

## COMPANY ANNOUNCEMENT AND PRESS RELEASE

Gabriel Holding A/S  
Company registration no. 58868728  
Interim report H1 2018/19  
(1 October 2018 – 31 March 2019)

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### Gabriel Holding A/S – first half of the 2018/19 financial year

#### Summary:

**Gabriel realises solid revenue growth, increases profit before tax and maintains expectations for the year.**

- Revenue increased by DKK 50.1 million (17%) to DKK 343.7 million (DKK 293.6 million)
  - The increase in the second quarter was 20% to DKK 178.4 million (DKK 148.3 million)
- Operating profit (EBIT) increased by 31% to DKK 36.0 million (DKK 27.6 million)
  - The increase in the second quarter was 41% to DKK 19.2 million (DKK 13.6 million)
- Profit before tax increased by 31% to DKK 36.4 million (DKK 27.7 million)
  - In the second quarter, profit before tax increased by 46% to DKK 19.6 million (DKK 13.4 million)
- Return on invested capital was 24.9% (21.9%)
- Operating margin was 10.5% (9.4%)
- 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.
  
- Expectations for the 2018/19 financial year:
  - Revenue and earnings realised for the first half-year are in the upper range of management's expectations for the half-year.
  - Revenue growth in the Group in the second half-year will be positively affected by the purchased businesses UAB Baltijos Tekstilė (Lithuania) and Grupo RYL, S. A. de C.V. (Mexico).
  - As a result of acquisition and restructuring costs and the general effect on operations of the two acquisitions, the Group's financial ratios for the second half-year are expected to end below those realised for the first half-year.
  - As a whole, management expects that growth in revenue and earnings for the full year will end in the upper range of the 10-20% stated in the annual report.

<b>GROUP</b>					
<b>Financial highlights, DKK million</b>	<b>2018/19</b>	<b>*2017/18</b>	<b>2018/19</b>	<b>*2017/18</b>	<b>*2017/18</b>
	<b>H1</b>	<b>H1</b>	<b>Q2</b>	<b>Q2</b>	<b>Full year</b>
Net revenue	<b>343.7</b>	293.6	<b>178.4</b>	148.3	601.1
Operating profit (EBIT)	<b>36.0</b>	27.6	<b>19.2</b>	13.6	55.0
Share of profit after tax in joint venture	<b>1.1</b>	1.3	<b>0.4</b>	0.6	2.5
Net finance income and costs	<b>-0.7</b>	-1.1	-	-0.8	-1.4
Profit before tax	<b>36.4</b>	27.7	<b>19.6</b>	13.4	56.1
Tax	<b>-8.1</b>	-6.2	<b>-4.5</b>	-3.3	-12.7
Profit for the period	<b>28.4</b>	21.6	<b>15.2</b>	10.2	43.4
Statement of financial position total	<b>503.2</b>	404.8			433.9
Equity	<b>261.7</b>	228.3			249.6
Invested capital	<b>312.0</b>	265.9			282.5
Working capital	<b>144.5</b>	123.6			134.0
Cash flows from operating activities	<b>18.4</b>	14.7	<b>12.1</b>	7.6	40.2
Investments in property, plant and equipment	<b>10.9</b>	6.4	<b>4.6</b>	1.5	17.8
Depreciation, amortisation and impairment losses	<b>8.8</b>	10.4	<b>5.8</b>	7.3	17.8
Financial ratios:					
Gross margin, %	<b>41.2</b>	39.3	<b>41.4</b>	39.7	39.5
Operating margin (EBIT margin), %	<b>10.5</b>	9.4	<b>10.8</b>	9.2	9.2
Return on invested capital (ROIC) before tax, %	<b>24.9</b>	21.9	<b>26.6</b>	21.7	21.4
Earnings per share (EPS), DKK	<b>30.0</b>	22.8	<b>32.1</b>	21.6	23.0
Return on equity, %	<b>23.2</b>	19.8	<b>24.8</b>	18.7	18.5
Price earnings (PE), DKK	<b>19.1</b>	23.3	<b>17.9</b>	24.7	26.4
Number of employees (average over the period) including production staff	<b>689</b>	469	<b>761</b>	463	517
	<b>434</b>	265	<b>419</b>	267	296