Press Release

2015 Results

Brussels, 29 March 2016 – **Etex reports stable sales and REBITDA, and a drop in profit after tax due to non-recurring charges.**

Stable sales and REBITDA, profit after tax impacted by restructuring and impairments

In 2015, Etex achieved total sales of 3.054 billion euro. Compared to 2.987 billion euro in the previous year, this represents an increase of 2.3%. Etex's recurring operating cash flow (REBITDA) was at 409 million euro, compared to 413 million euro in 2014, a reduction of 0.9%. The REBITDA margin came in at 13.4%.

Etex lowered its net financial debt to 833 million euro from last year's 904 million euro. Consequently, the net financial debt/REBITDA ratio went from 2.2 to 2.0.

Net profit decreased from 95 million euro to 38 million euro. The factors influencing this result were the restructuring provisions in Argentina, France and Germany, and the impairment charges.

In June 2015, Etex ended a long-standing dispute between its German roofing company Creaton and the German competition regulator Bundeskartellamt.

A volatile global marketplace

Around the globe, the economic and political landscape remained volatile, with global growth in slow mode. European markets remained sluggish throughout the year. This was especially true in France, where the construction market remained frail. The UK confirmed its strong performance, while the construction markets in Germany and the Benelux region stabilised at a low level.

With the exception of Brazil, Latin American markets seem to have started recovering during the second half of the year. In Africa, Nigeria's economy has been affected by the decline in oil prices.

A varied picture across corporate activities

The results of Etex's four business segments vary depending on the underlying local market conditions. As such, Etex's **cladding and building boards** segment stood relatively strong in 2015. The cladding business posted good results around the world and the plasterboard business grew.

A decline in agricultural investments, along with structural overcapacity for clay tiles in Germany, impacted Etex's **roofing** sales in Europe. By contrast, Latin America experienced a boost in roofing sales thanks to successful product launches and favourable weather conditions.

Etex's **fire protection and insulation** business achieved moderate growth within the industry segment, posting mixed results in technical construction.

2015 was a positive year for Etex's **ceramic tile** sales in Latin America, as a result of enhanced marketing and logistics initiatives. The business also reaped the rewards of previous investments.

A streamlined portfolio and resilient manufacturing footprint

To secure a sustainable future, Etex continued to enhance and streamline its business portfolio in 2015. For this purpose, two non-core businesses were divested: Flachdach in Germany and Cerámica San Lorenzo in Mexico and the United States. In addition, a restructuring programme is being completed for Etex's plasterboard activities in France. Etex also announced plans to adapt its roofing production capacity in France and Germany, as well as its capacity for ceramic tiles in Argentina.

Simultaneously, Etex paved the way for future organic growth by completing the construction of four new manufacturing plants – in Brazil, Peru, Indonesia and Romania – along with five new production lines in Belgium, Nigeria and Chile. These projects were part of the 187 million euro capital expenditure plan. Additionally, Etex acquired Lafarge's South African gypsum business.

2016 outlook

Last year, exchange rates were favourable. This is unlikely to be repeated in 2016. "*The European construction markets remain difficult, specifically in France and Germany, while the growth in UK is slowing down*", explains Paul Van Oyen, CEO of Etex. "*Apart from Brazil, the Latin American countries where Etex is active appear to confirm the recovery begun during the second half of 2015.*" He concludes: *"We expect to achieve modest growth in revenue, REBITDA and profit before tax in 2016."*

Key Figures in 2015

In million euro	2014	2015	% var	% var like-for-like
Revenue	2,987	3,054	2.3%	1.6%
Recurring operating cash flow (REBITDA)	413	409	- 0.9%	- 2.9%
% revenue	*13.8%*	*13.4%*		
Recurring operating income (REBIT)	249	241	- 3.2%	- 6.3%
% revenue	*8.3%*	*7.9%*		
Non-recurring items	- 67	- 112		
Operating cash flow (EBITDA)	365	366	0.3%	
Operating income (EBIT)	182	129	- 29.0%	
% revenue	*6.1%*	*4.2%*		
Profit for the year	95	37	- 60.4%	
Group share	*92*	*36*	*- 60.3%*	
Non-controlling interest	*3*	*1*		
Property, Plant and Equipment	1,745	1,716		
Intangible assets	457	402		
Working capital (*)	260	312		
Capital employed (*)	2,485	2,451	- 1.3%	
Equity	924	919		
Net financial debt	904	833		
Capital expenditure	198	187		

(*) excluding the favourable impact of 129 million euro of the non-recourse factoring programme implemented in 2015.

A dividend of 0.44 euro per share will be proposed at the Shareholders' Meeting on 25 May 2016.

The consolidated financial statements for the year 2015 were approved by the Board of Directors on 25 March 2016 and will be presented for approval at the Shareholders' Meeting.

The statutory auditor issued an unqualified audit opinion on the consolidated financial accounts.

The annual report will be presented at the Shareholders' Meeting and will be available on Etex's website www.etexgroup.com as of 1 April.

About Etex

Etex is a Belgian industrial group manufacturing and selling building materials. Its four core businesses are: cladding and building boards in fibre cement and plaster, roofing materials, passive fire protection and high performance insulation, and ceramic floor and wall tiles. In Belgium, apart from its headquarters, Etex has three productions sites and two R&D centres.

With over 17,000 employees working at 120 production sites in 42 countries, and with an annual turnover of 3 billion euro, Etex is an international player in sustainable building solutions. For more information, please visit our website: www.etexgroup.com.

More information

Regine Van Tomme
Corporate Communications Director
Tel + 32 2 778 12 11 or +32 2 778 12 84