EGGER HOLZWERKSTOFFE GMBH
St. Johann in Tirol

Consolidated Interim Financial Statements
as of October 31, 2011

Contents

MANAGEMENT REPORT

to the Consolidated Interim Financial Statements

for the First Half of the 2011/12 Financial Year

of

EGGER HOLZWERKSTOFFE GMBH,

St. Johann in Tirol

1 BUSINESS AND OPERATING ENVIRONMENT

1.1 Structure of the Group and business activities

1.1.1 Legal structure

The EGGER Holzwerkstoffe Group comprises companies in Austria, Germany, France, England, Ireland, Russia, Romania and Turkey as well as sales companies in Eastern Europe, the Benelux countries, Scandinavia, Asia and South America. The members of the Managing Board of the parent company, Egger Holzwerkstoffe GmbH, are Thomas Leissing (Corporate Speaker, CFO, Finance, Logistics and Personnel), Walter Schiegl (CTO, Production, Engineering and Procurement) and Ulrich Bühler (CSO, Marketing and Sales).

1.1.2 Business segments and organizational structure

EGGER, a family-owned company with headquarters in St. Johann in Tirol, was founded in 1961. With approx. 6.500 employees at 17 locations in Europe, it produces over 6,5 million m^3 of wood materials.

The product portfolio comprises wood materials (chipboard, OSB- and MDF-boards), including finishing materials such as impregnates, laminates and edgings, as well as sawn timber. EGGER's international customer base includes furniture producers, specialized wood dealers, construction markets and DIY outlets. The company's products are used for numerous applications in both the private and public sector: above all for kitchens, bathrooms, offices, living rooms and bedrooms. EGGER views itself as a complete supplier for furniture and interior design, wood construction and laminate flooring.

The EGGER Group operates through decentralized management structures. In addition to Group management, only the staff managers for production and engineering, sales and marketing, finance, administration and logistics operate from the Group headquarters. The underlying organizational structure is classified by markets:

- Central-South Europe (MSE) – Austria, Switzerland, Italy
- Nord-West Europe (NWE) – Germany, Benelux, Scandinavia
- South-West Europe (SWE) – France, Spain, Portugal
- UK and Ireland
- Central and Eastern Europe (CEE) – all East European countries excluding Russia, including Turkey and the Near East as well as the Baltic States and the former CIS countries
- Russia
- Overseas – all markets without their own plants and outside the above regions or countries

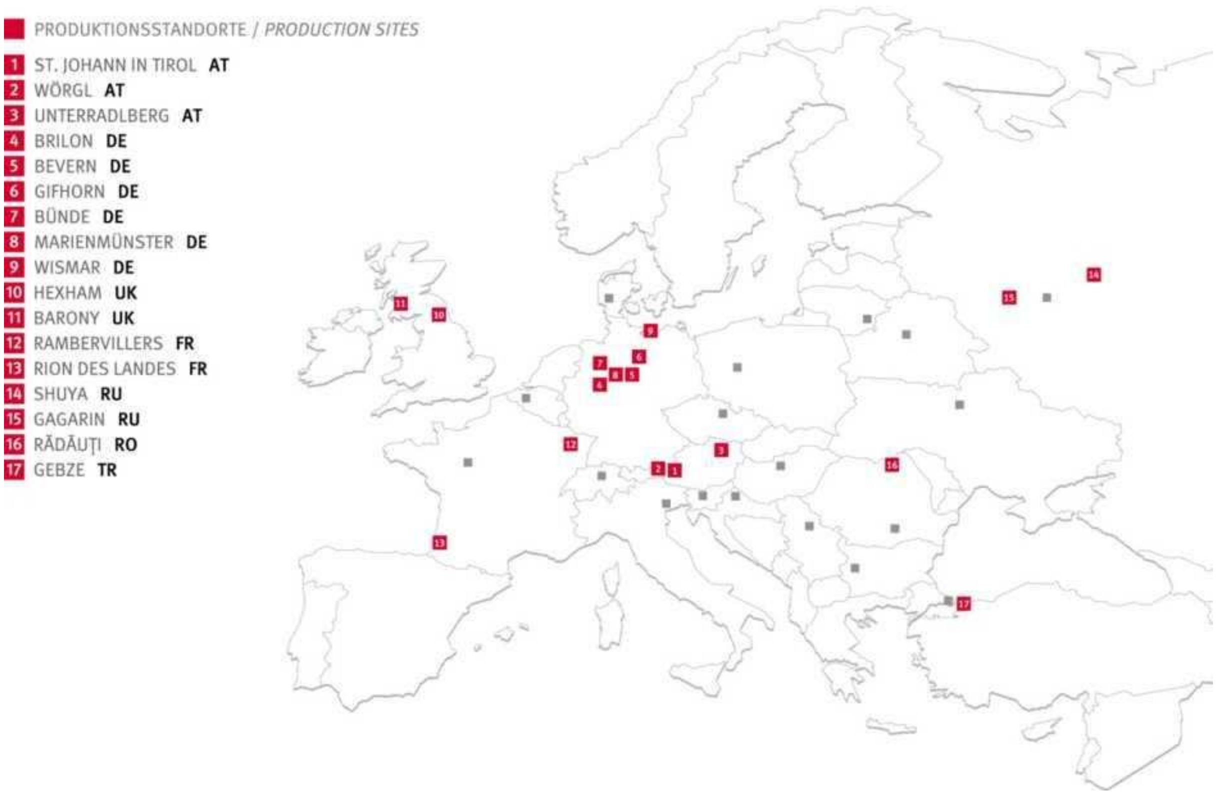
The country organizations are generally directed by a three-manager team that is responsible for production and engineering, sales and marketing as well as finance and logistics.

In addition to the country organizations, EGGER operates a separate division – EGGER Retail Products (ERP) – that focuses primarily on the flooring business and is also directed by three divisional managers. A new division, EGGER Building Products (EBP) that covers the OSB and sawn timber product groups, was spun off at the beginning of the 2011/12 financial year to reflect the growing importance of these businesses.

Major locations

EGGER operates 17 production facilities in seven European countries, including Russia and Turkey. The Group's products are also sold in strategic export markets outside Europe. An extensive sales organization, efficient logistics, 23 company-operated sales offices and an international network of retail partners in more than 90 countries ensure the systematic development of markets.

The following map shows the locations of the Group's production facilities:



The following main products are produced at the locations listed below:

- Austria	St. Johann / Tirol:	Chipboard (raw and laminated), furniture elements, worktops, EUROLIGHT®
	Unterradlberg:	Chipboard (raw and laminated)
	Wörgl:	Thin chipboard (raw and laminated)
- Germany	Brilon:	Chipboard (raw and laminated), MDF, flooring, timber products
	Wismar:	MDF, OSB, flooring, adhesives
	Gifhorn:	Laminates, edgings
	Bevern:	Thin MDF
	Marienmünster:	Lacquering, furniture elements
	Bünde:	Furniture elements

- France	Rion des Landes:	Chipboard (raw and laminated)
	Rambervillers:	Chipboard (raw and laminated)
- Great Britain	Hexham:	Chipboard (raw and laminated), adhesives
	Barony:	Chipboard (raw)
- Russia	Shuya:	Chipboard (raw and laminated), Thin chipboard
	Gagarin	Chipboard (raw and laminated)
- Romania	Radauti:	Chipboard (raw and laminated), adhesives
- Turkey	Gebze:	Edgings

1.1.3 Key products and business processes

Products and product lines

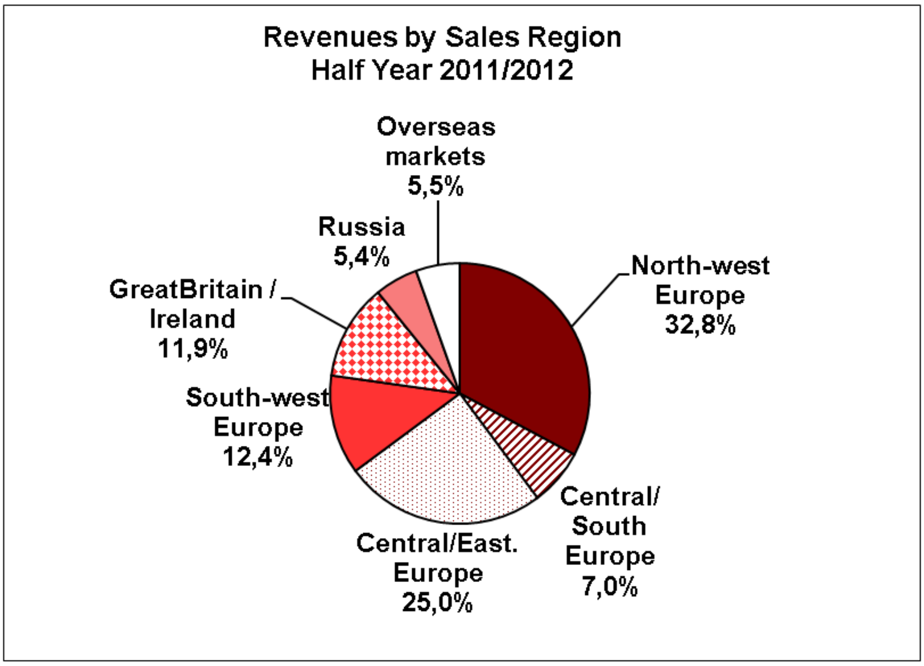
EGGER offers a wide variety of products for furniture and interior design, wood construction and flooring. The product portfolio ranges from raw chipboard, MDF and OSB to sawn timber. Most of the raw products are processed further into melamine-laminated chipboard, laminate flooring, furniture elements, worktops and Eurolight lightweight boards. The Group also manufactures complementary products such as laminated materials and thermoplastic edgings.

The EGGER product portfolio – Source: own presentation

1.1.4 Major markets and competitive position

Markets and geographical regions

EGGER is active, above all, on the European wood materials market. The Group generated consolidated revenues of EUR 975 million in the first half of 2011/12 (1-6 2010/11: EUR 871 million), which are classified by region as follows based on the customer location:



1) North-West Europe comprises Germany, Belgium, the Netherlands, Luxembourg and Scandinavia
2) South-West Europe comprises France, Spain and Portugal
3) Central-South Europe comprises Austria, Switzerland and Italy
4) Central and Eastern Europe comprises, above all, the Czech Republic, Slovakia, Poland, Hungary, Romania, Bulgaria, Serbia, Croatia, Slovenia, Ukraine, Belarus, Latvia, Estonia, Lithuania, Turkey and Greece.
5) Overseas comprises all countries outside Europe

The most important geographical market for EGGER is Western Europe (comprising the sales regions North-West Europe, Great Britain and Ireland, South-West Europe and Central-South Europe), which generated revenues of approx. EUR 625 million in the first half of 2011/12 (64% of consolidated revenues). Germany represents the Group's most important single market with a 25% share of consolidated revenues. The significance of Germany for the wood materials market is attributable to the furniture industry, which is heavily represented in this country. German furniture manufacturers export their products to many other regions and have a high demand for wood materials.

Central and Eastern Europe and Russia generated revenues of EUR 296 million in the first half of 2011/12 (30% of consolidated revenues). EGGER's Overseas region recorded revenues of EUR 50 million for the reporting period (5% of consolidated revenues).

The major customer groups served by EGGER are summarized under the following segments:

- Industry – large customers from the industrial sector (in particular, from the furniture industry) and industrial customers in the wood construction branch;

- Professional – planners, architects and skilled craftsmen as well as specialized retailers;
- Home – building materials chains and other retailers that sell to the DIY segment.

The most important customer groups for EGGER in the first half of 2011/12 were the PROFESSIONAL and INDUSTRY groups with 45% and 46% of Group revenues, respectively. The HOME customer group generated 9% of Group revenues.

1.2 The development of business

1.2.1 The economic environment

The global economic environment has weakened steadily since the start of the 2011/12 financial year. Growth forecasts for 2011 were again revised downward by a substantial margin for the worldwide economy as a whole and for the Euro zone, a key EGGER market. Declining confidence in the financial sector, a reduction in refinancing opportunities for banks, rising sovereign debt and lower stock prices were reflected in massive uncertainty on the markets.

Forecasts for 2011 call for economic growth of 1,6% in the European Union (2010: 1,9%), with a slight recession expected in the fourth quarter of 2011 and the first quarter of 2012. A further sign of the current deterioration in the economic climate is the significant drop in orders recorded by the industrial sector in the European Union since August 2011 (Source: Eurostat).

1.2.2 Business development in the EGGER Group

The wood materials branch was confronted with an ongoing difficult market environment during the first half of the 2011/12 financial year. EGGER was able to significantly expand its market position under these challenging conditions and record an increase of 12% in revenues to EUR 975 million (1-6 2010/11: EUR 871 million). This year-on-year growth in revenues was influenced by necessary price adjustments to offset the sharp rise in the cost of input materials such as timber, chemicals and paper. The improvement in revenues was also supported by the chipboard and laminating plant at Gagarin in Russia, which was acquired by the EGGER Group as of July 1, 2011. The Gagarin facility will strengthen EGGER's position on the strategically important Russian market. EBITDA amounted to EUR 127 million for the first half of 2011/12, which is 5% higher than the comparable prior year value of EUR 121 million. This development was supported, above all, by the sound utilization of production capacity, the partial offset of higher raw material prices in most areas and additional EBITDA from the newly acquired Gagarin plant in Russia.

Market and branch developments in interior design and furniture

This segment comprises EGGER's decorative products, which are sold through the industrial and professional channels. Revenues in the interior design and furniture areas (Decorative Segment) rose by 18%. The Decorative Segment generated 80% of Group revenues for the reporting period (1-6 2010/11: 75%). However, developments in the individual sales regions varied:

Developments in North-West Europe

Demand in the North-West Europe region remained sound during the first half of 2011/12, with a 15% increase in revenues over the comparable prior year period. Volume development was excellent, above all to the retail trade, kitchen furniture and laminated materials branches in Germany as well as in Benelux and Scandinavia.

Developments in Central-South Europe

Revenues in the Central-South Europe region increased 2% year-on-year. The development of revenues in Austria and Switzerland was strong. In contrast, the Italian market is still characterized by weak demand, and economic indicators show no signs of improvement over the short-term. Capacity utilization in the EGGER plants remained at a sound level during the first six months of 2011/12.

Developments in Great Britain & Ireland

Economic growth in Great Britain is expected to stagnate at a very low level of only 0,7% in the current financial year (Eurostat estimate). Government austerity packages, higher taxes and a decline in public sector construction activity have had a negative influence on the economy. Against the backdrop of these conditions, the 11% increase in revenues recorded by the Great Britain and Ireland sales region can be considered highly satisfactory. Capacity utilization in the British plants was very good during the first half of 2011/12.

Developments in South-West Europe

Revenues in the South-West Europe were 3% higher than the first half of the previous year, but business in France and Spain/Portugal was very different. The French market was characterized by continuing stability in the retail trade sector and sound demand from industrial companies. Spain and, above all, Portugal were negatively affected by a massive crisis and recession in 2011 and registered further substantial revenue declines. EGGER's French plants reported stable capacity utilization.

Developments in Central-East Europe

The markets in Central-Eastern Europe recorded generally positive development in the first half of 2011/12, with a 17% year-on-year increase in revenues. Sound growth in volumes was recorded, especially in Eastern Europe. In the Near East, the political unrest caused declines in many countries. The Southeast Europe market, which includes Greece, has been negatively influence by the current economic crisis. Business in individual markets, e.g. Poland and Ukraine, has been affected by negative foreign exchange developments, especially since August 2011. The situation on the Turkish market is positive, with the Roma Plastik production facility recording a further increase in revenues.

Developments in Russia

Developments on the Russian market were sound during the first half of 2011/12. EGGER was able to significantly expand its position in this country, above all through the acquisition of the Gagarin plant, and recorded a year-on-year increase of 45% in revenues. Capacity utilization at the Shuya plant was also good, with the investment in a thin chipboard line leading to a rise in production volumes.

Developments in overseas markets

In the overseas region, with the key Asian market, revenues for the first half of 2011/12 rose by 10% over the prior year.

Market and branch developments in flooring

Flooring sales are managed by a separate retail division, which services both the professional and home sales channels. The flooring segment generated 17% of Group revenues in the first half of 2011/12 (1-6 2010/11: 18%).

Capacity utilization in the laminate flooring industry is still unsatisfactory and characterized by high excess capacity. In this difficult market environment, EGGER was able to increase first half-year revenues by approx. 1%. However, the steady rise in raw material costs (wood, paper, resin) could not be passed on in full to the market. This led to a clear decline in earnings compared with the previous year.

Market and branch developments in OSB and sawn timber

On May 1, 2011 EGGER established a separate division, EBP EGGER Building Products. This step reflects the growing significance of sawn timber and OSB for EGGER, which will increase substantially with the start-up of a new OSB plant in Radauti (RO) at the beginning of 2012. Industry and the retail trade are the sales channels for this division. The Building Segment generated 8% of Group revenues in the first half of 2011/12 (1-6 2010/11: 11%).

Wood construction is gaining greater acceptance in many markets, among others due to growing ecological awareness on the part of consumers as well as numerous advantages as a construction method. This is reflected in a steady rise in wood construction as a share of the construction market.

The limiting factor for wood construction is the availability of round timber. Stable or, in some markets, rising demand for sawn timber is contrasted by a restricted supply of this raw material. The resulting imbalance is compounded by excess production capacity for sawn timber. This leads to rising prices for round timber and a parallel decline in the price of sawn timber. Therefore, the current gross margins for sawn timber will not be sufficient over the long-term.

OSB and sawn timber revenues fell 10% below the comparable prior year period. Excess sawn timber capacity on the Central European market led to increasing pressure on prices and a subsequent decline in volumes. In contrast, the development of OSB was positive.

2 EARNINGS, FINANCIAL AND ASSET POSITION

2.1 Earnings

2.1.1 Revenues

Consolidated revenues totaled EUR 975 million for the first half of 2011/12 (1-6/2010/11: EUR 871 million), which represents a year-on-year increase of 12%. With the exception of Central-South Europe and South-West Europe, EGGER recorded a sound revenue growth in all sales regions during the reporting period.

Consolidated revenues by segment are as follows:

Revenues per Segment		HY 11/12	HY 10/11	Dev. in %
Decorative	EUR mill.	776	656	18%
Retail	EUR mill.	169	162	4%
Building	EUR mill.	82	94	-12%
Consolidation	EUR mill.	-51	-40	28%
Total	**EUR mill.**	**975**	**871**	**12%**

2.1.2 Earnings

EBITDA (earnings before interest, taxes, depreciation and amortization) amounted to EUR 127 million for the first half of 2011/12, which is 5% higher than the comparable prior year result of EUR 121 million. Despite a year-on-year increase of 12% in revenues, the Group was unable to adjust prices to fully offset the sharp rise in raw material costs. An improvement in the utilization of production capacity with additional shifts led to higher fixed personnel costs and other operating expenses. Fixed costs were also increased by current marketing projects and non-recurring effects related to EGGER‘s 50-year anniversary. Consequently, the EBITDA margin fell from 13,9% to 13,1% for the first six months of 2011/12.

Earnings Indicators		HY 11/12	HY 10/11	Dev. in %
Revenues	EUR mill.	975	871	12%
EBITDA	EUR mill.	127	121	5%
EBITDA margin	in %	13,1%	13,9%	
EBIT	EUR mill.	61	52	17%
Financial results	EUR mill.	-34	-24	43%
Profit before tax (PBT)	EUR mill.	27	28	-6%
Profit after tax (PAT)	EUR mill.	17	27	-37%

2.1.3 Net financing costs

Net financing costs (financial results excl. income from financial investments and income from associates) amounted to EUR -34 million for the reporting period (1-6 2010/11: EUR -24 million). In addition to the increase in interest expense that resulted from additional borrowings, net financing costs were negatively influenced by non-cash translation losses on the short-term acquisition financing for Gagarin.

2.1.4 Taxes

EGGER recorded tax expense of EUR 10 million at the Group level for the first half of 2011/12. This amount includes tax expenses related to prior periods, which reflected the conclusion of tax audits.

2.2 Financial position

2.2.1 Financing and treasury

The most important treasury indicators for the EGGER Group are the debt repayment period (net debt / rolling 12-month EBITDA) and the equity ratio (equity/ balance sheet total), which are monitored on a regular basis.

Treasury Indicators		31.10.11	30.04.11
Equity ratio	in %	34%	36%
Net debt / EBITDA roll.	years	3,3	2,5

The debt repayment period rose from 2,5 to 3,3 years as of October 31, 2011. This development is attributable, above all, to the increase in net debt that resulted from financing for the Gagarin acquisition in Russia and for ongoing growth investments.

2.2.2 Cash flow

After the inclusion of changes in net working capital, cash flow from operating activities totaled EUR 88 million (1-6 2010/11: EUR 63 million). Cash outflows for investing activities amounted to EUR 298 million and clearly exceeded the prior year. This increase reflected the Gagarin acquisition (RU) as well as higher growth and maintenance investments.

Cash Flow Statement		HY 11/12	HY 10/11
Cash flow from operating activities	EUR mill.	88	63
Cash flow from investing activities	EUR mill.	-298	-127
Cash flow from financing activities	EUR mill.	77	-121
Change in cash and cash equivalents	EUR mill.	-133	-185

2.2.3 Investments

Investments in intangible assets and property, plant and equipment totaled EUR 154 million for the first half of the reporting year (1-6 2010/11: EUR 65 million). This amount includes EUR 24 million (1-6 2010/11: EUR 24 million) of maintenance investments, which represents 37% (1-6 2010/11: 35%) of scheduled depreciation for the period.

A total of EUR 130 million (1-6 2010/11: EUR 41 million) was spent on growth investments. The major growth projects in the first half of 2011/12 included the construction of the new OSB production and completion of the new adhesives plant in Radauti (RO). Other growth investments focused on wood and logistics optimization at the French plants, the construction of an impregnating line in Hexham (UK), the further expansion of edging production capacity in Gebze (TR) and the construction of thin chipboard production facilities in Shuya /RU).

Investments		HY 11/12	HY 10/11
Maintenance investment	EUR mill.	24	24
Growth investment	EUR mill.	130	41
Investment total	**EUR mill.**	**154**	**65**

In addition to direct investments for intangible assets and property, plant and equipment, cash flow from investing activities was influenced by cash outflows for the acquisition of the Russian chipboard producer Gagarin Plywood Mill LLC, Gagarin (RU).

2.3 Asset position

2.3.1 Analysis of the balance sheet structure

The balance sheet total rose by 6% from EUR 1.740 million on April 30, 2011 to EUR 1.839 million as of October 31, 2011, primarily due to the increase in investments.

Balance Sheet		31.10.11	30.04.11	Dev. in %
Non-current assets	EUR mill.	1.397	1.191	17%
Inventories	EUR mill.	261	243	7%
Receivables	EUR mill.	66	66	1%
Cash and cash equivalents	EUR mill.	59	193	-69%
Other current assets	EUR mill.	55	47	17%
Balance sheet total	**EUR mill.**	**1.839**	**1.740**	**6%**
Equity (including subsidies)	EUR mill.	618	628	-2%
Provisions	EUR mill.	48	48	1%
Financial liabilities / bonds	EUR mill.	839	754	11%
Other liabilities	EUR mill.	335	310	8%

Non-current assets increased 17% to EUR 1.397 million and comprised 76% of the balance sheet total as of October 31, 2011 (October 31, 2010: 68%). This reflects the high capital intensity of the Group’s production and is typical for the branch.

2.3.2 Working capital

Inventories rose by EUR 18 million over the level on April 30, 2011 to EUR 261 million. This year-on-year increase resulted above all from the seasonal improvement in demand as of October 31, 2011 and higher purchase prices for raw materials as well as the acquisition of the Russian production facility in Gagarin.

Trade receivables remained constant in comparison with April 30, 2011.

2.3.3 Liquidity / net debt

Interest-bearing liabilities (financial liabilities and bonds) rose by 11% to EUR 839 million as of October 31, 2011 (April 30, 2011: EUR 754 million). The major part of financing was concluded in Euros.

Net debt amounted to EUR 779 million as of October 31, 2011 (October 31, 2010: EUR 561 million) and rose by EUR 218 million. This increase resulted, above all from higher investments and acquisitions.

Net Debt		31.10.11	30.04.11	Dev. in %
Financial liabilities and bonds	EUR mill.	839	754	11%
Less liquid funds and securities	EUR mill.	59	193	-69%
Net Debt	**EUR mill.**	**779**	**561**	**39%**

2.3.4 Equity

Equity, including government grants, declined slightly by 1.5% to EUR 618 million (April 30, 2011: EUR 628 million). The equity ratio, after the inclusion of government grants, equaled 33,6% compared with 36,1% as of April 30, 2011.

2.3.5 Provisions and other liabilities

Provisions remained constant at the April 30, 2011 level of EUR 48 million. As a percentage of the balance sheet total, provisions equaled only 2,6% (April 30, 2011: EUR 2,8%).

3 SUBSEQUENT EVENTS, RISK AND OPPORTUNITIES, AND OUTLOOK

3.1 Major risks, opportunities and uncertainties

No risks can be identified at the present time that could endanger the existing of the EGGER Group. EGGER identifies, assesses and manages risk on a regular basis through a risk management system and in accordance with defined risk principles.

3.2 Significant events after October 31, 2011

In Wismar (Germany) the lawsuit filed against Ilim Nordic Timber GmbH & Co.KG (ILIM, formerly Klausner Nordic Timber GmbH & Co.KG) for the fulfillment of long-term supply obligations is still in progress. A court-recommended settlement was rejected by ILIM. In an announcement by the provincial court in Rostock on July 1, 2011, the contract was principally declared to be legally valid. The court also ordered an expert valuation of several points in the proceedings. Current deliveries by ILIM are based on short-term supply agreements.

3.3 Expected development / outlook

Recent forecasts by the European Commission call for zero growth, or possibly a short-term recession, in the Euro zone during the fourth quarter of 2011 and the first quarter of 2012. A slight improvement is only expected to take hold beginning in the second quarter of 2012. According to the latest Eurostat forecasts for 2012, real GDP in the EU region (27 countries) should grow by only 0,6%. The outlook for the crisis countries remains alarming: forecasts call for -0,5% in Italy and -3,0% in Greece and Portugal. From the current point of view, a further slowdown can also be expected in 2012 and 2013. Moreover, the need for consolidation in the public sector could have a further subduing effect on economic growth.

With the exception of Germany and Russia, the situation in the construction branch is not expected to improve significantly in the near future. Russia will continue to develop at a high pace, and similar development is expected in Turkey. Western Europa should record slight positive growth (Source: EGGER; B&L market data).

3.4 Expected earnings, financial and asset situation

The EGGER Group expects stable developments in the national economies of its major sales markets. However, volume declines are possible in the countries most heavily affected by the crisis. The development of sales markets and raw materials markets as well a shortage of timber could represent further sources of significant uncertainty. Trends in the construction industry, a key market for EGGER, are expected to vary substantially by region.

The start-up of the OSB line in Radauti (RO) will significantly expand EGGER's OSB production capacity. It will also strengthen the Group's market position, above all in the Building Segment. The start of adhesives production in Radauti and continuous optimization of the cost structure should support a further improvement in earnings.

In order to further strengthen its market position, EGGER is continuing to concentrate on product diversity, market diversification and innovation. A solid financial basis supports long-term supply relationships with our customers and further stable, internally generated growth.

This outlook includes forecasts that are based on current estimates for future developments. Uncertainty or risks in the market environment could influence these future developments and lead to variances from the current estimates.

St. Johann in Tirol, December 2011

Walter Schiegl (CTO, Production, Engineering and Procurement)	Thomas Leissing (Corporate Speaker, CFO, Finance, Logistics and Personnel)	Ulrich Bühler (CSO, Marketing and Sales)

The Managing Board

Consolidated Interim Financial Statements
in accordance with International Financial Reporting Standards (IFRS)
as of October 31, 2011
of

EGGER HOLZWERKSTOFFE GMBH,
St. Johann in Tirol

Egger Holzwerkstoffe GmbH, St. Johann i.T.
Consolidated Balance Sheet
as of October 31, 2011

ASSETS	31.10.2011 TEUR	30.4.2011 TEUR
Property, plant and equipment	1.192.963	1.018.923
Intangible assets	104.633	82.225
Financial assets	36.940	36.242
Investments in associates	4.797	3.845
Other assets	2.317	0
Deferred tax assets	55.458	49.851
Non-current assets	**1.397.108**	**1.191.086**
Inventories	260.693	242.747
Trade receivables	66.423	65.539
Other assets	54.716	46.073
Current tax assets	104	766
Securities and financial assets	587	647
Cash and cash equivalents	59.307	192.670
Current assets	**441.831**	**548.442**
Total Assets	**1.838.939**	**1.739.528**
EQUITY AND LIABILITIES		
Issued capital, participation rights, perpetual bond and reserves	528.811	539.855
Non-controlling interests	63.817	61.522
Equity	**592.627**	**601.377**
Bonds	318.130	392.890
Financial liabilities	241.136	260.069
Other liabilities	1.987	773
Investment subsidies	24.962	27.044
Provisions	45.863	45.532
Deferred tax liabilities	16.123	17.202
Non-current liabilities	**648.201**	**743.509**
Bonds	164.939	0
Financial liabilities	114.306	100.867
Trade payables	183.419	180.151
Other liabilities	107.396	89.617
Current tax liabilities	25.708	21.786
Provisions	2.343	2.220
Current liabilities	**598.110**	**394.641**
Total Equity and Liabilities	**1.838.939**	**1.739.528**

Egger Holzwerkstoffe GmbH, St. Johann i.T.
Consolidated Income Statement

	5-10/2011 TEUR	5-10/2010 TEUR
Revenues	**975.096**	**871.333**
Other operating income	14.061	16.929
Increase/decrease in inventories	2.621	17.088
Own work capitalized	3.174	2.214
Cost of materials	-568.336	-505.952
Personnel expenses	-145.473	-131.574
Depreciation and amortization	-66.626	-69.026
Other operating expenses	-153.654	-148.764
Operating profit	**60.862**	**52.248**
Financial results	-34.185	-24.148
Income from financial investments	0	5
Income from associates	19	190
Profit before tax	**26.697**	**28.294**
Income taxes	-9.450	-970
Profit after tax	**17.246**	**27.323**
Attributable to non-controlling interests	1.953	693
Attributable to the parent company	15.293	26.630
	17.246	**27.323**

Consolidated Statement of Comprehensive Income

	5-10/2011 TEUR	5-10/2010 TEUR
Currency translation adjustments	-14.361	-10.787
Change in hedging reserve	-1.913	214
Profit after tax recognized directly in equity	**-16.274**	**-10.573**
Profit after tax	17.246	27.323
Total comprehensive income for the period	**973**	**16.750**
Thereof attributable to non-controlling interests	1.953	693
Thereof attributable to equity holders of the parent company	-980	16.057
	973	**16.750**

Egger Holzwerkstoffe GmbH, St. Johann i.T.
Consolidated Cash Flow Statement

	5-10/2011 TEUR	5-10/2010 TEUR
Profit before tax	26.697	28.294
Depreciation and amortization	66.626	69.026
Impairment charges to and valuation of financial assets	42	44
Use of investment subsidies	-2.096	-2.014
Income/loss from the disposal of fixed assets	443	410
Income from associates	-19	-190
Increase/decrease in long-term provisions	331	345
Income taxes paid	-2.537	-3.692
Gross cash flow	**89.487**	**92.223**
Increase/decrease in inventories	-9.687	-36.816
Increase/decrease in trade receivables	2.924	-8.804
Increase/decrease in other assets	-11.083	-6.663
Increase/decrease in trade payables	260	13.098
Increase/decrease in other liabilities	13.233	10.783
Increase/decrease in current provisions	123	-449
Currency translation adjustments	3.153	-582
Cash flow from changes in net current assets	**-1.077**	**-29.432**
Cash flow from operating activities	**88.410**	**62.791**
Purchase of property, plant and equipment and intangible assets	-154.439	-64.924
Purchase of non-current financial assets	-1.040	-5.335
Purchase of shares in an associate	-933	-336
Payments made for the acquisition of subsidiaries	-143.811	-60.166
Increase/decrease in securities and current financial assets	60	14
Proceeds from the disposal of non-current assets	1.940	3.618
Cash flow from investing activities	**-298.223**	**-127.129**
Sale of bonds	92.931	0
Increase/decrease in current financial liabilities	11.937	12.466
Increase/decrease in non-current financial liabilities	-18.744	-130.607
Interest expense for perpetual bond	-9.643	-3.006
Cash flow from financing activities	**76.481**	**-121.147**
Net change in cash and cash equivalents	**-133.332**	**-185.485**
Effects of exchange rate fluctuations on cash held	-31	-478
Cash and cash equivalents at the beginning of the financial year	192.670	302.111
Cash and cash equivalents at the end of the financial year	**59.307**	**116.148**

Egger Holzwerkstoffe GmbH, St. Johann i.T.
Statement of Changes in Equity

	Equity before non-controlling interests TEUR	Non-controlling interests TEUR	Total equity TEUR
Balance on May 1, 2010	**520.137**	**26.630**	**546.767**
Total comprehensive income for the period	16.057	693	16.750
(Deferred) taxes on items not recognized through profit or loss	1.215	0	1.215
Interest on perpetual bond	-3.006	0	-3.006
Balance on October 31, 2010	**534.403**	**27.324**	**561.727**

	Equity before non-controlling interests TEUR	Non-controlling interests TEUR	Total equity TEUR
Balance on May 1, 2011	**539.855**	**61.522**	**601.377**
Total comprehensive income for the period	-980	1.953	973
Transfer of shares without recognition through profit or loss	-352	352	0
Increase / decrease in non-controlling interests	-71	-11	-82
Interest on perpetual bond	-9.643	0	-9.643
Balance on October 31, 2011	**528.811**	**63.817**	**592.627**

Selected Explanatory Notes to the Consolidated Interim Financial Statements as of October 31, 2011

1. Accounting and Valuation Methods

The consolidated interim financial statements as of October 31, 2011 comprise the individual financial statements of Egger Holzwerkstoffe GmbH and its subsidiaries, which were consolidated in accordance with the principles of International Financial Reporting Standards and prepared in accordance with the rules for interim reporting (IAS 34).

The accounting and valuation methods that formed the basis for the consolidated annual financial statements as of April 30, 2011 remain unchanged. Additional information on the accounting and valuation methods is provided in the consolidated annual financial statements as of April 30, 2011, which form the basis for this interim report.

2. Consolidation Range and Consolidation

These interim financial statements include all domestic and foreign companies controlled by Egger Holzwerkstoffe GmbH.

Egger Konstruktiv Beteiligungs GmbH, St. Johann in Tirol, was founded during the first six months of the 2011/12 financial year. This company subsequently acquired the shares in the renamed Egger Building Products GmbH (formerly Egger Holzprodukte Management GmbH), St. Johann in Tirol, from Fritz Egger Gesellschaft m.b.H. Egger ADLB Management GmbH, St. Johann in Tirol, was renamed Egger Ost Management GmbH. Egger Holzprodukte Vertriebs GmbH acquired the shares in Beteiligung “FM International“ GmbH, St. Johann in Tirol. Fritz Egger Gesellschaft m.b.H., St. Johann in Tirol, acquired an additional 39% stake in Hackgut Logistik & Handel GmbH, Großschönau, for TEUR 70 and now owns 90% of the shares in this company. Fritz Egger Beteiligungsverwaltung GmbH, St. Johann in Tirol, was deconsolidated for reasons of immateriality.

In Russia LLC Egger Drevprodukt, Shuya, acquired 100% of the shares in Gagarin Plywood Mill LLC, a chipboard plant located in Gagarin. The initial consolidation as of July 1, 2011, which was carried out in accordance with IFRS 3, resulted in the capitalization of goodwill totaling TEUR 17.737 under intangible assets.

The acquisition of Gagarin Plywood Mill LLC increased Group revenues by TEUR 27.843 and operating profit by TEUR 1.564.

The interim financial statements were prepared in thousand Euros (rounded). The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts and percentage rates.

3. Notes to the Balance Sheet

The issued capital of Egger Holzwerkstoffe GmbH totals TEUR 11.509 and has remained unchanged since April 30, 2011.

Maintenance capex and growth investments totaled TEUR 154.439 for the first half of the 2011/12 financial year (1-6 2010/11: TEUR 64.924).

Net debt amounted to TEUR 779.204 as of October 31, 2011 (TEUR 561.156 as of April 30, 2011), which represents an increase of TEUR 218.048. The negative change in currency translation adjustments that were not recognized to profit and loss equaled TEUR 14.361 for the reporting period (1-6 2010/11: negative change of TEUR 10.787). These currency translation adjustments arose primarily in Romania and Russia.

4. Notes to the Income Statement

Consolidated revenues totaled TEUR 975.096 (1-6 2010/11: TEUR 871.333). Operating profit before depreciation (EBITDA) amounted to TEUR 127.488 (1-6 2010/11: TEUR 121.274).

5. Segment Reporting

At the start of the 2011/12 financial year, the management structure of the operating segments was expanded to include the Building Division. Egger Holzwerkstoffe GmbH now reports the following operating segments: Decorative, Retail and Building. The comparable prior year data were adjusted accordingly.

These operating segments produce and/or sell the following products:

Decorative:	Production and sale of boards made of wood products (chipboard, MDF, HDF, compact and lightweight boards) as well as sawn timber and edgings.
Retail:	Production and sale of laminated flooring.
Building:	Production and sale of OSB boards and sawn timber.

Segment information by area of business

	October 31, 2011				
	Decorative TEUR	Retail TEUR	Building TEUR	Consolidation TEUR	Total TEUR
Revenues	775.839	168.678	81.912	-51.332	975.096
Depreciation	57.168	8.473	985	0	66.626
Segment assets	1.682.648	184.171	220.304	-248.183	1.838.939
Segment liabilities	1.201.578	184.286	105.353	-244.905	1.246.312
Investments	208.205	2.579	71.525	0	282.309

Note: The consolidation of inter-segment transactions involving assets and liabilities is included under the column “consolidation“.

	October 31, 2010				
	Decorative TEUR	Retail TEUR	Building TEUR	Consolidation TEUR	Total TEUR
Revenues	656.405	161.545	93.493	-40.110	871.333
Depreciation	55.893	9.079	4.054	0	69.026
Segment assets	1.515.915	241.976	161.918	-316.693	1.603.116
Segment liabilities	1.054.764	236.843	63.446	-313.664	1.041.389
Investments	150.060	4.161	4.338	0	158.560

Note: The consolidation of inter-segment transactions involving assets and liabilities is included under the column “consolidation“.

6. Notes to the Cash Flow Statement

Profit before tax forms the starting point for the cash flow statement. Taxes paid are shown as a direct deduction under cash flow from operating activities. The appropriate adjustments are found under cash flow from operating activities as a change in other liabilities.

7. Waiver of Review

These interim financial statements were neither audited nor reviewed by a certified public accountant.

8. Statement by Management

We hereby confirm to the best of our knowledge that the consolidated interim financial statements, which were prepared in accordance with the applicable accounting standards, provide a true and fair view of the asset, financial and earnings position of the group. Additionally, we confirm to the best of our knowledge that the group management report provides a true and fair view of the group's asset, financial and earnings position with respect to important events that occurred during the first six months of the financial year and their impact on the consolidated interim financial statements, and also describes the principal risks and uncertainties for the remaining six months of the financial year.

St. Johann in Tirol, December 2011

The Managing Board

Walter Schiegl Thomas Leissing Ulrich Bühler