

## PRESSEMITTEILUNG – PRESS RELEASE – PRESSEMITTEILUNG

**Hornbach increases net sales by 8.4 % to Euro 4.7 billion in 2019/20 financial year – corona crisis looms large**

**Trading Statement 2019/20: Sales targets met / DIY stores with garden centers grow by 8.1 % / Builders' merchant business boosts sales by 13.2 % / Albrecht Hornbach expects corona crisis to have noticeable impact on 2020/21 financial year: "But we are fortunate to have the resources to get through difficult periods as well."**

*Neustadt/Weinstrasse, March 20, 2020.*

The Hornbach Group generated substantial growth in the 2019/20 financial year (March 1, 2019 to February 29, 2020). Based on preliminary figures, the Hornbach Holding AG & Co. KGaA Group increased its net sales by 8.4 % to more than Euro 4.7 billion. Hornbach Baumarkt AG, the largest operating subgroup which operated 160 DIY stores with garden centers and online shops in nine countries across Europe at the balance sheet date on February 29, 2020 (2018/19: 158), increased its sales by 8.1 % to more than Euro 4.4 billion. On a like-for-like basis and net of currency items, group-wide sales at the DIY stores with garden centers (DIY) grew by 7.7 %. The Hornbach Baustoff Union GmbH subgroup posted sales growth of 13.2 % to Euro 299 million. The corona crisis did not have any impact on the Hornbach Group's business performance in the past 2019/20 year under report or in the subsequent period to date. Albrecht Hornbach, CEO of Hornbach Management AG, nevertheless expects the crisis to have a noticeable impact on the 2020/21 financial year. He stressed: "Given the great uncertainty surrounding further developments, it is currently not possible to make any specific forecasts. I see the Hornbach Group, with its financial strength and liquidity reserves, as fortunately being very well positioned to get through difficult periods as well."

**Earnings forecast for past 2019/20 financial year specified in greater detail**

As communicated in an ad-hoc announcement yesterday, earnings for the 2019/20 financial year are thought to have outperformed the expectations most recently communicated. Based on initial, preliminary, and unaudited earnings figures, operating earnings adjusted to exclude non-operating earnings items (adjusted EBIT) at the Hornbach Holding AG & Co KGaA Group (2018/19: Euro 134.9 million) are now expected to be probably slightly higher than the guidance range most recently communicated. At the end of nine-month period, earnings were still expected to show growth "in a low to medium double-digit percentage range". Based on preliminary data, adjusted EBIT at the Hornbach Baumarkt AG +96

Details of the earnings performance, the 2019/20 annual financial statements, and the outlook for the 2020/21 financial year will be published at the Annual Results Press Conference, which is scheduled to be held on May 27, 2020.

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### 6.5 % like-for-like growth at German DIY and garden stores – builders' merchant sales up 13.2 %

Net DIY sales, including online retail, in the Germany region grew by 6.0 % to Euro 2,245 million. On a like-for-like basis, i.e. excluding stores newly opened or closed in the past twelve months, sales rose by 6.5 % (2018/19: 2.2 %). Hornbach therefore clearly outperformed the DIY sector in Germany (2019 calendar year: plus 3.8 %). As of the balance sheet date, Hornbach operated 96 stores in its stationary DIY retail business in Germany (2018/19: 97). Although Hornbach did not open any new stores in Germany, its market share rose to 11.3 % (2018/19: 11.1 %).

### International activities with double-digit growth

Including the DIY stores with garden centers newly opened in the second half of the year in Kristianstad (Sweden), Prešov (Slovakia), and Duiven (Netherlands), as well as its online retail, the Hornbach Baumarkt AG subgroup increased its sales in the eight countries outside Germany (Other European Countries region) by 10.4 % to Euro 2,183 million. The international share of consolidated sales rose from 48.3 % to 49.3 %. On a like-for-like basis and net of currency items, Hornbach increased its sales in other European countries by 8.9 % in the 2019/20 financial year (2018/19: 6.5 %). Including currency items, like-for-like sales grew by 9.2 % (2018/19: 5.6 %).

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

2019/20 financial year 2018/19 financial year	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	Total
<b>Group</b>	<b>7.8</b>	<b>8.8</b>	<b>4.6</b>	<b>9.7</b>	<b>7.7</b>
	2.3	3.4	6.2	5.9	4.2
<b>Germany</b>	<b>6.9</b>	<b>8.0</b>	<b>3.3</b>	<b>7.9</b>	<b>6.5</b>
	(0.2)	1.2	4.4	4.7	2.2
<b>Other European Countries</b>	<b>8.7</b>	<b>9.6</b>	<b>5.9</b>	<b>11.6</b>	<b>8.9</b>
	5.2	5.8	8.2	7.1	6.5

\* Excluding currency items

The Hornbach Baustoff Union GmbH subgroup reported sales growth of 13.2 % to Euro 299 million in the 2019/20 financial year. Due to the takeover of competitors, the number of outlets operated by the subgroup rose year-on-year from 30 to 34.

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**Store closures due to corona crisis**

Albrecht Hornbach pointed out that it was “bitter” that the company’s success in the past financial year should be overshadowed by the hourly developments in the news surrounding the corona crisis. Due to the pandemic, Hornbach has been ordered to temporarily close its stationary stores in several countries. “We have to expect to lose sales due to store closures. This will be partly offset, however, by our online shops, which enable us to generate some sales despite store closures. Given the uncertainty surrounding further developments, however, it is currently not possible to make any specific forecasts. I see the Hornbach Group, with its financial strength and liquidity reserves, as fortunately being very well positioned to get through difficult periods as well”, commented Albrecht Hornbach with regard to the current situation.

<b>Preliminary unaudited key figures Hornbach Holding AG &amp; Co. KGaA Group (in Euro million unless otherwise stated)</b>	<b>2019/20 financial year</b>	2018/19 financial year	Change in %
<b>Net sales at Hornbach Group</b>	<b>4,729</b>	<b>4,362</b>	8.4
Net sales at Hornbach Baumarkt AG subgroup	<b>4,428</b>	<b>4,096</b>	8.1
of which in Germany	2,245	2,118	6.0
of which in Other European Countries	2,183	1,977	10.4
Net sales at Hornbach Baustoff Union GmbH subgroup	<b>299</b>	<b>265</b>	13.2
Number of DIY stores	<b>160</b>	<b>158</b>	1.3
Sales areas (DIY) as per BHB (000 m <sup>2</sup> )	<b>1,889</b>	<b>1,853</b>	1.9
Total workforce of Hornbach Group <sup>1)</sup>	<b>21,505</b>	<b>21,055</b>	2.1

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