

Press Release**Bossard Group****Sales third quarter 2019****Challenging environment – solid track record**

Zug, October 10, 2019 – **The Bossard Group continued to face challenging market conditions in the third quarter 2019. Nonetheless, sales rose by 2.7 percent to CHF 218.5 million compared to the previous year (+3.2 percent in local currency). For the first nine months, the Group posted sales of CHF 669.4 million, an increase of 1.6 percent (+2.7 percent in local currency). Adjusted for acquisitions, sales declined slightly by 0.6 percent in local currency in comparison to the same period last year. In spite of the waning economy and the economic tension between the USA and China, Bossard recorded sales growth in both Europe and Asia. In America, however, the Group battled persistent headwinds.**

Bossard remains on a growth course in Europe, although the economic environment is becoming more challenging. Sales in the third quarter rose by 8.1 percent to CHF 127.1 million, which corresponds to a plus of 9.6 percent in local currency. This sales increase includes the acquisition of Boysen, which has been in consolidation since July 2019. With this strategically valuable takeover, the Bossard Group has significantly solidified its position in the aerospace industry. When adjusted for acquisitions, growth in the third quarter reached 1.6 percent in local currency. In the first nine months, business in Europe grew by 3.6 percent to CHF 391.9 million (+6.4 percent in local currency). Excluding the acquisitions made in 2019, the increase in sales amounted to 2.1 percent in local currency.

Difficult environment in America

In the America business, Bossard faced continued headwinds in the third quarter. Net sales declined by 10.9 percent to CHF 53.8 million (-11.8 percent in local currency). There are several reasons for this development: Some customer projects that stimulated growth last year were finally concluded. The slowing economy, also reflected in the US purchasing managers' indices, led to lower demand from a number of major customers. Moreover, the product mix of the largest US electric vehicle manufacturer has changed markedly since the introduction of its new model series, driving sales down.

Lively growth in Asia

The effects of the trade dispute between the USA and China are becoming increasingly tangible in Asia. Bossard was still able to increase sales in the third quarter by 8.4 percent to CHF 37.6 million (+8.0 percent in local currency). The continued growth is also due to previous years' investments in expanding the distribution network and in modernizing infrastructures. In the first nine months of 2019, Bossard posted growth of 9.2 percent in Asia (+11.4 percent in local currency). Without the acquisition effect, the increase was 5.9 percent in local currency.

Cautious outlook

In the short term, the Bossard Group expects the market conditions to remain challenging. The purchasing managers' indices in Bossard's key markets, are trending downward, pointing to rather modest demand. Furthermore, little has changed with respect to political uncertainties. This is especially true for the trade dispute between the USA and China and the United Kingdom's expected exit from the EU. For the entire year, the Group anticipates sales between CHF 860 million and CHF 880 million (2018: CHF 871.1 million) and an EBIT margin at the lower end of the target range of 10 percent to 13 percent.

Despite the currently challenging market environment, we are confident of exploiting further growth potential by focusing on growth segments and concentrating on engineering services and innovative logistics solutions to increase our customers' productivity.

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Net sales 3rd quarter			change in %	
in CHF million	2019	2018	in CHF	in local currency
Europe	127.1	117.6	8.1%	9.6%
America	53.8	60.4	-10.9%	-11.8%
Asia	37.6	34.7	8.4%	8.0%
Group	218.5	212.7	2.7%	3.2%

Net sales January - September			change in %	
in CHF million	2019	2018	in CHF	in local currency
Europe	391.9	378.1	3.6%	6.4%
America	167.2	179.9	-7.1%	-9.1%
Asia	110.3	101.0	9.2%	11.4%
Group	669.4	659.0	1.6%	2.7%

Profile:

The Bossard Group is a leading international supplier of product solutions and services in industrial fastener and assembly technology. With its comprehensive product range of over 1,000,000 items, combined with its proven expertise in technical consulting (engineering) and inventory management (logistics), Bossard is one of the established companies in the industry, both as an end-to-end supplier and a partner. In addition, Bossard is a pioneer in developing intelligent production facilities in line with Industry 4.0.

The Group's customers include local and international industrial companies who use Bossard solutions to improve their productivity. With 2,500 employees in 77 locations throughout the world, the Group generated CHF 871.1 million in sales in 2018. Bossard is listed on the SIX Swiss Exchange.