

STOCK EXCHANGE AND PRESS RELEASE

Gabriel Holding A/S
First half-yearly report 2016/17
(1 October 2016 – 31 March 2017)

Gabriel Holding A/S – first half of the 2016/17 financial year

Summary:

Gabriel Holding A/S realises growth of 23% in revenue and an increase of 9% in profit before tax. Management is upwardly adjusting its expectations for the full financial year.

- Revenue increased by DKK 45.6 million (23%) to DKK 241.3 million (DKK 195.8 million), of which DKK 18.8 million is computed as organic growth, while DKK 26.8 million comes from the acquired company (five months' revenue).
 - The increase in the second quarter was 24% to DKK 124.3 million (DKK 100.4 million).
- The operating profit (EBIT) was DKK 21.6 million (DKK 20.7 million).
 - The increase in the second quarter was 6% to DKK 13.3 million (DKK 12.5 million).
- The profit before tax was DKK 23.8 million (DKK 21.9 million).
 - The increase in the second quarter was 16% to DKK 14.3 million (DKK 12.3 million).
- The return on invested capital was 31.2% (39.3%).
- The operating margin was 9.0% (10.6%).
- The integration of the acquired screen manufacturer Screen Solutions Ltd. and the establishment of the upholstery unit in Grand Rapids, Michigan, USA are running to plan, while earnings from the underlying activities exceed management's expectations.

In the 2015/16 annual report, management expected growth in revenue of the order of 20% and an increase in profit before tax of 0-5% for the full 2016/17 financial year. After the first half of the year, management is upwardly adjusting its expectations for the entire financial year to growth in revenue of 20-25% and an increase in profit before tax of the order of 10%.

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Financial highlights, DKK million	GROUP				
	2016/17	2015/16	2016/17	2015/16	2015/16
	H1	H1	Q2	Q2	Full year
Revenue	241.3	195.8	124.3	100.4	390.4
Operating profit (EBIT) from continuing operations	21.6	20.7	13.2	12.5	39.4
Share of profit after tax in joint venture	1.7	2.0	0.6	0.8	4.5
Net finance income and costs	0.5	-0.8	0.4	-1.0	-1.2
Profit before tax from continuing operations	23.8	21.9	14.2	12.3	42.7
Tax	-5.2	-3.9	-3.3	-2.3	-8.5
Profit after tax for the period from continuing operations	18.6	18.0	10.9	10.0	34.2
Profit after tax for the period from discontinuing operations	0.1	0.1	0.1	0.0	0.1
Profit for the period	18.7	18.1	11.1	10.0	34.3
Statement of financial position total	387.4	283.7			289.7
Equity	207.0	185.1			201.6
Invested capital	157.2	120.1			201.7
Working capital	100.5	79.0			80.3
Cash flows from operating activities	-2.5	12.8	-8.9	3.5	33.5
Investments in property, plant and equipment	7.6	2.5	5.8	0.4	5.7
Depreciation, amortisation and impairment losses	4.4	3.2	2.3	1.6	8.0
Financial ratios:					
Gross margin, %	41.5	40.5	42.2	41.4	40.6
Operating margin (EBIT margin), %	9.0	10.6	10.7	12.5	10.1
Return on invested capital (ROIC) before tax, %	31.2	39.3	38.2	47.5	19.6
Earnings per share (EPS), DKK	19.8	19.1	23.4	21.3	18.1
Return on equity, %	19.1	20.4	22.5	22.7	18.0
Price earnings (PE), DKK	28.7	13.3	24.3	12.0	31.5
Number of employees (average for the period)	378	287	404	293	292
Of whom in production	205	147	199	146	146

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