

## Press release

17.05.2011

### **NORMA Group AG with successful start into financial year 2011**

- **First quarter sales up considerably by 41.7 % to EUR 150 million due to organic growth and acquisitions (Q1 2010: EUR 106 million)**
- **Adjusted EBITA improves by EUR 9.1 million to EUR 28.4 million (Q1 2010: EUR 19.3 million)**
- **Adjusted EBITA margin of 18.9 % (Q1 2010: 18.2 %)**
- **Sales and earnings improve significantly across all reporting segments – EMEA, the Americas and Asia-Pacific**
- **Organic sales growth of around 10 % forecasted for full year 2011, adjusted EBITA margin expected in the order of the previous year (17.4 %)**

**Maintal, Germany, 17 May 2011** – NORMA Group AG (NORMA Group), an international market and technology leader for engineered joining technology, continues its growth track with a successful first quarter of 2011. All three reporting segments – EMEA, the Americas and Asia-Pacific – improved sales and operating earnings (adjusted EBITDA). “We had an excellent start into financial year 2011,” said Werner Deggim, CEO of NORMA Group. “Each of our reporting segments contributed to this growth and strengthened our market position. We want to continue benefiting from the growth trends in the global markets for engineered joining technologies in the future. We are confident that we will be able to maintain our expansion course in financial year 2011.”

#### **Significant increase in total sales**

NORMA Group increased total sales to EUR 150 million in the first quarter of 2011 which equals a 41.7 % improvement compared to the same quarter last year (Q1 2010: EUR 106 million). A substantial increase in volumes resulting from a strong demand for NORMA Group’s engineered joining technology products and solutions contributed to this positive development. Price effects also had a favourable impact. Last year’s acquisitions of the US companies R.G.Ray and Craig Assembly contributed EUR 13 million to NORMA Group’s increased sales figures.

#### **Operating result considerably improved**

NORMA Group’s adjusted operating earnings (adjusted EBITA) rose to EUR 28.4 million in the first quarter of the current financial year, thus being EUR 9.1 million higher than in the first quarter last year (Q1 2010: EUR 19.3 million). The adjusted EBITA margin went up to 18.9 % in the first quarter of 2011, compared to 18.2 % in the first quarter of 2010.



## Press release

17.05.2011

### Successful IPO in April 2011

NORMA Group has been successfully listed in the Prime Standard of Frankfurt Stock Exchange on 8 April. The gross proceeds from the capital increase for the company amounted to around EUR 147 million. Net proceeds were used to repay part of the financial liabilities and strengthen NORMA Group's equity base. As part of the subsequent refinancing of the Group's credit lines, NORMA Group used EUR 250 million from a credit facility to fully repay existing loans raised in 2007. The company's equity ratio improved from 13 % before the IPO to a current level of notably above 30 %. NORMA Group also has a revolving credit line of EUR 125 million at its disposal for future acquisitions and financing operating activities.

"The IPO and our comprehensive refinancing significantly improved our capital structure and our operational flexibility," said Dr. Othmar Belker, NORMA Group's Chief Financial Officer. "With the favourable results of the first quarter of financial year 2011, we are now well positioned to continue our growth path in the future."

### Positive performance of all reporting segments

The **EMEA** (Europe, Middle East, Africa) segment delivered a positive performance in the first quarter of the current financial year, both in the eurozone and high-growth markets of Eastern Europe. Revenues from external customers improved to EUR 99.9 million, compared to EUR 78.8 million in the first quarter of 2010. NORMA Group's decision to expand its activities in these dynamic regional markets is paying off. After start of production in Russia, NORMA Group's plan to open a new production facility in Serbia later this year is preceding on schedule.

NORMA Group's **Americas** segment also posted significantly higher growth rates for both sales and earnings. Sales improved to EUR 42.6 million, compared to EUR 21.4 million in the previous year. The positive performance of the Americas segment is due to strong organic growth as well as consolidation effects from the acquisitions of US companies R.G.Ray and Craig Assembly last year.

In the first quarter 2011, NORMA Group also continued its growth path in its **Asia-Pacific** segment. Sales figures rose from EUR 5.9 million in the previous year to EUR 7.9 million in the period under review. In order to take full advantage of the significant growth opportunities in this region, NORMA Group aims to expand its facilities in this region and strengthen its activities, particularly through the plant in Thailand which was opened in October 2010. As of this year, NORMA Group Management Board member John Stephenson, the company's Chief Operating Officer and President Asia-Pacific, is developing the structures necessary for further future growth in the region.

### Outlook: sales and EBITA margin will continue to increase

Provided the global economy continues to improve, for the financial year 2011 NORMA Group expects long-term organic sales growth in the order of near 10 %. The consolidation of the Group's two acquisitions in the US, R.G.Ray and Craig Assembly, will result in additional sales of EUR 20 million compared to the previous year. NORMA Group is aiming to use its ongoing "Global Excellence" cost reduction programme and other measures for achieving productivity gains to reach an adjusted EBITA

## Press release

17.05.2011

margin in the order of the previous year's level of 17.4 %. This forecast assumes that the increase in the price of materials as the year progresses will remain in line with the trend established in the first quarter.

### NORMA Group – in figures

Overview of key financial indicators (in € millions)		
Statement of income	01.01. – 31.03. 2011	01.01. – 31.03. 2010
Sales	150.3	106.1
Adjusted EBITA	28.4	19.3
Adjusted EBITA margin	18.9%	18.2%
Statement of financial position	31.03. 2011	31.12. 2010
Total assets	601.8	578.8
Equity (pre-capital increase)	75.4	78.4
Net debt (pre-capital increase)	355.5	344.1

The complete report for the first quarter of 2011 is available at [www.normagroup.com](http://www.normagroup.com).

More information is available from the Investor Relations section at [www.normagroup.com](http://www.normagroup.com).

#### Upcoming events:

The results for the second quarter of the 2011 financial year will be published on 10 August 2011.

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#### About NORMA Group

NORMA Group is a global market and technology leader in attractive niche markets for engineered joining technology offering more than 35,000 high quality products and solutions to approximately 10,000 customers in 80 countries. NORMA Group was formed in 2006 through the merger of the German Rasmussen Group, a manufacturer of connecting and retaining elements and fluid conveying



## Press release

17.05.2011

conduits which was founded in 1949, and the Swedish ABA Group, a European leader in engineered joining technologies. In 2010, NORMA Group generated revenues of around € 490 million with approximately 3,500 employees. The company manufactures and sells a wide range of innovative engineered joining technology solutions in three product categories (clamp, connect and fluid) using two distinct ways-to-market: Engineered Joining Technology (“EJT”) and Distribution Services (“DS”). In EJT, NORMA Group provides original equipment manufacturers with mission-critical solutions that are engineered to meet their specific needs. In DS, NORMA Group leverages its worldwide manufacturing and distribution network to provide high-quality standardized products under its well known brands ABA®, BREEZE®, Gemi®, NORMA®, R.G.RAY®, Serflex®, Serratub®, TERRY® and Torca®. Headquartered in Maintal, Germany, NORMA Group operates a global network of 17 manufacturing and distribution facilities as well as ten sales and distribution sites across Europe, the Americas and Asia Pacific.

### Disclaimer

This Press Release 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 actual events including the financial position and profitability of the NORMA Group AG and developments in the economic and regulatory fundamentals may vary substantially (particularly on the down side) from those explicitly or implicitly assumed or described in these statements. Even if the actual results for the NORMA Group AG, including its financial position and profitability and the economic and regulatory fundamentals, are in accordance with such future-oriented statements in this Press Release, no guarantee can be given that this will continue to be the case in the future.