

REPORT FOR THE FIRST QUARTER

2012

1 January to
31 March

Q1



SURTECO

SOCIETAS EUROPAEA

SPECIALISTS
FOR SURFACE
TECHNOLOGIES

OVERVIEW

SURTECO GROUP

Q1

€ 000s	1/1/-31/3/ 2011*	1/1/-31/3/ 2012	Variation in %
Sales revenues	107,958	107,272	-1
of which			
- Germany	36,519	36,740	+1
- Foreign	71,439	70,532	-1
EBITDA	18,194	13,537	-26
EBITDA margin in %	16.9	12.6	
EBIT	12,826	8,146	-36
EBIT margin in %	11.9	7.6	
EBT	8,737	5,718	-35
Consolidated net profit	5,572	3,827	-31
Earnings per share in €	0.50	0.35	-31

	31/3/2011*	31/3/2012	Variation in %
Net financial debt in € 000s	121,620	117,959	-3
Gearing (level of debt) in %	56	54	-4
Equity ratio in %	45.8	47.3	+3
Number of employees	2,040	2,001	-2

	31/12/2011	31/3/2012	Variation in %
Net financial debt € 000s	125,786	117,959	-6
Gearing (level of debt) in %	58	54	-7
Equity ratio in %	44.9	47.3	+5
Number of employees	2,005	2,001	-

*Adjusted on the basis of IAS 8

DEAR SHAREHOLDERS, PARTNERS AND FRIENDS OF OUR COMPANY

GLIMMER OF HOPE FOR THE GLOBAL ECONOMY

The latest forecast by the International Monetary Fund (IMF) in April 2012 projects a slow economic recovery in the industrial countries particularly impacted by the latest euro and financial crisis. Experts have adjusted their expectations for economic development in the euro-zone from the previous estimate of -0.5 % to a slightly improved figure of -0.3 %. Modest growth of 0.6 % and 0.5 % is expected for Germany and France respectively, whereas Italy (-1.9 %) and Spain (-1.8 %) will continue to languish in deep recession. The USA can look forward to economic growth of 2.1 %

and Japan has prospects of growth in a similar order. Global growth in economic output amounting to 3.5 % is likely to be driven by expansion in the emerging economies and developing countries where gross domestic product is expected to grow by 5.7 %. China's economy is likely to experience dynamic growth once more, although the trend will tend to decline (+8.2 %). The same applies to India with growth of 6.9 %.

The IMF has issued a warning against further deterioration in the spiral of debt in the industrial nations, particularly the euro-zone, in spite of the slight improvement in sentiment. The bulletin indicated that the problems there had not yet been solved and the risk of a significant development in the direction of recession accompanied by potentially massive negative effects on the global economy had by no means receded yet.

FURNITURE INDUSTRY EXPECTS MODERATE INCREASE IN SALES FOR 2012

Customers from the furniture industry and wood-based sector constitute the most important customer base for manufactured products from SURTECO. The associations of the German wood and furniture industries (VDM and HDH) assess the development of the German economy for 2012 with cautious optimism. The confidence is mainly the result of the anticipated stable consumer spending, lively demand for construction of residential property and rising real incomes. Another factor is that the sector will continue to benefit in particular from buoyant export activity, including expansion into new markets. Alongside the core markets in Europe, furniture "Made in Germany" is experiencing growing popularity in Asia, the Arab world and in Russia. The sector association is anticipating an overall increase in

sales of 2-3 % for the business year 2012, with total sales generated for furniture in the previous year amounting to around € 16.8 billion.

Despite ongoing uncertainty in the markets concerning the development of the debt crisis in the future, figures from the Federal Statistical Office indicated a gratifying demand for furniture products during the initial months of the year. The associations are projecting sound domestic sales for the year overall. They believe that the continued high level of investment in residential construction is likely to continue to play a supporting role. The low mortgage rates remain a key growth driver here. As in the previous year, the year-on-year increase is likely to be primarily driven by foreign business, even though growth rates in 2011 will probably not be achieved due to the slackening of demand in Europe.

SURTECO: DIFFICULT START TO THE NEW YEAR AS EXPECTED

Procurement costs exert negative impact on earnings

Sales performance of the SURTECO Group during the first quarter of 2012 was virtually at the level of the corresponding year-earlier quarter. However, the two Strategic Business Units (SBU) Plastics and Paper diverged in the way they developed. Since SURTECO made a commitment to Asia, business in this market has been defined by continuous growth. The restructuring measures introduced in 2011 and the concentration of production facilities at the new Batam location in Indonesia entailed a temporary fall in sales during the period under review. The assessment of the management indicates that this setback will be more than compensated after all the measures have been completed.

Renewed price rises for important raw materials such as plastics and papers for technical applications continue to give grounds for considerable concern. The resulting negative impact on earnings was further strengthened by the shift in the product mix to finished products with particularly intensive dependence on materials.

Book value of Pfeleiderer shareholding written off

On 28 March 2012, the Board of Management of Pfeleiderer AG, Neumarkt, filed an application for the opening of insolvency proceedings. Since according to the assessment of the management of SURTECO SE, a loss of the entire value of the shares held in this company is to be assumed, a decision was taken to write off the remaining book value amounting to € 0.4 million on 31 March 2012.

French competitor taken over

SURTECO took over the customer base of its competitor Sodimo in Bohal, France, in an asset deal with effect from 4 January 2012. This transaction was carried out through SURTECO France S.A.S. and involved SURTECO intensifying its activities in the French market (see Notes to Consolidated Financial Statements for further explanations).

SALES AND MARKETS

GROUP SALES AT LEVEL OF PREVIOUS YEAR

SURTECO SE opened the business year 2012 with quarterly sales of € 107.3 million. This is 1 % below the value for the good year-earlier quarter (€ 108.0 million). The sales distribution remained stable: modest sales gains in the domestic market to € 36.8 million (+1 %) compared with slightly lower foreign sales of € 70.5 million (-1 %).

STRATEGIC BUSINESS UNIT PLASTICS

The innovative drive of the SBU Plastics was rewarded by a gratifying expansion of business in the first quarter of 2012. This was particularly marked in edgebandings. Developments like "Fusion Edge" are encountering a surge in popularity and generated positive stimuli in the marketplace. The edgings segment clearly dominates the SBU Plastics with a share of 58 % and achieved a significant increase by 6 % to € 36.5 million.

During the first quarter of the year under review, the sales of the entire plastics segment improved by 4 % to € 62.9 million compared with the equivalent period in the previous year. Domestic business underwent a particularly gratifying development – specifically due to gaining new customers – with growth of 9 % to € 21.2 million. Foreign business grew at a moderate rate by 1 % to reach € 41.7 million. An increase in the rest of Europe outside Germany (+6 % to € 24.3 million), in America (+2 % to € 8.8 million) and in Australia (+3 % to € 5.5 million) contrasted with a fall of 30 % to € 2.8 million in the Asian market following restructuring.

STRATEGIC BUSINESS UNIT PAPER

Around one third of the surface-coating products based on paper manufactured by the SURTECO Group are sold in the domestic market. Some of our purchasers reported an unsatisfactory situation for utilization of capacity and like SURTECO were impacted negatively by increased prices for primary materials. A number of furniture manufacturers are projecting that they will have to introduce short-time working at the production facilities during the coming months. Sales of the SBU Paper in Germany declined by 9 % to € 15.5 million during the first quarter of 2012.

Performance of foreign business varied in the SBU Paper. Ongoing savings measures taken by consumers in European countries outside Germany reduced sales volumes by 8 % to € 22.0 million. On the other hand, sales on the American continent increased by 47 % to € 4.7 million on the back of the stabilized economy and acquisition of a number of major customers. The businesses in Australia and Asia continue to perform at a low level. Overall, sales volume generated by customers outside Germany decreased by 5 % to € 28.8 million.

Sales of the SBU Paper amounted to € 44.3 million in the first quarter of 2012. They fell short of the figure for the previous year by € 3.0 million or 6 %.

EXPENSES

NEW HIGH WITH EXPENSES FOR INTERMEDIATE PRODUCTS

Titanium dioxide is an important component in the manufacture of specialist papers for the SBU Paper and the inflationary price development of this raw material continued unabated during the first quarter of 2012. The crude oil price also continued to rise. This upward trend continued to impact negatively on the main raw materials for the SBU Plastics (ABS, PVC, PMMA and PP), as well as putting pressure on other chemical products used for a wide range of different purposes in the SURTECO Group. Another factor is that the product mix is tending to shift to more material-intensive qualities where the share of value added is lower due to less production depth. As a consequence, the cost of materials rose further during the period under review and reached a proportion of total output amounting to 47.3 %. The comparative figure from the first quarter of 2011 was 46.0 %. One year earlier, the cost of materials ratio was "only" 43.6 %. Notwithstanding the high level of prices, the intermediate products were available for purchase in sufficient quantities and with acceptable delivery times.

Personnel expenses amounted to € 27.9 million (Q1/2011: € 26.0 million) during the first three months of the current business year. Total output as a reference parameter for the personnel expense ratio fell by € 1.7 million particularly as a result of lower inventory levels. The proportion of personnel expenses in total output was 25.7 % (+2.1 percentage points) in the first quarter of 2012.

Other operating expenses amounting to € 16.2 million underwent negligible change (Q1/2011: € 16.0 million).

EARNINGS

COST INCREASES EXERT DOWNWARD PRESSURE ON INCOME

The operating result (EBITDA) fell significantly by 26 % to € 13.5 million (Q1/2011: € 18.2 million) by contrast with sales for the quarter which only came out marginally lower in 2012. This disparity was due to the unfavourable development of the cost of materials. The EBITDA margin lost 4.3 percentage points and achieved a share of just 12.6 % of sales. Here it is important to take into account that the increases in the price of materials can at best be passed on to customers to a limited extent and with a time lag. With a constant level of depreciation and amortization (€ 5.4 million), EBIT was € 8.1 million after the first three months of the current business year. It fell short of the value for the previous year by € 4.7 million or 36 %. The EBIT margin changed from 11.9 % to 7.6%.

The financial result of € -2.4 million improved compared with the first equivalent year-earlier quarter (Q1/2011: € -4.1 million). This is also due to the lower impairment of the Pfeleiderer AG shares (€ 0.4 million) which was still € 1.3 million in the first quarter of 2011. The pre-tax result (EBT) reached € 5.7 million. This was 35 % below the amount for the first quarter of 2011 (€ 8.7 million).

The consolidated net profit used as the basis for calculating the earnings per share amounted to € 3.8 million at the end of the quarter (Q1/2011: € 5.6 million). This yields an amount of € 0.35 (Q1/2011: € 0.50) based on 11,075,522 no-par-value shares.

NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

The balance sheet total fell to € 466.1 million (31 December 2011: € 482.1 million) on 31 March 2012. Key influencing factors were the reduction of financial liabilities by € 29.5 million and a sales-driven increase in working capital from € 82.0 million to € 89.3 million. When calculating the working capital, customer receivables (€ +7.5 million), inventories (€ +4.6 million) and liabilities to suppliers (€ +4.8 million) were taken into account.

The acquisition of the assets of the French competitor Sodimo, Bohal, is essentially reflected in the intangible assets (€ +1.0 million). Further information on this acquisition is provided in the Notes to the Consolidated Financial Statements.

The effects referred to above led to a reduction in net cash by € 21.7 million to € 45.0 million. The net debt in the Group was reduced to € 118.0 million (31 December 2011: € 125.8 million). The result was that gearing came down from 58 % to 54 %. The lower balance sheet total exerted a positive influence on the equity ratio such that this rose by 2.4 percentage points to 47.3 % by comparison with year-end 2011.

The increase in cash flow from current business operations by € 6.5 million compared with the previous year is related to lower inventory levels during the period under review. Increased cash outflow from investment activities (€ +2.1 million) is essentially due to the purchase price paid for the acquisition referred to above. Overall, the free cash flow was increased by € 4.4 million.

CALCULATION OF FREE CASH FLOW

€ 000s	1/1-31/3/ 2011	1/1-31/3/ 2012
Cash flow from current business operations	5,407	11,937
Acquisition of property, plant and equipment	-2,788	-3,811
Acquisition of intangible assets	-231	50
Acquisition of companies	0	-1,400
Cash flow from investment activities	-3,019	-5,161
Free cash flow	2,388	6,776

RESEARCH AND DEVELOPMENT

TECHNICAL, VISUAL AND HAPTIC INNOVATIONS

The "Fusion Edge" developed by the Strategic Business Unit Plastics has been a major success in the market on account of its outstanding properties. The jointless unit of board and edge gives the product an immaculate visual appeal. Production benefits for refiners also yield an additional advantage due to increased productivity for edging processors with the elimination of hot melt adhesive. This is facilitated by the laser joining technique where a function layer of the edge is melted on using a laser and then bonded with the worktop.

Transferring this procedure to contoured products some of which have a very tight radius in places presents significant demands for the flexibility and quality of the edgings to be processed. The Strategic Business Unit Plastics has now developed a version of the "Fusion Edge" edging based on polypropylene and specially tailored to this application. This innovation permits production of sophisticated boards and contoured elements for contemporary furniture to be harmonized with the proven benefits of the laser joining technique.

Textured surfaces have become established as a popular attribute for furniture design. The option of using haptic coating materials to reproduce the natural templates almost perfectly enables expressive and high-quality furniture to be manufactured at an appealing price. Intensive research work has enabled the Strategic Business Unit Paper to succeed in manufacturing the haptic surface for flat foils as well as edgebandings with very high quality. This allows furniture manufacturers to source flat foils and edgebandings in a perfect combination of decorative design and haptic surface from a single source.

SURTECO SHARES

After the disappointing development of the share price in 2011, the SURTECO share underwent a significant recovery in the first quarter of the new business year. The share posted a quarterly increase of around 23 % and even succeeded in outperforming the significantly positive performance of the German comparative indexes DAX and SDAX of plus 18 % in each case. After a restrained start to the year, recommendations from a number of stock-market media in March 2012 generated a rally in price which reached a quarterly high of € 24. Subsequent profit-taking then caused the positive advance to recede somewhat. The share ended trading on 30 March at € 21.00, only to climb back to € 23 by the deadline for this quarterly report.

The market capitalization of SURTECO SE amounted by € 232.6 million at the end of March 2012 based on an unchanged number of shares at 11,075,522. The percentage of shares in free float continues at 22.6 %. The medium-term aim of the company continues to be a listing in the SDAX. As far as the relevant criteria of market capitalization (based on free float) and trading volume are concerned, the statistics of the German Stock Exchange (Deutsche Börse) relating to MDAX and SDAX companies indicate that SURTECO is currently ranked in position 116 and 146 respectively. SURTECO would have to be ranked in the top 110 in order to meet the two criteria for inclusion in the SDAX.

January - March 2012

Number of shares	11,075,522
Free float in %	22.6
Price on 2/1/2012 in €	17.10
Price on 30/3/2012 in €	21.00
High in €	24.16
Low in €	16.45
Market capitalization as at 30/3/2012 in € 000s	232,586

Share price performance
January - March 2012 in €

OUTLOOK FOR THE FISCAL YEAR 2012

Although the beginning of the business year 2012 presented predictable difficulties, the relatively robust start overall confirmed the strategic positioning of the SURTECO Group. Weak growth has been pervading the markets since the second half of 2011 and this trend is likely to persist until well into the current business year. The Group has countered this situation with a bundle of measures comprising intensive marketing activities and stringent management of costs in all areas. Nevertheless, the macroeconomic uncertainties and the unpredictable developments in the marketplace mean that achieving the level of sales from the previous year in 2012 continues to remain a significant challenge.

The future development of earnings is overshadowed by prices of raw materials that SURTECO is unable to influence. Recent years have witnessed an unbroken rise in prices and the first quarter of 2012 was no exception with an above-average increase in prices. On the other hand, the negative impact of one-off effects similar to those incurred in 2011 appears unlikely to be repeated in the current year from the present perspective.

We confirm the assumption we made in the Annual Report 2011 following analysis of the available facts that a slight improvement in pre-tax earnings appears to be a possibility for 2012.

QUARTERLY FINANCIAL STATEMENTS
CONSOLIDATED INCOME STATEMENT
 SURTECO GROUP

(SHORT VERSION)

Q1

REPORT FOR THE FIRST QUARTER 2012 SURTECO SE

€ 000s	Q1	
	1/1/-31/3/ 2011*	1/1/-31/3/ 2012
Sales revenues	107,958	107,272
Changes in inventories	1,965	725
Own work capitalized	241	515
Total	110,164	108,512
Cost of materials	-50,712	-51,313
Personnel expenses	-25,959	-27,863
Other operating expenses	-15,999	-16,197
Other operating income	700	398
EBITDA	18,194	13,537
Depreciation and amortization	-5,368	-5,391
EBIT	12,826	8,146
Financial result	-4,089	-2,428
EBT	8,737	5,718
Income tax	-3,134	-2,005
Net income	5,603	3,713
Group share (consolidated net profit)	5,572	3,827
Non-controlling interests	31	-114
Basic and diluted earnings per share in €	0.50	0.35
Number of shares	11,075,522	11,075,522

STATEMENT OF COMPREHENSIVE INCOME

SURTECO GROUP

€ 000s	Q1	
	1/1/-31/3/ 2011*	1/1/-31/3/ 2012
Net income	5,603	3,713
Difference from currency translation	-1,362	40
Financial instruments available-for-sale	809	68
Other comprehensive income for the period	-553	108
Total comprehensive income	5,050	3,821
Group share	5,019	3,935
Non-controlling interests	31	-114

CONSOLIDATED BALANCE SHEET

SURTECO GROUP

€ 000s	31/12/2011	31/3/2012
ASSETS		
Cash and cash equivalents	66,739	45,040
Trade accounts receivable	40,837	48,412
Inventories	61,250	65,835
Current income tax assets	5,641	3,363
Other current assets	12,669	10,105
Current assets	187,136	172,755
Property, plant and equipment	160,200	159,073
Intangible assets	12,065	13,015
Goodwill	112,428	112,359
Investments in associated enterprises	1,804	1,828
Financial assets	638	188
Non-current tax assets	537	537
Other non-current assets	469	1,652
Other non-current financial assets	3,929	2,511
Deferred taxes	2,929	2,213
Non-current assets	294,999	293,376
	482,135	466,131

CONSOLIDATED BALANCE SHEET

SURTECO GROUP

€ 000s	31/12/2011	31/3/2012
LIABILITIES AND SHAREHOLDERS' EQUITY		
Short-term financial liabilities	29,634	1,724
Trade accounts payable	20,117	24,925
Income tax liabilities	2,903	2,585
Short-term provisions	2,175	2,945
Other current liabilities	16,303	21,911
Current liabilities	71,132	54,090
Long-term financial liabilities	162,891	161,275
Pensions and other personnel-related obligations	9,876	9,995
Deferred taxes	21,732	20,446
Non-current liabilities	194,499	191,716
Capital stock	11,076	11,076
Capital reserve	50,416	50,416
Retained earnings	141,920	154,512
Consolidated net profit	12,484	3,827
Capital attributable to shareholders	215,896	219,831
Non-controlling interests	608	494
Equity	216,504	220,325
	482,135	466,131

CONSOLIDATED CASH FLOW STATEMENT

SURTECO GROUP

€ 000s	Q1	
	1/1/-31/3/ 2011*	1/1/-31/3/ 2012
Earnings before income tax and non-controlling interests	8,737	5,718
Reconciliation to cash flow from current business operations	8,749	5,853
Internal financing	17,486	11,571
Change in assets and liabilities (net)	-12,079	366
Cash flow from current business operations	5,407	11,937
Cash flow from investment activities	-3,019	-5,161
Cash flow from financial activities	-14,127	-27,919
Change in cash and cash equivalents	-11,739	-21,143
Cash and cash equivalents		
1 January	62,395	66,739
Effect of changes in exchange rate on cash and cash equivalents	-346	-556
31 March	50,310	45,040

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SURTECO GROUP

€ 000s	Retained earnings								
	Capital stock	Capital reserve	Fair value measurement for financial instruments	Other comprehensive income	Currency translation adjustments	Other retained earnings	Consolidated net profit	Non-controlling interests	Total
31 December 2010*	11,076	50,416	1,975	107	-3,509	130,462	21,754	688	212,969
Net income	0	0	0	0	0	0	5,560	31	5,591
Other changes	0	0	809	0	-1,362	21,754	-21,754	-41	-594
31 March 2011	11,076	50,416	2,784	107	-4,871	152,216	5,560	678	217,966
Adjusted on the basis of IAS 8	0	0	0	0	0	0	12	0	12
31 March 2011 after adjustment	11,076	50,416	2,784	107	-4,871	152,216	5,572	678	217,978
31 December 2011	11,076	50,416	1,953	368	-2,649	142,248	12,484	608	216,504
Net income	0	0	0	0	0	0	3,827	-114	3,713
Other changes	0	0	68	0	40	12,484	-12,484	0	108
31 March 2012	11,076	50,416	2,021	368	-2,609	154,732	3,827	494	220,325

SEGMENT REPORTING

SURTECO GROUP

REPORT FOR THE FIRST QUARTER 2012 SURTECO SE

BY STRATEGIC BUSINESS UNITS

Sales revenues				
€ 000s	SBU Plastics	SBU Paper	Recon- ciliation	SURTECO Group
1/1/-31/3/2012				
External sales	62,947	44,325	0	107,272
Internal sales	134	1,101	-1,235	0
Total sales	63,081	45,426	-1,235	107,272
1/1/-31/3/2011				
External sales	60,622	47,336	0	107,958
Internal sales	404	530	-934	0
Total sales	61,026	47,866	-934	107,958

Segment earnings (EBT)		
€ 000s	1/1/-31/3/2011*	1/1/-31/3/2012
SBU Plastics	6,098	4,832
SBU Paper	6,974	3,770
Reconciliation	-4,335	-2,884
	8,737	5,718

SEGMENT REPORTING

SURTECO GROUP

BY REGIONAL MARKETS

Sales revenues SURTECO Group		
€ 000s	1/1-31/3/2011	1/1-31/3/2012
Germany	36,519	36,740
Rest of Europe	46,967	46,267
America	11,856	13,519
Asia, Australia, Others	12,616	10,746
	107,958	107,272

Sales revenues SBU Plastics		
€ 000s	1/1-31/3/2011	1/1-31/3/2012
Germany	19,424	21,198
Rest of Europe	23,011	24,284
America	8,662	8,839
Asia, Australia, Others	9,525	8,626
	60,622	62,947

Sales revenues SBU Paper		
€ 000s	1/1-31/3/2011	1/1-31/3/2012
Germany	17,095	15,542
Rest of Europe	23,956	21,983
America	3,194	4,680
Asia, Australia, Others	3,091	2,120
	47,336	44,325

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (ABBREVIATED)

ACCOUNTING PRINCIPLES

The consolidated financial statements of SURTECO SE for the period ended 31 December 2011 were prepared in accordance with the regulations of the International Financial Reporting Standards (IFRS), as they were adopted by the EU. This interim report as at 31 March 2012 has been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting". As a matter of principle, the same accounting and valuation principles as in the preparation of the consolidated financial statements for the business year 2011 are applied in drawing up the interim financial report for the quarter ended 31 March 2012. If the standards adopted by the IASB had to be applied from 1 January 2012, they were taken account of in this interim report if they exert effects on the SURTECO Group. The mandatory standards and interpretations to be applied as from 1 January 2012 exerted no material effect on the net assets, financial position and results of operations of the Group.

We refer readers to the consolidated financial statements of SURTECO SE for the period ending 31 December 2011 in respect of further information on the details of the accounting and valuation methods used. The Group currency is denominated in euros (€). All amounts are specified in thousand euros (€ 000s).

GROUP OF CONSOLIDATED COMPANIES

The SURTECO Group interim consolidated financial statements include all domestic and foreign companies which are material for the net assets, financial position and results of operations in which SURTECO SE holds a direct or indirect majority of the voting rights.

SURTECO France S.A.S., as subsidiary of SURTECO SE, acquired the plastics and veneer edging business of its French competitor Sodimo in Bohal in an asset deal on 4 January 2012. Since the acquisition, the integration is carried in the consolidated financial statements for the first time.

SURTECO intends to continue expanding business in France through the acquisition of the customer base, various long-term tangible assets and inventories. A purchase price of € 1.6 million was agreed with € 0.2 million (fair value) being a conditional payment depending on income. This payment is to be made within a period of 15 months. In accordance with the purchase price allocation under IFRS 3, € 000s 1,360 were allocated to the customer base, € 000s 200 to inventories and € 000s 40 to machinery. No value was attributed to the company name. Other assets and liabilities were not assumed. Goodwill was not identified. The purchase price allocation was carried out in full at the asset values taken over at fair value.

ADJUSTMENT TO THE CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH IAS 8

A non-standard accounting treatment of special-purpose leasing companies made in the course of drawing up the consolidated financial statements as at 31 December 2011 was adjusted retroactively. All effects were taken account of in the financial statements for 2011. The quarterly figures for the business year 2011 were adjusted appropriately in the report. The basic effect of this is that the net income for the period rises by € 000s 12 to € 000s 5,603. Further information on this matter is provided in the consolidated financial statements for SURTECO SE for the period to 31 December 2011, Notes to the Consolidated Financial Statements VIII. "Adjustment to the consolidated financial statements in accordance with IAS 8".

REPORT ON IMPORTANT TRANSACTIONS WITH RELATED PARTIES

During the period under review, the companies of the Group undertook no business transactions with related parties that could have exerted a material influence on the net assets, financial position and results of operations of the Group.

Calculation of indicators

Cost of materials ratio in %	Cost of materials/Total output
Earnings per share in €	Consolidated net profit/Number of shares
EBIT margin in %	EBIT/Sales revenues
EBITDA margin in %	EBITDA/Sales revenues
Equity ratio in %	Equity/Balance sheet total
Gearing (debt level) in %	Net debt/Equity
Market capitalization in €	Number of shares x Closing price on the balance sheet date
Net debt in €	Short-term financial liabilities + Long-term financial liabilities - Cash and cash equivalents
Personnel expense ratio in %	Personnel costs/Total output
Working capital in €	Trade accounts receivables + Inventories - Trade accounts payable

FINANCIAL CALENDAR

22 June 2012	Annual General Meeting at the Sheraton Munich Arabellapark Hotel
25 June 2012	Dividend payout
10 August 2012	Six-month report January - June 2012
9 November 2012	Nine-month report January - September 2012

REPORT FOR THE FIRST QUARTER 2012

TICKER SYMBOL: SUR
ISIN: DE0005176903

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SURTECO

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