

Ad hoc announcement pursuant to Art. 53 LR

HUBER+SUHNER: continued strong growth path after nine months

Further year-on-year increase in order intake and net sales after nine months – Outlook confirmed – Share buyback programme planned

Order intake and net sales after nine months

In CHF million	2021	2020*	Change in %
Order intake Group	743.2	571.0	30
Industry segment	218.5	182.0	20
Communication segment	301.2	219.6	37
Transportation segment	223.5	169.3	32
Net sales Group	645.4	563.3	15
Industry segment	203.9	172.2	18
Communication segment	256.7	225.5	14
Transportation segment	184.7	165.5	12

* adjusted due to new segment structure

For HUBER+SUHNER, also the third quarter of 2021 developed extremely positively. After nine months, the order intake of CHF 743.2 million was 30 % higher than in the prior-year period. Net sales reached CHF 645.4 million, an increase of 15 % year on year. Adjusted for currency and copper price effects, growth amounted to 11.4 %.

Across-the-board growth for Industry segment

After nine months, the Industry market segment with its diversified portfolio reported double-digit growth. Compared to the first half-year, the overall growth in net sales in percentage terms was again slightly higher than in the same period of the previous year. In addition to the broad-based upswing in industrial applications, business with solutions in high-growth areas, such as high-power charging systems, developed very well.

Communication segment benefits from mobile network expansion

The positive momentum in the Communication segment intensified further in the third quarter. The roll-out of the new 5G mobile communications standard triggered investments in the corresponding infrastructure, especially in North America. In general, the need to process massively increasing data volumes continues. Demand for data centers and the expansion of access networks therefore also rose significantly.

Transportation segment growth attributable to applications for automotive suppliers

In the third quarter, the Transportation segment continued to show uneven development in its two subsegments. Business in the Automotive subsegment was extremely dynamic due to demand for solutions in the field of electromobility. With radar antennas for autonomous driving now ready for series production, a future-oriented solution was added to the product portfolio for automotive applications. In the Railway subsegment, there was a high level of activity in upgrading trains through the integration of mobile communications, whereas the railway market has not yet recovered from the effects of the coronavirus pandemic in terms of commissioning new rolling stock.

Share buyback programme for a capital reduction

The Board of Directors of HUBER+SUHNER AG is planning to launch a public share buyback programme, expected to start by the end of the month, for up to 5 % of the share capital. This will lead to a sustained concentration of earnings per share. Given the high liquidity and the strong balance sheet, strategic flexibility for future investments and acquisitions remains intact. The plan is to buy back shares for the purpose of capital reduction via a second trading line on the SIX Swiss Exchange over a maximum period of three years. The details of the share buyback programme will be communicated upon publication of the programme.

Outlook

The broad economic recovery continued in the third quarter, as reflected in a significant increase in order intake after nine months compared to the prior-year period. In the reporting period, growth in net sales was also in the double-digit percentage range in all three market segments. The greatest risk at present arises from capacity shortages in both global supply chains and transportation. This situation is expected to persist, resulting in ongoing bottlenecks in many industries. Nevertheless, the company confirms its guidance for the current financial year of double-digit growth in net sales with an EBIT margin slightly above the medium-term EBIT target range of 8-10 %.

This media release can be found at <https://www.hubersuhner.com/en/company/media/ad-hoc-news> and is also available in German. The German version is binding.

The definition of 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.