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Media release

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Nine-month results 2019:

Decline in net sales in the third quarter of 2019

Due to the ongoing difficult economic environment, Feintool's net sales for the first nine months of the 2019 financial year fell by 4.7% in comparison to the previous year (by 3.7% in local currency) to CHF 486.4 million. While net sales in the high-volume parts segment fell slightly by 0.4% to CHF 440.6 million thanks to the acquisition effect of the electro lamination stamping business. Capital goods business suffered a decline of 25.8% due to the reluctance to invest in the market.

In the third quarter of 2019, Feintool generated 10.7% less in net sales compared to the same period last year (9.2% in local currency). The acquired electro lamination stamping business contributed CHF 3.4 million (for July). The organic decline in net sales was thus 12.7% (or 11.1% in local currency).

Quarterly net sales of the System Parts segment active in high-volume parts production fell by 4.2% (2.3% in local currency) to CHF 141.2 million. Without the acquisition effect, net sales decreased by 6.4% (4.6% in local currency).

Net sales in the Fineblanking Technology capital goods segment decreased to CHF 17.0 million in the third quarter, which corresponds to a decline of 38.9% compared to the previous year.

A low in orders received

Orders received for Fineblanking Technology stood at CHF 20.8 million in the third quarter, 23.4% lower compared to the previous year. Orders backlog increased to CHF 28.8 million (+11.6%) during the same period. Compared to December 31, 2018, this is still a decline of 22.8%. This value reflects the current market situation, which reveals a significant slowdown in the capital goods business.

Feintool System Parts customers are planning releases amounting to CHF 267.7 million in the coming six months. This value illustrates the current market restraint.

Cautious outlook

Due to the existing political and increasing economic uncertainties, Feintool expects these to have a depressive impact on the anticipated net sales in all regions and markets. The extent and duration of these negative influences are currently difficult to assess, therefore Feintool is refraining from issuing a quantitative outlook for the financial year 2019 for the time being. Feintool expects the market situation to remain difficult in the second half of 2019, but nevertheless expects to generate sustained positive net result for the 2019 financial year.

Feintool expects further growth in all regions in the coming years, due to customer projects and new market share acquired in the current financial year.

Overview of key financial indicators

	2019 Jan. 1–Sept. 30, 2019 in CHF million	2018 Jan. 1–Sept. 30, 2018 in CHF million	Change¹⁾ in %	Change¹⁾ in local currency in %
Net sales of the Feintool Group	486.4	510.4	–4.7	–3.7
System Parts segment	440.6	442.5	–0.4	0.7
Fineblanking Technology segment	60.2	81.1	–25.8	–25.9
Orders received – capital goods	52.3	85.0	–38.4	–38.5
Orders backlog – capital goods	28.8	45.5	–36.7	–36.8
Expected releases – high-volume parts production	267.7	280.7	–4.6	–3.2
	2019 Jul. 1–Sept. 30, 2019 in CHF million	2018 Jul. 1–Sept. 30, 2018 in CHF million	Change¹⁾ in %	Change¹⁾ in local currency in %
Net sales of the Feintool Group	154.6	173.2	–10.7	–9.2
System Parts segment	141.2	147.3	–4.2	–2.3
Fineblanking Technology segment	17.0	27.8	–38.9	–39.0
Orders received – capital goods	20.8	27.1	–23.4	–23.5

¹⁾ Compared to the same period in the previous year

About Feintool

Feintool is an international technology and market leader in the field of fineblanking. This technology is characterized by its cost-effectiveness, quality, and productivity. As a driver of innovation, we continually push the boundaries of fineblanking and develop intelligent solutions to meet the requirements of our customers: we not only offer fineblanking systems with innovative tools, but also complete productions of precise fineblanked, formed, and punched electro lamination components in high quantities for demanding industrial applications. The processes we use support trends in the automotive industry. In this context, Feintool is a project and development partner in the fields of lightweight construction/sustainability, module variations/platforms, and alternative drive concepts such as hybrid and electric drives. The company, founded in 1959 and headquartered in Lyss, Switzerland, operates its own production facilities and technology centers in Europe, the United States, China, and Japan, ensuring that it is always close to its customers. Approximately 2 700 employees and over 80 vocational trainees work across the globe on new solutions and help Feintool customers gain key competitive advantages.