

**Media release: First half-year 2020 interim report**

**Gurit's continued business grows 2.3% in CHF or 8.7% at constant exchange rates with an operating profit margin of 11.2%**

**Business results 1HY 2020 over 1HY 2019:**

- **Sincere thanks to all Gurit employees for their help thru COVID 19**
- **Continued business net sales grew 8.7% at constant exchange and 2.3% in CHF**
- **Total operating profit margin of 11.1% versus a full year guidance range of 8.5-11%**
- **Net debt reduced by CHF 20 million at 30.6.2020 compared to 30.6.2019**

**Zurich, Switzerland, August 17, 2020 – Gurit (SIX Swiss Exchange: GUR) today reports total net sales of CHF 283.2 million for the first six months of 2020. Net sales of continued business increased by 8.7% at constant exchange rates. Total operating profit amounted to CHF 31.3 million or 11.1% margin for the first half-year 2020.**

Improving the health and safety further in all our operations is a priority. Gurit is on track to improve its health and safety results and is in line with its annual target of 17% Lost Time Accident Rate (LTAR) reduction versus FY 2019. In addition, Gurit has rapidly implemented comprehensive measures to protect the health of its employees and business partners at the beginning of the pandemic.

Gurit presents a good business performance for the first half of the year despite the COVID-19 pandemic with strong sales growth of its continued business and an operating profit margin slightly over the top end of the provided full year margin guidance of 8.5-11%.

These results are supported by the resilience of the wind energy market in which, despite all the “stop and go” during the pandemic, Team Gurit managed to serve the customers with the best possible solutions. Very negative impacts came from the aerospace market which still saw a good first quarter but then was badly hurt by customer demand compression and additional supply chain de-stocking effects.

**Composite Materials** recorded net sales of CHF 134.1 million in the first half-year 2020 (1HY 2019: CHF 122.2 million). This represents an increase of 9.7% in reported Swiss francs and 16.4% at constant exchange rates as compared to the first half-year 2019. Within Composite Materials, sales to the wind energy market have increased significantly across nearly all product groups. Sales have also grown due to Balsa raw material and corresponding sales price increases.

**Kitting** achieved sales of CHF 110.5 million in 1HY 2020 compared to 75.2 million in the 1HY of 2019. This is a strong increase by 47.0% (at constant exchange rates: 57.1%) as compared to the first half-year 2019. Customer demand for kits was strong and the global presence with flexibility to support customers across the globe was a big advantage, especially during the seriously disruptive period of the pandemic.

**Tooling** saw its net sales reduced by -32.4% to CHF 45.8 million (at constant exchange rates:

-27.8%) versus the record 1HY 2019. Completion of certain mould orders was delayed in the first half-year 2020 due to travel restrictions impacting customer mould installation and our field work force. Moreover, there were fewer sales of high content mould systems which affected the mix of sales, there were some project delays to 2HY 2020 and a few mould system order cancellations.

The **Aerospace** business unit decreased its net sales by -33.7% (at constant exchange rates: -31.3%) to CHF 18.2 million in the 1HY of 2020 compared to CHF 27.5 million in the first six months of 2019. The global passenger aircraft market suffered a sharp decline as a consequence of the global pandemic. We expect a slow and multi-year recovery track for sales to reach pre-COVID19 levels. The site consolidation of Zullwil into Kassel is being accelerated and significant short work programs are being run to mitigate the financial impacts on the business.

### Operating profit and balance sheet

With a 13.8% higher total operating profit of CHF 31.3 million for the first six months of 2020 (1HY 2019: CHF 27.5 million) Gurit achieved a total operating profit margin of 11.1% (11.2% for continued business) of net sales (1HY 2019: 9.7%). Net profit for the first half-year 2020 increased by 20.9% to CHF 22.0 million (1HY 2019: CHF 18.2 million). This equals earnings per listed bearer share of CHF 47.13 (1HY 2019: CHF 39.39), an increase of 19.6%.

Gurit generated a **cash flow** from operating activities of CHF 25.6 million in the first half-year 2020 (1HY 2019: 32.2 million). The CHF 6.6 million decrease includes CHF 4.9 million due to working capital and the remainder is mainly lower profitability including impairment effects (Automotive). **Capital expenditure** amounted to CHF 11.8 million (1HY 2019: 11.2 million) and was mainly dedicated to core material and kitting footprint expansion in China and Mexico. Capital expenditure for the full year 2020 is still expected to amount to around CHF 30–35 million.

### Outlook

Gurit expects to achieve Net Sales between CHF 550–600 million in 2020 and an Operating Profit Margin in the range of 9–11%.

<b>Net Sales by market</b> in million CHF	<b>1HY 2020</b>	<b>1HY 2019</b>	<b>Change in reported CHF</b>	<b>Change @ constant FX-rates</b>
Composite Materials	134.1	122.2	9.7%	16.4%
Kitting	110.5	75.2	47.0%	57.1%
Tooling	45.8	67.8	-32.4%	-27.8%
Aerospace	18.2	27.5	-33.7%	-31.3%
Elimination	-27.5	-17.8		
<b>Total continued operations</b>	<b>281.1</b>	<b>274.9</b>	<b>2.3%</b>	<b>8.7%</b>
Discontinued operations (Composite Components)	2.1	9.9	-78.7%	-77.3%
<b>Total Group</b>	<b>283.2</b>	<b>284.7</b>	<b>-0.5%</b>	<b>5.7%</b>

<b>Key financial figures</b> in million CHF	<b>1HY 2020</b>	<b>1HY 2019</b>
EBITDA	37.6	41.1
EBITDA margin	13.3%	14.4%
Operating profit	31.3	27.5
Operating profit margin	11.1%	9.7%
Profit for the period	22.0	18.2
Operating cashflow	25.6	32.2
Capital expenditures	11.8	11.2
Net debt	51.5	71.3
Equity in % of total assets	38.5%	37.8%
<b>Thereof continued operations:</b>		
Net sales	281.1	274.9
EBITDA	37.9	42.9
EBITDA margin	13.5%	15.6%
Operating profit	31.5	34.4
Operating profit margin	11.2%	12.5%
Profit for the period	22.3	25.2
Profit for the period margin	7.9%	9.2%

### Online publication of Half-year report 2020, media/analyst conference webcast

The Half-year 2020 interim report is available online at [www.gurit.com/Investors/Reports](http://www.gurit.com/Investors/Reports)

On Monday, August 17, 2020 Management will discuss the results in further detail in a webcast at 09:00 a.m. CEST. The presentation will be held in English and will be accessible live and as an archived version at [www.gurit.com/Investors/Webcasts](http://www.gurit.com/Investors/Webcasts). After the webcast Analysts and Journalists are invited to participate in a Q&A conference call upon prior registration via [investor@gurit.com](mailto:investor@gurit.com)

Please note that contrary to our financial calendar published earlier, no physical analyst & media conference will be held on August 17, 2020.

#### About Gurit

The subsidiaries of Gurit Holding AG, Wattwil/Switzerland, (SIX Swiss Exchange: GUR) are specialized on the development and manufacture of advanced composite materials, composite tooling equipment and core kitting services. The product range comprises, structural core materials, fibre reinforced prepregs, formulated products such as adhesives, resins as well as structural composite engineering. Gurit supplies global growth markets such as the wind turbine industry, aerospace, marine, rail and many more. Gurit operates production sites and offices in Australia, Canada, China, Denmark, Ecuador, Germany, Indonesia, India, Italy, New Zealand, Poland, Spain, Switzerland, Turkey, United Kingdom and the United States.  
[www.gurit.com](http://www.gurit.com)

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