR 132.2 million). Organic sales revenues were negative at – 3.6%. The decline in sales was due in particular to the ongoing WLTP issue at the beginning of the year and a decline in business in the automotive sector due to lower production and sales figures. Statek, which was acquired in 2018, contributed 0.9% to sales, while currency effects reduced sales by 0.2%. The EMEA region thus accounted for 47% of Group sales (Q1 2018: 49%).

Adjusted EBITDA in the EMEA region for the period January to March 2019 was EUR 25.4 million, down 7.7% year-on-year (Q1 2018: EUR 27.5 million). With the lower revenue volume compared to the previous year and a simultaneously higher personnel expense ratio, the adjusted EBITDA margin fell accordingly to 18.5% compared to 19.0% in the same period of the previous year. Adjusted EBITA amounted to EUR 21.1 million (Q1 2018: EUR 24.5 million), while the adjusted EBITA margin was 15.4% (Q1 2018: 16.9%). Adjustments within EBITA in the EMEA region of EUR 0.8 million relate to expenses in connection with the rightsizing program, expenses for the integration of Statek and depreciation of property, plant and equipment from purchase price allocations.

Reported EBITA for the first three months of 2019 was EUR 20.3 million (Q1 2018: EUR 24.0 million), resulting in an reported EBITA margin of 14.8% for the EMEA region (Q1 2018: 16.6%).

The reason for the lower margin in the EMEA region was mainly the significantly stronger increase in personnel expenses in relation to sales, which was partly due to the low flexibility of personnel structures in Europe. This does not allow a direct adjustment to the temporarily lower production volume.

Investments made in the EMEA region during the reporting period totaled EUR 5.0 million (Q1 2018: EUR 4.6 million), referring primarily to Serbia, Germany and the UK. Assets increased by 4.1% to EUR 649.9 million compared to the end of 2018 (Dec 31, 2018: EUR 624.4 million). The first-time adoption of IFRS 16 had an increasing effect of EUR 7.7 million on assets.

AMERICAS

In the Americas region, NORMA Group generated external sales of EUR 111.6 million in the first quarter of 2019, up 4.0% on the previous year (Q1 2018: EUR 107.3 million). Organic growth declined by – 3.7%, mainly due to weak EJT business. While business with commercial vehicles and agricultural machinery continued to develop solidly in the first quarter of 2019, production figures in the North American light vehicle market were negative. Sales momentum in the Americas region in the first quarter of 2019 came mainly from the Distribution Services business. NDS's water business in particular recorded strong organic growth in the first three months of 2019. Exchange rate changes had a positive effect of 7.7% on revenue growth in the Americas region. The Americas region accounted for 40% of Group sales in the first quarter of 2019 (Q1 2018: 39%).

Adjusted EBITDA in the Americas region amounted to EUR 21.8 million in the first quarter of 2019, an increase of 1.0% compared to the prior-year quarter (Q1 2018: EUR 21.6 million). The adjusted EBITDA margin was 19.1% (Q1 2018: 19.6%). Based on an adjusted EBITA of EUR 18.2 million in the first three months of 2019 (Q1 2018: EUR 19.4 million), the adjusted EBITA margin was 16.0% (Q1 2018: 17.7%). Adjustments within EBITA of EUR 1.9 million relate mainly to personnel expenses in connection with the rightsizing program and depreciation of property, plant and equipment from purchase price allocations.

Reported EBITA in the Americas region accordingly amounted to EUR 16.3 million (Q1 2018: EUR 19.0 million), corresponding to an reported EBITA margin of 14.3% (Q1 2018: 17.3%).

In the first quarter of 2019, investments in the Americas region amounted to EUR 3.4 million (Q1 2018: EUR 3.9 million) and related in particular to the plants in the US and Mexico. Assets increased by 3.7% year-on-year to EUR 673.9 million (Dec 31, 2018: EUR 649.8 million), among other reasons due to currency effects and as a result of the first-time adoption of IFRS 16 (positive effect of EUR 25.7 million).

ASIA-PACIFIC

External sales in the Asia-Pacific region increased by 7.5% to EUR 35.6 million in the first quarter of 2019 (Q1 2018: EUR 33.1 million). Organic sales revenue in the Asia-Pacific region declined by 8.8%. This is due in particular to the weak environment in the Chinese automotive sector with significant production declines. Growth impulses in the region were mainly driven by the additional sales revenues from the acquisition of Kimplas and the resulting good growth in the DS sector.

Against this backdrop, the Asia-Pacific region accounted for around 13% of Group sales in the current reporting quarter (Q1 2018: 12%).

Adjusted EBITDA in the Asia-Pacific region was EUR 5.3 million, an increase of 10.5% compared to the prior year quarter (Q1 2018: EUR 4.8 million). Accordingly, the adjusted EBITDA margin of 14.7% was slightly higher than in the prior-year quarter (Q1 2018: 14.2%). Adjusted EBITA decreased by 7.9% to EUR 3.5 million (Q1 2018: EUR 3.8 million). The adjusted EBITA margin was 9.7% (Q1 2018: 11.3%). The reason for the lower adjusted EBITA margin was higher depreciation and amortization due to the previous high investments (CAPEX) in localization projects, especially in China.

The adjustments of EUR 0.1 million within EBITA relate to adjustments for expenses in connection with the integration of Kimplas and depreciation of property, plant and equipment from purchase price allocations.

Reported EBITA in the Asia-Pacific region was EUR 3.5 million (Q1 2018: EUR 3.8 million). The region's reported EBITA margin was 9.6% (Q1 2018: 11.3%).

Capital expenditures in the first quarter of 2019 totaled EUR 3.6 million (Q1 2018: EUR 1.1 million) and related to the plants in China and India. On the balance sheet date, assets amounted to EUR 258.7 million and were thus 3.3% higher than at the end of 2018 (Dec 31, 2018: EUR 250.4 million). The first-time adoption of IFRS 16 contributed EUR 4.6 million to this increase.

FORECAST FOR FISCAL YEAR 2019[1]

The forecast for fiscal year 2019 remains in most parts unchanged from the forecast published in the 2018 Annual Report in March 2019. However, on April 25, 2019, the Management Board specified the forecast for the adjusted EBITA margin in more detail. Due to the weak market environment in the Asia-Pacific and EMEA regions, which is more volatile than originally expected, the Management Board assumes that the lower end of the range between 15% and 17% will be reached. Consequently, for the adjusted earnings per share a flat development is expected (previously: moderate increase).

FORECAST FOR FISCAL YEAR 2019

Group sales growth	Moderate organic growth of around 1% to 3%, additionally around EUR 13 million from acquisitions EMEA: moderate organic growth Americas: moderate organic growth APAC: strong organic growth DS: moderate growth EJT: moderate growth
Adjusted cost of materials ratio	Roughly at the same level as in previous years
Adjusted personnel cost ratio	Roughly at the same level as in previous years
Investments in R&D (in relation to EJT sales)	Around 5% of EJT sales
Adjusted EBITA margin	Between 15% and 17%, whereas the lower end of the range will be reached
NOVA	Between EUR 50 million and EUR 60 million
Financial result	Up to EUR – 15 million
Tax rate	Around 25% to 27%
Adjusted earnings per share	Flat development
Investment rate (without acquisitions)	Operative investments of around 5% of Group sales
Net operating cash flow	Around EUR 100 million
Dividend/dividend ratio	Approx. 30% to 35% of adjusted net profit for the period
Number of invention applications	More than 20
Number of defective parts (parts per million/PPM)	Below 20[2]
Number of quality-related complaints per month	Below 8[2]

1_Changes in key figures resulting from the first-time adoption of IFRS 16 are not taken into account in the forecast.
2_Targets until 2020

FINANCIAL CALENDAR, CONTACT AND IMPRINT

FINANCIAL CALENDER 2019

Date	Event
May 21, 2019	Ordinary Annual General Meeting 2019, Frankfurt/Main
Aug 6, 2019	Publication of Interim Report Q2 2019
Nov 6, 2019	Publication of Interim Statement Q3 2019

The financial calendar is constantly updated. Please visit the Investor Relations section on the Company website INVESTORS.NORMAGROUP.COM.

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NORMA Group

DESIGN AND REALIZATION

MPM Corporate Communication Solutions, Mainz, Düsseldorf

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 NORMA Group 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 NORMA Group, 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.

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