

Media release

Annual results 2017:

Adval Tech with clear EBIT improvement

Niederwangen, 23 March 2018, 7.00 a.m. – The Adval Tech Group continued the systematic implementation of its focusing strategy in 2017, securing good results. With regard to year-on-year comparisons, the significant changes to the Group's scope of consolidation must be borne in mind. The Group recorded total income of CHF 207.9 million (2016: CHF 227.1 million, CHF 48.6 million of this being attributable to the Molds segment, which was sold in 2016 and was consolidated for eight months), EBITDA of CHF 19.2 million (2016: CHF 22.4 million, of which CHF 6.4 million was attributable to the Molds segment) and EBIT of CHF 10.7 million (2016: CHF 8.3 million, +28.3%). This gives an EBIT margin of 5.1% (2016: 3.7%). Net profit for 2017 amounted to CHF 8.7 million (2016: CHF 39.7 million, most of which was attributable to the sale of the Molds segment).

Posting net profit of CHF 8.7 million, the Adval Tech Group continued to build on its long-term positive trend in 2017. The Group has been debt-free since the sale of the Molds segment in 2016 and is proceeding with the systematic implementation of its focusing strategy. Adval Tech had set itself the following main targets for 2017: complete integration of Fischer IMF (now Adval Tech (Germany) GmbH & Co. KG), successful implementation of the defined relocation projects, and the efficient execution of the many newly acquired projects. Adval Tech met all these targets in 2017.

Integration and relocation projects

The integration of Fischer IMF into the Adval Tech Group has been a good success. The relocations planned for 2017 – from Uetendorf (Switzerland) to Endingen (Germany), from Sasbach (Germany) to Endingen (Germany), from Uetendorf to Szekszárd (Hungary) and from Plant 1 in Szekszárd to Plant 2 – were implemented successfully. In November 2017, Adval Tech officially opened two new production facilities in Hungary and Germany on schedule. The production site in Endingen (Germany) is now the largest and most modern in the Adval Tech Group. It is also the new center of expertise and production center for all metal components and subassemblies produced for the automotive industry using laser welding technology.

In Szekszárd (Hungary), too, Adval Tech has concentrated the production of metal components in a new 5000 square meter building and is now able to optimally structure processes and execute orders efficiently on its own premises.

The Tech Center Plastic Technology (TCPT) in Muri (Switzerland), which comprises a team of engineers and technical experts, concentrates on plastics applications for automotive manufacturers (OEMs) and their direct suppliers (first tier suppliers). In Niederwangen (Switzerland), Adval Tech uses high-speed presses to produce large volumes of technically demanding rotationally symmetrical metal parts.

New orders

In 2016 and 2017, Adval Tech acquired several large orders which will ensure capacity utilization at individual sites for many years to come. The Adval Tech Group is well positioned in the global automotive industry as a partner for metal and plastic components and is well equipped for the future thanks to a lean organization and very solid balance sheet structure. The Group is ideally positioned for profitable, qualitative growth.

The Adval Tech Group will present more detailed information on its annual financial statements for 2017, together with initial guidance on the business outlook for 2018, at its media conference in Bern

on Tuesday, April 24, 2018. The Annual General Meeting of Adval Tech Holding AG will take place on Thursday, May 17, 2018.

Key figures	2017	2016	Change
Total income (CHF millions)	207.9	227.1	-19.2
Net turnover (CHF millions)	200.3	231.9	-31.6
Operating earnings before depreciation EBITDA (CHF millions)	19.2	22.4	-3.2
Operating earnings EBIT (CHF millions)	10.7	8.3	2.4
Net result (CHF millions)	8.7	39.7 ¹⁾	-31.0
Cash flow from operations (CHF millions)	14.5	15.0	-0.5
Number of employees on December 31	1399	1341	58

When making comparisons with 2016 results, it should be noted that there has been a significant change in the Group's scope of consolidation. Firstly, the results for the divested Molds segment are no longer included in 2017 statements; secondly, the figures for Fischer IMF are included for the full year in 2017, whereas in the previous year they were only included in the consolidated accounts from April (i.e., for nine months only).

¹⁾ Mostly attributable to the sale of the Molds segment

Background information about the Adval Tech Group

Adding value through innovation – that's what Adval Tech stands for. Adval Tech is the partner of choice – for high-volume components and assemblies manufactured in metal and plastic. Adval Tech focuses on the automotive market and on related applications. Adval Tech covers the entire value chain as a one-stop-shop, from product development to prototyping, to mold and tool development, and through to component production and assembly.

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Agenda

April 24, 2018, Conference for financial analysts and press conference on annual report 2017
April 24, 2018, Publication of the annual report 2017
May 17, 2018, General meeting of shareholders 2018
End of August 2018, Announcement of semi-annual results 2018