



Media release
Heerbrugg, 17 November 2017

SFS is investing in its future growth

SFS has ramped up its capital expenditure this year to enlarge its manufacturing footprint, thereby setting the stage for further growth. In addition to several international projects, SFS is investing approximately CHF 50 million in the expansion of its sites in Switzerland.

SFS is investing over CHF 100 million in 2017 to strengthen its international competitiveness and maintain its good sales momentum. This sum exceeds the previous investment peak set in 2014.

Heerbrugg (CH): Electrification of automobiles is a growth driver for SFS

The trend towards autonomous driving will accelerate the electrification of vehicles and both trends represent major growth drivers for SFS. The development and installation of precision components require production capacity and necessitates substantial capital expenditure. In addition to production lines for cold forming, machining applications and hardening, SFS is investing about CHF 12 million out of the CHF 20 million total investment to expand its heat treatment capacity in Heerbrugg, Switzerland. The new facility, where construction is now complete, and the installation of new equipment lay the basis for realizing customer projects in the pipeline. This will ensure future growth at the Automotive division. For next year further investments are planned.

Jánossomorja (HU): Acquired customer projects necessitate capacity expansion

Approximately CHF 1.8 million is being invested to expand capacity in Hungary. Recently acquired new projects, the installation of new production equipment and the need for additional floorspace for finishing processes, ranging from chrome plating to assembly operations, made these investments imperative. The new production building ensures future growth with key customers in the automotive industry and will increase efficiency and competitiveness.

Rebstein (CH): Broader product range requires larger logistics platform

SFS is one of the leading suppliers of fasteners, construction tools and architectural hardware in Switzerland. In order to offer customers an even broader range of products, capacity at the logistics center in Rebstein, one of the most modern logistics sites in Europe, is being expanded at a cost of about CHF 11 million. The new building will increase storage space by about 5,000 pallets as well as 27'000 container spaces in the automated small-parts warehouse. Construction is scheduled to be completed by the end of 2018.

Thal (DE): Raising the bar in blind rivet manufacturing

To maintain a high level of manufacturing readiness and capture economies of scale, blind rivet manufacturing operations in Europe are being centralized at the factory in Thal, Germany. Thanks to the construction of a new facility for approx. CHF 14 million, the blind rivet manufacturing capacity in Germany will be doubled by end of 2018. This capital expenditure project will bring a lasting improvement in the competitive profile of the Riveting division (GESIPA®).



Nantong (CN): Strengthening of competitive position in China

The Electronics division (Unisteel) in Nantong, about an hour's drive from Shanghai, is building a new production hub of approx. 75,000m² at a cost of about USD 35 million (approx. CHF 34.7 million) to consolidate its business activities and sharpen its competitive edge in China. Consolidating the division's sites in the Shanghai region at one location will create synergies and boost production capacity for growth projects. Construction is scheduled to be completed at the beginning of 2019.

La Aurora de Heredia (Costa Rica): Expansion of production capacity

The Medical division (Tegra Medical) is growing rapidly in Costa Rica. In order to create the necessary capacity to handle this growth, the division has leased a second production building adjacent to its existing site. Besides Tegra Medical's core production technologies, the new site will also offer components using the SFS core technology plastic injection moulding. Customers will thus be able to choose from an even wider range of products and services going forward.

This high level of capital expenditure reflects SFS Group's attractive project pipeline and lays the groundwork for the realization of future growth potential. Thanks to these investment projects, SFS is confident it will maintain its currently good growth momentum.

About SFS Group

SFS is a leading global provider of mechanical fastening systems and precision components. SFS Group AG operates in the three segments Engineered Components, Fastening Systems and Distribution & Logistics, which reflects the respective business models. In the **Engineered Components** segment, SFS partners with customers to develop and manufacture customized precision components, fastening solutions and assemblies. The segment has four divisions, Automotive, Electronics, Industrial and Medical, and sells its products and services under the SFS intec (Automotive and Industrial), Unisteel (Electronics) and Tegra Medical (Medical) brands. In the **Fastening Systems** segment, which consists of the Construction and the Riveting divisions, SFS develops, manufactures and markets application-specific mechanical fastening systems under the SFS intec (Construction) and GESIPA (Riveting) brands. In the **Distribution & Logistics** segment with the SFS unimarket brand, SFS is a leading provider of fasteners, hand tools and power tools, hardware as well as innovative logistics solutions in Switzerland. SFS Group is a global player with manufacturing sites and distribution companies at more than 70 locations in 25 countries around the world. Sales amounted to CHF 1.437 billion in fiscal 2016 and the workforce numbered approximately 9,000.

For further information visit www.sfs.biz

For media enquiries, please contact:

SFS Group AG
Claude Stadler
Rosenbergsaustasse 8
9435 Heerbrugg
Switzerland

Direct: +41 71 727 51 85

E-mail: corporate.communications@sfs.biz

Share information

Security No. 23.922.930a
ISIN CH 023 922 930 2
SIX Swiss Exchange AG SFSN