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Hornbach increases net sales by 5.3% to Euro 4.4 billion – earnings significantly short of previous year's figures**Trading statement 2018/19: Sales targets met / DIY stores with garden centers post like-for-like growth of 4.2 % / Builders' merchant sales up 6.7 %***Neustadt/Weinstrasse, March 21, 2019.*

The Hornbach Group generated substantial sales growth in the 2018/19 financial year (March 1, 2018 to February 28, 2019). Despite unfavorable weather conditions at times in the first half of the year, sales at the Hornbach Holding AG & Co. KGaA Group rose 5.3 % to Euro 4,362 million. Hornbach Baumarkt AG, the largest operating subgroup which operated 158 DIY stores with garden centers and online shops in nine countries across Europe at the balance sheet date on February 28, 2019 (2017/18: 156), also increased its sales by 5.3 %, in this case to Euro 4,096 million. On a like-for-like basis and net of currency items, group-wide sales at the DIY stores with garden centers (DIY) grew 4.2 % (3.8 % including currency items). As in the previous year, the highest growth momentum came from the international business. The Hornbach Baustoff Union GmbH subgroup boosted its sales by 6.7 % to Euro 265 million.

“Our sales growth in the past 2018/19 financial year was very pleasing. After the frosty start to the spring and suffocating summer heat, demand at our stores and online stores really got going in the second half of the year”, comments Albrecht Hornbach, CEO of Hornbach Management AG. Hornbach increased its like-for-like sales in 2018/19, and that for what is now the fourth consecutive year. “That shows our business model is working. Smartly linking stationary and online retail enables us to create real added value for our customers. And that is reflected in high demand. That offers us a good basis for significantly improving our earnings situation once again in future.” As reported in ad-hoc announcements published yesterday, based on initial preliminary figures the company's earnings for the 2018/19 financial year fell significantly short of the previous year, with this mainly being due to increased costs.

2.2% like-for-like growth at German DIY and garden stores – builders' merchant sales up 6.7 %

Net DIY sales, including online retail, in the Germany region grew by 2.3 % to Euro 2,118 million in the 2018/19 financial year (March 1, 2018 to February 28, 2019). On a like-for-like basis, i.e. excluding stores newly opened or closed in the past twelve months, sales rose by 2.2 % (2017/18: 1.5 %). In Germany, Hornbach was operating 97 stores in its stationary DIY retail business as of the balance sheet date (2017/18: 98). Although Hornbach did not open any new stores in Germany, its market share – based on aggregate sales at all DIY and garden stores – rose slightly to 11.1 % (2017/18: 11.0 %).

The Hornbach Baustoff Union GmbH subgroup increased its sales by 6.7 % to Euro 265 million in the 2018/19 financial year. Having opened one new location, it now operates a total of 30 outlets.

International activities remain key growth driver

Like in the two previous years, the Group's growth continued to be driven by its DIY retail activities in eight countries outside Germany (Other European Countries region). Including sales at the DIY stores with garden centers newly opened in Zwolle (Netherlands), Affoltern (Switzerland), and Borås (Sweden) and in its online retail business, the Hornbach Baumarkt AG boosted its sales in this region by 8.6 % to Euro 1,977 million. As a result, the international share of consolidated sales rose from 46.8 % to 48.3 %. On a like-for-like basis and net of currency items, Hornbach increased its sales in other European

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countries by 6.5 % in the 2018/19 financial year, following growth of 6.1 % one year earlier. Including currency items, like-for-like sales grew 5.6 % (2017/18: 5.6 %).

Like-for-like sales performance at Hornbach's DIY stores with garden centers * (in %)

2018/19 financial year 2017/18 financial year	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter	Total
Group	2.3	3.4	6.2	5.9	4.2
	5.4	2.6	2.7	3.3	3.6
Germany	-0.2	1.2	4.4	4.7	2.2
	3.8	0.3	0.5	0.9	1.5
Other European countries	5.2	5.8	8.2	7.1	6.5
	7.5	5.3	5.4	6.2	6.1

* Excluding currency items

Earnings forecast specified

Within the ongoing process of preparing the consolidated financial statements, the Board of Management has specified the Hornbach Group's earnings forecast for the past 2018/19 financial year. Based on initial, preliminary, and unaudited figures, the Board of Management expects the Hornbach Group's operating earnings net of non-operating items (adjusted EBIT) to amount to around Euro 135 million (2017/18: Euro 165.6 million). On the level of the Hornbach Baumarkt AG subgroup, which is also publicly listed, the Board of Management expects adjusted EBIT of around Euro 82 million (2017/18: Euro 110.0 million). This reduction in earnings is due to personnel and material expenses, which showed clearly disproportionate growth compared with sales. "Looking ahead, our overriding goal is to sustainably boost our earnings strength once again", comments Albrecht Hornbach.

Details of the earnings performance, the 2018/19 annual financial statements, and the outlook for the 2019/20 financial year will be published at the Annual Results Press Conference on May 27, 2019.

Preliminary key figures Hornbach Holding AG & Co. KGaA Group (in Euro million unless otherwise stated)	2018/19 financial year	2017/18 financial year	Change in %
Net sales at Hornbach Group	4,362	4,141	5.3
Net sales at Hornbach Baumarkt AG subgroup	4,096	3,891	5.3
of which in Germany	2,118	2,071	2.3
of which in other European countries	1,977	1,820	8.6
Net sales at Hornbach Baustoff Union GmbH subgroup	265	248	6.7
Number of DIY stores	158	156	1.3
Sales areas (DIY) as per BHB (000 m ²)	1,853	1,822	1.7
Total workforce of Hornbach Group ¹⁾	21,055	19,614	7.3

¹⁾ Head count at balance sheet date on February 28/29, including passive employment relationships
Rounding up or down may lead to discrepancies between percentages and totals. Percentage figures calculated on basis of Euro 000s.