

## MEDIA INFORMATION

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### EMS Group: steady development of business

3-month report 2002 (January to March 2002)

For the EMS Group with its worldwide activities in the fields of **Performance Polymers**, **Fine Chemicals** and **Engineering** and companies combined within EMS-CHEMIE HOLDING AG, the development of sales and income slightly exceeded expectations over the first three months of 2002. Within an unchanged consolidation scope, consolidated **net sales revenues** increased by 0.7% (2.5% in local currencies) over the still dynamic first quarter of 2001 to CHF 305 million (CHF 303 million). Fears that the adverse course of business experienced in the fourth quarter 2001 would persist into the new year proved to be unfounded; in fact, a slight recovery has become apparent, and should continue through the months to come. The fact that the Swiss franc strengthened further against the previous year had a negative impact on sales revenues and income.

<b>Net sales revenues</b> in CHF millions	<b>2002</b> (January-March)	<b>2001</b> (January-March)	<b>% dev.</b> prev. yr
<b>Total EMS Group</b>	<b>305</b>	<b>303</b>	<b>+ 0.7%</b>
- Performance Polymers	226	224	+ 0.9%
- Fine Chemicals	49	50	- 0.2%
- Engineering	30	29	+ 3.4%

Business field **PERFORMANCE POLYMERS** is operating in a market characterised by automobile production figures that remain below previous year's levels as well as by global investment cutbacks. On a positive note, the new metal replacement and high temperature resistant plastics are exceeding expectations.

As a consequence of worldwide lower investment volumes, business field **FINE CHEMICALS** reports lower sales of EMS-PRIMID's class-leading ecologically friendly PMCs, whilst the 1<sup>st</sup>-quarter results of EMS-DOTTIKON indicate that the company is recovering ground in the fine chemicals field.

In business field **ENGINEERING**, EMS-PATVAG (manufacturer of airbag trigger systems) is developing positively. In spite of lower automobile production figures, the European airbag market remains in highly satisfactory shape. The first large-scale deliveries to the USA are scheduled already for the coming quarter. INVENTA-FISCHER with its focus on polyester and polyamide plant construction in China is also operating on a good level of capacity utilisation.

EMS expects single-digit sales growth against the previous year for overall 2002 and **operating income (EBIT)** on or beyond the previous year's level (2001: CHF 163 million). From a current viewpoint, **finance income** comparable to that of the previous year should be realised (2001: +CHF 66 million). Although the indicators clearly suggest a general economic upswing for the second half of 2002 – in the USA in particular – EMS remains reluctant to apply an upward correction to its income forecast at this point in time.

In anticipation of the upward economic trend continuing in 2003, EMS has boosted investment in new plants and products to CHF 100 million (CHF 82 million). These investments are being applied as scheduled. Thanks to the Group's excellent earning power they will, as usual, be financed in full from cash flow.

## Schedule

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|----------------------------|---------------------|
| - Half-yearly results 2002 | end of July 2002    |
| - General meeting 2002     | 17 August 2002      |
| - Nine-month report 2002   | end of October 2002 |
| - Annual results 2002      | March 2003          |