



Herrliberg, April 16, 2008

MEDIA INFORMATION

EMS Group:

- **A worsening economic environment**
- **Course of business in line with expectations**

First-quarter report 2008 (January to March 2008)

Summary

With its companies combined in EMS-CHEMIE HOLDING AG and with global activities in the business areas **Performance Polymers** and **Fine Chemicals / Engineering**, the EMS Group reports for the first three months of 2008 an **increase in net sales, with the same scope of consolidation**, of 6.1% over the previous year in local currencies and of 3.3% over the previous year in Swiss Francs to CHF 405 million (392).

The takeover of EFTEC resulted in a change in the scope of consolidation compared with the previous year.* **Net sales taking into account the takeover of EFTEC** lie 11.2% above the previous year in local currencies, corresponding to a growth in Swiss Francs of 7.7% to CHF 422 million.

*) Since the takeover on November 20, 2007, automotive supplier EFTEC has been fully consolidated (previously partially consolidated). The effect of this on the 2008 accounts can be seen in higher net sales and a higher net profit for EMS shareholders without any significant change to EBIT.

Weaker foreign currencies against the Swiss Franc (in particular the US Dollar and Asian currencies), and a slowing of the economy, which is now also evident in the key sales markets Europe and Asia, led as expected to a worsening market environment.

Despite this, the main business area Performance Polymers was expanded further. The introduction of new products was particularly positive.

For 2008, EMS expects to see a further worsening of market conditions and continues to expect net sales and net operating income (EBIT) slightly above the previous year, with the same scope of consolidation.

**Development of net sales for the EMS Group January – March 2008
in comparison to the previous year**

| Net sales in CHF million | 2008 (Jan-Mar) | in local currencies | 2007 (Jan-Mar) | in local currencies |
|---|---------------------------|--------------------------------|---------------------------|--------------------------------|
| Total EMS Group | 422 | | 392 | |
| change from previous year | +7.7% | +11.2% | +9.5% | +8.5% |
| - Performance Polymers | 392 | | 358 | |
| change from previous year | +9.5% | +13.0% | +10.8% | +9.9% |
| - Fine Chemicals / Engineering | 30 | | 34 | |
| change from previous year | -11.8% | -10.5% | -2.9% | -6.4% |
| Unchanged scope of consolidation | | | | |
| Total EMS Group | 405 | | 392 | |
| change from previous year | +3.3% | +6.1% | +9.5% | +8.5% |
| - Performance Polymers | 375 | | 358 | |
| change from previous year | +4.7% | +7.5% | +10.8% | +9.9% |
| - Fine Chemicals / Engineering | 30 | | 34 | |
| change from previous year | -11.8% | -10.5% | -2.9% | -6.4% |

Business with speciality products in the main business area **PERFORMANCE POLYMERS** was expanded further. New applications have been opened up and new products introduced. The Business Unit EMS-TOGO was able to acquire new business. Due to the weakness of foreign currencies however, the positive course of business did not fully influence earnings performance.

The secondary business area **FINE CHEMICALS / ENGINEERING** reported an expected decline in net sales due to the weaker economic environment and lower market prices.

Outlook

Already in 2007, EMS noted a slowing of industrial development in the USA and general uncertainty amongst customers in Europe and Asia. The drop in consumer spending in the USA and the weak US Dollar, which have been experienced in the meantime, are having a negative impact on global exports from Europe and Asia and are now also slowing economic development in these regions.

For 2008, a slowing global economy, with currency conditions continuing to be unfavourable for a Swiss export company such as EMS is expected. EMS will maintain its current strategy of focusing on speciality products in the business area Performance Polymers. Great importance will be attached to the rapid introduction of new products. In view of the economic slowdown, costs and investments will be handled with caution.

For 2008, despite the difficult market environment, EMS continues to expect net sales and net operating income (EBIT) slightly above the previous year (with the same scope of consolidation).

Schedule

EMS announces net sales figures on a quarterly and the consolidated net sales and income results on a half-year and full-year basis.

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|--|----------------|
| - Media conference / Half-year report 2008 | July 11, 2008 |
| - Annual General Meeting 2008 | August 9, 2008 |
| - Third-quarter report 2008 | October 2008 |
| - Media conference / Annual results 2008 | February 2009 |
| - First-quarter report 2009 | April 2009 |

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