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Hornbach maintains its growth course

Consolidated sales grow by 4.4% to Euro 2.3 billion in first nine months – Above-average sales momentum in Germany – Operating earnings strength improved

Neustadt a. d. W., December 22, 2009. Hornbach continued to steer a growth course in the first nine months of its financial year (March 1 to November 30, 2009). Net sales at the Hornbach Group (Hornbach Holding AG Group) increased by 4.4% to Euro 2,311 million in the first nine months (previous year: Euro 2,214m). Cumulative operating earnings (EBIT) reached Euro 152.6 million (previous year: Euro 163.6m). Net of non-operating earnings items, mainly involving real estate gains in the previous year, the Group's EBIT rose by almost 12%. Notwithstanding the uncertain economic framework, the Hornbach Group thus boosted its operating earnings strength in the current financial year.

The 130 DIY megastores with garden centers operated across Europe by Hornbach-Baumarkt-AG, the largest operating subgroup, increased their sales by 4.0% to Euro 2,166 million overall (previous year: Euro 2,083m) and by 1.6% on a like-for-like basis. Especially pleasing in this respect was the like-for-like sales performance shown by DIY stores and garden centers in Germany, which generated growth of 3.0% in the first nine months. Hornbach therefore managed once again to benefit from Germans' enthusiasm for home improvement and renovation more markedly than the sector average, thus acquiring additional market share. The other countries in Western Europe where Hornbach operates its DIY megastores and garden centers also reported pleasing sales growth in most cases. This enabled the Group as a whole to more than compensate for the decline in demand in Eastern Europe due to economic developments.

The builders' merchants businesses pooled at the Hornbach Baustoff Union GmbH subgroup (HBU) contributed additional growth momentum to the Group's performance in the first nine months of the 2009/2010 financial year. Defying the negative sector trend, HBU's 21 builders' merchant outlets increased their sales by almost 11% and also reported significantly disproportionate earnings growth.

The balance sheet of the Hornbach Group remains rock solid. The equity ratio improved from 39.1% at the balance sheet reporting date (February 28) to 40.8% as of November 30, 2009. Cash and cash equivalents rose over the same period from Euro 275 million to Euro 405 million. The company has not made any changes to its forecast for the year as a whole. Accordingly, sales are expected to show low to medium single-digit percentage growth. Due to substantial real estate gains in the previous year, the EBIT of the Hornbach Group for the overall year will fall significantly short of the level seen in the 2008/2009 financial year (Euro 179.1m), but is expected to exceed the EBIT posted for the 2007/2008 financial year (Euro 105.5m).

Further information has been published in the extensive interim reports of Hornbach Holding AG and Hornbach-Baumarkt-AG, which can be downloaded from the "Investor Relations" section of the company's internet site at www.hornbach-group.com.