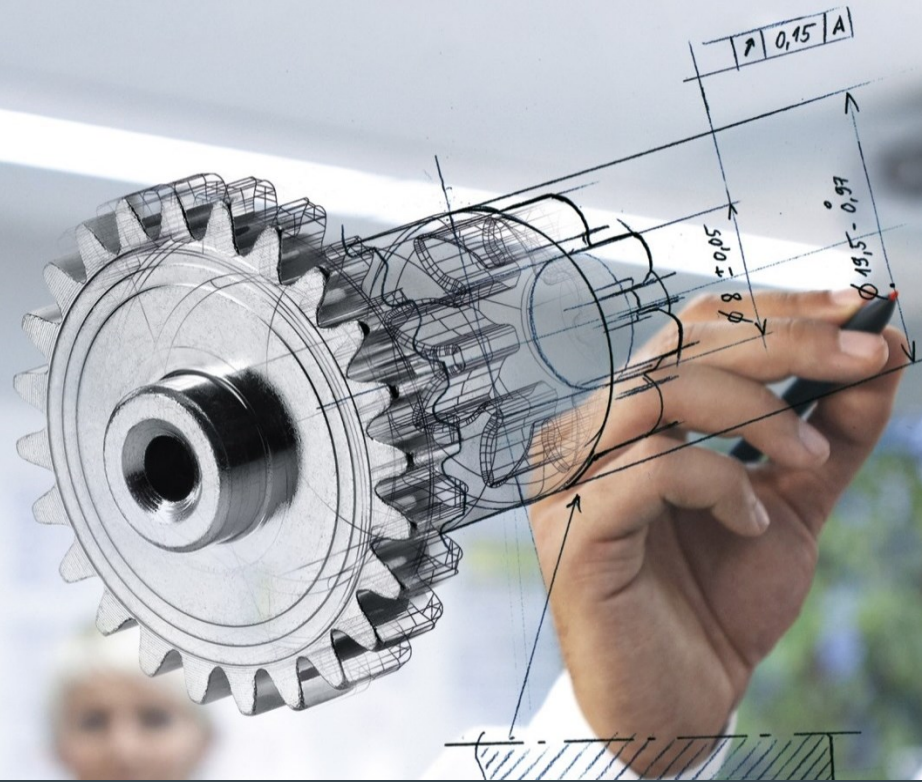


Welcome to presentation of 1HY 2014 results



Global precision engineering champion with Swiss heritage

Focussed in technology — diversified in end markets

Agenda

1 Business update on 1HY 2014

2 Financial results of 1HY 2014

3 Q&A

Agenda

1 Business update on 1HY 2014

2 Financial results of 1HY 2014

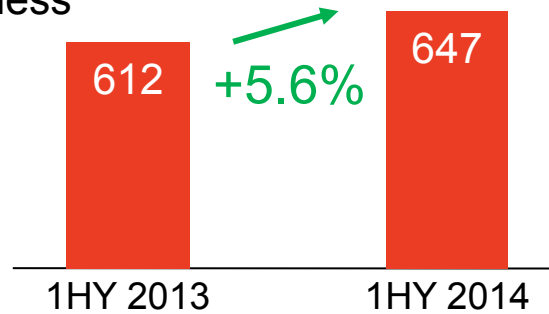
3 Q&A

1HY 2014: key messages

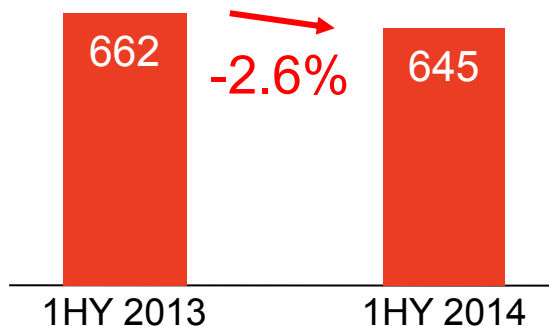
- ➔ Solid growth in core business of 5.6% accross all segments
- reported sales down by 2.6% due to special effects
- ➔ Good demand from Europe (+6.2%) and North America (+4.1%)
- ➔ Overproportional improvement of profitability driven by strong growth with profitable products
- ➔ Presence in Asia further strengthened by commissioning of a new factory in Guangzhou (China) – and the acquisition of Indo Schöttle

Solid and profitable growth

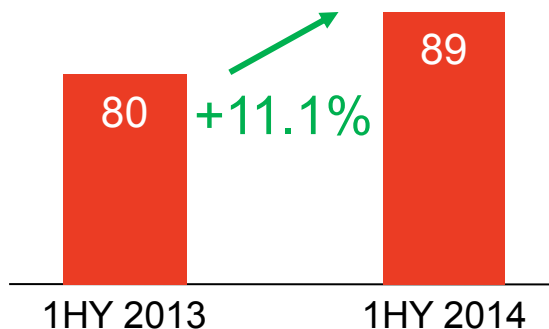
Sales in core business
in CHF million



Sales reported
in CHF million



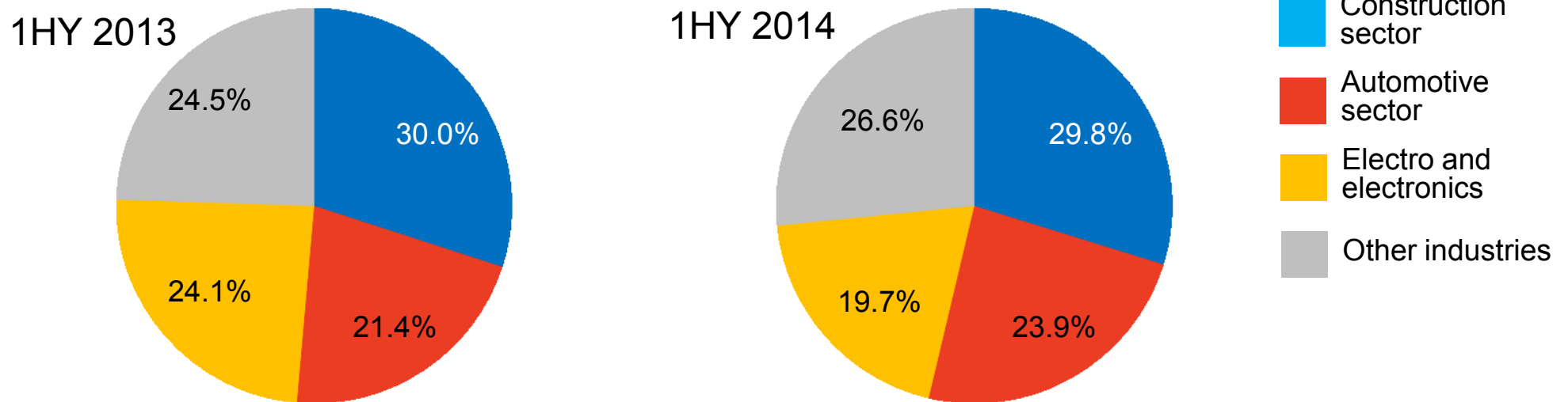
EBITA reported
in CHF million



- ➔ Core business grows by 5.6%; supported by all segments
- ➔ Special effects negatively impact reported sales (- 2.5%)
 - Divestiture SFS Locher
 - Negative currency effects (mainly USD)
 - Significant decline in non-core trading business
- ➔ Overproportional increase of profitability on all levels

Strong growth in the automotive sector

Sales breakdown by industry



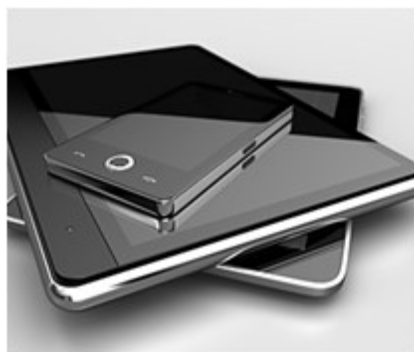
- ➔ Growth in automotive sector supported by continued positive production figures and new product introduction
- ➔ Electro and electronics with significant impact of the decline in the non-core trading activities

Segment Engineered Components (1/2)

Organic growth of 6% in core business



in CHF million	1HY 2014	1HY 2013	± py
Sales	315.5	331.8	-4.9%
EBITA	60.6	61.4	-1.3%
EBITA margin (as % of operating revenue)	18.4	18.4	



Business update

- ➔ Organic growth of 6.0% in core business
- ➔ Significant impact of special effects (currency and decline in non-core trading activities) on reported sales (-4.9%)
- ➔ Profitability was held at a high level of 18.4% EBITA
- ➔ Presence in Asia further strengthened (new factory in Guangzhou/ China)



Segment Engineered Components (2/2)

Acquisition of Indo Schöttle Auto Parts



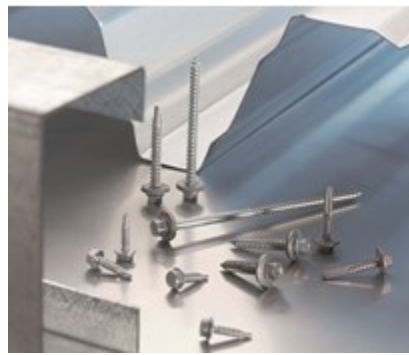
Indo Schöttle in brief

- Manufacturer of precision components for engine & hydraulics applications
- Indian and international automotive customers
- located in Pune (200km from Mumbai)
- Budgeted sales 27 Mio CHF
- approx. 700 employees

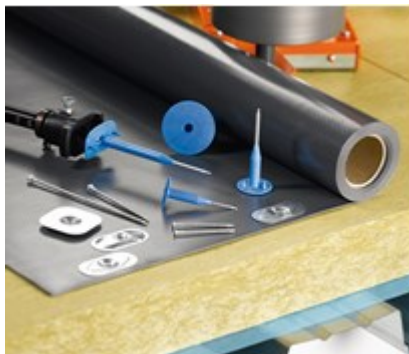
- ➔ Increase of shareholding from 45% (acquired in 2012) to approx. 86% on 31 July 2014
- ➔ Consolidation as of 1 July 2014
- ➔ Founding family >10% of shareholding
- ➔ Strategic benefits:
 - Access to Indian market
 - Broaden range of applications in automotive industry
 - Platform in India to develop other business activities (e.g. Riveting)
 - Access to new business opportunities in cold forming

Segment Fastening Systems

Significant improvement of profitability



in CHF million	1HY 2014	1HY 2013	± py
Sales	167.5	161.3	3.9%
EBITA	14.0	7.4	88.5%
EBITA margin (as % of operating revenue)	7.9	4.5	



Business update

- ➔ Recovery in the European markets
- ➔ Fastening Systems increased its sales in local currencies by 6.0%
- ➔ EBITA margin improved sharply from 4.5% to 7.9%
- ➔ Improvement in profitability results from consequent implementation of business strategy and the profit improvement programs



Segment Distribution & Logistics

Healthy development in continued business

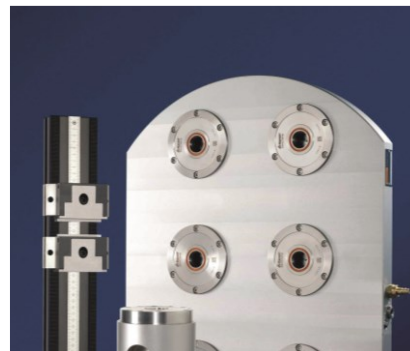


in CHF million	1HY 2014	1HY 2013	± py
Sales	162.2	169.0	-4.0%
EBITA	14.2	11.8	20.3%
EBITA margin (as % of operating revenue)	8.6	6.9	



Business update

- ➔ Positive market environment in CH
- ➔ Factoring out divestment activity (Locher Bewehrungen), sales increased 4.6%
- ➔ EBITA margin rose to 8.6% from 6.9% in the prior year period
- ➔ Dilution of margin by Locher Bewehrungen now eliminated



Agenda

1 Business update on 1HY 2014

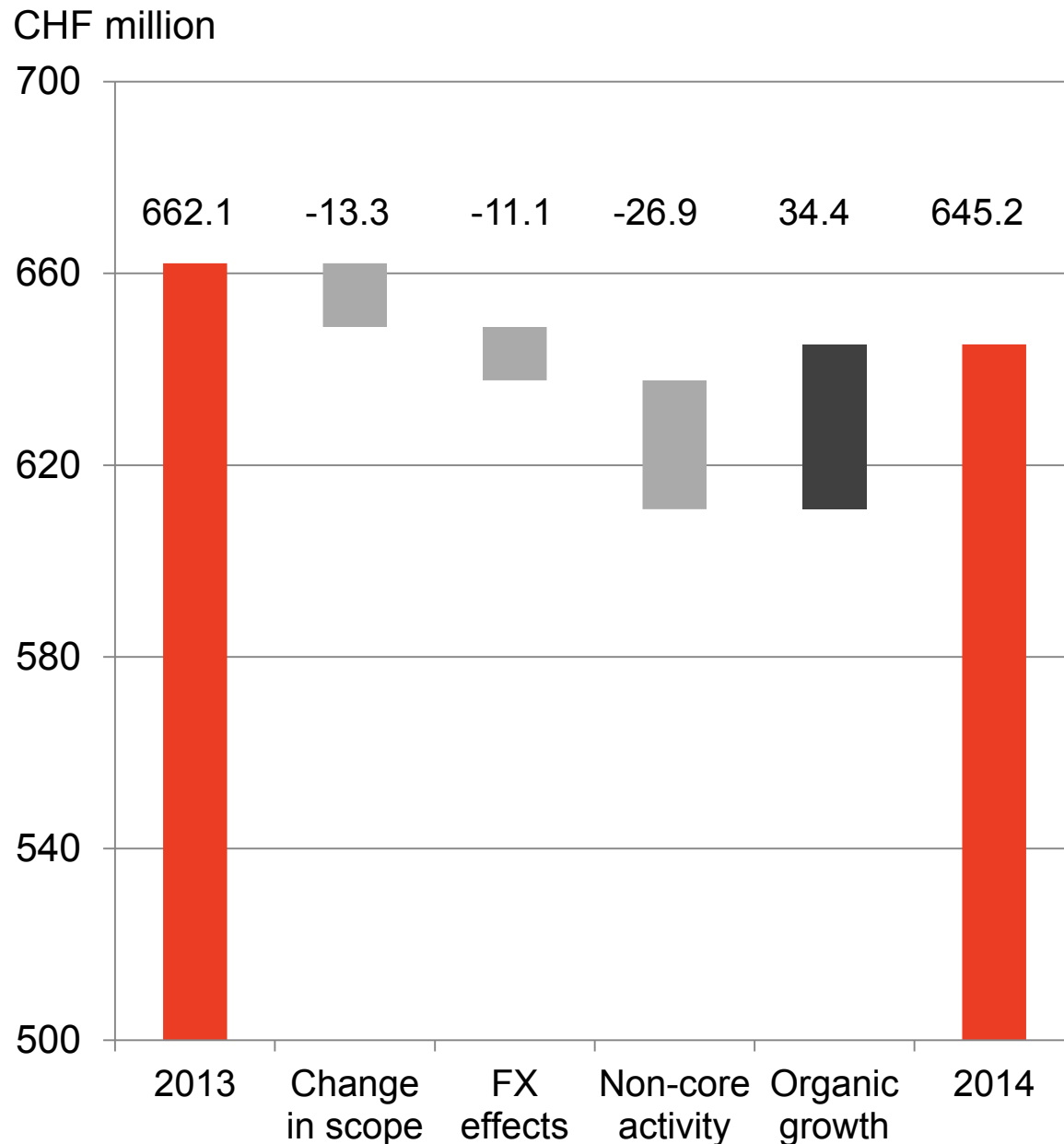
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Development of key performance indicators

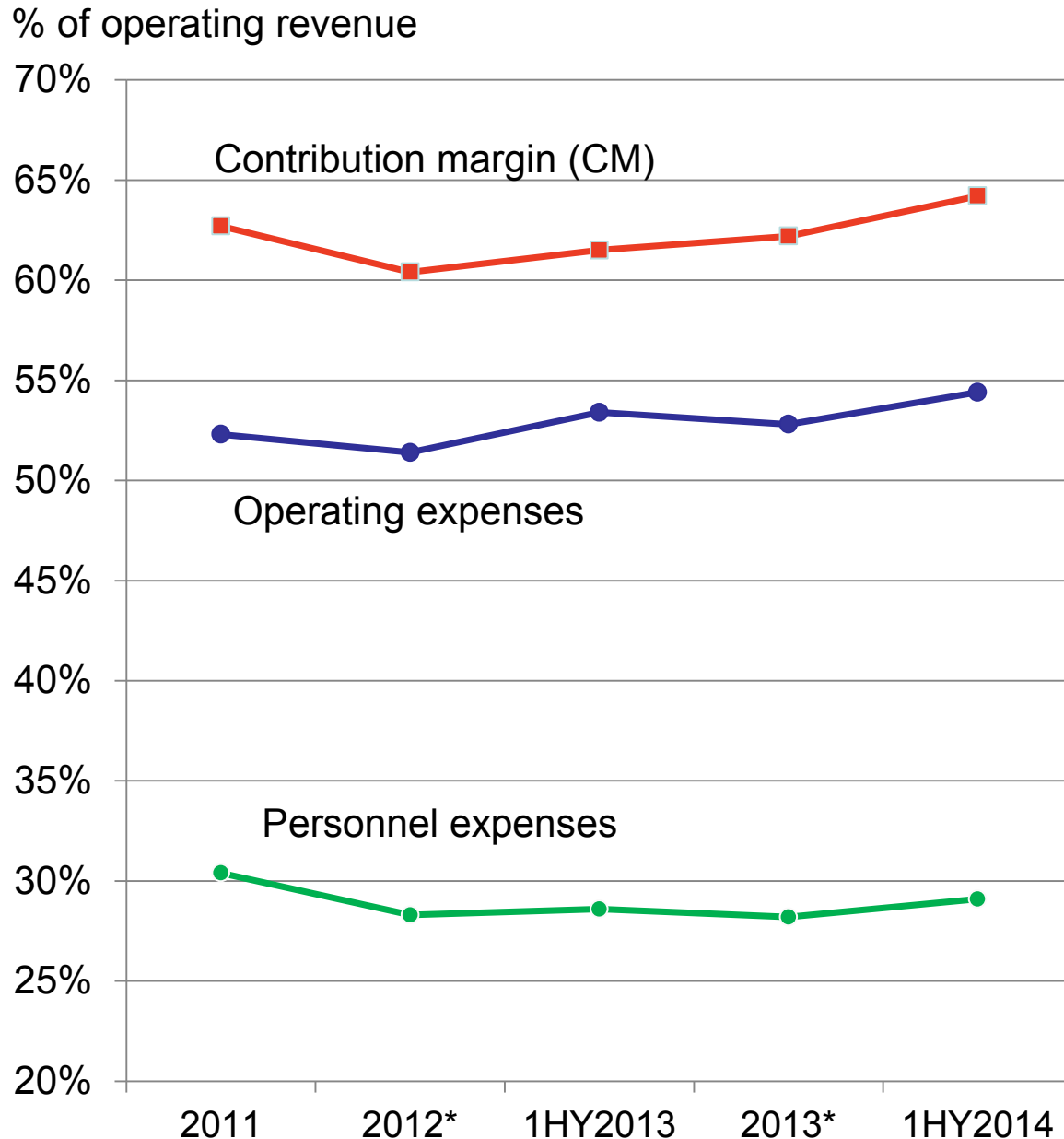
- Sales
- Contribution margin and operating expenses
- Operating profitability EBITA
- Capex
- Net working capital
- Free cash flow
- Net cash and equity ratio
- Return on net operating assets RONOA

Sales bridge 1HY 2013 to 1HY 2014



- ➔ Sales growth in core business with 5.6% over 1HY 2013
- ➔ Growth in all three segments
 - 6.0% in Engineered Components
 - 6.0% in Fastening Systems
 - 4.6% in Distribution & Logistics
- ➔ Reported sales down by -2.6% and influenced by special effects
 - change in scope of consolidation due to disposal of "Locher concrete reinforcement" on 1 July 2013 (-2.1%)
 - negative foreign exchange (FX) effects mainly from US\$ and TRY (-1.7%)
 - faster than expected phase out of non-core trading activity in the Engineered Components segment (-4.4%)

Contribution margin and operating expenses

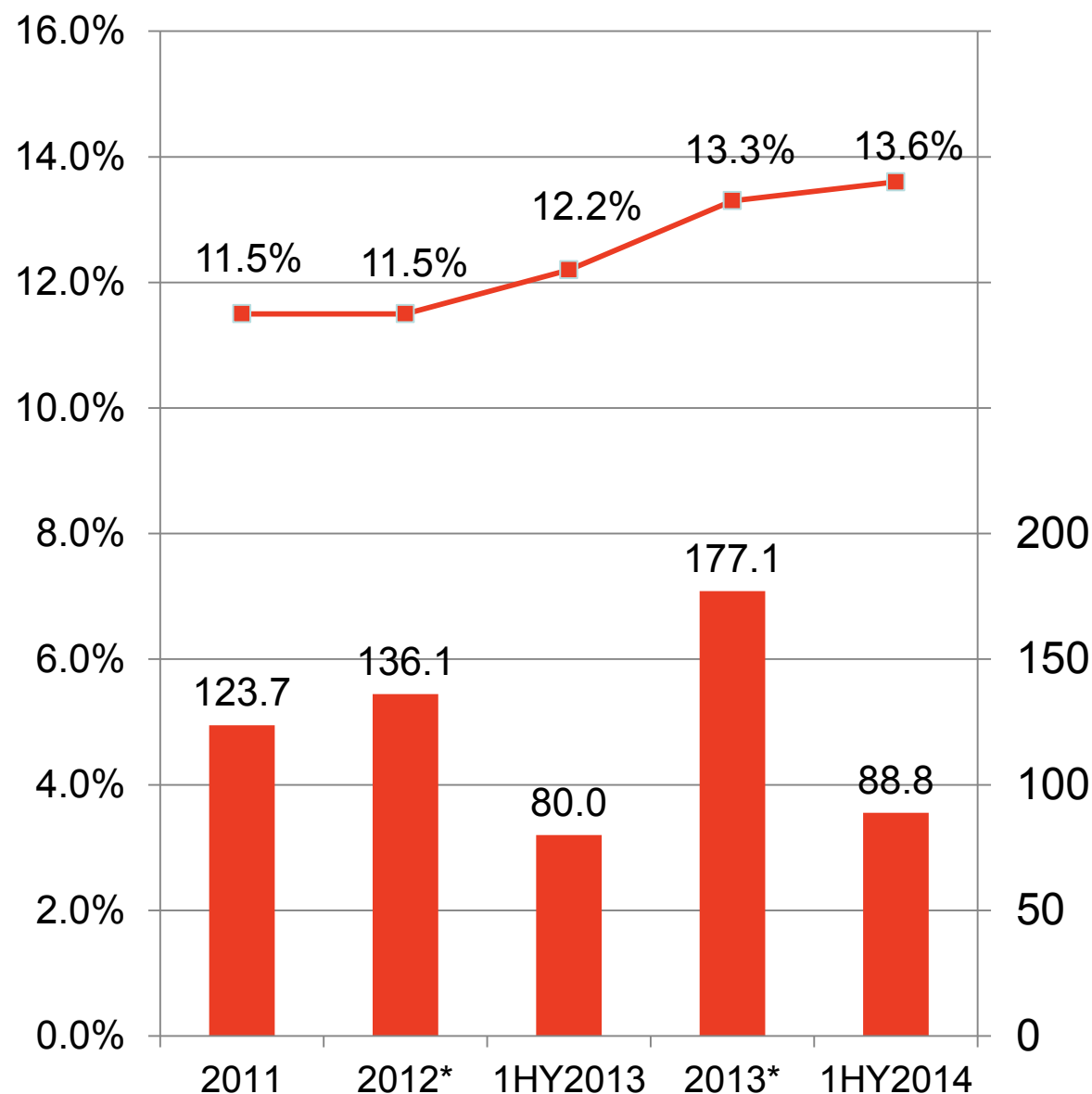


- ➔ Further strengthening of contribution margin as % of operating revenue from 61.5% (1HY 2013) to 64.2% (1HY 2014)
 - above-average growth with profitable products
 - change in scope of consolidation
 - faster than expected phase out of non-core trading activity
- ➔ Slightly higher operating expenses with 54.4% (1HY 2013: 53.4%) due to strong innovation and ramp up activities
 - slightly higher personnel expenses of 1.3%
 - higher tool and process engineering expenses as well as machine maintenance

* CM adjusted by one time book gains from sale of non-operating assets and real estate (2012: CHF 4.6m, 2013: CHF 18.3m)

Operating profitability EBITA

EBITA in % of operating revenue EBITA in CHF million



➔ Operating profit before amortization (EBITA) increased by 11.1%. EBITA margin improved to 13.6%. Main reason:

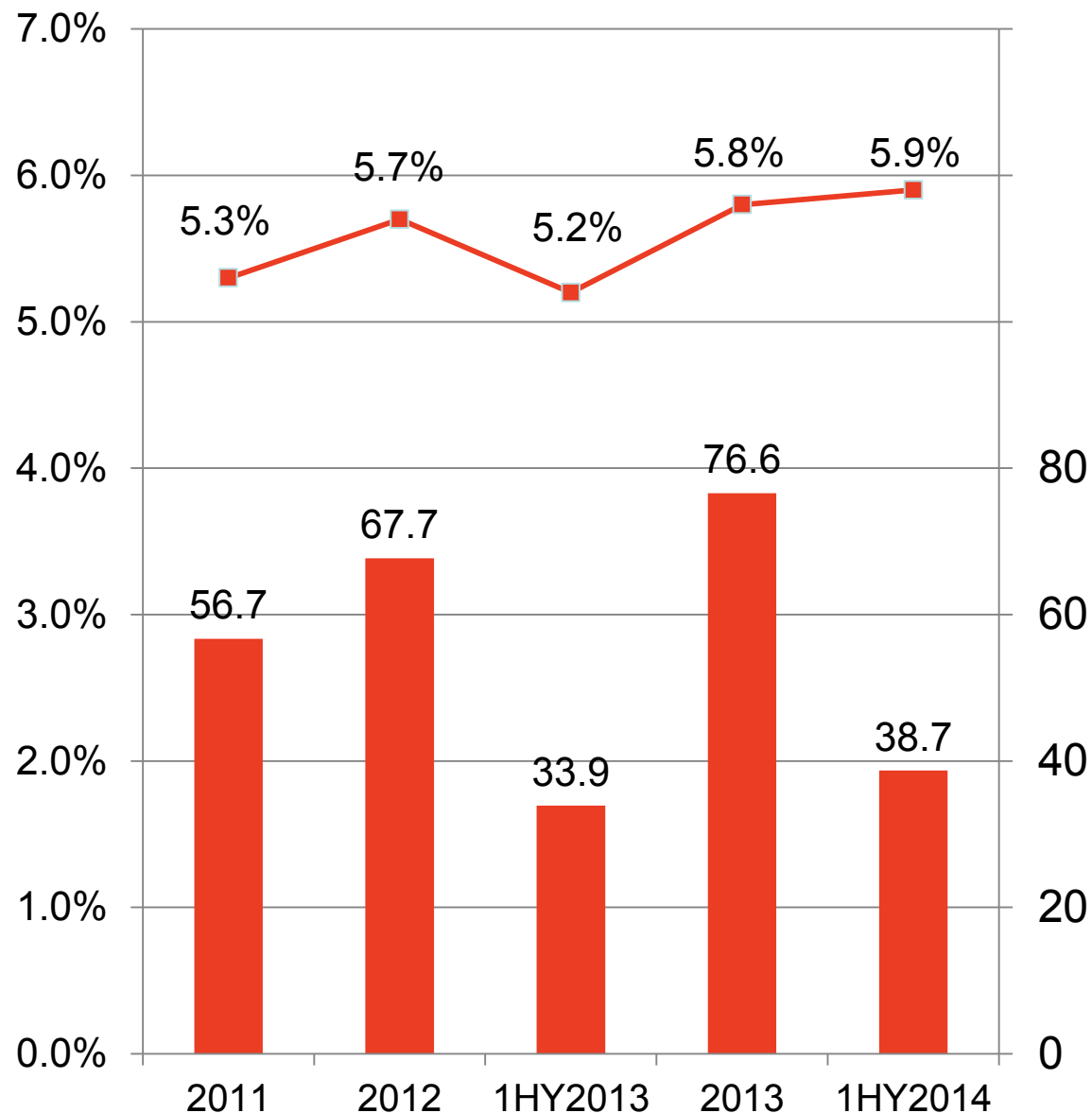
- Operating leverage with an increase in contribution margin of 3.9% against an underproportional increase in operating expenses of only 1.5%

➔ For comparability reason the EBITA for 2012 and 2013 has been adjusted by one time book gains from sale of non-operating assets and real estate.

* EBITA adjusted by one time book gains from sale of non-operating assets and real estate (2012: CHF 4.6m, 2013: CHF 18.3m)

Capital expenditure

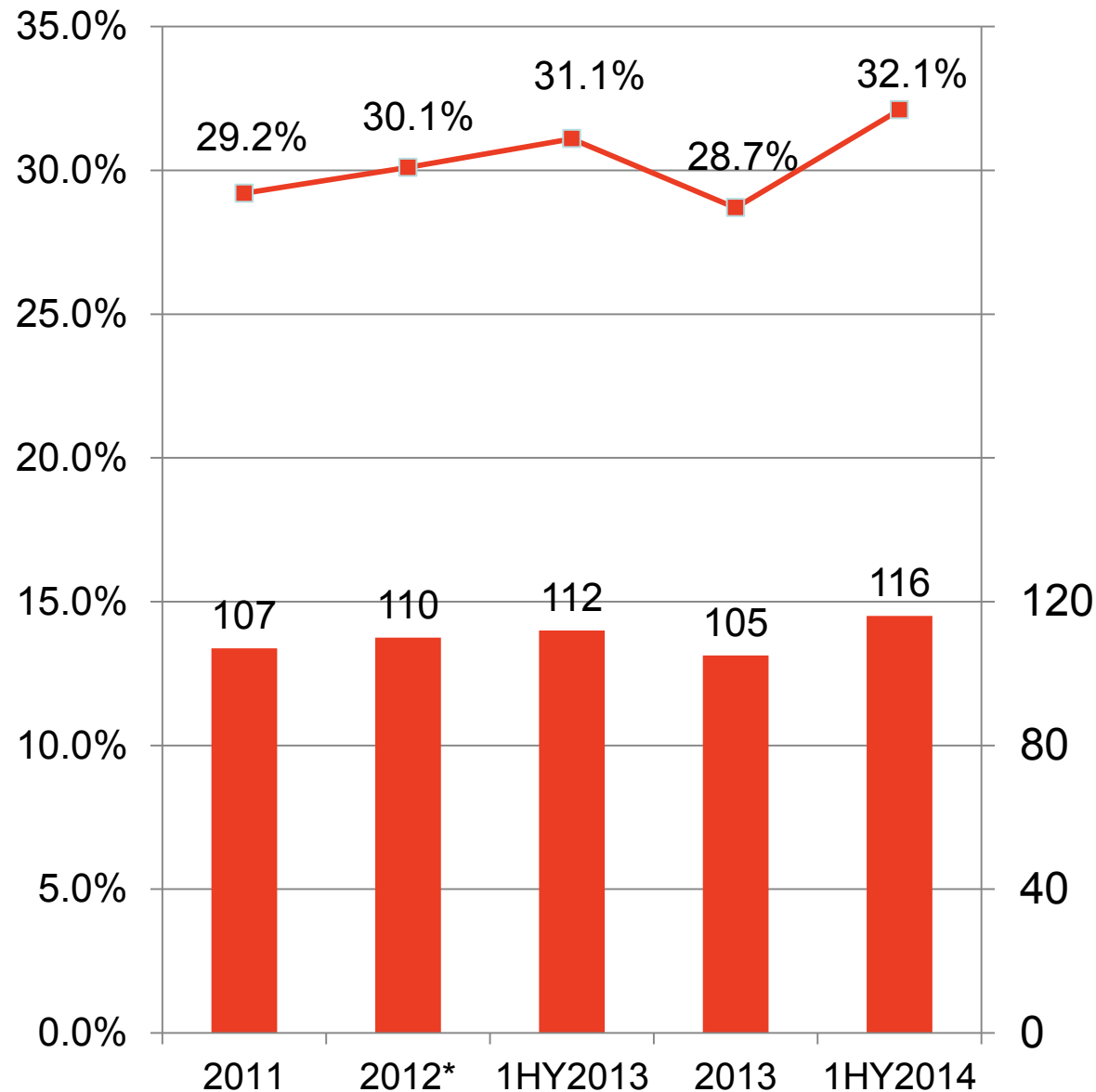
Capex in % of operating revenue Capex in CHF million



- ➔ Capex spending on upper end of target range of 5-6% of operating revenue
- ➔ Capex consists of approximately 70% growth and 30% maintenance Capex
 - faster than expected ramp up of electronic parking brake
 - advanced demand for localization
 - further penetration of new regions
 - additional customer wins

Net working capital

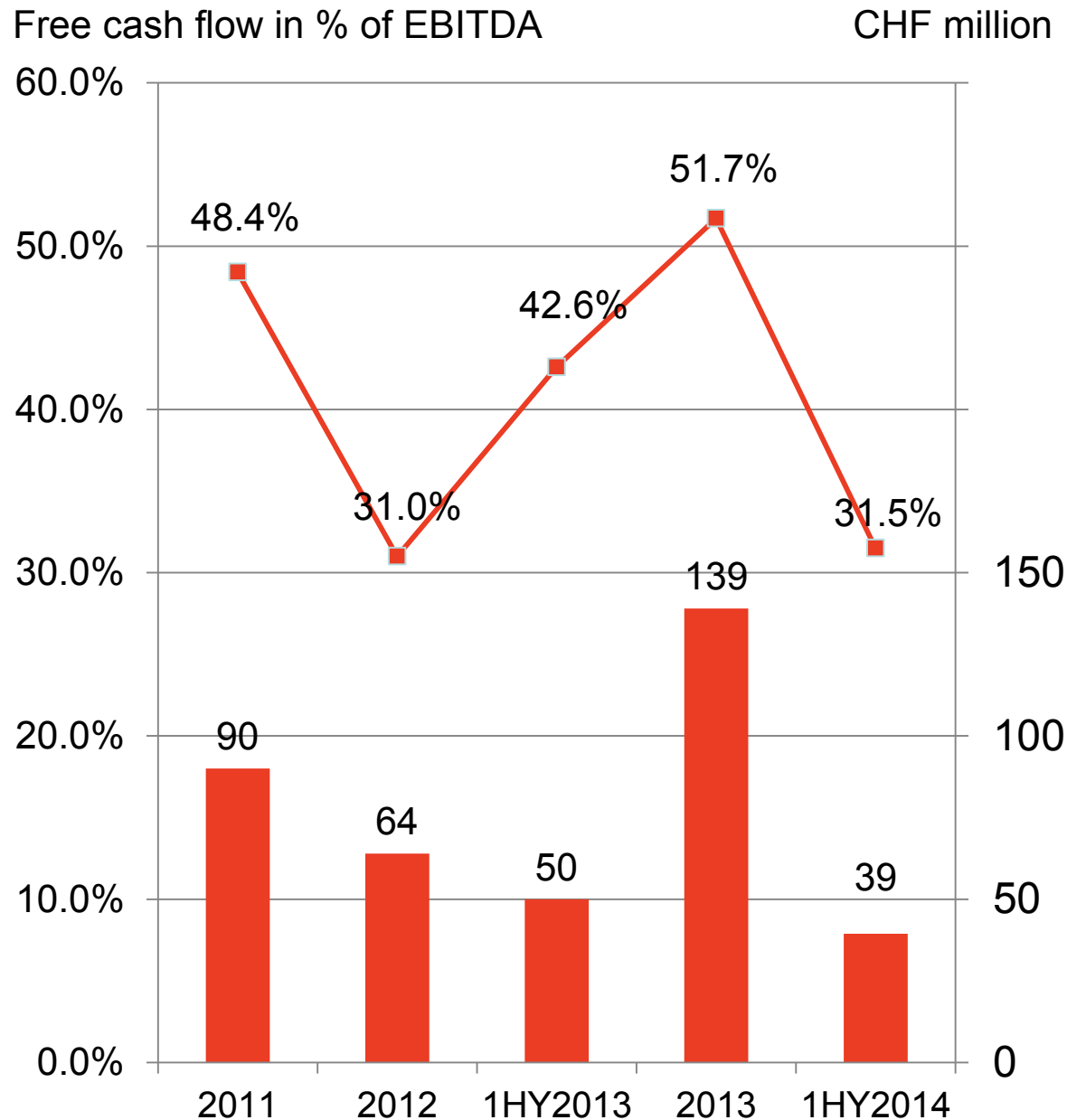
NWC in % of operating revenue NWC Days outstanding



- ➔ Normal seasonal peak in NWC at the end of June
 - higher accounts receivables outstanding due to high sales in May and June
 - seasonable build up of inventory to compensate for partial close down of manufacturing sites

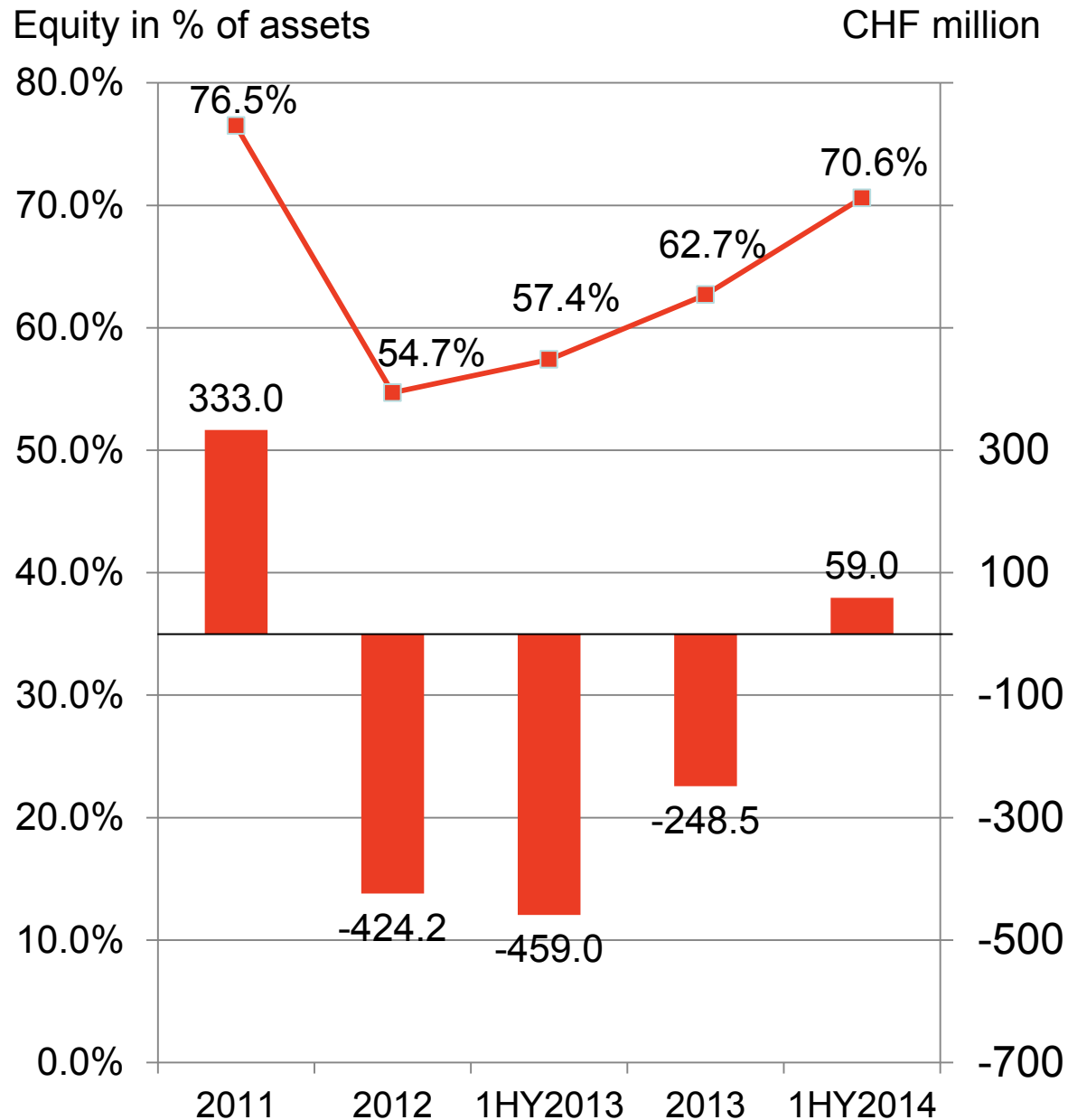
* Operating revenue 2012 has been annualized by adding full period effect of Unisteel (1 Jan to 31 Aug 2012)

Free cash flow



- ➔ Cash generated from operations after capital expenditures amounts to CHF 39.4 million
 - down on 1HY 2013 by 22%
 - due to higher NWC and slightly higher Capex
- ➔ Cash flow conversion has been calculated as Free cash flow in % of EBITDA
 - 31.5% for first six months 2014

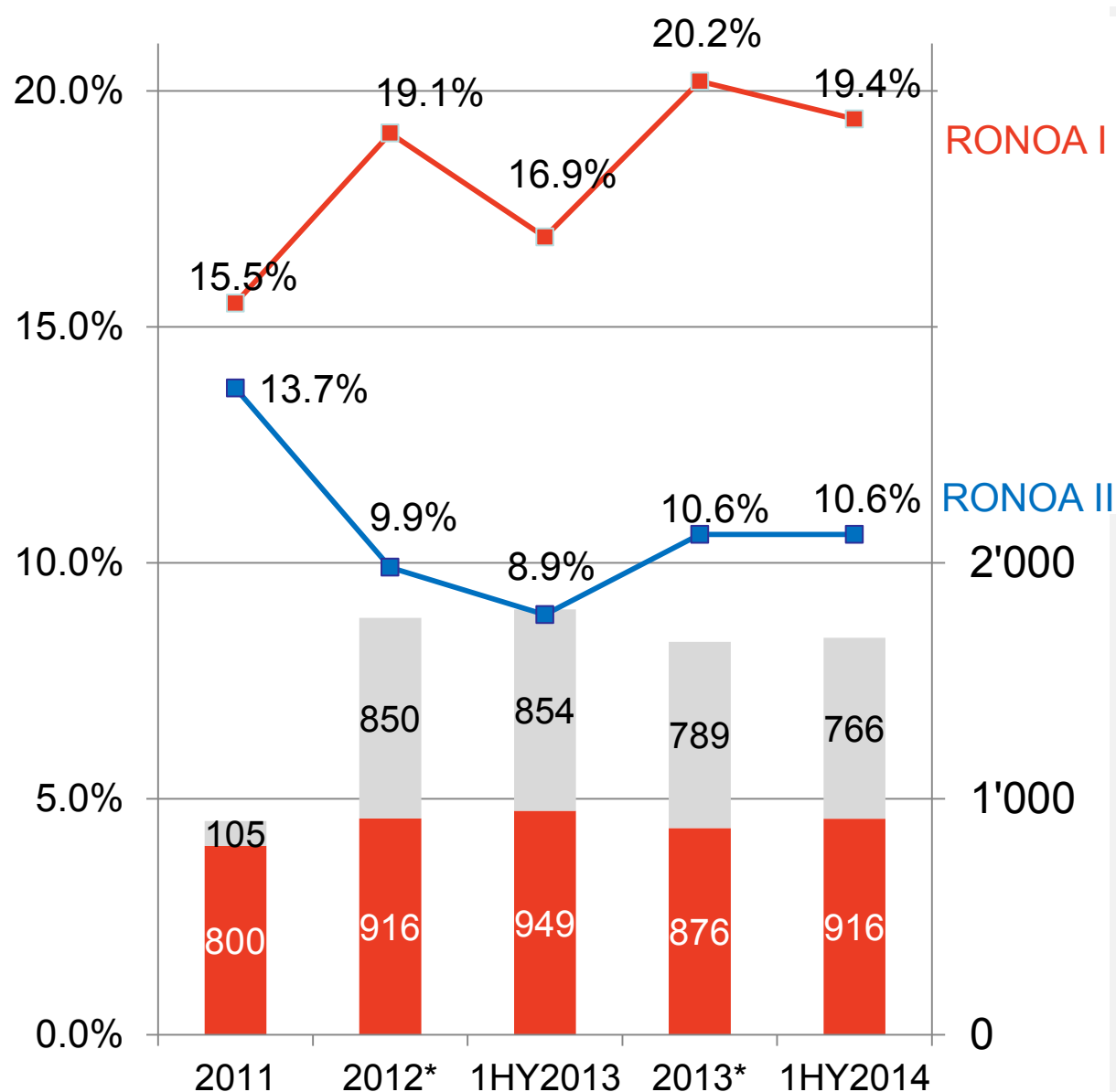
Net cash and equity ratio



- ➔ Capital increase strengthened the balance sheet ratios
 - Net proceeds from IPO of CHF 311.4 million
 - Equity ratio up to 70.6% of total assets
 - Back to a net cash position with CHF 59 million

Return on net operating assets

EBITA in % of NOA NOA in CHF million



- ➔ Operational NOA before intangible assets
 - Operational NOA are indicated with red bar only
 - RONOAI is measured at pre-tax profit (EBITA)
 - Due to seasonal peak in capital employed just below the 20% mark
- ➔ Total NOA does include intangible assets
 - Indicated as the total of the red and the grey bar
 - Total NOA 1HY 2014 amounted to CHF 1,682 million
 - RONOAII reached 10.6% (pre-tax)

• EBITA adjusted by one time book gains from sale of non-operating assets and real estate (2012: CHF 4.6m, 2013: CHF 18.3m)
 • EBITA 2012 has been annualized by adding full period effect of Unisteel (1 Jan to 31 Aug 2012)

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More than 7000 Employees – One Target



Create customer benefit with

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