

Press release for the 2019 Annual General Meeting of RUAG

RUAG pays CHF 30 million in dividends

Berne, 2 May 2019. The Annual General Meeting of Shareholders of RUAG Holding AG took place today, Thursday, at the RUAG site in Emmen/LU. Federal Councillor Viola Amherd attended as a representative of the shareholder for the first time. The 2018 Annual Report was approved. The members of the Board of Directors and the Group Executive Board were discharged for the financial year 2018. RUAG pays a dividend of CHF 30 million to the Swiss Confederation.

As a representative of the sole shareholder - the Swiss Confederation - Federal Councillor Viola Amherd, head of the Swiss Federal Department of Defence, Civil Protection and Sport (VBS), approved the 2018 Annual Report and a dividend of CHF 30 million (previous year: CHF 40 million). This is therefore equivalent to about 41% of the Group's net profit. All members of the Board of Directors and the Group Executive Board were discharged for the financial year 2018. All members of the Board of Directors were also confirmed in office for another year. KPMG AG, Zurich, was reappointed as statutory auditor for a further period of one year.

Chairman Remo Lütolf was pleased with performance and the sustained growth course of RUAG: "The renewed strong growth is encouraging. Orders received and existing orders achieved record levels, but we are not satisfied with profitability." With respect to the forthcoming unbundling of the technology group, Lütolf added: "RUAG is about to undergo the biggest transformation in its history. After a ruling by the Federal Council on 15 March, work continues apace and I am convinced that MRO Schweiz will be the perfect equipment partner for the Swiss Armed Forces and RUAG International will be a Swiss flagship for the aerospace industry.

Overall, the Group generated net sales of CHF 1,998 million, representing an increase of CHF 44 million or 2.2%. EBIT and net profit fell by CHF 13 million and CHF 16 million respectively. The sharp decline in net profit is due to the higher tax rate, for which slightly reduced financial expenses compensated to some extent. All divisions except Aerostructures generated a profit. The order backlog increased overall to CHF 1,794 million (CHF 1,607 million), with new orders reaching as much as CHF 2,221 million (CHF 1,961 million). Both key figures show that RUAG is well prepared for the imminent unbundling. Further key figures on financial year 2018 can be found in the digital Annual Report, which is available on the Group website www.ruag.com and at annualreport.ruag.com.

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RUAG develops and markets internationally sought-after technology applications in the fields of aerospace, security and defence for use on land, in the air and in space. 56% of RUAG's products and services are destined for the civilian market and 44% for the military market. The Group is headquartered in Berne, Switzerland. It has sites in Switzerland and 14 other countries in Europe, the US and Asia-Pacific. RUAG generates sales of approximately CHF 2.0 billion and employs more than 9,100 people – of whom 400 are apprentices.