

CAPITAL MARKETS DAY 2018

SUSTAINABLE DEVELOPMENT

AT THE HEART OF MERSEN'S GROWTH STRATEGY

PARIS, NOVEMBER 29, 2018 – Mersen (Euronext FR0000039620 – MRN), a global expert in electrical power and advanced materials, is today hosting its Capital Markets Day in Paris to present its strategic focus on sustainable development markets as a driver for Group growth.

The event is an opportunity for Mersen to present its strategy for profitable growth on long-term buoyant markets, with more than half of the Group's activities now geared towards sustainable development markets, from renewable energies to semiconductors, power electronics, rail and e-mobility, water treatment and energy efficient processes.

Presentations will focus on the following areas:

- **Solar power** in which Mersen is a key player across the entire photovoltaic value chain. In order to broaden its equipment offering on this promising market, the Group has announced a new **joint venture** with one of its historical partners in China, which is expected to generate sales of between €10 million and €20 million over the next five years.
- **Energy storage**, including the Group's solutions in stationary batteries for renewable energies and mobile batteries for green mobility. In the electric vehicle market, Mersen is capitalizing on strong demand from car manufacturers for fuses and bus bars, and growth may accelerate further in the medium term if the Group successfully completes the development of its hybrid fuse solution for high-power battery protection. Although it no longer meets the new specifications of the Volkswagen platform, the solution is currently being tested with four other leading car manufacturers.
- Mersen is also developing new customer solutions for even greater performance and efficiency. Its **silicon carbide mirrors** for laser applications enable a large number of sectors to enhance productivity and reduce electricity consumption. The Group is expected to **invest** between €3 million and €5 million over the next two years, in order to meet market demand.

- Mersen is also responding to the technical challenges in the manufacture of **silicon carbide semiconductors**. Thanks to its unique expertise in insulation materials and felt solutions, the Group has already benefited from the surge in the silicon carbide semiconductors segment, which now represents close to half of its semiconductor sales. To keep pace with the very strong outlook for the next five years, the Group **will increase its production capacity** at its Holytown site in Scotland and has set aside an investment envelope of between €25 million and €30 million for the next three years.

Consolidated sales on these four markets¹ is expected to increase to close to €100 million in 2018, from €25 million five years ago. The Group's CAGR² is expected to reach between 10% and 15% over the next five years.

The Group has confirmed its forecasts of an increase of around 9% in like-for-like sales and a recurring operating margin of around 10.4% of sales in 2018. ROCE³ is expected to come in at 11.5%.

Chief Executive Officer Luc Themelin said: *“Optimizing the use of resources and minimizing the impact of CO₂ emissions on the world’s climate are critical challenges to which Mersen contributes by offering industry the best technologies and tailored solutions. Our positioning in these buoyant markets combined with our commitment to innovation and development alongside major market players, mean Mersen can confidently expect to continue to enjoy dynamic growth.”*

The presentations will be available at the end of the day under the Investors section of the Group website at www.mersen.com.

¹ Solar power, energy storage, silicon carbide mirrors, SiC semiconductor manufacturing.

² CAGR: Compound Annual Growth Rate.

³ ROCE: Return on Capital Employed (ratio of recurring operating income to average weighted capital employed).

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.

With 6,400 employees working across 35 countries, Mersen recorded sales of €809 million in 2017.

MERSEN IS LISTED ON Euronext Paris – COMPARTMENT B

INVESTOR AND ANALYST RELATIONS

Véronique Boca

Vice-President, Communications

Mersen

Tel.: +33 (0)1 46 91 54 40

Email: dri@mersen.com

MEDIA RELATIONS

Stanislas Mulliez/Guillaume Granier

FTI Consulting Strategic Communications

Tel.: +33 (0)1 47 03 68 10

Email: stanislas.mulliez@fticonsulting.com/
guillaume.granier@fticonsulting.com