

NORMA Group continues growth course in second quarter of 2021

- **Strong water business and resurgent automotive business lead to significant growth**
- **Sales up 47.1 percent to EUR 281.7 million**
- **Adjusted EBIT margin at 12.8 percent**
- **Strong net operating cash flow of EUR 36.8 million**
- **Full-year forecast confirmed**

Maintal, Germany, 4 August 2021 – NORMA Group benefited from the ongoing economic recovery and strong customer demand in the second quarter of 2021. The company continued the growth course established in the first quarter and recorded significant growth in sales and earnings compared to the prior-year period, which was dominated by the pandemic.

NORMA Group generated **sales** of EUR 281.7 million in Q2 2021 - a year-on-year increase of 47.1 percent (Q2 2020: EUR 191.5 million). Organic sales growth was 53.0 percent. Adjusted earnings before interest and taxes (**adjusted EBIT**) was EUR 36.1 million (Q2 2020: EUR -24.6 million). The **adjusted EBIT margin** was 12.8 percent (Q2 2020: -12.9 percent). At EUR 36.8 million, **net operating cash flow** in Q2 2021 was also significantly higher than in the previous year (Q2 2020: EUR 1.9 million).

CEO Dr. Michael Schneider: “We performed strongly in all business areas in the second quarter. Resurgent customer demand and further savings from our “Get on track” global change program are reflected in the substantially higher margin. We have further improved both our flexibility and efficiency and will focus even more closely on the water management, general industry applications and electromobility businesses in the future. We are systematically pressing ahead with our digitalization initiatives and the strategic management of our product portfolio.”

Strong growth in all business regions

In the **EMEA** region (Europe, Middle East and Africa), sales increased by 79.5 percent year-on-year to EUR 123.1 million in Q2 2021 (Q2 2020: EUR 68.6 million). This was due to the huge increase in demand for joining solutions from car manufacturers in Europe combined with a significant recovery in business with standardized joining technology through distributors compared with the same quarter of the previous year, a period that was dominated by the pandemic.

In the **Americas** region, sales in the second quarter were 34.1 percent higher than in the prior-year quarter at EUR 119.7 million (Q2 2020: EUR 89.3 million). Sales growth resulted from the significant rebound in production figures in the commercial and passenger vehicle sector as well as from further strong business with water management products.

In the **Asia-Pacific** region, sales grew by 15.5 percent year-on-year to EUR 38.8 million in the second quarter (Q2 2020: EUR 33.6 million). NORMA Group benefited in particular from continued strong demand for engineered joining solutions from the Chinese automotive industry.

Sound growth in the first half of 2021

In the first six months of the current financial year, Group sales were EUR 568.1 million. This represents year-on-year growth of 27.6 percent (H1 2020: EUR 445.0 million) and is slightly above the sales level of 2019 before the Corona virus hit (H1 2019: EUR 564.7 million). Organically, sales grew by 33.0 percent in the six-month period.

Dr. Michael Schneider: “In the first half of 2021, we achieved growth in all business areas and have reached the sales level of 2019 - before the pandemic-related economic downturn. This reflects NORMA Group’s powerful recovery and demonstrates our resilience and flexibility.”

In the period from January to June 2021, adjusted earnings before interest and taxes (**adjusted EBIT**) totaled EUR 73.0 million (H1 2020: EUR 0.5 million). The **adjusted EBIT margin** was 12.8 percent (H1 2020: 0.1 percent). At EUR 39.3 million, **net operating cash flow** in the first half of 2021 was significantly higher than in the previous year (H1 2020: EUR 8.5 million). Non-adjusted expenses for the “Get on track” transformation program, which has been in place since November 2019, amounted to EUR 1.4 million in the first half of 2020. In the first half of the previous year, additional expenses from the program were significantly higher at EUR 22.1 million. NORMA Group continued implementation of the program in the first half of 2021 and optimized its production capacities in China: Production from the plant in Shaoxing was integrated into the existing plant in Changzhou.

Forecast for full year 2021 confirmed

Based on the strong order situation at the end of the first half of 2021 as well as on current planning figures, the Management Board of NORMA Group stands by its forecast for the financial year 2021. For the Group, the Management Board continues to expect organic sales growth in the low double-digit range. The adjusted EBIT margin is expected to be above 12 percent in 2021. The Management Board expects net operating cash flow of over EUR 110 million for 2021.

NORMA Group in figures

Key financial figures			
Income statement	Q2 2021	Q2 2020	Change in %
Sales (EUR million)	281.7	191.5	47.1
Adjusted* EBIT (EUR million)	36.1	-24.6	n.a.
Adjusted* EBIT margin (%)	12.8	-12.9	n.a.
Income statement	H1 2021	H1 2020	Change in %
Sales (EUR million)	568.1	445.0	27.6
Adjusted* EBIT (EUR million)	73.0	0.5	n.a.
Adjusted* EBIT margin (%)	12.8	0.1	n.a.
Balance sheet	June 30, 2021	Dec. 31, 2020	Change in %
Total assets (EUR million)	1,464.7	1,414.7	3.5
Equity ratio (%)	42.7	41.7	n.a.
Net debt* (EUR million)	352.0	338.4	4.0
Workforce incl. temporary employees	8,754	7,476	17.1

* More information on the adjustments can be found in the following financial reports: [Q2 2021](#) (p. 41 f.) [Q2 2020](#) (p. 34 ff.)

Additional information on the business results can be found [here](#). For press photos, please visit our [Press Area](#).

Additional dates

NORMA Group will publish figures for the third quarter of 2021 on November 3, 2021.



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About NORMA Group

NORMA Group is an international market leader in engineered and standardized [joining and fluid-handling technology](#). With around 8,800 employees, NORMA Group supplies customers in over 100 countries with more than [40,000 product solutions](#). NORMA Group supports its customers and business partners in responding to global challenges such as climate change and the increasing scarcity of resources. NORMA Group's products help reduce emissions harmful to the climate and [use water more efficiently](#). Its innovative joining solutions are used in water supply, irrigation and drainage systems, vehicles with conventional and alternative drive systems, ships and aircraft, as well as buildings. NORMA Group generated sales of around EUR 952 million in 2020. The company has a [global network](#) of 27 production sites and numerous sales offices in Europe, North, Central and South America and the Asia-Pacific region. Its headquarters are located in Maintal near Frankfurt/Main. NORMA Group SE is listed on the Frankfurt Stock Exchange in the regulated market (Prime Standard) and is a member of the SDAX.

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