



Ad hoc announcement pursuant to Art. 53 LR
Heerbrugg, July 18, 2024

SFS is well on its way to achieving the targets it set for the 2024 financial year

The SFS Group continued to navigate a challenging economic environment in the first half of 2024, one marked by inconsistent business performance and inventory reductions in individual end markets. With sales of CHF 1,544.9 million and an EBIT margin of 11.7%, SFS is well on its way to achieving the targets it set for the 2024 financial year. SFS continuously strives to push sustainability forward. CO₂ emissions were further significantly reduced thanks to an increased share of purchased renewable energy.

Like in 2023, global economic growth fell short of its potential in the first half of 2024. Reasons for this include the weak international economy, geopolitical tensions and the associated lower investment demand. The results in SFS's individual business areas felt the impact of the challenging environment to different degrees. While all the divisions in the Engineered Components segment improved over the previous year, the repercussions of this environment were still quite noticeable in the business with construction customers (Fastening Systems segment) and industrial manufacturing customers (Distribution & Logistics segment).

The SFS Group generated third-party sales (sales) of CHF 1,544.9 million in the first half of 2024. This corresponds to a year-over-year reduction of –2.3%. Currency effects reduced sales growth by –2.4%. Organic growth of 0.1% was achieved on a like-for-like basis.

In CHF million	1 st half-year 2024	1 st half-year 2023	+/- PY
Third-party sales	1,544.9	1,580.7	–2.3%
Currency impact	–37.2	–52.1	–28.6%
Change in scope	0.3	400.6	–99.9%
Organic growth	1.1	8.6	–87.2%

Profitability was influenced by mix effects and uneven capacity utilization. All in all, SFS generated operating profit (EBIT) of CHF 180.8 million. The EBIT margin amounts to 11.7% of net sales.

In CHF million	1 st half-year 2024	1 st half-year 2023 restated*	1 st half-year 2023 reported	+/- PY restated*
Third-party sales	1,544.9	1,580.7	1,580.7	–2.3%
Engineered Components	549.9	538.6	479.0	2.1%
Fastening Systems	243.8	270.8	330.4	–10.0%
Distribution & Logistics	751.2	771.3	771.3	–2.6%
In CHF million				
As a % of net sales				
Operating profit (EBIT) adjusted	180.8	189.9	189.9	–4.8%
	11.7%	12.1%	12.1%	
Engineered Components	77.4	56.9	44.2	36.0%
	14.0%	10.7%	9.4%	
Fastening Systems	36.2	41.8	54.5	–13.4%
	14.6%	15.1%	16.2%	
Distribution & Logistics	67.5	92.8	92.8	–27.3%
	9.0%	12.1%	12.1%	

* The previous year's figures were adjusted to the new segment composition for better comparability.



Operating free cash flow amounted to CHF 87.2 million, 25.6% higher than in the same period of the previous year. The decline in earnings per share (EPS) to CHF 3.00 (PY CHF 3.37) is attributable to the lower operating profit (EBIT) as well as the considerably more negative financial result that arose due to foreign currency effects. Investments in the first half of 2024 totaled CHF 68.7 million, which is equivalent to 4.5% of net sales.

As of May 1, 2024, SFS acquired Etanco S.A.U., a Spanish distributor of fasteners, fixings, and accessories to the building envelope.

Integrating sustainability into all aspects of business operations

SFS considers sustainable business development a key factor for long-term success and competitiveness. We are currently faced with the challenge of integrating sustainability into all aspects of our business operations while simultaneously complying with increasing legal requirements.

The first half of 2024 was focused on preparing for regulatory requirements such as the Corporate Sustainability Reporting Directive (CSRD) and climate reporting in line with the requirements of the Task Force on Climate related Financial Disclosures (TCFD).

A top priority is the health and safety of our employees. In the social dimension, SFS's goal is to report zero occupational accidents by 2030 at the latest. The "Vision Zero" initiative was launched in the first half of the year to gradually work towards achieving this ambitious undertaking. It calls for an all-encompassing safety culture underpinned by regular training, safety inspections and protocols as well as proactive hazard analyses.

Expectations for the 2024 financial year updated

Our top priority remains placing highest focus on customers and ongoing efforts to pursue forward-looking innovation projects. We want to identify the chances and opportunities that go hand-in-hand with the current changes and systematically seize them.

From the second half of the year onward, SFS anticipates a slight economic recovery that is sustained by global demand and improved industrial momentum. The SFS Group expects the 2024 financial year to bring slight organic growth and a slight improvement in the EBIT margin compared to the previous year.

[Link to the Half-Year Report 2024 →](#)



About the SFS Group

SFS is a worldwide leading supplier of application-critical precision components and assemblies, mechanical fastening systems, quality tools and procurement solutions. SFS Group AG operates in the three segments Engineered Components, Fastening Systems and Distribution & Logistics, which represent the company's different business models. In the **Engineered Components** segment, SFS partners with customers to develop and manufacture customer-specific precision-molded parts, assemblies and fastening solutions. Engineered Components comprises three divisions: Automotive, Electronics and Medical & Industrial Specials. The **Fastening Systems** segment, which consists of the Construction division, develops, manufactures and markets application-specific mechanical fastening systems. In the **Distribution & Logistics** segment, SFS is a leading sales partner in Europe for direct and indirect materials in the areas of quality tools, fasteners and other C-parts as well as logistics and process solutions for customers in industrial and construction sectors. The segment comprises two divisions, Distribution & Logistics Switzerland and Distribution & Logistics International. The SFS Group is a global player with 140 manufacturing sites and distribution companies in 35 countries in North America, Europe and Asia. It generated third-party sales of CHF 3,090.8 million in the 2023 financial year with a workforce of approximately 13,200 (FTEs).

More information is available at [sfs.com](https://www.sfs.com).

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