

Statutory ad hoc announcement

For release on December 23, 2013, 7:00 a.m.

Orell Füssli: Security Printing depresses profits more than expected

Heavy special charges at Security Printing. Positive trend at Atlantic Zeiser. Good start for Orell Füssli Thalia AG. The Orell Füssli Group overall will report clearly negative earnings for 2013.

Zurich, December 23, 2013 – On the basis of currently available estimates the Orell Füssli Group will report an operating loss (EBIT) of some CHF 11 million in 2013. A value adjustment of CHF 9 million on receivables capitalised using the PoC (Percentage of Completion) method in the 2011 financial year will also be included in the 2013 annual financial statements. The overall result of this is an operating loss of CHF 20 million for 2013. The encouraging trend at Atlantic Zeiser and in book retailing is far from able to compensate for the poor results at Security Printing.

Atlantic Zeiser is sustaining its upward trend and will report improved results for 2013 compared with the previous year due to action taken on costs and an increase in productivity. The main feature of the book retailing business was the merger of Orell Füssli Book Retailing Ltd with Thalia Bücher AG. The new company, Orell Füssli Thalia AG, was launched as planned on October 1, 2013. The new company is also on course in terms of results, and book retailing operations will report a positive outcome in 2013.

Due to a cumulation of negative effects Orell Füssli's security printing operations will record very poor results in 2013. Unscheduled downtime on two bottleneck machines resulted in the loss of more than four weeks of production capacity at Security Printing in the past three months, giving rise to a margin shortfall of CHF 5 million and substantial retrofitting expenditure. A second offset printing

press was ordered in autumn 2013 and will come into operation in the course of 2014. The production of very sophisticated banknotes for two key customers has necessitated extensive trials in recent weeks; these have been largely completed successfully, but exerted additional pressure on production capacity. These two issues resulted in the deferment of orders into the first quarter of 2014 and corresponding revenue shortfalls in the current year.

Together with the events reported on at the beginning of September (revenue shortfalls arising from deliveries already made, a liability case and heavy repair costs) this will result in an operating loss of CHF 15 million at the Security Printing Division. A value adjustment of CHF 9 million on receivables capitalised using the PoC (Percentage of Completion) method in the 2011 financial year will also be included in the 2013 annual financial statements, since this capitalisation was based on assumptions which have not materialised. Including this correction, Security Printing is expected to report an operating loss of CHF 24 million (with an impact on liquidity of CHF10 million).

Orell Füssli's balance sheet will remain sound with an equity ratio of over 60%. Production capacity at Security Printing will be fully utilised in 2014, enabling a turnaround in profits to be achieved.

Audited annual financial statements for 2013 will be available on March 20, 2014.

Calendar

Media release: annual results for 2013	March 20, 2014
2013 Annual Report	April 2014
Annual General Meeting, Orell Füssli Holding Ltd	May 7, 2014
Media release: half-year financial statements for 2014	August 2014

Orell Füssli is a diversified industrial and trading group operating in the core business segments of banknote & security printing, industrial systems used in the individualisation of security documents and branded products, and book retailing. The book publishing business has formed the traditional basis for the company since it was founded in 1519. Orell Füssli generates sales of some CHF 300 million with some 1 000 employees at locations in 10 countries and is listed on the Swiss Stock Exchange.

Contact

Orell Füssli Holding Ltd, phone +41 44 466 72 73, media@orellfuessli.com