

COMPANY ANNOUNCEMENT AND PRESS RELEASE

Gabriel Holding A/S
Company registration no. 58868728
Quarterly report, three quarters of 2018/19
[1 October 2018 – 30 June 2019]

Gabriel Holding A/S – three quarters of the 2018/19 financial year

Summary:

Gabriel Holding A/S realises growth of 15% in revenue and earnings.

Expectations for the financial year are maintained.

- Revenue increased by DKK 69.6 million (15%) to DKK 520.2 million (DKK 450.6 million)
 - The increase in the third quarter was 12% to DKK 176.5 million (DKK 157.0 million)
- Operating profit (EBIT) increased by 20% to DKK 49.3 million (DKK 41.1 million)
 - In the third quarter, operating profit (EBIT) decreased by 3% to DKK 13.2 million (DKK 13.6 million)
- Profit before tax increased by 15% to DKK 49.1 million (DKK 42.6 million)
 - In the third quarter, profit before tax decreased by 14% to DKK 12.7 million (DKK 14.8 million)
- Return on invested capital was 20.5% (24.3%)
Operating margin was 9.5% (9.1%)
- 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. As expected, the integration of Grupo RYL into the Gabriel Group negatively affected the financial ratios in the third quarter. Running-in is proceeding to plan.
- Expectations for the 2018/19 financial year:
 - In the 2017/18 annual report, management expected growth in revenue and earnings of 10-20% for the full 2018/19 financial year.
 - After the first half-year, management expected that growth in revenue and earnings for the full year would end in the upper range of the 10-20% stated in the annual report.
 - After three quarters, these expectations for the 2018/19 financial year are maintained.

GROUP					
Financial highlights, DKK million	2018/19	*2017/18	2018/19	*2017/18	*2017/18
	9 months	9 months	Q3	Q3	Full year
Net revenue	520.2	450.6	176.5	157.0	601.1
Operating profit (EBIT)	49.3	41.1	13.2	13.6	55.0
Share of profit after tax in joint venture	1.8	2.0	0.7	0.7	2.5
Net finance income and costs	-1.9	-0.6	-1.2	0.5	-1.4
Profit before tax	49.1	42.6	12.7	14.8	56.1
Tax	-10.6	-9.5	-2.6	-3.3	-12.7
Profit for the period	38.5	33.1	10.1	11.5	43.4
Statement of financial position total	565.6	420.4			433.9
Equity	283.6	239.8			249.6
Invested capital	360.3	281.6			282.5
Working capital	179.8	132.3			134.0
Cash flows from operating activities	13.1	24.7	-11.8	10.6	40.2
Investments in property, plant and equipment	5.2	7.3	4.7	1.3	17.8
Depreciation, amortisation and impairment losses	13.8	14.1	5.0	3.7	17.8
Financial ratios:					
Gross margin, %	41.1	39.4	40.8	39.5	39.5
Operating margin (EBIT margin), %	9.5	9.1	7.5	8.6	9.2
Return on invested capital (ROIC) before tax, %	20.5	24.3	16.5	24.1	27.5
Earnings per share (EPS), DKK	27.2	23.3	21.4	24.3	23.0
Return on equity, %	21.2	19.4	16.7	20.3	18.5
Price earnings (PE), DKK	26.0	25.0	33.0	23.9	26.4
Number of employees (average over the period)	769	508	930	535	517
including production staff	406	300	452	219	296

* Comparative figures have been changed in connection with the presentation of property activities as continuing operations.