

## Mersen: 2013 second quarter sales

**Paris, July 26, 2013** - Mersen (Euronext FR0000039620 - MRN), a global expert in materials and equipment for extreme environments and for the safety and reliability of electrical equipment, recorded consolidated sales of €190.5 million for the second quarter of 2013.

*“We saw a limited recovery in business in the second quarter compared with the first quarter of 2013. Overall, the volume of business in the first half was in line with the second half of 2012. However, in what is still a very challenging economic environment, the Group does not expect any significant recovery in the second half. As a result, we are adjusting our sales target for 2013. All teams remain focused on the adjustment measures introduced at end-2012, which have already been more effective than expected. As a result, Mersen will be able to limit the impact of the decline in business volumes on its operating margin before non-recurring items, which is expected to be around 8% in the first half and between 8% and 8.5% for full-year 2013”* commented Luc Themelin, Chairman of Mersen’s Management Board.

### 2013 second quarter sales

Sales in the second quarter of 2013 totaled €190.5 million. They **were up 2.1%** on a like-for-like basis compared with the first quarter of 2013 but down 8.9% organically compared with the same period the previous year.

(in €million)	Q2 2013	Q2 2012	Total growth	Organic growth
Materials	76.9	92.7	-17.0%	-16.5%
Electrical	113.6	119.2	-4.7%	-3.0%
<b>Group total</b>	<b>190.5</b>	<b>211.9</b>	<b>-10.1%</b>	<b>-8.9%</b>
Europe	70.6	72.8	-3.0%	-3.1%
Asia-Pacific	40.2	58.7	-31.6%	-29.6%
North America	68.7	70.8	-2.9%	-1.1%
Rest of the World	11.0	9.6	15.1%	12.9%
<b>Group total</b>	<b>190.5</b>	<b>211.9</b>	<b>-10.1%</b>	<b>-8.9%</b>

*Unaudited figures - Sales figures restated for businesses held for sale*

Sales in the **Materials** segment were down 16.5% on an organic basis, owing to the slowdown in the solar energy market and most notably a decline in deliveries to polysilicon manufacturers. Excluding solar energy, the decline would have been limited to 5.7%. As in the second quarter of last year, the Group

benefited from continued substantial deliveries to the chemicals sector. It also benefited from the solid performance of the aeronautics market, while sales to process industries declined.

Sales to the **Electrical** segment were down 3.0% on a like-for-like basis. In Europe, the decline mainly affected process industries; in North America and Asia, there is a recovery in demand in the electronics market.

Economic conditions remained lackluster in **Europe** in the process and solar energy industries but the Group benefited in this region from the SABIC contract and the solid performance of the transportation sector which limited the sales decline to 3.1%.

In **Asia**, the 30% sales decrease was mainly due to the shift in chemical market deliveries in the first half of 2012 to Europe, North America and the Middle East this quarter. The region also saw a slowdown in the solar energy market as well as one-time deliveries of original wind farm equipment. Sales in Asia were nevertheless up over 5% on the first quarter of 2013.

In the **Americas**, the decline was limited to 1% over the quarter, with a slowdown in process industries and solid performances in the other markets.

### 2013 first half sales

The Group's sales for the first half totaled €377.0 million. They were **unchanged compared to the second half of 2012** and down 9.1% on a like-for-like basis compared with the first half of 2012.

(in €million)	H1 2013	H1 2012	Total growth	Organic growth
Materials	153.6	176.5	-13.0%	-12.6%
Electrical	223.4	242.8	-8.0%	-6.6%
<b>Group total</b>	<b>377.0</b>	<b>419.3</b>	<b>-10.1%</b>	<b>-9.1%</b>
Europe	142.7	146.6	-2.8%	-2.8%
Asia-Pacific	78.1	109.8	-28.9%	-26.9%
North America	136.3	142.4	-4.3%	-3.0%
Rest of the World	19.9	20.5	-2.6%	-3.9%
<b>Group total</b>	<b>377.0</b>	<b>419.3</b>	<b>-10.1%</b>	<b>-9.1%</b>

*Unaudited figures - Sales figures restated for businesses held for sale*

### Outlook

Given the outlook for a limited recovery in Asia and the ongoing economic challenges in Europe, the Group is now anticipating a sales target down 5% for the full year on a like-for-like basis, while it was previously expected sales in line with that of 2012.

However, thanks to the effectiveness of the restructuring plans implemented, the Group is limiting the impact of the decline in business on its margins and is now expecting:

- an operating margin before non-recurring items of around 8% in the first half of 2013
- an operating margin before non-recurring items of between 8% and 8.5% for the full-year (compared with a previous forecast of 9%)
- an EBITDA margin of between 13% and 13.5% of sales for 2013 (versus 14% forecast previously).

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### **Financial calendar**

*First half results: August 29, 2013 after market close*

### **About Mersen**

Global expert in materials and solutions for extreme environments as well as in the safety and reliability of electrical equipment, Mersen designs innovative solutions to address its clients' specific needs to enable them to optimize their manufacturing process in sectors such as energy, transportation, electronics, chemical, pharmaceutical and process industries.

With 6,800 employees in over 40 countries, Mersen achieved consolidated sales of €811 million in 2012.

*The Group is listed on NYSE Euronext Paris – Compartment B*

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