

Ascom achieved important milestones in 2018 and is well on track in executing its strategy

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Important milestones achieved in financial year 2018

- **Well on track towards becoming the best-in-class healthcare ICT and workflow solutions company**
- **Strong growth in the healthcare sector of about 5%**
- **Americas is back on its growth trajectory finishing 2018 with double-digit growth**
- **Launch of cutting-edge products and solutions**
- **Successful delivery of flagship projects such as Erasmus Medical Center in Rotterdam, which was a major proof point for the execution of the strategy**

Financial Results 2018

- **Net Revenue of CHF 318.5 million with a growth rate of 2.8% (1.7% at constant currencies)**
- **Incoming orders of CHF 329.6 million with a growth rate of 1.5%; order backlog increased by 4.4%**
- **EBITDA of CHF 39.0 million representing an EBITDA margin of 12.2%**
- **Group profit of CHF 21.4 million**
- **Equity ratio of 38.1% and a net cash position of CHF 1.2 million**

Dividend proposal

- **CHF 0.45 per share**

Outlook

- **2019 targets: 3-5% revenue growth and an improvement of the EBITDA margin of between 100 and 200 basis points compared to 2018**
- **Mid-term targets: mid-single digit revenue growth and an EBITDA margin converging towards 20%**

Solid growth in the second half-year 2018

2018 was a mixed year for Ascom. While financial results were disappointing, mainly due to sales shortfalls in Enterprise and OEM and higher costs in professional services, the Company achieved many important and key strategic milestones on the positive side.

In 2018, net revenue reached CHF 318.5 million compared to CHF 309.7 million in the previous year. With a net revenue of CHF 171.6 million (H2/2017: CHF 166.5 million), the second half-year was much stronger than the first six months. Overall, Ascom achieved revenue growth of 2.8% (at constant currencies 1.7%). Incoming orders showed a modest growth of 1.5% while the order backlog increased by 4.4%.

Despite the significant improvement in profitability in the second half-year with an EBITDA margin of 17.1% (after 6.5% for the first six months) Ascom did not quite meet the targeted EBITDA margin. In 2018, EBITDA reached CHF 39.0 million (2017: CHF 43.6 million), representing an EBITDA margin of 12.2% as compared to 14.1% in 2017.

Ascom closed the financial year 2018 with a Group profit of CHF 21.4 million (2017: CHF 25.9 million). The Company has a solid balance sheet with an equity ratio of 38.1% and net cash of CHF 1.2 million.

Dividend of CHF 0.45 per share

The Board of Directors is proposing a dividend of CHF 0.45 per share at the Annual General Meeting 2019, representing a payout of about 75% of Group profits.

Jeannine Pilloud proposed as new Chairperson of the Board of Directors

The Board of Directors proposes to the Annual General Meeting Jeannine Pilloud as new Chairperson. All five current members of the Board, Dr Valentin Chapero Rueda, Dr Harald Deutsch, Jürg Fedier, Christina Stercken and Andreas Umbach shall be re-elected for a further one-year term of office. Dr Valentin Chapero Rueda and Dr Harald Deutsch shall continue to act as members of the Compensation Committee.

Outlook

Ascom has a compelling equity story focusing on long-term profitable growth and cash generation to create value for all stakeholders. The growth in the healthcare sector and the successful turnaround of the American business were the major achievements in 2018. In addition, Ascom launched new cutting-edge products and solutions such as the purpose-built smartphone Ascom Myco 3, the new patient system Telligence 6, and the Elderly Care Platform SmartSense.

In 2019, the Company is aiming to exploit the numerous opportunities in its attractive market segments. The focus will be an acceleration of software sales and an improvement of the professional services. Moreover, Ascom is focusing on maintaining sustainable growth in North America.

In 2019, Ascom is targeting a revenue growth of 3–5% and an improvement of the EBITDA margin of between 100 and 200 basis points, compared to 2018. Ascom continues to see a business pattern strongly towards H2 seasonality. In the mid-term, Ascom expects mid-single digit revenue growth and an EBITDA margin converging towards 20%.

KEY FIGURES FISCAL YEAR 2018

Swiss GAAP FER

In CHFm	Ascom Group			
	2018	H2 2018	H1 2018	2017
Incoming orders	329.6	160.3	169.3	324.8
Net revenue	318.5	171.6	146.9	309.7
EBIT	26.6	23.0	3.6	33.2
<i>EBIT margin in %</i>	8.4%	13.4%	2.5%	10.7%
EBITDA	39.0	29.4	9.6	43.6
<i>EBITDA margin in %</i>	12.2%	17.1%	6.5%	14.1%
Group profit	21.4			25.9
Employees (FTE) at 31.12.	1,246			1,223

MEDIA RELEASE

The complete 2018 Annual Report of the Ascom Group and the Full Year Results Presentation 2018 are available in English only and can be viewed online at

<http://www.ascom.com/corp/investor-relations/reports-presentation.html>

Audio Live Webcast to the full-year media conference is starting at Thursday, 7 March 2019, 10.00 CET. Please join online via

<http://swisscomstream.ch/ascom/audiowebrtc/>

About Ascom

Ascom is a global solutions provider focused on healthcare ICT and mobile workflow solutions. The vision of Ascom is to close digital information gaps allowing for the best possible decisions – anytime and anywhere. Ascom’s mission is to provide mission-critical, real-time solutions for highly mobile, ad hoc, and time-sensitive environments. Ascom uses its unique product and solutions portfolio and software architecture capabilities to devise integration and mobilization solutions that provide truly smooth, complete, and efficient workflows for healthcare as well as for industry and retail sectors.

Ascom is headquartered in Baar (Switzerland), has operating businesses in 18 countries and employs around 1,300 people worldwide. Ascom registered shares (ASCN) are listed on the SIX Swiss Exchange in Zurich.

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