

Herrliberg, February 10, 2017

BRIEF MEDIA INFORMATION

Annual Results 2016 of the EMS Group:

- Significant growth with specialty products
- New record levels for net sales and income
- Further extraordinary dividend

1. Summary

The EMS Group, with its companies combined in the EMS-CHEMIE HOLDING AG, is globally active in the business areas **High Performance Polymers** and **Specialty Chemicals**. In 2016, **sales volumes** increased by 6.7% compared to previous year. **Net sales** rose by 4.1% and **net operating income (EBIT)** by **16.9%**. New record levels for net sales, net operating income and net result were achieved.

Compared to previous year, consolidated **net sales** grew by 4.1% to reach CHF 1,983 million (1,905). In a moderately positive global economy, EMS was able to continually expand business with innovative specialty products. Pleasing growth was achieved in all regions and customer markets. Sales volumes were increased by a total of 6.7% compared to previous year.

Net operating income (EBIT) closed at CHF 548 million (469) which is 16.9% above previous year. The operational cash flow (EBITDA) rose by 15.1% to CHF 604 million (525). The EBIT margin was 27.6% (24.6%), the EBITDA margin 30.5% (27.5%). Strong growth with high-margin specialty products and simultaneous efficiency improvements had a positive effect on both result and result margin.

Net income closed at CHF 456 million (383) which is 19.0% above previous year. Earnings per share increased to CHF 19.19 (16.09).

At the Annual General Meeting 2017, the Board of Directors intends to propose distribution of an **ordinary dividend** of CHF 13.00 (11.00) per share and an additional **extraordinary dividend** of CHF 4.00 (4.00) per share for the business year 2016. This means that a total of CHF 17.00 (15.00) per share would be distributed.

For the business year **2017**, EMS is expecting a slower world economy with fluctuating instability. Political events may affect development of the world economy, also in the short term. Additionally, higher oil prices are driving inflation expectations and will result in an excessive increase in raw material and sales prices.

EMS is confident with regard to development of its own business. The successful strategy of worldwide **growth with specialty products** in the area of high-performance polymers will be continued. Focus will be put on exploiting global market potential with new, innovative products and applications as well as on strengthening market positions. Sales price increases will secure result, even with strongly increasing raw material prices.

For 2017, EMS expects net sales and net operating income (EBIT) slightly above the previous year.

The following events will take place on Friday, February 10, 2017
at the Hotel Sheraton in Zurich:

at 09.00 a.m. the 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 2016: Key figures EMS Group

in million CHF	2016	2015
Net sales	1,983	1,905
Change from previous year	+4.1%	
Volume growth	+6.7%	
Currency effect	+0.3%	
Operational cash flow (EBITDA) ¹⁾	604	525
Change from previous year	+15.1%	
In % of net sales	30.5%	27.5%
Net operating income (EBIT) ²⁾	548	469
Change from previous year	+16.9%	
In % of net sales	27.6%	24.6%
Net financial income	-5	-10
Income taxes	-87	-76
Net income ³⁾	456	383
Change to previous year	+19.0%	
In % of net sales	23.0%	20.1%
Cash Flow ⁴⁾	512	439
Change from previous year	+16.6%	
Investments	71	55
Change from previous year	+30.4%	
Equity ⁵⁾	1,405	1,290
In % of balance sheet total	70.8%	68.2%
Return on equity	31.9%	29.2%
Equity per share (in CHF) ⁶⁾	60.09	55.17
Number of employees	2,897	2,855

- 1) EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortisation
= Operational cash flow
- 2) EBIT = Earnings Before Interest and Taxes
= Net operating income
- 3) Net income = Profit after taxes, including minority shareholders
- 4) Cash flow = Net income plus amortisation of intangible assets, property, plant and equipment plus value adjustments to securities
- 5) Equity = Equity without minorities
- 6) Average weighted number of registered shares as at 31.12.2016: 23,381,875 shares
(31.12.2015: 23,382,560 shares)