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Strong sales, record profitability and cash flow

Compared to the high base in the first half of 2020, order intake remained stable (0.2% increase), while it decreased 3.3% organically due to the anticipated drop in Energy. Sales increased by a significant 9.2% (6.1% organically) which contributed to a record high operational profitability of 10.0%. Besides higher volumes, additional CHF 23 million of savings from structural actions also helped to achieve this result. Free cash flow reached CHF 117.1 million, a jump of CHF 80.3 million compared with last year.

Note: If not otherwise indicated, changes from the previous year are based on currency-adjusted figures. Sulzer uses some alternative performance measures, these are defined in the Sulzer Annual Report 2020.

Stable order intake and positive mix effect

Thanks to continued sequential order intake growth, Sulzer's order intake remained stable (0.2% increase) in the first half of 2021, totaling CHF 1'820.4 million – despite a high comparable base in 2020. Acquisitions contributed CHF 67.4 million to order intake. Currency translation effects had a negative impact on order intake of CHF 24.0 million. Order intake gross margin increased to 35.3%, well up from 33.3% in H1 2020 on the back of a better mix.

In the first half of 2021, Sulzer achieved robust sequential growth in order intake. Thanks to swift structural actions to mitigate the drop in Energy, as well as solid execution, we have surpassed pre-pandemic levels of profitability and cash flow generation.

Jill Lee, Chief Financial Officer

Order intake growth in Water and Industry within Pumps Equipment could only partially offset the anticipated drop in Energy, leading to a decrease of 15.3% (–20.2% organically) in the division. Water orders increased by 25.2%, including 7.0% organic growth and CHF 39.4 million from the Nordic Water acquisition. Industry also saw a strong first half-year, with orders up 5.8%. Due to the anticipated drop in demand and continued order selectivity, the Energy segment declined by 49.5%. Compared to the record high first half of 2020, the Rotating Equipment Services division recorded an order intake decline of 5.6%. In Q2 2021, the division saw the highest quarterly order intake since Q1 2020, emphasizing the positive sequential momentum in all regions as customers begin to ease site access restrictions. Chemtech's order intake increased by 12.8%, driven by increases in the US and China, as well as the growing Renewables segment. In the Applicator Systems division, orders reached a record level of CHF 268.9 million on the back of a strong market rebound. The Haselmeier acquisition contributed CHF 25.5 million. Compared to the prior year, orders increased by 69.4% or 53.3% organically.

We enter the second half of 2021 with a high order backlog of CHF 1'948.9 million (December 31, 2020: CHF 1'758.9 million). Positive currency translation effects totaled CHF 31.1 million.

Orders

millions of CHF	2021	2020
Order intake	1’820.4	1’840.5
Order intake gross margin	35.3%	33.3%
Order backlog as of June 30/ December 31	1’948.9	1’758.9

Sales rebound in all divisions

Sales increased by 9.2% compared to the first half of 2020, reaching CHF 1’723.3 million. Organic growth was 6.1% with acquisitions adding CHF 52.1 million, while negative currency translation effects amounted to CHF 22.3 million.

The Pumps Equipment division increased its sales by 8.8% (4.4% organically). Taking into account the successful Nordic Water acquisition, sales in Water increased by 23.7% and 9.3% organically. Along with 12.6% higher sales in Industry, the sales decline in Energy (–4.7%) was more than offset. Sales in Rotating Equipment Services grew in all regions with the continued easing of customer site restrictions, reaching an increase of 1.3% year-on-year. In Chemtech, sales were up by 7.7% thanks to strong execution in China and a reduced impact from lockdowns compared to last year. Sales in Applicator Systems rebounded strongly with 38.4% growth. The Haselmeier acquisition contributed CHF 21.3 million. Healthcare now represents 38.5% of the division’s sales.

Higher gross profit margin on volume and mix

Gross profit margin increased to 31.2% in the first half of 2021 (2020: 29.8%), thanks to higher sales volume, a larger share of high-margin business and positive impact from implemented cost actions, resulting in an increased gross profit of CHF 538.5 million (first half of 2020: CHF 476.0 million).

Operational profitability at 10%

Operational profit amounted to CHF 171.6 million compared with CHF 120.2 million in the first half of 2020, an increase of 43.5%. The higher gross profit from increased sales and a better mix was further supported by CHF 23 million savings from cost reduction measures in the Energy-related business and continued spending discipline.

Operational profitability reached a record H1 high of 10.0%, compared with 7.5% in H1 2020.

Bridge from EBIT to operational profit (January 1 – June 30)

millions of CHF	2021	2020
Operating income (EBIT)	**128.7**	**36.0**
Amortization	35.7	31.6
Impairments on tangible and intangible assets	0.9	4.2
Restructuring expenses	2.0	42.0
Non-operational items[1)]	4.3	6.4
Operational profit	**171.6**	**120.2**

1) Non-operational items include significant acquisition-related expenses, gains and losses from sale of businesses or real estate (including release of provisions), and certain non-operational items that are non-recurring or do not regularly occur in similar magnitude.

ROS and operational profitability (January 1 – June 30)

millions of CHF	2021	2020
Operating income (EBIT)	128.7	36.0
Sales	1’723.3	1’598.5
Return on sales (ROS)	**7.5%**	**2.3%**
Operational profit	171.6	120.2
Sales	1’723.3	1’598.5
Operational profitability	**10.0%**	**7.5%**

Return on sales of 7.5%

One-off expenses in the first half of 2021 amounted to CHF 7.2 million, compared to CHF 52.6 million in H1 2020. The expenses relate to the structural actions to adapt Sulzer’s Energy-related activities, initiated in the first half of 2020.

EBIT amounted to CHF 128.7 million, compared with CHF 36.0 million in the first half of 2020. Return on sales (ROS) was 7.5% compared with 2.3% in the same period of 2020.

Financial expenses

Total financial expenses amounted to CHF 13.4 million, compared with CHF 12.3 million in the first half of 2020. The majority of the increase is due to higher interest on borrowings.

Lower effective tax rate

Income tax expenses increased to CHF 27.9 million (2020: CHF 6.7 million) mainly due to higher pre-tax income. The effective tax rate for the first half of 2021 decreased to 24.4% compared with 28.4% in the first half of 2020, due to lower restructuring expenses with no corresponding tax effects and a more favorable allocation of profitability among the group’s entities.

Higher core net income

Net income increased to CHF 86.3 million compared with CHF 16.8 million in the previous year. Core net income, which excludes restructuring expenses, amortization, impairments, non-operational items and the tax-adjusted effects of non-operational items, totaled CHF 119.3 million, compared with CHF 81.5 million in the first half of 2020. Basic earnings per share increased from CHF 0.45 in the first half of 2020 to CHF 2.53 in the first half of 2021, primarily due to higher net income.

Bridge from net income to core net income

millions of CHF	2021	2020
Net income	**86.3**	**16.8**
Amortization	35.7	31.6
Impairments on tangible and intangible assets	0.9	4.2
Restructuring expenses	2.0	42.0
Non-operational items [1)]	4.3	6.4
Tax impact on above items	–9.9	–19.4
Core net income	**119.3**	**81.5**

1) Other non-operational items include significant acquisition-related expenses, gains and losses from sale of businesses or real estate (including release of provisions), and certain non-operational items that are non-recurring or do not regularly occur in similar magnitude.

Key balance sheet positions

If not otherwise indicated, balance sheet movements from the previous year are based on nominal figures.

Total assets as of June 30, 2021, amounted to CHF 5’603.9 million, an increase of CHF 239.1 million from December 31, 2020. Non-current assets increased by CHF 188.7 million to CHF 2’390.7 million, mainly because of higher goodwill (CHF 76.5 million, due to CHF 53.8 million from new acquisitions and FX impact), higher other intangible assets (CHF 60.1 million) and higher property, plant and equipment (CHF 20.5 million). Current assets increased by CHF 50.5 million. Cash and cash equivalents increased by CHF 169.3 million. Current financial assets, comprised of fixed-term deposits with maturity dates between 3 and 12 months, decreased by CHF 302.2 million. The higher sales volume led to increases in inventories (CHF 67.1 million), contract assets (CHF 54.4 million) and supplier advances (CHF 16.5 million). Trade accounts receivables decreased (CHF 24.1 million), whereas other current receivables and prepaid expenses increased by CHF 74.8 million, mainly due to higher pension overfunding in Switzerland.

Total liabilities increased by CHF 187.1 million to CHF 4’134.7 million as of June 30, 2021. The main reasons were increases in undistributed dividends (CHF 43.5 million), other current liabilities (CHF 58.1 million), and contract liabilities (CHF 45.8 million) due to higher project-business sales and deferred income tax liabilities (CHF 38.8 million).

Equity increased by CHF 52.1 million to CHF 1’469.3 million. This was mainly driven by net income (CHF 86.3 million), currency translation effects (CHF 75.1 million) and the remeasurement of defined benefit obligations (CHF 55.6 million). These were offset by dividend distribution (CHF 137.5 million, of which CHF 2.1 million for non-controlling interests), and the acquisition of non-controlling interests (CHF 17.3 million).

Record free cash flow generation

Free cash flow amounted to CHF 117.1 million in the first half of 2021, a significant improvement compared to CHF 36.8 million reported in the same period last year, driven by higher net income and improved working capital efficiency.

Bridge from cash flow from operating activities to free cash flow (FCF)

millions of CHF	2021	2020
Cash flow from operating activities	**155.1**	**91.8**
Purchase of intangible assets	–4.0	–5.4
Sale of intangible assets	0.0	0.0
Purchase of property, plant and equipment	–38.9	–54.3
Sale of property, plant and equipment	4.9	4.7
Free cash flow (FCF)	**117.1**	**36.8**

Cash flow from investing activities totaled CHF 129.1 million, compared with CHF –17.3 million in the first half of 2020. In the first half of 2021, cash flow from investing activities was influenced by CHF 38.9 million for purchases of property, plant and equipment, CHF 130.8 million related to investment in subsidiaries and associates, mostly related to the acquisition of Nordic Water, and CHF 302.5 million from net change in financial assets.

Cash flow from financing activities totaled CHF –149.7 million compared with CHF –120.6 million in the first half of 2020, mainly due to the acquisition of non-controlling interests of CHF 17.3 million. In 2021, dividend payments amounted to CHF 91.9 million, compared with CHF 92.6 million in 2020.

The net change in cash since January 1, 2021, amounted to CHF 169.3 million, including exchange gains on cash and cash equivalents of CHF 34.9 million.

Outlook for 2021

The positive trend in order intake continued in Q2, with all divisions again seeing sequential growth. While Q3 is likely to be seasonally lower, we expect it to show a strong improvement compared to the previous year, driven by continued growth in Applicator Systems and Chemtech, along with re-accelerating activities in Rotating Equipment Services and sustained growth in Water and Industry in Pumps Equipment.

Sulzer confirms its guidance that was updated on its Capital Markets Day in mid-June: For the full year 2021, Sulzer expects orders to increase by 4–6%[1], sales to be up 8–10%[1] and an operational profitability in the range of 10.0–10.5%.

Without medmix, Sulzer expects 2021 orders to be up 2–3%[1] and sales up 6–8%[1]. Operational profitability is expected to be around 9%, above prepandemic levels.

[1] Adjusted for FX and including acquisitions already closed.

Strong Water and Industry growth, solid execution with significant uplift in operational profitability

In the first half of 2021, orders in Water and Industry grew 25.2% and 5.8% respectively. With 41%, Water is now the biggest segment in the Pumps Equipment (PE) division. Sales increased significantly by 8.8% compared to the same period in 2020. Faster realization of savings from structural cost actions and a better mix led to an increase in operational profitability of 5.0%, up from 3.1%. PE is on track with the integration of Nordic Water, announced in January 2021, which expands its leading position in the water market, one of Sulzer's strategic growth priorities.

Note: If not otherwise indicated, changes from the previous year are based on currency-adjusted figures.

Capturing growth opportunities in Water and Industry

Global megatrends like growing populations, urbanization and water scarcity along with the push towards sustainability are unlocking significant growth potential in the Water and Industry businesses. With a complete product portfolio and as a critical equipment supplier throughout the entire water ecosystem and for process-critical industrial applications, Sulzer is uniquely placed to capitalize on the expected growth in the global water and industry markets.

In the beginning of February 2021, Sulzer closed its acquisition of Nordic Water, a leading supplier of water treatment technologies. With this complementary addition to PE's portfolio, Water has become the largest single segment in the PE division, amounting to 41% of PE. The integration of Nordic Water is progressing well. This acquisition will further solidify Sulzer's position with one of the broadest range of water pumping and treatment solutions.

Green energy from wastewater treatment

The growing push towards sustainability and focus on protecting natural resources reinforce the importance of Sulzer's solutions. In Wastewater, for example, where Sulzer occupies a leading global position, we helped transform one of Europe's biggest wastewater plants in Vienna from a major energy consumer to a sustainable net energy producer. Using a range of our highly efficient turbocompressors and mixers, the plant is helping reduce the city's annual carbon emissions by 40'000 tonnes.

We achieved increased orders and sales in Water and Industry, our strategic growth segments. Supported by the early and successful implementation of our Energy Resilience program, we were able to significantly boost our operational profitability. Going forward, we are perfectly positioned to capture growth opportunities.

Frédéric Lalanne, Division President Pumps Equipment

Key figures Pumps Equipment (January 1 – June 30)

millions of CHF	2021	2020	Change in +/–%	+/–% adjusted[1]	+/–% organic[2]
Order intake	626.8	744.0	–15.8	–15.3	–20.2
Order intake gross margin	30.8%	26.7%			
Order backlog as of June 30/ December 31	869.8	845.0	2.9		
Sales	663.9	616.6	7.7	8.8	4.4
Operating income (EBIT)	14.8	–27.1	n/a		
Operational profit	33.2	19.2	72.9	70.5	56.8
Operational profitability	5.0%	3.1%			
Employees (number of full-time equivalents) as of June 30/ December 31	5’408	5’362	0.9		

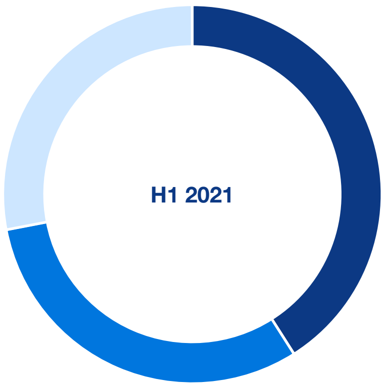
1) Adjusted for currency effects.
2) Adjusted for acquisition and currency effects.

Water and Industry growth could not entirely offset the anticipated decline in Energy

In the first six months of 2021, orders in Water and Industry continued to grow by 25.2% and 5.8% respectively. However, these increases were not able to offset the anticipated decline in Energy (–49.5%). The decline can be attributed to a strong first half of 2020 and continued order selectivity.

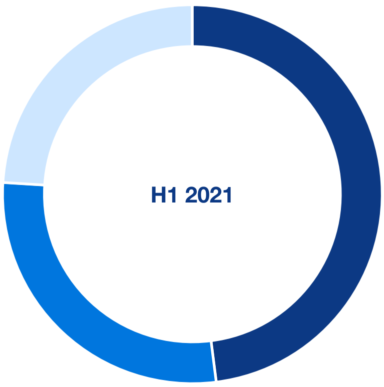
We expect a rebound in the energy market in the second half of the year, along with continued momentum in Water and Industry.

Order intake by segment



- **41%** Water
- **31%** Industry
- **28%** Energy

Order intake by region



- **48%** Europe, the Middle East and Africa
- **28%** Americas
- **24%** Asia-Pacific

Strong execution and significant operational profitability uplift

Sales saw an increase of 8.8% versus the previous year, mainly driven by Water and Industry (+23.7% and +12.6% respectively). These increases were able to more than offset the decreased sales in Energy due to customer delays of large projects in the Middle East.

PE achieved a strong increase in operational profitability to 5.0%, up from 3.1%, supported by the significant growth in Water and Industry, as well as implemented cost-out measures from Sulzer's Energy Resilience program.

Resilient performance and accelerating digitalization

Orders continued their sequential growth, while sales increased 1.3% year-on-year. Operational profitability increased year-on-year from 12.1% to 13.4%, mainly driven by strong execution and cost discipline. Rotating Equipment Services (RES) is a key enabler in the transition to sustainable practices through digitalization, helping customers minimize their environmental footprint.

Note: If not otherwise indicated, changes from the previous year are based on currency-adjusted figures.

Driving growth and sustainability

As part of Sulzer's overall sustainability strategy, the RES division is helping lead the energy transition to more sustainable products and practices. There is a growing demand for retrofits and upgrades from our customers who are looking to maximize the efficiency and sustainability. Retrofits can significantly lower energy consumption, operating costs and waste, while improving the performance of the whole system — thanks to the world-class efficiency of Sulzer's products. Retrofits therefore represent a key strategic priority for Sulzer, as well as increasing our market share in servicing renewable energy installations such as wind power, biomass and waste-to-energy plants.

We are also reinventing the way we do business with advanced data analytics and additive manufacturing. Our analytics through Sulzer's BLUE BOX artificial intelligence solution allow us to identify pumps that are underperforming for retrofit and optimization — before the problems arise. Thanks to increasing additive manufacturing and our global production and service center network giving us unbeatable proximity to our customers, we are becoming faster and more flexible regarding repairs, spare-parts and retrofits — helping us to drive growth.

Our highly efficient technologies, combined with customer proximity through our global network and extensive service offering, can help our customers significantly minimize their environmental footprint. We are therefore well-positioned to support our industries to transition towards a more sustainable future.

Daniel Bischofberger, Division President Rotating Equipment Services

Key figures Rotating Equipment Services (January 1 – June 30)

millions of CHF	2021	2020	Change in +/–%	+/–% adjusted[1]	+/–% organic[2]
Order intake	570.8	617.0	–7.5	–5.6	–6.0
Order intake gross margin	37.3%	39.0%			
Order backlog as of June 30/ December 31	496.1	435.0	14.0		
Sales	525.5	528.1	–0.5	1.3	0.9
Operating income (EBIT)	66.3	51.2	29.4		
Operational profit	70.3	64.0	9.8	11.3	10.7
Operational profitability	13.4%	12.1%			
Employees (number of full-time equivalents) as of June 30/ December 31	4'510	4'449	1.4		

1) Adjusted for currency effects.

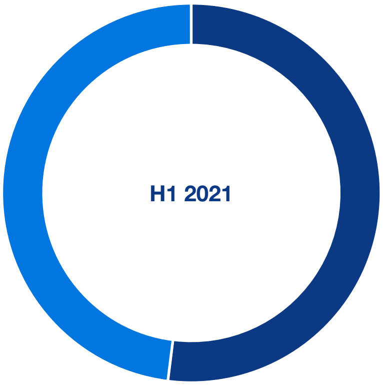
2) Adjusted for acquisition and currency effects.

Growing sequential order intake

Order intake in the second quarter grew a further 7.3% sequentially, following a 10.3% sequential rise from Q4 2020 to Q1 2021, confirming a continuing positive upward trend. Customer site restrictions continued to ease in the first half of the year. Orders in H1 2021 saw a 5.6% decrease, mainly due to record high order intake in H1 2020 and postponement of some projects by customers.

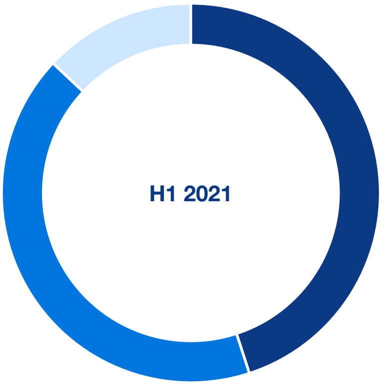
The Americas (AME) region is now seeing the strongest rebound in maintenance activities. The other regions are experiencing a similar trend, and all regions grew sequentially in the first and second quarters of 2021.

Order intake by segment



52% Pumps Services
48% Other Equipment

Order intake by region



45% Europe, the Middle East and Africa
42% Americas
13% Asia-Pacific

Higher sales and operational profitability

Sales in the RES division increased 1.3%, thanks to a healthy backlog entering the year. Sales increased in all regions — Americas, Europe, the Middle-East and Africa, and Asia-Pacific.

Compared with the first half of 2020, operational profitability increased to 13.4%, up from 12.1%, mainly thanks to strong execution and cost discipline.

Strong growth and profitability, increasing Renewables

In the first half of 2021, orders, sales and profitability increased in the Chemtech (CT) division compared to the same period a year ago. The division is well–placed to expand its leading position in Chemicals and to foster its Renewables business, taking advantage of the attractive growth potential in these markets.

Note: If not otherwise indicated, changes from the previous year are based on currency-adjusted figures.

Two thirds of Chemtech’s business in Chemicals and Renewables

Today, around two-thirds of Chemtech’s business comes from the fast-growing chemicals and renewables markets. Having demonstrated its resilience during the pandemic, Chemtech is well-positioned to take advantage of opportunities in these markets and offers solutions to some of society’s pressing problems. The renewables market is continuously gaining momentum as the world accelerates its shift towards sustainability.

Accelerating growth into Renewables and bio-based applications

Our equipment and proprietary process technologies enable the efficient production of clean and renewable fuels, chemicals, biopolymers, food, fragrances and pharmaceuticals, while helping our customers to save energy, reduce emissions, and minimize waste.

For example, Chemtech is the market leader in the production of polylactic acid (PLA), the most commonly used degradable bioplastic in the world. Sulzer expects the market for PLA to more than double in the next five years as the world increasingly turns to renewable bioplastics. Chemtech’s technologies also enable circularity and carbon reduction. In the first half of 2021, Chemtech announced its partnership with Blue Planet to reduce CO_2 from a variety of industrial activities, including power, steel, cement, refining and other CO_2 emitting industries. Chemtech is developing a highly specialized carbon capture unit that will form a key part of Blue Planet’s solutions. The technology can be used to sustainably transform these industries by sequestering CO_2 emissions in a solid form to be used in other applications — for example to create carbon-neutral or carbon-negative concrete.

Our strategic focus on Chemicals and Renewables is presenting great opportunities for Sulzer. In the first half of the year, orders, sales and profitability increased, thanks to strong execution and a well-managed recovery following lockdowns.

Torsten Wintergerste, Division President Chemtech

Key figures Chemtech (January 1 – June 30)

millions of CHF	2021	2020	Change in +/–%	+/–% adjusted[1]	+/–% organic[2]
Order intake	353.9	319.4	10.8	12.8	12.8
Order intake gross margin	30.3%	30.5%			
Order backlog as of June 30/ December 31	458.2	396.9	15.4		
Sales	305.6	287.8	6.2	7.7	7.7
Operating income (EBIT)	21.1	10.6	99.1		
Operational profit	27.7	23.0	20.3	20.2	20.2
Operational profitability	9.1%	8.0%			
Employees (number of full-time equivalents) as of June 30/ December 31	3'536	3'221	9.8		

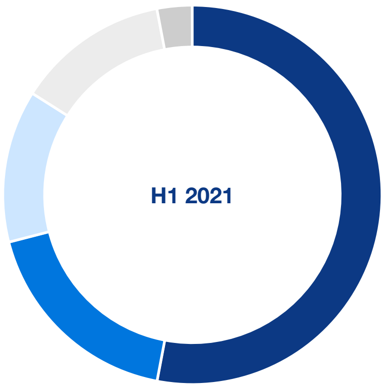
1) Adjusted for currency effects.
2) Adjusted for acquisition and currency effects.

Order intake growing across all regions

Chemtech's order intake increased by 12.8% in the first half of the year. This increase was supported by growth in all regions as markets continued to recover from the adverse effects of the pandemic.

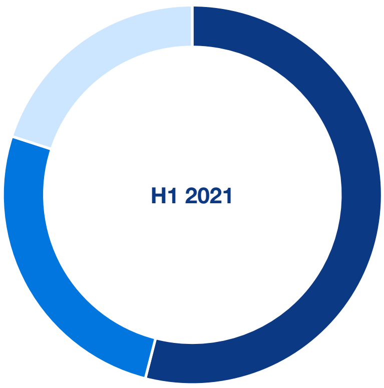
The Americas region grew 26.0%, while orders in Europe, the Middle East and Africa increased 25.6%. Asia-Pacific achieved further growth of 3.2% in the first half of the year, following a significant increase of 14.7% in 2020.

Order intake by segment



- **53%** Chemicals
- **18%** Gas/Refining
- **13%** Service
- **13%** Renewables
- **3%** Water

Order intake by region



- **54%** Asia-Pacific
- **26%** Europe, the Middle East and Africa
- **20%** Americas

Higher sales and operational profitability

In the first six months of 2021, sales increased by 7.7%, supported by a healthy order backlog at the start of the year and rapid factory ramp-up in Chemtech’s facilities following lockdowns.

Higher sales and the successful implementation of structural cost savings led to a significant increase in operational profitability from 8.0% to 9.1%.

Volume and profitability uplift in H1 2021 — spin-off and listing to accelerate growth

As announced in May 2021, Sulzer intends to spin off its Applicator Systems (APS) division, which will be named medmix and listed on the stock exchange later this year. The spin-off will enable Sulzer and medmix to leverage the full potential of both businesses. Applicator Systems' order intake, sales and operational profitability fully recovered in the first half of 2021 after the pandemic-induced market pause during lockdowns in the previous year.

Note: If not otherwise indicated, changes from the previous year are based on currency-adjusted figures.

Driving growth through focus

In May 2021, Sulzer announced its intention to spin off its Applicator Systems division — to be renamed medmix. Over the last five years, medmix has become a global market leader in high-precision delivery devices for the healthcare and consumer & industrial segments. It is well-positioned to capture profitable growth opportunities in attractive niches driven by megatrends. medmix occupies leading positions in several markets such as dental, drug delivery, surgery, industry and beauty, which it will look to strengthen going forward.

medmix is ready to capitalize on the recovery of its markets as an independent company. The company intends to accelerate growth, particularly in Healthcare, which accounted for 37.2% of medmix's orders in the first half of this year. Its Healthcare position was strengthened by the 2020 acquisition of Haselmeier, a leading drug delivery device manufacturer. medmix's operational transformation of its Beauty business is complete and its expanded Bechhofen factory is up and running and ready to take advantage of recovering demand in the beauty market.

As a focused independent company, we will be able to capitalize on significant opportunities in our markets, particularly in the fast-growing healthcare sector. My team and I are extremely excited to lead medmix to new heights as a global market leader in high-precision delivery devices.

Girts Cimermans, Division President Applicator Systems

Key figures Applicator Systems (January 1 – June 30)

millions of CHF	2021	2020	Change in +/–%	+/–% adjusted[1]	+/–% organic[2]
Order intake	268.9	160.2	67.9	69.4	53.3
Order intake gross margin	48.2%	47.4%			
Order backlog as of June 30/ December 31	124.8	82.0	52.2		
Sales	228.3	166.1	37.5	38.4	25.8
Operating income (EBIT)	31.3	9.0	248.7		
Operational profit	44.0	19.5	125.7	127.5	109.1
Operational profitability	19.3%	11.8%			
Employees (number of full-time equivalents) as of June 30/ December 31	1’945	1’857	4.7		

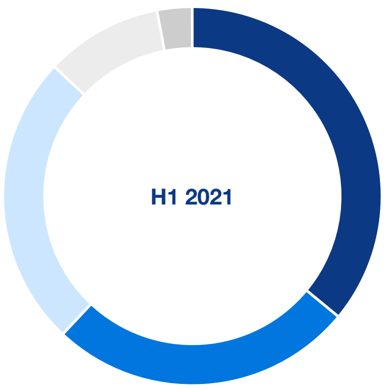
1) Adjusted for currency effects.
2) Adjusted for acquisition and currency effects.

Strong growth in all segments

In the first half of 2021, orders grew 69.4% against the same period of last year. This is thanks to the accelerating recovery seen in all segments and quick actions to mitigate the impact of the pandemic throughout the course of last year. Both Healthcare and Consumer & Industry contributed to this strong order increase, supported by customer restocking, pent-up demand, market-share gain and underlying market growth.

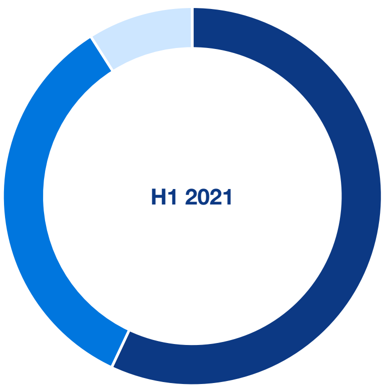
America-based customers led the recovery in the first half of the year, with an increase of 95.1% compared with the same period last year. The Europe, the Middle East and Africa region as well as Asia-Pacific also performed well, growing 56.0% and 71.1% respectively.

Order intake by segment



- **36%** Industry
- **26%** Beauty
- **25%** Dental
- **10%** Drug delivery
- **3%** Surgery

Order intake by region



- **57%** Europe, the Middle East and Africa
- **34%** Americas
- **9%** Asia-Pacific

Significantly increased sales and operational profitability

APS' sales rebounded strongly (38.4%) in the first half of 2021, led by the recovery of demand in both Healthcare and Consumer & Industry. Higher volumes led to an increase in operational profit of 128%, supported by robust performance in the Dental and Industry markets. Operational profitability increased to 19.3% from 11.8%, driven by volume recovery and favorable mix effects.