



Media release
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Solid sales growth in local currency

SFS Group's consolidated sales for the 2015 financial year were in line with the prior year. In local currencies, sales grew at a good rate of 4.6%. The normalized EBITA margin was significantly higher in the second half of the year compared to the first half. It will be within the communicated range of 12.1 – 13.1% for the year as a whole.

SFS Group AG generated consolidated sales of CHF 1,376 million in the 2015 financial year, which corresponds to a decline of 0.5% from the previous financial year. Reported sales were diminished by the surge in value of the Swiss franc. Factoring out the effect of exchange rate movements, sales growth amounted to a pleasing 4.6%, to which all segments contributed. Changes in the scope of consolidation had a positive effect of 2.1%. Compared to the first half of 2015, sales grew by 5.3% to CHF 705.9 million in the second half.

Sales by segment

Third party sales In CHF million	2015 1 st half	2015 2 nd half	2015	2014	±PY
Engineered Components	358.0	382.1	740.1	727.2	1.8%
Fastening Systems	157.9	169.0	326.9	336.7	-2.9%
Distribution & Logistics	154.5	154.8	309.3	319.1	-3.1%
Third party sales reported	670.4	705.9	1,376.3	1,383.0	-0.5%
Adjustment before FX-effects	35.8	35.1	70.9		
Third party sales before FX-effects	706.2	741.0	1,447.2	1,383.0	4.6%

Engineered Components

The Engineered Components segment reported strong sales growth of 6.1% in local currency. Growth was primarily fueled by the production ramp-up of numerous new products and the continuing market success of key customers' end products. Firm demand from the automobile industry, a key target market, also contributed to the good sales performance. Sales momentum slowed in the second half compared to the same period of the previous year due to base effect. On a reported basis growth amounted to 1.8%, which represents sales of CHF 740 million.



Fastening Systems

With sales up 4.9% in local currency, Fastening Systems achieved a significant acceleration in top-line growth compared to both the previous-year period and the first half of 2015. The general business environment remains mixed. Markets in northern Europe and, especially, North America remained buoyant. That also applies to the industrial buyers of the segment's products. Pleasing signs of an incipient, mild recovery were seen in Europe's southern markets. Due to unfavorable currency effects, reported sales amounted to CHF 327 million, which corresponds to a y-o-y decline of 2.9%.

Distribution & Logistics

The significant appreciation of the Swiss franc had a major impact on the Distribution & Logistics segment, which conducts almost all of its business in Switzerland. Taking into consideration the first-time consolidation of Allchemet AG and factoring out unfavorable exchange rate impacts, segment sales rose by 1.0%. Due to currency-induced price mark-downs and subdued demand from Swiss manufacturing customers, reported sales declined by 3.1% from the prior-year level and amounted to CHF 309 million.

Sales by region

Thanks to the persisting positive economic environment in the US and the progressive, scheduled launch of new projects, North America's share of total group sales increased again and now stands at 12.0%.

After stagnating in the previous year, sales in Asia showed a pleasing development and accounted for 25.6% of total group sales. Sales in Asia are largely driven by innovation projects and end products such as smartphones that are manufactured in Asia to satisfy demand from around the world. Therefore, the often discussed slowdown in China's economy had little impact on SFS.

Europe's share of total group sales fell to 39.2%. This can be traced to subdued construction activity and the sagging value of the euro versus the Swiss franc.

In CHF million	2015	2014	±PY.	% share 2015	% share 2014
Switzerland	315.3	323.2	-2.4%	22.9%	23.4%
Europe	538.5	572.3	-5.9%	39.2%	41.4%
America	164.8	146.8	12.3%	12.0%	10.6%
Asia	353.4	336.4	5.0%	25.6%	24.3%
Africa, Australia	4.3	4.3	2.3%	0.3%	0.3%
Total	1,376.3	1,383.0	-0.5%	100.0%	100.0%



Operating profitability is in the targeted range

The normalized EBITA margin will be within the communicated targeted range of 12.1 to 13.1%. A significant improvement in profitability from the first-half levels was therefore achieved during the second half. This improvement can be attributed to the growing traction of actions taken in response to the surge in value of the Swiss franc, the absence of the non-recurring effects reported in the first half, and the seasonally higher level of sales in the second half.

Due to the extraordinary impact of approximately CHF 15 million stemming from employee pension benefits (IAS 19r), the reported EBITA margin will be above the communicated targeted range.

The final results for the 2015 financial year will be published on 4 March 2016.

About SFS Group

SFS Group is organised into three business segments Engineered Components, Fastening Systems und Distribution & Logistics which represent the three business models. In the **Engineered Components** segment, SFS partners with customers to develop and manufacture customer-specific precision formed components, fastening solutions and assemblies. The segment operates in the Automotive, Electronics and Industrial divisions and sells its products under the SFS intec and Unisteel brands. In the **Fastening Systems** segment, consisting of the Construction and the Riveting divisions, SFS develops, manufactures and markets application-specific mechanical fastening systems under the SFS intec (Construction) and GESIPA (Riveting) brands. In the **Distribution & Logistics** segment with the SFS unimarket brand, SFS is a leading provider of fasteners, tools and architectural hardware as well as innovative logistics solutions in Switzerland. SFS Group is a global player with manufacturing sites and distribution companies at 72 locations in 24 countries around the world. Sales in business year 2015 amounted to CHF 1.376 bn and the work force numbered approximately 8,300.

For further information visit www.sfs.biz

For media inquiries, please contact:

SFS Group AG
Claude Stadler
Rosenbergsaustasse 8
CH-9435 Heerbrugg

Direct: +41 71 727 51 85
e-mail: corporate.communications@sfs.biz