

Tuebingen, July 3, 2017

The financial year 2016 was again excellent for the CHT Group – the growth continues

- With sales of 418 million EUR the year 2016 was the most successful one for the group of companies
- The EBIT 2016 of 47 million EUR is an absolute record in the company's history
- Investments are still at a high level – 14.5 million EUR invested in new technologies and in production sites worldwide
- The CHT Group positions itself with a new brand architecture and a new logo
- 2017 - Optimistic business expectation in a challenging market environment

For the medium-sized global player for speciality chemistry the financial year of 2016 was again very successful. With the highest sales volume in the company's history amounting to 418 million EUR the excellent business years of 2014/2015 could be topped again. The Group sales of 2016 were about 9 million EUR or 2 % above the previous year.

Especially concerning the result (EBIT) the CHT Group delivered an excellent performance in 2016. With 47 million EUR the operating result (EBIT) of the whole group in the business year achieved a value never obtained until present.

Particularly with regard to the moderate global economic increase in the presence of so many geopolitical and economic crisis regions and the slowed down growth of the global textile industry, this renewed growth is very positive. The positive sales development was mostly generated by the regions AMERICA and ASIA.

“For 2017 we expect a rather moderate sales increase and a slightly decreasing but still very good EBIT“, says Dr Frank Naumann, CEO of the

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CHT Group. “We are preparing ourselves for an increasingly difficult market environment, especially with regard to the present developments in Great Britain, USA, Turkey and in parts of Latin America presently in recession.”

In 2016, the CHT Group realised again a high investment volume with an amount of 14.5 million EUR (-39 % compared to 2015).

Apart from the completion of the new paste production in Dusslingen the investment priorities were in the fields of maintenance of the sites, infrastructure measures and new production technologies. In 2016 the total amount of investments were again above the branch average for comparable medium-sized chemical enterprises, and they were implemented in balanced proportion on a national and international scale.

In 2016, the CHT Group increased its worldwide production quantity compared to the previous year and achieved a volume of 159,913 tons (+14 % compared to 2015). The detailed analysis of individual sites shows that in all markets a successful growth could be achieved. The highest growth (11,232 tons) was achieved in Brazil in 2016 through the acquisition of Quimipel, an enterprise for the speciality chemicals applied for paper production.

Within the frame of “ONE Company“, the CHT Group worked out a new brand appearance for the whole group of companies in 2016. With the new slogan “Smart Chemistry with Character“, the company emphasizes not only its professional strengths. At the same time CHT puts into focus its consistent worldwide customer-driven commitment with regard to personal service and sustainable product offer.

In addition to this, the group of companies was able to further underpin its position as innovative partner in 2016. The research and development rate of the group of companies for 2016 was at 4.0 % (+0.2 p.p. compared to 2015). At the company headquarters in Germany it was 6.5 % (+0.5 p.p. above 2015).

For the business year 2017 the CHT Group expects again major challenges. A significant rebound of the worldwide chemical business is not presumed.

Nevertheless, the CHT Group considers its position as good to achieve the sophisticated targets of growth to 500 million Euro by 2020.

Despite an ongoing market consolidation and initially increasing costs for raw materials and a clear increase of the price pressure in the markets, the company expects a moderate sales increase but nevertheless a comfortable result for the financial year 2017.

At the end of 2016 the Group had 1,858 employees, about one third of them at the national sites of Tuebingen, Dusslingen, Oyten and Geretsried. The number of employees continuously increases worldwide and thus the CHT Group remains on a growth path as employer, too. The employees could also profit from the great business result in 2016. In April 2017, the employees of CHT R. Beitlich GmbH received a special premium of 1,000 EUR.

Sustainability will still be a key issue of the CHT Group. “We consider sustainability to be the basis of our company, it corresponds to our culture and our self-conception as global economic enterprise”, says Dr Frank Naumann CEO. “What we have already achieved, but also the targets which we will set ourselves for the coming years is comprised in our sustainability report 2016 which we are currently working on.”

About the CHT Group

The CHT Group, medium-sized global player and “hidden champion” for speciality chemistry, is worldwide active in development, production and sales. The CHT R. Beitlich GmbH in Tuebingen is the Group's headquarters.

The products improve the quality, the functionality and the performance of textiles, building materials, colours, coatings, papers and agrochemicals as well as cleaning and care products for the field of consumer goods industry.

By bundling the strengths of the entire group, innovative products, applications or processes are constantly being developed. Highly qualified specialists work in top equipped laboratories for development, analysis and application engineering in order to develop ideas and solutions in compliance with the most modern requirements.

The CHT Group with its own production and sales locations is represented by more than 20 companies worldwide. In the financial year 2016, the CHT Group generated a group turnover of 418 million Euro with around 1,900 employees.

For more information please visit us at www.cht.com

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