**LIQUI MOLY financial results: The engine keeps on running**

Sales and revenue rise in 2018. The lubricant specialist also recorded a plus for the beginning of 2019.

**May 2019 – German oil and additive specialist LIQUI MOLY has maintained its course of growth. This is the result of the balance sheet certified by the auditing company Ernst & Young. In 2018, sales rose to a record 544 million euro – an increase of 2 percent compared to 2017. Revenue grew by the same amount to 52.6 million euro. This corresponds to a return on sales of 9.7 percent. “In view of the economic environment, we achieved an acceptable result in a difficult year,” as LIQUI MOLY Managing Director Ernst Prost summed it up. Despite continuing uncertainties relating to economic policy, the company expects a positive result for 2019 as well.**

Last year, the extremely volatile price of crude oil proved to be the biggest cost driver. The base oils and additive packages that are important for LIQUI MOLY followed the price trend on the crude oil market. While a barrel of crude oil cost an average of about USD 55 in 2017, the price one year later was around USD 70. “In the production of lubricants, these raw material prices determine the total costs to a large extent,” Ernst Prost explained.

LIQUI MOLY is ideally equipped to deal with such imponderables. We have equity ratio of 83 percent with a balance sheet total of 175 million euro. In addition, there are no liabilities to banks. “We are running entirely on our own steam, are completely debt-free, and therefore do not have to pay any dividends or interest. This is important in order to be able to react to changes in the future or, even better, to be able to shape them ourselves,” the Managing Director emphasized. This includes investments to secure the future of the company and thus almost 900 jobs.

One such project is the construction of a state-of-the-art central warehouse near the oil factory. Approximately 25 million euro have been budgeted as the capital outlay. The new central warehouse with 50,000 pallet bays is to be built directly next to the existing tank storage facilities. “This step is indispensable in order to always have sufficient goods available so that we can supply our customers reliably,” says Ernst Prost.

Since the beginning of the year, the delivery process has lacked the usual high reliability. “The reason is not the stock situation, but the changeover to new software,” explained the Managing Director. At the turn of the year, a program for enterprise-wide resource planning, a so-called ERP system, was put into operation. It is due to the highly complex nature of the matter, with its range of around 4,000 items and tens of thousands of customers in 150 countries, that not all processes are yet fully reliable. Nevertheless, the lubricant specialist recorded a 4 percent increase in sales from January to April. “It’s hard to imagine what a grand start we would have made in 2019 with full delivery capability,” says Ernst Prost. “True to the motto of the Ulm innovation region, we want LIQUI MOLY to remain at the forefront of the South and of the world. That is our claim and our goal.”

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| **LIQUI MOLY in figures** | **2018** |
| Sales  | 544 m euro |
| Revenue before tax | 52.6 m euro |
| Balance sheet total | 175 m euro |
| Equity | 133 m euro |
| Bank debt | 0 euro |
|  |  |
| Lubricant production | 82,386 t |
| Additive production | 14.4 m canisters |
| Inventory levels | 42.9 m euro |
|  |  |
| Employees | 849 |
| Investment in fixed assets | 11.7 m euro |
| Spending on marketing and advertising | 21.2 m euro |
| Spending on research and development | 5.6 m euro |

**About LIQUI MOLY**

With around 4,000 items, LIQUI MOLY offers a global, uniquely broad range of automotive chemicals: Motor oils and additives, greases and pastes, sprays and car care, glues and sealants. Founded in 1957, LIQUI MOLY develops and produces exclusively in Germany. There it is the undisputed market leader for additives and is repeatedly voted the best oil brand. The company sells its products in more than 120 countries and generated € 544 million in sales in 2018.

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