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## Media release

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### First semester results of financial year 2018

## Feintool's net sales and EBIT grow at double-digit rates

**In the first half of 2018, the technology company increased its net sales by 13.6 percent year-on-year to CHF 337.3 million. In local currency, organic growth amounts to 7.3%. The operating earnings (EBIT) in the same period increased by 14.4% to CHF 25.7 million. Feintool also expects to see positive business development for the year as a whole.**

For Feintool, the long-term strategy, with its focus on fineblanking and forming combined with consistent internationalization and technical innovation, has once again proven its worth. In addition, Feintool is investing in the growth market of electrification and expanding its strategic business fields into the market for electric motor components.

### **Dynamic market environment**

The growth of the global automotive industry continued in 2018. According to estimates <sup>1</sup>, global car production increased by 2.5% year-on-year. Feintool benefited from this positive industry trend and grew – despite challenging general conditions –, outpacing the market in every relevant region.

### **Positive business development**

During the period under review, the Feintool Group generated net sales of CHF 337.3 million, which corresponds to an increase of 13.6%. Adjusted for currency and acquisition effects, the company achieved growth of 7.3%. EBITDA increased by CHF 5.4 million to 45.4 million in the first six months of the year and operating earnings (EBIT) by 14.4% – or by 10.9% in local currency – to CHF 25.7 million. This corresponds to an unchanged EBIT margin of 7.6 %. The Group result amounted to CHF 16.9 million (previous year CHF 14.0 million) and thus increased – adjusted for currency effects – by 19.8%.

<sup>1</sup> LMC Automotive.

### **Parts production a growth driver both in Europe and increasingly China**

Of all the corporate divisions, the System Parts segment, in which Feintool is globally active with the high-volume production of precision fineblanked and formed components, accounted for the largest share of sales. During the first half of the year, the segment grew by 7.3% to CHF 295.2 million in local currency, generating 87.3% of the consolidated sales.

Once again, all regions have grown. Europe (+ 6.6% in local currency) is driven by increased sales volumes of new products. Asia (+ 27.1% in local currency) is benefiting on the one hand from the acquisition in the previous year, and on the other from steadily increasing releases from our customers. Despite a stagnating market, Feintool was still able to grow by 2.2% (in local currency) in North America. However, part of this increase is due to higher steel prices. Europe contributed 57.7% to sales in the parts area, while the US share was 31.1%, and that of Asia 11.2%.

In the Fineblanking Technology segment, in which Feintool offers comprehensive technological solutions for fineblanking, net sales increased by an encouraging 43.7% to CHF 53.3 million. With excellent sales of press systems, the segment posted its highest net sales and number of new orders in eight years in the first half of 2018.

### **Optimistic outlook**

Feintool expects the positive business development to continue in the second half of financial year 2018, albeit in a market environment characterized by political uncertainties and by the waste gas measuring cycle. Overall – taking into account the acquisition of Stanz- und LaserTechnik Jessen GmbH – we expect to see net sales of between CHF 670 million and CHF 700 million and an EBIT margin similar to that of the first half of 2018.

## Overview of key financial indicators

	Change in local currency in % <sup>1</sup>	Change in % <sup>1</sup>	Jan. 1 - June 30, 2018 CHF millions	Jan. 1 - June 30, 2017 CHF millions
<b>Net revenue</b>	10.3	13.6	<b>337.3</b>	296.8
<b>EBITDA</b>	9.9	13.4	<b>45.4</b>	40.0
<b>Operating earnings (EBIT)</b>	10.9	14.4	<b>25.7</b>	22.5
<b>Group result</b>	19.8	20.3	<b>16.9</b>	14.0
<b>Free cash flow</b>			<b>-25.2</b>	-47.4
<b>Total assets</b> (comparison period ending Dec. 31, 2017)		6.4	<b>635.9</b>	597.4
<b>Shareholder's equity</b> (comparison period ending Dec. 31, 2017)		5.0	<b>266.9</b>	255.2
<b>Net sales<sup>1</sup></b>				
- Fineblanking Technology segment	43.7	43.7	<b>53.3</b>	37.1
- System Parts segment	7.3	11.0	<b>295.2</b>	266.0
Consolidated Feintool Group total	10.3	13.6	<b>337.3</b>	296.8
<b>Orders received investment goods</b>	17.4	17.4	<b>57.9</b>	49.3
<b>Order backlog investment goods</b>	-0.5	0.0	<b>47.2</b>	47.2
<b>Expected releases – high-volume parts production</b>	18.7	24.0	<b>295.9</b>	238.6

	Change in local currency in % <sup>1</sup>	Change in % <sup>1</sup>	Apr. 1 - June 30, 2018 CHF millions	Apr. 1 - June 30, 2018 CHF millions
<b>Net sales</b>				
- Fineblanking Technology segment	53.7	53.9	<b>30.7</b>	20.0
- System Parts segment	7.8	12.6	<b>150.3</b>	133.4
Consolidated Feintool Group total	11.8	16.0	<b>176.0</b>	151.8
<b>Orders received investment goods</b>	27.0	27.4	<b>28.6</b>	22.4

<sup>1</sup> compared to the same period in the previous year

All detailed information on the 2018 half-year report can be found at <http://www.feintool.com/de/unternehmen/investor-relations.html>

## **Feintool in brief**

Feintool is an internationally active technology and market leader in the field of fineblanking as well as a global provider of high-quality and cost-effective fineblanked and formed components. As an innovation driver, Feintool consistently pushes the boundaries of fineblanking and develops smart solutions for its customers' ideas with two possibilities for implementation: On the one hand, the delivery of fineblanking systems and innovative tools and, on the other hand, the complete production of precise fineblanked and formed components in high outputs for demanding industrial applications. Feintool covers the entire process chain. The processes used by Feintool support the trends in the automobile industry. Thus, Feintool is a project and development partner in the field of lightweight construction, module variations, and alternative drive concepts such as hybrid and electric.

The company, founded in 1959 and headquartered in Lyss, Switzerland, has its own production plants and technology centres in Europe, the United States, China, and Japan, so it is always near its customers. Around 2,600 employees and 70 trainees work worldwide on new solutions and create key advantages for Feintool customers.