

SCHWEITER TECHNOLOGIES



Media & Analyst Conference Half-Year Results 2012

Zurich - August 17, 2012

1 Welcome and Introduction 

2 Half-Year Results 2012

3 Division Information

4 Outlook

One Group – Three Leading Divisions

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SSM Textile Machinery

Revenues: 100 MCHF Employees: 230



Ismeca Semiconductor

Revenues: 100 MCHF / Employees: 350



3A Composites

Revenues: 600-800 MCHF / Employees: 2'500 (of which 900 in Ecuador)



1 Welcome and Introduction

2 **Half-Year Results 2012**



3 Division Information

4 Outlook

Highlights Half-Year 2012

- ***3A Composites:***

- (1) Increased profitability with 13% EBITDA-margin

- (2) Weak wind segment in China negatively affecting Core Materials

- Dominant market position kept

- (3) Continued good performance of Architecture in Europe, US and Asia

- Also good performance of Display business in Europe/US

- (4) Successful acquisition of PVC foam sheets and PET plastic sheets

- manufacturer in Ireland

- Solid results in *SSM Textile Machinery* and *Ismeca Semiconductor* despite depressed economic cycles

- Very solid balance sheet and cash position of MCHF 286

SSM Textile Machinery

in CHF Mio.	H1 2012	H1 2011 ¹	Total 2011	H1/H1 in %
Orders received	35.5	40.1	73.5	-11%
Net sales	38.7	39.3	72.9	-2%
EBITDA <i>in % of net sales</i>	3.6 9.3%	5.2 13.2%	8.8 12.1%	-31%
Employees (end of period)	262	240	233	9%

1 Restated due to early adoption of IAS 19 revised

SSM Textile Machinery

- **Volume and margins kept**
- **Asian markets suffering from weaker consumer demand from Europe. Devaluation of Indian ccy negatively affecting foreign investments**
- **Eastern European markets still growing at a lower pace. South American markets slightly improving**
- **EBITDA decrease due to lower Operating Income and roll-out and integration cost of around 1 MCHF for Giudici acquisition**
- **Continued R&D expenditures to extend strategic position**
- **Acquisition of Giudici. Attractive high-end niche for false-twist-texturizing**

Ismeca Semiconductor

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in CHF Mio.	H1 2012	H1 2011 ¹	Total 2011	H1/H1 in %
Orders received	45.1	50.9	76.1	-11%
Net sales	38.0	50.8	87.6	-25%
EBITDA <i>in % of net sales</i>	2.1 5.5%	5.4 10.6%	6.2 7.1%	-61%
Employees (end of period)	365	386	358	-5%

¹ Restated due to early adoption of IAS 19 revised

- **Semicon cycle resulted in lower net sales in H1. However, improved outlook for H2**
- **Healthy gross margins keep Ismeca well above break-even**
- **EBITDA of CHF 2.1 Mio. (6% margin)**
- **Standard equipment manufacturing concentrated in Malaysia with positive impact on cost structure**
- **R&D expenditures continued to safeguard leading technology position. Switzerland focusing on innovation**

3A Composites

in CHF Mio.	H1 2012	H1 2011 ¹	Total 2011	H1/H1 in %
Orders received	309.1	389.3	708.1	-21%
Net sales	301.0	334.7	624.7	-10%
EBITDA <i>in % of net sales</i>	40.1 13.3%	41.5 12.4%	75.1 ² 12.0%	-3%
Employees (end of period)	2'513	3'083	2'495	-18%

1 Restated due to early adoption of IAS 19 revised

2 Impact of headcount reduction and change of pension plan with positive impact of MCHF 27 on EBIT & EBITDA and 22 MCHF on Net Income

3A Composites

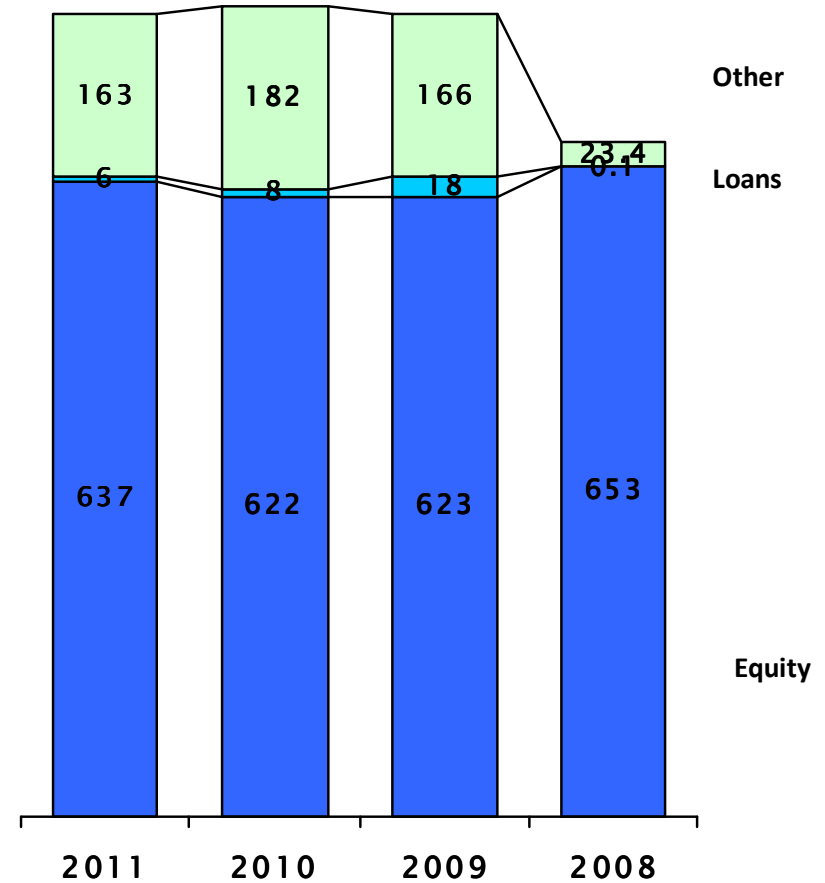
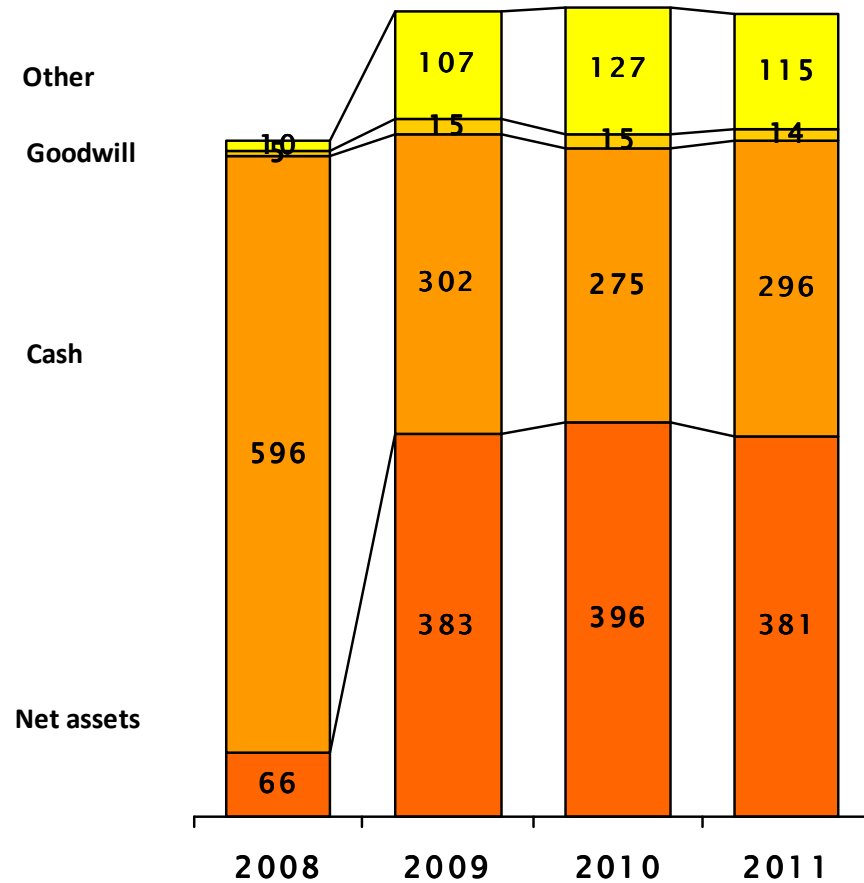
- **Lower order intake mainly due to a multi-year contract of the now divested automotive business received in H1 2011 and lower wind business in China**
- **Increased profitability with 13% EBITDA-margin**
- **Cost reductions and raw material price trend contributing to good result**
- **Weak wind segment in China negatively affecting Core Materials. Dominant market position kept**
- **Continued good performance of Architecture in Europe, US and Asia**
- **Good performance of Display business in Europe/US**
- **Successful acquisition of PVC foam sheets and PET plastic sheets manufacturer in Ireland**
- **Innovations successfully introduced into market**

	H1 2012	H1 2011 ¹	Total 2011	H1/H1 in %
in CHF Mio.				
Orders received	389.7	480.3	857.7	-19%
Net sales	378.0	425.0	785.6	-11%
EBITDA	45.0	50.9	88.4 ²	-12%
<i>in % of net sales</i>	<i>11.9%</i>	<i>12.0%</i>	<i>11.3%</i>	
EBIT	30.5	36.1	59.7 ²	-16%
<i>in % of net sales</i>	<i>8.1%</i>	<i>8.5%</i>	<i>7.6%</i>	
Net income	24.6	23.1	47.5 ²	6%
Employees (end of period)	3'146	3'715	3'092	-15%

1 Restated due to early adoption of IAS 19 revised

2 Impact of headcount reduction and change of pension plan with positive impact of MCHF 27 on EBIT & EBITDA and 22 MCHF on Net Income

Strong Balance Sheet



Balance Sheet Highlights June 30, 2012

- Cash position CHF 286 Mio.
- Practically no short/long term bank liabilities
- Goodwill CHF 16 Mio.
- Shareholders' Equity CHF 636 Mio. = CHF 440 per share
- Equity ratio 73%

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3 **Division Information** 

4 Outlook

SSM – leading  Swiss technology
for yarn processing and winding

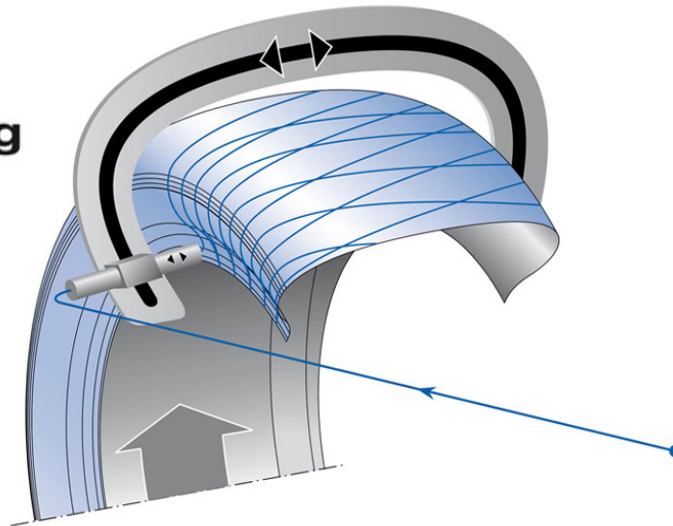


SSM Textile Machinery

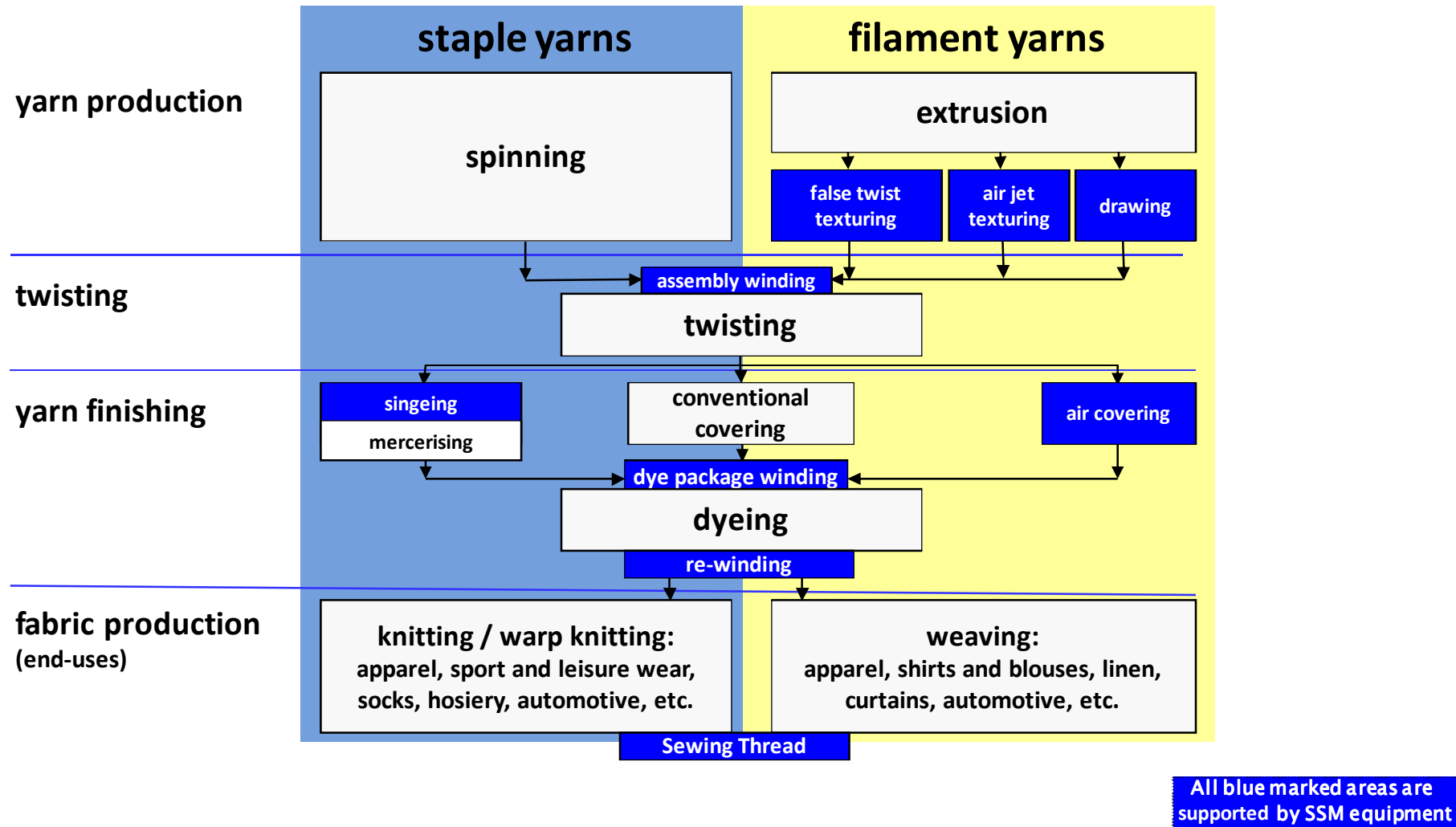
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SSM  3D-Winding



Strong niche positions in the production chain



Own manufacturing base in Asia

- Fully owned subsidiary under Swiss management serves as local manufacturing centre for the Asian market
- All know-how sensitive key components provided from Switzerland
- Facility also used for marketing & training purposes
- 1/3rd of sales generated ex China factory



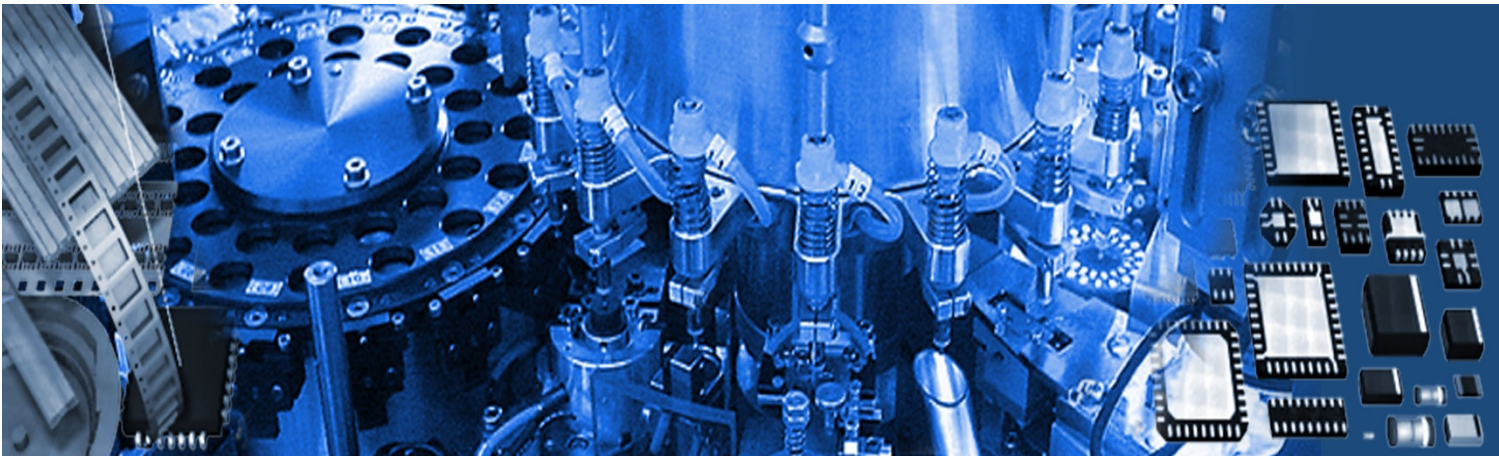
Acquisition of Giudici

- Acquisition announced on Dec. 23, 2011 and closed as of Jan. 31, 2012
- Attractive high-end niche in texturizing
- Giudici as a leader in false-twist texturizing with more than 50 years of experience in yarn texturizing
- Located in Sala al Barro, Galbiato (LC), Italy
- Turnover approx. MCHF 10 with 40 employees
- Product range complementary to SSM's product range
- Giudici will benefit from global SSM sales and service network and international sourcing capabilities

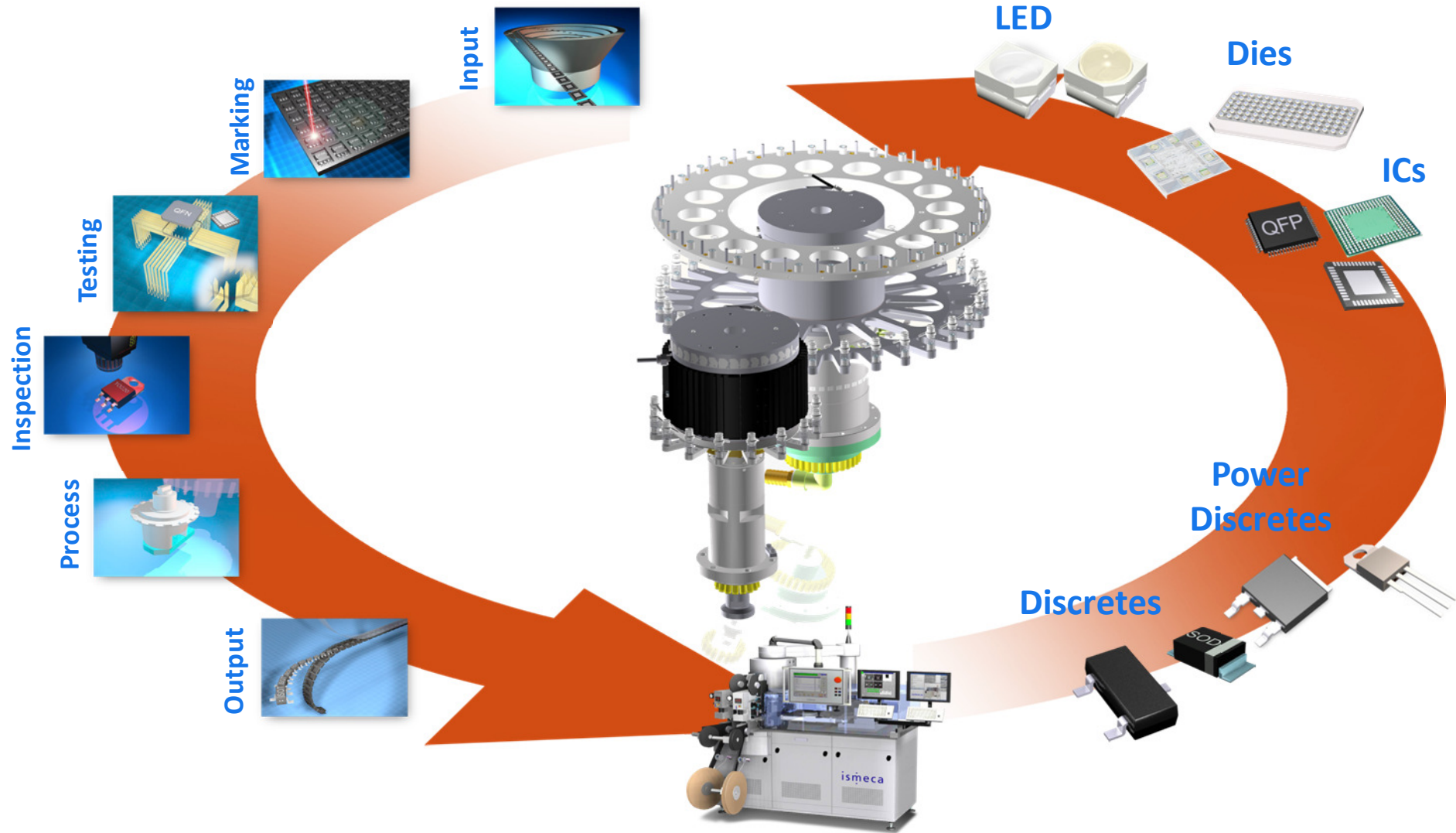
Strong Global Presence



Global Leader in Back-End Finishing Processes

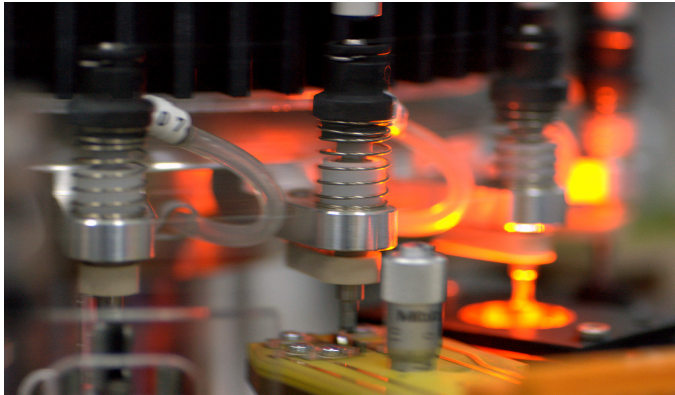


Modular Solutions for Backend Finishing Processes



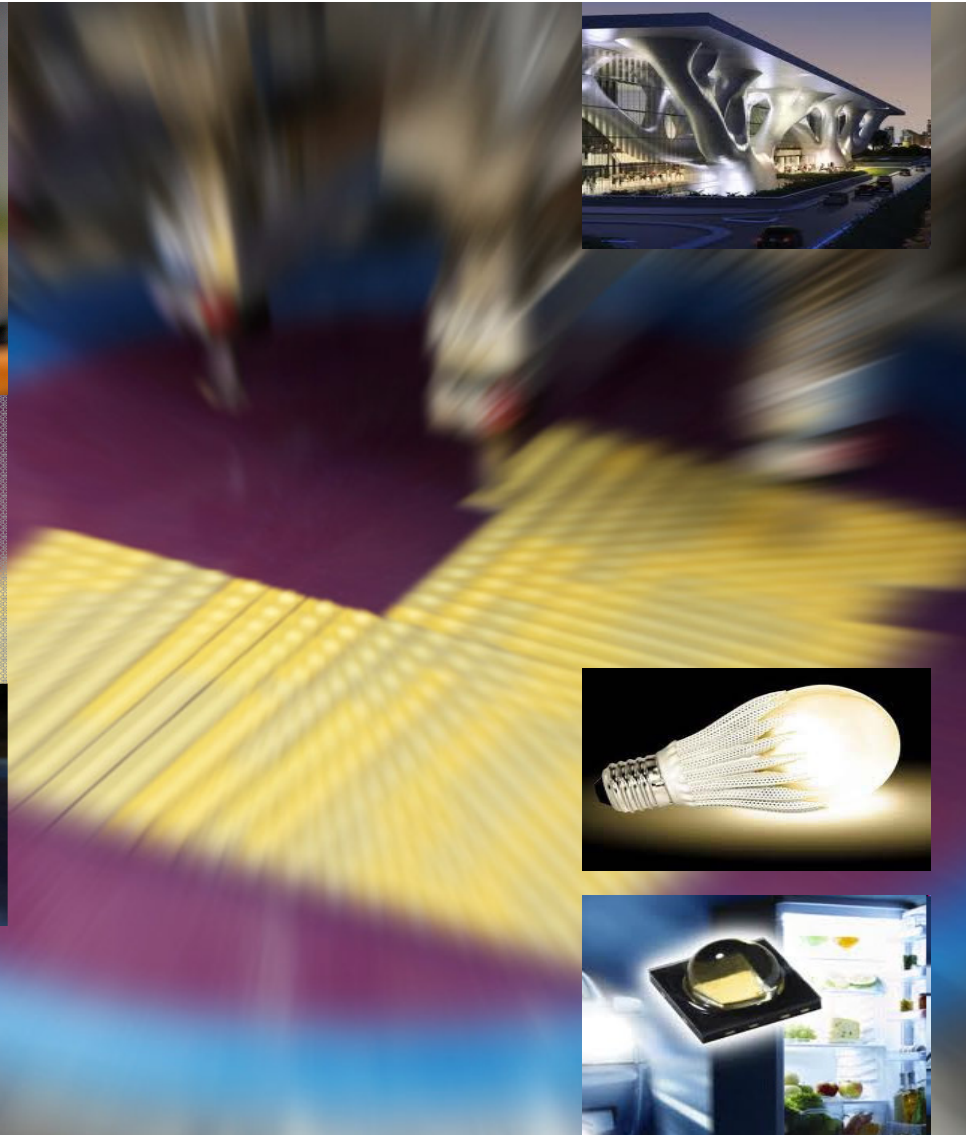
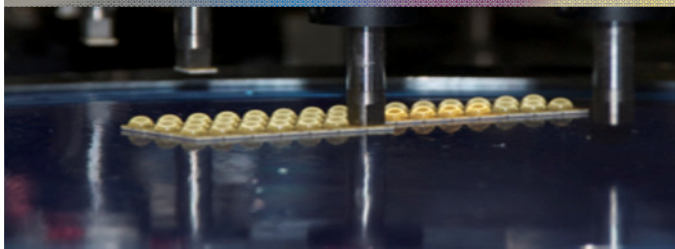
Integrated Solutions for HB LED Manufacturing

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Ismecca integrated solutions:

- Full visual inspection
- LED lighting characterization
- LED sorting and taping
- Full device traceability



Global Presence – Local Support in all Markets



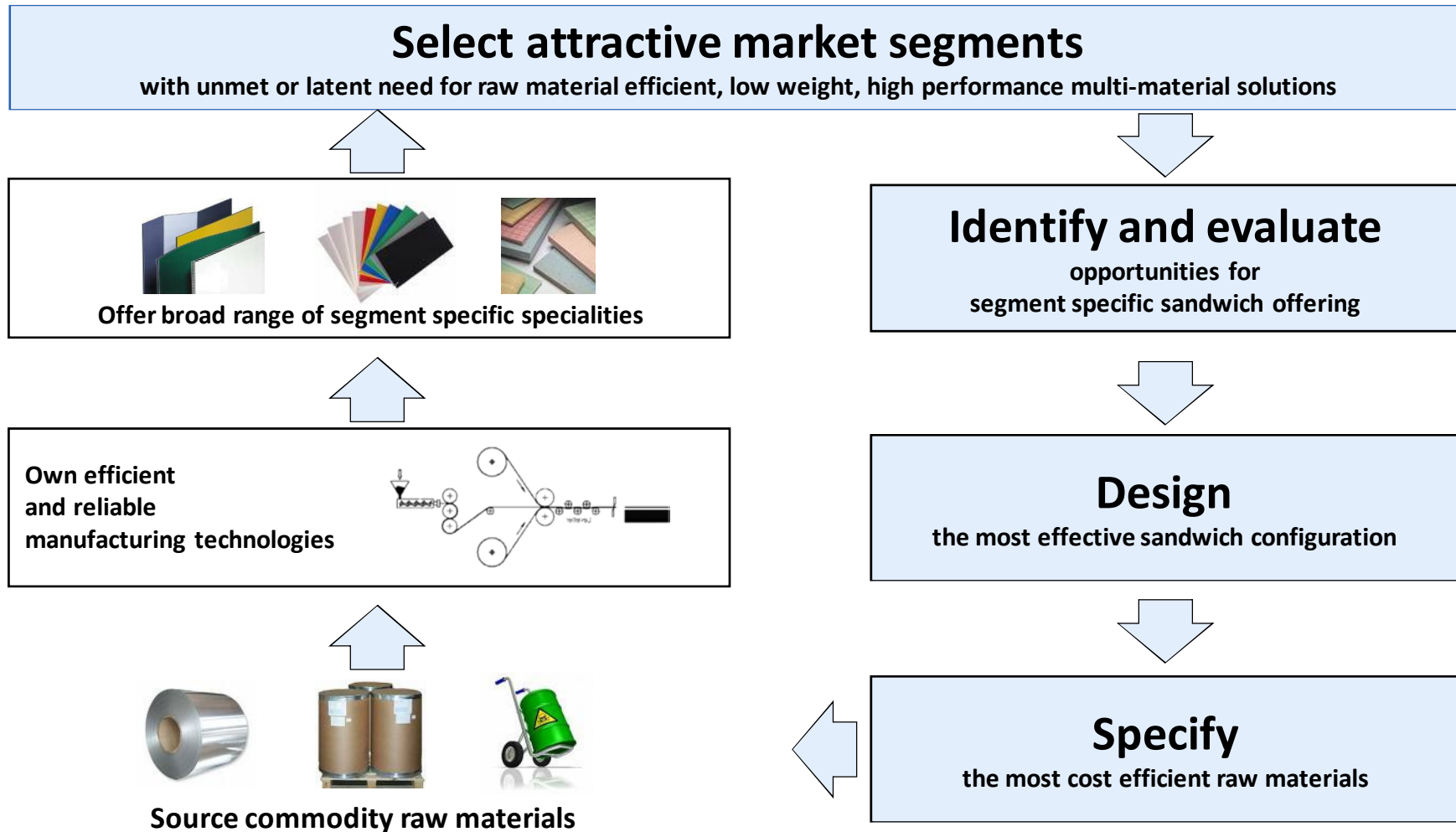


Composites

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3A Composites – The Business Idea



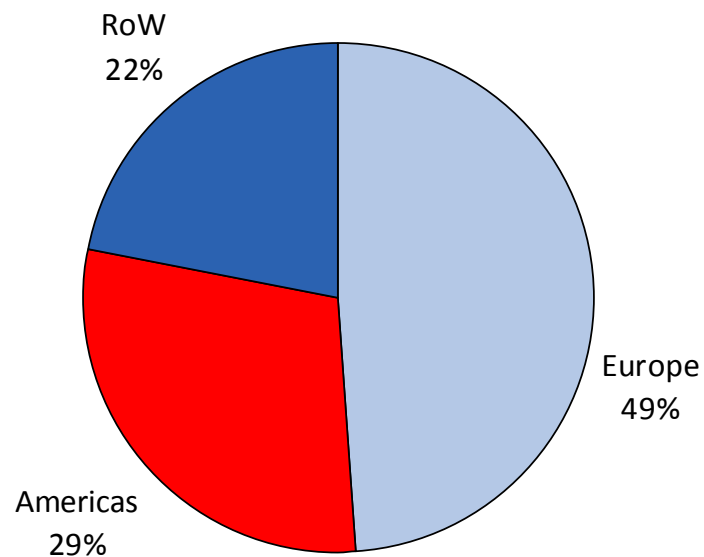
Broad Product Range and Market-leading Brands

Applications
Brands
Products

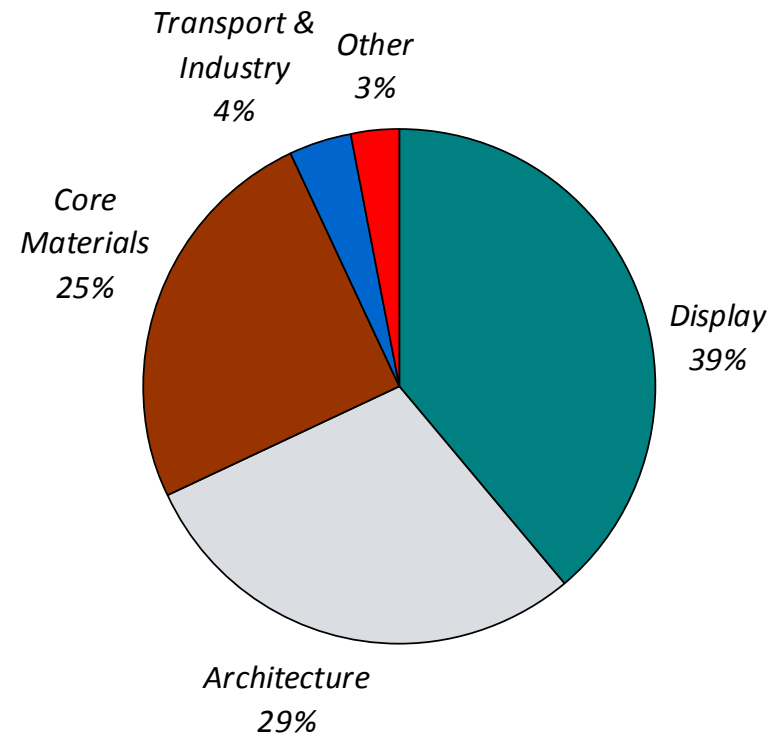
Core Materials	Architecture	Display
		
<p data-bbox="376 778 568 863">AIREX[®]</p> <p data-bbox="568 863 763 916">KITKORE[™]</p> <p data-bbox="421 954 616 1011">BALTEK[®]</p>	<p data-bbox="927 810 1263 874">ALUCOBOND[®]</p> <p data-bbox="1070 890 1323 954">ALUCORE</p>	<p data-bbox="1447 735 1585 794">FOREX[®]</p> <p data-bbox="1704 735 1899 794">DIBOND[®]</p> <p data-bbox="1563 799 1756 847">GATOR[™]</p> <p data-bbox="1447 852 1637 900">FOAM-X^{NEW}</p> <p data-bbox="1704 852 1899 900">KAPA[®]</p> <p data-bbox="1541 922 1832 970">FOME-COR[®]</p> <p data-bbox="1447 970 1630 1023">SINTRA[®]</p> <p data-bbox="1749 970 1921 1023">HYLITE[®]</p>
<p data-bbox="367 1123 757 1161"><u>Structural Core Materials</u></p> <p data-bbox="367 1182 815 1220">Engineering Foams and Balsa</p>	<p data-bbox="898 1123 1160 1161"><u>Sandwich Panels</u></p> <p data-bbox="898 1182 1339 1262">Aluminum skins and various core materials</p>	<p data-bbox="1442 1123 1704 1161"><u>Sandwich Panels</u></p> <p data-bbox="1442 1182 1906 1262">Metal, paper and plastic skins and foamed core materials</p>

Revenue Breakdown 2011

by Geography



by Market Segment



Broad Range of Structural Core Materials

- Engineering Foams (PVC, PET)
- Balsa Products



Solutions for Mass Transportation

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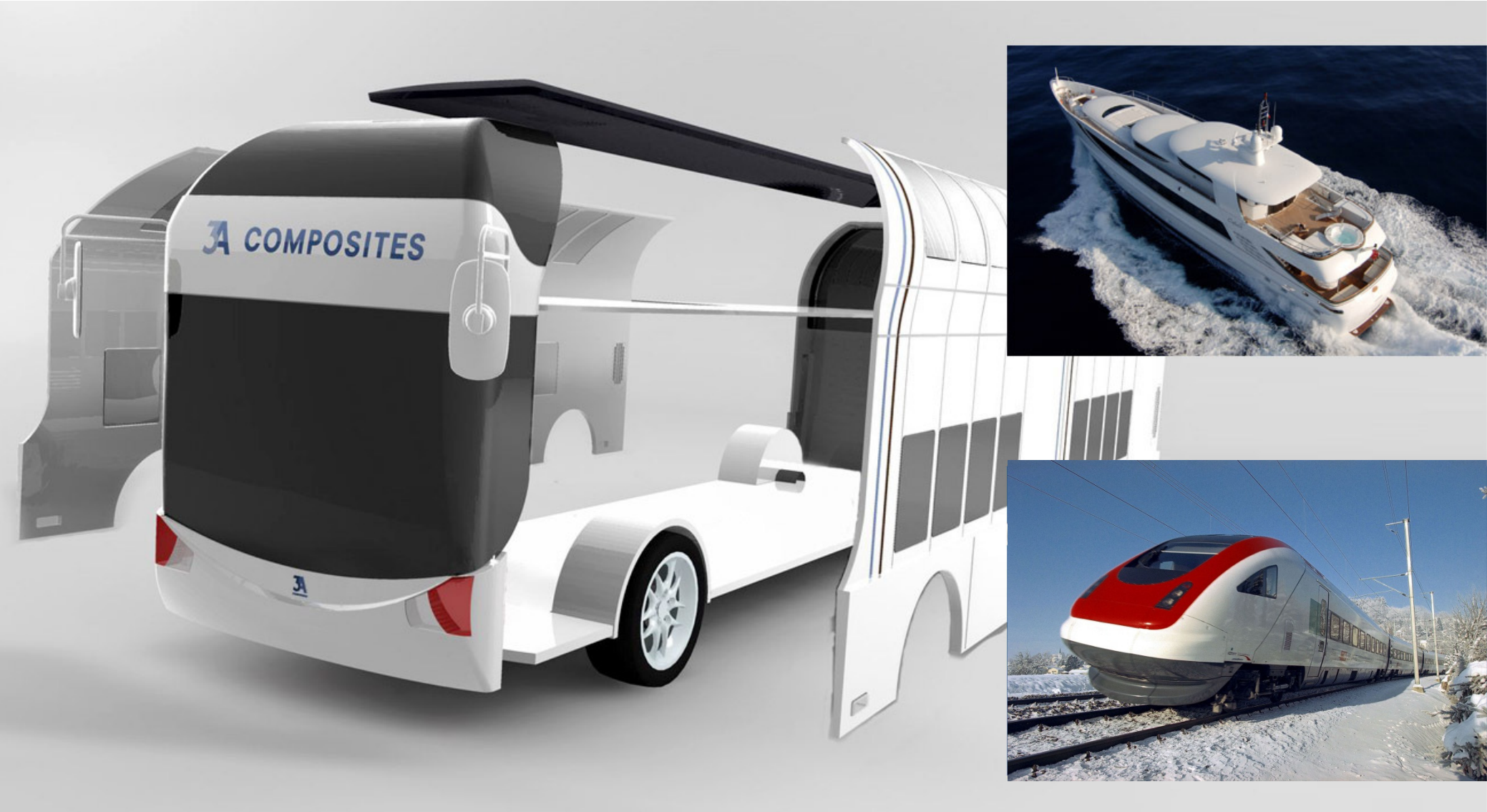


Integrated Sandwich Solutions

- Aluminium Skins,
Multifunctional Alu Profiles
- Engineering Foam Core
- Integrated Floor Heating
System



Solutions for Mass Transportation and Marine

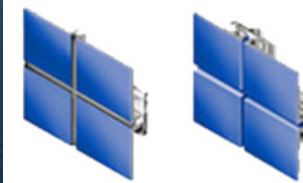


Broad Range of Comp. Sheets and Panels

- Shop Fitting
- Digital Printing
- CID Applications
- Signage
- Foto Mounting
- POS/POP Applications



Ventilated Façade Solutions, exterior & interior cladding, CID Applications based on Alucobond Sandwich Panels



Successful Projects using Alucobond (1)

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Concert & Congress Hall | Uppsala, Sweden



German National Library
Germany



Le torri di Jesolo
Venice, Italy



Successful Projects using Alucobond (2)

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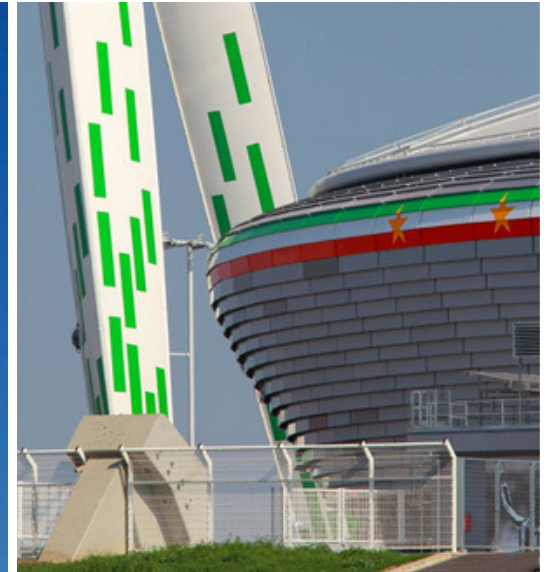
Successful Projects using Alucobond (3)

ONIX | Lille, France



Successful Projects using Alucobond (4)

Stadio delle Alpi, Juventus Football Club | Turin, Italy



Key Strategy Changes in Progress

Core Materials / Wind

- Secure leading positions in Balsa (ECU/PNG)
- Strengthen market pos. in China (local "JV")
- Expand presence in US (new site in "wind belt")
- Invest in future markets (Brazil, India)
- Push innovations (low resin absorption, new structural foams)
- Reduce dependency on Wind

Architecture / Display

- Change from production to radical marketing/ sales orient. (e.g. Architecture centric approach)
- Invest in growth markets in Asia
- Focus on innovation and total solutions (e.g. FR products, decorative fassades)
- Dual branding (high end vs. standard prod.)

Increasing Participation in High-Growth Economies

Assets in North America

- ◆ 4 sites
- 450 Employees

Assets In Europe

- ◇ Headquarters in Sins and Singen
- ◆ 5 Sites
- 650 Employees



Assets in South America

- ◆ 3 sites
- ◇ Sales office
- 8'500 ha plantations in Ecuador
- 1'000 Employees

Assets in China and India

- ◆ 5 Sites
- ◇ Headquarters in Singapore
- 400 Employees

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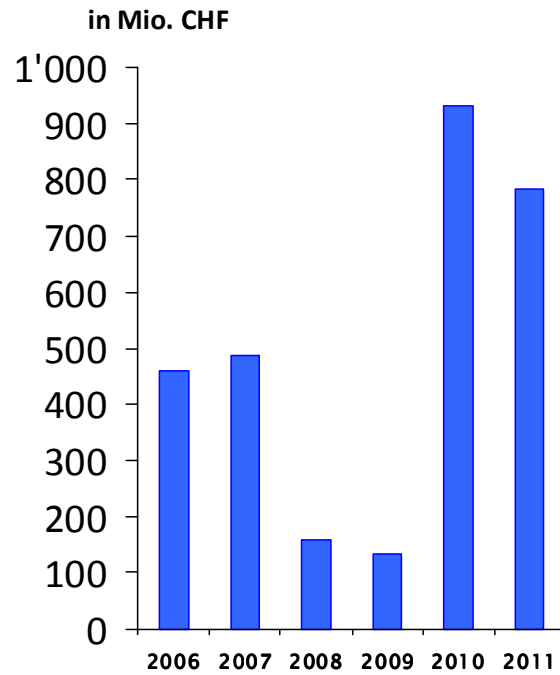
3 Division Information

4 Outlook

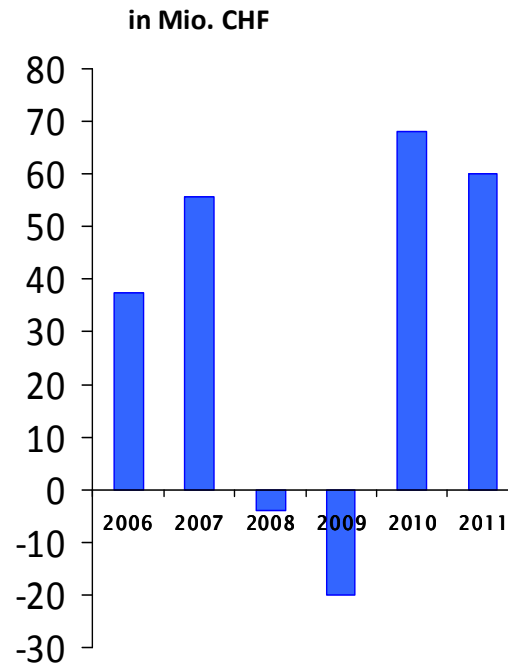


Group Performance

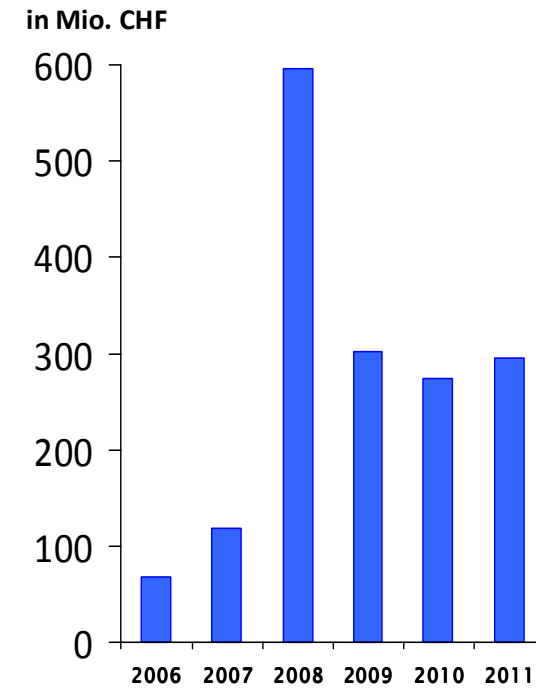
Revenues



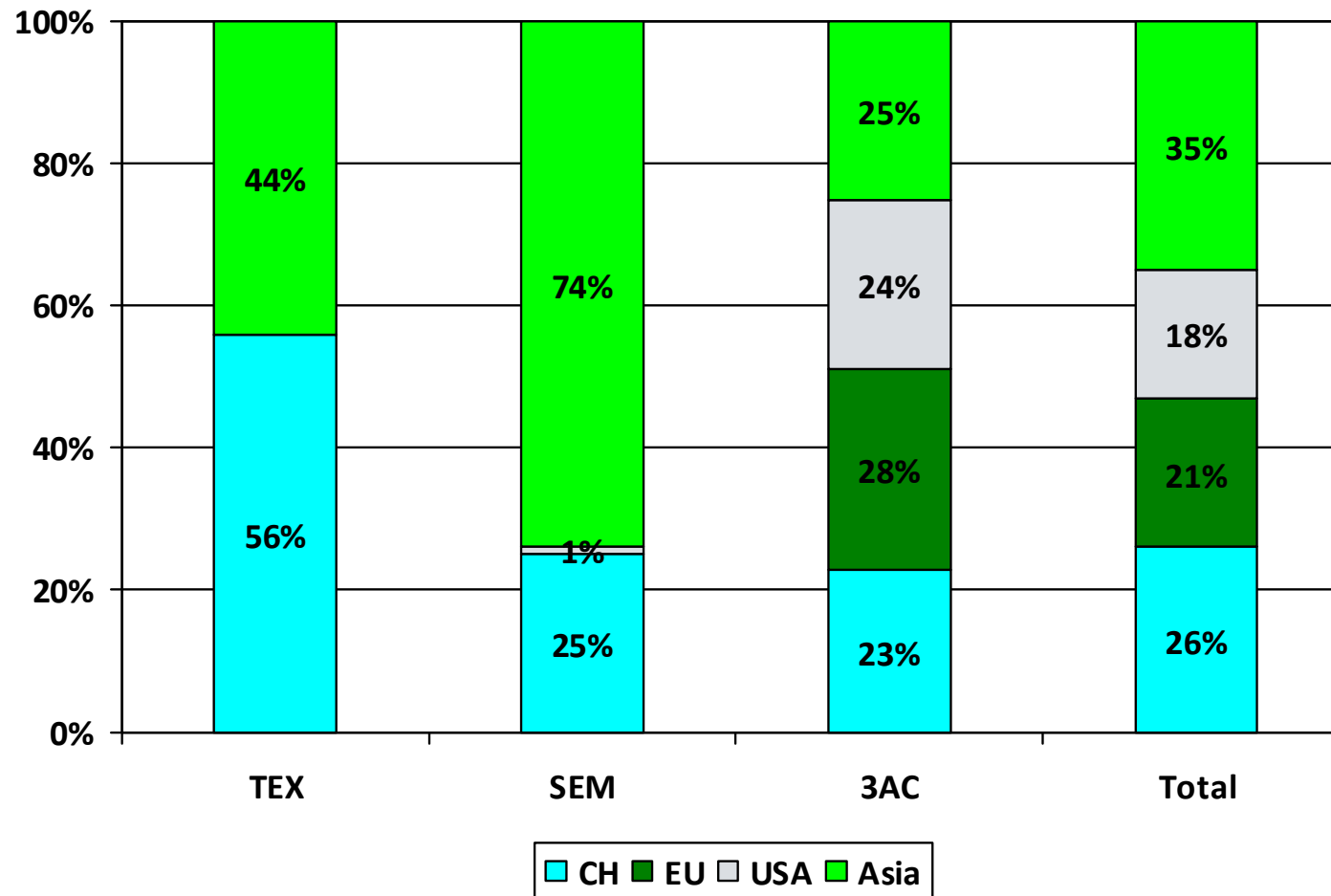
Operating Earnings



Cash



Employees per Region YE 2011 (excl. Ecuador)



■ SSM Textile Machinery

- H2 probably lower than H1
- Asia remains dominant. However, some volume orders missing from CN and IN

■ Ismeca Semiconductor

- Better H2 expected
- Healthy gross margins sustainable. LED continue to grow

■ 3A Composites

- Wind business in China remains weak in H2. Pressure on margins continues
- Raw material price trend still favorable
- Solid outlook for global Architecture and Display business activities
- Overall result expected to be lower in H2

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