

HILTI RECORDS ACCELERATED SALES GROWTH AND INCREASED PROFITABILITY

Schaan (FL), March 16, 2018 – The Hilti Group surpassed its growth targets in the 2017 fiscal year. Sales rose by 10.8 percent to a total which exceeded the CHF 5 billion mark for the first time while operating profit (+15%) and net income (+10%) were also significantly higher than the previous year's figures.

“2017 was an excellent year for us. We were able to take advantage of the strong market growth and we benefited from the high levels of investment over the last few years in both innovation and in the global sales team. A further step towards the targeted acceleration in growth as per our Champion 2020 strategy has thus been successfully completed,” said CEO Christoph Loos, commenting on the previous fiscal year.

Hilti was able to increase sales in all business regions. Europe recorded a plus of 9.7 percent in local currencies. With 8.5 percent, North America grew significantly once again. The development in Latin America (+9.7%) was also pleasing, even though the economic situation is generally stabilizing only gradually. In the Asia/Pacific region, business development was lower than expected, with 5.3 percent. In contrast, the Eastern Europe / Middle East / Africa region (+17.4%), led by a strong upwards trend in Russia, was extremely dynamic. The takeover of the Norwegian Oplaend System Group contributed approximately CHF 38 million (+0.8 percentage points) to the growth of Hilti in the last four months of 2017. At CHF 5.1 billion, total sales were 10.8 percent higher than the previous year. The sales increase in local currencies amounted to 9.6 percent.

The investment course of the past few years was continued in 2017 as well. In addition to the enhancement of the global sales team, the focal points included the development of new products, software and digital solutions. The number of employees rose by 9 percent to 26,881. At CHF 311 million (+11%), R&D spending was significantly more than the previous year.

Operating profit increased to CHF 692 million (+15%), and net income was CHF 530 million (+10%). Return on sales (13.5%) and return on capital employed (21.3%) also achieved new record figures. Free cash flow (before acquisition and disposal of subsidiaries) remained at a high level, at CHF 325 million.

“Our profitability is very good and we can continue to invest in our future. A key issue is still the digital transformation of construction processes – we want to play an active part in shaping this in the future as well. Today, we already help our customers to achieve higher levels of productivity with numerous digital solutions,” explains Christoph Loos, looking forward.

For 2018, the Hilti Group foresees a sustained positive situation, with construction market growth at the present level. As long as there are no geopolitical disruptions, similar growth rates to those in 2017 are expected. Furthermore, Hilti will continue to follow its strategic objectives and, on the basis of the good financial situation, will further increase investments in innovation and sales.

The 2017 Company Report and the 2017 Financial Report are available online. Follow this [link](#).

Sales growth 2017 vs. 2016

	2017 in CHF million	2016 in CHF million	Change in CHF (%)	Change in local currencies (%)
Europe	2,469	2,222	11.1	9.7
North America	1,218	1,120	8.7	8.5
Latin America	128	117	9.4	9.7
Asia/Pacific	700	662	5.7	5.3
Eastern Europe / Middle East / Africa	618	512	20.7	17.4
Hilti Group*	5,133	4,633	10.8	9.6

***Comment:**

Group sales include a growth effect of +0.8 percentage points and CHF 38 million due to the acquisition of the Oplaend System Group effective August 2017.

Key figures

in CHF million	2017	2016	Change (%)
Net sales	5,133	4,633	10.8
Operating result	692	604	15
Net income	530	481	10
Free cash flow*	325	248	31
Return on sales (%)	13.5	13.0	0.5
Return on capital employed (%)	21.3	21.0	0.3
R&D expenditure	311	280	11
Headcount (as of December 31)	26,881	24,619	9

* Before acquisition and disposal of subsidiaries.

The Hilti Group supplies the worldwide construction industry with technologically leading products, systems, software and services that provide construction professionals with innovative solutions and superior added value. The Group employs roughly 27,000 team members in over 120 countries who passionately create enthusiastic customers and build a better future. Hilti generated annual sales of CHF 5.1 billion in 2017. Hilti's corporate culture is based on integrity, teamwork, commitment and the courage to embrace change. The headquarters of the Hilti Group are located in Schaan, Liechtenstein.