Feintool Group
The partner for the unique difference

Report on Half-Year Figures, 1 January – 30 June 2013

FEINTOOL

Key figures	2013 01.01.–30.06.2013 in CHF 1 000	2012 01.01.– 30.06.2012 in CHF 1 000	2013 01.04.– 30.06.2013 in CHF 1 000	2012 01.04.– 30.06.2012 in CHF 1 000
Net sales	224 979	196 112	111 988	97 309
Earnings before interest, tax, depreciation and amortization (EBITDA)	22 434	21 684	11 484	8 186
Margin	*10.0%*	*11.1%*	*10.3%*	*8.4%*
Operating profit (EBIT)	9 241	12 988	4 888	3 440
Margin	*4.1%*	*6.6%*	*4.4%*	*3.5%*
Net income attributable to Feintool Holding shareholders	5 446	6 479	3 043	270
Margin	*2.4%*	*3.3%*	*2.7%*	*0.3%*
Orders received	277 068	202 553	151 373	104 325
Orders backlog as at 30.06.	246 817	226 951	246 817	226 951
Number of employees (excluding apprentices)	1 955	1 848	1 955	1 848

Dear shareholders,

In the first half of 2013, the Feintool Group took another important step forward in terms of achieving its future corporate objectives. At the end of June, we successfully concluded a capital increase and a reallocation of the shares on the SIX Swiss Exchange in Zurich. Around 1.5 million shares were submitted for trading at an issue price of CHF 62. Some 870,000 came from the holding of our main shareholder Artemis Beteiligungen III AG, which reduced its stake from around 79 percent to a majority interest of 50.1 percent. 557,871 new shares were issued; consequently, the free float increased from 11.6 to around 39 percent. Following the completed capital market transaction, several investors notified us of exceeding reporting thresholds; we posted these on our website.

The capital increase raised CHF 33 million for Feintool, enabling us to improve our equity ratio to the current 43 percent and giving us a net debt/EBITDA ratio of 1.4. Equity ratios and debt are increasingly important criteria when awarding orders in our sector. This is in light of the automotive industry trend towards reducing complexity by cutting the number of suppliers.

A HIGHLY SPECIALIZED TECHNOLOGY BUSINESS

This successful capital market transaction has opened up new scope for us in terms of the ongoing implementation of our strategy in the years ahead. Prior to the 2008/2009 crisis, Feintool's market presence was that of a diversified systems manufacturer. Today, we are a highly specialized technology business. To achieve this end, we have systematically expanded Feintool's core competencies of fineblanking and forming; through targeted innovation, we have in addition continued to enhance the efficiency of these technologies compared with alternative processes. This has been accompanied by a comprehensive investment strategy, with investment holding steady at around 10 percent of sales since 2011. At all its sites, Feintool now possesses more advanced, productive fineblanking and forming machinery and systems than any of its worldwide competitors. Additional investment in the development of new products enables us to launch a marketable innovation in the presses and tools area every two years.

Our long-term internationalization strategy – comprising a restructuring of our US plants, the 2012 production start-up at Taicang, China, the opening of a third site in Japan and the increased capacity at several production sites – has proved equally fruitful. The progressive internationalization of our business model renders us increasingly independent of exchange-rate fluctuations and ensures that in all the world's most important markets we benefit from the strategically vital proximity to our customers.

ESTABLISHED IN THE AUTOMOTIVE SECTOR

Through its chosen strategy, Feintool has established itself as a manufacturer of components for those areas of the car in which the automotive industry is undergoing rapid innovation: more compact, lightweight and intelligent automatic transmissions and drivetrains for vehicles with a combustion engine – the energy efficiency of which needs to improve continuously on account of more stringent worldwide limits for CO2 emissions. A reduction in consumption of up to 15 percent is possible using the latest automatic transmissions; in the case of full hybrid engines, the figure is as much as 40 percent. These advantages mean that automatic and dual-clutch transmissions are set to make disproportionately strong advances compared with manual transmissions.

MAJOR ORDERS FROM PREMIUM MANUFACTURERS

The components required for innovative automatic and dual-clutch transmissions are complex and have a high degree of functionality; the production process therefore calls for stringent precision and efficiency standards. Today, each of these transmissions comprises up to 40 fineblanked and formed parts. Feintool has won major tenders for the latest generation of transmissions. Production of these numerous new orders will be ramped up gradually during this and subsequent years. Examples include the components it is making for Daimler for its nine-speed transmission with torque converter, and the new multitronic transmission for Audi. In Europe, ZF Friedrichshafen manufactures eight-speed automatic transmissions with components from Feintool. In the USA, the newly opened ZF plant in South Carolina manufactures eight and nine-speed automatic transmissions – fineblanked and formed components for which are produced at our site in Nashville, Tennessee. Other customers in the USA include auto manufacturers Chrysler, Ford and General Motors, which Feintool supplies with automatic transmission components. Given the significant development and investment costs for all those involved, we believe these gearbox generations will have a lifespan of more than 10 years.

GROWING WITH THE AUTOMOTIVE INDUSTRY

The world's automotive industry continued to show a mixed performance in the first half of 2013, in line with regional economic trends. The North American market developed positively, while European automotive production once again declined and the Asian market in particular enjoyed strong growth. On a year-on-year basis, global automotive production increased by a total of 1.4 percent to 42.3 million vehicles.

Experts forecast that the number of new registrations will rise by around three percent in 2013 as a whole, driven by above-average growth in individual automotive markets: China is set to grow by five percent, while sales of light vehicles in the USA are expected to exceed the 16-million mark in 2013. Premium manufacturers in particular are achieving increased sales there, as illustrated by the results reported by the likes of Audi, BMW and Mercedes in the first half of 2013. They are followed by the major suppliers, who are now greatly stepping up their activities on these markets. On a full-year basis, forecasts indicate that production of premium vehicles in Germany, China and the US – the countries with the highest automotive production – will grow by 6.7 percent.

MEDIUM-TERM TARGET

On the basis of the nominations won for new product programmes and the investments made in our production capacity over the past few years, we are aiming for sales of CHF 600 million p.a. in the medium term and an EBIT margin of 8.0 percent, in accordance with current forecasts for the automotive sector.

BUSINESS SITUATION

HIGHER SALES; RISE IN EBITDA AND CASH FLOW

Group sales rose by 14.7 percent year-on-year to CHF 225.0 million. Order intake increased by an impressive 36.8 percent and the order backlog by 8.8 percent.

Across all segments, the group's gross margin increased from CHF 75.1 million to CHF 89.8 million during the reporting period; this represents a rise of 19.6 percent.

The EBITDA margin remained at the previous year's level of 10 percent, which had been adjusted for the effect of the sale of IMA Berlin. In absolute terms, EBITDA rose from CHF 21.7 million to CHF 22.4 million – an increase of 3.5 percent.

Cash flow prior to the change in net working capital grew by 63 percent, from CHF 14.7 million to CHF 24.0 million. Investment amounted to CHF 18.3 million and the change in net working capital to CHF -21.9 million. Free cash flow thus came to CHF -16.2 million, compared with CHF -8.8 million in the previous year.

Owing to our investment strategy of recent years, as described above, coupled with the acquisition of Herzing + Schroth, depreciation increased by 51.7 percent from CHF 8.7 million to CHF 13.2 million. This was the primary reason for the reduction in the EBIT margin to 4.1 percent from the previous year's 5.6 percent (adjusted for the impact of the disposal of IMA Berlin). The group's operating result (EBIT) consequently fell by CHF 1.8 million to CHF 9.2 million.

Net finance costs fell by a modest CHF 0.2 million year-on-year in the first half despite increased net debt following the acquisition of Herzing + Schroth and a disposal-related expansion of working capital on account of higher group sales.

FINEBLANKING TECHNOLOGY SEGMENT

CONVINCING INNOVATION

The merger between Feintool Technologie AG and Heinrich Schmid AG has been completed. Press customers around the world can now access all of the former companies' products and services. A common digital ordering and authorization system was also introduced in order to improve efficiency.

The segment's latest innovations have enjoyed success in the market place. The FEINfit press, a fineblanking press specially developed for the requirements of the Asia region, has scored multiple sales since it was launched on the market at the end of 2012 – particularly in China. Production capacity utilization for the new servomechanical XFT press is also at a high level. This press is distinguished by its high stroke rates, flexibility and competitiveness versus conventional blanking. The multi-stage transfer tools developed by Feintool for highly complex seat adjusters have become established on the market. Besides fineblanking, forming processes also take place in these tools in order to manufacture ready-to-install components in a single operation. In toolmaking itself, investments have further extended our leading position in terms of quality and efficiency.

In Shanghai, China, construction of the new technology centre is proceeding according to plan. When it opens in autumn 2013, Feintool will also be represented in the important automotive market of China – besides Europe, Japan and the USA – with the distribution of fineblanking systems as well as component design, engineering, tool testing and production optimization.

SYSTEM PARTS SEGMENT

DYNAMIC DEVELOPMENT

For the System Parts segment, the first half of the year was characterized by numerous sampling processes and production start-up on the major orders acquired in 2012 and 2013. The associated major development costs in the form of investment and engineering will only contribute to additional growth in the coming years. Sales in Japan remained at a high level in local currency, although in Swiss francs they were down by 20% due to exchange rate changes. The decline was nevertheless offset by business in the USA. Ongoing development projects involving the System Parts segment are opening up additional prospects. This also includes further interesting opportunities in relation to transmissions.

SEGMENT AUTOMATION

GOOD ORDER SITUATION

Although investment activity in German industry was sluggish in the first quarter of 2013, our sales force’s greater focus on the core technological competencies of IMA Automation bore fruit from the second quarter onwards. In addition to medical technology products, another major new order worth a double-digit million sum was acquired from a leading automotive supplier. This will secure capacity utilization at IMA Automation beyond the end of 2013. Sales and income therefore developed in line with targets. Further potential will be exploited through new product developments such as the IMA meditrace serialization module. The latter generates, prints and manages the randomized series numbers that prescription drugs will be required to carry when the EU Falsified Medicines Directive comes into force in mid 2017.

OUTLOOK

CAUTIOUSLY OPTIMISTIC

Even though the global automotive market grew by just 1.4 percent, Feintool can look back on a successful first half of 2013. For the full year, we continue to expect a stable overall level of activity in the sector. We anticipate group sales in the region of CHF 480 million and – owing to additional development costs and investment in the start-up of new production – a slightly lower operating margin than in 2012.

This success – and above all our promising future prospects – would not have been possible without our customers, suppliers and employees. At this point, we would therefore like to thank everyone for their outstanding teamwork. Naturally, our thanks also go to our shareholders for the trust they have placed in us. Each and every day, we will do our utmost to repay this trust.

ALEXANDER VON WITZLEBEN
Chairman of the Board of Directors

HEINZ LOOSLI
Chief Executive Officer

Financial Review
Report on Half-Year Figures
as at 30 June 2013

GENERAL
This half-year report covers the period from 1 January to 30 June 2013, with the same period of the previous year serving as the comparative period.

Effective 31 March 2012, Feintool sold IMA Automation Berlin GmbH (“IMA Berlin”). The sale proceeds (CHF 3.3 million) and IMA Berlin's earnings (EBIT of CHF 0.3 million) are included in the Feintool Group's earnings for the prior-year period.

On 31 May 2012, Feintool acquired the Herzing + Schroth Group (“Herzing + Schroth”). The prior-year period therefore includes just one month (June 2012) of the sales and earnings generated by Herzing + Schroth ("Forming Europe" business unit). Between 1 January and 31 May 2013, the Forming Europe business unit generated sales of CHF 32.3 million and reached operating breakeven point.

As of 1 January 2013, Feintool has applied the new requirements of IAS 19 revised. The prior-year period was adjusted accordingly.

ORDERS RECEIVED AND ORDERS BACKLOG
Orders received by the Feintool Group rose to CHF 277.1 million, a marked increase of 36.8% compared with the prior-year period. Excluding the effects of the acquisition of Herzing + Schroth and the sale of IMA Berlin, they rose by 20.7%. Currency movements, particularly in the Japanese yen, had a negative impact of CHF 1.1 million.

The orders backlog climbed by 8.8% year on year to CHF 246.8 million. Compared with 31 December 2012, this means a substantial increase of 28.9%.

Orders received in the Fineblanking Technology segment declined by a total of 16.2% compared with the prior-year period to CHF 47.4 million. This decline is due to a fall in orders from the intragroup System Parts segment (reporting period: CHF 5.1 million; prior-year period: CHF 13.0 million). Third-party orders received in the Fineblanking Technology segment therefore fell by 3.1% to CHF 42.3 million. The orders backlog was 9.5% lower than a year earlier at CHF 46.4 million. Compared with 31 December 2012, the orders backlog showed a slight increase of 1.8%. The third-party orders backlog declined by 5.9% compared with the backlog twelve months earlier to CHF 37.5 million. Compared with 31 December 2012, this is an increase of 25.0%. The current orders backlog equates to six to eight months' worth of work for the long-term press and tools business.

Orders received in the System Parts segment increased by 60.4% in the reporting currency to CHF 216.1 million (prior-year period: CHF 134.7 million). The appreciation of the euro and the US dollar against the Swiss franc only partly offset the fall in the value of the Japanese yen, with the negative net effect amounting to CHF 1.0 million. CHF 40.4 million stemmed from the newly acquired Forming Europe business unit (previous year: CHF 11.9 million). Organic growth was a marked 33.8%. Orders received in Asia declined slightly due to the sharp fall in the value of the Japanese yen, while all other regions saw strong growth.

The orders backlog in the System Parts segment climbed by 19.1%, from CHF 154.1 million to CHF 183.5 million. While Fineblanking Europe and Fineblanking USA saw strong growth, Asia and Forming Europe suffered a slight decline. In Asia, the decline was attributable to the fall in the value of the Japanese yen.

Orders received in the Automation segment fell by 23.0% year on year to CHF 18.6 million. Excluding the sale of IMA Berlin, they were down by 13.5%. The orders backlog dropped by 23.9% to CHF 25.4 million. Compared with 31 December 2012, however, it was down by just CHF 0.4 million. This ensures capacity utilization at IMA Automation Amberg GmbH for six to eight months.

NET SALES
Consolidated net sales rose by 14.7% to CHF 225.0 million, with currency movements having a negative impact of CHF 1.2 million. The effects of the acquisition of Herzing + Schroth and the sale of IMA Berlin amounted to CHF 29.0 million in total. Excluding these effects, net sales in the first half of 2013 were on a par with the previous year. Factoring in the acquisition, the System Parts segment generated 75.9% of external net sales (prior-year period: 67.6%). Fineblanking Technology contributed 15.4% (prior-year period: 19.0%) and Automation 8.7% (prior-year period: 13.4%).

Net sales in the Fineblanking Technology segment rose by 1.2% to CHF 47.0 million. The rise was dominated by substantial revenues from new presses and systems for the

System Parts segment (reporting period: CHF 12.4 million; prior-year period: CHF 9.3 million). Business with third-party customers was down by 6.9% year on year to CHF 34.6 million.

Partly as a result of acquisitions, the System Parts segment grew by CHF 28.8% in the reporting period to CHF 170.8 million. In organic terms, net sales increased by CHF 5.9 million or 4.4%. Currency movements had a negative impact of CHF 1.2 million. European business reached CHF 92.9 million, with organic growth amounting to 11.9% and acquisition-driven growth to 59.5%. Business in the USA increased by 2.5% to CHF 55.4 million. Net sales in Asia – generated primarily in Japan – declined by 14.6% to CHF 22.6 million, with 14.2% of the decline attributable to the fall in the value of the Japanese yen. The regional breakdown of net sales within the System Parts segment changed considerably: thanks in part to the acquisition of Forming Europe, Europe's share rose to 54.4% (prior-year period: 40.9%). The USA accounted for just 32.4% (prior-year period: 40.7%). Partly because of currency movements, Asia's share dropped to 13.2% (prior-year period: 18.4%).

Net sales in the Automation segment fell by 25.6% overall to CHF 19.6 million, CHF 3.3 million of which was due to the sale of IMA Berlin. Net sales from continuing operations at IMA Automation Amberg therefore declined by 15.0%.

In total, Feintool generated CHF 135.8 million or 60.3% of its external net sales from customers in Europe (prior-year period: 53.5%). Switzerland accounted for 2.6% of net sales (prior-year period: 2.4%). By generating net sales of CHF 50.4 million, the US business made a minimally less significant contribution of 22.4% (prior-year period: 23.5%). The share accounted for by the sites in Asia dropped to CHF 38.8 million or 17.3% (prior-year period: 23.0%).

GROSS MARGIN

The gross margin increased by 1.6 percentage points year on year to 39.9%. Owing to volume-related factors, gross profit was up by CHF 11.1 million. The CHF 3.7 million improvement in productivity is made up of numerous, partly offsetting factors. In the Fineblanking Technology segment, the margin declined to 39.7%, mainly because of the increase in the percentage of materials due to changes in the product mix and the geographical shift in press sales. In the System Parts segment, the gross margin climbed to 39.6% (prior-year period: 37.7%). Due to a deeper vertical range of production, Forming Europe posts a higher margin. In addition, productivity in the USA and Japan increased again on the back of operational improvements. In Europe, the margin in the Fineblanking business unit was largely on a par with the previous year. In the Automation segment, the gross margin climbed by 6.6 percentage points to 33.7%. The margin in this segment is heavily affected by the percentage of purchased parts, however.

SIGNIFICANT EXPENSE ITEMS

Indirect personnel expenses increased by CHF 7.3 million to CHF 38.2 million, with CHF 6.4 million of this increase due to acquisitions. Relative to sales, however, this expense item was up from 15.7% to 17.0%. Indirect personnel expenses continued to fall in the Automation segment and remained largely unchanged in the Fineblanking Technology segment, even though the development department was further expanded. In the System Parts segment, indirect personnel expenses were pushed up by the acquisition as well as by upfront expenditures in Jena (Germany) and Nashville (USA). Operating, sales and administration expenses, including other operating income and expenses, increased by CHF 6.8 million to CHF 29.2 million, or 13.0% of sales (prior-year period after adjusting for acquisition-related effects: 12.5%). In the prior-year period, after deduction of all transaction costs, other operating income included CHF 2.7 million from the sale of IMA Berlin and other operating expenses included CHF 0.7 million in costs related to the acquisition of Herzing + Schroth.

EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION (EBITDA)

Earnings before interest, taxes, depreciation and amortization (EBITDA) rose by CHF 0.7 million to CHF 22.4 million in the reporting period. The EBITDA margin was 10.0%. Excluding the one-time effects in the previous year, the EBITDA margin remained on a par with 2012. Start-up costs in the System Parts segment (Taicang, Jena and Nashville) also had an adverse impact in the reporting period.

DEPRECIATION AND IMPAIRMENT

Depreciation was up by CHF 4.5 million to CHF 13.2 million in the reporting period. CHF 2.5 million stemmed from the acquisition of Herzing + Schroth, while investments to expand capacity and replace production facilities added a further CHF

2.0 million. The increase in depreciation was mostly attributable to the capital-intensive System Parts segment.

OPERATING PROFIT (EBIT)

The increase in depreciation was not fully offset by higher net sales in the reporting period. This is the nature of the System Parts business, which – as in this case – requires facilities to be ready at an early stage, even though they can only be put to full use on new projects once production is ramped up. After deduction of the one-time effects in the prior-year period, EBIT therefore declined by CHF 1.8 million to CHF 9.2 million. The EBIT margin dropped to 4.1%. The negative currency effect of CHF 0.4 million reduced the margin by 0.1 percentage points. All segments and regions turned an operating profit.

The Fineblanking Technology segment generated an operating profit of CHF 3.4 million (prior-year period: CHF 4.6 million). The decline was due to the slightly lower gross margin, which resulted from the modified product mix.

In the System Parts segment, operating profit was largely unchanged at CHF 8.6 million (prior-year period: CHF 8.7 million). Owing to the higher net sales figure, the operating margin decreased to 5.0%. In Europe, the Fineblanking business unit contributed EBIT of CHF 4.1 million (prior-year period: CHF 3.6 million), while the Forming Europe business unit generated a profit of CHF 0.3 million (prior-year period: CHF 0.1 million). Asia contributed EBIT of CHF 1.5 million (prior-year period: CHF 2.6 million). This includes an operating loss of CHF 0.9 million due to start-up costs at the new plant in China. In addition, the fall in the value of the Japanese yen depressed earnings in Japan by CHF 0.4 million. In the USA, the successful restructuring was reflected in an operating profit of CHF 2.9 million (prior-year period: CHF 2.6 million). The Nashville site does not yet cover its costs, however.

The Automation segment generated an operating profit of CHF 1.8 million (prior-year period: CHF 2.2 million).

Non-operating expenses amounted to CHF 2.8 million. After adjusting for the one-time effects of the sale of IMA Berlin and the acquisition of Herzing + Schroth, non-operating expenses declined by CHF 0.7 million.

NET FINANCIAL INCOME/FINANCIAL EXPENSES

Net financial expenses amounted to CHF 2.4 million in the reporting period (prior-year period: net financial expenses of CHF 2.6 million). Net debt was sharply higher on average, resulting in an increase in interest charges compared with the prior-year period. Due to foreign exchange gains of CHF 0.5 million (prior-year period: loss of CHF 0.4 million), financial expenses were lower overall in the reporting period.

TAXES

The results posted by the Feintool companies varied greatly from region to region. Some of the operating companies generated substantial profits. They consequently incurred high taxes. Overall, tax expense amounted to CHF 1.4 million (prior-year period: CHF 3.9 million). The tax rate is therefore 20.3%. The prior-year tax rate was negatively impacted by the sale of IMA Berlin.

NET INCOME

Net income amounted to CHF 5.4 million (prior-year period: CHF 6.5 million), which translates into a net return on sales of 2.4%. This performance was heavily impacted by the upfront expenditures at the Taicang (China), Jena (Germany) and Nashville (USA) sites.

CONSOLIDATED BALANCE SHEET

Some of the balance sheet items changed considerably between 31 December 2012 and 30 June 2013. Total assets rose by 2.6% to CHF 396.0 million (prior-year period: CHF 385.9 million).

On the assets side, current assets remained largely unchanged at CHF 172.5 million. Cash and cash equivalents dropped by CHF 3.3 million to CHF 22.1 million owing to improved cash management. Receivables rose by CHF 7.1 million to CHF 77.3 million. Inventories and net assets of construction contracts declined by CHF 3.4 million to CHF 67.0 million.

Non-current assets rose by a total of CHF 9.7 million to CHF 223.6 million due to investment. Property, plant and equipment climbed to CHF 183.2 million, an increase attributable to investments totalling CHF 19.5 million. Deferred tax assets reached CHF 14.2 million (prior-year period: CHF 12.2 million).

On the equity and liabilities side, equity rose by 23.9% to CHF 169.5 million (prior-year period: CHF 136.8 million). The equity ratio was therefore 42.8% (31 December 2012 restated: 35.4%).

The statement of changes in equity shows that the capital increase lifted equity by CHF 32.5 million. Conversely, the dividend payment reduced equity by CHF 3.9 million. Consolidated profit, in turn, increased equity by CHF 5.4 million. Translation differences recognized in other comprehensive income had a positive impact of CHF 1.3 million. Actuarial losses on employee benefits (IAS 19 revised), on the other hand, had a negative impact of CHF 2.5 million. The remeasurement performed at the beginning of the year due to the new accounting treatment for actuarial losses on employee benefits (IAS 19 revised) increased equity by CHF 2.4 million.

Liabilities fell by CHF 22.7 million to CHF 226.5 million. Due to the additional capital resources, interest-bearing liabilities in particular declined sharply to CHF 85.4 million (prior-year period: CHF 100.7 million). Net debt fell to CHF 63.3 million in the reporting period (31 December 2012: CHF 75.3 million).

Non-interest bearing liabilities were down by CHF 17.3 million to CHF 55.6 million due to lower prepayments from capital investment business and generally lower trade payables. Accrued expenses and deferred income, current and non-current provisions and deferred tax liabilities increased by CHF 6.3 million to CHF 45.4 million. Employee benefit obligations (IAS 19 revised) rose by CHF 3.7 million to CHF 40.1 million.

CONSOLIDATED STATEMENT OF CASH FLOWS

Cash flows from operating activities showed an inflow of CHF 2.1 million (prior-year period: CHF 8.2 million). The CHF 21.9 million increase in net working capital had a significant impact on the cash outflow. Investments resulted in a further cash outflow of CHF 18.3 million. Overall, this resulted in free cash flow of CHF -16.2 million (prior-year period: CHF -8.8 million). The CHF 34.6 million capital increase enabled CHF 21.1 million of interest-bearing capital to be reimbursed. Taking into account the foreign exchange gains of CHF 0.2 million and the aforementioned items, cash and cash equivalents fell by CHF 3.3 million to CHF 22.1 million.

Key rates for currency translation	Average rate 01.01. – 30.06.2013 CHF	Closing rate 30.06.013 CHF	Average rate 01.01. – 30.06.2012 CHF	Closing rate 30.06.2012 CHF
1 USD	0.9383	0.9433	0.9229	0.9555
1 EUR	1.2289	1.2338	1.2033	1.2030
100 JPY	0.9818	0.9536	1.1618	1.2014
100 CNY	15.1899	15.3420	14.6312	15.0128

Consolidated Statement of Comprehensive Income

for the first half of 2013 (1 January to 30 June 2013)

(unaudited)	1st HY 2013 01.01.–30.06.2013 in CHF 1 000	in %	restated 1st HY 2012 01.01.–30.06.2012 in CHF 1 000	in %
Continuing operations				
Net sales	**224 979**	**100.0**	**196 112**	**100.0**
Material cost	-97 982		-91 353	
Direct labour cost	-37 172		-29 644	
Gross margin	**89 825**	**39.9**	**75 115**	**38.3**
Indirect personnel expenses	-38 190		-30 852	
Operating expenses	-22 298		-16 362	
Administration and sales expenses	-6 914		-8 477	
Other operating expenses	-1 633		-2 068	
Other operating income	1 644		4 328	
Earnings before interest, taxes, depreciation and amortization (EBITDA)	**22 434**	**10.0**	**21 684**	**11.1**
Depreciation and amortization	-13 193		-8 696	
Operating profit (EBIT)	**9 241**	**4.1**	**12 988**	**6.6**
Financial expenses	-5 447		-5 223	
Financial income	3 040		2 587	
Earnings before taxes	**6 834**	**3.0**	**10 352**	**5.3**
Income taxes	-1 388		-3 927	
Net income from continuing operations	**5 446**	**2.4**	**6 425**	**3.3**
Discontinued operations				
Net income from discontinued operations after income taxes	0		54	
Net income attributable to Feintool Holding shareholders	**5 446**	**2.4**	**6 479**	**3.3**
Other comprehensive income				
Translation differences	1 329		1 454	
Total items reclassified to profit or loss	**1 329**		**1 454**	
Actuarial gains/(losses)	-3 160		-2 009	
Income taxes	697		442	
Total items not reclassified to profit or loss	**-2 463**		**-1 567**	
Total other comprehensive income	**-1 134**		**-113**	
Total comprehensive income attributable to Feintool Holding shareholders	**4 312**	**1.9**	**6 366**	**3.2**
Basic/diluted earnings per share (in CHF)	1.37		1.69	
Basic/diluted earnings per share from continuing operations (in CHF)	1.37		1.68	
EBIT				
Continuing operations	9 241		12 988	
Discontinued operations	0		147	
Total EBIT attributable to Feintool Holding shareholders	**9 241**		**13 135**	

Consolidated Statement of Comprehensive Income

for the second quarter of 2013 (1 April to 30 June 2013)

(unaudited)	2nd quarter 2013 01.04.–30.06.2013 in CHF 1 000	in %	2nd quarter 2012 01.04.–30.06.2012 in CHF 1 000	in %
Continuing operations				
Net sales	**111 998**	**100.0**	**97 309**	**100.0**
Material cost	-48 160		-44 752	
Direct labour cost	-18 504		-14 969	
Gross margin	**45 334**	**40.5**	**37 588**	**38.6**
Indirect personnel expenses	-19 127		-15 999	
Operating expenses	-11 024		-8 365	
Administration and sales expenses	-3 552		-4 744	
Other operating expenses	-919		-1 189	
Other operating income	772		895	
Earnings before interest, taxes, depreciation and amortization (EBITDA)	**11 484**	**10.3**	**8 186**	**8.4**
Depreciation and amortization	-6 596		-4 746	
Operating profit (EBIT)	**4 888**	**4.4**	**3 440**	**3.5**
Financial expenses	-2 470		-2 803	
Financial income	1 189		1 235	
Earnings before taxes	**3 607**	**3.2**	**1 872**	**1.9**
Income taxes	-564		-1 656	
Net income from continuing operations	**3 043**	**2.7**	**216**	**0.2**
Discontinued operations				
Net income from discontinued operations after income taxes	0		54	
Net income attributable to Feintool Holding shareholders	**3 043**	**2.7**	**270**	**0.3**
Other comprehensive income				
Translation differences	-1 054		5 224	
Total items reclassified to profit or loss	**-1 054**		**5 224**	
Actuarial gains/(losses)	2 237		-4 249	
Income taxes	-489		935	
Total items not reclassified to profit or loss	**1 748**		**-3 314**	
Total other comprehensive income	**694**		**1 910**	
Total comprehensive income attributable to Feintool Holding shareholders	**3 737**	**3.3**	**2 180**	**2.2**
Basic/diluted earnings per share (in CHF)	0.75		0.07	
Basic/diluted earnings per share from continuing operations (in CHF)	0.75		0.06	
EBIT				
Continuing operations	4 888		3 440	
Discontinued operations	0		147	
Total EBIT attributable to Feintool Holding shareholders	**4 888**		**3 587**	

Consolidated Balance Sheet

as at 30 June 2013

(unaudited)	30.06.2013 in CHF 1 000	in %	restated 31.12.2012 in CHF 1 000	in %
ASSETS				
Current assets				
Cash and cash equivalents	22 090		25 391	
Trade and other receivables	77 286		70 227	
Tax receivables	171		169	
Inventories	34 732		40 743	
Net assets of construction contracts	32 302		29 733	
Prepaid expenses and accrued income	5 873		5 792	
Total current assets	**172 454**	**43.5**	**172 055**	**44.6**
Non-current assets				
Property, plant and equipment	183 168		175 771	
Intangible assets	20 848		20 663	
Financial assets	5 372		5 246	
Deferred tax assets	14 167		12 190	
Total non-current assets	**223 555**	**56.5**	**213 870**	**55.4**
TOTAL ASSETS	396 009	100.0	385 925	100.0
EQUITY AND LIABILITIES				
Current liabilities				
Financial liabilities	51 421		70 069	
Trade and other payables	53 061		69 730	
Tax liabilities	2 537		3 176	
Accrued expenses and deferred income	29 495		25 901	
Current provisions	6 233		4 908	
Total current liabilities	**142 747**	**36.0**	**173 784**	**45.0**
Non-current liabilities				
Financial liabilities	33 947		30 639	
Non-current provisions	2 346		2 332	
Deferred tax liabilities	7 327		5 949	
Employee benefit liabilities	40 140		36 457	
Total non-current liabilities	**83 760**	**21.2**	**75 377**	**19.6**
Total liabilities	**226 507**	**57.2**	**249 161**	**64.6**
Equity				
Share capital	44 630		39 051	
Capital reserves	120 619		97 834	
Retained earnings	30 566		27 583	
Treasury shares	-547		-609	
Translation differences	-25 766		-27 095	
Total equity	**169 502**	**42.8**	**136 764**	**35.4**
TOTAL EQUITY AND LIABILITIES	396 009	100.0	385 925	100.0

Consolidated Statement of Changes in Equity

(unaudited) in CHF 1 000	Share capital	Treasury shares	Capital reserves	Retained earnings	Translation differences	Total equity
1 January 2012	**38 193**	**-298**	**93 607**	**21 586**	**-23 777**	**129 311**
Changes in accounting policies	–	–	–	2 265	–	2 265
Adjusted balance as at 1 January 2012	**38 193**	**-298**	**93 607**	**23 851**	**-23 777**	**131 576**
Translation differences	–	–	–	–	1 454	1 454
Actuarial losses from employee benefit plans, net of tax	–	–	–	-1 567	–	-1 567
Total other comprehensive income	–	–	–	-1 567	1 454	-113
Net income attributable to Feintool Holding shareholders	–	–	–	6 479	–	6 479
Total comprehensive income attributable to Feintool Holding shareholders	–	–	–	4 912	1 454	6 366
Capital increase, net of capital increase costs	858	–	4 311	–	–	5 169
Dividend	–	–	–	-3 055	–	-3 055
Purchase/sale of treasury shares	–	-16	-413	–	–	-429
Share-based management remuneration[1]	–	–	156	–	–	156
30 June 2012	**39 051**	**-314**	**97 661**	**25 708**	**-22 323**	**139 783**
1 January 2013	**39 051**	**-609**	**97 834**	**25 189**	**-27 095**	**134 370**
Changes in accounting policies	–	–	–	2 394	–	2 394
Adjusted balance as at 1 January 2013	**39 051**	**-609**	**97 834**	**27 583**	**-27 095**	**136 764**
Translation differences	–	–	–	–	1 329	1 329
Actuarial losses from employee benefit plans, net of tax	–	–	–	-2 463	–	-2 463
Total other comprehensive income	–	–	–	-2 463	1 329	-1 134
Net income attributable to Feintool Holding shareholders	–	–	–	5 446	–	5 446
Total comprehensive income attributable to Feintool Holding shareholders	–	–	–	2 983	1 329	4 312
Capital increase, net of capital increase costs	5 579	–	26 896	–	–	32 475
Dividend	–	–	-3 896	–	–	-3 896
Purchase/sale of treasury shares	–	62	-349	–	–	-287
Share-based management remuneration[1]	–	–	134	–	–	134
30 June 2013	**44 630**	**-547**	**120 619**	**30 566**	**-25 766**	**169 502**

[1] The share-based management remuneration involves payment of part of the salary in shares.

Consolidated Statement of Cash Flows

for the first half of 2013 (1 January to 30 June 2013)

(unaudited)	1st HY 2013 01.01.–30.06.2013 in CHF 1 000	restated 1st HY 2012 01.01.–30.06.2012 in CHF 1 000
Net income attributable to Feintool Holding shareholders	5 446	6 479
Depreciation and amortization	13 193	8 696
(Gain)/loss on disposal of property, plant and equipment	-590	-95
Gain on disposal of IMA Berlin	0	-3 381
Change in provisions and valuation allowances	5 532	2 961
Change in deferred taxes	-796	-904
Other non-cash changes	1 238	970
Cash flows from operating activities before change in net working capital (NWC)	**24 023**	**14 726**
(Increase)/decrease in net working capital (NWC)	-21 886	-6 497
Cash flows from operating activities	**2 137**	**8 229**
Investments in property, plant and equipment	-17 877	-9 658
Disposals of property, plant and equipment	689	307
Investments in intangible assets	-936	-362
Disposals of intangible assets	3	7
Change in financial assets (net)	-206	2 695
Purchase of consolidated investments	0	-14 226
Disposals of consolidated investments	0	4 214
Cash flows from investing activities	**-18 327**	**-17 023**
Free cash flow	**-16 190**	**-8 794**
Capital increase	34 588	0
Transaction costs for capital increase	-1 513	-76
Dividends paid	-3 896	-3 055
Purchase of treasury shares	-292	-440
Sale of treasury shares	0	7
Borrowing of interest-bearing liabilities	15 990	22 744
Repayment of interest-bearing liabilities	-32 147	-18 387
Cash flows from financing activities	**12 730**	**793**
Translation differences	159	367
Increase/(decrease) in cash and cash equivalents	**-3 301**	**-7 634**
Cash and cash equivalents at the beginning of the period	25 391	30 624
Cash and cash equivalents at the end of the period	22 090	22 990
New finance leasing contracts concluded	645	5 016

Notes to the Report on Half-Year Figures

as at 30 June 2013

GENERAL

These unaudited consolidated half-year financial statements for the Feintool Group are based on the separate financial statements of the Group companies as at 30 June 2013, which were prepared in accordance with uniform accounting policies, and were authorized for issue by the Board of Directors on 20 August 2013.

The consolidated half-year financial statements were prepared in accordance with the same accounting policies as the annual financial statements as at 31 December 2012 and comply with International Financial Reporting Standards (IFRS) in accordance with IAS 34 Interim Financial Reporting as well as the requirements of SIX Swiss Exchange. This half-year report does not contain all information and disclosures disclosed in the Feintool Group's Annual Report for the year to 31 December 2012 and so should be read in conjunction with the latter.

The consolidated half-year financial statements were prepared in Swiss francs (CHF), with amounts rounded to the nearest thousand (CHF 1 000). It is available in German and English. The German version is authoritative.

SHARE SPLIT

At the Annual General Meeting held on 16 April 2013, the shareholders approved the Board of Directors' proposal to split each existing Feintool share, with a nominal value of CHF 50, into five new shares, each with a nominal value of CHF 10. All data on the number of shares in this report (including prior-year data) have therefore been (re-)calculated at the nominal value of CHF 10.

INCREASE IN SHARE CAPITAL

On 20 June 2013, the Feintool Group successfully completed its capital increase and share placement programme. In the course of this transaction, 557,871 new shares, each with a nominal value of CHF 10, were issued at a transaction price of CHF 62 (see also "Equity").

RESTATEMENT

On 1 January 2013, the Feintool Group adopted the revised standard IAS 19. This change affects the balance sheet and statement of comprehensive income for the prior-year period, which have been restated accordingly. As a result, it is not always possible to compare the figures with prior periods (see also "Changes in accounting policies: IAS 19 revised - Employee Benefits").

CHANGES IN ACCOUNTING POLICIES

With the exception of the new or revised Standards and Interpretations that became effective in the reporting period, the accounting policies are the same as those applied in the prior-year period. On 1 January 2013, Feintool adopted the following new Standards and Interpretations:

IFRS 10 – Consolidated Financial Statements
This Standard, which is effective from 1 January 2013 and supersedes IAS 27 and SIC 12, establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. It essentially defines the principle of control and establishes control as the basis for consolidation. It also sets out the accounting requirements for the presentation of consolidated financial statements. These changes do not have a significant effect on Feintool's consolidated financial statements.

IFRS 11 – Joint Arrangements
This Standard is effective from 1 January 2013 and supersedes IAS 31 and SIC 13. The core principle of IFRS 11 is that a party to a joint arrangement determines the type of joint arrangement in which it is involved by assessing its rights and obligations and accounts for those rights and obligations in accordance with that type of joint arrangement. These changes do not have a significant effect on Feintool's consolidated financial statements.

IFRS 12 – Disclosure of Interests in Other Entities
This Standard is effective from 1 January 2013 and its objective is to require the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.

IFRS 13 – Fair Value Measurement
This Standard, which is effective from 1 January 2013, defines fair value and sets it out in a single framework. IFRS 13 applies when another IFRS requires or permits fair value measurements or disclosures about fair value measurements. These changes do not have a significant effect on Feintool's consolidated financial statements.

Feintool has adjusted the notes disclosures accordingly in light of the amendments to IAS 34 - Interim Financial Reporting.

IAS 1 – Presentation of Other Comprehensive Income
This change to IAS 1, effective since 1 July 2012, affects the presentation of certain items falling under the category of other comprehensive income. The amendments require subtotals for items that may be recycled (e.g. cash flow hedges, foreign currency translation) and those that may not be recycled (e.g. fair value through other comprehensive income items under IFRS 9 Financial Instruments).

IAS 19 – Employee Benefits
This amendment of IAS 19, which is effective from 1 January 2013, introduces various changes. The amendment requires recognition of changes in the net defined benefit liability (asset), including immediate recognition of defined benefit cost, disaggregation of defined benefit cost into components, recognition of remeasurements in other comprehensive income (OCI), plan amendments, curtailments and settlements. It introduces enhanced disclosures about defined benefit plans. It modifies accounting for termination benefits, including distinguishing benefits provided in exchange for service and benefits provided in exchange for the termination of employment, and affects the recognition and measurement of termination benefits. Miscellaneous issues are also clarified, including the classification of employee benefits, current estimates of mortality rates, tax and administration costs, and risk-sharing and conditional indexation features.

As the Group has recognized actuarial gains and losses in other comprehensive income since 1 October 2011, this amendment did not have a significant effect on either the balance sheet or the statement of other comprehensive income. One change affects interest. The Feintool Group now determines the net interest expense arising from net benefit obligations using the discount rate. In each case, the discount rate is applied to the balance at the beginning of the reporting period. In prior periods, the Feintool Group determined the interest income on net assets based on the expected long-term rate of return.

The transitional provisions in Paragraph IAS 19.173 require the changes to be applied retrospectively and the prior-year figures have therefore been adjusted accordingly. This reduced employee benefit liabilities as at 1 January 2012 by CHF 2.9 million (as at 31 December 2012: by CHF 3.1 million). After taking into account deferred taxes, equity increased by CHF 2.3 million (as at 31 December 2012: by CHF 2.4 million).

As part of the restatement, interest expense was recognized in financial expenses rather than as personnel expense, as was the case previously. This change did not have a significant effect on the statement of comprehensive income, however.

Further changes affect the presentation of benefit plan costs and the disclosure of accompanying information in the notes.

IAS 27 – Separate Financial Statements
This Standard is effective from 1 January 2013 and now solely comprises provisions governing separate financial statements. Consolidated financial statements are now governed by IFRS 10. These changes do not have a significant effect on Feintool's consolidated financial statements.

IAS 28 – Investments in Associates
and Joint Ventures
This amendment, which is effective from 1 January 2013, prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. These changes do not have a significant effect on Feintool's consolidated financial statements.

FUTURE CHANGES IN ACCOUNTING POLICIES

Feintool analyses the effects of newly issued Standards on the Group's financial position, results of operations and cash flows on an ongoing basis. Feintool does not expect the application of the new and revised Standards and Interpretations that have been published and will apply to future consolidated financial statements to have a material effect on the Group's financial position, results of operations or cash flows.

ESTIMATES AND ASSUMPTIONS

Preparation of the interim consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and income and expenses, as well as the disclosure of contingent assets and liabilities. Particular areas in which estimates materially affect the carrying amount include the measurement of provisions, assumptions regarding value in use calculations for goodwill, expected future cash flows from capitalized development costs, the measurement of long-term construction contracts, the assessment of expected and deferred taxes, as well as actuarial assumptions used to calculate pension obligations. These estimates may differ from the actual results and therefore have a material impact on the Group's financial position, results of operations or cash flows.

Management and the Board of Directors believe the basis of planning and the assumptions to be realistic.

CONTINGENT LIABILITIES/ PURCHASE COMMITMENTS

The repurchase guarantees given to leasing companies for fineblanking presses sold declined from CHF 3.1 million as at 31 December 2012 to CHF 2.7 million in the first half of 2013. Contingent liabilities from funding that has been received and is subject to certain conditions amounted to CHF 3.6 million (prior-year period: CHF 3.5 million).

The Feintool Group entered into purchase commitments for the acquisition of fineblanking presses and other machinery in the amount of CHF 15.5 million (prior-year period: CHF 6.0 million).

BASIS OF CONSOLIDATION

The consolidated half-year financial statements include the half-year financial statements of Feintool International Holding AG, Lyss (Switzerland) and the half-year financial statements of all Group companies in which Feintool International Holding AG directly or indirectly holds more than 50% of the voting rights or which it otherwise controls. A list of all subsidiaries can be found on page 84 of the Annual Report for the period ended 31 December 2012.

There was no change to the consolidated Group in the reporting period. Due to the acquisition of the Herzing + Schroth Group on 31 May 2012, the consolidated Group in the reporting period includes two companies that were only partly included in the prior period. In the prior-year period, Feintool sold IMA Automation Berlin GmbH, Berlin, which operates in the automation business, to Mikron Group of Switzerland (see also "Disposal of IMA Berlin").

FINANCIAL COVENANTS

On 28 June 2012, Feintool signed a CHF 120 million syndicated loan agreement with eight commercial banks for a period of five years (to 30 June 2017). The syndicated loan consists of CHF 100 million in cash loans and CHF 20 million for performance and advance payment guarantees.

Covenants were defined by the banks in connection with this agreement. The most important covenants to be observed in relation to this agreement are as follows:

- equity ratio > 30%
- net senior debt/EBITDA < 3.0 x
- various standard negative/positive covenants

If the Group were unable to meet these covenants, the banks would have the right to terminate the loans at short notice.

As at 30 June 2013, all covenants had been met.

SEASONAL FACTORS

Feintool's business areas are not subject to any significant seasonal influences. The outcome of long-term construction contracts is allocated over the respective period using the POC (percentage of completion) method.

SEGMENT INFORMATION

1st HY 2013 (unaudited) Products and services — in CHF 1 000	Fineblanking Technology	System Parts	Automation	Total segments	Finance/ Other	Eliminations	Group
Net sales	46 992	170 762	19 612	**237 366**	–	-12 387	**224 979**
- Intersegment income	-12 372	-15	–	**-12 387**	–	12 387	**–**
Total net sales - Group	**34 620**	**170 747**	**19 612**	224 979	**–**	**–**	224 979
EBITDA	**4 235**	**20 188**	**1 925**	26 348	**-1 483**	**-2 431**	22 434
Depreciation and amortization	-817	-11 579	-125	**-12 521**	-1 301	629	**-13 193**
Operating profit (EBIT)	**3 418**	**8 609**	**1 800**	13 827	**-2 784**	**-1 802**	9 241
Financial expenses							**-5 447**
Financial income							**3 040**
Income taxes							**-1 388**
Net income attributable to Feintool Holding shareholders							5 446
Assets	**60 185**	**281 914**	**18 310**	360 409	**99 588**	**-63 988**	396 009
Net working capital [1]	**18 004**	**45 265**	**3 882**	67 151	**-1 502**	**-203**	65 446
Investment in property, plant and equipment/ intangible assets (incl. leases)	**1 681**	**19 209**	**108**	21 098	**420**	**-2 060**	19 458
Number of employees	**241**	**1 474**	**201**	1 916	**39**	**–**	1 955

Geographical areas	Switzerland	Europe excl. Switzerland	America	Asia	Group
Total net sales – Group [2]	**5 827**	**129 924**	**50 408**	38 820	224 979
thereof Germany		90 842			
thereof Japan				22 798	
thereof China				11 234	
Property, plant and equipment/intangible assets	**33 860**	**85 465**	**53 649**	31 042	204 016

[1] Net working capital comprises trade receivables, inventories, net assets of construction contracts in progress and prepaid expenses and accrued income less trade payables, advance payments received from customers and accrued expenses and deferred income.

[2] Net sales are allocated to countries based on the customer's domicile.

The Feintool Fineblanking Technology segment comprises the development, manufacture and sale of presses, tools, peripheral systems and all related services. The Feintool System Parts segment develops, produces and sells high-precision system components and assemblies using fineblanking and forming technology. The Feintool Automation segment offers a comprehensive range of assembly systems.

"Finance/Other" essentially comprises the figures for Feintool International Holding AG, Feintool International Management AG, Feintool Intellectual Property AG, the German sub-holding company Feintool Holding GmbH and the real estate company included in the sub-holding company HL Holding AG and its subsidiaries.

The operating profit/loss comprises all operating income and expenses directly attributable to the individual segments. This includes all cross-segment expenses, which are charged directly on an arm's length basis. Feintool's financing is undertaken at Group level. Financial income and finance costs, as well as taxes, are therefore reported at Group level only and do not appear in the segment reports.

There is no reconciliation of the data in management reports and data contained in the financial reports, as internal and external reporting are subject to the same valuation principles.

1st HY 2012 (unaudited) Products and services — in CHF 1 000	Fineblanking Technology	System Parts	Automation	Total segments	Finance/ Other	Eliminations	Group
Net sales	46 455	132 588	26 350	205 393	–	-9 281	196 112
- Intersegment income	-9 274	-7	–	-9 281	–	9 281	–
Total net sales - Group	**37 181**	**132 581**	**26 350**	**196 112**	**–**	**–**	**196 112**
EBITDA	**5 299**	**16 023**	**2 331**	**23 653**	**-1 179**	**- 790**	**21 684**
Depreciation and amortization	-692	-7 368	-122	-8 182	-991	477	-8 696
Operating profit (EBIT)	**4 607**	**8 655**	**2 209**	**15 471**	**-2 170**	**-313**	**12 988**
Financial expenses							-5 223
Financial income							2 587
Income taxes							-3 927
Net income from continuing operations							**6 425**
Assets	**61 466**	**274 435**	**21 654**	**357 555**	**90 340**	**-55 734**	**392 161**
Net working capital [1]	**9 896**	**38 060**	**-820**	**47 136**	**-1 877**	**894**	**46 153**
Investment in property, plant and equipment/ intangible assets (incl. leases)	**242**	**15 502**	**204**	**15 948**	**364**	**-1 276**	**15 036**
Number of employees	**235**	**1 359**	**215**	**1 809**	**39**	**–**	**1 848**

Geographical areas	Switzerland	Europe excl. Switzerland	America	Asia	Group
Total net sales – Group [2]	**4 701**	**100 296**	**46 112**	**45 003**	**196 112**
thereof Germany		66 546			
thereof Japan				27 422	
thereof China				8 728	
Property, plant and equipment/intangible assets	**30 839**	**83 735**	**45 520**	**32 352**	**192 446**

[1] Net working capital comprises trade receivables, inventories, net assets of construction contracts in progress and prepaid expenses and accrued income less trade payables, advance payments received from customers and accrued expenses and deferred income.

[2] Net sales are allocated to countries based on the customer's domicile.

The Feintool Fineblanking Technology segment comprises the development, manufacture and sale of presses, tools, peripheral systems and all related services. The Feintool System Parts segment develops, produces and sells high-precision system components and assemblies using fineblanking and forming technology. The Feintool Automation segment offers a comprehensive range of assembly systems.

"Finance/Other" essentially comprises the figures for Feintool International Holding AG, Feintool International Management AG, Feintool Intellectual Property AG, the German sub-holding company Feintool Holding GmbH and the real estate company included in the sub-holding company HL Holding AG and its subsidiaries.

The operating profit/loss comprises all operating income and expenses directly attributable to the individual segments. This includes all cross-segment expenses, which are charged directly on an arm's length basis. Feintool's financing is undertaken at Group level. Financial income and finance costs, as well as taxes, are therefore reported at Group level only and do not appear in the segment reports.

There is no reconciliation of the data in management reports and data contained in the financial reports, as internal and external reporting are subject to the same valuation principles.

EQUITY

Share capital	30.06.2013 in CHF	30.06.2012 in CHF
Number of shares	4 462 971	3 905 100
Nominal value	10	10
Share capital	44 629 710	39 051 000

Authorized capital	30.06.2013 in CHF	30.06.2012 in CHF
Beginning of period	**18 239 250**	**0**
Created	0	19 096 750
Used	5 578 710	857 500
End of period	**12 660 540**	**18 239 250**

At the Annual General Meeting of Feintool International Holding AG, the shareholders approved the Board of Directors' proposal to split each Feintool share with a nominal value of CHF 50 into five new shares, each with a nominal value of CHF 10. All data on the number of shares (including prior-year data) have therefore been (re-)calculated at the nominal value of CHF 10.

By resolution of the Annual General Meeting on 24 January 2012, the Board of Directors was authorized to create authorized capital up to a maximum amount of CHF 19 096 750 as required through the issue of up to 1 909 675 new shares, each having a nominal value of CHF 10.00. The new shares are to be paid up in full. The Board of Directors is authorized to restrict or exclude subscription rights under certain circumstances. The new shares can be issued in one or more stages. The approval is limited to a period of two years (until 24 January 2014). The authorized capital will then expire.

On 20 June 2013, 557 871 new shares, each with a nominal value of CHF 10 = 5 578 710, were issued as part of the capital increase and share placement programme. The shares were issued entirely from "authorized capital".

Capital increase from authorized capital on 1 June 2012 through the issue of 85 750 shares, each with a nominal value of CHF 10 = CHF 857 500, to partially finance the acquisition of the Herzing + Schroth Group.

		30.06.2013		31.12.2012	
Major shareholders	Date of notification	Number of shares	Share of capital/ share of votes	Number of shares	Share of capital/ share of votes
Artemis Beteiligungen III AG and Michael Pieper	24.06.2013	2 235 949	50.10%	3 102 130	79.44%
Geocent AG	15.07.2013	400 285	8.97%	347 690	8.90%
Mubea Engineering	25.06.2013	271 500	6.08%	0	0
Edinburgh Partners Limited	25.06.2013	170 000	3.81%	0	0
FIL Limited	25.06.2013	134 162	3.01%	0	0

The number of shares relates to the shares actually held.

FAIR VALUE HIERARCHY

Feintool has measured financial instruments at fair value and uses the following hierarchy to determine fair value.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Feintool holds only financial instruments in Level 2 amounting to CHF -602 thousand net (prior-year period: CHF -233 thousand).

ACQUISITION OF INVESTMENTS

On 31 May 2012, Feintool Holding GmbH, Amberg, a wholly owned subsidiary of Feintool International Holding AG, took control of Schroth Antriebselemente GmbH, Ohrdruf, by acquiring 60% of the company's ordinary shares. The remaining 40% were acquired directly by Feintool International Holding AG.

At the end of April 2012, Feintool Holding GmbH, Amberg, established a takeover company through which it acquired the assets and liabilities of Herzing + Schroth GmbH u. Co. KG, Obertshausen, at the end of May 2012. This new company was subsequently renamed Herzing + Schroth GmbH, and has its registered office in Obertshausen.

Herzing + Schroth Group (H+S) is a leading developer and manufacturer of high-precision, chipless-formed components of motor vehicle drivetrains. Like fineblanking, this is a process utilized in the automotive industry for the high-volume production of light-weight components for efficient transmissions. Feintool intends to expand this newly acquired technological potential on a global level and exploit the synergies available.

In June 2012, under the Feintool Group, H+S generated sales of CHF 6.6 million and an operating profit (EBIT) of CHF 0.1 million. Had the acquisition taken place on 1 January 2012, the consolidated sales of the Feintool Group would have amounted to CHF 229.4 million and the operating profit (EBIT) to CHF 13.5 million. As H + S did not use IFRS accounting prior to the date of acquisition, these figures are estimates.

The costs incurred by the Feintool Group for the acquisition of H+S amounted to around CHF 0.8 million. In particular, this includes the fees of external lawyers and advisers, as well as land taxes. The costs were recognized in other operating expenses.

DISPOSAL OF IMA BERLIN

At the end of March 2012, Feintool sold its equity interest in IMA Automation Berlin GmbH, Berlin, to Mikron Group of Switzerland. The assets and liabilities of IMA Berlin were stated in the Annual Report as at 31 December 2011 as individual items under "Assets and liabilities held for sale". The gain on disposal was recognized in "other operating income".

The costs incurred by the Feintool Group for the disposal of IMA Automation Berlin GmbH amounted to around CHF 0.7 million. In particular, this includes the fees of external lawyers and advisers. The costs were recognized in other operating expenses.

Effect of the disposal of IMA Berlin	**1st HY 2012** 01.01.–30.06.2012 in CHF 1 000
Consideration received in cash	4 214
Net assets at closing rate	-495
Translation differences	-225
Earnings assigned under profit and loss transfer agreement	-113
Gain on disposal of IMA Berlin	**3 381**

CHANGE IN ACCOUNTING POLICIES: IAS 19 REVISED – EMPLOYEE BENEFITS

The reconciliation of the results for the first half of 2012 published previously (using the previous accounting policy) to the adjusted amounts reported as comparative figures in the first half of 2013 (using the new accounting policy) is shown below.

Restated consolidated statement of comprehensive income of the Feintool Group for the first half of 2012	**As originally published** in CHF 1 000	**Application of IAS 19 (revised)** in CHF 1 000	**Adjusted** in CHF 1 000
Operating profit (EBIT)	**13 791**	**-803**	**12 988**
Financial expenses	-4 983	-240	-5 223
Financial income	2 587	0	2 587
Earnings before taxes	**11 395**	**-1 043**	**10 352**
Income taxes	-4 157	230	-3 927
Net income from continuing operations	**7 238**	**-813**	**6 425**
Net income attributable to Feintool Holding shareholders	**7 292**	**-813**	**6 479**
Other comprehensive income, net of income taxes	-747	634	-113
Total comprehensive income attributable to Feintool Holding shareholders	**6 545**	**-179**	**6 366**
Basic/diluted earnings per share (in CHF)	1.89	-0.20	1.69
Basic/diluted earnings per share from continuing operations (in CHF)	1.89	-0.21	1.68

Restated consolidated balance sheet of the Feintool Group as at 31 December 2012	**As originally published** in CHF 1 000	**Application of IAS 19 (revised)** in CHF 1 000	**Adjusted** in CHF 1 000
Deferred tax assets	12 865	-675	12 190
Employee benefit liabilities	-39 526	3 069	-36 457
Other net assets	161 031	0	161 031
Total net assets	**134 370**	**2 394**	**136 764**
Total equity	**134 370**	**2 394**	**136 764**

DIVIDENDS

At the General Meeting of Feintool International Holding AG held on 16 April 2013 for financial year 2012, the shareholders approved the distribution of a dividend of CHF 1 per share.

EVENTS AFTER THE REPORTING PERIOD

None.

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as at 30 june 2013

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