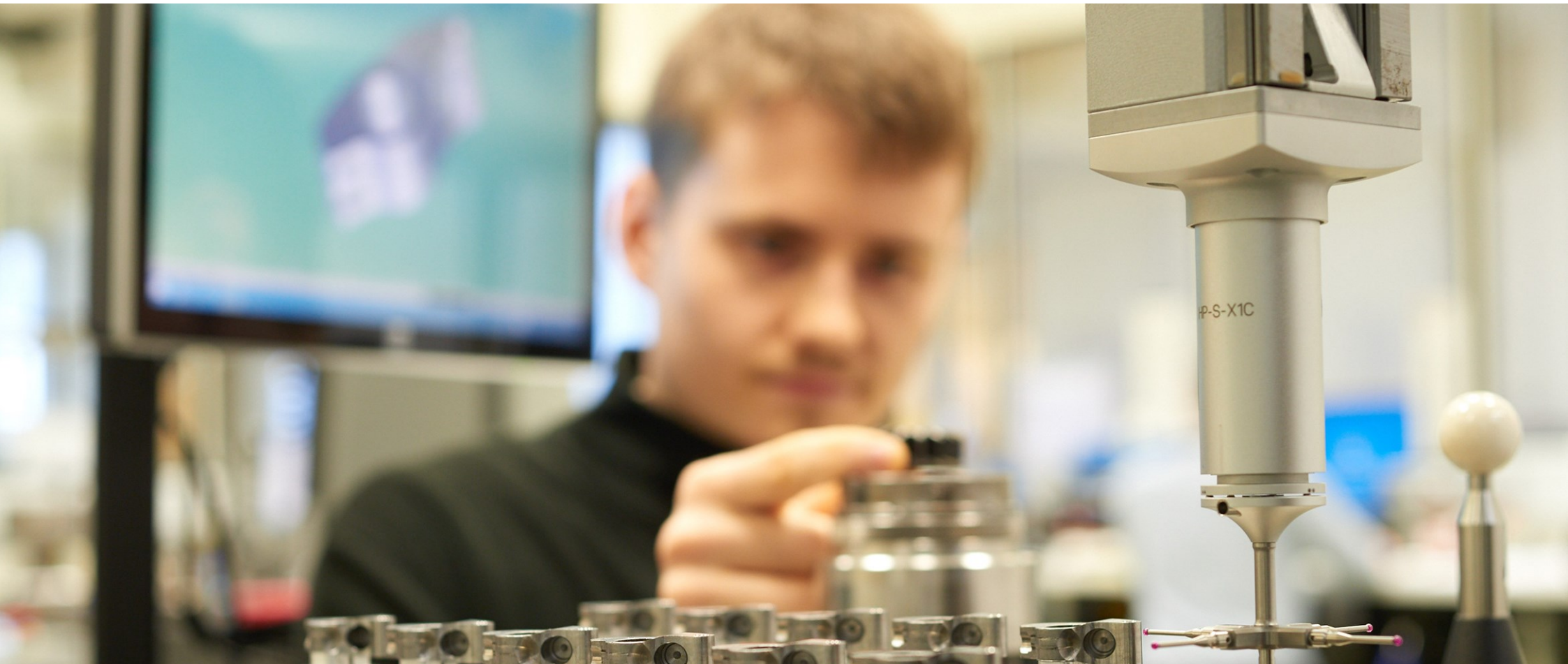


Welcome to the presentation of 1HY 2015 results



Global precision engineering champion with Swiss heritage

Focused in technology – diversified in end markets

SFS representatives



Heinrich Spoerry
Chairman of the Board of Directors and
Chief Executive Officer



Jens Breu
Chief Operating Officer



Rolf Frei
Chief Financial Officer

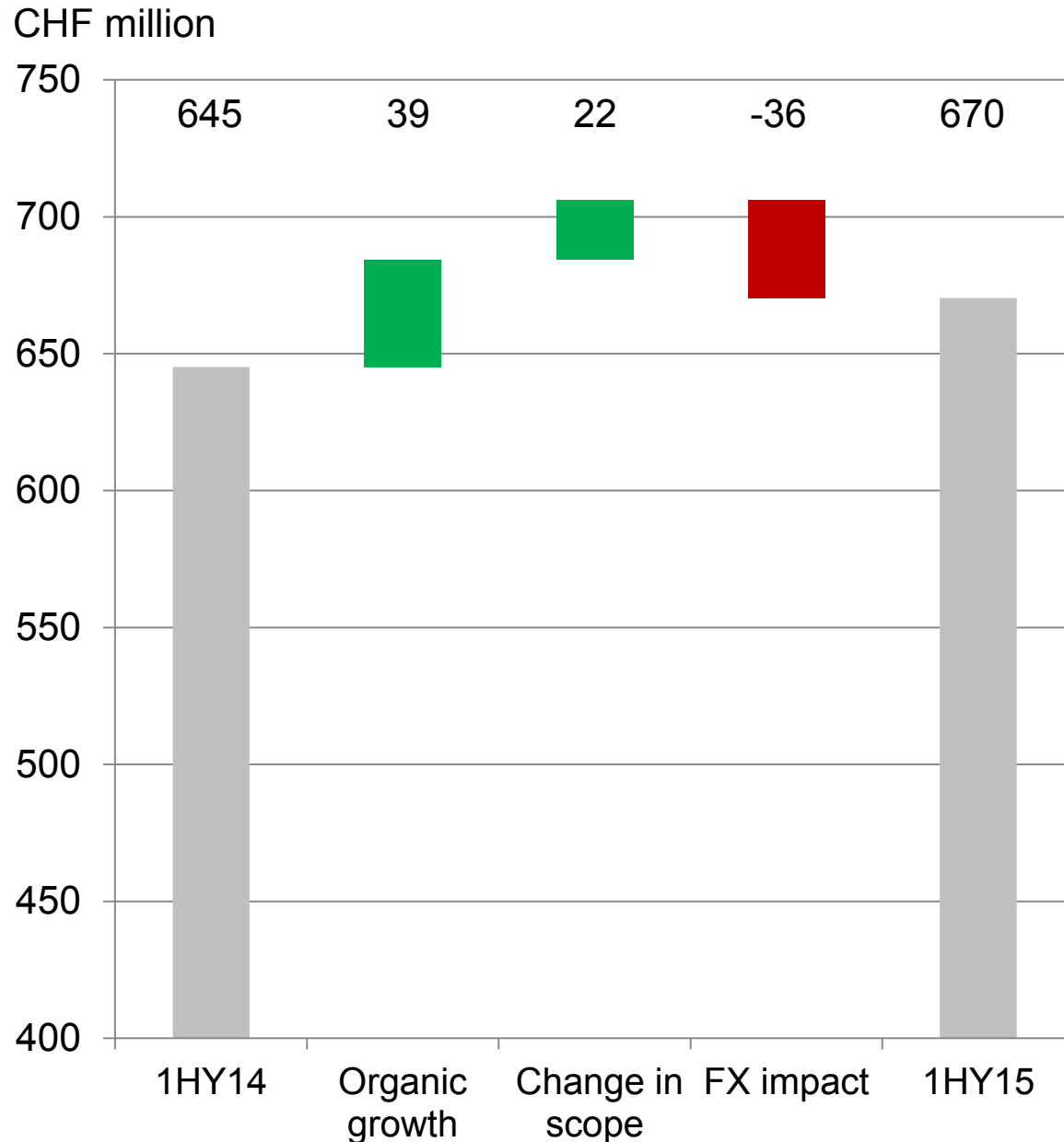


Claude Stadler
Head of Corporate Communications and Investor Relations

Agenda

- 1 Introduction and overview Heinrich Spoerry
- 2 Comments on development of key financials Rolf Frei
- 3 Development by segment Jens Breu
- 4 Outlook on 2HY 2015 Heinrich Spoerry
- 5 Q&A

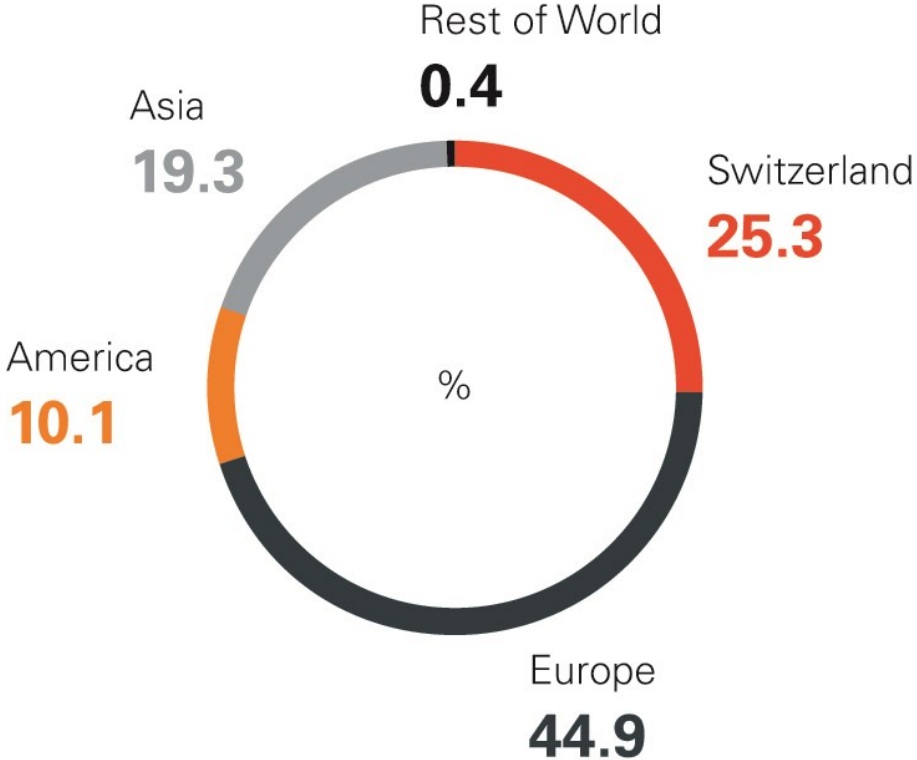
Sales bridge



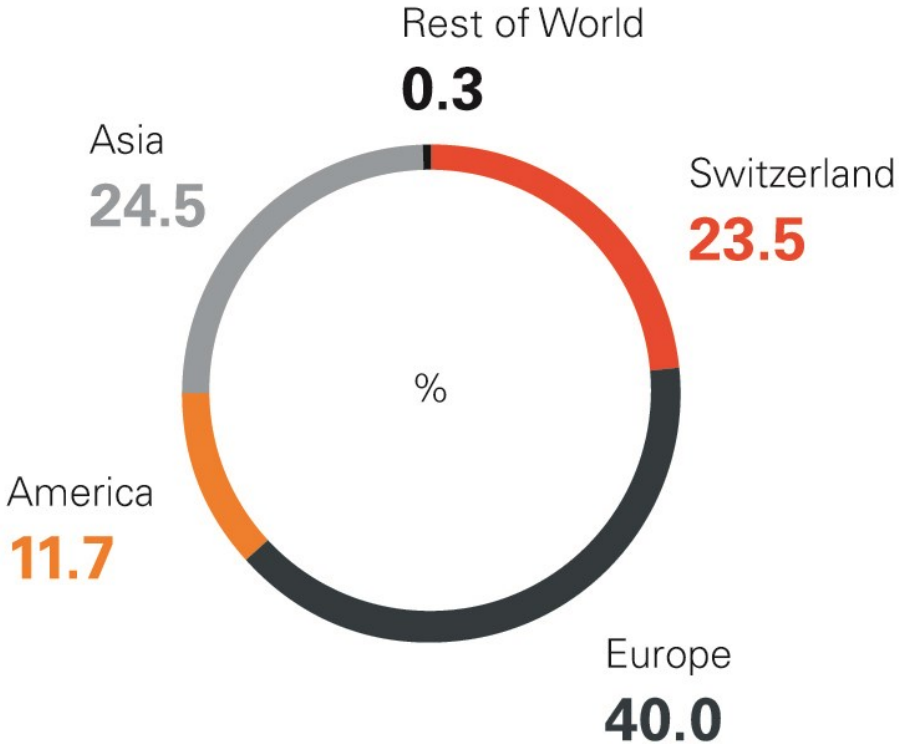
- ➔ Reported growth 3.9% yoy
 - Organic +6.1%
 - M&A +3.3%
 - FX impact -5.5%
- ➔ Like for like growth by segment
 - 13.9% in EC
 - 2.5% in FS
 - -5.5% in D&L
- ➔ Ramp-up of recent project wins on track
- ➔ Growth contribution by 2.9% from trading activities out of Engineered Components

Sales breakdown by regions

1HY 2014

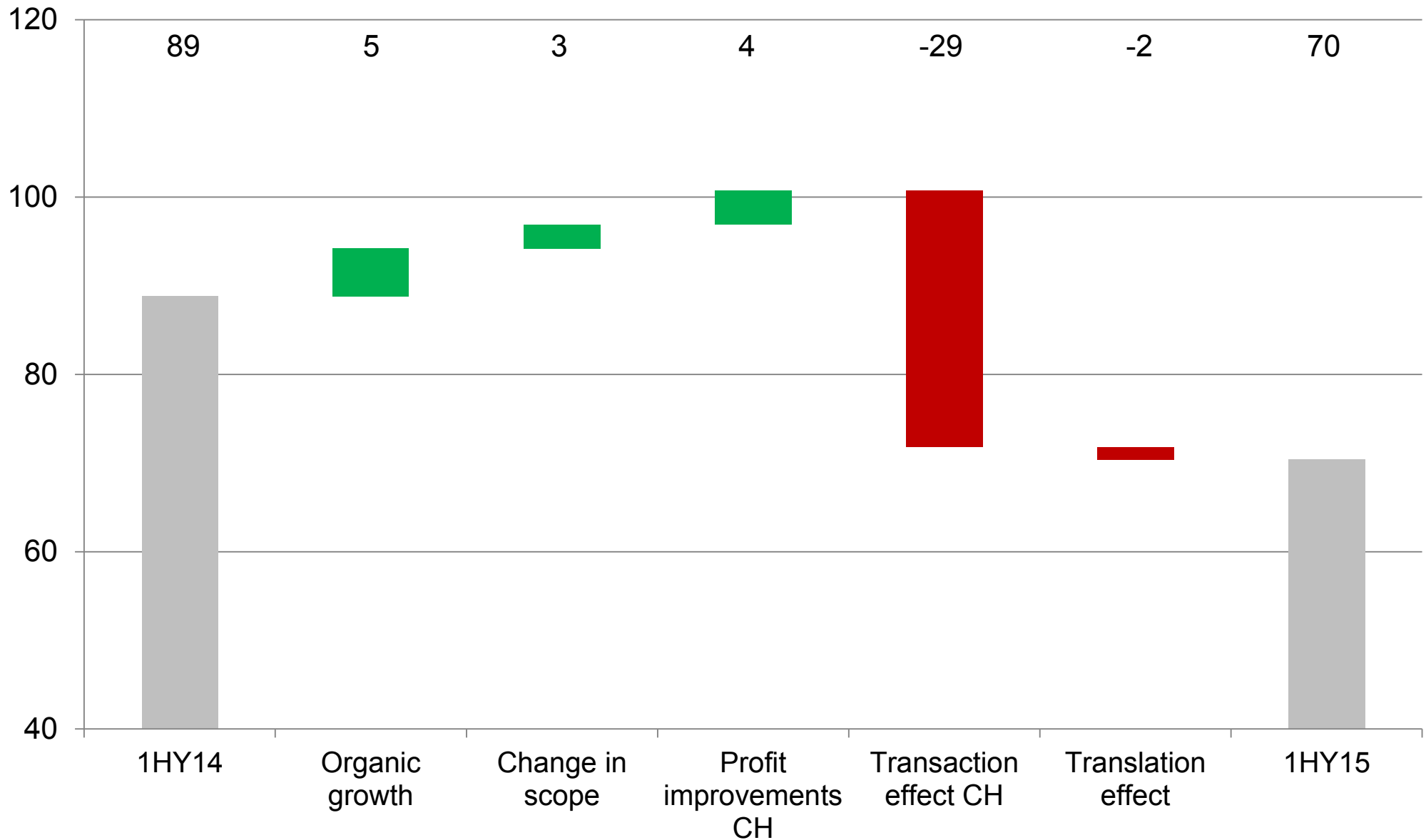


1HY 2015



EBITA bridge

CHF million



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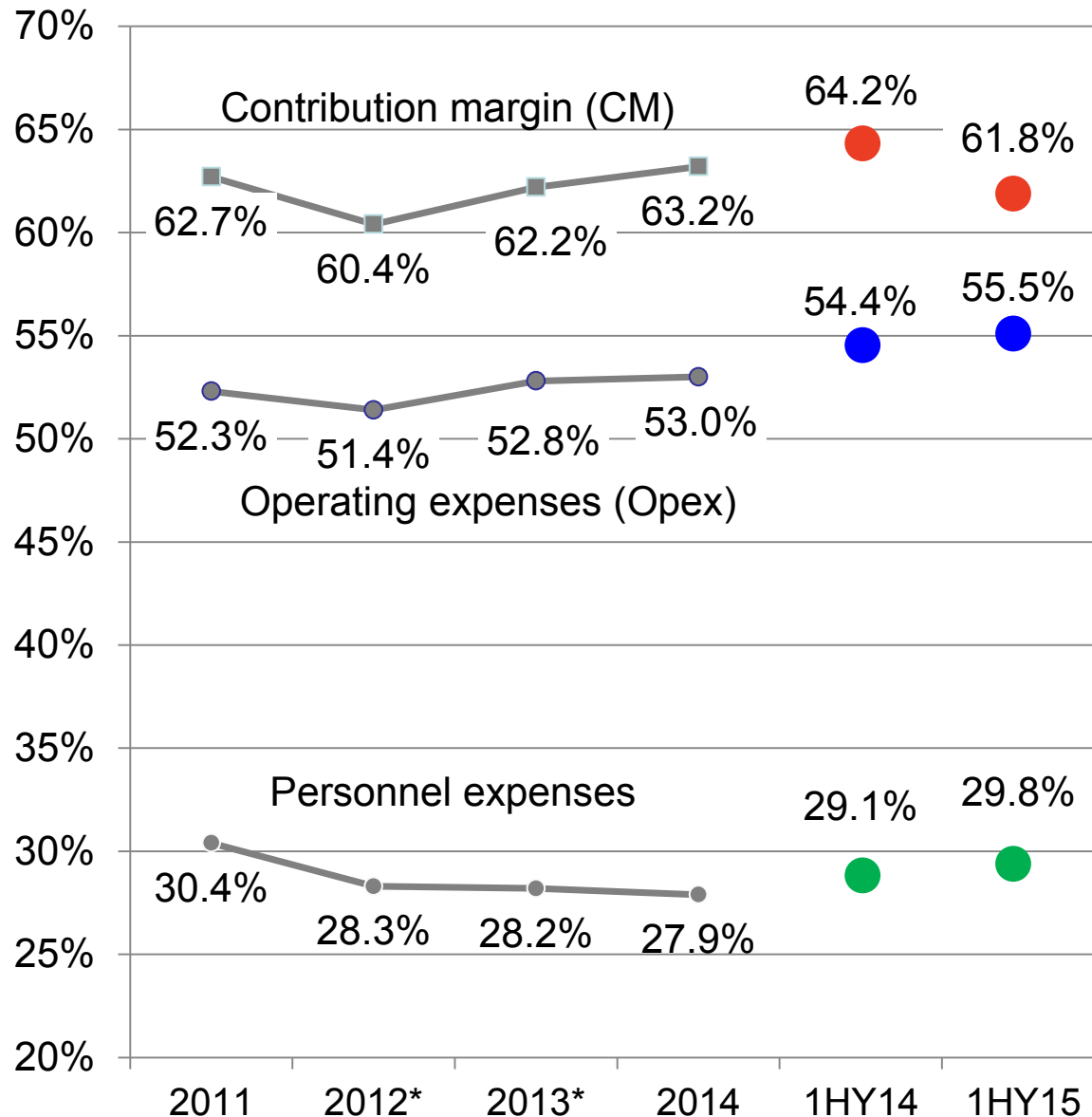
Financial Overview

CHF million	1HY15	1HY14	yoy
Gross Sales	670.4	645.2	+25.2
FX impact on profitability			-30.3
EBITDA	109.4	125.2	-15.8
As a % of operating revenue	16.5	19.2	
EBITA	70.4	88.8	-18.4
As a % of operating revenue	10.6	13.6	
Net Income	31.8	45.8	-14.0
As a % of operating revenue	4.8	7.0	
Cash net income ¹⁾	54.4	65.4	-11.0
As a % of operating revenue	8.2	10.0	

1) net income before amortization on intangible assets net of deferred taxes

P&L structure

% of operating revenue

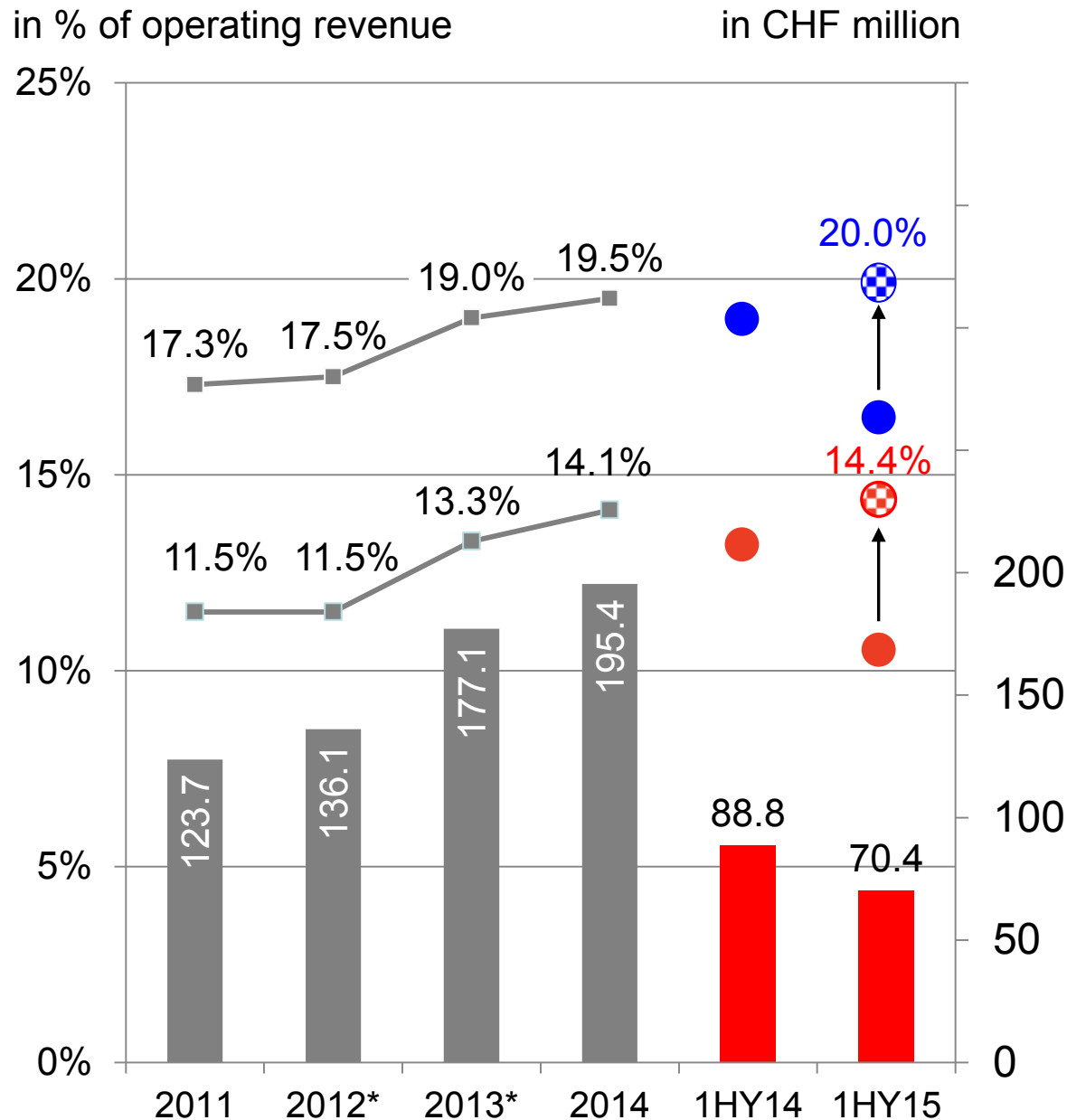


- ➔ CM 240 bps down yoy
 - 100 bps FX impact
 - 140 bps product mix
 - Selective price increases and non-recurring one-time FX effects (A/R and inventory) will improve CM in 2nd HY

- ➔ Opex 110 bps up yoy
 - Base effect
 - Absolute number in CHF stable on like for like basis

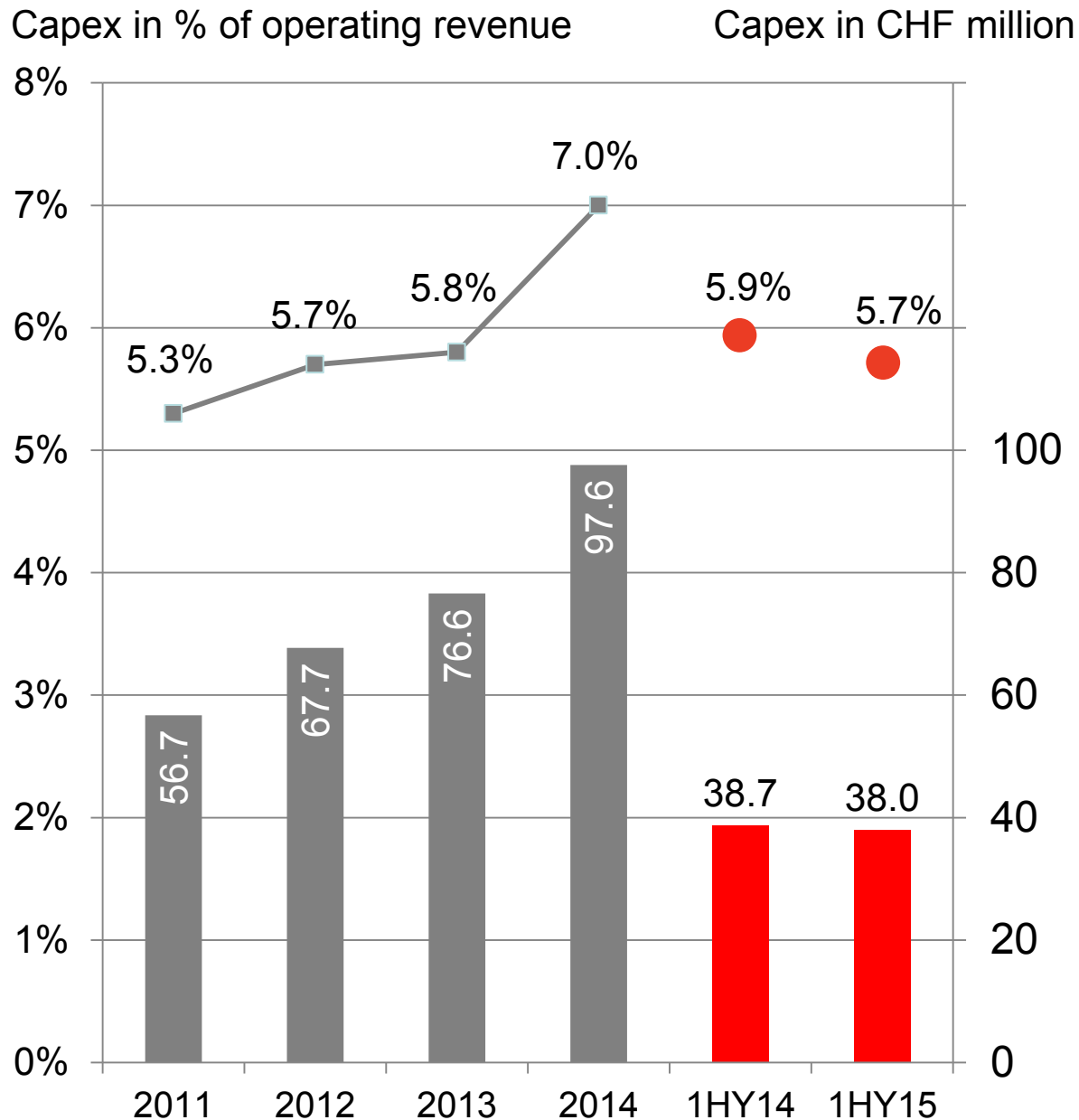
- ➔ Expect lower Opex percentage in 2nd HY due to growing impact on profit improvement projects and higher operating revenue

Operating profitability



- ➔ Negative FX impact on profitability with CHF 30.3m
- ➔ Operating cash flow (EBITDA) down from 19.2% to 16.5%. Before negative FX impact EBITDA margin at 20.0%
- ➔ Operating profit (EBITA) similarly down from 13.6% to 10.6%. Before negative FX impact EBITA-Margin at 14.4%
- ➔ Expect substantial improvement in profitability in 2nd HY
 - One time effect do not recur
 - Improvement projects have growing impact
 - Sales seasonally higher

Capital expenditure

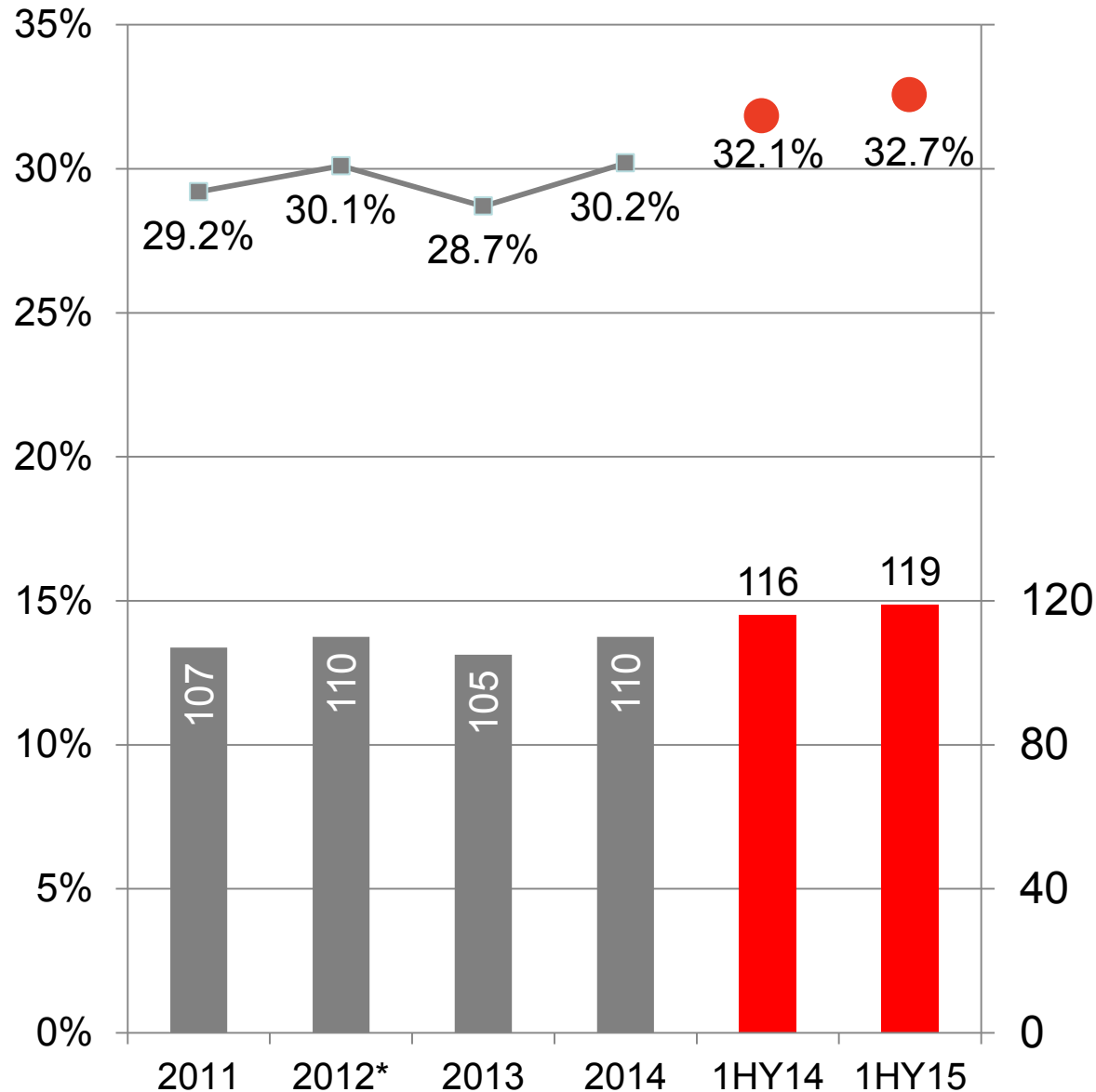


- ➔ Capex spending with 5.7% (5.9% PY)
 - Share of growth capex 66%
 - Advanced demand for localization
 - Triggered by projects wins from prior year
 - Enabling future growth

- ➔ Expect for full year 2015 Capex spending in the range of 6% to 6.5% (CHF 83m to 90m)

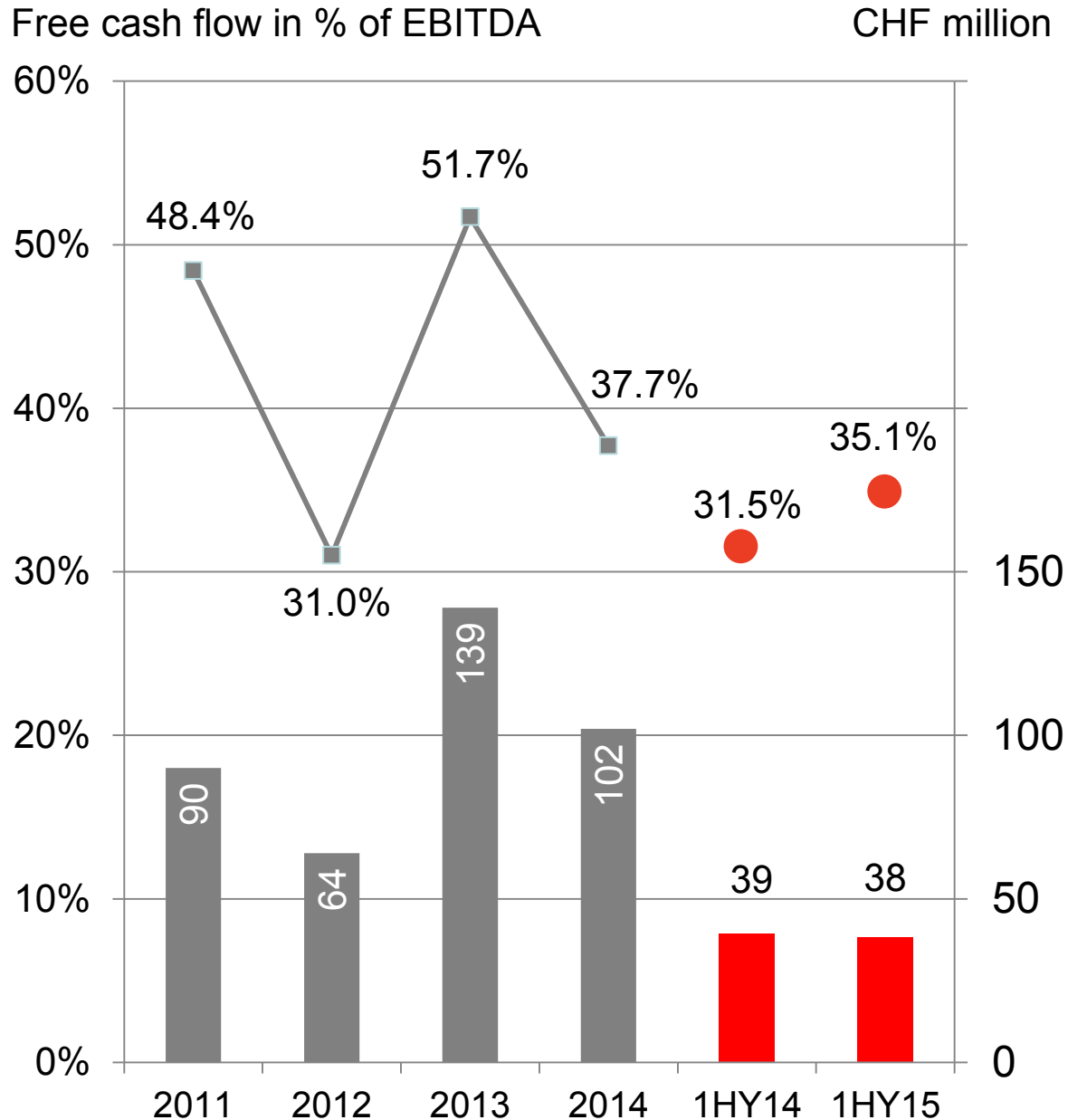
Net working capital

NWC in % of operating revenue NWC Days outstanding



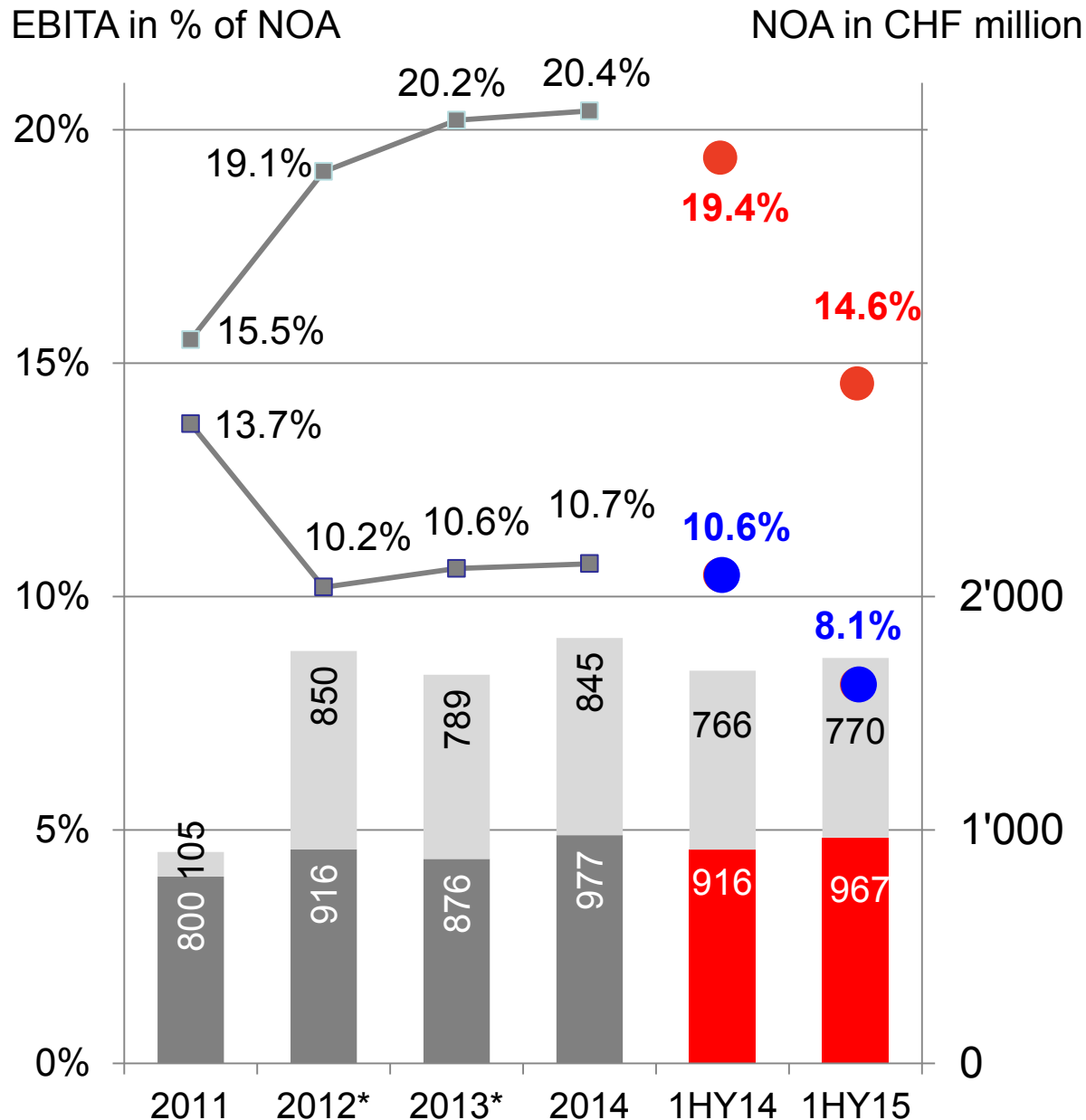
- ➔ Seasonal peak in net working capital with 32.7% on OR (32.1% PY)
- ➔ Furthermore strong growth in EC with DSO of 80 days contributes to the increase
- ➔ Average DSO in FS with 52 days and in D&L with 46 days clearly below the average of SFS Group with 68 DSO
- ➔ Expect decline towards the end of the year as in previous years

Free cash flow



- ➔ Free cash flow CHF 38m
 - Lower cash flow compensated by lower increase in net working capital
- ➔ Free cash flow conversion rate at 35.1% (PY 31.5%)
- ➔ 2nd HY normally shows stronger free cash flow generation
 - Higher cash inflows
 - Seasonally lower net working capital

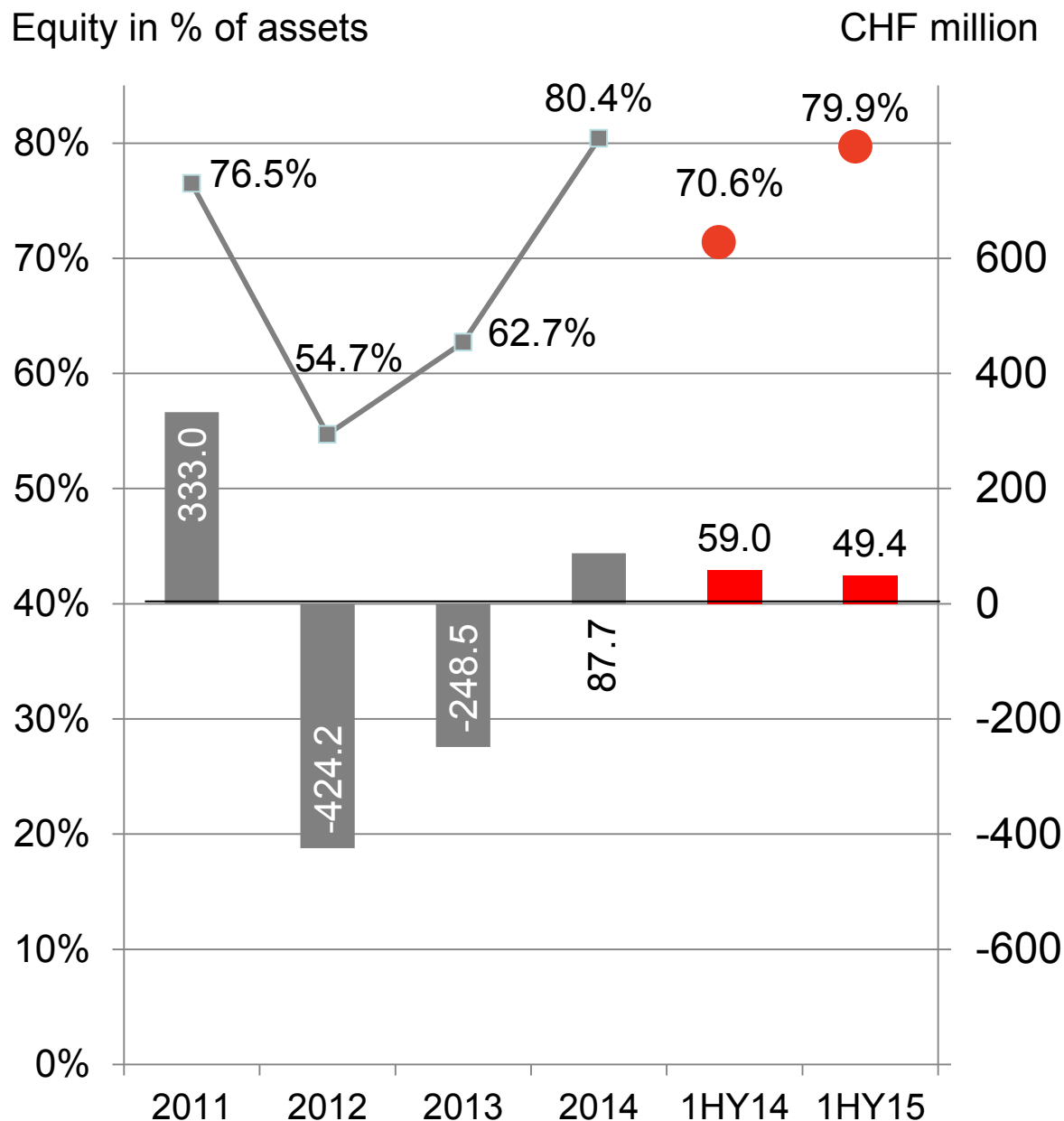
Return on net operating assets



- ➔ Negative FX development also impacts return on NOA
- ➔ Operational NOA before intangible assets (Swiss GAAP) **RONOA I** down from 19.4% to 14.6%
- ➔ **RONOA II** includes intangible assets (IFRS) and is down from 10.6% to 8.1%
- ➔ Higher profitability in 2nd HY and slight decrease in net operating assets against 30 June should bring returns back to just below the levels seen end of 2014

• EBITA adjusted for one time effects (2012: CHF 4.6m, 2013: CHF 18.3m)
 • EBITA annualized for Unisteel (2012) and Indo Schöttle (2014)

Net cash and equity ratio



- ➔ Negative FX translation impact on equity ~CHF 100m
- ➔ Accounted for in OCI and not in P&L
- ➔ As total assets also declined due to FX rate fluctuations the equity ratio remains unchanged at around 80%
- ➔ Net cash at CHF 49.4m
- ➔ Stronger free cash flow generation in 2nd HY will boost net cash by year end to above CHF 90m

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Headlines Engineered Components (EC)

Key figures Engineered Components

in CHF million (unaudited)	2015 1st half	Change	2014 1st half	2013 1st half
Third party sales	358.0	13.5%	315.5	331.8
Sales growth comparable		13.9%		
Operating revenue	362.2	10.0%	329.4	333.9
EBITDA	81.2	-2.2%	83.1	83.9
As a % of operating revenue	22.4		25.2	25.1
EBITA	55.6	-8.2%	60.6	61.4
As a % of operating revenue	15.4		18.4	18.4
Net operating assets	1,243.0	6.6%	1,166.0	1,252.6
Employees (FTE)	5,806	25.0%	4,644	n/a

- ➔ Strong organic sales growth of 13.9% y-o-y (comparable basis)
- ➔ Strong demand from automobile and electronics industries
- ➔ Execution of new projects on track and contributed to the fast top-line growth
- ➔ Attractive profitability achieved, but significantly lower due to strong CHF
- ➔ Excluding currency effects, profitability slightly higher compared to the prior year
- ➔ Consolidation of Indo Schöttle increases number of employees

EC: substantial customer projects pipeline

Project	Country	Sales at Peak	2014	2015	2016	2017	2018	
P1	CH	CHF 5m	[Timeline bar with 'P' in 2015]					
P2	CN	CHF 5m	PPAP	SOP	[Timeline bar with 'P' in 2016]			
P3	CH	CHF 12m	SOP		[Timeline bar with 'P' in 2016]			
P4	US	CHF 11m	PPAP	SOP	[Timeline bar with 'P' in 2016]			
P5	CN	CHF 5m			PPAP	SOP	[Timeline bar with 'P' in 2017]	
P6	CH	CHF 6m		PPAP	SOP	[Timeline bar with 'P' in 2016]		
P7	CH	CHF 5m			PPAP	SOP	[Timeline bar with 'P' in 2017]	
P8	US	CHF 15m		PPAP	SOP	[Timeline bar with 'P' in 2018]		
P9	EU	CHF 23m	SOP				[Timeline bar with 'P' in 2018]	

- Explanations
- PPAP: production part approval process
 - SOP: start of production
 - P: peak volume achieved

Headlines Fastening Systems (FS)

Key figures Fastening Systems

in CHF million (unaudited)	2015 1st half	Change	2014 1st half	2013 1st half
Third party sales	157.9	-5.8%	167.5	161.3
Sales growth comparable		2.5%		
Operating revenue	164.9	-6.7%	176.6	165.5
EBITDA	16.6	-25.3%	22.2	15.4
As a % of operating revenue	10.0		12.6	9.3
EBITA	9.0	-35.9%	14.0	7.4
As a % of operating revenue	5.4		7.9	4.5
Net operating assets	296.4	-9.5%	327.4	337.0
Employees (FTE)	1,756	6.6%	1,648	n/a

- ➔ Mixed Markets; solid demand in North America, Central Europe and Northern Europe, no material recovery in Southern Europe.
- ➔ Excluding currency effects, sales rose by 2.5% compared to the strong first half of 2014.
- ➔ Recently introduced product innovations were major contributor
- ➔ Strong CHF hat material impact on the profitability; excluding the currency effects the EBITA margin would have been at 8.1%.

FS: important customer wins & cost improvements

Selected customer wins

Market: Europe (Holland)
Yearly sales: CHF 2.5 mio

Market: Europe (UK)
Yearly sales: CHF 400,000

Market: Europe (UK)
Yearly sales: CHF 300,000

Market: Europe (Germany)
Yearly sales: CHF 250,000

Market: North America (USA)
Yearly sales: CHF 150,000

Market: North America (USA)
Yearly sales: CHF 125,000

Selected efficiency gains

Project: Transfer finishing from
CH to CZ

Benefit: closer to customers

Savings: CHF 2 – 3m

Realization: by end of 2015

Project: Sourcing of auxiliary products
from third parties

Benefit: focused manufacturing activities

Savings: > CHF 1.5m

Realization: by end of 2015

Project: Centralized purchasing
SFS Group

Benefit: synergies (know-how, network)

Savings: > CHF 1.0m

Realization: by end of 2015

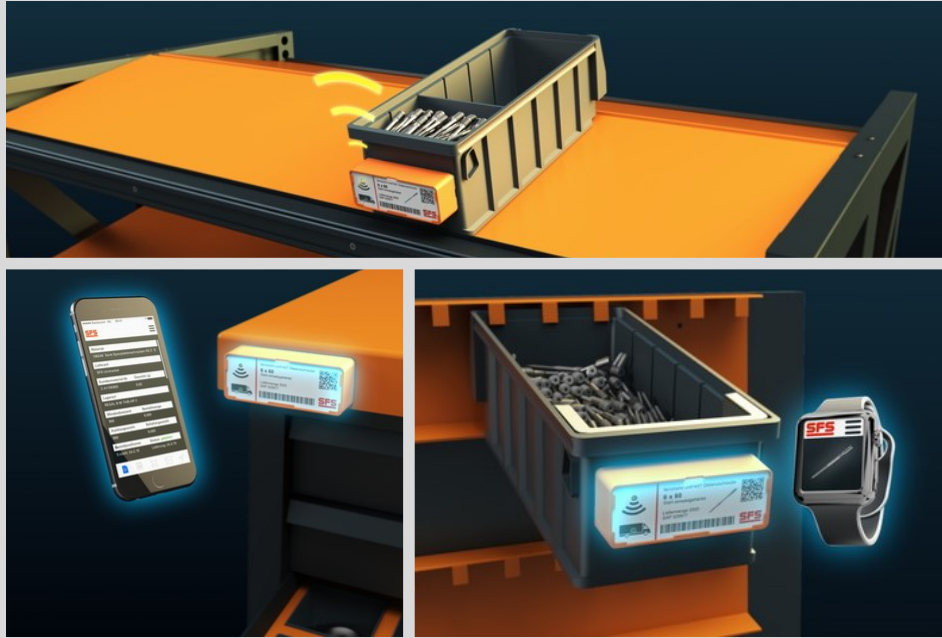
Headlines Distribution & Logistics (D&L)

Key figures Distribution & Logistics

in CHF million (unaudited)	2015 1st half	Change	2014 1st half	2013 1st half
Third party sales	154.5	-4.7%	162.2	169.0
Sales growth comparable		-5.5%		
Operating revenue	157.2	-5.1%	165.7	172.1
EBITDA	11.7	-35.2%	18.0	16.2
As a % of operating revenue	7.4		10.9	9.4
EBITA	7.8	-45.0%	14.2	11.8
As a % of operating revenue	5.0		8.6	6.9
Net operating assets	164.3	2.8%	159.8	182.8
Employees (FTE)	642	3.7%	619	n/a

- Strong price pressure following the SNB decision of 15 January
- Immediate price concessions resulted in one-time margin contraction
- Significant drop in demand, particularly from industrial customers (destocking effect)
- Market position strengthened by acquisition of Thomas Minder Holding AG and new customer wins
- Launch of M2M underscores technology leadership

D&L: leadership in technology underscored



- ➔ Value for customer by reduced process/ warehousing cost & improved availability
- ➔ Upgrade of internationally acclaimed turnLOG® family with lower system cost and status updates (bidirectional)
- ➔ Introduction of additional solutions including integration of mobile devices
- ➔ Integration of 3rd party suppliers

Additional major customer projects proof attractiveness of solution

- ➔ Customer 1: CHF 1.5 m (open)
- ➔ Customer 2: CHF 1.0 m (open)
- ➔ Customer 3: CHF 0.7 m (won)
- ➔ Customer 4: CHF 0.2 m (won)

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Outlook 2015

Guidance	March 2015	July 2015		
	FY 2015	1HY15 A	2HY15 E	FY 2015 E
Gross sales reported	-2 to -4%	3.9%	-3.4%	+/- 0%
• Organic growth	5 to 7%	6.1%	0.0%	3.0%
• Change in scope	n/a	3.3%	1.2%	2.2%
• Negative FX impact	n/a	-5.5%	-4.6%	-5.2%
EBITA margin	12.9% to 13.5%	10.6%	13.6% to 15.4%	12.1% to 13.1%

These estimates are based on the assumption that there will be no further adverse changes in exchange rates and in the general economic environment

FY = Financial Year HY = Half Year A = Actual E = Estimated

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More than 8,000 employees – one target



Creating value with

- In Depth Technological Competence
- International Presence
- Application and Industry Expertise
- Long-term Relationships

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