

Performance highlights

Group key figures		(in CHF million)		
	2018	2017 (restated)	Change (%)	
Revenue	1 364	1 112	23	
Gross profit	1 019	841	21	
excl. exceptionals	1 028	842	22	
EBITDA	395	324	22	
excl. exceptionals	404	326	24	
Operating profit (EBIT)	343	283	21	
excl. exceptionals	351	285	23	
Net profit	278	282	(2)	
excl. exceptionals	274	230	19	
Cash generated from operating activities	277	217	28	
Capital expenditure	110	74	47	
Free cash flow	169	145	17	
Basic EPS (in CHF)	17.24	18.04	(4)	
excl. exceptionals	16.99	14.65	16	
Employees (at year end)	5 954	4 881	22	

Overview of exceptional effects

The following effects are treated as 'exceptionals' to facilitate a like-for-like comparison. The term 'underlying' in this report refers to accounting figures excluding these effects.

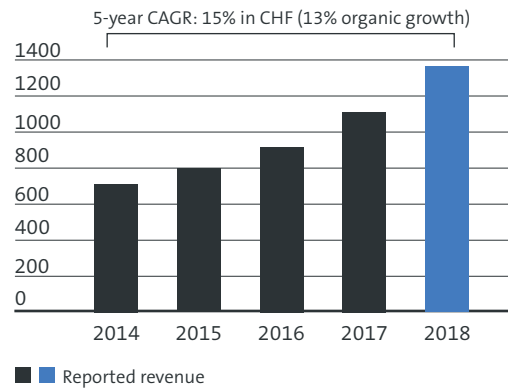
Non-cash-relevant effects from acquisitions and business combinations in 2018:

- The acquisition of Batigroup led to an exceptional inventory-revaluation expense of CHF 8.8m, which is reported under 'Costs of goods sold', as well as a tax benefit of CHF 1.9 million.
- The Group increased its ownership in Createch Medical from 30% to full ownership. This led to a consolidation gain of CHF 3.8m below the EBIT line.
- The Group increased its stake in T-Plus from 49% to 58% and consolidated the business. This led to a consolidation gain of CHF 6.9 million below the EBIT line.

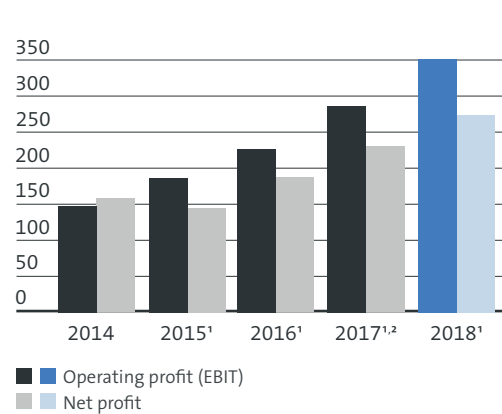
In 2017, the Group restated its consolidated financial statements retrospectively to reflect changes in the fair values of identifiable assets and liabilities due to the final purchase-price allocation of ClearCorrect in September 2017. The adjustment reduced EBIT by CHF 0.3 million but increased net profit by CHF 6.6 million.



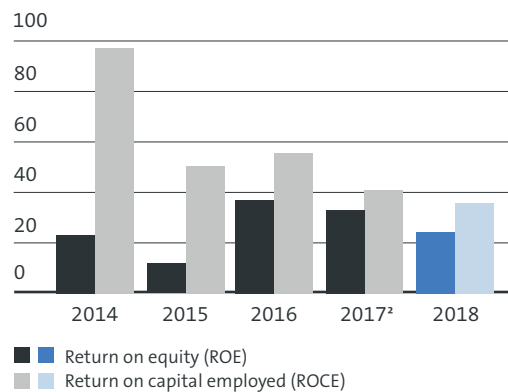
Revenue (in CHF million)
More on pp. 36 ff.



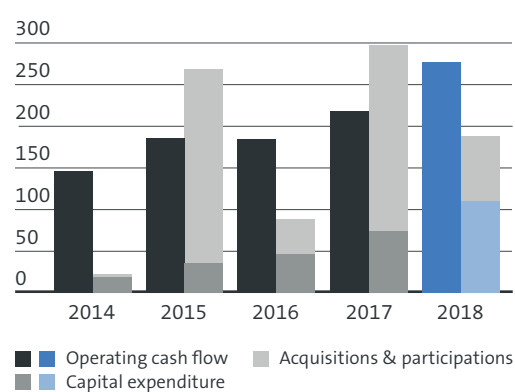
Operating and net profit (in CHF million)
More on pp. 37 ff.



Profitability (in %)
More on pp. 49 ff.



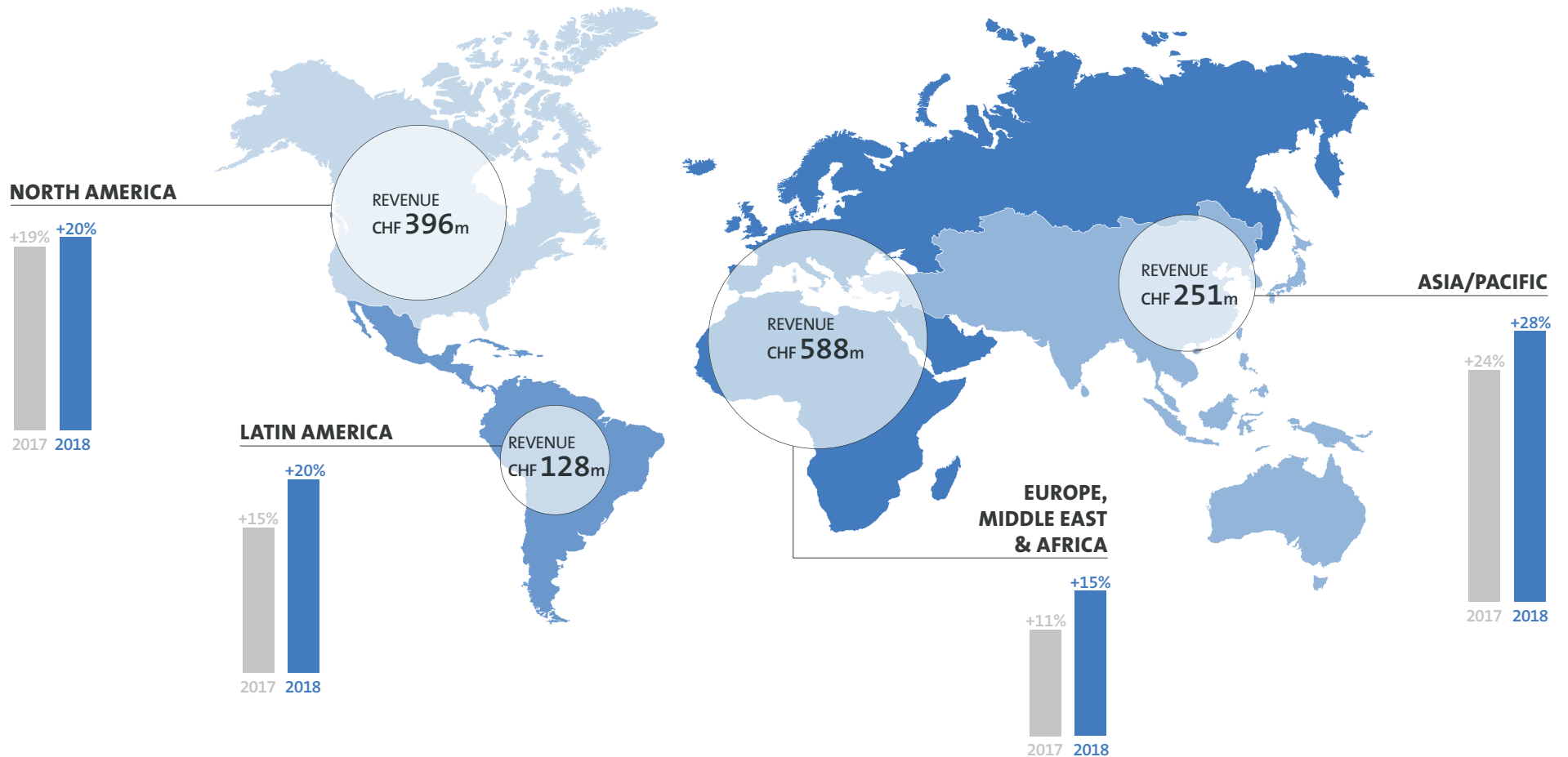
Cash flow and investments (in CHF million)
More on pp. 39 ff.



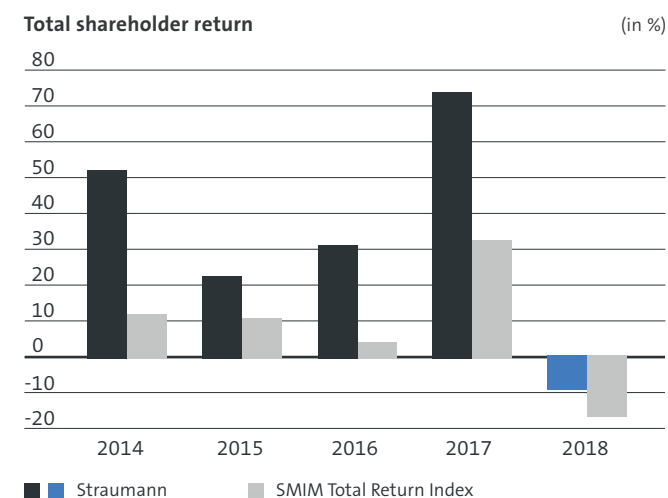
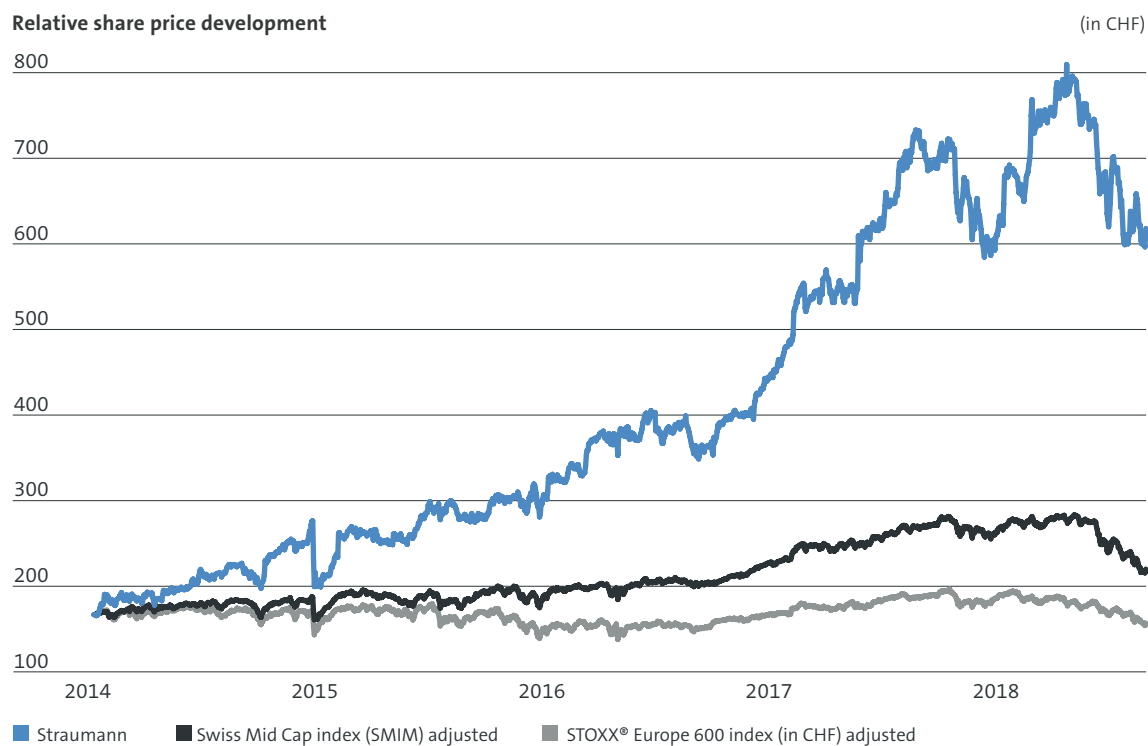
1 Excluding exceptionals.
2 Restated.

Organic growth by region

The Group made excellent progress in fast-growing emerging markets like China, Russia, Brazil and Turkey. The largest regional contribution to growth came from EMEA, which grew 15% organically and is our biggest region. The other three regions all grew at or more than 20%.



Share information



Share information (in CHF)

	2018	2017
Earnings per share (EPS) ¹	16.99	14.65
Ordinary dividend per share	5.25 ²	4.75
Payout ratio ¹	31%	32%
Share price at year end	618.00	688.50

¹ 2017 restated; excluding exceptionals and one-time effects.

² Payable in April 2019 subject to shareholder approval.