Interim Report Q1/2012

Success through partnership and strategy

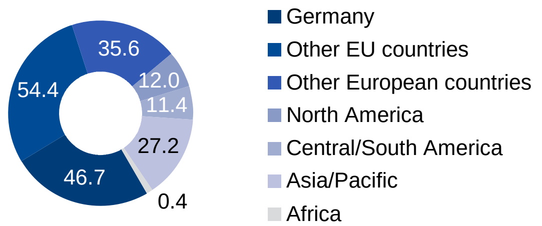
KEY GROUP FIGURES

		3 months 2012	3 months 2011	3 months 2010	3 months 2009
Total sales revenue	EUR m	187.7	175.6	165.0	119.0
Sales revenue Germany	EUR m	46.7	37.0	31.9	30.2
Sales revenue other EU countries	EUR m	54.4	57.2	63.3	52.8
Sales revenue other European countries	EUR m	35.6	23.6	18.4	13.6
Sales revenue North America	EUR m	12.0	13.5	10.0	3.2
Sales revenue Central/South America	EUR m	11.4	9.3	10.2	3.5
Sales revenue Asia/Pacific	EUR m	27.2	34.3	30.4	14.4
Sales revenue Africa	EUR m	0.4	0.7	0.8	1.3
operative EBITDA[1) 2)]	EUR m	16.7	14.6	12.7	-3.7
operative EBITDA[1) 2)]	as % of sales revenue	8.9	8.3	7.7	-3.1
EBIT[1)]	EUR m	9.8	6.9	5.2	-10.4
EBIT[1)]	as % of sales revenue	5.2	3.9	3.2	-8.7
EBT	EUR m	6.8	3.4	2.8	-11.6
EBT	as % of sales revenue	3.6	1.9	1.7	-9.7
Net profit/loss (before non-controlling interests)	EUR m	3.4	1.7	1.3	-11.2
Earnings per share[3)]	EUR	0.21	0.10	0.08	-0.70
ROCE[4)] after taxes	as %	9.8	6.9	4.9	-7.5
HVA[5)]	as %	0.2	-2.6	-4.2	-16.5
Free cash flow[6)]	EUR m	3.9	-2.4	6.3	-26.5
Equity as of the reporting date	EUR m	163.9	169.8	161.3	172.4
Equity ratio	as %	28.6	28.7	27.9	31.3
Net liabilities to banks	EUR m	77.4	59.5	89.6	117.8
Net debt to EBITDA ratio[7) 8)]		1.2	1.0	1.8	--- [8)]
Investments / capitalized intangible assets[9)]	EUR m	3.8	3.9	3.1	3.8
Investments / capitalized property, plant and equipment[9)]	EUR m	3.6	2.0	2.1	2.6
Amortization of intangible assets[9)]	EUR m	2.8	2.8	2.6	1.6
Depreciation of property, plant and equipment[9)]	EUR m	3.4	3.5	3.6	3.7
Employees	average of the period	5,121	5,058	4,947	5,431
thereof trainees	average of the period	346	375	384	370
Order intake accumulated[10)]	EUR m	170.6	187.8	165.6	74.5
Order backlog as of the reporting date[10)]	EUR m	208.9	218.5	200.5	143.5

1) Before taking into account employee participation
2) Before restructuring/non-recurring expenses
3) Net profit/loss after non-controlling interests, based on 15,668,000 shares
4) (Adjusted EBIT[1) 2)] for the first quarter of 2012 x 4 x 70 %) / capital employed (non-current assets + net working capital) (assumed effective tax rate of 30 %)
5) ROCE after taxes less weighted average cost of capital employed
6) Cash flow from operating activities plus cash flow from investing activities
7) Net liabilities to banks / operative EBITDA (before expenses from employee profit participation and extraordinary expenses) for the first quarter of 2012 x 4
8) Not meaningful due to negative operative EBITDA
9) Excluding leases
10) Order intake and order backlog only contain own machines without merchandise, spare parts and services

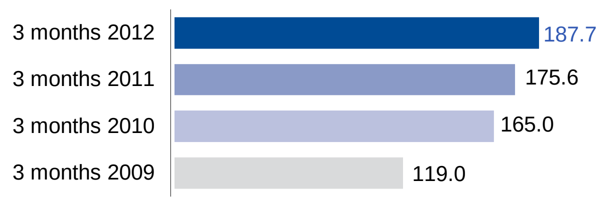
SALES REVENUE BY REGION 3 months 2012

EUR million



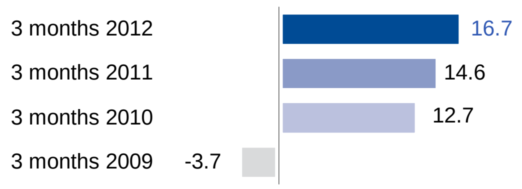
SALES REVENUE

EUR million



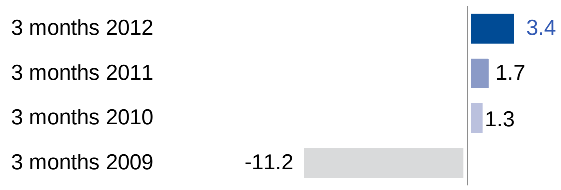
operative EBITDA[1)]

EUR million



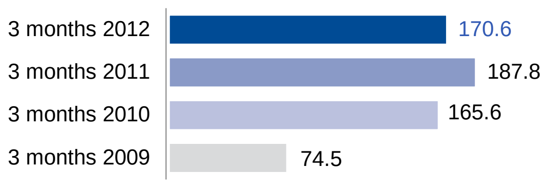
NET PROFIT/LOSS
(before non-controlling interests)

EUR million



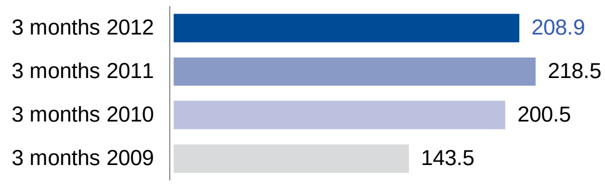
ORDER INTAKE [2)]

EUR million



ORDER BACKLOG [2)]

EUR million



[1)] Before taking into account employee participation and before restructuring/non-recurring expenses

[2)] Order intake and order backlog only contain own machines without merchandise, spare parts and services

CONTENTS

FOREWORD

From left to right:
Dr. Markus Flik
Achim Gauß
Herbert Högemann



DEAR SHAREHOLDERS,

Following the successful first quarter of 2012, many factors indicate that we are on the right track to gradually improving our operating performance further as previously announced. Our significantly improved earnings indicators constitute the best proof of this – for instance, we were able to almost double our EBT on the prior-year quarter. This is attributable to our increased productivity, as is evidenced, for instance, by the lower ratio of personnel expenses to total operating performance.

Our restructuring measures are also on schedule, and we made progress again in the first quarter. We thus came to an agreement with the works' councils of BÜTFERING and TORWEGGE as well as the group works' council and issued a reconciliation of interests and a redundancy plan in each case. We were also able to sell a business unit of BÜTFERING. We can realize the planned reduction of 180 positions in the HOMAG Group with fewer layoffs than initially expected.

Although the increase in sales revenue in the opening quarter is counterbalanced by a decrease in order intake, we had expected this as the prior-year quarter was extremely strong and was influenced by a strong project business. The fact that our products are still well received on the market was most recently confirmed at the two important trade fairs in March in Nuremberg and in Guangzhou, China, with which we were satisfied.

As regards our global sales regions, central Europe was unable to reach the excellent prior-year figure. By contrast, the western Europe region showed a positive development in spite of the sovereign debt crisis. This development is also affecting the Asia/Pacific region as well as the USA, where the recovery tendency has continued. On the other hand, the markets in Brazil and eastern Europe – particularly Russia – weakened.

In the first quarter, there were personnel changes to the management board that will become effective subsequently. Our management board colleague in charge of production and materials management, Herbert Högemann, will focus on his function as managing director of these areas at HOMAG Holzbearbeitungssysteme GmbH and step down from the HOMAG Group's management board as of September 30, 2012. He will be succeeded by Harald Becker-Ehmck who was appointed as the management board member in charge of production, materials management and affiliates effective July 1, 2012. In addition, our management board colleague Achim Gauß, who is in charge of research, development and design, decided not to extend his contract, which expires at the end of 2012, in order to seek new professional challenges outside the HOMAG Group. The management board members Dr. Markus Flik and Jürgen Köppel will assume his tasks in the HOMAG Group.

From left to right:
Jürgen Köppel
Hans-Dieter Schumacher

OUTLOOK

The good first quarter has served to confirm the targets we have set for 2012 and we are confident that we will see our forecasts to date realized. This is still subject to the condition that there are no major disruptions to financial markets or in economic conditions. This means that we aim to attain an order intake in 2012 that is roughly at the same level as 2011. With respect to sales revenue we likewise want to roughly match the 2011 levels in 2012 – adjusted for the special effects of the large-scale project with Mekran – and anticipate a figure of about EUR 750 million. Based on this sales revenue forecast, we anticipate for 2012 an operative EBITDA (before employee participation expenses and before extraordinary expenses) for the Group of around EUR 65 million. Owing to significantly reduced extraordinary expenses, we expect a net profit again.

Our progress as regards operating performance, the measures under the HOMAG Group Action Program (HGAP), the positive response from the market to our innovations, the expansion of our position in growth markets and the enhancement of our management organization: All of this makes us confident that our HOMAG Group, your company, is on track to a bright future.

Schopfloch, May 2012

The management board

DR. MARKUS FLIK

ACHIM GAUSS

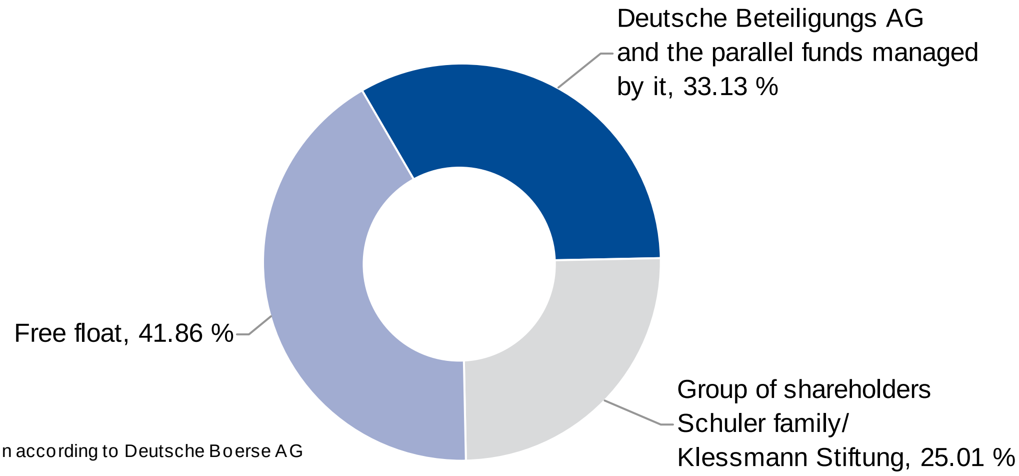
HERBERT HÖGEMANN

JÜRGEN KÖPPEL

HANS-DIETER SCHUMACHER

THE HOMAG GROUP AG SHARE

SHAREHOLDER STRUCTURE AS OF APRIL 30, 2012*



*Method of calculation according to Deutsche Boerse AG

Following slight gains in the closing quarter of 2011, German stock markets continued to develop positively in the first quarter of 2012. Although the sovereign debt crisis in the eurozone is far from over, the indices DAX, MDAX, TecDAX and SDAX were able to register gains of between 15 percent and 20 percent between January and March 2012.

The HOMAG share price developed very favorably in the first three months of the current year. From mid-January the share price rose notably, hitting a peak for the quarter of EUR 11.45 at the end of February. By the end of the quarter, our share was trading at EUR 11.30, up roughly 45 percent on the price quoted at the beginning of the year.

Following a weaker start to April 2012, German stock markets stabilized as the month progressed. At month end, stock indices approximated the level seen at the end of the first quarter of 2012 – only the DAX lost just under 3 percent. Our share also had to endure a price decline at the beginning of April, trading at EUR 10.18 as of April 30, 2012.

At its meeting of March 22, 2012, the supervisory board seconded the management board's recommendation to propose to the annual general meeting of May 24, 2012 to waive the dividend for the fiscal year 2011 in response to the Group’s net loss for the past fiscal year. A dividend distribution would otherwise lead to a reduction in the Company’s reserves. We want to avoid this as the Group’s long-term success and future are top priority from our perspective. As soon as the Company’s economic situation allows, we do of course intend to share the proceeds of success with our shareholders by distributing a corresponding dividend.

As part of our active capital market communication, the management board again informed investors and analysts about the Company's situation in personal talks and phone calls in the first quarter of 2012. We also held our conference for analysts on March 30, 2012 in Frankfurt with 17 participants. With several interviews, the publication of three press releases and our press conference on the annual results in Stuttgart, we kept the interested public promptly informed of all significant developments at the HOMAG Group. In addition, we published the declaration of compliance with the German Corporate Governance Code, the annual document pursuant to Sec. 10 WpPG ["Wertpapierprospektgesetz": German Securities Prospectus Act] as well as the declaration in accordance with Sec. 289a (1) HGB ["Handelsgesetzbuch": German Commercial Code] in the first three months of 2012.

PERFORMANCE OF THE HOMAG GROUP SHARE IN COMPARISON WITH SDAX

January 3, 2011 to April 30, 2012

Source: XETRA, stock performance indexed (January 3, 2011 = 100)

SHARE PERFORMANCE INDICATORS

ISIN code		DE0005297204
Stock exchange segment		Prime Standard
XETRA code		HG1
IPO	July 13, 2007	
Number of shares	no-par value ordinary bearer shares	15,688,000
Price high* January 3, 2011-March 30, 2012	January 1, 2011	EUR 17.59
Price low* January 3, 2011-March 30, 2012	December 30, 2011	EUR 7.80
Price* as at March 30, 2012		EUR 11.30
Earnings per share	January 1-March 31, 2012	EUR 0.21
Market capitalization (March 30, 2012)		EUR 177.3

* XETRA closing quote

INTERIM MANAGEMENT REPORT AS OF MARCH 31, 2012

ECONOMIC ENVIRONMENT

In their current Joint Economic Forecast, Germany's leading economic institutes conclude that the risks for the global economy have decreased compared to last fall. After a deterioration in corporate and consumer sentiment in the second half of 2011, the mood has improved again in most regions since the beginning of the year. As a result, global industrial production picked up again in December 2011 after six months in which it practically stagnated and global trade has also recovered. However, the still unresolved sovereign debt crisis in Europe continues to pose a risk for the global economy. Other burdening factors are the increased oil price and the slowing economic growth in China, parts of the rest of Asia and in Latin America.

In Germany, total economic output barely rose in the past winter half year according to the spring report. This was due to a deterioration of the sovereign debt crisis in the eurozone as well as the cyclical weakness of the global economy. After this weaker phase, the mood indicators improved and economic output has increased again in the spring. This is also manifested in the ifo business climate index, which rose again in April 2012 for the sixth consecutive month.

For the mechanical engineering sector, the VDMA ["Verband Deutscher Maschinen- und Anlagenbau e.V.": German Engineering Federation] reported a drop in orders for the first quarter of 9 percent, although the situation stabilized slightly in March. As regards machines for secondary wood processing, the segment of relevance for HOMAG, order intake was down 2 percent between January and March – without taking into account price adjustments. According to the competent trade association within the VDMA, however, the domestic market increased slightly.

BUSINESS DEVELOPMENT

In the first quarter of 2012 we were able to raise our productivity further. We thus also achieved our objective to gradually improve our operating performance. We were also highly satisfied with the way two important trade fairs progressed in March: HOLZ-HANDWERK in Nuremberg and CIFM/interzum in Guangzhou, China. As anticipated, order intake between January and March (EUR 170.6 million) was slightly below the excellent value of the prior quarter (EUR 187.8 million), in which we registered an extraordinarily strong project business.

In the opening quarter of 2012, by contrast, we were able to increase our sales revenue by about 7 percent to EUR 187.7 million (prior year: EUR 175.6 million). Even after factoring out the sales revenue of EUR 5.5 million earned from our large-scale project with the customer Mekran, we were able to exceed the prior-year figure. Total operating performance improved to EUR 200.0 million (prior year: EUR 187.4 million). Compared to year end 2011 (EUR 158.6 million), our order backlog increased in the first three months of 2012, reaching EUR 208.9 million as of March 31, 2012 (prior year: EUR 218.5 million).

Relative to our global sales markets, the domestic market was again the largest single market in the first quarter of 2012. Nevertheless, Germany's order intake remained slightly below the very strong prior-year level, despite the robust business with stand-alone machines. This is attributable to a normalization of the project business, which had been very strong in the prior year. By contrast, Switzerland and Austria were up on the prior year.

Of the other export markets, western Europe was up on the prior year. The Xylexpo trade fair, which will be held in May in Milan, is certain to provide some insight into the investment behavior of customers going forward in what have been the weaker countries so far: Italy, Spain and Portugal. Eastern Europe, and Russia in particular, was significantly weaker relative to the excellent first quarter of 2011, as a result of a reluctance to buy plant and machinery.

The recovery tendency in the United States remained steady in the first three months of 2012. As a result, even the weakening in Brazil could be compensated for, such that order intake in the Americas region was up on the prior-year figure. Indeed, in the United States we are expecting further positive impetus from the IWF trade fair, which takes place in Atlanta in August.

In Asia we were able to generate gains in Japan, South Korea and parts of South East Asia. China saw an excellent start to the year due, among other things, to the leading Asian trade fair CIFM/interzum Guangzhou with order intake significantly above the prior year.

EARNINGS SITUATION

Our further enhanced productivity is manifested in our improved earning power. We were able to raise our operative EBITDA before employee participation expenses and before extraordinary expenses by about 14 percent to EUR 16.7 million (prior year: EUR 14.6 million). We were thus able to increase the operative EBITDA faster than the increase in sales revenue, thereby improving our profitability.

The ratio of personnel expenses to total operating performance decreased to 35.5 percent (prior year: 36.6 percent) as the increase in total operating performance outpaced the rise in personnel expenses. Our ratio of cost of materials to total operating performance increased slightly to 43.2 percent (prior year: 42.8 percent). Factoring out the higher share of merchandise as a result of the large-scale project with Mekran, however, the ratio of cost of materials also decreased to 42.2 percent. By contrast to the prior year, we do not currently anticipate any supply bottlenecks this year, such that we have only stocked up our inventories within the normal parameters for the first quarter.

As was already the case in the comparable prior-year quarter, extraordinary expenses were very low again in the first quarter of 2012 at EUR 0.05 million (prior year: EUR 0.4 million). Employee participation resulted in an expense of EUR 1.0 million (prior year: EUR 1.1 million).

EBIT before employee participation expenses and after extraordinary expenses increased to EUR 9.8 million in the first quarter (prior year: EUR 6.9 million). The slight improvement both in the interest result and profit from associates led to an improved financial result of EUR -2.0 million (prior year: EUR -2.4 million). As a result, EBT after employee participation expenses and after extraordinary expenses almost doubled to EUR 6.8 million (prior year: EUR 3.4 million).

At 51 percent (prior year: 50 percent), our tax expense rate is still very high, although it decreased again compared to the figure for the full year 2011 (151.7 percent), mainly as a result of the significantly lower extraordinary expenses. As in the past, the high effective tax rate reflects the interest limitation regulations and losses incurred at some subsidiaries for which no deferred tax assets could be recognized. Our net profit for the period has also improved perceptibly, standing before non-controlling interests at EUR 3.4 million (prior year: EUR 1.7 million) and after non-controlling interests at EUR 3.2 million (prior year: EUR 1.5 million), and leads to earnings per share of EUR 0.21 (prior year: EUR 0.10).

NET ASSETS AND FINANCIAL POSITION

As expected, total assets increased as of the end of the first quarter to EUR 572.9 million (December 31, 2011: EUR 558.4 million). As usual, inventory increased compared to year-end levels, mainly owing to the increased number of machines that are currently in production. Receivables from long-term construction contracts decreased significantly owing to the good progress made in the large-scale project with Mekran and the associated deliveries made in the quarter under review. The resulting payments received are reflected in an increase in cash and cash equivalents. For the first time, non-current assets in connection with the restructuring were classified as held for sale in accordance with IFRS 5 in this reporting period. This item of the statement of financial position mainly contains items of property, plant and equipment, inventories, receivables, land and buildings intended for sale and pertaining to the restructured companies BÜTFERING, FRIZ and TORWEGGE.

On the equity and liabilities side, our net profit for the period meant that our equity increased as of March 31, 2012 to EUR 163.9 million compared to 2011 (December 31, 2011: EUR 161.7 million). The equity ratio is stable at about 29 percent and is thus practically unchanged on the figure as of year-end 2011, despite the slight increase in total assets. Since the current syndicated loan agreement expires in February 2013 – and thus in less than one year – the equity and liabilities side also reflects a shift from non-current to current financial liabilities. Other current liabilities increased by EUR 10 million in the reporting period, particularly due to normal seasonal movements at the beginning of the year, such as changes in vacation provisions.

Net liabilities to banks decreased again to EUR 77.4 million compared to the level as of year-end 2011 (EUR 80.9 million), partly due to the increase in cash and cash equivalents. Overall, cash and cash equivalents increased by EUR 6.6 million, mainly due to the increase in payments received, and thus stood at EUR 63.1 million as of March 31, 2012 (December 31, 2011: EUR 56.5 million).

Owing to our successful net working capital management, coupled with the significant increase in EBIT before employee participation expenses and before extraordinary expenses, the return on capital employed (ROCE) before taxes increased to 14.0 percent in the first quarter of 2012 (prior year: 9.8 percent). After taxes (tax rate used in calculation: 30 percent), ROCE on the basis of EBIT before the result from employee participation and before extraordinary expenses came to 9.8 percent (prior year: 6.9 percent).

Operating cash flow (cash flow from operating activities) increased substantially in the first three months of 2012 to EUR 10.6 million (prior year: EUR 3.5 million). This is attributable to the good operating performance in the first quarter coupled with the reduction in working capital. As a result of our increased investment activities, cash flow from investing activities came to EUR -6.7 million (prior year: EUR -5.9 million). This results in positive free cash flow of EUR 3.9 million (prior year: EUR -2.4 million). The cash flow from financing activities still stood at EUR 1.8 million, while cash and cash equivalents as of March 31, 2012 came to EUR 63.1 million (prior year: EUR 68.9 million).

EMPLOYEES

The Group's headcount decreased slightly to 5,104 as of March 31, 2012 compared to year-end 2011 (5,141 employees). Compared to the end of the first quarter of 2011 (5,071 employees) the headcount increased significantly less than sales revenue growth. As of the end of the quarter, 80 contract workers (prior year: 99 contract workers) were employed by the Group. In the course of the year, the headcount will decrease further due to the implementation of the restructuring measures in Germany. We plan a slight increase in personnel, mainly at our foreign production companies.

CAPITAL EXPENDITURE

Our capital expenditure on intangible assets and property, plant and equipment (excluding leases) came to EUR 7.4 million in the first quarter of 2012, a slight increase compared to the prior-year level (EUR 5.9 million). The focal point was on the further expansion of the Chinese production plant in Shanghai, the new building for the sales branch in Switzerland as well as investments in our corporate software in connection with our ProFuture project. Capital expenditure contains capitalized development work of EUR 2.6 million (prior year: EUR 2.6 million). In the coming quarters, capital expenditure will rise owing to the extensive conversion work on a warehouse at HOMAG Holzbearbeitungssysteme GmbH and the construction of a new building for the sales branch in Switzerland.

RESEARCH AND DEVELOPMENT

In the first quarter of 2012, our research and development department again presented numerous new developments and enhancements that serve to further raise the level of automation in the cabinet shops segment in particular. These were unveiled at the two important trade fairs HOLZ-HANDWERK and fensterbau/frontale held at the same time in Nuremberg at the end of March.

This includes, for instance, a saw-storage combination that optimizes the flow of materials and allows a precise overview of the current state of warehouse stocks. We also presented a high-performance machine for window processing that now also provides smaller companies the option of processing two parts simultaneously as well as processing of house doors, arch elements and short components. In Nuremberg we also showcased a prototype with **air**Tec, a cost-effective alternative for cabinet shops to the **laser**Tec technique that also allows a jointless assembly of workpieces and edges.

A low investment level, full flexibility and even faster drill processing are the advantages offered by our new entry-level machine for 5-axis processing of panels and solid wood. In addition, we simplified the machine programming by integrating design functionalities with which furniture can be designed, for instance. Intuitive operation and a uniform user interface means that operators can be quickly trained.

Especially for the important markets China and India, we have developed a new edge banding line as well as a flooring production line featuring processing technologies modified for those markets in the fields of edge coating, packaging and stacking. At the same time, the flooring line offers the option of manufacturing floorboards of varying widths.

We also developed a new high-performance double-end tenoner with integrated saw that allows efficient and precise sizing of floorboards.

RESTRUCTURING

As regards the restructuring of the Group, we made considerable progress again in the first quarter of 2012. We thus came to an agreement with the works' councils of the subsidiaries BÜTFERING and TORWEGGE as well as the group works' council and issued a reconciliation of interests and a redundancy plan in each case. The wood sanding machines business under the BÜTFERING brand is to be linked as planned to WEEKE, where the majority of workers will continue to be employed. We also sold the metal grinding machines business unit to LISSMAC Maschinenbau GmbH, which will take over 17 employees from BÜTFERING. Under the agreement concluded, the remaining 18 employees can join a transfer company.

Of the 90 workers originally employed at TORWEGGE, 73 were left on the date on which the agreement was concluded and were affected by the restructuring; all of these can likewise join the transfer company. This shows that we can realize the planned reduction of about 180 positions in the HOMAG Group with fewer layoffs than originally assumed.

PERSONNEL CHANGES TO THE MANAGEMENT BOARD

At its meeting of March 22, 2012, the supervisory board passed a resolution to make a personnel change to the HOMAG Group's management board. Our management board colleague in charge of production and materials management, Herbert Högemann, will focus on his function as managing director of these areas at HOMAG Holzbearbeitungssysteme GmbH and step down from the HOMAG Group's management board as of September 30, 2012. He will be succeeded by Harald Becker-Ehmck (43) who was appointed as the management board member in charge of production, materials management and affiliates effective July 1, 2012. Mr. Becker-Ehmck has many years of experience managing international production networks in the automotive supplies industry.

Our management board colleague Achim Gauß, who is in charge of research, development and design, has decided not to extend his contract, which expires at the end of 2012, in order to seek new professional challenges outside the HOMAG Group. The management board members Dr. Markus Flik and Jürgen Köppel will assume his tasks in the HOMAG Group. We are convinced that the future management board team is well prepared to take the Group forward on the way to further profitable growth.

RISK AND OPPORTUNITIES REPORT

The risk management system in place and the individual business risks and opportunities are described in the annual report 2011, pages 75 to 81. The comments made there are still essentially valid. There are no discernable risks at present that could jeopardize the continuation of HOMAG Group as a going concern.

SUBSEQUENT EVENTS

There were no events after the end of reporting period of special significance to the further economic development of HOMAG Group.

OUTLOOK

Despite the rising trend in indicators seen in the spring of 2012, the economic research institutes do not anticipate a sizeable upswing of the global economy. This is due to the burdening factors that persist. This includes in a first instance the austerity measures taken by major industrial countries in response to the sovereign debt crisis. Positive signals such as in the United States means that modest growth of 1.3 percent in gross domestic product is expected in the advanced economies for 2012. For emerging countries, the economic experts forecast an increase of just over 5 percent and thus a somewhat weaker growth than in the past years. China is expected to grow by 7.9 percent, India by

6.8 percent, Russia by 3.8 percent and the Latin America region by 3.7 percent. Growth of 2.5 percent is expected for the global economy.

According to the spring report, the differences in economic development will continue in the eurozone in 2012. Countries with a positive fundamental trend – such as Germany, Austria, Finland or Slovakia – stand in contrast to countries with somewhat weaker prospects such as Italy, Spain, Greece, Portugal or Ireland. Overall, the eurozone is expected to see its gross domestic product contract by 0.3 percent in 2012, while slight growth of 0.1 percent is forecast for the European Union as a whole. For Germany, the economic think tanks expect the positive growth drivers to prevail and production to substantially gain momentum from spring 2012 onwards. This is expected to result in growth of 0.9 percent in the current year.

The VDMA has confirmed its February forecast for manufacturers of plant and machinery, and still expects production to stagnate in 2012. Order intake is expected to grow again from the middle of the year onwards. The wood processing machines segment is expected to grow by between 2 percent and 5 percent, with the companies operating in the plant segment expected to benefit in particular on account of their high order backlog.

Following the good start to the fiscal year 2012, we can confirm all forecasts for the HOMAG Group that we made when we presented the annual report at the end of March 2012. This means that we still aim to attain an order intake in 2012 that is roughly at the same level as 2011. As regards sales revenue, we aim to reach about EUR 750 million and thereby roughly match the level of 2011 – adjusted for the special effects of the large-scale project with Mekran. Based on this sales revenue forecast, we anticipate for 2012 an operative EBITDA (before employee participation expenses and before extraordinary expenses) for the Group of around EUR 65 million. Owing to significantly reduced extraordinary expenses, we expect a net profit again.

Our progress as regards operating performance, the measures under the HOMAG Group Action Program (HGAP), the positive response from the market to our innovations, the expansion of our position in growth markets and the enhancement of our management organization: All of this makes us confident that our HOMAG Group, your company, is on track to a bright future.

The forecasts are still subject to the condition that there are no major disruptions to financial markets or in economic conditions.

INTERIM FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

EUR k	2012 01/01-03/31	2011 01/01-03/31
SALES REVENUE	**187,698**	**175,641**
Increase or decrease in inventories of finished goods and work in progress	9,489	8,964
Own work capitalized	2,856	2,745
	12,345	11,709
TOTAL OPERATING PERFORMANCE	**200,043**	**187,350**
Other operating income	3,512	4,578
	203,555	**191,928**
Cost of materials	86,321	80,150
Personnel expenses before employee participation	71,084	68,637
Amortization of intangible assets	2,797	2,875
Depreciation of property, plant and equipment	4,060	4,417
Other operating expenses	29,470	28,948
	193,732	**185,027**
OPERATING RESULT BEFORE EMPLOYEE PARTICIPATION	**9,823**	**6,901**
Expenses from employee participation	-1,022	-1,121
NET OPERATING PROFIT	**8,801**	**5,780**
Profit/loss from associates	114	-90
Interest income	541	1,432
Interest expenses	2,669	3,703
EARNINGS BEFORE TAXES	**6,787**	**3,419**
Income taxes	-3,433	-1,718
NET PROFIT FOR THE PERIOD	**3,354**	**1,701**
Profit attributable to non-controlling interests	135	185
Profit attributable to owners of Homag Group AG	**3,219**	**1,516**
Earnings per share attributable to owners of Homag Group AG in EUR (basic and diluted)	0.21	0.10

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR k	**2012** **01/01-03/31**	2011 01/01-03/31
NET PROFIT FOR THE PERIOD	**3,354**	**1,701**
Currency effects	-96	-1,797
OTHER COMPREHENSIVE INCOME	**-96**	**-1,797**
TOTAL COMPREHENSIVE INCOME	**3,258**	**-96**
Total comprehensive income attributable to non-controlling interests	60	-5
Total comprehensive income attributable to owners of Homag Group AG	**3,198**	**-91**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

EUR k		Mar. 31, 2012	Dec. 31, 2011
NON-CURRENT ASSETS			
I.	Intangible assets	63,533	62,491
II.	Property, plant and equipment	132,545	135,217
III.	Investments in associates	7,848	7,875
IV.	Other financial assets	510	534
V.	Receivables and other assets		
	Trade receivables	1,749	1,664
	Other financial assets	1,087	1,813
	Other assets and prepaid expenses	92	99
	Income tax receivables	2,156	2,151
VI.	Deferred taxes	13,309	13,833
		222,829	**225,677**
CURRENT ASSETS			
I.	Inventories	142,098	129,961
II.	Receivables and other assets		
	Trade receivables	84,795	85,382
	Receivables from long-term construction contracts	28,343	34,233
	Receivables due from associates	9,112	9,809
	Other assets and prepaid expenses	17,355	13,960
	Income tax receivables	3,046	2,885
III.	Cash and cash equivalents	63,099	56,469
		347,848	**332,699**
IV.	Non-current assets held for sale	2,242	0
		350,090	**332,699**
TOTAL ASSETS		**572,919**	**558,376**

EQUITY AND LIABILITIES

EUR k		Mar. 31, 2012	Dec. 31, 2011
EQUITY			
I.	Issued capital	15,688	15,688
II.	Capital reserves	32,976	32,976
III.	Revenue reserves	95,329	101,203
IV.	Net profit for the period	3,219	-4,718
	Equity attributable to owners	147,212	145,149
V.	Non-controlling interests	16,658	16,505
		163,870	**161,654**
NON-CURRENT LIABILITIES AND PROVISIONS			
I.	Non-current financial liabilities	19,621	114,328
II.	Other non-current liabilities	10,953	11,101
III.	Pensions and other post employment benefits	3,050	3,284
IV.	Obligations from employee participation	11,990	11,885
V.	Other non-current provisions	4,475	4,562
VI.	Deferred taxes	13,025	11,602
		63,114	**156,762**
CURRENT LIABILITIES AND PROVISIONS			
I.	Current financial liabilities	134,947	38,257
II.	Trade payables	77,993	78,444
III.	Payments on account	29,174	27,685
IV.	Liabilities from long-term construction contracts	1,960	2,917
V.	Liabilities to associates	1,402	1,980
VI.	Other financial liabilities	19	103
VII.	Other current liabilities and deferred income	81,300	71,027
VIII.	Tax liabilities	2,845	2,767
IX.	Pensions and other post employment benefits	52	52
X.	Other current provisions	16,093	16,728
		345,785	**239,960**
XI.	Liabilities from assets held for sale	150	0
		345,935	**239,960**
TOTAL LIABILITIES		**409,049**	**396,722**
TOTAL EQUITY AND LIABILITIES		**572,919**	**558,376**

CONSOLIDATED CASH FLOW STATEMENT

EUR k	2012 01/01-03/31	2011 01/01-03/31
1. CASH FLOW FROM OPERATING ACTIVITIES		
Profit or loss before taxes	**6,787**	**3,419**
Income tax paid (-)	-1,308	-1,774
Interest result	2,128	2,272
Interest paid (-)	-2,352	-3,539
Interest received (+)	532	1,432
Write-downs (+)/write-ups (-) of non-current assets (netted)	6,857	7,292
Increase (+)/decrease (-) in provisions	-1,097	-44
Share of profit (-) or loss (+) of associates	-114	90
Gain (-)/loss (+) on disposals of non-current assets	-134	-40
Increase (-)/decrease (+) in inventories, trade receivables and other assets	-9,325	-29,669
Increase (+)/decrease (-) in trade payables and other liabilities	8,577	24,019
CASH FLOW FROM OPERATING ACTIVITIES	**10,551**	**3,458**
2. CASH FLOW FROM INVESTING ACTIVITIES		
Cash received (+) from disposals of property, plant and equipment	706	95
Cash paid (-) for investments in property, plant and equipment	-3,565	-2,015
Cash received (+) from disposal of intangible assets	0	2
Cash paid (-) for investments in intangible assets	-3,831	-3,948
Cash received (+) from disposals of financial assets	24	0
CASH FLOW FROM INVESTING ACTIVITIES	**-6,666**	**-5,866**

EUR k	2012 01/01-03/31	2011 01/01-03/31
3. CASH FLOW FROM FINANCING ACTIVITIES		
Cash paid (-) to non-controlling interests	0	-120
Cash received (+) from the issue of (financial) liabilities	6,803	4,346
Cash repayment (-) of bonds and (financial) liabilities	-4,990	-2,402
CASH FLOW FROM FINANCING ACTIVITIES	**1,813**	**1,824**
4. CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		
Change in cash and cash equivalents (subtotal 1-3)	5,698	-584
Effect of currency translation adjustments and change in scope of consolidation on cash and cash equivalents	932	-850
CASH AND CASH EQUIVALENTS AT THE BEGINNINGOF THE PERIOD	**56,469**	**70,286**
CASH AND CASH EQUIVALENTS AT THE ENDOF THE PERIOD [1]	**63,099**	**68,852**

[1] Cash and cash equivalents at the end of the period correspond to the line item cash and cash equivalents in the statement of financial position.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR k	Issued capital	Capital reserves	Revenue Revenue reserves
Jan. 1, 2011	**15,688**	**32,976**	**93,348**
Other changes			**5**
Dividends paid			
Transactions with owners			
Reclassification to revenue reserves			**6,683**
Net result for the period			
Other income and expense			
Total comprehensive income			
Mar. 31, 2011	**15,688**	**32,976**	**100,036**
Jan. 1, 2012	**15,688**	**32,976**	**95,275**
Other changes			**-21**
Changes from non-controlling interests			-1,114
Transactions with owners			**-1,114**
Reclassification to revenue reserves			**-4,718**
Net result for the period			
Other income and expense			
Total comprehensive income			
Mar. 31, 2012	**15,688**	**32,976**	**89,422**

reserves					
Other comprehensive income	Translation reserve	Group result	Equity before non-controlling interests	Non-controlling interests	Total
-224	**5,690**	**6,683**	**154,161**	**15,853**	**170,014**
			5		**5**
				-124	**-124**
				-124	**124**
		-6,683	**0**		
		1,516	1,516	185	**1,701**
	-1,607		-1,607	-190	**-1,797**
	-1,607	**1,516**	**-91**	**-5**	**-96**
-224	**4,083**	**1,516**	**154,075**	**15,724**	**169,799**
-134	**6,062**	**-4,718**	**145,149**	**16,506**	**161,655**
			-21		**-21**
			-1,114	92	**-1,022**
			-1,114	**92**	**-1,022**
		4,718	**0**	**0**	**0**
		3,219	3,219	135	**3,354**
	-21		-21	-75	**-96**
	-21	**3,219**	**3,198**	**60**	**3,258**
-134	**6,041**	**3,219**	**147,212**	**16,658**	**163,870**

SELECTED EXPLANATORY NOTES

GENERAL

These interim condensed consolidated financial statements for the first three months of 2012 were released for publication by resolution of the management board on May 11, 2012.

APPLICATION OF ACCOUNTING REQUIREMENTS

The interim condensed consolidated financial statements of Homag Group AG (the Homag Group) as of March 31, 2012, like the consolidated financial statements as of December 31, 2011, were prepared in accordance with the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRSs) of the International Accounting Standards Board (IASB), the interpretations of the Standing Interpretations Committee (SIC) and of the IFRS Interpretations Committee as adopted by the EU and applicable as of the end of the reporting period. The provisions of IAS 34 on interim financial reporting were applied.

The same accounting policies generally apply for this interim report as for the 2011 consolidated financial statements. These policies are explained in detail in the annual report 2011. In addition, the amendments to IFRSs and the new policies mandatory as of March 31, 2012 have been adopted in the interim financial statements.

All mandatory new and amended IFRSs were described in detail in the annual report 2011.

The interim consolidated financial statements have been prepared in euro (group currency) and presented in thousands of euros (EUR k). Besides the income statement and statement of financial position, a statement of cash flows, a statement of changes in equity and a statement of comprehensive income have been presented separately.

The income statement has been prepared using the function of expenses method.

BASIS OF CONSOLIDATION

The interim consolidated financial statements are based on the separate financial statements of Homag Group AG and the subsidiaries included in consolidation, prepared in accordance with uniform accounting policies.

The interim condensed consolidated financial statements do not contain all of the information required for consolidated financial statements and should therefore be read in conjunction with the published consolidated financial statements as of December 31, 2011.

NOTES TO THE CONSOLIDATED INCOME STATEMENT

SALES REVENUE

In the first three months of 2012, the Homag Group generated sales revenue of EUR 187,698 k, up 6.9 percent on the comparable period in 2011.

EUR k	2012 01/01-03/31	%	2011 01/01-03/31	%	% change on the prior year
Germany	**46,654**	**24.9%**	**36,952**	**21.0%**	**26.3%**
Other EU countries	54,369	29.0%	57,199	32.6%	-4.9%
Rest of Europe	35,691	19.0%	23,610	13.4%	51.2%
North America	12,031	6.4%	13,540	7.7%	-11.1%
Central/South America	11,397	6.1%	9,303	5.3%	22.5%
Asia/Pacific	27,156	14.4%	34,279	19.6%	-20.8%
Africa	400	0.2%	758	0.4%	-47.2%
Other countries	**141,044**	**75.1%**	**138,689**	**79.0%**	**1.7%**
TOTAL	**187,698**	**100.0%**	**175,641**	**100.0%**	**6.9%**

The regions rest of Europe (51.2 percent) and Germany (26.3 percent) saw the greatest percentage increase in sales revenue in the first three months of 2012 in comparison to the same period of the prior year. Growth was also recorded in Central/South America region (22.5 percent). The region other EU countries registered a slight decrease of 4.9 percent. Sales revenue in the regions Asia/Pacific and North America fell by 20.8 percent and 11.1 percent respectively in comparison to the comparable period of 2011. The Africa region saw a decrease of EUR 358 k or 47.2 percent. The share of sales revenue earned in Germany increased from 21.0 percent in the first three months of 2011 to 24.9 percent in the reporting period.

COST OF MATERIALS

EUR k	2012 01/01-03/31	2011 01/01-03/31
Cost of raw materials, consumables and supplies and purchased goods	80,620	75,655
Cost of purchased services	5,701	4,495
	86,321	**80,150**

The ratio of the cost of materials to total operating performance increased slightly to 43.2 percent in the first three months of 2012, as compared to 42.8 percent in the corresponding period of the prior year. This rise is due above all to the increased share of merchandise in connection with the Mekran project. After eliminating the effects of this major project, the ratio of cost of materials to total operating performance comes to 42.2 percent for the first quarter, down on the comparable figure for the prior year.

PERSONNEL EXPENSES

EUR k	**2012** **01/01-03/31**	2011 01/01-03/31
Wages and salaries	60,132	58,315
Social security, pension and other benefit costs	10,952	10,322
thereof pension benefits	*4,298*	*4,213*
	71,084	**68,637**

EUR k	**2012** **01/01-03/31**	2011 01/01-03/31
Expenses from employee participation	-1,022	-1,121

Compared to 5,071 employees as of March 31, 2011 and 5,141 employees as of December 31, 2011, the Homag Group had 5,104 employees as of March 31, 2012.

Personnel expenses in the first quarter of 2012 were up 3.6 percent on the comparable period of the prior year. This increase was accompanied by a 6.8 percent increase in total operating performance, such that the ratio of personnel expenses to total operating performance decreased from 36.6 percent in the prior year to 35.5 percent in the first three months of 2012.

At EUR 1,022 k, employee participation expenses in the first three months of 2012 were below the level of the first quarter of 2011 in which expenses of EUR 1,121 k were recorded.

NET PROFIT FOR THE PERIOD

Operative EBITDA before employee participation expenses and before restructuring/non-recurring expenses amounted to EUR 16,726 k in the first three months of 2012 (prior year: EUR 14,624 k). EBIT before employee participation expenses and after restructuring/non-recurring expenses amounted to EUR 9,823 k in the first quarter of 2012 (prior year: EUR 6,901 k).

The financial result of EUR -2,014 k for the first three months of 2012 improved by 14.7 compared to the prior-year period (EUR -2,361 k) thanks to improvements in both the interest result and the investment result.

At EUR 6,787 k, EBT for the first three months of 2012 practically doubled compared to the prior-year period (EUR 3,419 k). The net profit for the period came to EUR 3,354 k (prior year: EUR 1,701 k). After non-controlling interests, the net profit for the period came to EUR 3,219 k (prior year: EUR 1,516 k) which leads to earnings per share of EUR 0.21 (prior year: EUR 0.10).

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

Inventories rose by EUR 12,137 k to EUR 142,098 k, an increase of 9.3 percent in comparison to December 31, 2011.

Receivables from long-term construction contracts were down EUR 5,890 k or 17.2 percent. Other current assets and prepaid expenses rose by EUR 3,395 k or 24.3 percent compared to December 31, 2011.

Cash and cash equivalents increased by EUR 6,630 k compared to year-end 2011.

In connection with the restructuring of three group companies in the first quarter of 2012**,** the requirements for classifying non-current assets as held for sale have been satisfied for the first time, resulting in the recognition of disposal groups.

The sale of the metal grind machines business unit of BÜTFERING Schleiftechnik GmbH gave rise to a disposal group in the Cabinet Shops segment comprising property, plant and equipment, inventories and receivables as well as pension obligations and other current liabilities. This is reported on the assets side of the statement of financial position under the line item “Non-current assets held for sale” and the equity and liabilities side under “Liabilities from assets held for sale”. The transfer dates for these sale transactions are scheduled for April 1, 2012 and October 1, 2012.

In addition, property and buildings in the Industry and Sales & Service segments are now subject to the requirements of IFRS 5.

All sales are scheduled to be completed within a year. As the fair value of all assets and disposal groups exceeded their carrying amount, it was not necessary to recognize an impairment loss.

EQUITY

The change in equity, including other comprehensive income, is presented in the statement of changes in equity.

The equity ratio stood at 28.6 percent as of March 31, 2012, and was thus close to the level as of December 31, 2011 (29.0 percent).

Pursuant to IAS 33, earnings per share are determined by dividing the group's net profit or loss for the period by the average number of shares. Earnings per share stood at EUR 0.21 in the first three months of 2012 (prior year: EUR 0.10).

	2012 **01/01-03/31**	2011 01/01-03/31
Profit for the period attributable to owners of Homag Group AG for the calculation of the basic earnings in EUR k	3,219	1,516
BASIC EARNINGS PER SHARE ACCORDING TO IAS 33 IN EUR	**0.21**	**0.10**
Number of shares (basis for the calculation of the earnings per share)	15,688,000	15,688,000

There were no dilutive effects in the reporting period.

At its meeting of March 22, 2012, the supervisory board seconded the management board's recommendation to propose to the annual general meeting of May 24, 2012 to waive the dividend for the fiscal year 2011.

LIABILITIES

The liabilities side registered a shift from non-current to current liabilities as a result of a syndicated loan agreement that expires in February 2013 and is therefore reported under current liabilities. Under non-current liabilities and provisions, deferred taxes increased by EUR 1,423 k (up 12.3 percent). Other current liabilities increased by EUR 10 million in the reporting period, particularly due to normal seasonal movements at the beginning of the year, such as the increase in vacation provisions. Prepayments received also increased by EUR 1,489 k (up 5.4 percent).

Net liabilities to banks decreased from EUR 80,920 k as of December 31, 2011 to EUR 77,431 k as of March 31, 2012.

SEGMENT REPORTING

Intersegment transfers are performed at arm's length. Transactions between group segments are eliminated in the consolidation column.

Details on the breakdown into the individual segments can be found on page 162. of the annual report 2011.

In real figures, sales revenue grew strongest in the Industry segment, up EUR 10,556 k (or 9.9 percent). The largest absolute increase was achieved by Homag Holzbearbeitungssysteme GmbH (up EUR 9,148 k or 12.6 percent). This is partly attributable to the large-scale project with Mekran. The Other segment registered an increase of 21.7 percent in total. This mainly stems from Weinmann Holzbausystemtechnik GmbH, which saw an improvement of 43.9 percent, and Homag Machinery Sroda Sp. z o.o., which was up 56.0 percent.

The development of EBITDA before employee participation expenses and before restructuring/non-recurring expenses varied between segments. Operative EBITDA in the Industry segment rose by EUR 3,908 k and by EUR 398 k in the Sales & Service segment. By contrast, the

	Industry		Cabinet Shops		Sales & Service	
	2012	2011	**2012**	2011	**2012**	2011
EUR k	**01/01-03/31**	01/01-03/31	**01/01-03/31**	01/01-03/31	**01/01-03/31**	01/01-03/31
Third-party sales	83,464	69,634	23,804	23,427	58,479	58,304
Sales with group companies from other segments	24,084	23,178	19,137	20,193	541	489
Sales with investments recognized at equity	9,131	13,311	4,959	4,045	0	164
TOTAL SALES REVENUE	**116,679**	**106,123**	**47,900**	**47,665**	**59,020**	**58,957**
operative EBITDA[1]	**15,019**	**11,111**	**2,225**	**2,932**	**1,726**	**1,328**
Restructuring/non-recurring expenses[2]	-39	-240	0	-54	0	-123
Depreciation of property, plant and equipment and amortization of intangible assets	-4,462	-5,037	-1,351	-1,274	-546	-542
Expenses from employee participation	-951	-973	-136	-225	-26	0
Share in result of associates	114	-90	0	0	0	0
Interest result	-490	-902	-210	-313	-71	-111
SEGMENT RESULT[3]	**9,192**	**3,869**	**528**	**1,066**	**1,083**	**552**
EMPLOYEES[4]	**2,696**	**2,700**	**1,017**	**1,023**	**744**	**718**

[1] Operative EBITDA before expenses from employee participation and restructuring/non-recurring expenses
[2] Contained in personnel expenses and other operating income
[3] The segment result is equivalent to EBT
[4] Average of the period

Cabinet Shops segment recorded a fall of EUR 707 k and the Other segment a fall of EUR 826 k. In the Industry segment Homag Holzbearbeitungssyteme GmbH was the entity which recorded the largest rise (up EUR 3,510 k or 45.0 percent). In addition, the companies Benz GmbH Werkzeugsystem, up 98.2 percent (or EUR 557 k) and Bargstedt Handlingsysteme GmbH, up 90.8 percent (or EUR 342 k). In the Cabinet Shops segment, Weeke Bohrsysteme GmbH saw the largest absolute decrease, down EUR 663 k. The company Homag Japan Co. Ltd. registered the largest increase in the Sales & Service segment, up EUR 715 k (or 1,123 percent). By contrast, Homag Canada Inc. exhibited a decrease of EUR 336 k (or 46.8 percent). Homag Asia (PTE) Ltd. also registered a decrease (down EUR 330 k or 865.5 percent). The largest earnings increase in the Other segment was earned by the company Homag Machinery Sroda Sp. z o.o., up EUR 464 k (or 675.3 percent). The largest decreases were seen at Weinmann Holzbausystemtechnik GmbH, down EUR 352 k (or 182.1 percent), and at Homag Machinery Shanghai Co. Ltd., down EUR 471 k (or 170.7 percent).

Other		Total segments		Consolidation		Group	
2012	2011	**2012**	2011	**2012**	2011	**2012**	2011
01/01-03/31	01/01-03/31	**01/01-03/31**	01/01-03/31	**01/01-03/31**	01/01-03/31	**01/01-03/31**	01/01-03/31
4,531	3,242	170,278	154,607	0	0	170,278	154,607
6,531	5,072	50,293	48,932	-50,293	-48,932	0	0
3,330	3,514	17,420	21,034	0	0	17,420	21,034
14,392	**11,828**	**237,991**	**224,573**	**-50,293**	**-48,932**	**187,698**	**175,641**
-1,894	**-1,068**	**17,076**	**14,303**	**-350**	**321**	**16,726**	**14,624**
-7	-14	-46	-431	0	0	-46	-431
-498	-439	-6,857	-7,292	0	0	-6,857	-7,292
91	77	-1,022	-1,121	0	0	-1,022	-1,121
0	0	114	-90	0	0	114	-90
-1,357	-945	-2,128	-2,271	0	0	-2,128	-2,271
-3,666	**-2,389**	**7,137**	**3,098**	**-350**	**321**	**6,787**	**3,419**
664	**617**	**5,121**	**5,058**	**0**	**0**	**5,121**	**5,058**

OTHER NOTES

CONTINGENT LIABILITIES

As had already been reported as of year-end 2011, a German production company has set up a provision of EUR 430 k for litigation risks concerning legal proceedings with a customer. Management aims to settle out of court. In addition, another production company in Germany has provided EUR 130 k for industrial tribunal cases.

The Homag Group or its group entities were not involved in any other litigation or arbitration proceedings that could have a considerable influence on the economic situation of the entities or the Group in the past two years, nor are they involved in any such proceedings at present. The group entities concerned have made adequate provision for any financial burdens from other litigation or arbitration proceedings which do not have a significant influence on the economic situation of the group or there is adequate coverage for these items.

RELATED PARTIES

Trade amounting to EUR 17,350 k was conducted with associates in the first three months of the year (prior year: EUR 21,055 k). Goods and services worth EUR 827 k were received from associates (prior year: EUR 609 k).

EVENTS AFTER THE REPORTING PERIOD 31 MARCH 2012

There were no significant events after the end of the reporting period.

Schopfloch, May 11, 2012

Homag Group AG,
The management board

FINANCIAL CALENDAR, CONTACT AND DISCLAIMER

FINANCIAL CALENDAR

May 24, 2012	Annual general meeting in Freudenstadt
August 14, 2012	Six-month report 2012
November 14, 2012	Nine-month report 2012

CONTACT

HOMAG Group AG
Homagstrasse 3–5
72296 SCHOPFLOCH
GERMANY
Phone +49 (0) 7443 13 0
Fax +49 (0) 7443 13 2300
E-mail info@homag-group.com
www.homag-group.com

Investor Relations
Kai Knitter
Phone +49 (0) 7443 13 2461
Fax +49 (0) 7443 13 8 2461
E-mail kai.knitter@homag-group.com

DISCLAIMER

SERVICE

This interim report as well as other up-to-the-minute information about HOMAG Group AG can be downloaded from the internet at: **www.homag-group.com**

FUTURE-ORIENTED STATEMENTS

This interim report contains certain statements relating to the future. Future-oriented statements are all those statements that do not pertain to historical facts and events or expressions pertaining to the future such as “believes”, “estimates”, “assumes”, “forecasts”, “intend”, “may”, “will”, “should” or similar expressions. Such future-oriented statements are subject to risks and uncertainty since they relate to future events and are based on current assumptions of the company, which may not occur in the future or may not occur in the anticipated form. The company points out that such future-oriented statements do not guarantee the future; actual results including the financial position and the profitability of HOMAG Group AG as well as the development of economic and regulatory framework conditions may deviate significantly (and prove unfavorable) from what is expressly or implicitly assumed or described in these statements. Even if the actual results of HOMAG Group AG including the financial position and profitability as well as the economic and regulatory framework conditions should coincide with the future-oriented statements in this interim report, it cannot be guaranteed that the same will hold true in the future.

OTHER INFORMATION

This interim report is published in German and in English. In case of doubt, the German version shall prevail. Minor differences may arise from use of amounts and percentages rounded to the nearest whole number.

www.homag-group.com