

CAPSULE MEDIA INFORMATION

EMS Group:

- **Extremely pleasing economic situation**
- **Net sales and operating income at new record levels**

Half-year report 2010 of the EMS Group / Outlook 2010

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 significantly higher **net sales** (+54.4%) and a more than doubled **net operating income (EBIT)** (+115.8%) in the first half-year of 2010 compared to the same period in the previous year. Even compared to pre-crisis figures, net sales and net operating income reached new record levels.

Consolidated **net sales** in the first half-year 2010 rose by 54.4% to CHF 836 million (541). This is an increase of 58.5% in local currencies. The significantly more favourable economic environment, increasing customer inventory stocks as well as growth from new business, had an extremely positive effect on the sales trend. The Asian sales markets showed particularly successful development.

The net operating income (EBIT) amounted to CHF 154 million (71) which is 115.8% above previous year. The EBITDA increased to CHF 180 million (98) which is 82.9% above previous year. The EBIT margin was 18.4% (13.2%), the EBITDA margin 21.5% (18.1%). The strong sales trend had a positive effect on the development of result and the result margin. The result margin was negatively affected, however, by massively increasing raw material prices and the strong Swiss Franc compared to foreign currencies. For this reason, price increases for customers became absolutely necessary.

Provisional key figures *)

EMS Group January – June 2010

CHF million	2010 (Jan-Jun)	2009 (Jan-Jun)
Net sales	836	541
Change from previous year	+54.4%	
In local currencies	+58.5%	
With the same scope of consolidation ³⁾	+51.4%	
Operational cash flow (EBITDA) ¹⁾	180	98
Change from previous year	+82.9%	
In % of net sales	21.5%	
Net operating income (EBIT) ²⁾	154	71
Change from previous year	+115.8%	
In % of net sales	18.4%	

1) EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortisation
= Operational cash flow

2) EBIT = Earnings Before Interest and Taxes
= Net operating income

3) EMS-CHEMIE (Neumünster) (previously Nexis Fibers, Germany) was taken over as per November 16, 2009. The company EFTEC Aftermarket GmbH was sold on January 20, 2010.

*) EMS provides the provisional key figures regarding the operative result of the first half year at the beginning of July and publishes the definitive half-year statement at the end of August. The following contains the provisional key figures for the period ending June 30. It may be assumed that they will not deviate significantly from the definitive figures.

Outlook 2010

The recovery of worldwide demand for consumer and investment goods which has been apparent since the middle of 2009 is continuing. The continually increasing cost of raw materials and the worsened exchange rate from Euro to Swiss Franc will not relax in the next months.

EMS will continue without change to follow its successful strategy of focusing on speciality business in the main area of Performance Polymers and expanding worldwide market positions.

For the **whole year 2010**, EMS expects considerably higher **net sales** and a significantly higher **net operating income (EBIT)** than in the previous year.

Annual General Meeting on August 14, 2010

The Board of Directors of EMS-CHEMIE HOLDING will propose to the Annual General Meeting re-election of the existing Members of the Board and of the current Statutory Auditor as well as an ordinary dividend of CHF 5.00 (5.00) and a one-off special dividend of CHF 5.00 per share. Payment date: August 20, 2010. Ex-date: August 17, 2010.

On Friday, July 9, 2010, at

9.30 a.m. the Media Conference

and at

2.15 p.m. the Financial Analysts' Conference

will take place at EMS-CHEMIE AG, 7013 Domat/Ems.
You will be provided with a detailed media information following the media conference at around 12.00 a.m.