

Media release

Annual results 2012:

Adval Tech Group reports simplified structures and gratifying new orders

Niederwangen, 22 March 2013, 07:00. – The Adval Tech Group succeeded in raising operating profit before depreciation, interest and taxes (EBITDA) from CHF 14.3 million to CHF 16.9 million in the 2012 financial year. However, the result of CHF -3.5 million failed to achieve the targeted turnaround at the EBIT level (2011: CHF -5.0 million). Value adjustments on risk positions, delays in the launch of individual projects and the still incomplete reorganization at the production facility in Suzhou, China, impacted negatively on the result. Thanks to a number of recently acquired new orders, the company is confident that it will improve its results in the medium term.

In March 2012 the Board of Directors of the Adval Tech Group decided to streamline the Group's activities and to focus on a few areas in an effort to concentrate its energies. Simplified structures and better utilization of synergies have resulted in substantial savings, which will make a major contribution to the competitiveness of the Adval Tech Group. The new, flatter organizational structure has also improved the flow of information and communication and shortened response times in the face of changing operating conditions. To ensure that the Group companies can operate more closely in the market and be managed more directly, Adval Tech has dissolved the previous divisions and now reports under the Components and Molds segments.

Development of key figures

The Group's overall result in 2012 of CHF 279.6 million is slightly below that of the previous year (CHF 284.9 million, -1.9%). 77% of sales was generated by the Components segment, and 23% by the Molds segment.

Operating profit before depreciation, interest and taxes (EBITDA) at CHF 16.9 million is 18% above the year-back level (CHF 14.3 million). The EBITDA margin thus improved from 5.0% to 6.0%. The Swiss company Styner+Bienz FormTech AG made the largest contribution to this positive development with its rotation-symmetrical parts in the Components segment.

The operating result before interest and taxes (EBIT) of CHF -3.5 million is still very unsatisfactory (2011: CHF -5.0 million). The positive results of the Swiss sites of Styner+Bienz, Omni Mexico, Omni Thailand and Omni Malaysia in the Components segment and FOBOHA in the Molds segment were unable to offset the negative results of the other companies.

Earnings after taxes for 2012 amount to CHF -15.4 million (2011: CHF -16.3 million). This includes extraordinary expenses of CHF 3.1 million (CHF 1.7 million relating to restructuring in Asia and CHF 1.3 million for expenses in connection with cooperation projects).

Segment results

In the **Components** segment (metal and plastics) the overall performance of CHF 218.3 million is around CHF 3 million below the year-back figure of CHF 221.3 million. In currency-adjusted terms, the decline accounts for around CHF 4 million. The losses are primarily due to lower sales with Brazilian automobile suppliers. The segment raised its EBITDA to CHF 10.5 million (2011: CHF 7.3 million).

The **Molds** segment posted a result for 2012 of CHF 67.6 million which is CHF 7.9 million below the year-back figure of CHF 75.5 million. EBITDA, which comes to CHF 4.1 million, is CHF 1.6 million lower than in 2011 (CHF 5.7 million). This decline is mainly due to the performance of AWM Mold Tech AG in Muri (Switzerland), which continued to operate at a loss. A number of savings measures have been introduced at the Muri site which should take effect in 2013. The sales and profit at the FOBOHA GmbH Group company in Haslach, Germany, are still gratifying, even if the key figures do not match those of previous years.

Significant new orders

Recently, the Adval Tech Group succeeded in acquiring several substantial new orders in the automotive market, including an order to produce steering systems, which will be carried out in cooperation with a partner, Anchor, in the USA. Adval Tech's strategic positioning as a direct supplier of automotive manufacturers in the premium segment has also provided a boost: the company received an additional order for the facilities in Hungary and in China for air/water separation components from BMW and an initial order from another well reputed automotive manufacturer for two-component plastic parts in the engine compartment.

Adval Tech will provide detailed information on the annual financial statements and an initial review of the group's development in the current year at its press conference in Zurich on Tuesday, April 23, 2013. The Annual General Meeting of Adval Tech Holding Ltd will be held on May 16, 2013.

Key figures	2012	2011	Change	(in %)
Total income (CHF millions)	279.6	284.9	-5.3	-1.9%
Net turnover (CHF millions)	268.8	264.0	4.8	1.8%
Operating earnings (EBITDA) (CHF millions)	16.9	14.3	2.6	18%
Operating earnings (EBIT) (CHF millions)	-3.5	-5.0	1.5	n.a.
Net profit (CHF millions)	-15.4	-16.3	0.9	n.a.
Free cash flow from operations (CHF millions)	1.1	-4.7	5.8	n.a.
Number of employees on December 31	2,239	2,491	-252	-10%

Background information about the Adval Tech Group

Adding value through innovations – that's what Adval Tech stands for. As a global technology and process partner Adval Tech focuses on the complementary technologies of metal stamping and forming and plastic injection molding. In selected markets in the automotive, medical technology and consumer goods sectors, Adval Tech is a leading global supplier of series parts, subassemblies, systems and tools. As a supplier and value-adding partner, Adval Tech covers the entire value chain: from product design and the development of series parts through construction and production of the necessary tools and molds to entire production systems and the resulting manufacture of components.

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<http://www.advaltech.com/en/group/for-investors/company-news/ad-hoc-notice.html>

Diary

April 23, 2013 – Media release: Publication of the annual report 2012
April 23, 2013 – Conference for financial analysts, ConventionPoint, SIX, Zurich
April 23, 2013 – Results press conference, ConventionPoint, SIX, Zurich
May 16, 2013 – Annual General Meeting in Berne
August 2013 – Media release: Semiannual results 2013

Except for the historical information contained herein, the statements in this media release are forward-looking statements that involve risks and uncertainties.