

Company announcement no. 1/2016

Gentofte, 13 January 2016

## **Hartmann closes factory in Germany and transfers production**

**Following negotiations with employee representatives, Hartmann closes its factory in Germany and transfers volumes to other European factories where capacity is currently being expanded. The initiative will strengthen competitiveness and profitability in an increasingly competitive European market. Guidance for 2015 is maintained.**

As stated in the interim report for Q2 2015 (company announcement no. 9/2015 published on 20 August 2015), Hartmann has negotiated with German employee representatives concerning the proposed closure of the group's factory in Schwedt, Germany. Negotiations have been concluded, and Hartmann's management has decided to close the German factory and transfer production to other European factories where capacity is currently being expanded.

The closure will be completed in Q2 2016 and is not expected to affect sales in Europe or Hartmann's total revenue. The initiative entails 77 dismissals in Germany and is expected to have full effect from 2017, contributing to the realisation of Hartmann's long-term targets of increasing revenue to DKK 2.2-2.4 billion and the profit margin to 12-14% in 2017.

Special costs are still expected to come to DKK 90-110 million in 2015, and Hartmann maintains guidance for 2015 of revenue of DKK 2.0-2.1 billion and a profit margin of 10-11.5% before special items.

Hartmann's guidance for 2016 will be presented in connection with the disclosure of the annual report for 2015 on 8 March 2016.

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