

Herrliberg, August 27, 2018

MEDIA INFORMATION

Definitive half-year report 2018 of the EMS Group

On July 13, 2018 the EMS Group published its provisional half-year report 2018. The definitive consolidated half-year report is now available based on the individual financial statements of the affiliated companies as at June 30, 2018. The definitive half-year report contains no significant deviations from the provisional report.

Consolidated **net sales** rose to CHF 1,199 million (1,066) which represents a growth of 12.5% compared to previous year.

As expected, the global economy showed overall positive development, although certain signs of saturation could be noticed. EMS achieved pleasing growth with high-margin specialities in all regions. Business in the European market developed in a particularly positive way.

Net operating income (EBIT) increased to CHF 312 million (280), an increase of 11.5% above previous year. The operational cash flow (EBITDA) rose by 10.9% to reach CHF 339 million. (306). The EBIT margin reached 26.1% (26.3%), the EBITDA margin 28.3% (28.7%). New business with specialty products had a positive effect on result development. Continuing supply shortages caused raw material prices to increase further and made customer sales price increases unavoidable.

Net financial income amounted to CHF 0 Mio. (-5).

Net income for the first half of 2018 was CHF 260 million (229) which is 13.4% above the previous year.

Equity increased to CHF 1,821 million (31.12.2017: CHF 1,550 million). The **equity ratio** is 77.5% (31.12.2017: 73.8%).

Key figures

EMS Group in the 1st half of 2018

In million CHF	2018 Jan-Jun	2017 Jan-Jun
Consolidated income statement (condensed)		
Net sales revenue	1'199	1'066
Change	+12.5%	
Currency effect	+4.5%	
EBITDA ¹⁾	339	306
Change	+10.9%	
In % of net sales revenue	28.3%	28.7%
EBIT ²⁾	312	280
Change	+11.5%	
In % of net sales revenue	26.1%	26.3%
Net financial income	(0)	(5)
Income taxes	(53)	(46)
Net income	260	229
Change	+13.4%	
In % of net sales revenue	21.7%	21.5%
Earnings per share in CHF - basic	11.01	9.62
Change	+14.5%	
Cash Flow ³⁾	287	255
In % of net sales	23.9%	23.9%
Investments	20	26
In % of cash flow	7.0%	10.2%
	<u>30.06.18</u>	<u>31.12.17</u>
Equity	1'821	1'550
Balance sheet equity ratio	77.5%	73.8%
Change against 31.12.	+17.5%	
Equity per share (in CHF)	76.73	65.20
Number of employees on 30.06.	2'949	2'909

¹⁾ EBITDA = Earnings before interest, tax, depreciation and amortisation
= operational cash flow

²⁾ EBIT = Net operating income

³⁾ Cash flow = net income plus write-downs on intangible assets, property, plant and equipment plus value adjustments to securities.

Development of net sales and result from the business areas in the 1st half of 2018

In million CHF	2018 (Jan-Jun)	%-dev. prev. year	2017 (Jan-Jun)
EMS Group			
Net sales	1'199	+12.5%	1'066
- Currency effect		+4.5%	
EBITDA	339	+10.9%	306
- In % of net sales	28.3%		28.7%
EBIT	312	+11.5%	280
- In % of net sales	26.1%		26.3%
High Performance Polymers			
Net sales	1048	+12.6%	931
- Currency effect		+4.6%	
EBITDA	297	+11.0%	268
- In % of net sales	28.4%		28.8%
EBIT	274	+11.5%	246
- In % of net sales	26.1%		26.4%
Specialty Chemicals			
Net sales	151	+11.9%	135
- Currency effect		+3.4%	
EBITDA	42	+10.6%	38
- In % of net sales	27.8%		28.1%
EBIT	39	+12.1%	34
- In % of net sales	25.6%		25.5%

As the net sales and income results of the individual business areas do not deviate to any significant degree from the information provided in the provisional half-year report dated July 13, 2018, we also refer to the comments provided therein.

