

HanseYachts continues to grow

- Turnover increase of 8 % in the 1st Quarter of 2018/2019
- Order backlog up 23 % compared to the end of FY 2017/2018
- Positive Outlook for the current financial year

HanseYachts AG in Greifswald generated consolidated turnover of EUR 25 million in the 1st quarter (July to September 2018, EUR 23.3 million last year). This is the equivalent of an increase in turnover of 8 % compared to the same period last year. Earnings before interest, taxes, depreciation and amortisation (EBITDA) for the first quarter amounted to EUR -1.3 million and thus remained unchanged compared to the same period last year. With EUR 1.5 million, depreciation also remained unchanged compared to last year. At the same time, financial expenses rose by EUR 0.4 million to EUR -0.8 million, due to a prepayment penalty of EUR 0.3 million related to the early redemption of the 2014/2019 bond on 6 July 2018, which had to be paid to the bondholders. Overall the refinancing of the bond will have a positive effect of EUR 0.6 million on the financial result in the current financial year. The consolidated net result generated in the 1st quarter therefore amounted to EUR -3.5 million (EUR -3.1 million last year). The net loss corresponds to the seasonality of our business and is therefore well within our plan for the current financial year.

Large order volume

In the 1st quarter, the order backlog increased by 23 % (compared to the end of the previous quarter) to EUR 71.3 million due to the seasonal nature of our business and by 8 % compared to the end of the 1st Quarter 2017/2018. The healthy volume of orders demonstrates the positive market response to our comprehensive range of products in sailing and motor yachts with their extensive possibilities for individualisation. Compared to the last financial year, we expect very positive growth in the volume of orders for motor yachts. In the medium-term we see the greatest growth potential in this area.

Outlook

In-line with the seasonal aspects of our business plan, the most significant contributions to earnings will be realised in the second half of the fiscal year. In the first half of the financial year, however, the significant marketing cost, expenses for boat shows and fixed costs such as depreciation and financing expenses cannot be fully covered by the income generated from the sale of boats.

The healthy sales volume in Northern Europe, in particular in Germany, the Netherlands and Norway, has remained both unchanged, while we have perceived a downturn in demand from the UK due to the possibility of a hard Brexit. In Southern Europe, Spain and France are proving to be highly promising markets, however there is room for improvement in Croatia. Furthermore, positive impulses are also coming from Australia as well as from a solid boat market in the US.

Overall for the financial year 2018/2019 ending on 30 June 2019, HanseYachts AG is expecting a significant increase in results compared to the previous year. This expectation is based both on the impressive volume of orders as well as on the positive resonance from boat shows. In addition, a reduction in the cost of materials which was initiated in fiscal year 2017/18, as well as improvements in efficiency in production processes and effects from price increases in the first half of calendar year 2018 have yielded visibly positive results. The management board expects a positive consolidated net result for the Group in the single-digit million range.

TABLE OF KEY FIGURES

In mio. euros	1st Quarter 2018/2019	1st Quarter 2017/2018	1st Quarter 2016/2017
Turnover	25,0	23,3	21,6
EBITDA	-1,3	-1,3	-1,4 ¹⁾
Backlog of orders	71,3	66,0	66,0

1) Adjusted for one-off gains from a write-back in 2016/2017

End of Message

Additional information, extensive pictorial material, specifications and much more can be found on our website in the press section at www.hansegroupp.com