

Herrliberg, October 10, 2012

MEDIA INFORMATION

Third-quarter report 2012 (January - September 2012)

EMS Group:

- **Positive development of net sales and result compared to previous year**
- **Weakening economy**

Course of business January - September 2012

With its companies combined in the EMS-CHEMIE HOLDING AG and with global activities in the business areas of **High Performance Polymers** and **Specialty Chemicals**, the EMS Group increased net sales in the first nine months of 2012 by +7.3% compared to the previous year. In local currencies this corresponds to a growth of +5.9%.

As expected, the individual sales markets developed in very different ways. In Western Europe the economic development – already declining since the beginning of the year – led increasingly to a clear downturn in the third quarter. In September, production volumes of Western European automotive manufacturers dropped by even -21% compared to the previous year. Significant decreases are also expected for the fourth quarter of 2012. Asia and North America continue to show positive but noticeably slowing economic development.

Despite difficult market conditions, EMS recorded pleasing business development during the first nine months. **Net sales** amounted to CHF 1,346 million (1,255), an increase of +7.3% compared to the previous year. In local currencies this represents a growth of +5.9%. Successfully realised new business, strong sales growth outside of Europe and a stable valuation of the Swiss Franc to the Euro more than compensated for the market-related drop in net sales in Europe. Expansion of market positions was achieved in all geographic markets.

For the next months, EMS is anticipating a clear economic slowdown in Europe. Growth in Asia and the USA will possibly further weaken.

EMS is preparing itself for a longer phase of unfavourable economic development in Europe. Worldwide market development work will be intensified in order to consistently exploit available market potential. Focus will be placed on new applications with high performance polymers and further expansion of market positions outside of Europe.

Despite a difficult market environment, EMS continues to expect **net sales** and **operating income (EBIT)** for **2012** to close slightly above those of the previous year.

Development of net sales / Key financial figures January - September 2012

In million CHF	2012 (Jan-Sep)	%-dev. prev. year	2011 (Jan-Sep)
Net sales EMS Group	1,346	+7.3%	1,255
- In local currencies		+5.9%	
- High Performance Polymers	1,126	+9.2%	1,031
- In local currencies		+7.8%	
- Specialty Chemicals	220	-1.5%	223
- In local currencies		-2.7%	

Comments on the individual business areas

In the main area of **High Performance Polymers**, new innovative technical applications were developed and global market positions expanded. Applications in the fields of optics, new electronic devices (including Smartphones) as well as applications providing weight and cost-reductions for the automotive industry, developed particularly well. In the USA and Asia the increased efforts of the last years showed results in clear growth figures for net sales and result. In Europe, the expected slowdown of the economy curbed business development.

In the secondary area of **Specialty Chemicals**, the business growth in Asia and USA was not sufficient to compensate for the market-related business decline in Europe.

Outlook

The unsatisfactory economic and political situation in Europe with further escalating debt, increasing unemployment and continually rising taxes and surcharges will further depress the consumer and investment mood, both privately and in business. Substantial state intervention and an increasingly hostile business climate will prevent investment and creation of new jobs.

The serious European structural problems are having an increasingly negative effect on the economies outside of Europe. Therefore, EMS is anticipating a clear slowing of worldwide economic development.

EMS is confronting this slowdown of the economy with consistent development of global market potential. The successful strategy of achieving growth with speciality products in the area of High Performance Polymers will be pushed ahead. Growth markets outside Europe will be further expanded and market positions strengthened. In Western Europe, costs and capacity will be continually adjusted to current market demand and further efficiency programmes will be implemented.

Despite a difficult market environment, EMS continues to expect **net sales** and **operating income (EBIT)** for **2012** to close slightly above those of the previous year.

Schedule

EMS reports quarterly on net sales and publishes half-year and final year reports on net sales and income.

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| - Media conference / Annual results 2012 | February 8, 2013 |
| - First-quarter report 2013 | April 2013 |
| - Media conference / Half-year report 2013 | July 12, 2013 |
| - Annual General Meeting 2013 | August 10, 2013 |
| - Third-quarter report 2013 | October 2013 |

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