

## Interim Announcement within the Second Half of 2013

### Sales revenue up in the third quarter – Unsatisfactory earnings performance

Kirn, 30/10/2013. The SIMONA Group generated sales revenue of €77.6 million in the third quarter of 2013, a performance considered partially satisfactory. This figure was close to that recorded in the third quarter of 2012, when revenue had totalled €78.1 million. Compared to the second quarter of 2013 (€71.3 million), the Group managed to lift sales revenue by 8.9 per cent. Growth generated in the third quarter was attributable in particular to a slight improvement in investment spending in Germany by customers operating in the chemical and mechanical engineering industry, complemented by continued forward momentum in Eastern Europe.

In total, the SIMONA Group generated revenue of €218.0 million in the period up to 30 September 2013, which is 4.0 per cent less than in the same period a year ago (€227.2 million). This was due primarily to a weak start to the year and a downturn in sales revenue in the United States following the company's decision to refocus on its core business.

In the area of semi-finished parts, sales of extruded and compression moulded sheets made of PE and PP were comparable in the first three quarters to the figure recorded for the same period a year ago. The Group recorded growth within the area of extruded PVC sheets, which are used mainly in the construction industry and for applications in the advertising sector. The product group comprising pipes and fittings made of PE and PP showed visible signs of contraction compared to the previous year, although gains were recorded in the area of fittings made of PE, PP and fluoroplastics.

Despite a considerable improvement in the third quarter compared to the previous three months, earnings performance as a whole was unsatisfactory. Commodity prices are extremely volatile, and having reached a high level overall, they are exerting downward pressure on the Group's gross profit margin. The continued rise in energy prices and the payment of EEG fees under the German Renewable Energy Act have resulted in significant cost increases. Earnings before interest and taxes (EBIT) amounted to €5.5 million (prev. year: €8.8 million) or 2.5 per cent of sales revenue (prev. year: 3.9 per cent).

There were no significant changes to the Group's financial position or cash flows in the first nine months of 2013. Liquidity stood at €53.6 million as at 30 September 2013 (31/12/2012: €58.0 million).

If business continues to progress along positive lines in the fourth quarter, the Group's revenue target of €280-290 million is considered achievable. To the best of the company's knowledge at present, the projected EBIT margin of 3-4 per cent will not be attainable.

The Management Board