

EGGER HOLZWERKSTOFFE GMBH

St. Johann in Tirol

Consolidated Interim Financial Report

as of October 31, 2014

MISSION

CREATING MORE FROM WOOD

- Our values are dynamism, loyalty, responsibility and trust and the preservation of the pioneering spirit as a family run EGGER group.
- We achieve sustainable international growth based on our own performance and by preserving our independence.
- We provide our customers with innovative solutions and market-oriented products and services based around a natural and renewable material – wood.

CORE VALUES

OUR VALUES AS A FAMILY COMPANY

- Sustainability and the further development of the company for the benefit of coming generations take centre stage in our decisions.
- Respect, trust, partnership and loyalty define our everyday actions.
- We stand by our word.
- Professional action and efficient decision-making processes constitute key success factors.
- We live by our core values and present ourselves to the employment market with the values of a family company.

OUR CUSTOMER SERVICE

- We recognise the importance of developing long term customer relationships as the basis for mutual success.
- Reliable quality, professional and qualified advice, design and technical competence, balanced by an equitable price/performance ratio is our central customer core value.

OUR QUALITY

- For EGGER, quality is fulfilling defined requirements in everything we undertake.
- We have committed ourselves to continuous improvement, backed up by an independent certified management system.

OUR EMPLOYEES AND MANAGEMENT

- We are respectful of each other.
- We expect high performance and develop our employees through specific training and information programmes.
- Experience and long employment service are particularly respected.
- Our managers are predominantly recruited internally and are characterised by high leadership competence and positive role model behaviour.

OUR ORGANISATION

- We are a decentralised group structured around individual business units and regional organisations.
- Central functions are carried out only where we can benefit from synergies, increases in productivity or when driven by strategic demands.
- Our decision-making processes are clear and efficient.
- The rules of procedure and reporting requirements form the basis of proper business management.
- The strategic direction of the group is defined by the owners and Group Management, with the support of the group staff as well as national and division management.
- Individuals have the responsibility for implementing mutually agreed targets.

OUR SOCIAL ENVIRONMENT

- In accordance with our core values we embrace the culture and customs of the countries in which we operate.
- We actively integrate into the life of our local communities.
- We promote the employment of qualified employees and managers from the regions around our sites.

OUR NATURAL ENVIRONMENT

- The sustainable use of raw materials is one of EGGER's highest priorities.
- We achieve this through the use of biomass energy plants, environmentally friendly logistics systems and state of the art manufacturing technology that ensures our resources are used as efficiently as possible.

OUR INFORMATION AND COMMUNICATION SYSTEMS

- We invest in the latest information and communication technologies.
- We use these systems to manage our business efficiently and bring our business partners closer to the relevant business. .

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The consolidated interim financial statements are prepared in TEUR / Mio EUR (rounded). The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts and percentage rates.

Introduction by Group management

Dear Ladies and Gentlemen,

You are now holding the EGGER Group's report on the first half of the 2014/15 financial year in your hands – a report that is characterized by the company's positive development in a challenging market environment. We continued to pursue our mission to “make more out of wood“ during the past half year and, in this way, set a new record for six-month results.

Revenues recorded by the EGGER Group rose by 2,3% to EUR 1.163 million in the first half of 2014/15. EBITDA increased by an above-average 8,5% to EUR 172,6 million, and the EBITDA margin improved further to 14,8%.

Our 17 producing locations reported generally sound capacity utilization during the past six months. The largest increase in revenues (+3,7%) was generated by the EGGER Decorative Products Division, which markets products for furniture and interior construction. All our geographic markets recorded year-on-year growth, with the exception of Russia where foreign exchange factors and the Ukraine crisis had a negative effect. Development was positive, above all in Western Europe – and here particularly in Great Britain.

The fact that we are still faced with a very challenging economic environment is illustrated by the revenue decline in the EGGER Retail Products Division (-7,9%) – where we consciously avoided the low-margin volume business – and in the EGGER Building Products Division (-5,4%) – which was negatively affected by the weak demand for OSB and the resulting increased pressure on prices.

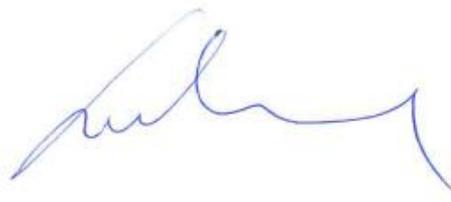
The second half-year is expected to bring stable development. In order to adequately meet the challenges created by the raw materials market, we are focusing on deep backward integration. Our claim for sales is to remain as close as possible to our customers. We are therefore working continuously on clear retailer structures, a broad-based warehouse program, CRM and quality management systems and targeted marketing instruments. We are prepared to make substantial investments, especially for the further development of logistics and services for our customers. These continuous investments have given us 17 modern, environmentally friendly and safe production facilities – and because this business success is not possible without the many men and women who work for Egger, our activities during the first half of this financial year were also focused on employee and management development.

Together with our roughly 7.270 EGGER employees, we also intend to continue this course in the future.

St. Johann in Tirol, December 12, 2014



Walter Schiegl
CTO, Production,
Engineering and
Procurement



Thomas Leissing
Speaker of the Managing Board,
CFO, Finance, Logistics
and Human Resources



Ulrich Bühler
CSO, Marketing
and Sales

Brief portrait of Group management

In 1961 Fritz Egger sen. founded the chipboard plant that formed the basis for the family-owned Egger Group. Today the Group is owned by private foundations established by the Egger family, who participate in the definition of strategic guidelines as members of the Advisory Board. Smaller investments are held by the members of EGGER Group management. The business operations of this family company are directed by the EGGER Managing Board with Walter Schiegl, Thomas Leissing and Ulrich Bühler.

Walter Schiegl



EGGER Group management:
Production, Engineering & Procurement

Walter Schiegl has been with EGGER since 1980. After several years in production, he served as the plant manager for production and engineering in Wörgl (AT) and Brilon (DE). In 2000 he was appointed to the Managing Board, where he is responsible for production, engineering and procurement.

Thomas Leissing



EGGER Group management: Finance, Logistics,
Human Resources & Speaker of the Group

Thomas Leissing was appointed to the EGGER Managing Board in 2005. He is responsible for finance, logistics and human resources and, since 2009, has also served as the speaker for the Managing Board. Prior to joining EGGER, he worked in corporate finance for a publicly traded international industrial corporation.

Ulrich Bühler



EGGER Group management:
Marketing & Sales

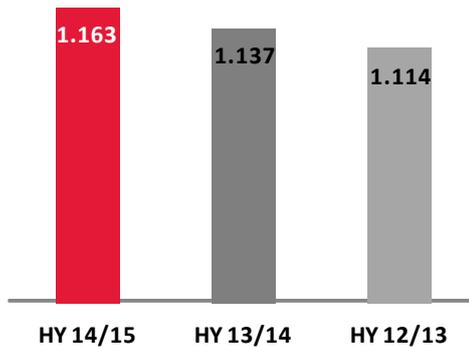
Ulrich Bühler joined the EGGER Managing Board in 2006, where he is responsible for sales, marketing, product management and communications. Before joining EGGER in 2000, he worked for a major German wood retailer where he was in charge of sales and marketing for the German country organization.

Overview of key data

Key data on the EGGER Group at a glance.

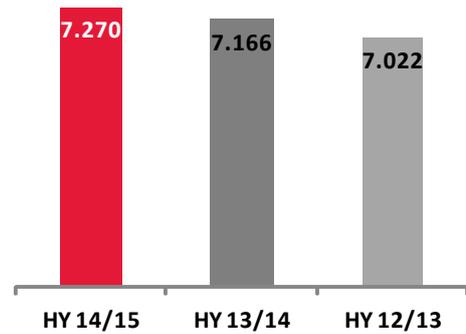
REVENUES

In EUR mill.



EMPLOYEES

Yearly average 12 months roll.



EARNINGS INDICATORS

In EUR mill. or in %

		HY 14/15	HY 13/14	HY 12/13
Revenues	EUR mill.	1.163,0	1.136,7	1.114,1
EBITDA	EUR mill.	172,6	159,0	155,6
EBITDA margin	in %	14,8%	14,0%	14,0%
EBIT	EUR mill.	88,2	80,5	77,5
EBIT-Marge	in %	7,6%	7,1%	7,0%
Profit before tax (PBT)	EUR mill.	69,6	54,3	51,4
Profit after tax (PAT)	EUR mill.	52,7	47,9	45,2

CONSOLIDATED BALANCE SHEET

In EUR mill.

		31.10.14	30.04.14	30.04.13
Balance sheet total	EUR mill.	2.081,1	2.057,3	2.005,8
thereof long term assets	EUR mill.	1.440,2	1.414,9	1.424,4
Equity (including subsidiaries)	EUR mill.	826,0	806,3	708,9

Treasury Key Figures

In EUR mill., in % and years

		31.10.14	30.04.14	30.04.13
Equity ratio	in %	39,7%	39,2%	35,3%
Net Debt	EUR mill.	619,8	658,3	723,3
Net debt / EBITDA roll.	years	1,9	2,1	2,4

Value Management

In EUR mill. or in %

		31.10.14	30.04.14	30.04.13
Operating EBITDA (roll. 12 months)	EUR mill.	325,8	312,3	303,2
Historical capital employed	EUR mill.	3.284,3	3.223,6	3.081,0
CFROI	in %	9,9%	9,7%	9,8%

MANAGEMENT REPORT

on the Consolidated Interim Financial Statements as of October 31, 2014

for the 2014/15 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 Organizational and management structure of the EGGER Group

EGGER was founded in 1961 as a family company with headquarters in St. Johann in Tirol. With approx. 7.270 employees throughout Europe, including Russia and Turkey, the Group produces approx. 7,5 million m³ of wood materials per year and is one of the leading companies in the European wood industry. Its international customer base includes firms from the furniture and construction industries, the retail trade, home improvement markets and DIY (do-it-yourself) stores

Egger Holzwerkstoffe GmbH GmbH is the parent company of the Group, which includes companies in Austria, Germany, France, Great Britain, Ireland, Russia, Romania and Turkey as well as sales companies in Eastern Europe, Benelux, Scandinavia, Switzerland and Overseas (Asia, Australia and South America) that report directly to the respective country organizations.

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, Sales and Communication).

The Advisory Board serves as a consultative committee that supports the Managing Board on strategic issues. The members of the Advisory Board are Fritz Egger (Chairman) and Michael Egger as well as Robert Briem and Michael Pollak. The cooperation between the Managing Board and the Advisory Board takes the form of regular meetings and monthly reporting.

EGGER relies on teams for the management of its organizational units, whereby the individual responsibilities cover production and engineering, sales and marketing as well as logistics, finance and administration. This structure has been implemented for the Group's management, for divisional and country management and for the regional organizations. In addition, staff managers are responsible for the following areas: engineering / production / procurement, marketing / communications and sales controlling as well as IT / logistics / human resources / accounting / treasury / legal & tax

1.1.2 Operating segments and market structure

EGGER's products are used for numerous private and public sector applications: in kitchens, bathrooms, offices, living rooms and bedrooms. EGGER views itself as a complete supplier for the decorative furniture industry and interior construction, for wood construction and for laminated flooring. Its direct and indirect customers include the furniture and wood industry, wood and building material retailers, home improvement markets, architects and fabricators.

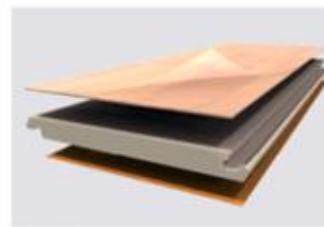
As a complete supplier, EGGER makes "more out of wood" for the furniture industry and interior construction as well as building products and laminated flooring. Examples are:



EURODEKOR®
Melamine faced board



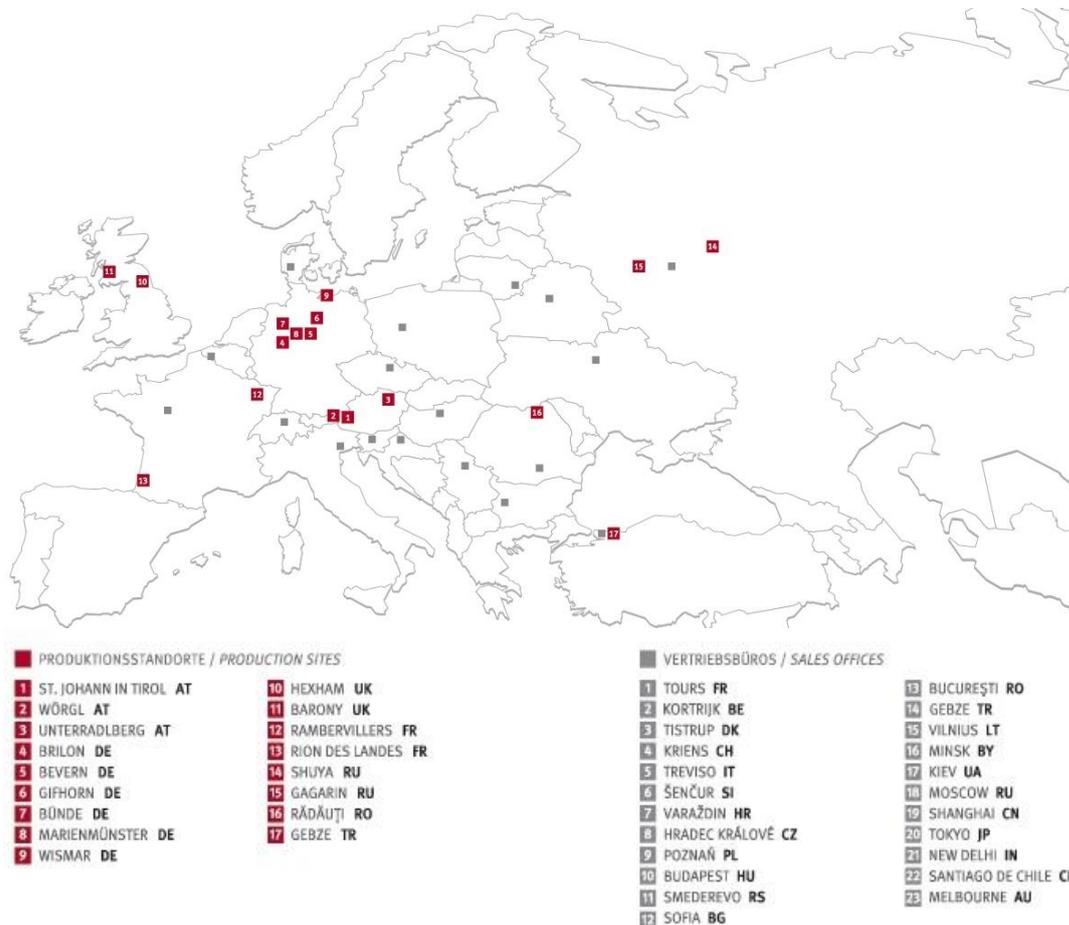
EUROSTRAND®
OSB tongue and groove



DPL Direct pressure laminate
flooring

1.1.3 Markets and production facilities

EGGER operates 17 production facilities in seven countries and markets its products throughout the world. 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.



In order to ensure optimal market development and close proximity to its customers, EGGER's organizational structure is based on divisions and markets. The largest organizational area is formed by the EGGER Decorative Products Division, which produces and sells wood materials and accessories for decorative furniture and interior construction. The Group also has two other divisions: EGGER Retail Products, which concentrates primarily on the production and marketing of laminated and cork flooring, and EGGER Building Products for construction materials like OSB boards and sawn wood products.



The EGGER Decorative Products Division is further classified into regional organizations (markets) because of its size:

- Central-South Europe – Austria, Switzerland, Italy
- North-West Europe – Germany, Benelux, Scandinavia
- South-West-Europe – France, Spain, Portugal
- Great Britain and Ireland
- Central and Eastern Europe – all East European countries excluding Russia, but 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

EGGER also classifies its customer groups by market into the following sales channels / branches:

- Retail: comprises specialized retailers that sell to fabricators and smaller to medium-sized industrial companies
- Industry: covers large customers from the furniture industry and industrial customers involved in wood construction
- DIY: includes building material retailers and DIY stores that sell directly to consumers

1.2 THE DEVELOPMENT OF BUSINESS

1.2.1 The economic environment and influencing factors

The development of business in the EGGER Group is influenced by the following key factors:

- In all countries where EGGER is present, its business activities are closely linked to the **development of the economy** and the gross domestic product (GDP). GDP growth influences the purchasing power and investment behavior of private households and business customers and, in this way, has an impact on the Group's customers and their business with EGGER.
- The **development of the construction industry** has a significant influence on the demand for wood materials. It has a direct effect on the EGGER Building Products Division because OSB and sawn wood are used primarily in new construction. Business in the EGGER Retail Products Division, with its flooring products, is also shaped by the volume of new construction and, in particular, by renovation. Key customers for decorative wood material products include the kitchen and office furniture industries, which are the most heavily influenced by new residential and commercial construction. The major drivers for new residential construction include widely differing demographic developments, bank lending policies, interest rate trends and consumer confidence. Increasing consumer confidence is seen as a sign of higher consumer spending.
- Each new construction project triggers up to four relocations, which generally involve the renovation of the old apartment(s). These **renovation activities** have an impact on the flooring, kitchen and furniture businesses and can vary significantly depending on the region and previous level of construction (renovation cycles).
- Business in the EGGER Decorative Products Division is heavily influenced, above all, by **developments in the furniture industry**, which is the most important customer for laminated wood materials.
- The **development of competition** in the wood materials industry also has a significant impact on business in the EGGER Group. Newly constructed capacity or the shutdown of production facilities or equipment can lead to major shifts in market shares and/or to a surplus or shortfall of market capacity and thereby have a substantial influence on market prices.
- As an industrial company that uses substantial quantities of raw materials, EGGER is heavily dependent on the **availability and price levels of key raw materials**.

1.2.2 Economic developments in Europe and the world

The global economic recovery is continuing, but at different speeds and despite a number of setbacks. Slower-than-expected growth during the first half-year was reflected in a reduction of 0,4% in the forecast to 3,3% for 2014. The outlook for development in 2015 lies below 3,8%. Short-term risks are evident, above all in increasing geopolitical tensions, declining readiness to take on risk and volatility on the financial markets. The medium-term risks include stagnating or low growth in the developed countries as well as weaker growth in the emerging markets. Source: IMF (WEO 2014 10)

A quarter-on-quarter analysis shows a seasonally adjusted increase of 0,8% in the Euro zone GDP and 1,3% for the EU-28 during the third quarter of 2014, compared with +0,8% and +1,3% in the previous quarter. Source: Eurostat

Wachstumsrate reales BIP (Bruttoinlandsprodukt)

in %

	2008	2009	2010	2011	2012	2013	2014 Q1	2014 Q2	2014 Q3
Welt	2,7	-0,4	5,2	3,9	3,1	3,0	3,6
EU28	0,4	-4,5	2,0	1,6	-0,4	0,1	1,5	1,3	1,3
Euro Zone	0,2	-4,6	2,0	1,6	-0,6	-0,2	1,0	0,8	0,8
Belgien	1,0	-2,6	2,5	1,6	0,1	0,3	1,2	1,0	0,8
China	9,6	9,2	10,4	9,3	7,4	7,5	..
Deutschland	1,1	-5,6	4,1	3,6	0,4	0,1	2,3	1,4	1,2
France	0,2	-2,9	2,0	2,1	0,3	0,3	0,8	0,0	0,4
Italien	-1,0	-5,5	1,7	0,6	-2,3	-1,9	-0,3	-0,3	-0,4
Japan	-1,0	-5,5	4,7	-0,5	1,4	1,5	2,6	-0,1	-1,1
Niederlande	2,1	-3,3	1,1	1,7	-1,6	-0,7	0,1	1,1	1,0
Norwegen	0,1	-1,6	0,5	1,3	2,9	0,6	1,8	1,8	..
Österreich	1,5	-3,8	1,9	3,1	0,9	0,2	0,9	0,5	0,3
Polen	5,1	1,6	3,9	4,5	1,9	1,6	3,5	3,3	..
Russia	5,2	-7,8	4,5	4,3	3,4	1,3	1,1	1,0	..
Schweden	-0,6	-5,0	6,6	2,9	0,9	1,6	1,7	2,6	..
Schweiz	2,2	-1,9	3,0	1,8	1,0	1,9	1,7	1,1	..
Slowakei	5,8	-4,9	4,4	3,0	1,8	0,9	2,2	2,4	..
Spanien	0,9	-3,8	-0,2	0,1	-1,6	-1,2	0,5	1,2	1,6
Tschechische Republik	2,7	-4,8	2,3	2,0	-0,8	-0,7	2,6	2,5	2,4
Turkey	0,7	-4,8	9,2	8,8	2,1	4,1	4,7	2,5	..
Ungarn	0,9	-6,6	0,8	1,8	-1,5	1,5	3,3	3,7	..
Vereinigte Staaten	-0,3	-2,8	2,5	1,6	2,3	2,2	1,9	2,6	2,3
Vereinigtes Königreich	-0,8	-5,2	1,7	1,1	0,3	1,7	2,9	3,2	3,0

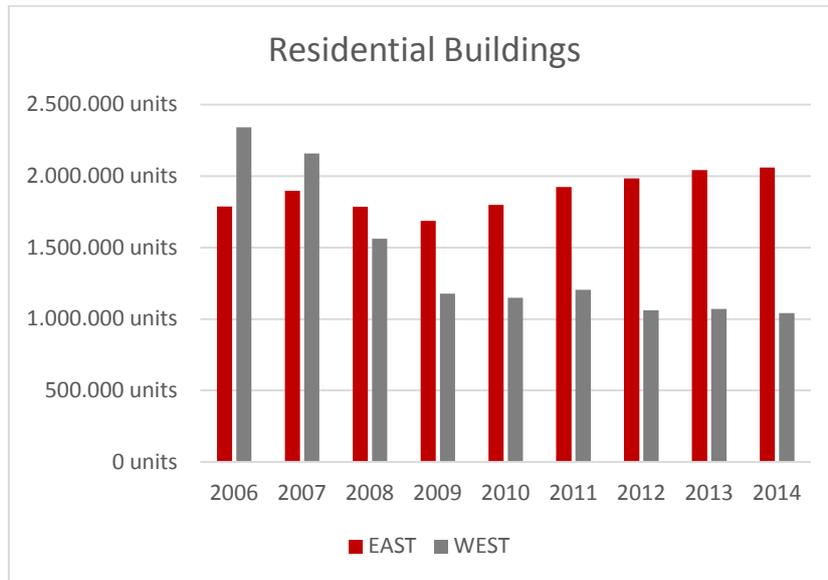
2014 Q1 - 2014 Q3: quarter-on-quarter growth, seasonally adjusted
Source: OECD Main Economic Indicators, Eurostat (EU28), WEO (World)

1.2.3 The construction industry and renovation in Europe

The number of building permits granted in Europe remained relatively constant in year-on-year comparison during the first two quarters of 2014, but is still 15% lower than in 2010. A substantial downward trend is evident in France; Greece and Portugal remained at a very low level; and the number of building permits issued in Austria fell to the 2012 level. In Spain, signs of stabilization were noted. The sound upward trend continued in Great Britain, while a higher number of building permits were issued in Germany and the Benelux countries. Source: Eurostat

The steady increase in residential building permits on the East European markets could end during 2014, above all due to a decline in Turkey. Source: B+L Markdaten

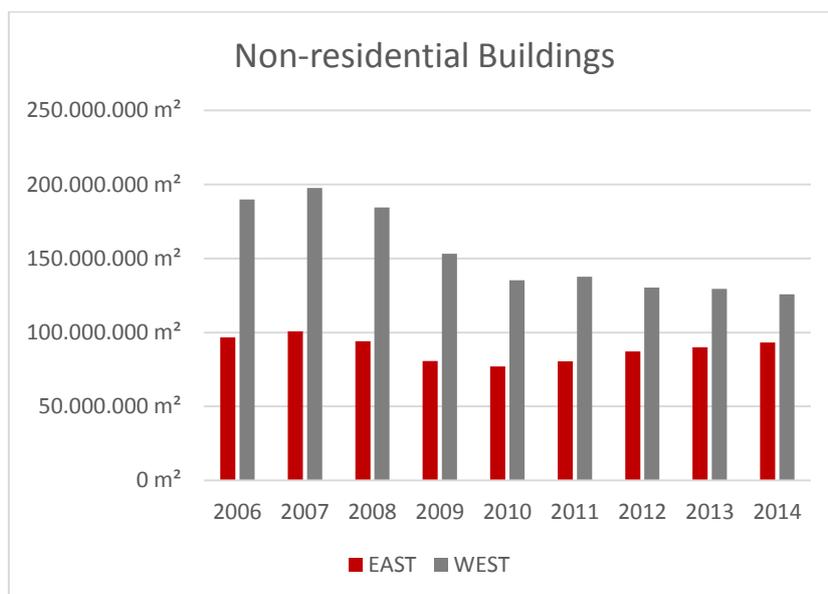
Development of residential units in Western and Eastern Europe from 2006 to 2014:



Source: B&L Marktdaten 07.2014

In the non-residential construction sector, the area covered by building permits in Western Europe continued to decline. This development resulted primarily from a sharp drop in France, but was also based on a decline in Germany. The increase in Great Britain will apparently peak in 2015. The upward trend in Eastern Europe is rapidly losing momentum and could stagnate beginning in 2015. It will be significantly influenced by developments in Turkey, where the indicators are expected to increase up to 2015 and then decline. The forecasts for Russia also show a decline in the building permits issued for non-residential space. Source: B+L Marktdaten

Development of non-residential construction in Western and Eastern Europe from 2006 to 2014:



Source: B&L Marktdaten 11.2014

1.2.4 1.2.4 EGGER's competitive position

The EGGER Group is one of the leading companies in the European wood materials industry. It has set – and met – the objective to develop and maintain a strong position with its core products on all relevant markets. A wide-ranging product portfolio makes EGGER a complete supplier for decorative wood materials, wood construction and laminated flooring.

Various competitors in Central and Eastern Europe and Russia are planning to substantially expand their OSB, MDF and chipboard capacity, and a number of projects have already been completed. In view of the declining and/or stagnating demand, it will become increasingly difficult to fully utilize this capacity.

The production capacity in Western Europe has been reduced by the shutdown of plants in Southern and Southwestern Europe during recent years. In Great Britain, capacity was also reduced by the closing of a competing production facility. These capacity reductions in Western Europe have had a positive effect on the development of EGGER's business.

1.2.5 1.2.5 Raw material supplies and prices

Expenditures for raw materials and energy represent a major component of total costs for the EGGER Group. Accordingly, top priority is given to the protection and continuous improvement of supply availability and the monitoring of price trends for key raw materials on the increasingly volatile procurement markets. The most important raw materials, e.g. wood, chemicals and paper, are managed by a central department, which supports the local plants in their purchasing activities and also identifies and optimizes synergies for the Group. EGGER purchases most of its raw material supplies from partners with which it has long-standing business relationships.

Developments on the raw material markets over the past six months were characterized by very different regional trends in wood prices with a slight decline in total for the EGGER Group. Different trends were noted in the price of purchased chemicals, with a significant rise in the price of urea especially during September and October. Melamine and methanol prices declined during the first half of 2014/15, while paper prices remained constant.

Energy prices declined during the reporting period. The overall price of electricity and natural gas for the EGGER Group fell by 8,3% and 2,1%, respectively. At all major locations, the generation of energy in modern biomass power plants holds gas consumption at a low level. EGGER is working to minimize the use of fossil fuels, but avoids the thermal utilization of raw materials that can be used in production as part of the wood lifecycle. EGGER is opposed to the one-sided subsidy of wood burning for thermal energy generation and supports the cascading use of wood. Under this second approach, wood is used as an input material as long as possible before final thermal utilization. The plants in Unterradlberg (AT), Wismar (DE), Brilon (DE) and Radauti (RO) produce electricity with their own combined power and heat generation equipment, and thereby work to maximize the efficiency of energy generation.

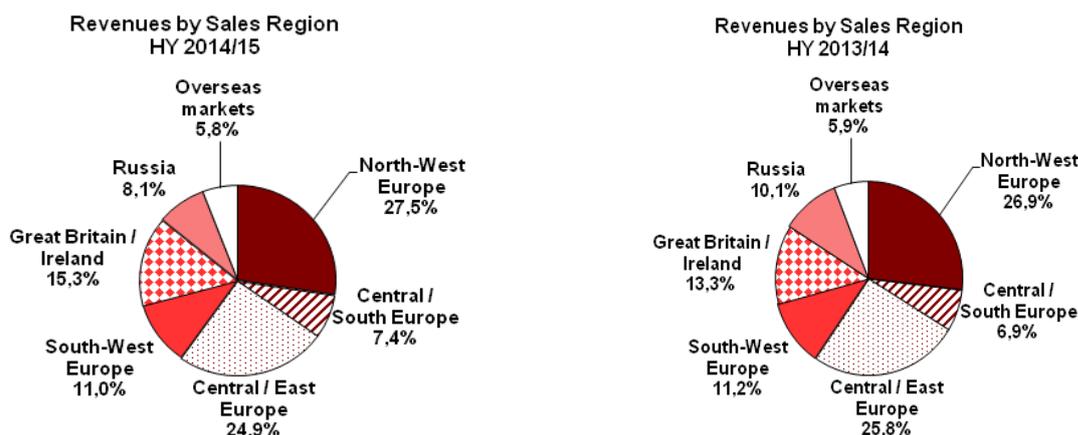
1.2.6 Business development in the EGGER Group

The EGGER Group recorded an increase of 2,3% in revenues to EUR 1.163 million in the first six months of 2014/15 (1-6 2013/14: EUR 1.137 million).

Revenue development in the Decorative Products Division differed by region. Higher revenues were recorded in Central-South, North-West, South-West, Central and Eastern Europe as well as Great Britain and Ireland, while the Russian market declined.

The Retail Products and Building Products Divisions reported lower revenues.

The revenues of EUR 1.163 million generated by the EGGER Group in the first half of 2014/15 (1-6 2013/14: EUR 1.137 million) are classified by region as follows based on the customer's location:



North-West Europe comprises Germany, Belgium, the Netherlands, Luxembourg and Scandinavia.

South-West Europe covers France, Spain and Portugal.

Central-South Europe comprises Austria, Switzerland and Italy.

Central and Eastern Europe includes, above all, Czech Republic, Slovakia, Poland, Hungary, Romania, Bulgaria, Serbia, Croatia, Slovenia, Ukraine, Belarus, Latvia, Estonia, Lithuania, Turkey, Greece and the Near East.

The Overseas region covers all other countries outside Europe

The most important geographic market for EGGER is Western Europe (i.e. the sales regions of North-West Europe, Great Britain and Ireland, South-West Europe and Central-South Europe), which recorded revenues of EUR 711 million in the first half of 2014/15 (61,1% of revenues). The significance of Germany for the wood materials market is based mainly on 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.

Another important market is Central and Eastern Europe, including Russia, which generated revenues of EUR 384 million in the first half of the reporting year (33,0% of revenues). The countries outside Europe (the Overseas region) play a secondary role. In this region EGGER recorded revenues of approx. EUR 68 million (5,8% of revenues).

1.2.7 Development of business in the first half of 2014/15 by division

The EGGER Decorative Products Division (interior design and furniture) generated the highest share of Group revenues at 74,3%. Revenues totaled EUR 914,9 million, for a year-on-year increase of 3,7% (1-6 2013/14: EUR 882,2 million). The EGGER Retail Products Division was responsible for 13,2% of Group revenues and recorded a year-on-year decline of 7,9% to EUR 162,2 million (1-6 2013/14: EUR 176,2 million). The EGGER Building Products Division recorded 12,6% of Group revenues, with a decline of 5,4% to EUR 154,7 million in the first half of 2014/15 (1-6 2013/14: EUR 163,6 million).

Revenues by Segment / Division		HY 14/15	HY 13/14	HY 12/13	Dev. in % HY15 - 14
Decorative Products	EUR mill.	914,9	882,2	891,9	3,7%
Retail Products	EUR mill.	162,2	176,2	187,3	-7,9%
Building Products	EUR mill.	154,7	163,6	126,3	-5,4%
Total (unconsolidated)	EUR mill.	1.231,8	1.222,0	1.205,5	0,8%
Consolidation	EUR mill.	-68,9	-85,3	-91,3	-19,2%
Total	EUR mill.	1.163,0	1.136,7	1.114,2	2,3%

Share of unconsolidated Revenues		HY 14/15	HY 13/14	HY 12/13
Decorative Products	in %	74,3%	72,2%	74,0%
Retail Products	in %	13,2%	14,4%	15,5%
Building Products	in %	12,6%	13,4%	10,5%
Total	in %	100,0%	100,0%	100,0%

Industry and retail were the most important sales channels for EGGER in the first half of 2014/15 with 44,0% and 48,1% of Group revenues, respectively (1-6 2013/14: 42,5% and 49,3%). The share of revenues generated by the DIY customer group was slightly lower than the prior year at 7,9% (1-6 2013/14: 8,2%).

1.2.8 Market and branch developments in the EGGER Decorative Products Division

The EGGER Decorative Products division covers all decorative products sold through the industry and retail channels. This division is classified geographically by markets into North-West Europe (NWE), South-West Europe (SWE), Central-South Europe (MSE), Great Britain and Ireland (UK, IR), Central and Eastern Europe (CEE), Russia (RU) and Overseas.

This division recorded a year-on-year increase of 3,7% in revenues to EUR 914,9 million in the first half of 2014/15. Development was positive in all markets, with the exception of Russia.

Developments in North-West Europe:

Revenues were substantially higher in all countries, in sales to both the furniture industry and retail trade. The increase in the retail segment resulted, above all, from the introduction of new decors and structures in the ZOOM collection. Germany was responsible for 22% of the revenues in the Decorative Products Division.

Developments in Central-South Europe:

In addition to Great Britain, revenue growth was strongest in Central-South Europe. This positive development resulted primarily from a sound increase in Italy. Revenues from sales to the furniture industry rose substantially in Austria and Switzerland, while revenues from sales to the retail trade remained constant.

Developments in Great Britain and Ireland:

Great Britain recorded the highest year-on-year revenue increase in the Decorative Products Division for the reporting period. This growth was supported equally by both sales channels, the furniture industry and the retail trade. Great Britain and Ireland were responsible for approx. 20% of division sales (1-6 2013/14: approx. 18%).

Developments in South-West Europe:

South-West Europe reported generally positive revenue development in comparison with the previous year, above all due to strong growth in Spain and Portugal. Higher revenues were recorded from sales to the furniture industry in France, while the retail sector remained stable.

Developments in Central and Eastern Europe:

Developments in this market were influenced by a sharp drop in revenues from Ukraine as well as a year-on-year decline in the Czech Republic and Slovakia. However, these declines were offset in part by solid growth in all other countries of the region, especially Poland and Romania. Consequently, Central and Eastern Europe made a positive contribution to revenue development in the Decorative Products Division.

Developments in Russia:

Russia was the only market region in the Decorative Products Division to record a decline in revenues for the reporting period. This negative development resulted, on the one hand, from the weak economy, which has had a particular effect on the furniture industry. On the other hand, a large part of the decline is also attributable to decreasing value of the Russian Ruble.

Developments in Overseas:

Revenues in the overseas markets remained constant in year-on-year comparison. Declines in the furniture industry in Japan and Korea were offset by growth in Australia, Asia and Africa.

1.2.9 Market and branch developments in the EGGER Retail Products Division

Flooring sales are managed by a separate Retail Division, which mainly services the retail trade and DIY outlets.

Revenues in this division fell by 7,9% to EUR 162,2 million (1-6 2013/14: EUR 176,2 million), in part due to the strategic decision not to pursue the low-margin volume business.

Lower revenues were recorded above all in Turkey, but also in Ukraine, France and Germany. In contrast, a year-on-year increase in revenues was recorded on the markets in Russia, Africa and Romania. The launch of the new 2015-2017 EGGER laminated flooring collection in September 2014 is expected to have a positive effect on the development of revenues.

1.2.10 Market and branch developments in the EGGER Building Products Division

Business activities in the EGGER Building Products Division cover the sale of OSB products and sawn wood, with the retail trade serving as the primary sales channel. Revenues in this division declined slightly to EUR 154,7 million for the reporting period (1-6 2013/14: EUR 163,6 million). Sales of sawn wood were only able to offset part of the primarily price-related drop in OSB revenues.

The Building Products Division recorded a year-on-year decrease in revenues from OSB products, which resulted chiefly from the declining price level for OSB. In addition, lower volumes in Russia, Ukraine, Asia, Germany and France have not been fully offset by other countries. Growth was reported above all in Poland, Turkey, Japan, Korea and Hungary.

Revenues from the sale of sawn wood increased, except on the Southeast Asian market. Growth was reported by all other markets – in particular Germany, Australia and Asia.

2 EARNINGS, FINANCIAL AND ASSET POSITION

2.1 Earnings position

2.1.1 Revenues

The EGGER Group recorded consolidated revenues of EUR 1.163,0 million in the first six months of 2014/15 (1-6 2013/14: EUR 1.136,7 million), which represents an increase of 2,3% over the comparable prior year period. This growth resulted from increased revenues in the Decorative Products Division.

A detailed description of the development of business in the individual divisions during the reporting period is provided in sections 1.2.7. to 1.2.10.

2.1.2 Earnings

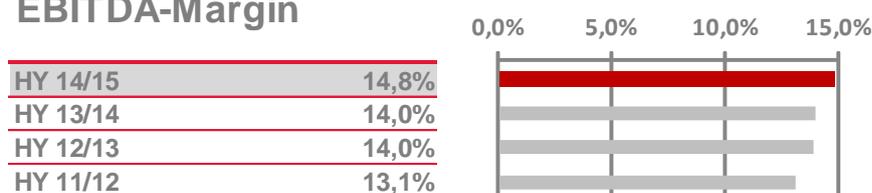
Earnings Indicators					Dev. in %
		HY 14/15	HY 13/14	HY 12/13	HY15 - 14
Revenues	EUR mill.	1.163,0	1.136,7	1.114,1	2,3%
EBITDA	EUR mill.	172,6	159,0	155,6	8,5%
EBITDA margin	in %	14,8%	14,0%	14,0%	
EBIT	EUR mill.	88,2	80,5	77,5	9,6%
Financial results *	EUR mill.	-18,6	-26,2	-26,1	-29,1%
Profit before tax (PBT)	EUR mill.	69,6	54,3	51,4	28,2%
Profit after tax (PAT)	EUR mill.	52,7	47,9	45,2	9,9%

* includes income from financial investments and associates; w without interests Hybrid-bond

EBITDA (earnings before interest, taxes, depreciation and amortization) amounted to EUR 172,6 million in the first half of 2014/15, for an increase of 8,5% over the comparable prior year value of EUR 159,0 million. This improvement is attributable chiefly to the Decorative Products Division, which recorded higher earnings especially in the West European markets and in Great Britain. In contrast, declines were reported by the Retail Products and Building Products Divisions.

The EBITDA margin rose to 14,8% in the first half of 2014/15 (1-6 2013/14: 14,0%).

EBITDA-Margin



EBIT (earnings before interest and taxes) rose by EUR 7,7 million from EUR 80,5 million in the first half of the previous year to EUR 88,2 million EUR (+ 9,6%) for the reporting period.

2.1.3 Development of earnings in the segments / divisions

EBITDA by Segment / Division					Dev. in %
		HY 14/15	HY 13/14	HY 12/13	HY15 - 14
Decorative Products	EUR mill.	142,8	121,9	136,9	17,1%
Retail Products	EUR mill.	12,0	12,9	14,8	-6,9%
Building Products	EUR mill.	17,9	24,3	3,9	-26,4%
Total	EUR mill.	172,6	159,0	155,6	8,5%

2.1.4 Development of earnings in the EGGER Decorative Products Division

EBITDA in the EGGER Decorative Products Division rose by 17,1% from EUR 121,9 million to EUR 142,8 million in the first half of 2014/15.

All West European plants, and above all Great Britain, generated in part substantial growth. Declines were recorded in Russia and Romania and by the edging plant in Turkey as a result of the political tensions in the respective regions and the resulting economic difficulties in Russia, Ukraine and the Near East. These plants have only been able to shift part of their revenues to alternative markets up to now.

2.1.5 Development of earnings in the EGGER Retail Products Division

The development of earnings in the EGGER Retail Products Division was influenced by substantial excess production capacity and the resulting high pressure on prices. Developments in the first half of 2014/15 were still influenced by the very difficult market environment, and earnings therefore remained below expectations and the previous year. EBITDA recorded by the EGGER Retail Products Division totaled EUR 12,0 million in the first half of 2014/15, compared with EUR 12,9 million in the previous year (-6,9%).

The division has been unable to pass on the full amount of the raw material price increases in recent years to customers because of the excess capacity on the market. In addition, the low-margin volume business were not pursued for strategic reasons. The decline in revenues (-7,9%) therefore exceeded the decline in earnings. The expected cost savings will only have a positive effect on earnings in future periods.

2.1.6 Development of earnings in the EGGER Building Products Division

EBITDA in the EGGER Building Products Division fell from EUR 24,3 million in the previous year to EUR 17,9 million for the reporting period.

The expansion of OSB capacity combined with market weakness in Russia, Belarus, Ukraine and the Near East led to increased pressure on OSB prices throughout Europe and, in turn, to lower margins and a negative earnings effect for the Building Products Division. A sustainable improvement in OSB earnings is only expected when market recovery takes hold in Russia and Eastern Europe.

The sawn wood business improved slightly at a low level in the first half of 2014/15. This market is still characterized by high sawn wood capacity and high round timber prices in Central Europe. The outlook is constant at a low level.

2.1.7 Net financing costs

Net financing costs (financial results excl. income from financial investments and income from associates) amounted to EUR -19,5 million in the first half of 2014/15 (1-6 2013/14: EUR -26,9 million). This positive year-on-year development resulted from the further reduction of debt and the decline in interest rates as well as an improvement in currency translation results.

2.1.8 Taxes

Income tax expense at the Group level totaled EUR 16,9 million for the first half of 2014/15 (1-6 2013/14: EUR 6,3 million). The increase resulted primarily from the 28,2% rise in profit before tax to EUR 69,6 million (1-6 2013/14: EUR 54,3 million) and changes in the valuation of tax loss carryforwards.

2.2 Financial position

2.2.1 Financing strategy and financial indicators

The primary goals of financial management/treasury in the EGGER Group are to limit the financial risks that may impair the company's continuing existence (liquidity and default risks) and earning power (foreign exchange, interest rate, market and price risks), while protecting the ability to meet payment obligations at any time and minimizing financing costs.

The limitation of risk does not mean complete exclusion, but rather the economically reasonable management of financial risks within a framework that is defined by the Group's comprehensive financial management guideline and supplementary operating rules.

In addition to the management of financial risks, another important goal is to protect and expand the circle of external financing sources and thereby safeguard the further development of the EGGER Group through organic growth and/or acquisitions.

The most important treasury indicators for the EGGER Group are the debt repayment period (net debt / EBITDA) and the equity ratio (equity/ balance sheet total), which are monitored on a regular basis. EGGER has set the following targets for its internal strategic goals, which are also used to measure results at the Group level: an equity ratio of at least 30% and net debt / EBITDA of less than three years over the long-term.

Treasury Indicators		31.10.14	30.04.14	30.04.13
Equity ratio	in %	39,7%	39,2%	35,3%
Net debt / EBITDA roll.	years	1,9	2,1	2,4

The decline in the debt repayment period from 2,1 to 1,9 years as of October 31, 2014 resulted from the improvement in EBITDA and from the decline in net debt (see section 2.3.3.).

2.2.2 Financing analysis

The foremost strategic goals of EGGER's corporate financing are the protection of liquidity and the diversification of capital sources and financing instruments

A key element of the financing strategy is the use of free cash flow to safeguard internally generated growth.

External financing in the EGGER Group follows a three-component model:

The first component is formed by bank financing. The main building blocks of this financing are syndicated bank loans and committed credit lines (for strategic liquidity protection), which are concluded with a selected circle of core banks.

The second component comprises capital market financing. The EGGER Group has successfully used the Austrian bond market as a financing source for many years. The EGGER Group now has three corporate bonds with a total volume of EUR 470 million on the market.

The third component of external financing is a factoring program, under which receivables are sold on the basis of actual sales.

Maturity Profile		31.10.14	30.04.14	30.04.13
Financial Liabilities and Bonds				
Remaining term over 5 years	EUR mill.	37,3	229,3	315,7
Remaining term 1 - 5 years	EUR mill.	733,3	531,3	507,9
Remaining term under 1 year	EUR mill.	37,0	74,4	61,5
Total	EUR mill.	807,6	835,0	885,1

Derivative financial instruments are used to hedge risk positions in underlying transactions.

2.2.3 Cash flow

Based on EBITDA and after the inclusion of changes in net working capital, cash flow from operating activities totaled EUR 189,3 million for the first half of 2014/15 (1-6 2013/14: EUR 152,6 million). This represents a year-on-year increase of EUR 36,7 million or 24,0%.

Cash flow from investing activities (cash outflows for investments and acquisitions plus cash inflows from the disposal of property, plant and equipment) totaled EUR 112,2 million for the reporting period. This represents an increase of 10,9% over the comparable prior year level of EUR 101,2 million.

Cash flow from financing activities involved cash outflows of EUR 65,7 million (1-6 2013/14: cash outflows of EUR 7,9 million), which resulted from the repayment of financial liabilities, interest expense and distributions.

The improvement in cash flow from operating activities led to an increase in free cash flow (cash flow from operating activities less cash flow from investing activities plus growth investments).

Cash Flow Statement		Dev. in %			
		HY 14/15	HY 13/14	HY 12/13	HY15 - 14
Gross Cash flow	EUR mill.	166,5	145,0	140,3	14,8%
Cash flow from changes in net current assets	EUR mill.	22,8	7,6	-67,8	200,3%
Cash flow from operating activities	EUR mill.	189,3	152,6	72,5	24,0%
Cash flow from investing activities	EUR mill.	-112,2	-101,2	-75,5	10,9%
Cash flow from financing activities	EUR mill.	-65,7	7,9	-8,3	
Net change in cash and cash equivalents	EUR mill.	11,4	59,4	-11,4	

2.2.4 Investments

Investments in intangible assets, property, plant and equipment and acquisitions (excluding proceeds from the disposal of tangible assets) totaled EUR 113,6 million in the first six months of 2014/15 (1-6 2013/14: EUR 102,2 million). This amount includes EUR 30,3 million (1-6 2013/14: EUR 30,8 million) of maintenance investments, which represent 35,9% (1-6 2013/14: 39,2%) of scheduled depreciation for the first half-year.

Investments by category:

Investment (incl. acquisitions)		HY 14/15	HY 13/14	HY 12/13
Maintenance investment	EUR mill.	30,3	30,8	35,1
Growth investment (incl. acqu.)	EUR mill.	83,3	71,4	40,9
Investment total	EUR mill.	113,6	102,2	76,0

A total of EUR 81,6 million was spent on growth investments (excluding acquisitions) in the first half of 2014/15 (1-6 2013/14: EUR 60,4 million). The most important investments made during the reporting period were related to a high-bay warehouse and new administrative building in St. Johann in Tirol (AT), the modernization of the adhesives plant in Hexham (UK), the expansion of recycling activities in France and Romania and the expansion of the plant in Gagarin (RU) to include a short-cycle press and an impregnating line.

Investments by region:

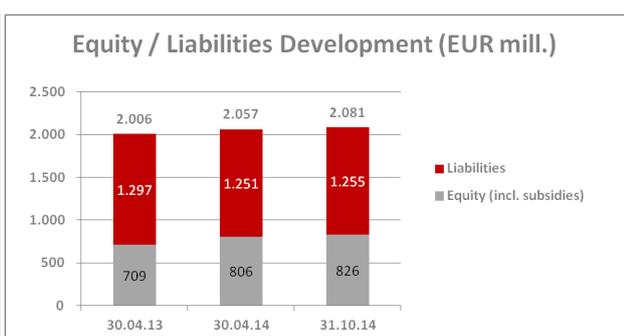
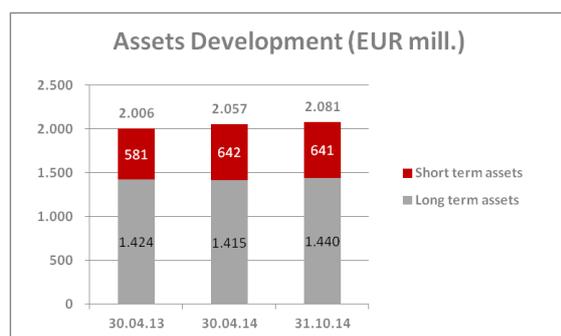
Investment (incl. acquisitions)		HY 14/15	HY 13/14	HY 12/13
Western Europe	EUR mill.	74,3	56,3	45,5
Central and Eastern Europe incl. RU	EUR mill.	39,3	45,9	30,4
Total Investments	EUR mill.	113,6	102,2	76,0

2.3 Asset position

2.3.1 Analysis of the balance sheet structure

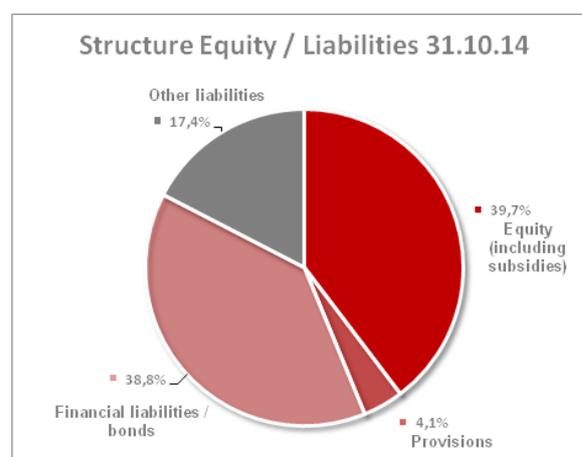
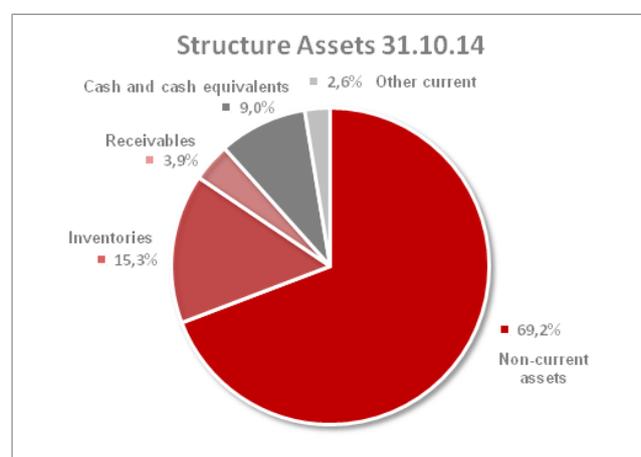
The balance sheet total amounted to EUR 2.081,1 million as of October 31, 2014, compared with EUR 2.057,3 million as of April 30, 2014. This represents an increase of EUR 23,7 million or 1,2%.

Balance Sheet		31.10.14	30.04.14	30.04.13	Dev. in % HY15 - 14
Non-current assets	EUR mill.	1.440,2	1.414,9	1.424,4	1,8%
Inventories	EUR mill.	317,8	329,5	287,9	-3,5%
Receivables	EUR mill.	81,5	80,2	79,2	1,6%
Cash and cash equivalents	EUR mill.	187,8	176,7	161,8	6,3%
Other current assets	EUR mill.	53,7	56,1	52,5	-4,2%
Balance sheet total	EUR mill.	2.081,1	2.057,3	2.005,8	1,2%
Equity (including subsidies)	EUR mill.	826,0	806,3	708,9	2,4%
Provisions	EUR mill.	85,4	74,5	72,0	14,7%
Financial liabilities / bonds	EUR mill.	807,6	835,0	885,1	-3,3%
Other liabilities	EUR mill.	362,0	341,5	339,8	6,0%



Non-current assets rose slightly to EUR 1.440,2 million as of October 31, 2014 (April 30, 2014: EUR 1.414,9 million) and comprised 69,2% of the balance sheet total on that date (April 30, 2014: 68,8%). This reflects the high capital intensity of the Group's production.

The following diagram shows the balance sheet structure as of October 31, 2014:



2.3.2 Working capital

Working capital (inventories plus trade receivables less trade payables) fell by 6,3% from EUR 205,2 million on April 30, 2014 to EUR 192,3 million on October 31, 2014.

Working Capital		31.10.14	30.04.14	30.04.13	Dev. in % HY15 - 14
Inventories	EUR mill.	317,8	329,5	287,9	-3,5%
+ Receivables	EUR mill.	81,5	80,2	79,2	1,6%
- Trade payables	EUR mill.	207,0	204,5	187,6	1,2%
Working Capital	EUR mill.	192,3	205,2	179,5	-6,3%
Revenues (roll. 12 M)	EUR mill.	2.244,9	2.218,7	2.181,2	1,2%
Working Capital in % of revenues	in %	8,6%	9,2%	8,2%	

Inventories declined 3,5% to EUR 317,8 million as of October 31, 2014 (April 30, 2014: EUR 329,5 million).

Trade receivables rose slightly by 1,6% from EUR 80,2 million as of April 30, 2014 to EUR 81,5 million as of October 31, 2014, above all due to the increase in business.

The development of trade payables was similar to receivables, with a slight increase from EUR 204,5 million to EUR 207,0 million as of October 31, 2014.

2.3.3 Liquidity / net debt

Interest-bearing liabilities (financial liabilities and bonds) declined by EUR 27,4 million to EUR 807,6 million (April 30, 2014: EUR 835,0 million) and included a long-term financing component of 95,4% (April 30, 2014: 91,1%). All financing agreements were concluded in Euros.

Net debt totaled EUR 619,8 million as of October 31, 2014, for a decline of 5,8% or EUR 38,5 million below the level on April 30, 2014 (April 30, 2014: EUR 658,3 million).

Net Debt		31.10.14	30.04.14	30.04.13	Dev. in % HY15 - 14
Financial liabilities and bonds	EUR mill.	807,6	835,0	885,1	-3,3%
Less liquid funds and securities	EUR mill.	187,8	176,7	161,8	6,3%
Net Debt	EUR mill.	619,8	658,3	723,3	-5,8%

The reduction resulted primarily from the increase in free cash flow.

2.3.4 Equity

Equity, including government grants, rose by EUR 19,6 million to EUR 826,0 million (April 30, 2014: EUR 806,3 million).

The equity ratio, after the inclusion of government grants, equaled 39,7%, compared with 39,2% as of April 30, 2014.

2.3.5 Provisions and other liabilities

Provisions rose by 14,7% or EUR 10,9 million over the level on April 30, 2014 (EUR 74,5 million) to EUR 85,4 million as of October 31, 2014, primarily due to the development of employee-related provisions. As a percentage of the balance sheet total, provisions equaled 4,1% as of October 31, 2014 (April 30, 2014: 3,6%).

Other liabilities rose by 6,0% from EUR 341,5 million on April 30, 2014 to EUR 362,0 million, chiefly due to an increase in trade payables.

3 SUBSEQUENT EVENTS, RISKS, OPPORTUNITIES AND OUTLOOK

3.1 Major risks, opportunities and uncertainties

No risks can be identified at the present time that could endanger the continued existence of the EGGER Group. EGGER identifies, measures and manages risks on an ongoing basis as part of its risk management system and in accordance with defined risk principles.

3.2 Significant events after October 31, 2014

Egger Holzwerkstoffe GmbH issued a promissory note in several tranches during October 2014, whereby the proceeds were due for transfer in November 2014.

No other material reportable events occurred after the end of the first half of the 2014/15 financial year.

3.3 Expected developments / outlook

The Euro zone is expected to follow the 2012 and 2013 GDP declines with an increase of 1,2% in 2014 and a further improvement of 1,66% in 2015. The strongest growth in Europe is forecasted for Great Britain, with positive contributions also projected for Poland, parts of Scandinavia and Germany. Greece, Italy, France, the Netherlands and Spain should generate the weakest development. These forecasts point to comparatively low GDP growth in Europe. Source: OECD Economic Outlook

The European construction sector will most likely see further stagnation. Declines have already been noted, above all in France, Italy, Spain, Greece and the Czech Republic. However, positive development is expected especially in Great Britain and also in the Netherlands, Poland, Belgium and Denmark. Similar trends are expected in 2015 and 2016. In contrast to Italy and Spain, the situation in France is not expected to improve substantially. Great Britain and the Netherlands should continue their positive development. A slight, but increasingly positive trend can be seen in Germany, EGGER's most important market in Europe. Source: B&L Markdaten

3.4 Expected earnings, financial and asset situation at EGGER

The EGGER Group sees continued stable economic development in its West European markets, including Great Britain and Ireland. Short-term improvements are not expected in Russia and the East European countries affected by the current political tensions or in the Near East. Based on positive development in Western Europe and the shift of volumes from weaker regions to alternative markets, EGGER expects revenue growth for the full 2014/15 financial year will reflect developments in the first six months.

Greater uncertainty could come from further political tensions resulting from the Ukraine conflict and developments in the Near East. The trends on selling and raw material markets and the shortage of wood also represent additional sources of uncertainty. In particular, the development of the construction industry - which is a key driver for EGGER's business - will differ significantly by region.

The start-up of additional processing capacity and investments to improve the raw material and energy situation as well as the continuous optimization of cost structures are expected to support further earnings growth.

In order to further strengthen its market position, EGGER continues to concentrate on product diversity, market diversification and continuous innovation in products, processes

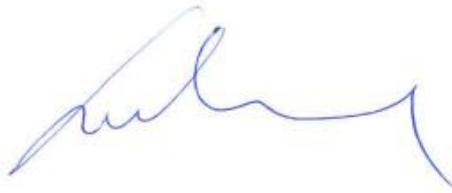
and services. A solid financial basis supports long-term supply relations with customers and suppliers as well as further stable, internally generated growth. EGGER works to counter the increasing market volatility with continuous monitoring and quarterly rolling forecasts as well as fast decisions and measures to react to fluctuations in orders or other changes in the operating environment.

This outlook includes forecasts that are based on current estimates for future developments in the EGGER Group. 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 12, 2014



Walter Schiegl
CTO, Production,
Engineering and
Procurement



Thomas Leissing
Speaker of the Managing Board,
CFO, Finance, Logistics
and Human Resources

The Managing Board



Ulrich Bühler
CSO, Marketing
and Sales

Consolidated Interim Financial Statements
in accordance with International Financial Reporting Standards (IFRS)
as of October 31, 2014
of

**EGGER HOLZWERKSTOFFE GMBH,
St. Johann in Tirol**

Egger Holzwerkstoffe GmbH, St. Johann i. T.
Consolidated Balance Sheet
as of October 31, 2014

ASSETS	31.10.2014 TEUR	30.4.2014 TEUR
Property, plant and equipment	1.258.374	1.233.730
Intangible assets	92.957	97.053
Investment property	2.217	2.246
Financial assets	25.048	24.969
Investments in associates	1.784	1.745
Other assets	24.175	20.045
Deferred tax assets	35.627	35.064
Non-current assets	1.440.182	1.414.851
Inventories	317.834	329.500
Trade receivables	81.494	80.214
Other assets	50.965	52.705
Current tax assets	1.247	3.154
Securities and financial assets	2.214	1.103
Cash and cash equivalents	187.120	175.814
Current assets	640.873	642.491
Total Assets	2.081.055	2.057.342
EQUITY AND LIABILITIES		
Issued capital, reserves and perpetual bond	755.837	736.160
Non-controlling interests	49.773	48.033
Equity	805.609	784.193
Bonds	477.498	473.002
Financial liabilities	293.144	287.539
Other liabilities	0	331
Government grants	20.359	22.127
Provisions	83.792	70.574
Deferred tax liabilities	16.387	13.295
Non-current liabilities	891.180	866.869
Financial liabilities	36.990	74.443
Trade payables	206.999	204.549
Other liabilities	112.493	98.859
Liabilities from income taxes	26.128	24.475
Provisions	1.655	3.954
Current liabilities	384.266	406.280
Total Equity and Liabilities	2.081.055	2.057.342

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

	5-10/2014 TEUR	5-10/2013 TEUR
Revenues	1.162.950	1.136.745
Other operating income	16.286	11.130
Increase/decrease in inventories	-9.315	-8.413
Own work capitalized	3.367	3.621
Cost of materials	-650.797	-646.691
Personnel expenses	-169.900	-157.684
Depreciation and amortization	-84.419	-78.539
Other operating expenses	-179.982	-179.675
Operating profit	88.191	80.494
Financial results	-19.456	-26.942
Income from financial investments	808	717
Income from associates	39	-6
Profit before tax	69.582	54.262
Income taxes	-16.895	-6.331
Profit after tax	52.687	47.932
Thereof attributable to non-controlling interests	2.309	1.718
Thereof attributable to equity holders of the parent company	50.377	46.213
	52.687	47.932

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

	5-10/2014 TEUR	5-10/2013 TEUR
Revaluation of obligations arising from post-employment benefits for employees	-8.383	0
Items that will not be reclassified to profit or loss	-8.383	0
Currency translation adjustments	-6.928	-25.733
Change in hedging reserve	0	251
Items that will be reclassified to profit or loss	-6.928	-25.482
Profit after tax recognized directly in equity	-15.312	-25.482
Profit after tax	52.687	47.932
Total comprehensive income for the period	37.375	22.450
Thereof attributable to non-controlling interests	2.085	1.718
Thereof attributable to equity holders of the parent company	35.290	20.731
	37.375	22.450

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

	5-10/2014 TEUR	5-10/2013 TEUR
Profit before tax	69.582	54.262
Depreciation and amortization	84.419	78.539
Impairment charges to and valuation of financial assets	48	95
Net interest income / expense	19.668	22.949
Use of government grants	-1.809	-1.708
Income/loss from the disposal of fixed assets	111	306
Income from associates	-39	6
Increase/decrease in long-term provisions	1.116	-1.506
Income taxes paid (net)	-6.548	-7.911
Gross cash flow	166.548	145.033
Increase/decrease in inventories	11.666	-6.567
Increase/decrease in trade receivables	-1.280	-4.637
Increase/decrease in other assets	4.106	1.560
Increase/decrease in trade payables	2.450	14.838
Increase/decrease in other liabilities	10.646	4.613
Increase/decrease in current provisions	-2.299	-341
Currency translation adjustments	-2.532	-1.887
Cash flow from changes in net current assets	22.757	7.579
Cash flow from operating activities	189.305	152.612
Purchase of property, plant and equipment and intangible assets	-111.860	-91.228
Purchase of non-current financial assets	-602	-202
Successive purchase of shares in subsidiaries	-1.660	-10.938
Increase/decrease in securities and current financial assets	-1.111	-13
Proceeds from the disposal of non-current assets	3.043	1.196
Cash flow from investing activities	-112.190	-101.185
Issue of Egger perpetual bond 2013	0	98.849
Redemption of Egger perpetual bond 2011	0	-16.500
Increase in financial liabilities	0	448
Repayment of financial liabilities	-37.577	-47.428
Interest paid	-13.098	-16.301
Interest received	151	150
Interest paid on perpetual bond and distribution	-15.181	-11.285
Cash flow from financing activities	-65.705	7.933
Net change in cash and cash equivalents	11.410	59.360
Effects of exchange rate fluctuations on cash held	-104	-1.002
Cash and cash equivalents at the beginning of the period	175.814	161.835
Cash and cash equivalents at the end of the period	187.120	220.193

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

	Controlling interests	Non- controlling interests	Total
	TEUR	TEUR	TEUR
Balance on May 1, 2013	630.407	66.196	696.603
Adjustment in acc. with IAS 19	-10.089	-58	-10.147
Balance on May 1, 2013 adjusted	620.317	66.138	686.455
Total comprehensive income for the period	20.731	1.718	22.450
Issue of Egger perpetual bond 2013	99.137	0	99.137
Redemption of Egger perpetual bond 2011	-16.500	0	-16.500
(Deferred) taxes on items not recognized through profit or loss	86	0	86
Increase / decrease in non-controlling interests	6.033	-16.970	-10.938
Distribution and interest paid on perpetual bond	-2.103	-4.506	-6.609
Balance on October 31, 2013	727.702	46.380	774.081
Balance on May 1, 2014	736.160	48.033	784.193
Total comprehensive income for the period	35.290	2.085	37.375
(Deferred) taxes on items not recognized through profit or loss	882	0	882
Increase / decrease in non-controlling interests	-1.495	-165	-1.660
Distribution and interest paid on perpetual bond	-15.000	-181	-15.181
Balance on October 31, 2014	755.837	49.773	805.609

Selected Explanatory Notes
to the Consolidated Interim Financial Statements
as of October 31, 2014

1. Accounting and Valuation Methods

The consolidated interim financial statements as of October 31, 2014 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, as adopted in the European Union, and prepared in accordance with the rules for interim reporting.

The accounting and valuation methods that formed the basis for the consolidated annual financial statements as of April 30, 2014 remain unchanged. Additional information on the accounting and valuation methods is provided in the consolidated annual financial statements as of April 30, 2014, which form the basis for this interim report.

The initial application of the new IFRS standards, changes to existing standards and interpretations that were issued by the IASB and require mandatory application in the 2014/15 financial year had no material effect on the consolidated interim financial statements.

2. Consolidation Range and Consolidation

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

The following transactions were completed during the reporting period: Timberpak 31 was founded in France, whereby EGGER Panneaux & Décors SAS, Rion des Landes, holds a 50% stake in this company. Fritz Egger Gesellschaft m.b.H, St. Johann in Tirol, purchased 25.004% of the shares in Krause Maschinenbau GmbH, Tuntenhausen. Egger Osteuropa Beteiligungsverwaltung GmbH acquired the remaining 50% of the shares in the Romanian Silvarec S.R.L., Radauti, which terminated its business operations. This investment is reported in the consolidated interim financial statements at cost because it is immaterial.

Egger (UK) Holdings Limited, Woking, acquired the remaining 10% of the shares in Timberpak Limited, Woking, during September 2014. The price for this successive share purchase equaled TEUR 1.660, and the transaction was recorded under equity.

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

Investments of TEUR 111.479 were made in **property, plant and equipment** during the first half of 2014/15 (1-6 2013/14: TEUR 90.938). For the most part, they represented capital expenditure at the plants in St. Johann in Tirol and Gagarin.

Inventories of TEUR 6.298 (30.4.2014: TEUR 9.110) are carried at their net realizable value (proceeds on sale less sales deductions and any necessary production and selling expenses).

The **issued capital** of Egger Holzwerkstoffe GmbH totals TEUR 11.509 and has remained unchanged since April 30, 2014.

The carrying amount of the **financial instruments** represents fair value, with the exception of the amounts due to financial institutions and bonds:

Balance sheet position	Level	31.10.2014		30.4.2014	
		Carrying amount TEUR	Fair value TEUR	Carrying amount TEUR	Fair value TEUR
Carried at amortized cost:					
Amounts due to financial institutions		327.428	339.060	356.531	362.592
Bonds		477.498	509.260	473.002	505.025
Carried at fair value through profit or loss:					
Securities carried at market value through profit or loss	1	1.873	1.873	2.361	2.361
Emission certificates	1	2.913	2.913	2.000	2.000
Derivative financial instruments (assets)	2	8.684	8.684	4.353	4.353
Derivative financial instruments (liabilities)	2	0	0	104	104
Residual risk from factoring	3	118	118	111	111

The classification of financial assets and liabilities at fair value under the three-level fair value hierarchy can be seen in the above table. The levels of the fair value hierarchy and their application to assets and liabilities are described in the following:

Level 1: Listed market prices for identical assets or liabilities in an active market.

Level 2: Information directly or indirectly derived from market prices for the relevant asset or liability that can be monitored on the market.

Level 3: Data that is not based on observable market information.

No additional information is provided on the residual risk from factoring, level 3 (other liabilities), because the related amount is immaterial.

There were no reclassifications between hierarchy levels during the reporting period.

Net debt amounted to TEUR 619.798 as of October 31, 2014 (April 30, 2014: TEUR 658.263) and declined by TEUR 38.465 during the reporting period.

4. Notes to the Income Statement and the Statement of Comprehensive Income

Consolidated **revenues** totaled TEUR 1.162.950 for the reporting period (1-6 2013/14: TEUR 1.136.745). Operating profit before depreciation and amortization (EBITDA) amounted to TEUR 172.610 (1-6 2013/14: TEUR 159.033).

The negative change in the **currency translation adjustments** that were not recognized to profit and loss equaled TEUR 6.928 for the first half of 2014/15 (1-6 2013/14: negative change of TEUR 25.733) and resulted primarily from Russia.

5. Segment Reporting

Segment reporting is based on the Decorative, Retail and Building areas of business. It reflects the type and scope of internal reporting to the chief decision-maker, i.e. to the Managing Board.

In contrast to the previous year, the warehouse in St. Petersburg, Russia, is now presented under the Retail Segment. The comparable prior year data were adjusted accordingly.

The segments manufacture and sell the following products:

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

The same accounting principles described under the section "Significant Accounting Policies" apply to the above segments. Assets and liabilities as well as income and expenses were allocated to the individual segments. The provision of goods and services between the individual segments generally reflects third party conditions.

Segment information by area of business

	O c t o b e r 3 1 , 2 0 1 4				
	Decorative TEUR	Retail TEUR	Building TEUR	Consoli- dation TEUR	Total TEUR
Third party revenues	880.935	144.044	137.971	0	1.162.950
Inter-company revenues	34.007	18.121	16.758	-68.886	0
	914.942	162.165	154.729	-68.886	1.162.950
Segment results (EBITDA)	142.767	11.972	17.871	0	172.610
Depreciation	64.905	7.351	12.164	0	84.419
Segment assets	1.772.599	201.483	334.437	-227.464	2.081.055
Segment liabilities	1.181.692	171.443	143.365	-221.055	1.275.446
Capital expenditure	103.357	5.702	2.801	0	111.860

Note: Inter-segment transactions relating to assets and liabilities are consolidated in the column "consolidation".

	O c t o b e r 3 1 , 2 0 1 3				
	Decorative TEUR	Retail TEUR	Building TEUR	Consoli- dation TEUR	Total TEUR
Third party revenues	835.170	156.512	145.063	0	1.136.745
Inter-company revenues	47.047	19.657	18.552	-85.256	0
	882.217	176.169	163.615	-85.256	1.136.745
Segment results (EBITDA)	121.894	12.858	24.281	0	159.033
Depreciation	60.790	7.135	10.613	0	78.539
Segment assets	1.904.404	201.776	282.559	-328.176	2.060.563
Segment liabilities	1.275.671	178.710	154.639	-322.539	1.286.482
Capital expenditure	77.267	2.815	11.146	0	91.228

Note: Inter-segment transactions relating to assets and liabilities are consolidated in the column "consolidation".

Economic development and seasonality

Despite a number of setbacks, the economic recovery is continuing at different speeds in Europe and the rest of the world. Short-term risks are evident, above all in increasing geopolitical tensions, declining readiness to take on risk and volatility on the financial markets. Egger expects continued stable economic development in its West European markets. The major production facilities reported sound capacity utilization.

Egger Holzwerkstoffe GmbH is active in areas of business that are subject to seasonal fluctuations. For example, the Building Segment is generally weaker during the second half-year due to the Christmas and winter breaks in the construction industry. The Christmas break also has a slight effect on the Decorative Segment.

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. Interest paid and received is included under cash flow from financing activities.

7. Transactions with Related Parties

As of April 30, 2014 a liability of TEUR 4.920 from real estate transactions was due and payable to Fritz Egger, Brunnhof, St. Johann in Tirol; this liability was paid during the reporting period. Egger (UK) Holdings Limited, Woking, acquired the remaining 10% of the shares in Timberpak Limited, Woking, from Michael Egger, St. Johann in Tirol, during September 2014. All other business relations with related persons are immaterial.

8. Waiver of Review

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

9. Events after the Balance Sheet Date

Egger Holzwerkstoffe GmbH issued a promissory note in several tranches during October 2014, whereby the proceeds are due for transfer in November 2014. No other significant events occurred after the balance sheet date.

10. 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 12, 2014



Walter Schiegl
CTO, Production,
Engineering and
Procurement



Thomas Leissing
Speaker of the Managing Board,
CFO, Finance, Logistics
and Human Resources



Ulrich Bühler
CSO, Marketing
and Sales

The Managing Board