

QUARTERLY REPORT

1st Quarter 2017



QUARTERLY REPORT ON THE FIRST THREE MONTHS OF 2017

Sales

Westag & Getalit AG generated sales revenues of EUR 59.7 million in the first quarter of 2017. The slight 1.0% decline from the prior year period's EUR 60.3 million is due to moderate demand at the beginning of the year. Exports showed a positive trend during the first three months, with revenues in the Group's foreign markets up by 5.6% to € 13.2 million (previous year: € 12.5 million). Consequently, the export share climbed from 20.7% to 22.1%.

Sales revenues in T€	Jan. 1- Mar. 31, 2017	Jan. 1- Mar. 31, 2016	Change in %
Doors/Frames	32,296	32,826	-1.6
Surfaces/Elements	25,729	25,499	0.9

Sales revenues in the Doors/Frames Division were down from € 32.9 million in the prior year period to € 32.3 million. By contrast, sales revenues in the Surfaces/Elements Division remained almost unchanged at € 25.7 million (previous year: € 25.5 million).

Der Gesamtumsatz beinhaltet auch die Umsatzerlöse des Zentralbereichs in Höhe von 1,7 Mio. € (Vorjahr 1,9 Mio. €).

Given that a Russian distribution company was established at the end of 2016, Westag & Getalit AG publishes its figures on a consolidated basis. The prior year figures have been adjusted accordingly.

Earnings

Profit data in € '000	Jan. 1- Mar. 31, 2017	Jan. 1- Mar. 31, 2016	Change in %
Earnings before income taxes	2,270	2,369	-4.2
Net Profit	1,524	1,595	-4.5
Earnings per ordinary share (in €)	0.26	0.27	-4.1
Earnings per preference share (in €)	0.32	0.33	-3.3

Consolidated earnings before taxes amounted to € 2.3 million, which was slightly below the previous year's € 2.4 million.

As a result, net profit for the period declined to € 1.5 million (previous year: € 1.6 million). Net profit per share amounted to € 0.26 for the ordinary shares (previous year: € 0.27) and to € 0.32 for the preference shares (previous year: € 0.32).

Employees

As of March 31, 2017, Westag & Getalit AG employed 1,294 at Group level, ten less than on the prior year reporting date.

Own shares

The number of own shares held by the company increased by 20,486 compared to 31 December to 361,313 shares as at March 31, 2017. All these shares are preference shares.

Capital expenditures

Capital expenditures of approx. € 16.0 million are planned for the fiscal year 2017. In view of the anticipated demand, the focus will be on expanding the capacities of the Doors/Frames Division, where a multi-year investment will be made in a frames finishing line. The purpose of the additionally planned investments in the Surfaces/Elements Division is to optimise operational processes and the existing technical equipment with a view to keeping the company's plants at a high technological level. Niveau.

Outlook

In spite of a moderate start to the year, the outlook for the coming months remains positive. Based on the forecasts for the German construction sector, which mainly influences the business of the Doors/Frames Division, the Management Board continues to expect a positive market environment for 2017. The positive revenue expectations are also based on the ongoing expansion of the distribution activities in the Surfaces/Elements Division. Developments in the increasingly important export markets will again be subject to several uncertainties in 2017. In particular, the economic situation in European neighbouring countries will be influenced by the continued low-interest policy and the consequences of the Brexit. Against this background, it is difficult to issue an exact forecast for business outside Germa-

ny. On balance, however, management is optimistic that the company will be able to further expand its export activities assuming a benign economic environment.

The past year was essentially influenced by the good economic environment and the improved cost structures. Based on the assumption that the economic environment remains favourable, the Management Board's objective is to achieve a slight increase in sales revenues in both operating divisions in the full fiscal year in spite of the subdued start into 2017. Depending on the development of the main expense items, e.g. raw materials, the company expects earnings to reach the previous year's level in the fiscal year 2017.

Rheda-Wiedenbrück, May 2017

Westag & Getalit AG

The Executive Board

CONSOLIDATED BALANCE SHEET

Assets (in T€) in € '000	Mar. 31, 2017	Dec. 31, 2016
Intangible assets	987	1,005
Tangible assets	70,239	71,737
Financial assets	2,547	2,731
Deferred tax liabilities	3,423	3,411
Non-current assets	77,196	78,884
Inventories	35,772	33,832
Receivables and other assets	35,493	28,055
Cash at banks or in hand	18,626	23,891
Current assets	89,891	85,778
Total assets	167,087	164,662

Equity and liabilities in € '000	Mar. 31, 2017	Dec. 31, 2016
Subscribed Capital	14,644	14,644
Capital reserve	24,399	24,399
Revenue reserves	61,511	61,511
Accumulated profit	8,735	7,676
Equity and reserves	109,289	108,230
Pension provisions	26,536	26,499
Other non-current provisions	1,489	1,356
Non-current liabilities	28,025	27,855
Trade payables	9,399	6,714
Other current liabilities	19,371	20,753
Current provisions	1,003	1,110
Current liabilities	29,773	28,577
Total equity and liabilities	167,087	164,662

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in € '000	Jan. 1- Mar. 31, 2017	Jan. 1- Mar. 31, 2016
Sales	59,722	60,247
In/decrease in inventories	2,120	1,372
Own work capitalised	45	73
	61,887	61,692
Other operating income	119	95
Cost of materials	30,398	30,031
Personnel expenses	19,396	19,376
Depreciation and amortisation	2,553	2,697
Other operating expenses	7,480	7,400
Other taxes	76	70
Operating result	2,103	2,213
Financial result	167	156
Earnings before income taxes	2,270	2,369
Income taxes	746	774
Consolidated net profit for the period	1,524	1,595
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Consolidated net profit	1,524	1,595
Earnings per ordinary share (undiluted and diluted)	0.26	0.27
Earnings per preference share (undiluted and diluted)	0.32	0.33
Number of shares (undiluted and diluted)	5,369,226	5,409,172

Earnings per share as defined in IAS 33 are calculated for both ordinary and preference shares by dividing the net profit attributable to the respective share type by the average number of shares of the respective type. Accordingly, net profit for the year must be divided into the different share types taking into account the higher dividend for the preference shares. Diluted earnings are equivalent to earnings per share.

CONSOLIDATED CASH FLOW STATEMENT

in '000€	Jan. 1- Mar. 31, 2017	Jan. 1- Mar. 31, 2016
Operating result/EBIT	2,103	2,213
Income tax payments	-705	-666
Depreciation and amortisation	2,553	2,697
Result from asset retirements	-4	-9
Change in current assets	-9,383	-9,558
Change in liabilities	1,327	2,681
Cash flow from operating activities	-4,109	-2,642
Investments in fixed assets	-1,038	-1,731
Change in financial assets	0	10
Change in time deposits	883	0
Income from associated companies	333	366
Income from asset retirements	4	59
Cash flow from investment activities	182	-1,296
Interest income	10	0
Purchase of own shares	-465	0
Cash flow from financing activities	-455	0
Change in liquid funds	-4,382	-3,938
Cash and cash equivalents as of Jan. 1	19,081	16,835
Cash and cash equivalents as of Mar. 31	14,699	12,897

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in € '000	Subscribed capital	Capital reserve	Revenue reserve	Accumulated profit	Total
As of Jan. 1, 2016	14,644	24,399	60,911	7,850	107,804
Transfer to other reserve					0
Change in own shares					0
Changes not recognised in profit/loss					0
Dividend					0
Consolidated net profit for the period				1,595	1,595
As of Mar. 31, 2016	14,644	24,399	60,911	9,445	109,399
As of Jan. 1, .2017	14,644	24,399	61,511	7,676	108,230
Transfer to other reserve					0
Change in own shares				-465	-465
Erfolgsneutrale Veränderungen					0
Changes not recognised in profit/loss					0
Dividend				1,524	1,524
As of Mar. 31, 2017	14,644	24,399	61,511	8,735	109,289

NOTES ON THE REPORT

1. Accounting principles

With regard to the scope, the quarterly statement of Westag & Getalit AG for the period ended March 31, 2017 was prepared on the basis of section 51a BörsO for the Frankfurt Stock Exchange in accordance with applicable International Financial Reporting Standards (IFRS). The same accounting and valuation methods as for the consolidated financial statements for the year ended December 31, 2016 were used. Where the business segments are concerned, the company took advantage of the relief options for quarterly statements.

2. Cash flow statement

The cash flows in the cash flow statement were determined using the indirect method.

Cash and cash equivalents shown in the consolidated cash flow statement comprise all liquid funds except for term deposits with a term of more than three months in the amount of € 3,927 thousand (March 31, 2016: € 0 thousand).

3. Liquide Mittel

Liquid funds shown in the balance sheet doesn't include securities.

4. Composition of subscribed capital

The subscribed capital of € 14,643,200 is composed of 2,860,000 no-par ordinary shares and 2,860,000 non-voting no-par preference shares with a total value of € 7,321,600.

5. Bestellobligo

As of March 31, 2017, purchase commitments amounted to € 9,243 thousand, compared to € 3,297 thousand as of March 31, 2016.

6. Opportunity and Risk Report

The opportunities and risks to which the company is exposed and which remain unchanged, are specified in the Management Report of the current Annual Report. From today's point of view, no additional assessable risks are discernible.

7. Review

The interim financial statements and the quarterly statement have been neither audited in accordance with section 317 HGB nor reviewed by the auditors.

8. Responsibility statement

The legal representatives of Westag & Getalit AG assure, to the best of their knowledge, that the present quarterly statement provides a true and fair view of the net assets, financial position and results of operations of the Group, that the report presents a fair view of the course of business including the results and the position of the Group and that the main risks and opportunities of the expected development of the Group during the rest of the fiscal year have been outlined.

FINANCIAL CALENDAR*

27.06.2017	Annual General Meeting (AGM) of Shareholders in Rheda-Wiedenbrück
10.08.2017	Interim report on the first six months 2017
10.11.2017	Report on the first 9 months of 2017
29.03.2018	Publication of Financial Report 2017 (on the Internet)

* For updates refer to:

www.westag-getalit.com/financial-calendar

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