

CAPSULE MEDIA INFORMATION

EMS Group: Annual results 2008

- **Expanded global market shares**
- **Worldwide economic slump affects course of business**
- **Freedom of entrepreneurial action due to a solid balance sheet and high liquidity**

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 achieved **net sales** of CHF 1,504 million (1,552) and a **net operating income (EBIT)** of CHF 220 million. (270).

Despite the worsening economy worldwide, consolidated **net sales** in local currencies closed at the same level as for the previous year (+0.8%). Weaker foreign currencies however, reduced net sales in Swiss Francs to CHF 1,504 million (1,552) which is 3.1% below the previous year.

Planned growth with new business in the main area of Performance Polymers was achieved successfully. Applications regarding metal replacement with new plastic materials developed in a particularly positive manner. The Business Unit EMS-EFTEC* gained a large amount of new automotive business and expanded market shares.

The slowing of the economy worldwide which lead to a literal economic slump in the 4th quarter of 2008, forced customers to extensive reductions of their production quantities and inventory stocks, which also resulted in a strong reduction of sales volumes for EMS.

* previously, Business Unit EMS-TOGO

The net operating income (**EBIT**) amounted to CHF 220 million (270). Due to the economic downturn and the unfavourable currency exchange rates, this was 18.7% lower than in the previous year. The **EBITDA** was CHF 278 million (324).

The **net financial income** amounted to CHF 38 million (64). (The high net financial income of the previous year was due to extraordinary sales of shareholdings.)

Net income after taxes came to a total of CHF 215 million (294). Earnings per share amounted to CHF 9.25 (12.14).

The **operative cash flow** was increased to CHF 275 million (181) and the **operative free cash flow** to CHF 212 million (110).

Equity ratio was a high 58.1% (56.1%) and the **return on equity** 22.1% (23.0%).

For the 2008 business year, EMS plans to distribute an **ordinary gross dividend** of CHF 5.00 per share (6.00).

For **2009** EMS is expecting the economy to show further significant deteriorations. Therefore, net sales and net operating income (EBIT) are expected to be below those of the previous year.

EMS will accelerate the current expansion strategy with speciality business in the main area of Performance Polymers.

Thanks to the innovative, high-margin speciality business, high liquidity and a strong equity ratio, EMS is in good condition to rapidly and flexibly recognise market opportunities and to further expand its own market shares.

The following events will take place on Friday, February 6, 2009
at the Swissôtel in Zurich-Oerlikon:

at 09.00 a.m. the financial media conference
and
at 02.00 p.m. the financial analysts conference

You will be furnished with the detailed media information
after the media conference at approx. 12.00 a.m.

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