

CORONAVIRUS CRISIS LEADS TO SALES DECLINE

Schaan (FL), May 19, 2020 – The Hilti Group has experienced a significant downturn in business after the first four months of 2020 as result of the economic impact of the COVID-19 pandemic. Total sales decreased by 13.1 percent year-on-year to CHF 1678 million. In local currencies the decline was 8.2 percent.

After a good start to the year with mid-single-digit growth, Hilti experienced a sharp drop in business in north Asia, in February, due to the spread of coronavirus. From mid-March onwards all markets around the world experienced a significant decline in sales. The sales downturn was less pronounced in countries where construction activities continued, such as Germany, Scandinavia and the USA. By contrast, business deteriorated significantly in countries such as France, Italy and Spain, where construction activity was stopped completely. An additional burden is the strong appreciation of the Swiss franc. The negative translation effect after the first four months amounts to roughly 5 percentage points. Developments in the respective business regions reflect the challenging situation worldwide (*see table*).

According to current estimates, the Hilti Group expects a loss in sales for the full year of approximately 10 percent in local currencies, and up to 15 percent in Swiss francs. This is based on the assumption that the second quarter will remain difficult and a gradual recovery will take place during the second half of the year.

To counter the effects of the coronavirus crisis and avoid structural adjustments, Hilti has implemented a broad package of temporary measures. "The next few months will show whether this is sufficient or whether we will need to initiate a second stage of measures including structural adjustments. Only a few countries in north Asia, where business activities are slowly stabilizing, provide cautious optimism. However, the Hilti Group's strategic orientation remains unchanged and we will continue to push ahead with important projects and make corresponding investments," explained CEO Christoph Loos.

January – April sales growth compared to the previous year

	1-4/2020 in CHF million	1-4/2019 in CHF million	Change in CHF (%)	Change in local currencies (%)
Europe	820	970	-15.5%	-10.6%
North America	433	462	-6.3%	-3.3%
Latin America	33	42	-21.4%	-5.0%
Asia/Pacific	212	247	-14.2%	-8.6%
Eastern Europe / Middle East / Africa	180	210	-14.3%	-8.1%
Hilti Group	1,678	1,931	-13.1%	-8.2%

The Hilti Group supplies the worldwide construction and energy industries with technologically leading products, systems, software and services. With 30,000 team members in over 120 countries the company stands for direct customer relationships, quality and innovation. Hilti generated annual sales of CHF 5.9 billion in 2019. 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 strategic orientation is based on a caring and performance-oriented culture and the goals of creating enthusiastic customers and building a better future.