

MERSEN: STRONG GROWTH IN FIRST-QUARTER 2019; SALES UP +15% - LIKE-FOR-LIKE GROWTH OF 8%

- STRONG START TO THE YEAR IN LINE WITH EXPECTATIONS
- IMPORTANT DELIVERIES THIS QUARTER FOR THE CHEMICALS MARKET
- CONTRIBUTION OF MORE THAN €8 MILLION FROM COMPANIES ACQUIRED IN 2018
- 2019 OBJECTIVES CONFIRMED

PARIS, APRIL 24, 2019 – Mersen (Euronext FR0000039620 – MRN), a global expert in electrical power and advanced materials, has reported consolidated sales of €240 million for the first quarter of 2019.

Luc Themelin, Mersen’s Chief Executive Officer, commented: *“Following on from 2018, Mersen continues to capitalize in full on a strong market position and generate robust growth despite a high basis of comparison. Growth was driven by momentum in the semiconductor, transportation and process industries markets and by important deliveries for the chemicals market, as the Group once again demonstrated its ability to efficiently meet demand.”*

LIKE-FOR-LIKE GROWTH OF MORE THAN 8% IN FIRST-QUARTER 2019 SALES

Mersen reported consolidated sales of €240 million for the first quarter of 2019, up 8.4% like for like. Including the companies acquired or formed in 2018 and a favorable currency effect linked primarily to the appreciation of the US dollar, sales grew by 15.3% as reported.

In millions of euros	Q1 2019	Q1 2018	Like-for-like growth	Scope effect	Currency effect	Reported growth
Advanced Materials	139.3	116.0	16.6%	0.7%	2.3%	20.0%
Electrical Power	101.2	92.6	-1.8%	7.8%	3.4%	9.3%
Europe	84.0	73.1	6.4%	9.2%	-0.5%	15.0%
Asia-Pacific	63.6	58.4	4.9%	1.3%	2.5%	8.9%
North America	83.7	69.6	11.4%	0.8%	7.2%	20.2%
Rest of the World	9.1	7.5	26.6%	0.8%	-4.5%	21.7%
Group	240.5	208.6	8.4%	3.9%	2.8%	15.3%

Unaudited figures
See glossary

Like-for-like sales in **Advanced Materials** rose by a steep 16.6% year on year to end the quarter at €139 million. The chemicals market was particularly dynamic, and the process industries, semiconductor and aeronautics markets were also buoyant. As expected, the solar energy market contracted as a result of the slowdown in installations in China.

Electrical Power sales increased 9.3% to at €101 million for the quarter, driven by the contribution from companies acquired in 2018, particularly FTCap and Idealec. Like-for-like growth was slightly negative on the back of lower number of power electronics projects after a particularly strong period in first-quarter 2018. Electrical distribution in the United States was stable compared to the previous year, while the electric vehicles market enjoyed good momentum.

In **Europe**, growth was particularly robust in the chemicals and green transportation (rail and electric vehicles) markets. In **Asia**, a brisk upward trend in the chemicals and electronics markets offset the slowdown in solar power. Lastly, growth in **North America** remained strong, thanks to the electronics and process industries markets.

SUCCESSFUL PRIVATE PLACEMENT AT COMPETITIVE CONDITIONS

Mersen has successfully secured a seven-year Schuldschein private placement loan for €130 million, at competitive conditions (fixed-rate tranche with a coupon of 1.58%). This financing facility, placed with a pool of European and Asian investors, has been subscribed by more than 200% of the initial request.

This transaction extends the average maturity of the Group's financing facilities to more than five years^[1], allows for the repayment of a US private placement tranche of €37 million due to mature in November 2019, and further diversifies the Group's sources of funding. It demonstrates the support and confidence of our financial partners in Mersen's financial strength and growth strategy.

2019 OBJECTIVES CONFIRMED

The first quarter of 2019 met the Group's expectations of sustained, positive momentum in Europe and North America. Mersen therefore confirms its objectives announced on March 13, 2019 of like-for-like sales growth of between 2% and 5% for an operating margin before non-recurring items of between 10.5% and 10.7% (10.4% in 2018).

^[1] Based on confirmed facilities used.

GLOSSARY

Like-for-like growth: determined by comparing sales for the year with sales for the previous year, restated at the current year's exchange rate, excluding acquisitions and/or disposals.

Scope effect: contribution from companies acquired in the year in relation to sales for the year.

- Idealec, a recognized designer and manufacturer of laminated bus bars, has been consolidated since April 1, 2018.
- The acquisition of FTCap, a Germany-based company specializing in the development and production of capacitors, was finalized in July 2018. It has been consolidated since July 1, 2018.
- Louisville Graphite Inc. (LGI), a company based in the United States which provides aftermarket and repair services, was acquired in July 2018. It has been consolidated since July 1, 2018.
- The Mersen Galaxy joint venture in China has been consolidated since November 1, 2018.

Currency effect: calculated by comparing sales for the previous year at the exchange rate of the previous year with sales for the previous year at the exchange rate of the current year.

FINANCIAL CALENDAR

First-half 2019 results: July 31, 2019 before market open

ABOUT MERSEN

A global expert in electrical power and advanced materials, Mersen designs innovative solutions to address its clients' specific needs to enable them to optimize their manufacturing performance in sectors such as energy, electronics, transportation, chemicals & pharmaceuticals and process industries.

Mersen, with its 6,900 employees working across 35 countries, recorded sales of €879 million in 2018.

MERSEN IS LISTED ON Euronext Paris – COMPARTMENT B

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