

HUBER+SUHNER anticipates a solid result for 2020 following stabilisation in the second half of the year

In the 2020 fiscal year, performance developed weaker than in the previous year in all of the three main HUBER+SUHNER markets: communication, transportation and industrial. The decline in both order intake and net sales was largely attributable to events that took place in the first half of the year. The coronavirus pandemic precipitated a noticeable slowdown in the expansion of mobile communication networks, while in the railway market, the delayed entering into service of rolling stock was reflected in more caution in the awarding of contracts along the entire supply chain. The situation stabilised later in the course of the year.

Net sales amounted to CHF 737.9 million (unaudited) in 2020, representing a decline of 11.2 % year on year. Adjusted for currency, copper and portfolio effects, organic growth declined by 10.0 %. Order intake stood at CHF 748.2 million, which was 6.6 % below the previous-year figure. In contrast to the aforementioned slowdown in the expansion of mobile networks, the communication market recorded increasing demand in the data center and WAN / access networks submarkets over the course of the year. In the transportation market, the decline in the railway submarket was contrasted by a significant recovery in the automotive submarket from the middle of the year, which was largely attributable to the growth in net sales of solutions for electric vehicles. In the industrial market, the shortfall in net sales, compared to the very strong previous year, was fairly evenly distributed over all applications.

The result improved significantly in the second half of the year: while an EBIT margin of 6.7 % was achieved in the first half of the year as a result of strict cost management, the company succeeded in increasing its margin in the second half of the year. Due to the improved business mix, HUBER+SUHNER anticipates an EBIT margin just at the lower end of the medium-term target range of 8 – 10 % for 2020 as a whole despite the challenging environment.

Impact of the cyberattack on operations

In mid-December 2020, the company was the target of a cyberattack. This prompted HUBER+SUHNER to disable / deactivate all of its systems worldwide in order to avert further potential damage. From the third day after the attack, the company was able to start getting the production sites globally up and running again and bringing all IT systems back into operation on a phased basis. By the turn of the year, the company successfully resumed normal operation on its own. Nevertheless, several working days were lost in the year under review for rectifying the consequences of the cyberattack.

Annual General Meeting 2021

The HUBER+SUHNER AG Annual General Meeting 2021 will take place on 31 March. Due to the current situation with the coronavirus pandemic, the Annual General Meeting cannot be held in the physical presence of the shareholders. The Annual General Meeting will therefore be held in compliance with the Covid-19 Act. Voting will only be possible via the independent proxy.

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Location Pfäffikon ZH / Herisau
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The detailed business results will be presented at the media and analysts' conference on 9 March 2021.

This media release is also available at <https://www.hubersuhner.com/en/company/media/news>

The German version is binding.

The definition of the alternative performance indicators is available at

<https://www.hubersuhner.com/en/company/investors/publications>

HUBER+SUHNER Group

The globally active Swiss company HUBER+SUHNER develops and produces components and system solutions for electrical and optical connectivity. The company serves the three main markets Industry, Communication and Transportation with applications from the three technologies of radio frequency, fiber optics and low frequency. HUBER+SUHNER products excel in excellent performance, quality, reliability and long service lives - even under the most demanding conditions. Through a global production network, combined with subsidiaries and representatives in over 80 countries, the company is close to its customers worldwide.