



2018

COMPANY REPORT



PRELUDE

6:21 a.m. Sunrise over the Globe Life Field construction site in Arlington, Texas, USA. When completed, this will be the new home of the Texas Rangers baseball club and will have space for 40,000 fans.

To Hilti, construction site safety is one of the most important aspects of the construction business. This is why Chase Hamann, Regional Manager with Hilti USA, is on the job at the crack of dawn. He's addressing the employees of Manhattan Construction's subcontractors, explaining the safety requirements on the jobsite in Spanish and English. This is only one of the many services that we provide to improve and simplify the work of our customers. More than 250,000 customer contacts a day demonstrate that Hilti is always there when needed, regardless of where or when. Even at sunrise.

To get a better idea of everything that Hilti has accomplished together with its employees and customers in 2018, have a look inside our Company Report.







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QR codes

There's more to discover behind many of the images in the Company Report. The QR codes shown lead to additional information on a product, a solution or a video designed especially for the Company Report. If you do not have a QR code scanner on your smartphone or tablet, you can download a corresponding app in either the App Store (Apple) or Play Store (Android).



DEAR READERS,

We have continued our journey towards providing value-added solutions to the construction industry for working safer and more productively and are encouraged by the tremendous trust from our customers that made 2018 a very dynamic year for us.

Our sales grew globally by 10.7 percent, at almost double the rate of the worldwide construction market, to 5.6 billion Swiss francs, which allowed us to further strengthen our market position. We also benefited from our significant investments into customer services, digital solutions and innovations. 1000 additional sales and service engineers joined Hilti, and we launched around 60 new products. In addition, various new digital solutions were brought to market, from our new cal-

culatation software PROFIS Engineering and our asset management solution ON!Track to our Hilti Connect App for identifying tools and managing repair orders. We are motivated to see that our customers appreciate this support and continue to rate their satisfaction with us on a high level, according to our regular surveys.

Our operating profit grew by 7 percent, which resulted in a return on sales (ROS) of 12.9 percent. With this, we are on track with the implementation of our Champion 2020 strategy and are generating the means to continue our investments.

Strong customer relationships in all regions contributed to this momentum. Both in Europe (+10.6% in local curren-

cy) as well as in North America (+10.4%) we achieved double-digit growth, while the emerging markets contributed with +8.1 percent sales growth. Our market environment was still predominantly positive even though the sanctions for Russia and Iran, the turbulences in Turkey, the China-US trade dispute and some emerging market currency devaluations made 2018 more demanding than previous years.

Against this backdrop we are satisfied with the year, especially because we were able to make major long-term investments. Our R&D spending has grown by 14 percent, we have added over 2000 new positions worldwide, made major IT investments into our Cloud/IoT infrastructure, pushed forward our digi-



tal agenda and upgraded our global ERP system to SAP S/4HANA to support and accelerate our fleet and asset management programs. These are all cornerstones of our transformation from a product-oriented to a solution-oriented approach. We are also proud of the many social and cultural projects the Hilti Foundation was able to drive forward, to help underprivileged people to lead a self-determined life (read more at www.hiltifoundation.org).

2018 was the first year of fully integrating the Oglaend System Group, which we acquired in September 2017 to complement our offering in the oil & gas and process industries. This acquisition contributed one percentage point of growth to our 2018 results.

Because of our strong customer relationships and our investments, we go into 2019 cautiously optimistic. However, we expect the construction cycle to slow down in many parts of the world and – paired with raising political tensions – a more challenging environment going forward. Whatever 2019 will bring, you, our customers, can continue to count on our 29,000 employees worldwide ready to go the extra mile to support you with superior products, services and solutions.

We thank all customers and partners for the continued trust in us and all our global team members for their passion and energy every day to bring our core purpose statement to life: *We passionately create enthusiastic customers and build a better future.*

Christoph Loos
Chief Executive Officer

Heinrich Fischer
Chairman of the Board of Directors



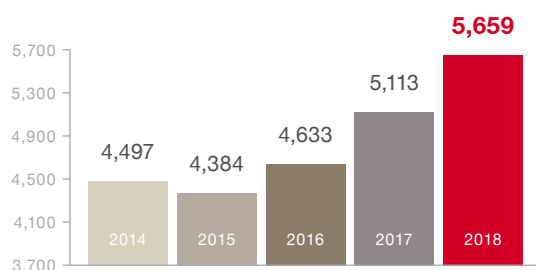
COMPANY PROFILE

Hilti makes construction work simpler, faster and safer. With products, systems, software and services that provide clear added value. Hilti stands for quality, innovation and direct customer relationships. The company has roughly 250,000 individual interactions each day, meaning that many innovative ideas are developed directly on construction sites. If there is a challenge on the construction site for which there is no Hilti solution, one will be developed. This is why the company, based in

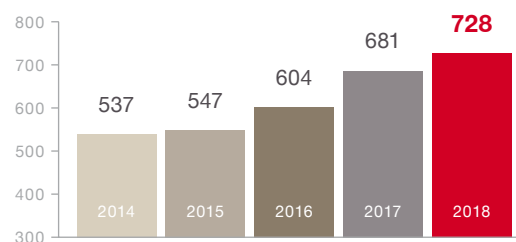
Schaan, Liechtenstein, invests approximately 6 percent of sales each year in research and development. All of Hilti's activities, every day, are aimed at creating enthusiastic customers. The strategic aim is sustainable value creation through market leadership and differentiation. The company, founded in 1941 by brothers Eugen and Martin Hilti, also plans with financial foresight. All company shares are in the possession of the Martin Hilti Family Trust, which ensures the long-term continu-

ity of the company. Hilti builds a better future – with sustainable and innovative solutions. The company supports society and environment equally to actively pursue a better future also outside the core business area. In addition to the charitable Hilti Foundation, the company's values of integrity, courage, teamwork and commitment are demonstrated every day by the more than 29,000 employees in interactions with team members, partners and customers.

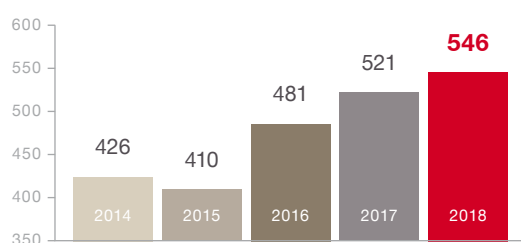
KEY FIGURES



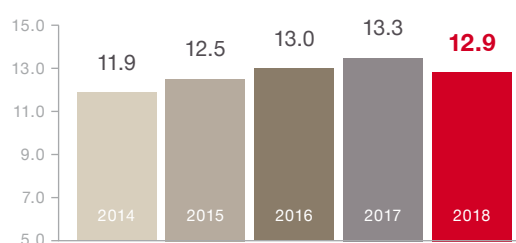
Net sales in CHF million



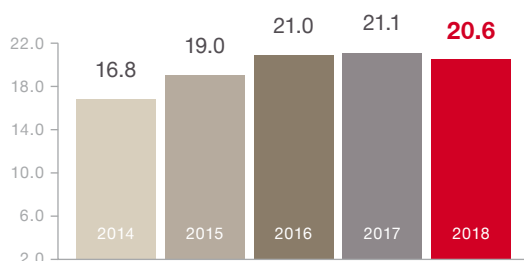
Operating result in CHF million



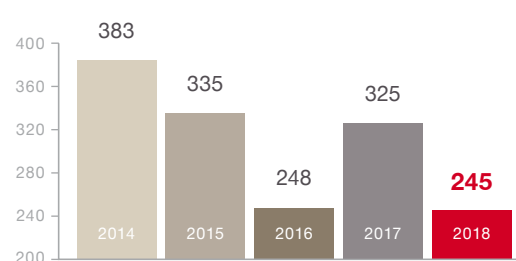
Net income in CHF million



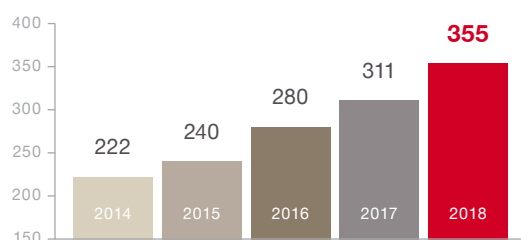
Return on sales (ROS) in %



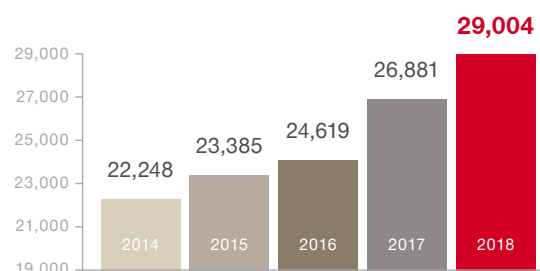
Return on capital employed (ROCE) in %



Free cash flow in CHF million (before acquisition and disposal of subsidiaries)



Research and development expenditure in CHF million



Employees on December 31

Please note

2017 numbers have been restated due to the adoption of IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments. Numbers prior to 2017 have not been restated.

BUSINESS AREAS

Anchor systems

Hilti sets new standards in anchor fastening technology with mechanical and chemical anchoring systems as well as cast-in anchors. These systems are also designed to withstand seismic action. Technical experts and software ensure correct anchor selection and application.

Power tools & accessories

Hilti power tools are known for top performance, user convenience and a long lifetime. Accessories developed specifically for these tools ensure efficient chiseling, drilling, sawing and grinding. Vibration reduction, dust removal and active torque control systems are all designed to provide additional safety and protection.

Direct fastening & screw fastening

Hilti systems make direct fastening on steel and concrete simple, safe and productive. Vibration, noise and dust emissions are reduced to a minimum. Optimized systems of innovative tools and fasteners provide additional speed on the construction site.

Firestop systems

The correct installation of firestop systems is decisive in preventing the spread of fire, smoke and toxic fumes. Hilti provides a comprehensive range of technical consulting services as well as efficient design and documentation software that deliver a higher level of safety from a single source.

Diamond systems

Hilti's high-tech diamond technology tools are built for high performance and low wear. Drilling, cutting, sawing and grinding concrete and other mineral building materials is easy, achieves maximum accuracy and efficiency while keeping dust and vibration to a minimum.

Measuring systems

Hilti's robust laser, radar and optical tools cover all the requirements for measuring, leveling, aligning and detecting, from excavation through to renovation and maintenance tasks. The easy-to-use system solutions also serve to bring digital planning directly to the construction site.

Tool services

Hilti services enhance productivity while minimizing administrative efforts. This is true in terms of fleet management, repair and maintenance service, Hilti's integrated software solutions for asset management as well as for apps that ensure constant availability of all information regarding Hilti tools.

Installation systems

Modular installation systems from Hilti provide flexibility and efficiency to solutions for supporting and fastening pipes, ventilation ducts and electrical installations. Engineering and logistics services and design software round out the comprehensive package.

Construction services

Hilti bundles its services for fastening and fire protection products to generate higher productivity and safety along the entire construction value-adding chain. These services include BIM modeling, engineering, testing, pre-assembly, training and technical consulting.





ENSURING LONG-TERM SUCCESS

CEO Christoph Loos on the corporate strategy and the importance of stability.

As envisioned, Hilti posted double-digit growth in Swiss francs in 2018. How happy are you with the year?

Looking back, you always find things that could have been a bit better than they were, but 2018 was a good and important year for us. We were able to intensify our level of partnership with many customers, again grew at a double-digit rate and we put our good financial results to use in important investments into the future. We also made great strides in the implementation of our Champion 2020 corporate strategy.

Where did Hilti make the most significant progress in 2018?

For me, it was largely in three areas. We further expanded the range of solutions for our customers with a focus on making their work simpler, safer and more efficient. We made great progress in terms of digitalization – for example with the introduction of our new ERP system SAP S/4HANA, and in the required transmission and storage capabilities in the cloud for IoT applications. Lastly, we further expanded our market share.

Political uncertainties have increased around the world. How will this influence Hilti?

In 2018 the main areas were the embargoes against Iran and Russia, the upheavals in Turkey and the budding trade dispute between the USA and

China. There were also substantial currency devaluations in several significant emerging countries such as Argentina, Brazil or South Africa. Large construction projects require an environment of trust and if uncertainties arise these projects can be shelved quickly. We must unfortunately proceed under the assumption that these uncertainties will increase in 2019.

Hilti is making massive investments in digitalization. How are things moving ahead here?

We're truly right in the middle of things; this is a topic that will keep us busy for many years. Today we're in the position to support our customers through the entire digital process in all the significant regions of the world. From building planning to the construction process through to facility management, we provide corresponding digital solutions, software and services such as design and modelling. Additionally, we used 2018 to closely examine our digital communication with customers. We want to broaden our direct sales offering to include differentiated digital sales and marketing elements. This is something we will implement now step by step in the coming years. Beyond this, all of our internal processes are becoming more digital – from finance to HR, training and logistics through to "Industry 4.0" applications in manufacturing.





You have said that 2018 was a decisive year in terms of the Champion 2020 corporate strategy. Have we reached the home stretch?

We are nearing the finish line regarding our two most important strategic priorities that we defined with Champion 2020 – a strongly differentiated offering of products, services and

software, as well as the expansion of our market position in the core product areas. We are already nearing the targets we defined at the outset of implementing the strategy. The full and complete implementation of all our initiatives, however, will keep us busy for a few more years. And since we see no need to change the company's strate-

gic direction we decided to extend the timeframe of Champion 2020 beyond 2020 by two to three years so that we can fully focus on the implementation of all aspects of our strategy.

LONG-TERM

Our Champion 2020 corporate strategy is based on a strong caring- and performance-oriented corporate culture as well as on our core purpose of creating enthusiastic customers and building a better future.

Our strategic objective is sustainable value creation through market leadership and differentiation; market leadership in terms of relative market share, and differentiation via the direct sale of first-class products, services and software.

We will continue to follow the successful course of recent years, beyond 2020, while emphasizing four proven strategic fields of activity. We are investing in the continuous innovation of products, services and software. In doing so we will continue to rely on the core of our corporate strategy: the direct access to and partnership with our customers in the construction industry. Operational excellence in all processes ensures success for our customers and firms up our leading position within the market. A high-performing global team with more than 29,000 employees works diligently every day to achieve these targets. This year's Company Report takes you on a journey through our corporate strategy that can be found in everything we do.



CHAMPION 2020

Our Purpose

We passionately create enthusiastic customers and build a better future

Our Strategy

Sustainable value creation through leadership and differentiation

Product & service differentiation

Direct customer relationship

Operational excellence

High-performing global team

Our Foundation

A caring and performance-oriented culture

HILTI

PRODUCT AND SERVICE DIFFERENTIATION

01

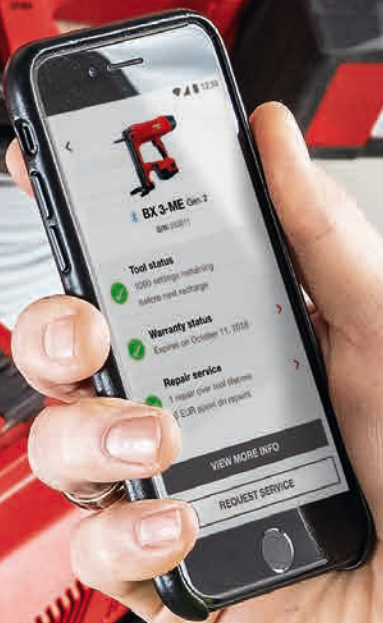


HELI
ON!Track




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AI L5

HELI



SUPERSMART

 Liechtenstein. Working efficiently also means working at a constant speed without pause. With the new generation of the BX 3 battery-actuated fastening tool, our customers not only work up to 30 percent faster. The tool also offers smart functions, such as monitoring the need for nail refills and a standby mode. This saves battery power, for example, when the customer uses the Bluetooth-connected Hilti Connect App to order new nails with a few clicks.



THOROUGH

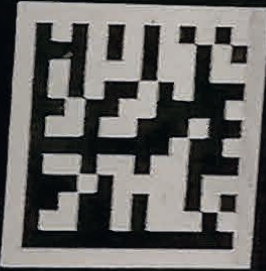


Germany. Digitalizing Germany's oldest construction site, the Cologne Cathedral. High above the roofs of Cologne, Hilti team members are enjoying the view after a long day. They have placed smart tags on more than 1000 stone blocks at the Cathedral and registered them in the Hilti ON!Track system. The smartphone app can quickly and easily locate and track masonry until it is used in the restoration. The team came up with a special solution for the smart tags and fastened them to partly antique masonry with silicone. This provides a thorough documentation for the cathedral's renovation.





HILTI
ON!Track



448 008 343

AI T35-H



FLEXIBLE



Japan. The breaker's chisel seems to effortlessly remove the upper layer of the concrete surface. Koji Abe easily works the tool – and this is no coincidence. The TE 500-X is the first tool that Hilti developed for the requirements of the Asian market. Ergonomic aspects were very important, such as weight distribution and balance. Particular focus was also put on compactness. This is important for renovation work in small spaces as is often the case in Asia. To ensure the requirements of our Asian customers were fully taken into account, Hilti developed the design in cooperation with a Japanese partner agency.

UNCOMPROMISING



Switzerland. Is it set, or does it need additional tightening?

Michat Duda uses his many years of elevator installation experience to determine whether or not he has to further tighten the anchors he set in concrete, or the bolts in the supporting steelwork. His decision is made even easier thanks to Hilti's newly-developed adaptive torque (AT) system. Once attached to the cordless impact wrench, the AT module is able to apply the correct pre-tension. Then, during the application, it provides an acoustic signal and control light that tell the user that the anchor is correctly set and meets the corresponding international standard. This is also beneficial to Michat's project manager who can use the AT documentation software to formulate an overview of all executed settings and perfectly document that the work was carried out correctly. When it comes to safety, Hilti is uncompromising.





DIGITAL

 The Netherlands. Up to now the only visible part of the office towers in north Amsterdam was the bare building shell. But BIM project lead Vincent Bartels (right) and the BIM project team can show the customer a very exact image of the building's interior directly on a screen. Including Hilti's experts early on in the planning process means that each direct fastening solution for multiple uses and passive fire protection. Using anchor channels means there is no need for additional drilling. Big projects thereby become more transparent and efficient for everyone concerned. Early planning saves both time and money. Customers can now get a clear look at the BIM methodology at the brand-new BIM competence center in Rotterdam. The digital evolution of any construction project is brought to life through real-world examples and references, virtual reality and expert consulting.





make



erspace

INNOVATIVE

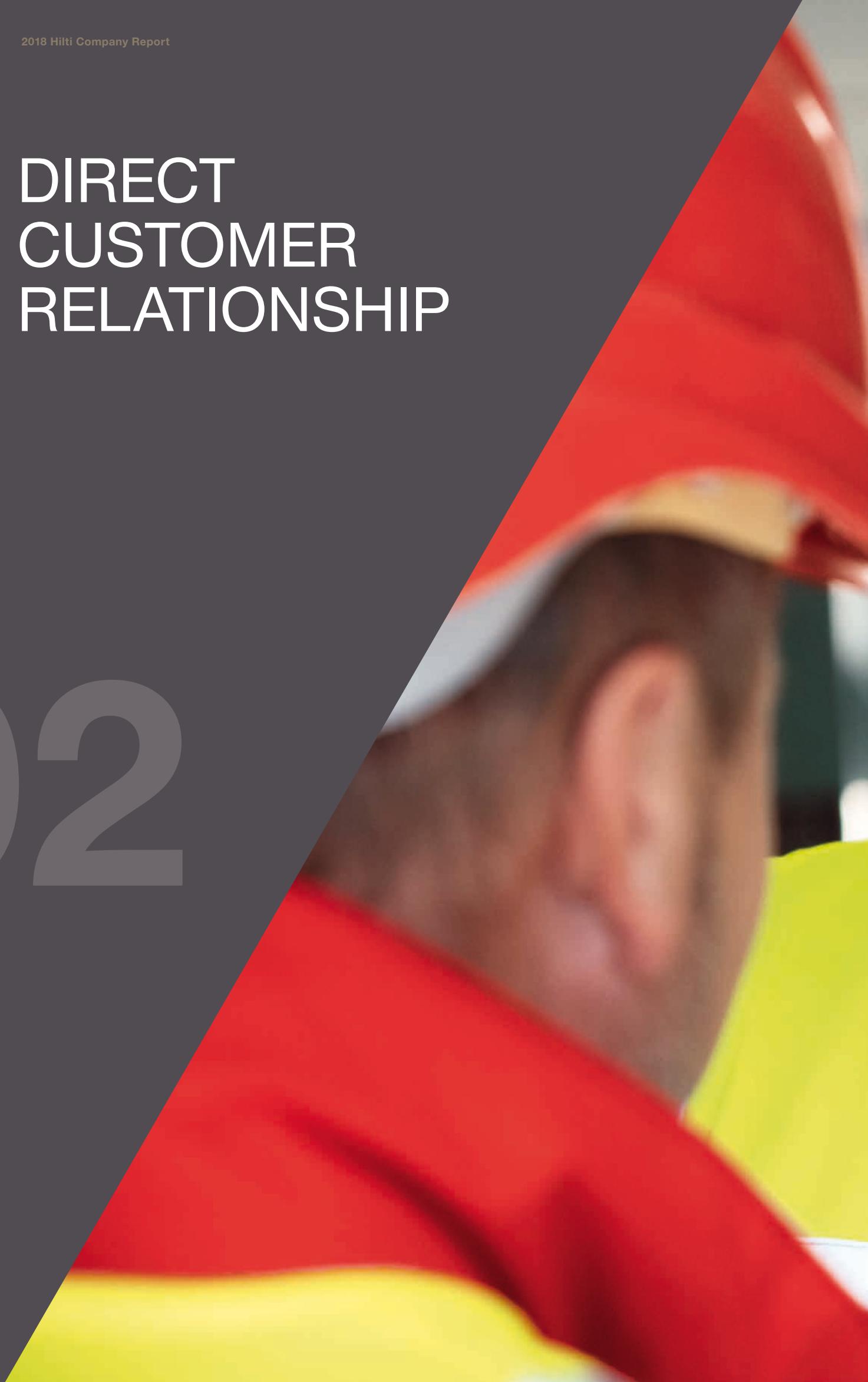


Germany. Hilti works together with innovation and technology partners in the start-up scene around the world in a variety of ways. Having our own offices in Tel Aviv and San Francisco, as well as various participations in Europe, we serve as a partner and driver of innovation. In Germany, for example, we partner with UnternehmerTUM within the framework of the BE5 platform. Our mutual goal is to develop digital solutions to aid working on the construction sites of the future.



DIRECT CUSTOMER RELATIONSHIP

02





Martin Scherf
Bauführer

PDRR Bau GmbH
Hochbau, NE Wien / Revitalisierung
Alteberggasse 47, 1100 Wien

www.pdr-r.com
www.pdr-r.com

DORA



PERSONAL



United Kingdom. Richard Morris from Blues Electrical is interested in the BX 3 battery-actuated fastening tool. At the Hilti store in Cardiff, Louis Read explains the tool and allows him to test it. We personally communicate with our customers every day, whether online, on the phone, at a job site or in one of the more than 600 Hilti stores. In direct contact with customers, we help them choose the best solution for the relevant challenge at the job site. This closeness to the end user means we can understand their ever-changing requirements and continually optimize our products and services.



ATTENTIVE



USA. If you have something to say, you first need to be able to listen. Being understood is the basis for an open, solution-oriented partnership. Our worldwide sales team knows how important this is. This includes Hilti salesperson Raman Saini, who is meeting his customers at the World of Concrete trade fair, which takes place every year in Las Vegas. All successful consulting means getting more done together – something our customers appreciate.





PRECIOUS




Switzerland. The valuable marble with the blue tint rested in this rugged ravine for generations, unreachable to anyone. Getting to it was simply too dangerous in this section of the Vals Valley. But then pioneer spirit and modern technology joined forces. The natural stone company Truffer AG installed a crane with a 70-meter-long boom high above the Valser Rhein, in a spectacular exploit using a helicopter, allowing it to hoist boulders weighing up to 50 tons. The crane's meter-long anchors, placed in the rock surface, must be able to withstand massive tensile forces. This is where Hilti's heavy-duty chemical anchor, HIT-RE 500, comes into play. It holds the anchoring irons, thicker than a thumb, firmly in place. For the company's owner, Pius Truffer, only one partner came into question. In a job where trust is the defining component, we use Hilti.







EXCITING

 Qatar. It's a superlative construction project: The Qatar rail project plans include more than 350 kilometers of rails, 122 kilometers of tunnels and 44 metro stations. Over 125 construction companies and more than 73,000 workers are ensuring that the country in the Arabian desert will have a modern rail network by 2026. The planned Doha metro will connect the city with three metro lines. By 2020, the first trains should be running. By the time of the 2022 Football World Cup, all football stadiums will be connected. The local Hilti team is consulting and extensively supporting the project. Numerous anchors, chemical anchor fasteners, channel systems and fire-protection products have already been installed along the lines, such as here to install ceiling elements at one of the metro stops.

ON THE ROAD

No day like any other. Working at Hilti is everything, just not every-day. Here is a selection of big and small moments our employees experienced in 2018.



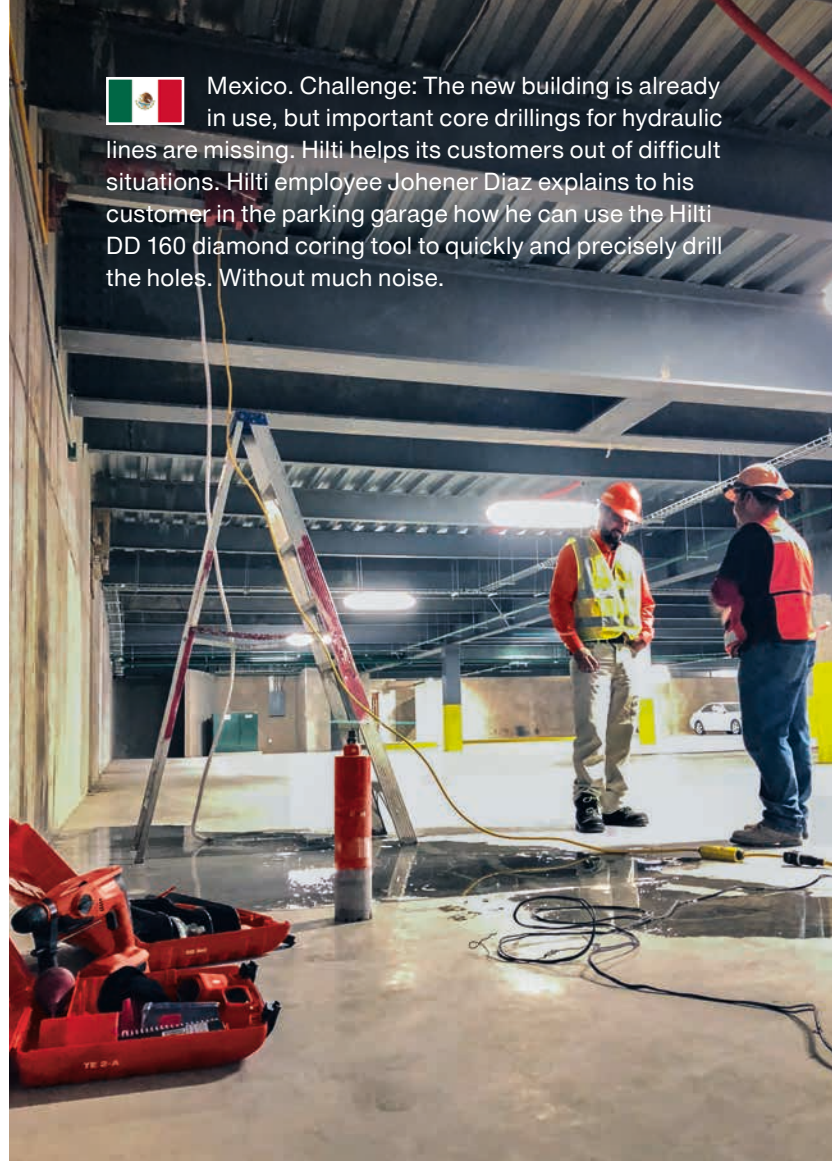
Italy. For Fabrizio Maffei this is the best workplace in the world. Well secured, he stands on a roof in Avelengo (Hafling) to install snow guards with a Hilti cordless screwdriver. Behind him is the breathtaking backdrop of the city of Merano. The small village lies in the sunny high plateau at the foot of the imposing Ifinger. In winter, the region is transformed into a winter sports area.



French Guiana. No, that is not a skater halfpipe but a custom-made piece for rocket launches. The Ariane 6 rocket engine flames push against this deflector shield before liftoff. A hot situation for Hilti products: The corrosion-resistant X-BT threaded fastener holds maintenance ramps and handrails on the rear of the heat ramp in place.



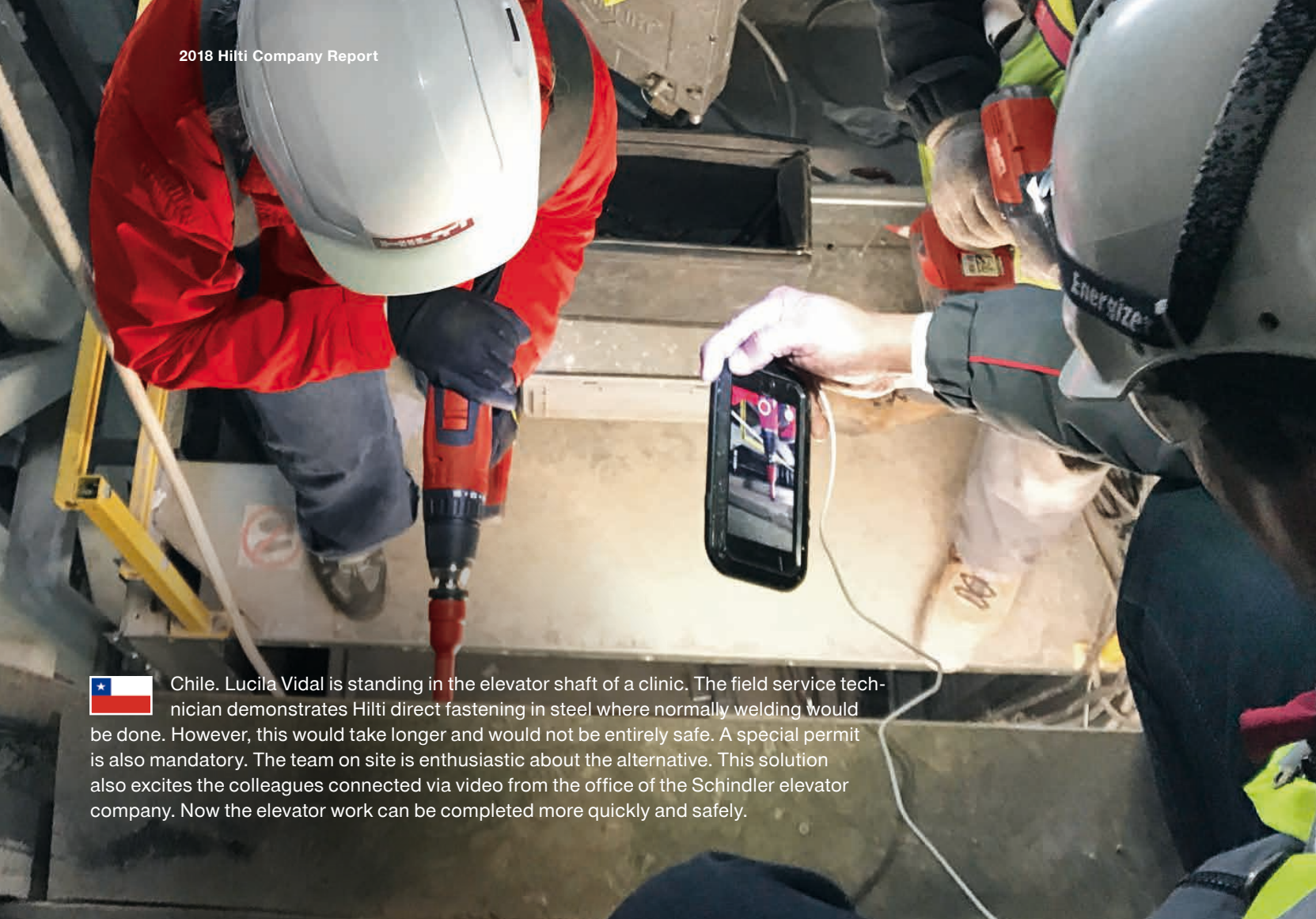
Guatemala. The high-voltage lines, transmitter masts or transformer stations are located far away in the forest. After long car journeys they can often only be reached by foot. Gustavo Pacheco and his team are at work here. With power generators in their luggage and 80 meters of cable on their shoulders to operate the tools. Today it's different. "The cordless hammer drill made our repairs a lot easier," says project manager Gustavo. The work could now be done faster, safer and more efficiently.



Mexico. Challenge: The new building is already in use, but important core drillings for hydraulic lines are missing. Hilti helps its customers out of difficult situations. Hilti employee Johener Diaz explains to his customer in the parking garage how he can use the Hilti DD 160 diamond coring tool to quickly and precisely drill the holes. Without much noise.



Singapore. It almost looks fake, as if someone photoshopped an image of kids playing in a ball pit on top of a second photo looking down at shops from within a shopping mall atrium. Because, realistically, why would people be playing in a ball pit while suspended in midair inside a shopping mall? The answer is because they can. This is Airzone, the world's first playground on suspended netting, located inside the City Square Mall in Singapore. The netting that forms the foundation for the various levels of the play world has been fastened with Hilti anchors, making it about as safe as it can be.




Chile. Lucila Vidal is standing in the elevator shaft of a clinic. The field service technician demonstrates Hilti direct fastening in steel where normally welding would be done. However, this would take longer and would not be entirely safe. A special permit is also mandatory. The team on site is enthusiastic about the alternative. This solution also excites the colleagues connected via video from the office of the Schindler elevator company. Now the elevator work can be completed more quickly and safely.




France. Whether hosting a trade fair, a football match or a concert, no one's going to stand in the rain here. By the end of 2019 the 70,000-square-meter PEX conference and exhibition center will be finished in Toulouse, France. In addition to engineering know-how, the local Hilti team has provided various components for direct fastening. This mobile direct fastening technology is independent of external power sources and is perfect for the work at dizzying heights on the up to 30-meter-high steel beams of the PEX.




 Poland. The firefighters of the fire brigade No. 15 in Warsaw have just completed an exercise. In their toolboxes: Hilti reciprocating saws, breakers or drilling tools – for use in an emergency. The 60 helpers are specialized in the search and medical stabilization of victims during rescue missions worldwide. Whether after the earthquake in Italy or the tsunami in Southeast Asia.



 Russia. On top of the ZapSibNeftehim petrochemical complex in Tobolsk, Hilti Key Account Manager Bulat Nofikov and customer Alexey Andreev bravely defy the biting cold of western Siberia. In the future, this facility will process as much as 22.4 billion cubic meters of natural gas. The Hilti fastening solutions they are using are also extremely weather resistant. In corrosive environments like this, they're indispensable.

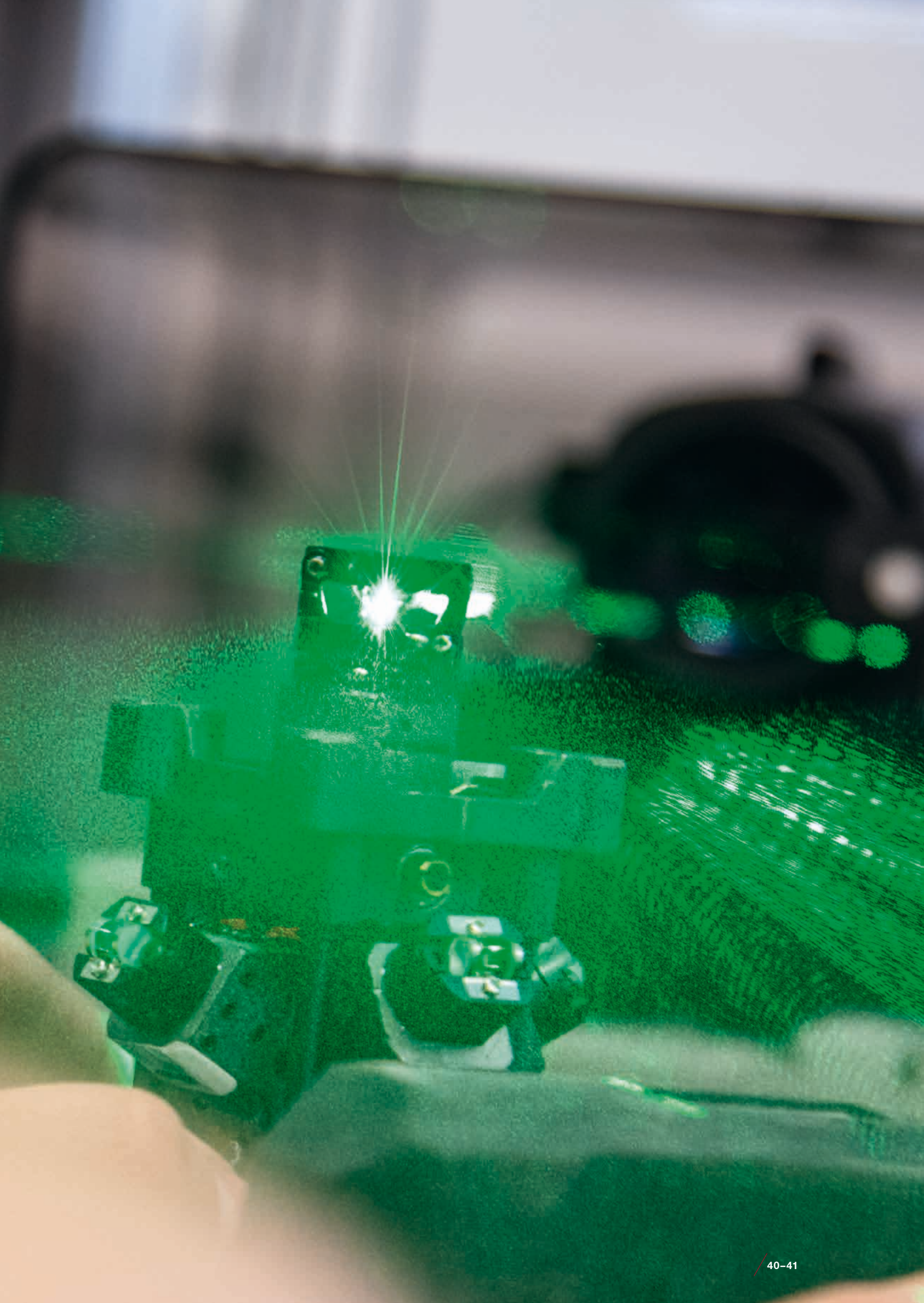


 Brazil. In Goiânia, engineer Cedro Yu is wading through the mud. A downpour had just stopped. In November not a special phenomenon, with an average of 20 rain days. "Whether it's rain or sunshine – we're there", says the site coordinator, heaving the demolition hammer onto his shoulders and trudging on to the next area for leveling. Residential buildings with 36 floors are soon to be built here.

OPERATIONAL EXCELLENCE

03





PARTNERSHIP



Switzerland. What our tools promise on functionality, robustness and quality, our well-known red tool cases must as well. Since almost 50 years, our reliable partner has been Plaston AG. The company with offices in Widnau (Switzerland) and Jiaxing (China) is now producing the sixth generation tool case in up to 120 variations. For the production, Plaston purchased new, high-precision machines to ensure that the latest generation of the tool case in use on job sites around the world is as reliable as its contents.





SORTED



Austria. Hilti employees drive their high-rack forklifts precisely along the kilometer-long aisles of Hilti's logistics center in Leopoldsdorf, near Vienna. The order components are collected as quickly as can be, ensuring that the customer will have them delivered directly to the construction site the very next day. Our worldwide logistics employees, numbering more than 1400, processed some 7 million orders in 2018. Tools, accessories and individually tailored fleet management tools – our warehouses are organized in such a way that we can guarantee a high degree of availability and fast, reliable deliveries.



IN FOCUS



Austria. With the help of mixed-reality glasses employees, such as Lisa Koldevitz, not only see actual objects, but also additional information, such as the next assembly step in the production process. That is why Hilti is testing the manufacturing technologies of tomorrow at its manufacturing plant in Thüringen, Austria. Robots that work hand in hand with people to make electrical tools, 3D printing that leads to innovative component designs or manufacturing and training methods that allow Hilti tools to be made as efficiently as possible.



PROMISED



Hong Kong. Our tools are used in the toughest most difficult conditions. Performance, durability and reliability are indispensable for our customers if the job is to be done right. Equally important is a fast and reliable repair service if a tool should require it. We retrieve the tool, repair and clean it and return it to the construction site. All within three days. If additional time is needed, the repair is for free. This is our promise. This promise holds special meaning for Fung Luk, a repair technician in our Hong Kong Tool Service Center. He knows that every tool in the Center not being used by a customer holds the potential for lost productivity, so precision and speed are at the top of his list when repairing a tool. After all, a promise is a promise.





HIGH- PERFORMING GLOBAL TEAM

04









DEDICATED



Switzerland. Every two years, the Electric Tools & Accessories business area holds an employee volunteer day to support a social project near the company headquarters. Around 550 employees leave their desks and head out together to make a difference. Last year, the Pestalozzi Children's Village, in Trogen, Switzerland, was the beneficiary of the unit's labors as they worked to renovate the Village's infrastructure. With everyone in a good mood, the employees used numerous Hilti tools to renovate the building facades, build new paths and grilling areas and install outdoor playsets. At the end of the day, not only the children and caregivers from the Village were overjoyed, the Hilti employees also took home deep satisfaction and a strong team spirit.



ATTRACTIVE



Russia. Hilti is among the top ranked employers in many countries.

There are many reasons for this. Offering an attractive and inclusive working environment where people can unleash their potential and grow is definitely an important component. That is why we involve our people early on when we upgrade our offices around the world. Moscow is a good example. Our local organization's office has fitness facilities and meeting spaces that promote teamwork and collaboration. Hilti products are creatively included in the interior design, such as diamond core bits hanging from the entrance area's ceiling, leaving no doubt as to which company resides here.



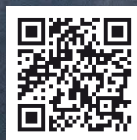




INDEPENDENT



Peru. The Peruvian capital city of Lima lies on the country's coast in a seismically active area. Inadequate construction has a direct impact on the severity of destruction earthquakes bring to the inhabitants. In partnership with Swisscontact, the Hilti Foundation has founded "Construya." The project aims to provide fundamental information and training on materials, statics and building earthquake safety to residents of those areas which are traditionally hardest hit, generally the poorer sections of the city. The knowledge gained by participants not only improves the quality of the local housing, but also serves as a vocational opportunity or a springboard to independence.

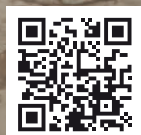




SUSTAINABLE



Singapore. Hilti is working hard to curb the Group's ecological footprint. CO₂ emissions and energy efficiency are key factors here. In addition to individual local plans and initiatives, such as the beach cleanup in Singapore, seen here, started in 2016, we have supplemented our initiatives to include a Group-wide CO₂ strategy. This strategy also contains our primary target of reducing the CO₂ intensity of our business activities by 30 percent until 2030 – measured in terms of tons of CO₂ per employee. In our efforts to achieve this target we are concentrating on initiatives having the greatest significance and defining ambitious, yet achievable, goals.



- **Electromobility:** Total fuel consumption amounts to a volume of 30 million liters per year, which corresponds to roughly 60 percent of the total CO₂ footprint. This is why we will actively and continuously shift to electrical vehicles.
- **Energy efficiency:** Established average energy productivity of 1.5 percent per year, to be achieved through the modernization of our heating and cooling systems and more energy-efficient manufacturing machinery.
- **Green electricity:** A systematic expansion of our energy portfolio to include green electricity.
- **Teamwork:** Our CO₂ strategy is the result of committed global cooperation that includes markets, plants and business areas. Sustainability is the responsibility of everyone and we can only achieve these targets if everyone makes contributions.





DIVERSITY



Dubai. Integrating diverse views leads to better results. A diverse team in the form of different cultures, generations, gender, education and skills is successful if the environment is inclusive so everyone can be their best. That's why we celebrate inclusion and not diversity numbers at Hilti. In the United Arab Emirates, the number of female team members is growing steadily, despite challenges in the construction sector. Here, the team celebrates female inclusion with a team breakfast on International Women's Day.





29,004

employees worldwide
(2017: 26,881)

127

nationalities
in the global team
(2017: 125)

20%

of team leaders
worldwide are women
(2017: 19%)

65

nationalities
at headquarters
(2017: 66)

24%

of team members
worldwide are women
(2017: 23%)



EXECUTIVE BOARD

Dr. Christoph Loos

CEO since 2014
1968, Germany

A member of the Executive Board since 2007, he was appointed CEO in 2014. Having joined Hilti in 2001, he was responsible for Corporate Development and later developed the Strategic Marketing unit. In 2005, he took the position of General Manager of Hilti Germany.

Dr. Stefan Nöken

Member of the Executive Board since 2007
1965, Germany

Responsible for the Fastening & Protection business, Application Software and Corporate Logistics. After joining Hilti in 2000, he held various positions in Corporate Engineering and Supply Chain Management.

Matthias Gillner

Member of the Executive Board since 2011
1967, Germany

Heads the global Energy & Industry business as well as Human Resources, IT and Corporate Development. Held various positions at Hilti since 2000, such as head of Electric Tools & Accessories.

Jahangir (Jan) Doongaji

Member of the Executive Board since 2014
1967, India/Switzerland

In charge of the Electric Tools and Corporate Research units and the Internet of Things (IoT) area. Since joining Hilti in 2000, he has held various positions. In his most recent function, he headed the Power Tools & Accessories Business Unit.



Jörg Kampmeyer

Member of the Executive Board
and CFO since 2011
1968, Germany

Next to his role as CFO, he is in charge of the European markets, as well as the Digital Business and Strategic Marketing of the Group. Since 2002 with Hilti, he first led several corporate functions. In 2006, he took over the position of General Manager Hilti Germany and in 2010 the lead for the Central Europe market region.

Marco Meyrat

Member of the Executive Board
since 2005
1963, Switzerland

Head of North America and Emerging Markets. He began his Hilti career in 1989 as a product manager at headquarters. Other functions in his career with Hilti included responsibility for Hilti Switzerland and Hilti Germany.



Switzerland. In August, Hilti's Executive Board met with Heiko Stark, project manager for Caretta Weidmann and the person responsible for construction of the new annex to the hospital in Grabs, Switzerland. During the site tour, they took the opportunity to learn about the challenges facing this large, public project. This closeness to our customers is firmly anchored in Hilti's corporate philosophy. A direct exchange provides us insight into the challenges customers face on construction sites every day and also allows us to jointly develop the most suitable solutions. In the digital version of our 2018 Company Report you'll hear directly from the Executive Board members as to why a direct sales model makes the difference for Hilti.



BOARD OF DIRECTORS



Michael Hilti
Schaan, Liechtenstein
1946, elected Honorary Chairman at
the 2018 Annual General Meeting

Michael Hilti, son of company founder Professor Martin Hilti, has been a member of the Board of Directors since 1990 and acted as its Chairman from 1994 to 2006. After studying business administration at the University of St. Gallen, he joined the family-owned company in 1975 and was named to the Executive Board one year later. From 1990 to 1993, he held the position of CEO. Michael Hilti is Trustee of the Martin Hilti Family Trust, member of the Board of the Hilti Foundation and Chairman of the Hilti Art Foundation.

Barbara Milian Thoralfsson
Oslo, Norway
1959, re-elected until the
2020 Annual General Meeting

Barbara Milian Thoralfsson was elected to the Board of Directors in 2014. She has an MBA in marketing and finance from Columbia University and a BA in psychology from Duke University. She has held various CEO positions in the telecom and consumer goods industries and since 2006 she has been an entrepreneur in the industrial sector (Fleming Industrier AS, Oslo) as well as an Industrial Advisor of EQT Partners, Oslo.

Heinrich Fischer
Chairman of the Board of Directors
Rüschlikon, Switzerland
1950, re-elected until the
2019 Annual General Meeting

Heinrich Fischer was elected to the Board of Directors in 2007 and became its Chairman in April 2017. Prior to his tenure at Hilti, Heinrich Fischer, who holds degrees in electrical engineering and technical physics (Swiss Federal Institute of Technology Zurich) and business administration, was CEO of Saurer AG.



Hilti products are designed to be ergonomic and well-balanced, leading to greater user comfort and an advantageous working posture. Low weight and minimal thrust forces assist in protecting the health of the user and reducing fatigue while ensuring safety and productivity on the construction site. For almost 20 years Joachim Vedder (pictured left), key expert for ergonomics and application analyses at headquarters in Schaan, has been responsible for making certain that our products are adapted to take both the user and the application into consideration. This is an ongoing process, and one that members of the company's Board of Directors looked in on personally last June.



Kim Fausing
Sønderborg, Denmark
1964, re-elected until the
2019 Annual General Meeting

Kim Fausing was elected to the Board of Directors in 2010. He holds a degree in mechanical engineering and an MBA. Kim Fausing joined Hilti in 1990 where he held various management positions in Europe and Asia until 2007. In 2007, he moved to the Danish Danfoss Group and in 2008, he was appointed COO and member of the Group Executive Team. In July 2017, he became President and CEO of the Danfoss Group.

Dr. Michael Jacobi
Binningen, Switzerland
1953, re-elected until the
2019 Annual General Meeting

Michael Jacobi was elected to the Board of Directors in 2007. He studied business economics at the University of St. Gallen, where he earned his doctorate, and at the University of Washington. In 1978, he joined Ciba-Geigy AG and from 1996 to 2007 he held the position of Global Chief Financial Officer for Ciba Specialty Chemicals Inc. Today, he is a Trustee of the Martin Hilti Family Trust and a self-employed business consultant.

Daniel Daeniker
Zürich, Switzerland
1963, elected until the
2021 Annual General Meeting

Daniel Daeniker joined the Board of Directors in 2018. He is Managing Partner of Homburger AG, a commercial law firm in Zurich. He also holds a board mandate with dormakaba Holding AG (Switzerland), is a member of the Supervisory Board of Rothschild & Co SCA (France) and a lecturer at the University of Zurich.

Prof. Dr. Pius Baschera
Zurich, Switzerland
1950, re-elected until the
2019 Annual General Meeting

Pius Baschera joined the Board of Directors in 2006. He served as its Chairman until April 2017 when he ceded this position to Heinrich Fischer. After earning his doctorate in mechanical engineering and business administration from the Swiss Federal Institute of Technology Zurich, he joined Hilti in 1979 as Head of Financial Controlling for production. He served as the company's CEO for 13 years beginning in 1994. Since April 2017 he has been Speaker of the Martin Hilti Family Trust.

NON-FINANCIAL ASPECTS OF CORPORATE RESPONSIBILITY



HUMAN RIGHTS

Code of Conduct

Hilti strives to consistently improve ethical and social conditions associated with business while also mandating that suppliers observe international requirements and ethical standards contained in its Code of Conduct for Suppliers. Hilti deploys external agents to continuously monitor adherence to these standards.

Anti-discrimination

Building on the existing Code of Conduct for employees and a culture of integrity, respect and anti-discrimination, Hilti has implemented specific anti-discrimination guidelines. This is aimed at generating increased transparency and awareness while further reducing the risk of workplace discrimination. The guidelines were communicated to all employees worldwide to promote inclusive behavior across the company.



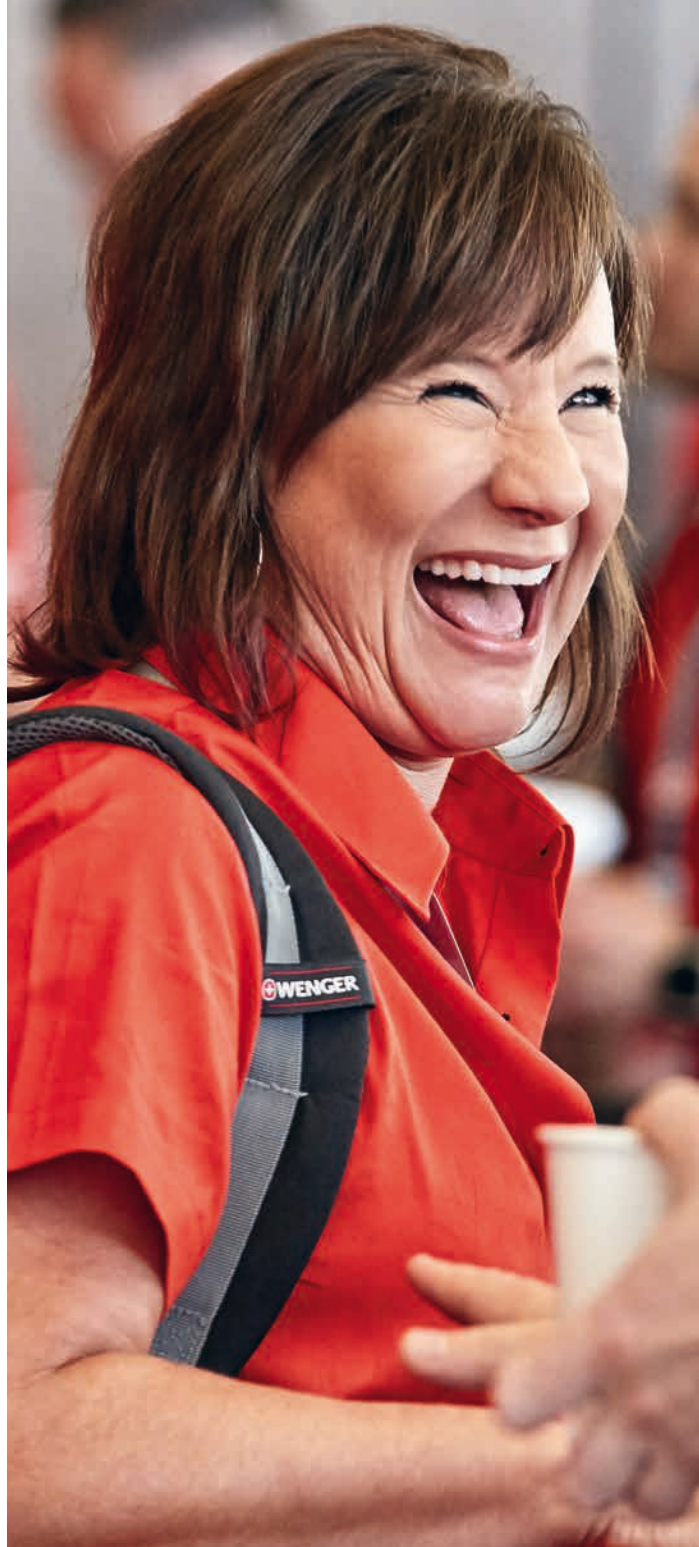
ANTI-CORRUPTION ACTIVITIES

Organization

The Compliance Management System (CMS) established over previous years continues to be further developed in close coordination with the various Hilti regions. Efforts to digitalize the compliance process made further headway in 2018 in particular with the introduction of two additional processes. In strategic terms, the CMS is based on the guidelines contained in ISO 19600 and ISO 37001.

Prevention

Hilti employees are regularly trained to observe the company's internal anti-corruption guidelines. During the year under review, Hilti further strengthened its Compliance unit while simplifying the existing reporting systems. Hilti plans to introduce new approaches to prevention and detection in 2019.



Significant non-financial performance indicators

- | | |
|---|--|
| <p>LA8 Health and safety topics covered in formal agreements with trade unions</p> | <p>taken to contribute to the effective abolition of child labor</p> |
| <p>HR2 Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained</p> | <p>HR6 Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor</p> |
| <p>HR5 Operations and suppliers identified as having significant risk for incidents of child labor, and measures</p> | <p>EN3 Energy consumption within the organization</p> |
| | <p>EN6 Reduction of energy consumption</p> |



ENVIRONMENTAL PROTECTION

Reducing CO₂ emissions

Hilti works to reduce its ecological footprint in a targeted manner. Emissions per employee were reduced by 8.1 percent across the entire Group over the last two years. Through the modernization of office space at our locations around the world, we have made climate-friendly work possible for many employees. Further such renovations are planned for 2019.

Energy efficiency

In 2018 Hilti increased energy efficiency at its worldwide production facilities by roughly 8 percent. In addition to many smaller projects, the company also made more significant investments, such as in new air compressors which significantly reduce energy consumption when compared with the equipment they replaced. Investments were also made in alternative manufacturing methods which have led to a reduction in energy use of more than 90 percent. This has resulted in a sustainable level of energy savings of 0.8 million kWh. You can find an overview of the most significant environmental figures and additional details in a separate environmental report, online, under <http://hilti.to/environmentalreport2018E>.



SOCIAL AND EMPLOYEE MATTERS

Corporate culture

The Hilti Way describes the employee- and performance-oriented corporate culture that is characterized by common values, exemplary management and the conviction that corporate growth and employee development go hand in hand. In 2018, employees spent 28,300 working days on corporate culture workshops.

Occupational safety

Accident prevention is a central point of occupational safety. Over the past several years, a program known as “near miss management” was established in the manufacturing facilities, warehouses and tool service centers as part of a comprehensive lean initiative. The target is to identify dangerous situations or near misses and to implement corresponding preventive measures. The consistent implementation has resulted in a reduction of the severity of accidents and in the number of lost workdays.

Employee health

In 2018, Hilti once again implemented a number of measures and campaigns aimed at promoting better health at various locations around the world. In addition to measures which are required legally, many local organizations also offer proactive initiatives focusing on sport, nutrition, and medical and psychological counselling.

EN 8 Total water withdrawal by source

EN 15 Direct greenhouse gas (GHG) emissions

EN 16 Energy indirect greenhouse gas (GHG) emissions

EN 19 Reduction of greenhouse gas (GHG) emissions

EN 23 Total weight of waste by type and disposal method

EN 27 Extent of impact mitigation of environmental impacts of products and services

DMA General information on the management approach

SO 4 Communication and training on anti-corruption policies and procedures



FINANCIAL FIGURES



DOUBLE-DIGIT SALES GROWTH, BALANCE SHEET REMAINS STRONG

The Hilti Group once again achieved double-digit growth in 2018, boosting sales by 10.7 percent in Swiss francs. When adjusted for acquisition effects the increase amounted to 9.7 percent. The operating result rose 7 percent to CHF 728 million. The primary factor driving the company's success once again proved to be the consistent implementation of the Champion 2020 corporate strategy and significant investments in innovation, market reach and infrastructure.

Hilti showed strong global growth in 2018. Both North America and Europe achieved double-digit increases in local currencies, 10.4 and 10.6 percent, respectively. Latin America also grew strongly, at 8.6 percent, although the region's main markets continued to be hampered by political uncertainties. Growth was also strong in the Eastern Europe / Middle East / Africa region (+9.3%), although political tensions also had a negative influence on results in this region, particularly in Russia, Turkey and Saudi Arabia. In Asia/Pacific the growth level increased to 7 percent but remained below expectations. Currency effects, particularly the slightly positive trend for the euro, contributed 0.9 percentage-points to sales in terms of Swiss francs.

Significant ongoing investments

Investments in innovation, market reach and infrastructure once again increased in 2018. Expenditures in research and development rose by 14 percent to CHF 355 million. The worldwide sales team grew by approximately 1000 people in 2018 and the total number of Group employees at the end of 2018 was 29,004 (+8%). Altogether this further solidified the foundation for profitable long-term growth. Expanding the company's offering in terms of software and digitalization was also a focus in 2018, and resulted in the creation of two additional business units, which expanded the product portfolio to include further digital solutions and services. In Paris, Hilti began setting up a worldwide center for digital market-

ing. Hilti is also investing in its Group-wide IT infrastructure, for example by introducing the new ERP system SAP S/4HANA at the end of November.

Operating result and net income increase once again

The operating result was CHF 728 million (2017: CHF 681 million), an increase of 7 percent. Net income rose to CHF 546 million (2017: 521 million). Development of both return on sales (ROS), at 12.9 percent (2017: 13.3%), and return on capital employed (ROCE), at 20.6 percent (2017: 21.1%), were slightly lower than their previous-year levels due to the increased investment amount. Both of these results, however, remained above the target corridor established in the Champion 2020

+10.7%

The Hilti Group again achieved double-digit sales growth in 2018.

corporate strategy of 10–12 percent for ROS and 15–20 percent for ROCE. Free cash flow (before acquisition and disposal of subsidiaries) declined to CHF 245 million. The difference to the 2017 amount (CHF 325 million), is the result of disproportionate growth in fleet management and a Group-wide increase in warehouse capacities. The slight appreciation of the euro had next to no influence on the operating result due to the very positive natural hedging established by the company. Various devaluations, primarily to the Russian ruble and Turkish lira, were more noticeable. These could only be partly compensated for by local price increases. Overall, currency effects negatively influenced the operating result by CHF 20 million.

Balance sheet and liquidity remain strong

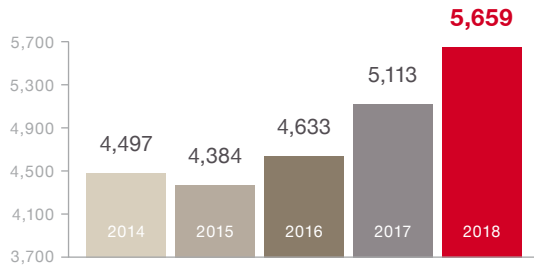
The equity ratio increased in 2018 to 55 percent (2017: 53%). Cash and cash equivalents were at CHF 1031 million (2017: CHF 1140 million) while financial debt was at CHF 515 million (2017: CHF 595 million). The Board of Directors has proposed an ordinary dividend payout of CHF 272 million for the 2018 financial year (2017: CHF 264 million).

Outlook

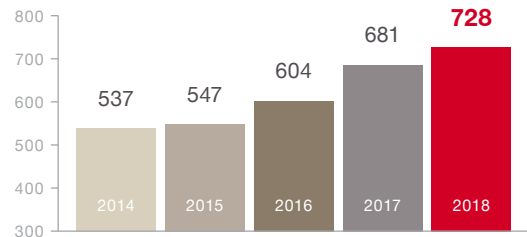
After several very positive years, the market and currency environments look to become more challenging, particularly considering the ongoing political and trade tensions. Taking this into consideration, Hilti anticipates 2019 market growth in the low single digits

and a market that will be characterized by increasing volatility. The Group maintains its strategic direction while continuing to invest in sales, products, services and digital solutions based on its solid financial situation. In light of this, Hilti expects an increase in sales in the mid-to-upper single digits and a growth level similar to that seen in 2018 for most key financial figures. The change to IFRS accounting principles, which will be applied for the first time in 2019, is forecast to have a negative influence on ROCE and equity ratio due to an increase in leasing liabilities.

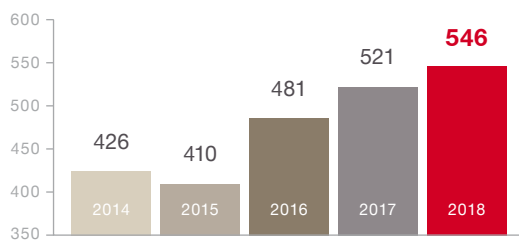
KEY FIGURES



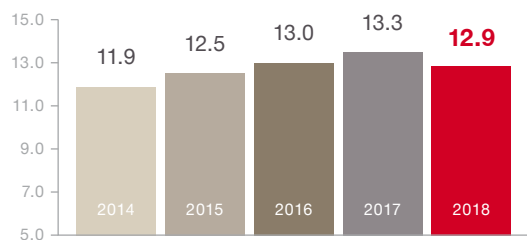
Net sales in CHF million



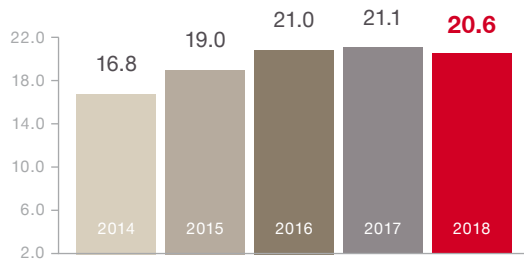
Operating result in CHF million



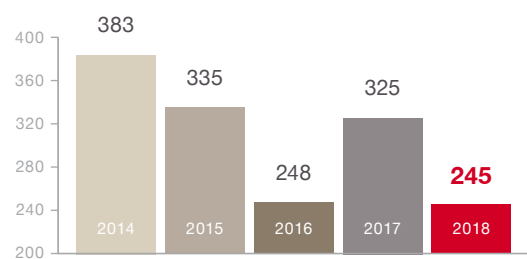
Net income in CHF million



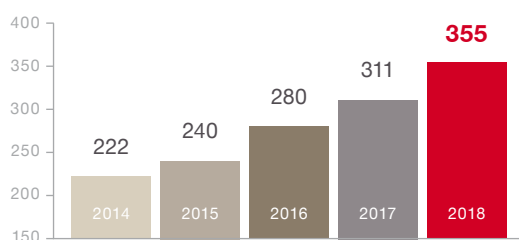
Return on sales (ROS) in %



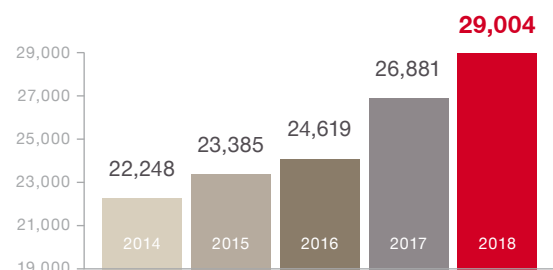
Return on capital employed (ROCE) in %



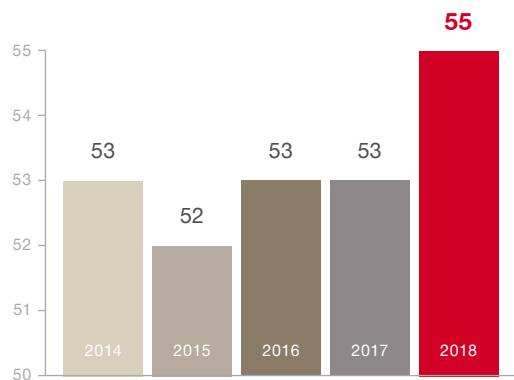
Free cash flow in CHF million
(before acquisition and disposal of subsidiaries)



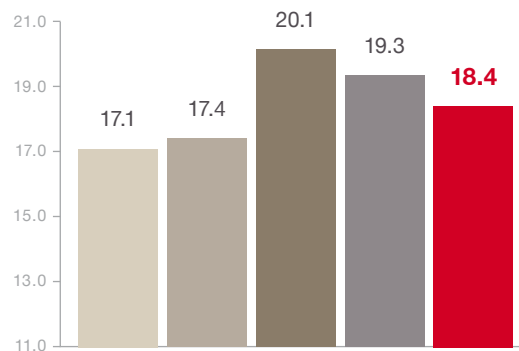
Research and development expenditure in CHF million



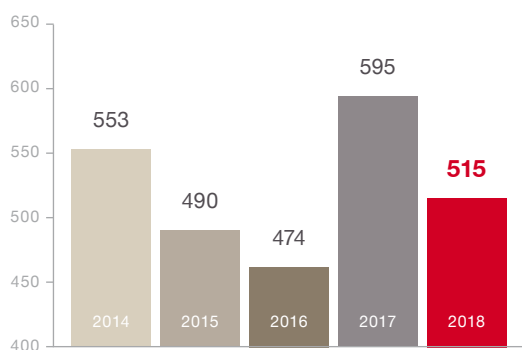
Employees on December 31



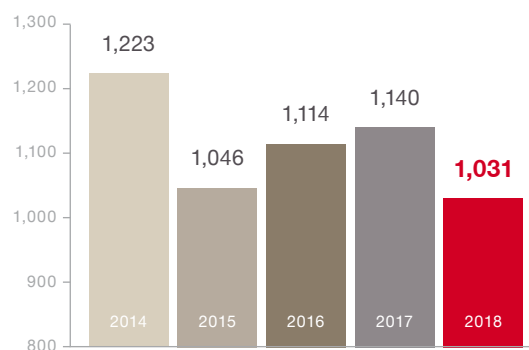
Total equity
in % total equity and liabilities



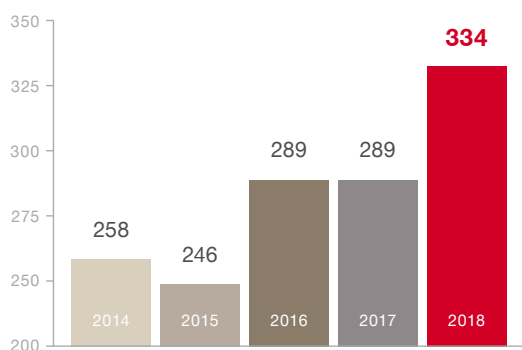
Return on equity (ROE)
in % (net income)



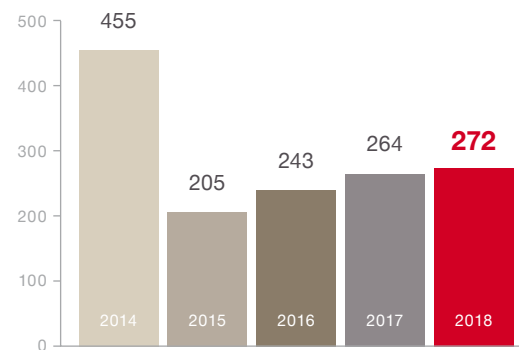
Financial debts in CHF million



Cash and cash equivalents
in CHF million



Capital expenditures on intangible assets and on property, plant and equipment
in CHF million



Dividend in CHF million

Please note

2017 numbers have been restated due to the adoption of IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments. Numbers prior to 2017 have not been restated.

The following pages contain extracts from the 2018 Financial Report of the Hilti Group. Because these pages do not contain the full consolidated financial statements, they do not present complete information about the financial position, financial performance and cash flows of the Hilti Group for 2018. Complete information, including the notes to the consolidated financial statements, is contained in the 2018 Financial Report, which will be available on the Group's website (www.hilti.group) from late March 2019. The full 2018 consolidated financial statements, which are included in the 2018 Financial Report, have been prepared in accordance with International Financial Reporting Standards (IFRS).

CONSOLIDATED BALANCE SHEET

OF HILTI GROUP AS AT 31 DECEMBER

Assets in CHF million	2018	2017
Intangible assets	808.3	732.0
Property, plant and equipment	894.0	866.3
Investment property	1.9	1.9
Investments in associates	2.8	2.6
Deferred income tax assets	128.8	154.1
Other financial investments	12.2	11.5
Trade and other receivables	683.5	579.4
Derivative financial instruments	5.3	5.6
TOTAL NON-CURRENT ASSETS	2,536.8	2,353.4
Inventories	678.6	637.6
Trade and other receivables	1,244.2	1,214.7
Current income taxes receivable	23.4	11.6
Accrued income and prepayments	68.4	55.4
Derivative financial instruments	6.6	5.7
Financial assets at fair value through profit or loss	23.0	25.0
Cash and cash equivalents	1,030.9	1,140.2
TOTAL CURRENT ASSETS	3,075.1	3,090.2
TOTAL ASSETS	5,611.9	5,443.6

Equity and liabilities in CHF million	2018	2017
Non-controlling interests	3.7	1.5
Equity attributable to equity holders of the parent	3,071.4	2,871.2
TOTAL EQUITY	3,075.1	2,872.7
Provisions	13.6	16.5
Employee benefits	522.8	550.9
Deferred income tax liabilities	116.0	91.9
Bonds	299.9	334.4
Long-term bank borrowings	27.6	30.9
Contract liabilities	71.6	64.2
Trade and other payables	36.9	40.6
TOTAL NON-CURRENT LIABILITIES	1,088.4	1,129.4
Provisions	9.4	8.7
Employee benefits	105.6	8.7
Trade and other payables	479.0	479.1
Current income taxes payable	104.1	122.1
Accrued liabilities and deferred income	445.5	470.1
Contract liabilities	114.7	115.7
Bonds	33.2	111.7
Short-term bank borrowings	153.9	117.7
Derivative financial instruments	3.0	7.7
TOTAL CURRENT LIABILITIES	1,448.4	1,441.5
TOTAL LIABILITIES	2,536.8	2,570.9
TOTAL EQUITY AND LIABILITIES	5,611.9	5,443.6

Please note

As per year ending 2018 equity comprises share capital of 253,440 registered shares with a par value of CHF 500 each as well as reserves. All of the registered shares are owned by the Martin Hilti Family Trust.

CONSOLIDATED INCOME STATEMENT OF HILTI GROUP

in CHF million	2018	2017
Net sales	5,659.3	5,112.6
Other operating income	134.9	114.9
TOTAL OPERATING INCOME	5,794.2	5,227.5
Change in inventory	56.7	50.5
Material costs	(1,648.9)	(1,484.1)
Personnel expenses	(2,340.5)	(2,109.9)
Depreciation and amortization	(202.4)	(173.5)
Losses on trade and other receivables	(44.8)	(36.0)
Other operating expenses	(885.9)	(793.9)
TOTAL OPERATING EXPENSES	(5,065.8)	(4,546.9)
OPERATING RESULT	728.4	680.6
Other income and expenses (net)	(29.7)	(9.3)
Finance costs	(31.1)	(27.6)
NET INCOME BEFORE INCOME TAX EXPENSE	667.6	643.7
Income tax expense	(121.2)	(123.1)
NET INCOME	546.4	520.6
Attributable to:		
Equity holders of the parent	545.0	519.3
Non-controlling interests	1.4	1.3

Please note

The notes to the consolidated financial statements are an integral part of, and should be read in conjunction with, the consolidated balance sheet, the consolidated income statement, the consolidated statement of comprehensive income and the consolidated cash flow statement.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF HILTI GROUP

in CHF million	2018	2017
NET INCOME	546.4	520.6
Net movement on cash flow hedges	2.7	(4.5)
Deferred tax on net movement on cash flow hedges	(0.3)	0.6
Foreign currency translation differences	(59.3)	54.4
Deferred tax on foreign currency translation differences	0.8	(0.5)
ITEMS THAT MAY BE SUBSEQUENTLY RECLASSIFIED TO THE INCOME STATEMENT	(56.1)	50.0
Remeasurements on employee benefits	(25.3)	96.1
Deferred tax on remeasurements on employee benefits	1.0	(13.7)
ITEMS THAT WILL NEVER BE RECLASSIFIED TO THE INCOME STATEMENT	(24.3)	82.4
OTHER COMPREHENSIVE INCOME (OCI)	(80.4)	132.4
TOTAL COMPREHENSIVE INCOME	466.0	653.0
Attributable to:		
Equity holders of the parent	464.8	651.7
Non-controlling interests	1.2	1.3

CONSOLIDATED CASH FLOW STATEMENT OF HILTI GROUP

in CHF million	2018	2017
NET INCOME	546.4	520.6
Depreciation and amortization	202.4	173.5
(Increase) / decrease in inventories	(56.7)	(50.5)
(Increase) / decrease in trade receivables	(13.6)	(56.1)
(Increase) / decrease in finance lease receivables	(188.2)	(143.2)
Increase / (decrease) in trade payables	(4.8)	65.6
Increase / (decrease) in contract liabilities	12.7	16.4
Change in non-cash items and other net operating assets	75.2	84.4
CASH FLOW FROM OPERATING ACTIVITIES	573.4	610.7
Capital expenditure on intangible assets	(169.9)	(157.4)
Capital expenditure on property, plant and equipment	(163.9)	(131.6)
Acquisition of subsidiaries	(3.7)	(127.0)
(Increase) / decrease in financial investments	1.5	(5.9)
Disposal of intangible assets	0.1	1.9
Disposal of property, plant and equipment	4.0	6.9
CASH FLOW FROM INVESTING ACTIVITIES	(331.9)	(413.1)

in CHF million	2018	2017
Proceeds from long-term borrowings	1.5	4.6
Repayment of long-term borrowings	(0.5)	(3.1)
Proceeds from / (repayment of) short-term borrowings	43.8	(20.8)
Proceeds from issuance of bonds	–	200.0
Repayment of bonds	(111.6)	(116.2)
Increase / (decrease) in liability to shareholder	0.2	0.1
Dividend paid	(263.6)	(243.3)
CASH FLOW FROM FINANCING ACTIVITIES	(330.2)	(178.7)
Exchange differences	(20.6)	7.5
TOTAL INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(109.3)	26.4
Cash and cash equivalents at January 1	1,140.2	1,113.8
CASH AND CASH EQUIVALENTS AT DECEMBER 31	1,030.9	1,140.2
Cash flow from operating activities includes		
Interest received	5.6	4.0
Interest paid	(31.3)	(29.3)
Income tax paid	(101.0)	(89.3)

KEY FIGURES

OF HILTI GROUP

Results in CHF million / %	2018	2017
Net sales	5,659	5,113
Depreciation and amortization	202	174
Operating result	728	681
Net income before tax	668	644
Net income	546	521
Return on capital employed (ROCE) in % (operating result)	20.6	21.1
Return on equity (ROE) in % (net income)	18.4	19.3
Return on sales (ROS) in %	12.9	13.3
Free cash flow (before acquisition and disposal of subsidiaries)	245	325
Balance sheet in CHF million / %	2018	2017
Total equity	3,075	2,873
Total equity in % Total equity and liabilities	55	53
Total non-current liabilities	1,088	1,129
Total current liabilities	1,448	1,442
Capital expenditures on intangible assets and on property, plant and equipment	334	289
Intangible assets and property, plant and equipment	1,702	1,598
Other non-current assets	835	755
Total current assets	3,075	3,090
Total assets	5,612	5,444
Dividend*	272	264
EMPLOYEES (on December 31)	29,004	26,881

* Proposal by the Board of Directors

2018 SALES GROWTH

YEAR ON YEAR

Sales growth in CHF million	2018	2017	Change in CHF (%)	Change local currencies (%)
Europe	2,809	2,460	14.2	10.6
North America	1,331	1,213	9.7	10.4
Latin America	129	128	0.9	8.6
Asia / Pacific	741	697	6.3	7.0
Eastern Europe / Middle East / Africa	649	615	5.5	9.3
HILTI GROUP	5,659	5,113	10.7	9.8

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The complete Financial Report, the principles of corporate governance,
the Group organizational chart, a list of consolidated companies and information
on the Martin Hilti Family Trust can be found on the Internet at www.hilti.group.



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