

Dierikon, 6 August 2019

## Media release

Preliminary information on the 2019 half-year results of the Komax Group

### **Komax continues to invest heavily in R&D despite sluggish automotive industry**

**The Komax Group had a challenging first half of 2019. The fall in order intake and revenues due to the current sluggishness in the automotive industry was nevertheless within the minus 10%–20% band forecast in mid-March 2019. Komax continued to invest heavily in R&D despite the lower revenues. Combined with additional expenses for projects in new application areas, this led to a significant fall in operating profit (EBIT). Komax expects to achieve higher order intake, revenues and EBIT in the second half of 2019 than in the first six months.**

Komax generates more than 80% of revenues in the automotive industry. The industry's current weakness had an adverse impact on the Group's results for the first half of 2019. Due to various uncertainties – including the trade conflict between the US and China, the Worldwide Harmonized Light Vehicles Test Procedure (WLTP), and Brexit – most customers are currently taking a cautious approach and putting off investments. Accordingly, Komax's results for the first half of 2019 fell short of the record result achieved in the previous year. Order intake fell by 19.2% to CHF 206.7 million (H1 2018: CHF 256.0 million), while revenues were 14.2% lower at CHF 203.3 million (H1 2018: CHF 236.9 million).

To play its role in shaping the sector's future, market and technology leader Komax once again invested heavily in R&D in the first half of 2019: CHF 19.7 million (H1 2018: 20.6 million) or 9.7% (H1 2018: 8.7%) of revenues. Although Komax managed to reduce costs in other areas in the first six months of 2019, the significantly lower revenues figure led to a 54.2% fall in EBIT to CHF 16.4 million (H1 2018: CHF 35.7 million). This gives an EBIT margin of 8.0% (H1 2018: 15.1%). Operating profit was additionally hit by expenses for projects in new application areas such as data connectivity and aerospace.

Given the steady order intake in recent months, Komax is confident it can achieve higher order intake, revenues and EBIT in the second half of 2019 than in the first six months. Komax sees itself well positioned to take advantage of the ongoing trend to automation and to grow in the years ahead. The Komax Group will publish its detailed financial statements for the first half of 2019 as well as its outlook for the whole year on 20 August 2019.

#### **Contact**

Roger Müller

Vice President Investor Relations / Corporate Communications

Phone +41 41 455 06 16

[roger.mueller@komaxgroup.com](mailto:roger.mueller@komaxgroup.com)

Komax is a globally active technology company that focuses on markets in the automation sector. As a leading manufacturer of innovative and high-quality solutions for the wire processing industry, the Komax Group helps its customers implement economical and safe manufacturing processes, especially in the automotive supply sector. The Komax Group employs more than 2000 people worldwide and provides sales and service support via subsidiaries and independent agents in more than 60 countries.