

MEDIA INFORMATION

EMS Group:

Enduringly positive course of business

Third-quarter report 2005 (January - September 2005)

Summary

With its companies combined in EMS-CHEMIE HOLDING AG and global activities in the fields of **Performance Polymers** and **Fine Chemicals / Engineering**, the EMS Group reports net sales for the first nine months of 2005 up by 8.2% over the previous year. This figure covers the continued activities* and is within expectations.

Consolidated **net sales** for the continued activities was boosted by 8.2% to CHF 946 million (874), the corresponding increase in local currencies is 8.5%. The very satisfactory development of volumes in the Performance Polymers field as well as the higher average sales prices had a positive effect on sales revenues.

As before, EMS expects the continued activities to generate overall 2005 figures for net sales and operating income (EBIT) that are slightly above the previous year's level.

* Following the sale of business unit INVENTA-FISCHER on July 14, 2004, and the spin-off of business unit EMS-DOTTIKON on March 31, 2005, the EMS scope of consolidation has changed significantly. The scope of consolidation as of April 1, 2005, is shown under "continued activities".

Development of net sales for the EMS Group January - September 2005 in comparison with the previous year (continued activities only)

Net sales in CHF million	2005 (Jan-Sep)	in local currencies	2004 (Jan-Sep)
Total EMS Group change against prev. year	946 +8.2%	+8.5%	874 +5.0%
- Performance Polymers change against prev. year	841 +10.2%	+10.6%	763 +8.6%
- Fine Chemicals / Engineering change against prev. year	105 -5.4%	-5.4%	111 -14.0%

The **PERFORMANCE POLYMERS** business area achieved its budgeted growth targets. In particular the high-temperature polymers and metal substitution applications developed very positively, as did the Asian market. As anticipated, the business trend experienced by the customer industries in main market Europe was still characterised by restraint. High prices for raw materials and an unfavourable currency situation in Asia and the USA inhibited full translation of the generated volume increases into corresponding income growth.

The decline in net sales reported by the **FINE CHEMICALS / ENGINEERING** business area must be attributed primarily to the foreseen negative impact of mounting price pressures and shrinking market growth on airbag triggering systems specialist EMS-PATVAG. EMS-PRIMID (the leading producer of weather resistant PMC hardeners) developed as planned.

Outlook

EMS continues to anticipate a positive global economy deriving from developments in Asia and the USA. Progress in main market Europe will remain a more gradual process. EMS intends to achieve further sales volume growth through speciality products. Significantly higher and volatile raw materials prices will however continue to exert a restraining influence on income growth.

As before, EMS expects the continued activities to generate overall 2005 figures for net sales and operating income (EBIT) that are slightly above the previous year's level.

Schedule

- Financial media / financial analysts conference
for the business year 2005 February 10, 2006
- First-quarter report 2006 April 2006
- Second-quarter report 2006 July 7, 2006
- Annual General Meeting 2006 August 12, 2006
- Third-quarter report 2006 October 2006

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