

HILTI GROUP OUTPERFORMS THE MARKET IN A CHALLENGING YEAR

Schaan (FL), March 15, 2024 – With sales growth of 9.0 percent in local currencies (2.7 percent in Swiss francs), the Hilti Group closed 2023 with turnover of more than CHF 6.5 billion. With this result, Hilti clearly outperformed the market and gained market share. Once again, the appreciation of the Swiss franc led to a significantly negative currency impact of 6.3 percentage points on sales. The operating result grew by 5.3 percent and reached CHF 770 million. Despite economic and geopolitical uncertainties, Hilti significantly invested into sales capacity, innovation and long-term strategic projects.

“2023 was a successful year for the Hilti Group. We achieved strong growth in local currencies and increased our operating result, despite the challenging economic environment, the strong Swiss franc and the continued high level of investment. As we enter 2024, we are confident that we can continue to grow faster than the market”, summarizes CEO Jahangir Doongaji.

At a regional level, Europe managed to close the year with sales growth of 8.7 percent in local currencies, primarily driven by the strong contribution from Southern Europe. The Americas region grew by 9.1 percent, while Asia/Pacific was at 13.8 percent. China recovered slowly from COVID-19 lockdowns, while the rest of the region achieved solid growth rates. The ongoing war in Ukraine had an impact on the entire Eastern Europe / Middle East / Africa region, resulting in growth of 3.1 percent.

An important growth driver was the completion of the global rollout of the new cordless platform Nuron. In addition to the more than 70 tools launched in 2022, 30 new tools were brought to the market. Investment into research and development reached CHF 454 million (+3,9%), equal to 7.0 percent of the Group’s sales and underlining Hilti’s strong focus on innovation. Following the acquisition of Fieldwire Inc. in 2021, Hilti acquired the 4PS Group in 2023, a Netherlands-based local market leader in developing and providing business management solutions for the construction industry. As of the end of the year, the Hilti Group had 34,111 team members, an addition of 1624 (+5.0%) compared to the previous year.

The operating result increased by 5.3 percent to CHF 770 million while net income decreased by 0.9 percent to CHF 560 million. The return on sales (ROS) improved by 0.3 percentage points, reaching 11.8 percent (2022: 11.5%). The return on capital employed (ROCE) increased by 0.1 percentage points to 13.3 percent (2022: 13.2%).



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Construction market forecasts point to a further softening with negative real growth in several geographies. The ongoing geopolitical tensions and the volatility in the financial markets will likely lead to a further appreciation of the Swiss franc and hence, another year of significantly negative currency impacts. To live up to the Group's purpose of "Making Construction Better", Hilti will continuously invest in driving innovation in both hardware and software solutions and building up its market reach resources. In 2024, the Hilti Group expects mid-single-digit sales growth in local currencies and a similar ROS level in Swiss francs compared to 2023.

The 2023 Company Report (including the Financial Report and the Sustainability Report) are available online. Follow this link: <https://reports.hilti.group>

2023 sales growth compared to the previous year

	2023 in CHF million	2022 in CHF million	Change in CHF (%)	Change in local currencies (%)
Europe	3,351	3,201	4.7	8.7
Americas	1,874	1,841	1.8	9.1
Asia/Pacific	791	763	3.7	13.8
Eastern Europe / Middle East / Africa	504	542	-7.0	3.1
Hilti Group	6,520	6,347	2.7	9.0

Key figures

in CHF million	2023	2022	Change (%)
Net Sales	6,520	6,347	2.7
Operating Profit	770	731	5.3
Net Income	560	565	-0.9
Free Cash Flow	359	-147	n/a
Return on Sales (%)	11.8	11.5	0.3%-pts
Return on Capital Employed (%)	13.3	13.2	0.1%-pts
Research & Development Spend	454	437	3.9
Number of Employees (as of December 31)	34,111	32,487	5.0

The Hilti Group supplies the worldwide construction and energy industries with technologically leading products, systems, software and services. With about 34,000 team members in over 120 countries the company stands for direct customer relationships, quality and innovation. Hilti generated annual sales of more than CHF 6.5 billion in 2023. The headquarters of the Hilti Group have been located in Schaan, Liechtenstein, since its founding in 1941. The company is privately owned by the Martin Hilti Family Trust, which ensures its long-term continuity. The Hilti Group's purpose is making construction better, based on a passionate and inclusive global team and a caring and performance-oriented culture.