QUARTERLY REPORT

1st Quarter 2014

WESTAG & GETALIT AG

REPORT ON Q1 OF 2014

Sales

Good domestic economic activity had a positive impact on the construction sector in the first three months of the year. This benefited Westag & Getalit AG in the first quarter of 2014, when the company increased its sales revenues by a moderate 3.4% to € 57.0 million compared to the prior year period (previous year: € 55.1 million).

The situation in the relevant export markets remained difficult in the reporting period, which is reflected in a 5.9% decline in export sales to € 10.6 million (previous year: € 11.3 million). As a result, the export share dropped to 18.6% in the first quarter (previous year: 20.4%).

Divisions

Sales revenue in € '000	**Jan. 1 - Mar. 31, 2014**	**Jan. 1 - Mar. 31, 2013**	**Change** in %
Doors/Frames	29,824	27,465	8.6
Surfaces/Elements	25,424	26,157	-2.8

The Doors/Frames Division boosted its sales revenues by 8.6% to € 29.8 million in the first quarter and was able to grow both in the difficult foreign markets and in Germany as compared to the previous year.

This was not the case in the Surfaces/Elements Division, which is the result of the merger of the Laminates/Elements and Plywood/Formwork divisions. The division's sales revenues declined by 2.8% to € 25.4 million in the first quarter, which is attributable to a lack of orders from export markets.

Earnings

Profit data in € '000	**Jan. 1- Mar. 31, 2014**	**Jan. 1- Mar. 31, 2013**	**Change** in %
Earnings before income taxes	2,161	2,107	2.6
Net Profit	1,513	1,475	2.6
Earnings per ordinary share (in €)	0.25	0.24	2.8
Earnings per preference share (in €)	0.31	0.30	2.3

As a result of the increase in sales revenues in the first three months, earnings before income tax improved accordingly. At € 2.2 million, earnings before tax were up by 2.6% on the previous year's € 2.1 million. Quarterly earnings per share amounted to € 0.25 (ordinary share) and € 0.31 (preference share), respectively.

Capital expenditure

Investments clearly in excess of € 15 million are planned for the current fiscal year.
Investments will focus on the completion of the two large-scale projects – a double belt press for laminates and a new lock and hinge processing plant – and on selective capacity expansions in the context of the modernisation strategy, which will continue to be pushed ahead in the current fiscal year.

Employees

Workforce	Mar. 31, 2014	Mar. 31, 2013	Change in %
Number of staff	1,279	1,289	-0.8

As of March 31, 2014, the headcount declined moderately to 1,279 compared to the prior year reporting date (1,289).

Portfolio of own shares

As of March 31, 2014, Westag & Getalit AG held 310,828 own shares, all of which were preference shares.

Outlook

We maintain our positive general outlook for the current year, although the export situation remains difficult to assess. It cannot be ruled out, for instance, that the crisis in Ukraine deteriorates as the year progresses, which might have an impact on our business in Russia.

In view of the positive economic trend in Germany in the first few months of the year, however, we maintain our target to grow our sales and earnings in accordance with the general environment in 2014.

Rheda-Wiedenbrück, May 2014
Westag & Getalit AG
The Executive Board

BALANCE SHEET

Assets in € '000	**Mar. 31, 2014**	**Dec. 31, 2013**
Intangible assets	846	934
Tangible assets	67,794	66,386
Financial assets	1,300	1,310
Deferred tax liabilities	655	638
Non-current assets	**70,595**	**69,268**
Inventories	35,722	35,340
Receivables and other assets	38,332	31,074
Cash at banks or in hand	13,278	21,290
Current assets	**87,332**	**87,704**
Total assets	**157,927**	**156,972**

Equity and liabilities in € '000	**Mar. 31, 2014**	**Dec. 31, 2013**
Subscribed Capital	14,644	14,644
Capital reserve	24,399	24,399
Revenue reserves	60,311	60,311
Accumulated profit	9,224	7,711
Equity and reserves	**108,578**	**107,065**
Pension provisions	19,187	19,147
Other non-current provisions	1,370	1,434
Deferred tax liabilities	0	0
Non-current liabilities	**20,557**	**20,581**
Trade payables	9,700	9,801
Other current liabilities	18,742	18,925
Current provisions	350	600
Current liabilities	**28,792**	**29,326**
Total equity and liabilities	**157,927**	**156,972**

QUARTERLY STATEMENT OF COMPREHENSIVE INCOME

in € '000	Jan. 1 - Mar. 31, 2014	Jan. 1 - Mar. 31, 2013
Sales	56,977	55,100
In/decrease in inventories	750	764
Own work capitalised	84	44
Total operating performance	**57,811**	**55,908**
Other operating income	1,078	730
Cost of materials	28,353	27,571
Personnel expenses	18,567	17,740
Depreciation and amortisation	2,610	2,505
Other operating expenses	7,414	6,940
Other taxes	58	63
Operating result	**1,887**	**1,819**
Financial result	274	288
Extraordinary items	0	0
Earnings before income taxes	**2,161**	**2,107**
Income taxes	648	632
Net profit	**1,513**	**1,475**
Income components recognised in equity	0	0
Comprehensive income	**1,513**	**1,475**
Earnings per ordinary share (undiluted and diluted)	0.25	0.24
Earnings per preference share (undiluted and diluted)	0.31	0.30
Number of shares (undiluted and diluted)	5,409.172	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. In the contextof this division, the portion of the net profit that will not be distributed is allocated to the respective number of shares.

CASH FLOW STATEMENT

in € '000	Jan. 1 - Mar. 31, 2014	Jan. 1 - Mar. 31, 2013
Operating result/EBIT	1,887	1,819
Income tax payments	-882	-924
Depreciation and amortisation	2,610	2,505
Result from asset retirements	-45	-23
Change in current assets	-7,423	-7,615
Change in liabilities	-559	-1,381
Cash flow from operating activities	**-4,412**	**-5,619**
Investments in fixed assets	-3,966	-1,028
Change in financial assets	10	0
Income from investments	266	273
Income from fixed asset retirements	81	31
Cash flow from investment activities	**-3,609**	**-724**
Interest income	9	14
Interest expenses	0	0
Repayment of non-current financial liabilities	0	0
Acquisition/sale of own shares	0	0
Dividend payments	0	0
Cash flow from financing activities	**9**	**14**
Change in liquid funds	-8,012	-6,329
Cash and cash equivalents as of Jan. 1	21,290	15,526
Cash and cash equivalents as of Mar. 31	13,278	9,197

STATEMENT OF CHANGES IN EQUITY

in € '000	Subscribed capital	Capital reserve	Revenue reserve	Accumulated profit	Total
As of Jan. 1, 2013	**14,644**	**24,399**	**59,511**	**10,354**	**108,908**
Transfer to other reserve					0
Change in own shares				0	0
Changes not recognised in profit/loss					0
Dividend				0	0
Net profit				1,475	1,475
As of Mar. 31, 2013	**14,644**	**24,399**	**59,511**	**11,829**	**110,383**
As of Jan. 1, 2014	**14,644**	**24,399**	**60,311**	**7,711**	**107,065**
Transfer to other reserve					0
Change in own shares				0	0
Changes not recognised in profit/loss					0
Dividend				0	0
Net profit				1,513	1,513
As of Mar. 31, 2014	**14,644**	**24,399**	**60,311**	**9,224**	**108,578**

SEGMENT REPORT FOR THE FIRST QUARTER 2014

in € '000	Jan. 1- Mar. 31, 2014	Jan. 1- Mar. 31, 2013	Change in %
Germany			
Sales	46,384	43,840	5.8
Earnings before income taxes	1,801	1,727	4.3
Export			
Sales	10,593	11,260	-5.9
Earnings before income taxes	360	380	-5.3
Full Company			
Sales	56,977	55,100	3.4
Earnings before income taxes	2,161	2,107	2.6

NOTES ON THE REPORT FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

1. Accounting principles

Westag & Getalit AG's quarterly report for the period ended March 31, 2014 was, except for IFRS 8 "Operating Segments", compiled in full compliance with the Financial Reporting Standards (IFRS) as valid on the reporting date. All accounting and valuation principles are consistent with those used for the 2013 financial statements. The waiver of applying IFRS 8 was conducted in order to prevent our company from expected business harm. As regards further reasoning, we refer to our Annual Report 2013.

2. Cash flow statement

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

3. Liquid funds

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. Other operating income/expenses

Other operating income and other operating expenses each include an amount of € 471 thousand for the settlement of the hail damage in 2013 as of the reporting date.

6. Purchase commitments

As of March 31, 2014, purchase commitments amounted to € 6,203 thousand, compared to € 1,403 thousand in the previous year.

7. Review

The interim financial statements and the interim management report 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, in accordance with the applied principles of proper interim reporting, the present interim financial statements provide a true and fair view of the net worth, financial and earnings position of the company, that the interim management report presents a true and fair view of the business results and the situation of the company and that the main risks and opportunities of the expected development of the company during the rest of the fiscal year have been outlined.

FINANCIAL CALENDAR*

March 20, 2014	Press release Report on the results of the fiscal year 2013
March 28, 2014	Publication of Financial Report 2013 (on the Internet)
May 13, 2014	Report on the first three months of 2014
August 12, 2014	Interim report on the first six months 2014
August 26, 2014	Annual General Meeting in Rheda-Wiedenbrück Präsentation der Westag & Getalit AG
September 2, 2014	Presentation of Westag & Getalit AG at the Small Cap Conference in Frankfurt/Main
November 11, 2014	Report on the first 9 months of 2014

* For updates refer to:
www.westag-getalit.de/financial-calendar

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