

## Media release

Annual results 2016:

# Adval Tech strengthens its market position in the automotive industry

Niederwangen, March 24, 2017, 7 a.m. – The Adval Tech Group continued the systematic implementation of its focusing strategy in 2016 and strengthened its position as a global supplier of components and subassemblies, primarily for the automotive industry. The group's key figures for 2016 are dominated by significant changes in the scope of consolidation: the acquisition of Fischer IMF (consolidated for nine months) and the sale of the Molds segment (consolidated for eight months). On this basis, the total income of the Adval Tech Group was CHF 227.1 million (2015: CHF 224.3 million; +1.2%), EBITDA was CHF 22.4 million (2015: CHF 24.4 million; -8.2%), EBIT was CHF 8.3 million (2015: CHF 9.8 million; -15.3%), and the net result was CHF 39.7 million (2015: CHF 0.6 million). The Adval Tech Group' equity ratio improved from 32.1% to 68.8%. As per end-December 2016, the group had no debt.

In the Adval Tech Group, the 2016 financial year was dominated by three main events: firstly, the successful start-up of the production facility in Mexico, which was audited and accepted by the customer in April 2016; secondly, the acquisition of Fischer IMF in Endingen, Germany, and thirdly the divestment of the Molds segment (FOBOHA companies), which resulted in the disbanding of this segment. In a year dominated by major changes, the Adval Tech Group performed well overall in its day-to-day business and is able to report some very encouraging successes on the market. Business was also positively influenced by the extensive programmes to raise efficiency.

Overall, the Adval Tech Group generated **total income** of CHF 227.1 million in 2016 (2015: CHF 224.3 million; +1.2%). The consolidation of Fischer IMF at the beginning of April 2016 added approximately CHF 32 million to the total income of the group. The Molds segment generated total income of CHF 48.6 million until its deconsolidation at the end of August 2016. Net of exchange rate effects, the Adval Tech Group's total income grew by CHF 0.4 million (+0.2%) in 2016. Total income includes revenues from the sale of tools for the production of components from the OEM business in Mexico and Hungary totalling approximately CHF 12 million.

**EBITDA** was CHF 22.4 million in the reporting period, including Fischer IMF, which was consolidated for nine months and the Molds segment, which was consolidated for eight months (2015: CHF 24.4 million). The EBITDA margin was 9.9% (2015: 10.9%). **EBIT** came to CHF 8.3 million (2015: CHF 9.8 million), giving an EBIT margin of 3.7% (2015: 4.4%). Changes in exchange rates did not have a significant influence on EBITDA and EBIT.

The Adval Tech Group's **net profit** was CHF 39.7 million in 2016 (2015: CHF 0.6 million). While this was mainly attributable to the profit from the sale of the Molds segment, in the second half of the year Adval Tech was able to confirm the positive trend in net income that was visible in the half-year figures, even without this divestment.

## Segment results

In the **Components** segment (metal and plastic components), the total income of CHF 180.3 million was approximately CHF 27 million above the year-back figure of CHF 153.1 million, a rise of 17.8%. Net of exchange rate effects, the increase was around CHF 25 million, which was roughly 16%. The acquisition of Fischer IMF, consolidated with the Adval Tech Group since April 2016, contributed

around CHF 32 million to total income for the Components segment. Excluding Fischer IMF, the approximately CHF 4.8 million drop in total income was due to the difficult market situation in Thailand and closure of a facility in Suzhou, China. The EBITDA of CHF 14.1 million in 2016 includes the consolidation of Fischer IMF for nine months (2015: CHF 12.3 million) and gives an EBITDA margin of 7.8%. Net of exchange rate effects the EBITDA margin is 7.5%.

Adval Tech consolidated the **Molds** segment (FOBOHA companies) until August 31, 2016. This segment posted total income of CHF 48.6 million in the first eight months of 2016 (full year 2015: CHF 74.4 million). Segment EBITDA was CHF 6.4 million in the first eight months of 2016 (full year 2015: CHF 9.7 million). The EBITDA margin was 13.2% in the first eight months of 2016.

### Change in the Board of Directors

At yesterday's meeting, Michael Pieper informed the Board of Directors of the Adval Tech Group that he will no longer ask for a re-election at the 2017 General Meeting of Shareholders. As his successor, the Board of Directors will propose to the shareholders at the next General Meeting Christian Mäder, CFO of the Artemis Group and Board member of the Franke Group.

At yesterday's meeting, the Board of Directors of the Adval Tech Group also adopted new Organizational Rules. These have been available on the company's website at [www.advaltech.com](http://www.advaltech.com) under Corporate Governance > Articles of Incorporation and Rules since this morning. The Adval Tech Group will present more detailed information on its annual financial statements for 2016, together with initial guidance on this year's business outlook at its media conference in Zurich on Tuesday, April 25, 2017. The Annual General Meeting of Adval Tech Holding AG will take place on Thursday, May 18, 2017.

In view of the extraordinary income arising from the sale of the Molds segment, the Board of Directors will propose payment of CHF 41 per share from legal capital reserves at the 2017 ordinary Annual General Meeting.

Key figures	2016	2015	Change absolute	in %
Total income (CHF millions)	227.1	224.3	+2.8	+1.2
Net turnover (CHF millions)	231.9	215.2	+16.7	+7.8
Operating earnings before depreciation EBITDA (CHF millions)	22.4	24.4	-2.0	-8.2
Operation earnings EBIT (CHF millions)	8.3	9.8	-1.5	-15.3
Extraordinary result	34.7	-0.4	+35.1	n/a
Net result (CHF millions)	39.7	0.6	+39.1	n/a
Free cash flow (CHF millions)	110.6	5.0	+105.6	n/a
Number of employees on December 31	1341	1482	-141	-9.5

**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 subassemblies 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.

**Contact**

Markus Reber, CFO, phone +41 31 980 82 70; markus.reber@advaltech.com  
Valeria Poretti, Head Corporate HR/Communication, phone +41 31 980 82 66,  
valeria.poretti@advaltech.com

**Agenda**

April 25, 2017: Conference for financial analysts and press conference on annual report 2016  
April 25, 2017: Publication of the annual report 2016  
May 18, 2017: General meeting of shareholders 2017  
End of August 2017: Announcement of semi-annual results 2017