

Double-digit sales growth and ongoing momentum in order intake

Bronschhofen, March 8, 2018 – Cicor (SIX Swiss Exchange: CICN), a leading international technology company in the field of printed circuit boards, microelectronics and EMS (Electronic Manufacturing Services) with its head office located in Boudry (Switzerland), confirmed the turnaround it had experienced in the previous year. Both divisions recorded double-figure sales growth, increasing group sales by 14.4% to reach CHF 216.7 million (2016: CHF 189.5 million). The ongoing momentum in order intake is particularly gratifying, rising by 5.4% in comparison with the previous year and reaching CHF 235.5 million (2016: CHF 223.5 million). The book-to-bill ratio was therefore 1.09, suggesting that continued growth is likely in 2018. EBIT in the year under report has grown by 259% to CHF 10.5 million (2016: CHF 2.9 million). A net result of CHF 6.7 million or 3.1% of sales was posted (2016: CHF 0.3 million, 0.1%). This result, combined with a positive free cash flow of CHF 2.7 million (2016: CHF -1.4 million), means that Cicor is once again able to pay dividends.

Strong turnaround of the AMS Division

The turnaround in the AMS Division that had already become apparent in the first half of the year was confirmed. Every product line recorded significant sales growth and each site achieved extremely positive operating EBIT results. Thanks to major efforts by sales, sales in this division increased by 23.6% in comparison to the previous year, reaching CHF 53.0 million (2016: CHF 42.8 million). This meant that the division's share of group sales has grown for the first time in years, from 22.6% to 24.4%. Sales growth was realized with very few changes in personnel. The ratio of material costs to sales was reduced slightly as the result of improved production yield, and overheads fell in absolute terms and in proportion to sales, as the result of the organization becoming more streamlined. This led to an EBIT margin increase by 13.5 percentage points to 7.9% (2016: -5.6%) and a rise in EBIT by CHF 6.6 million to CHF 4.2 million, having suffered a loss of CHF -2.4 million in the previous year.

Electronic Solutions experience further growth

Hitting record sales figures once again in 2017, the ES Division continued its long-term growth trend, which was only briefly disrupted by the revaluation of the Swiss franc in 2015. Division sales has grown within a positive market environment by 11.7% in 2017 in comparison with the previous year, reaching CHF 163.9 million (2016: CHF 146.7 million). The operating margin in 2017 increased by 0.4 percentage points in comparison with the previous year, reaching 5.5% (2016: 5.1%). The combination of this and sales growth meant a 20.6% rise in EBIT to CHF 9.0 million (2016: CHF 7.5 million). Work began on the construction of a new production building in Arad (Romania) in Summer 2017, with an investment (in EUR) in the high single-digit millions range. Upon completion in the second half of 2018, production capacities will be almost doubled, process flows will be improved, and costs will be optimized.

Growth in strategic target markets

Above-average sales growth of 20% was achieved in the strategic target markets of industrial electronics and medical technology, as well as aerospace technology, increasing the share of these markets in total sales by 3.5 percentage points to 74.3% (2016: 70.8%).

Progress in the transformation of Cicor

Further progress was made in the reporting year on the realignment of the Cicor Group, turning it into an agile provider of high-quality electronics with a strong customer focus and outstanding operational excellence. The reinforcement of the AMS Divisions sales organization has opened up market potential and further improved proximity to customers. Measures to increase operational excellence are becoming in-

creasingly important, as they enhance employee productivity and optimize capacity utilization. Sales per employee has grown by 13% in the reporting year.

Solid balance sheet

Net working capital has grown by the end of 2017 to CHF 57.8 million (2016: CHF 48.9 million). At 40.7%, the equity ratio remained solid (2016: 38.5%). Net debt was reduced from CHF 21.5 million as at December 31, 2016 to CHF 19.6 million as at December 31, 2017. A positive free cash flow of CHF 2.7 million was also achieved in 2017, despite the rise in net working capital.

Distribution of earnings

The Board of Directors will propose tax-free distribution from capital contribution reserves of CHF 0.70 per share at the Annual Shareholders' Meeting on April 19, 2018.

Positive outlook for the 2018 financial year

Thanks to the ongoing momentum in order intake, the course has now been set for further sales growth in 2018. This will also be underlined by business development in the first few weeks of the new year. In the medium term, further growth should be created by the new production facility in Arad (Romania), which will be commissioned in the second half of 2018. With this in mind, Cicor expects an average sales growth percentage in the mid-single-digit range, as long as there are no significant changes in economic development and exchange rates. Efforts to improve operational excellence will also continue. Overall, Cicor predicts a moderate increase in operating margin (EBIT) by approx. 0.5 percentage points in comparison to 2017.

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The 2017 financial statement can be downloaded from the website at <https://annualreport.cicor.com>.

Media and analysts' conference for the 2017 financial year

March 8, 2018 at 2 p.m. at Hotel Park Hyatt Zurich, Beethoven-Strasse 21, 8002 Zurich

Shareholders' Meeting

April 19, 2018 at the company's head office in Boudry

Interim Report 2018

August 16, 2018

Key Figures

in CHF 1 000 unless otherwise specified	2017	in %	2016	in %
Net sales	216'728	100.0	189'494	100.0
Change compared to previous year (%)	14.4		4.9	
EBITDA before restructuring costs	19'243	8.9	12'612	6.7
Change compared to previous year (%)	52.6		4.1	
Operating profit before restructuring costs (EBIT)	10'505	4.8	4'072	2.1
Restructuring costs	-	0.0	-1'145	-0.6
Operating profit (EBIT)	10'505	4.8	2'927	1.5
Earnings before taxes (EBT)	8'633	4.0	1'088	0.6
Income taxes	-1'979	-0.9	-830	-0.4
Net profit before restructuring costs	6'654	3.1	1'403	0.7
Net profit	6'654	3.1	258	0.1
Earnings per share	2.29		0.09	
Non-current assets	48'606	28.7	49'788	31.9
Current assets	120'443	71.3	106'527	68.1
Total assets	169'049	100.0	156'315	100.0
Equity	68'692	40.7	60'193	38.5

Number of employees (FTEs at end of period)	1'924		1'841	
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Division results

Advanced Microelectronics & Substrates Division

– Sales	52'972	100.0	42'844	100.0
– EBITDA before restructuring costs	8'430	15.9	2'583	6.0

ES Division

– Sales	163'856	100.0	146'650	100.0
– EBITDA before restructuring costs	13'442	8.2	11'568	7.9

Cicor is a global development and manufacturing partner with innovative technology solutions for the electronics industry. With around 1900 employees at ten production sites, Cicor manufactures highly complex printed circuit boards and hybrids and offers comprehensive electronic and plastic injection molding services. The Group supplies customized solutions from design to finished product for its international customers. The shares of Cicor Technologies Ltd. are traded on the SIX Swiss Exchange (CICN). For more information, please see our website www.cicor.com.