

CH-Wetzikon, August 15, 2017

### **Interim Result as of June 30, 2017 Elma with significant increase in revenue and net profit**

**The Elma Group has increased the order income and net sales in the first six months 2017 compared with the previous year. Elma improved the profitability and closes the first half year 2017 with a distinctly higher net profit.**

- **Order income increased by 6.7% to CHF 74.4 million (adjusted for currency translation effects: +7.2%)**
- **Net sales grew by 12.4% to CHF 69.1 million (adjusted for currency translation effects: +12.9%)**
- **Profitability improved with an EBIT of CHF 2.6 million (previous year: CHF 0.3 million) and a net profit of nearly CHF 1.5 million (previous year: CHF 0.2 million)**
- **All regions showed significantly improved results**

#### **Economic Environment and Market Development**

Overall the Elma Group met stable market conditions in its relevant business segments. In the US, the economic development in the first six months of 2017 lagged behind the expectations raised by the US administration at the beginning of the year. Europe showed a robust economic growth. As a result of better than expected economic development in Asia, especially in China, the economy has picked up again.

While the first half of the previous year was still affected by significant project delays with key customers - particularly in the US as the largest region of the Elma Group - the business situation in the second half of 2016 improved noticeably. This positive development continues in the current business year 2017.

#### **Order Income**

In the first half of 2017, the order income of the Elma Group developed very positively and increased compared to the previous year. It rose overall by 6.7% to CHF 74.4 million (previous year: CHF 69.8 million); adjusted for currency translation effects, a plus of 7.2% was achieved. All three regions contributed to the growth.

In the Americas region, the order income in Swiss Francs was up 3.4%; in local currency the year-on-year increase was 3.0% to USD 34.9 million (previous year: USD 33.9 million). The Europe region exceeded the order income compared with the previous year by 9.3% to CHF 34.8 million (previous year: CHF 31.8 million); adjusted for currency translation effects it increased by 10.9%. The Asia region posted a 12.3% higher order intake of CHF 5.2 million (previous year: CHF 4.6 million); adjusted for currency translation effects the increase was 11.9%.

#### **Net Sales**

Elma closed the first half year 2017 with consolidated net sales of CHF 69.1 million (previous year: CHF 61.5 million). This represents a growth of 12.4%; adjusted for currency translation effects, sales increased by 12.9%. All three regions contributed with higher revenues.

The Americas region increased the net sales in the first half year 2017 by 19.1%; in local currency the growth was 18.6% and resulted in net sales of USD 31.5 million (previous year: USD 26.6 million). The Europe region increased their net sales overall by 4.0% to CHF 32.5 million (previous year: CHF 31.2 million); adjusted for currency translation effects a plus of 5.3% was achieved. Germany developed positively in the first half year of 2017 and contributed significantly to the increase in the net sales of the Europe region. The Asia region increased net sales by 34.6% to CHF 5.5 million (previous year: CHF 4.1 million); adjusted for currency translation effects net sales improved by 34.1%.

The product line System Solutions increased net sales by 14.0% compared to the previous year to CHF 48.2 million (previous year: CHF 42.3 million); adjusted for currency translation effects they grew 14.6%. The product line Enclosures & Components posted net sales of CHF 14.7 million (previous year: CHF 12.6 million) which represents an increase by 16.6%; adjusted for currency translation effects, sales rose by 16.7%. Rotary Switches on the other hand recorded a decrease of 6.0% to CHF 6.1 million (previous year: CHF 6.5 million); adjusted for currency translation effects sales were down 5.6%. The decline is primarily attributed to a smaller order volume from a key customer.

### **EBIT and Net Profit**

All regions posted higher profits in the first half of the year 2017 and thus contributed to the improvement on the Group level. The Elma Group increased the EBITDA to CHF 3.9 million (previous year: CHF 1.7 million) and achieved an EBIT of CHF 2.6 million (previous year: CHF 0.3 million). The net profit in the first half year rose to nearly CHF 1.5 million (previous year: CHF 0.2 million). The profit per share amounted to CHF 6.36 (previous year: CHF 0.95).

### **Balance Sheet**

As of June 30, 2017, Elma reported total assets of CHF 79.1 million (31.12.2016: CHF 76.8 million). The equity ratio decreased to 35.4% due to currency losses (31.12.2016: 36.1%). Net debts rose since the beginning of the year by CHF 2.3 million to CHF 24.8 million (31.12.2016: CHF 22.5 million) as a result of investments in net working capital.

### **Outlook**

From today's perspective, Elma anticipates a continued positive trend in demand in its business segments for the second half of the year 2017. The goal for 2017 remains to considerably increase net sales and to improve the net profit compared with the previous year.

**The complete 2017 Interim Report can be downloaded from our website at <https://www.elma.com/en-eu/investors/reports/> abgerufen werden.**

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### **About Elma**

Elma Electronic is a worldwide provider of solutions for the construction of enclosure systems for electronics. The product range extends from electronic packaging components to modular enclosures, cabinets and backplanes through to complete system platforms. Elma also produces rotary switches for electronic applications. The flexibility that allows customer requirements to be met and our many years of experience in the development and production of components and systems for complex applications distinguish Elma as a reliable partner.

Please visit our website: [www.elma.com](http://www.elma.com)

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This Media Release is published in German and in English. Should the English translation differ from the German original, the German version is binding.

## Elma Group Key Figures

in CHF 1,000	30.06.2017	30.06.2016
Order income	74,429	69,772
Net sales	69,123	61,477
EBITDA	3,891	1,691
EBIT	2,586	288
in % of net sales	3.7	0.5
Net profit	1,454	217
in % of net sales	2.1	0.4
in % of average equity (ROE)	5.2	0.9
Headcount end of period (FTE)	722	690

in CHF 1,000	30.06.2017	30.06.2016
Balance sheet total	79,109	76,788
Shareholders' equity	28,008	27,755
in % of balance sheet total	35.4	36.1

## Information for Investors

The registered shares of Elma Electronic AG with a nominal value of CHF 11 per share are listed on SIX Swiss Exchange and have been traded there since December 4, 1996.

Elma registered shares		30.06.2017	31.12.2016
<b>Share capital</b>			
Number of registered shares issued		228,492	228,492
Average number of registered shares		228,492	228,492
Nominal value	in CHF	11.00	11.00
Nominal share capital	in CHF 1,000	2,513	2,513
<b>Stock market prices</b>			
Highest	in CHF	423.00	369.50
Lowest	in CHF	340.00	340.25
Closing price	in CHF	420.00	350.00
<b>Stock market capitalization</b>			
Balance sheet date	in CHF million	96	80

		30.06.2017	30.06.2016
<b>Key figures</b>			
Equity per share	in CHF	122.58	108.55
Profit per share	in CHF	6.36	0.95