

COMPANY ANNOUNCEMENT AND PRESS RELEASE

Gabriel Holding A/S
Company registration no. 58868728
Interim report H1 2018/19
(1 October 2018 – 31 March 2019)

Gabriel Holding A/S – first half of the 2018/19 financial year

Summary:

Gabriel realises solid revenue growth, increases profit before tax and maintains expectations for the year.

- Revenue increased by DKK 50.1 million (17%) to DKK 343.7 million (DKK 293.6 million)
 - The increase in the second quarter was 20% to DKK 178.4 million (DKK 148.3 million)
- Operating profit (EBIT) increased by 31% to DKK 36.0 million (DKK 27.6 million)
 - The increase in the second quarter was 41% to DKK 19.2 million (DKK 13.6 million)
- Profit before tax increased by 31% to DKK 36.4 million (DKK 27.7 million)
 - In the second quarter, profit before tax increased by 46% to DKK 19.6 million (DKK 13.4 million)
- Return on invested capital was 24.9% (21.9%)
- Operating margin was 10.5% (9.4%)
- The sale of the Gabriel Ejendomme A/S subsidiary has been put on hold
- In April Gabriel North America Inc. acquired the share capital of the Mexican furniture manufacturer Grupo RYL, S. A. de C.V.

- Expectations for the 2018/19 financial year:
 - Revenue and earnings realised for the first half-year are in the upper range of management's expectations for the half-year.
 - Revenue growth in the Group in the second half-year will be positively affected by the purchased businesses UAB Baltijos Tekstilė (Lithuania) and Grupo RYL, S. A. de C.V. (Mexico).
 - As a result of acquisition and restructuring costs and the general effect on operations of the two acquisitions, the Group's financial ratios for the second half-year are expected to end below those realised for the first half-year.
 - As a whole, management expects that growth in revenue and earnings for the full year will end in the upper range of the 10-20% stated in the annual report.

GROUP					
Financial highlights, DKK million	2018/19	*2017/18	2018/19	*2017/18	*2017/18
	H1	H1	Q2	Q2	Full year
Net revenue	343.7	293.6	178.4	148.3	601.1
Operating profit (EBIT)	36.0	27.6	19.2	13.6	55.0
Share of profit after tax in joint venture	1.1	1.3	0.4	0.6	2.5
Net finance income and costs	-0.7	-1.1	-	-0.8	-1.4
Profit before tax	36.4	27.7	19.6	13.4	56.1
Tax	-8.1	-6.2	-4.5	-3.3	-12.7
Profit for the period	28.4	21.6	15.2	10.2	43.4
Statement of financial position total	503.2	404.8			433.9
Equity	261.7	228.3			249.6
Invested capital	312.0	265.9			282.5
Working capital	144.5	123.6			134.0
Cash flows from operating activities	18.4	14.7	12.1	7.6	40.2
Investments in property, plant and equipment	10.9	6.4	4.6	1.5	17.8
Depreciation, amortisation and impairment losses	8.8	10.4	5.8	7.3	17.8
Financial ratios:					
Gross margin, %	41.2	39.3	41.4	39.7	39.5
Operating margin (EBIT margin), %	10.5	9.4	10.8	9.2	9.2
Return on invested capital (ROIC) before tax, %	24.9	21.9	26.6	21.7	21.4
Earnings per share (EPS), DKK	30.0	22.8	32.1	21.6	23.0
Return on equity, %	23.2	19.8	24.8	18.7	18.5
Price earnings (PE), DKK	19.1	23.3	17.9	24.7	26.4
Number of employees (average over the period) including production staff	689	469	761	463	517
	434	265	419	267	296