

Nobia AB (publ)
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Nobia to divest Poggenpohl

As a result of the process to find an investor in Poggenpohl, Nobia has today agreed with the German group Adcuram regarding the divestment of Poggenpohl. The sale includes all of Nobia's shares in Poggenpohl Möbelwerke GmbH for a cash consideration corresponding to an equity value of EUR 10 million, subject to customary closing day adjustments.

"Since 2010 Nobia has executed against a strategy focusing on growth and efficiency. By taking out cost and complexity, we have significantly improved our value proposition in the mid-market segment in the countries where we do business. We have sold off companies where our market position has been weak. We now take the next step on this journey. Poggenpohl is a brand with strong reputation worldwide, however there have been limited synergies to the rest of the group. Nobia will continue to drive scale and profitable growth, both organic and acquired. The price is below our expectations, but nevertheless we believe that this will create shareholder value over time," says Morten Falkenberg, President and CEO of Nobia.

The sale will improve Nobia's profitability. During January-September 2016, Poggenpohl has reported net sales of SEK 749 million and an operating profit of negative SEK 13 million. Nobia's EBIT margin excluding Poggenpohl amounted to 10.5 per cent during the same period.

The transaction results in a non-cash write down of around SEK 460 million in Q4 2016. This will be reported in the income statement under the heading Profit /loss from discontinued operations, together with Poggenpohl's net profit until 31 December 2016.

The transaction is expected to be closed during the first quarter of 2017, conditional upon approval from the competition authorities in Germany and Austria.

Poggenpohl was acquired by Nobia in 2000. Located in Herford in Germany, Poggenpohl develops, produces and sells luxury kitchens to consumers and project customers in Europe, the US and Asia, through 36 own stores and a large network of retailers. At the end of September 2016, the number of employees was around 470.

For further information:

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Nobia develops and sells kitchens through some twenty strong brands in Europe, including Magnet in the UK; HTH, Norema, Sigdal, Invita and Marbodal in Scandinavia; Petra and A la Carte in Finland; ewe, FM and Intuo in Austria, as well as Poggenpohl globally. Nobia generates profitability by combining economies of scale with attractive kitchen offerings. The Group has approximately 6,500 employees and net sales of about SEK 13 billion. The Nobia share is listed on the NASDAQ Stockholm under the ticker NOBI. Website: www.nobia.com.