

Herrliberg, February 8, 2019

BRIEF MEDIA INFORMATION

Annual Results 2018 of the EMS Group:

Net sales and result at new record levels

- Pleasing growth with innovative specialities
- Strengthening of the global market position
- Further extraordinary dividend

1. Summary

The EMS Group, with its companies combined in the EMS-CHEMIE HOLDING AG, is globally active in the business area **High Performance Polymers** and **Specialty Chemicals**. In 2018, **net sales** increased by **8.0%** and **net operating income (EBIT)** by **6.6%** compared to previous year. These are new record levels for net sales, net operating income and net result.

As expected at the beginning of 2018, the global economy slowed more strongly. Political conflicts between major powers and new trade restrictions unsettled consumers. In the European automotive industry delayed model approvals and changing political framework conditions caused a decline. Continuing supply shortages caused raw material prices to increase further.

EMS however, was able to achieve disproportionately high growth compared to the market with innovative new business. Business with specialities was successfully expanded in all global regions. At the beginning of 2018, EMS had already prepared for possible economic change with efficiency programmes worldwide.

Consolidated **net sales** increased by 8.0% to reach CHF 2,318 million (2,146) compared to previous year.

Net operating income (EBIT) closed at CHF 620 million (582) which is 6.6% above previous year. The operational cash flow (EBITDA) rose by 6.0% to reach CHF 673 million (635). The EBIT margin was 26.8% (27.1%), the

EBITDA margin 29.0% (29.6%).

Net income rose to CHF 522 million (484) which is 7.8% above previous year. Earnings per share increased to CHF 22.22 (20.59).

At the Annual General Meeting 2019, the Board of Directors intends to propose distribution of an **ordinary dividend** of CHF 15.50 (14.50) per share and again, an additional **extraordinary dividend** of CHF 4.25 (4.00) per share. This means that a total of CHF 19.75 (18.50) per share would be distributed.

For the business year **2019**, EMS is expecting the global economy to develop in a restrained and unstable manner. Above all in the first half-year, unresolved political and economic relations among major powers may have a constraining effect on the general consumer mood.

For 2019, EMS however, is confident about development of its own business. The successful strategy of global **growth with speciality products** in the area of high-performance polymers will be further pursued. Focus will be put on continually exploiting market potential with new and highly profitable products and applications. Thanks to innovative development work in close cooperation with customers, EMS is well positioned to make use of market opportunities quickly and in a flexible way and to further strengthen market positions.

For 2019, EMS expects net sales and net operating income (EBIT) at least on previous year's level.

The following events will take place on Friday, February 8, 2019
at the Hotel Marriott 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 2018: Key figures EMS Group

in million CHF	2018	2017
Net sales	2'318	2'146
Change from previous year	+8.0%	
Currency effect	+1.6%	
Operational cash flow (EBITDA) ¹⁾	673	635
Change from previous year	+6.0%	
In % of net sales	29.0%	29.6%
Net operating income (EBIT) ²⁾	620	582
Change from previous year	+6.6%	
In % of net sales	26.8%	27.1%
Net financial income	-2	1
Income taxes	-96	-98
Net income ³⁾	522	484
Change to previous year	+7.8%	
In % of net sales	22.5%	22.6%
Cash Flow ⁴⁾	576	537
Change to previous year	+7.1%	
Investments	60	49
Change to previous year	+22.1%	
Equity ⁵⁾	1'625	1'525
In % of balance sheet total	75.3%	72.6%
Return on equity	32.0%	31.6%
Equity per share (in CHF) ⁶⁾	69.48	65.20
Number of employees	2'939	2'912

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 31.12.2018: 23,389,028 shares
(31.12.2017: 23,387,951 shares)

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