

Ad hoc announcement pursuant to Art. 53 LR

## **CHALLENGING ENVIRONMENT LEAVES TRACES IN HILTI GROUP RESULTS**

**Schaan (FL), September 23, 2022 – In the first eight months of 2022, the Hilti Group increased sales by 6.1 percent to CHF 4108 million. The operating result declined by 36 percent due to global supply chain disruptions, the Russian invasion in Ukraine, negative currency effects as well as significant investments into building up the software business. In addition, the results are impacted by strong negative base effects that will level out until year end.**

In local currencies sales increased by 9.1 percent with the strongest contribution coming from the Americas (+15.8%). Europe (+7.5%), Asia/Pacific (+6.7%) and the Eastern Europe / Middle East / Africa region (+3.0%) made disproportionately low contributions to the overall growth over the first eight months of the year.

“2022 is an exceptionally demanding year for Hilti due to the challenging external environment as well as a strongly backloaded year in Europe triggered by the launch of our new battery platform Nuron in September. We are making massive efforts to limit our margin decline caused by the tremendous cost increases in our supply chain while staying the course with strong strategic investments, especially into our software business. With a successful launch of Nuron we expect our results to improve until year end to above 10 percent growth in local currencies and a profit decline to below 15 percent. This corresponds to our pre-Corona 2019 profit level before software investments”, says CEO Christoph Loos.

Going forward, the Hilti Group expects a diminishing growth dynamic in the global construction market owing to continued cost inflation, growing uncertainties around the energy supply, political tensions and rising interest rates.

“We are able to cope with these challenges fairly well due to our healthy financial position and the long-term perspective of our shareholder. This allows us to continue with long-term investments even in demanding times”, closes Christoph Loos.

**Key figures**

January-August (in CHF million)	2022 (1-8)	2021 (1-8)	Change (%)
Net sales	4,108	3,872	6.1
Operating result	392	613	-36.1
Net income	286	466	-38.6
Free cash flow, excluding acquisition <sup>1</sup>	-189	226	-183.6
Return on sales (%)	9.5	15.8	-6.3 %-pts
Return on capital employed (%)	12.0	18.7	-6.7 %-pts
Research & development expenditure	265	238	11.4
Number of employees (as of August 31)	32,166	30,277	6.2

<sup>1</sup> Free cash flow definition changed and prior period figures were restated.

**Sales growth January-August 2022 compared to the previous year**

	1-8/2022 in CHF million	1-8/2021 in CHF million	Change in CHF (%)	Change in local currencies (%)
Europe	2,047	2,020	1.3	7.5
Americas	1,199	1,000	19.9	15.8
Asia/Pacific	498	478	4.2	6.7
Eastern Europe / Middle East / Africa	364	374	-2.7	3.0
<b>Hilti Group</b>	<b>4,108</b>	<b>3,872</b>	<b>6.1</b>	<b>9.1</b>

**Consolidated income statement**

January-August (in CHF million)	2022 (1-8)	2021 (1-8)
<b>Net sales</b>	<b>4,108.0</b>	<b>3,872.4</b>
Total operating revenue	4,223.9	3,981.7
<b>Operating result</b>	<b>392.0</b>	<b>613.1</b>
Other revenue and expenses (net)	1.3	-1.4
Finance costs	-31.6	-29.3
<b>Net income before tax expense and minority interests</b>	<b>361.7</b>	<b>582.4</b>
Income tax expense	-73.6	-116.2
Non-controlling interests	-2.1	-0.2
<b>Net income</b>	<b>286.0</b>	<b>466.0</b>

**Consolidated balance sheet overview**

(in CHF million)	Aug. 31, 2022	Aug. 31, 2021
<b>ASSETS</b>		
Non-current assets	3,779.7	3,372.6
Current assets	3,535.1	3,836.1
<b>Total assets</b>	<b>7,314.8</b>	<b>7,208.7</b>
<b>LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>	<b>4,186.0</b>	<b>3,952.7</b>
Non-controlling interests	12.7	8.4
Non-current liabilities	1,520.8	1,814.1
Current liabilities	1,595.3	1,433.5
<b>Total liabilities</b>	<b>3,116.1</b>	<b>3,247.6</b>
<b>Total equity and liabilities</b>	<b>7,314.8</b>	<b>7,208.7</b>

The Hilti Group supplies the worldwide construction and energy industries with technologically leading products, systems, software and services. With about 32,000 team members in over 120 countries the company stands for direct customer relationships, quality and innovation. Hilti generated annual sales of nearly CHF 6 billion in 2021. 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.