INTERIM REPORT

1st six months of 2015

WESTAG &
GETALIT AG

Sales

Westag & Getalit AG generated sales revenues of € 111.6 million in the first six months of the year. First-half revenues were thus down by a moderate 0.7% on the previous year's € 112.4 million. In view of the continued difficult economic situation in some of the company's relevant export markets, the moderate 1.3% increase in export sales to € 23.3 million is good news. As a result, the export ratio rose to 20.8% (previous year: 20.4%).

Divisions

Sales revenue in € '000	**Jan. 1 - Jun. 30, 2015**	**Jan. 1 - Jun. 30, 2014**	**Change** in %
Doors/Frames	58,476	58,588	- 0,2
Surfaces/Elements	50,075	50,340	- 0,5

The **Doors/Frames** Division generated sales revenues of € 58.5 million in the first half of the year, which is only marginally below the previous year's good figure of € 58.6 million.

At € 50.1 million, sales revenues in the **Surfaces/Elements** Division were down by a moderate 0.5% on the previous year's € 50.3 million.

External revenues generated by the co-generation plant were € 0.4 million lower than in the previous year due to unplanned repair work in the first half of the year and the resulting downtimes.

Earnings

Profit data in € '000	**Jan. 1 - Jun. 30, 2015**	**Jan. 1 - Jun. 30, 2014**	**Change** in %
Earnings before income taxes	5,072	4,799	5.7
Net Profit	3,551	3,359	5.7
Earnings per ordinary share (in €)	0.63	0.59	6.0
Earnings per preference share (in €)	0.69	0.65	5.4

Despite the moderate decline in sales revenues, earnings before taxes increased thanks to the improved cost structure. At € 5.1 million, first-half earnings were up by 5.7% on the previous year's € 4.8 million. Accordingly, net profit for the period also showed a positive trend and climbed from € 3.4 million in the previous year to € 3.6 million. Net profit for the period per share amounted to € 0.63 for the ordinary shares and to € 0.69 for the preference shares.

Capital expenditure

The company plans to invest over € 13 million in the current fiscal year, with the main focus on selective capacity expansions in the context of the modernisation strategy, which will be pushed ahead further this year. The Doors/Frames Division will not only extend its production halls but also plans to invest in a new frames production line. This multi-year investment project involves advance payments for plants which will be installed only in 2016. In the context of the expansion of the Surface/Elements Division, the company plans to invest in a new processing plant for cut-to-size worktops at the Wadersloh plant. The company is thus responding to current market requirements.

Employees

Personalstärke	30.06.2015	30.06.2014	Veränderung in %
Anzahl Mitarbeiter	1,300	1,276	1.9

Due to the fact that permanent employment contracts were signed with previously temporary workers at the end of last year, the headcount rose to 1,300 as of June 30, 2015 (previous year: 1,276).

Portfolio of own shares

As of June 30, 2015, Westag & Getalit AG held 310,828 own shares, all of which were preference shares.

Outlook

After the first six months of 2015, the macroeconomic background suggests that the market environment will generally be positive but should continue to be seen in a differentiated manner. The good situation in the domestic housing construction sector and the slowly recovering public and commercial construction sector give cause for optimism. The investment projects realised in the past and the intensive efforts made in the context of a marketing offensive remain the basis on which the company expects to generate growing revenues in Germany and abroad if permitted by the prevailing market situation.

The result for 2015 will continue to be positively influenced by the organisational, cost-cutting and sales-enhancing measures taken in the past. Management therefore expects both sales revenues and earnings to increase moderately. It remains to be seen, however, if the stable trend in the domestic economy seen in the first half of the year will continue and if the difficult international environment of the past years will deteriorate further.

Rheda-Wiedenbrück, August 2015
Westag & Getalit AG
The Executive Board

BALANCE SHEET

Assets in € '000	**Jun. 30, 2015**	**Dec. 31, 2014**
Intangible assets	918	930
Tangible assets	73,229	72,160
Financial assets	1,250	1,270
Deferred tax liabilities	2,532	2,499
Non-current assets	**77,929**	**76,859**
Inventories	37,969	34,165
Receivables and other assets	34,024	27,805
Cash at banks or in hand	13,790	17,316
Current assets	**85,783**	**79,286**
Total assets	**163,712**	**156,145**

Equity and liabilities in € '000	**Jun. 30, 2015**	**Dec. 31, 2014**
Subscribed Capital	14,644	14,644
Capital reserve	24,399	24,399
Revenue reserves	60,711	60,711
Accumulated profit	8,116	4,565
Equity and reserves	**107,870**	**104,319**
Pension provisions	24,965	24,882
Other non-current provisions	1,626	1,443
Deferred tax liabilities	0	0
Non-current liabilities	**26,591**	**26,325**
Trade payables	10,819	7,973
Other current liabilities	17,860	16,917
Current provisions	572	611
Current liabilities	**29,251**	**25,501**
Total equity and liabilities	**163,712**	**156,145**

QUARTERLY STATEMENT OF COMPREHENSIVE INCOME

in € '000	Apr. 1- Jun. 30, 2015	Apr. 1- Jun. 30, 2014
Sales	55,766	55,453
In/decrease in inventories	1,142	1,522
Own work capitalised	75	118
Total operating performance	**56,983**	**57,093**
Other operating income	597	1,394
Cost of materials	27,577	27,803
Personnel expenses	17,991	17,741
Depreciation and amortisation	2,621	2,575
Other operating expenses	6,705	7,692
Other taxes	75	48
Operating result	**2,611**	**2,628**
Financial result	6	10
Extraordinary items	0	0
Earnings before income taxes	**2,617**	**2,638**
Income taxes	785	792
Net profit	**1,832**	**1,846**
Income components recognised in equity	0	0
Comprehensive income	**1,832**	**1,846**
Earnings per ordinary share (undiluted and diluted)	0.34	0.34
Earnings per preference share (undiluted and diluted)	0.34	0.34
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.

HALF-YEAR STATEMENT OF COMPREHENSIVE INCOME

in € '000	Jan. 1- Jun. 30, 2015	Jan. 1- Jun. 30, 2014
Sales	111,604	112,430
In/decrease in inventories	2,452	2,272
Own work capitalised	99	202
Total operating performance	**114,155**	**114,904**
Other operating income	1,139	2,472
Cost of materials	55,365	56,156
Personnel expenses	36,497	36,308
Depreciation and amortisation	5,242	5,185
Other operating expenses	13,332	15,106
Other taxes	132	106
Operating result	**4,726**	**4,515**
Financial result	346	284
Extraordinary items	0	0
Earnings before income taxes	**5,072**	**4,799**
Income taxes	1,521	1,440
Net profit	**3,551**	**3,359**
Income components recognised in equity	0	0
Comprehensive income	**3,551**	**3,359**
Earnings per ordinary share (undiluted and diluted)	0.63	0.59
Earnings per preference share (undiluted and diluted)	0.69	0.65
Number of shares (undiluted and diluted)	5,409,172	5,409,172

CASH FLOW STATEMENT

in € '000	Jan. 1- Jun. 30, 2015	Jan. 1- Jun. 30, 2014
Operating result/EBIT	4,726	4,515
Income tax payments	- 1,459	- 1,181
Depreciation and amortisation	5,242	5,185
Result from asset retirements	-25	-70
Change in current assets	- 10,118	- 5,995
Change in liabilities	4,024	1,252
Cash flow from operating activities	**2,390**	**3,706**
Investments in fixed assets	- 6,313	- 8,779
Change in financial assets	20	20
Income from investments	333	266
Income from fixed asset retirements	39	146
Cash flow from investment activities	**- 5,921**	**- 8,347**
Interest income	5	15
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	**5**	**15**
Change in liquid funds	- 3,526	- 4,626
Cash and cash equivalents as of Jan. 1	17,316	21,290
Cash and cash equivalents as of Jun. 30	13,790	16,664

STATEMENT OF CHANGES IN EQUITY

in € '000	Subscribed capital	Capital reserve	Revenue reserve	Accumulated profit	Total
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	0
Dividend				0	0
Net profit				3,359	3,359
As of Jun. 30, 2014	**14,644**	**24,399**	**60,311**	**11,070**	**110,424**
As of Jan. 1, 2015	**14,644**	**24,399**	**60,711**	**4,565**	**104,319**
Transfer to other reserve					0
Change in own shares				0	0
Changes not recognised in profit/loss				0	0
Dividend				0	0
Net profit				3,551	3,551
As of Jun. 30, 2015	**14,644**	**24,399**	**60,711**	**8,116**	**107,870**

SEGMENT REPORT FOR THE FIRST SIX MONTHS 2015

in € '000	Jan. 1 - Jun. 30, 2015	Jan. 1 - Jun. 30, 2014	Change in %
Germany			
Sales	88,339	89,464	- 1.3
Earnings before income taxes	4,200	3,970	5.8
Export			
Sales	23,265	22,966	1.3
Earnings before income taxes	872	829	5.2
Full Company			
Sales	111,604	112,430	- 0.7
Earnings before income taxes	5,072	4,799	5.7

NOTES ON THE REPORT FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015

1. Accounting principles

Westag & Getalit AG's quarterly report for the period ended June 30, 2015 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 2014 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 2014.

2. Cash flow statement

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

3. Liquid funds

Die in der Bilanz ausgewiesenen liquiden Mittel beinhalten keine Wertpapiere.

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 € 1,355 thousand for the settlement of the hail damage in 2014 as of the reporting date.

6. Purchase commitments

As of June 30, 2015, purchase commitments amounted to € 5,950 thousand, compared to € 7,251 thousand in the previous year.

7. 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.

8. 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.

9. 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 24, 2015	Press release Report on the results of the fiscal year 2014
March 27, 2015	Publication of Financial Report 2014 (on the Internet)
May 12, 2015	Report on the first three months of 2015
August 11, 2015	Interim report on the first six months 2015
August 18, 2015	Annual General Meeting in Rheda-Wiedenbrück Präsentation der Westag & Getalit AG
September 1, 2015	Presentation of Westag & Getalit AG at the Small Cap Conference in Frankfurt/Main
November 10, 2015	Report on the first 9 months of 2015

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

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