

## Interim Statement from the wmf group

### WMF presses ahead with profitable growth

#### *German economy in stable upturn*

Broad-based economic recovery in Germany continues. For the first quarter, leading financial institutions anticipate an increase in gross domestic product of 0.9 percent, and the forecasts for 2011 have been revised upwards across the board with a rise of 2.8 percent. In the opinion of the IWF, Germany remains the most powerful force in the euro zone. The overall positive development of the economy is not without its risks, however. The nuclear catastrophe and natural disaster in Japan, rising raw material prices, the increasingly unstable situation in North Africa and the Middle East since the beginning of the year, together with the still unresolved problems of the Euro crisis, engender uncertainties for Germany as an export nation. In these conflicting areas of opportunities and risks, however, WMF has thus far developed well.

#### *WMF gets off to a good start in the New Year*

In the first quarter of 2011, the wmf group saw sales rise by 18 percent to €232.8 million. Domestic sales were up by 20 percent, and foreign business by 15 percent.

In consumer business, sales (€142.9 million) were 18 percent up compared to the previous year. The high sales growth was especially stimulated by the upward trend in special customer business, which continued into 2011. The first quarter also saw the completion of a major order and, with the appropriate adjustment for this effect, sales rose by 2 percent.

In the real estate sector, sales rose by 18 percent to €89.9 million. This substantial growth was achieved in a context of general economic recovery, in particular in international business.

Within the wmf group, the positive development in sales led to a perceptible rise in the final result. The EBIT achieved in the first quarter is €20.5 million, and has thus more than doubled compared to the previous year (€9.3 million). The profit on sales amounts to 8.8 percent.

The high sales growth within the wmf group in March resulting from the major order referred to earlier, dropped off slightly in April. Group sales (achieved) in April (€300.9 million) were 14 percent up compared to the previous year.

#### *WMF with new group organisation as of 1 January*

As of 1 January, the group structure, which was hitherto oriented towards consumer and real estate business, now consists of five divisions, WMF retail, consumer goods, consumer electric, professional hotel equipment and coffee machines. The new divisional organisation places emphasis on cross-market co-

operation within a division, promotes corporate thinking and acting and creates additional transparency in external communication. First reports on sales and profits in the new organisational structure will be forthcoming in the 2011 interim financial report.

*Forecast for the full year in the target range*

The seasonal shift in consumer business due to special customer projects will dissipate towards the end of the year. Thanks to customer loyalty programmes, we anticipate orders in this field to be at the same level as in the previous year. The very high levels of growth achieved by the group in the first months will therefore taper off in the course of the year, but will remain positive overall. We can confirm our previous targets set for the full year 2011. In the wmf group we anticipate growth in sales of at least 5 percent and a slightly over-proportional growth in EBIT.

Geislingen, 12 May 2011

The Executive Board