

Herrliberg, February 11, 2011

CAPSULE MEDIA INFORMATION

EMS Group: Annual Results 2010

- **Net sales and net operating income (EBIT) at historic record levels**
- **Ongoing positive business development**
- **Increasing raw material prices and a strong Swiss Franc**
- **Distribution of an Anniversary Dividend**

1. Summary

With its companies combined in EMS-CHEMIE HOLDING AG and with global activities in the business areas **Performance Polymers** and **Fine Chemicals / Engineering**, in 2010 the EMS Group achieved **net sales** of CHF 1,596 million (1,198) and a **net operating income (EBIT)** of CHF 282 million (222). This means that net sales and net operating income were not only significantly higher than in the previous year, they also reached new record levels in the 75-year-history of the company.

Compared to the previous year consolidated **net sales** in Swiss Francs increased by 33.2% to CHF 1,596 million (1,198) and by 39.6% in local currencies. The very good economic environment, expansion of the market position in Asia and realised new business resulted in an extremely positive development of sales volumes.

Net operating income (**EBIT**) was CHF 282 million (222) – an increase of 27.0% compared to the previous year. The **EBITDA** amounted to CHF 335 million (280) and closed 19.8% higher than in the previous year. The good sales development had a positive effect on result. Continually increasing raw material prices and the strong Swiss Franc however, had an increasingly burdening effect on the result margin. The **EBIT margin** amounted to 17.6% (18.5%); the **EBITDA margin** to 21.0% (23.3%).

Net financial income was CHF -1 million (28). Negative value adjustments due to foreign currencies included in this figure amounted to CHF 23 million.

Net income after taxes amounted to CHF 232 million (221) and was 4.9% above the previous year. Earnings per share increased to CHF 9.71 (9.66).

The **cash flow** reached CHF 291 million (279) and the **free cash flow** CHF 242 million (241).

Equity ratio increased to a high 66.5% (59.7%).

For the 2010 business year EMS plans to distribute an **ordinary gross dividend** of CHF 6.50 per share (5.00) and an additional **Anniversary Dividend** of CHF 6.00 per share (in the previous year a special dividend of CHF 5.00). Overall, a total of CHF 12.50 per share (10.00) will then be distributed.

For **2011**, EMS is expecting an ongoing positive business development together with a continued increase in raw material prices and an unfavourable foreign currency situation. In order to satisfy increasing customer demand, additional production capacity will be taken into operation in the next months. In 2011, EMS is expecting slightly higher net sales and net operating income (EBIT) compared to the previous year.

The following events will take place on Friday, February 11, 2011
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.

2. Development of income 2010: Key figures EMS Group

in million CHF	2010	2009
Net sales	1,596	1,198
Change from previous year	+33.2%	
With the same scope of consolidation ¹⁾	+31.2%	
In local currencies	+39.6%	
EBITDA ²⁾	335	280
Change from previous year	+19.8%	
In % of net sales	21.0%	23.3%
Net operating income (EBIT) ³⁾	282	222
Change from previous year	+27.0%	
In % of net sales	17.6%	18.5%
Net financial income	-1	28
Income taxes	48	29
Net income ⁴⁾	232	221
Change from previous year	+4.9%	
In % of net sales	14.5%	18.5%
Cash flow ⁵⁾	291	279
Change from previous year	+4.2%	
Investments	49	38
Change from previous year	+30.5%	
Free cash flow ⁵⁾	242	241
Change from previous year	+0.1%	
In % of net sales	15.2%	20.2%
Equity	1,110	1,022
In % of balance sheet total	66.5%	59.7%
Return on equity	20.9%	21.7%
Equity per share (in CHF) ⁶⁾	47.74	45.67
Number of employees	2,256	2,106

¹⁾ As per November 16, 2009, EMS-CHEMIE (Neumünster) (previously Nexis Fibers, Germany) was taken over. The company EFTEC Aftermarket GmbH was sold on January 20, 2010.

²⁾ EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortisation

³⁾ EBIT = Earnings Before Interest and Taxes

⁴⁾ Net income = Profit after taxes, including minority shareholders

⁵⁾ Cash flow = Net income plus amortisation of intangible assets, property, plant and equipment plus value adjustments to securities

Free cash flow = Cash flow less investments in intangible assets, property, plant and equipment

⁶⁾ Average weighted number of registered shares as at 31.12.2010: 23,257,508 shares (31.12.2009: 22,373,911 shares)