

MERSEN: RECORD SALES IN 2024, ABOVE LATEST GUIDANCE

- Sales of €1,244 million for full-year 2024, up in both segments, with organic growth of 2.6%
- Fourth-quarter sales virtually stable on an organic basis (down 0.6%)
- Operating margin before non-recurring items for full-year 2024 now expected at close to 10.5%, at the upper end of forecasts

The Group is holding a webcast and conference call in French with simultaneous translation into English today at 6:00 p.m. CET (details on the last page).

PARIS, JANUARY 29, 2025 – Mersen (Euronext FR0000039620 – MRN), a global expert in electrical power and advanced materials, has reported consolidated sales of €1,244 million for full-year 2024, representing organic growth of 2.6%.

Luc Themelin, Mersen's Chief Executive Officer, said: *"2024 ended with a new sales record for the Group. Mersen was once again able to draw on its comprehensive, dynamic and resilient profile to finish the year above its previous forecasts. The solar market will face a slowdown in early 2025, continuing a trend we observed in late 2024, while the SiC semiconductor market will be affected by the three-year delay in demand, as mentioned at December's Capital Market Day. The Group's other markets, in particular rail, aeronautics and process industries, remain solid. On the strength of our global leadership positions and balanced international footprint, we remain confident about Mersen's medium- and long-term prospects."*

FULL-YEAR 2024 SALES

Mersen's consolidated sales for full-year 2024 totaled €1,244 million, up by 2.6% on an organic basis compared to 2023, with more than 2% of this growth attributable to price increases.

The unfavorable currency effect was mainly due to the depreciation of the Chinese renminbi, the Japanese yen and the South Korean won. The scope effect corresponds, on the one hand, to the disposal of a chemicals business in Germany in August 2023 and of a rail brush business in China in April 2024. On the other hand, it also reflects the consolidation of GMI starting July 1, 2024, of KTK starting October 1, 2024, and of Bar-Lo starting November 1, 2024.

In millions of euros	FY 2024	FY 2023	Organic growth	Scope effect	Currency effect	Reported growth
Advanced Materials	689.8	669.4	2.6%	+1.4%	-0.9%	3.0%
Electrical Power	553.8	541.5	2.6%	+0.3%	-0.6%	2.3%
Europe	400.2	397.1	1.8%	-0.9%	-0.1%	0.8%
Asia-Pacific	297.7	310.9	-1.2%	-1.1%	-2.0%	-4.3%
North America	508.9	463.1	6.3%	+3.9%	-0.3%	9.9%
Rest of the World	36.8	39.7	-4.0%	-0.6%	-2.8%	-7.3%
Group	1,243.6	1,210.9	2.6%	+0.9%	-0.7%	2.7%

PERFORMANCE BY SEGMENT

Advanced Materials sales totaled €690 million, up 2.6% on an organic basis over the year. As expected, sales in the solar and silicon semiconductor markets were dampened due to high customer inventory levels. Growth was particularly robust in the transportation market (aeronautics and rail). Sales for the SiC semiconductors market increased by around 10%. Lastly, growth in the chemicals and process industries markets was above the Group's average.

Electrical Power sales came to €554 million for the year, representing organic year-on-year growth of 2.6%. Sales to the electrical distribution market in the United States remained strong, albeit slightly down compared to the prior year. Sales for electric vehicles remained buoyant, as did other transportation markets (rail and aeronautics). Sales were stable in power electronics.

PERFORMANCE BY REGION

Europe reported moderate growth, driven by an improvement in the transportation (rail, aeronautics and electric vehicles) and SiC semiconductor markets, partially offset by a decline in renewable energies and electrical distribution. Business remained strong in both France and Italy, while Germany saw a decline, due to the local economic climate.

In **Asia**, Group sales dipped 1.2% compared with last year, mainly as a result of a sharp slowdown in the production of solar cells in China toward the end of the year. India and South Korea, on the other hand, demonstrated strong growth, driven by the rail and energy storage markets, respectively.

North America posted growth in both segments, with particularly good performances in the aeronautics and chemicals markets. As expected, electrical distribution contracted from the very high level of activity in 2023, while the other process industries remained buoyant. SiC semiconductors saw slight growth in sales, but this did not offset the decline in Si semiconductors.

FOURTH-QUARTER 2024 SALES

Mersen generated consolidated sales of €311 million in the fourth quarter of 2024, representing a slight year-on-year decline of 0.6% on an organic basis. Driven by the acquisitions made in the second half of the year, reported growth is positive at 3.2%.

The scope effect corresponds to the disposal of a rail brush business in China in April 2024, and to the consolidation of GMI starting July 1, 2024, of KTK starting October 1, 2024, and of Bar-Lo starting November 1, 2024.

The currency effect is slightly positive, and the most significant exchange rate fluctuations concerned the depreciation of the Brazilian real and the South Korean won, as well as the appreciation of the US dollar.

In millions of euros	Q4 2024	Q4 2023	Organic growth	Scope effect	Currency effect	Reported growth
Advanced Materials	169.7	168.6	-5.0%	5.5%	0.1%	0.6%
Electrical Power	141.1	132.5	5.1%	1.1%	0.3%	6.5%
Europe	96.1	98.1	-2.9%	0.2%	0.8%	-2.0%
Asie-Pacific	72.1	82.0	-12.0%	-0.1%	-0.1%	-12.1%
North America	135.1	110.6	12.1%	9.6%	0.4%	22.2%
Rest of the World	7.5	10.5	-24.5%	0.0%	-4.9%	-28.2%
Group	310.8	301.1	-0.6%	3.6%	0.2%	3.2%

Over the quarter, sales in Europe were down in most countries. In Asia, the decline was mainly due to the sharp slowdown in solar cell production in China. In contrast, South Korea demonstrated strong growth, driven by rail and energy storage projects, while India benefited from a major chemicals project and continued momentum in the rail market. Lastly, in North America, momentum was maintained in most markets, particularly wind power, aeronautics and semiconductors.

2024 GUIDANCE

Based on 2024 sales, the Group expects an operating margin before non-recurring items of close to 10.5%, at the upper end of previous forecasts of between 10% and 10.5%.

Capital expenditure is expected to be around €220 million, in line with forecasts.

Non-recurring items are expected to amount to nearly €25 million, mainly comprising expenses and provisions relating to the adaptation plan announced in December.

Net debt should be below €400 million at year-end, compared to between €400 million and €430 million communicated last December.

GLOSSARY

Organic growth: calculated by comparing sales for the year with sales for the previous year, restated at the current year's exchange rate, excluding the impact of acquisitions and disposals.

Scope effect: contribution from companies acquired in the year, less the contribution from companies sold in the previous year, in relation to sales for the previous year, restated at the exchange rate for the current year and for disposals.

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.

The sales webcast will be held on January 29, 2025 at 6:00 p.m. CET. [Link](#)

FINANCIAL CALENDAR: 2024 full-year results: March 13, 2025, before the markets open

ABOUT MERSEN

Mersen is a **global expert in electrical power and advanced materials** for high-tech industries. With more than 50 industrial sites and 18 R&D centers in 30 countries around the world, Mersen develops **custom-built solutions** and delivers key products for clients in order to meet the new technological challenges shaping tomorrow's world. **For over 130 years, Mersen's teams have focused tirelessly on innovation** to accompany its clients and meet their needs. Be it in solar power, electronics, electric vehicles, aerospace or other sectors, wherever technology is progressing, you will always find a bit of Mersen. We work to constantly contribute to progress, striving daily to improve people's lives and protect the planet. This **corporate commitment** has been recognized by external rating agencies, EcoVadis (Gold Medal) and MSCI (AA rating).

MERSEN IS PART OF THE SBF 120 INDEX (EURONEXT PARIS – COMPARTMENT B)

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