

Orell Füssli

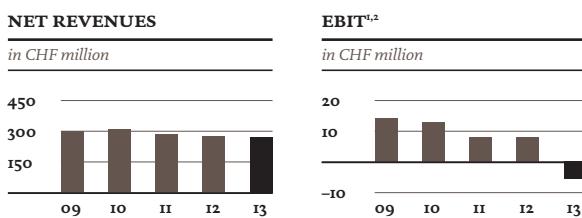
Annual Report

2013

CONTENTS

ORELL FÜSSLI GROUP	1
EDITORIAL	2
BUSINESS	4
FINANCIAL REPORT 2013	8
CORPORATE GOVERNANCE	44
IMPRINT, CONTACT	56

Key figures 2013



CONSOLIDATED INCOME STATEMENT

in CHF million	2013	2012	2011	2010	2009
Net revenues	272.2	281.1	285.5	312.7	302.4
EBITDA ²	8.7	23.0	24.5	29.2	24.3
Earnings before interest and taxes (EBIT) ²	-5.8	8.3	8.3	13.2	14.6
Special charges	-14.9	-4.7	-5.9	-	8.5
Net income for the period bevor minority interests	-18.2	-1.0	0.2	9.5	14.7
Equity before minority interests	131.7	151.2	156.5	162.1	170.2

WEIGHTED AVERAGE WORKFORCE

	2013	2012	2011	2010	2009
Full time equivalents	1,041	971	1,048	1,046	1,027

SHARE STATISTIC

in CHF	2013	2012	2011	2010	2009
High	100.50	108.80	143.00	145.90	162.00
Low	83.55	91.50	97.00	131.00	130.00
Earnings per share ³	-9.30	-0.52	0.10	4.82	7.50
Dividend per share ⁴	0.00	0.00	2.00	2.50	2.50

¹ Financial year 2009: values according to IFRS

² In 2009: EBIT before recognition of disposal of subsidiaries and investment property, in 2011, 2012 and 2013: EBIT before special charges.

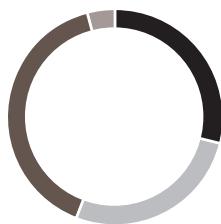
³ At 31 December 2013 the share capital comprised 1,960,000 registered shares with a par value of 1 CHF each.

⁴ Dividend proposed to the Annual General Meeting on 7 May 2014.

KEY FIGURES ORELL FÜSSLI GROUP

NET REVENUES BY DIVISIONS

in percent

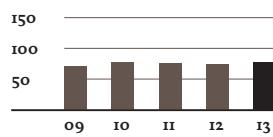


- 29%** Division Atlantic Zeiser
27% Division Security Printing
40% Division Book Retailing
4% Other

Total net revenues CHF 272.2 Mio

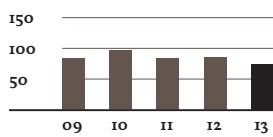
ATLANTIC ZEISER

in CHF million



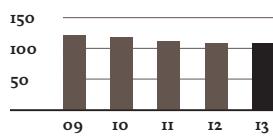
SECURITY PRINTING

in CHF million



BOOK RETAILING

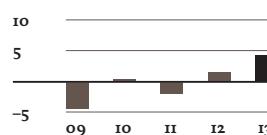
in CHF million



EBIT BY DIVISIONS BEFORE SPECIAL CHARGES

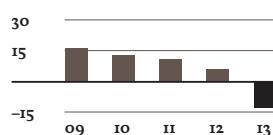
ATLANTIC ZEISER

in CHF million



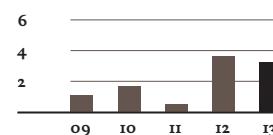
SECURITY PRINTING

in CHF million



BOOK RETAILING

in CHF million



Orell Füssli is a diversified industrial and trading group engaged in the core businesses 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 1519.

In its banknote and security printing operations Orell Füssli produces banknotes, identity documents and securities, and is noted for innovative applications of printing processes and technologies. The industrial systems business unit manufactures industrial systems for the digital printing and encoding of banknotes, passports and security documents, plastic cards, labels and packaging. In book retailing Orell Füssli holds a 50% interest in Orell Füssli Thalia Ltd, the leading group of large and specialist bookstores in prime locations in Switzerland. Orell Füssli Thalia Ltd combines a bricks-and-mortar presence with attractive online stores. It provides customised logistics and service facilities for libraries and companies.

Orell Füssli generates sales of some CHF 300 million with about 1000 employees at locations in 10 countries and is listed on the SIX Swiss Exchange.

Editorial

Dear shareholder,

The past financial year was one of setting the course for the future of the Orell Füssli Group. On the one hand, the joint venture of Orell Füssli Book Retailing Ltd with Thalia Bücher Ltd was implemented as planned. On the other, we had to acknowledge that the challenges facing the Security Printing Division are significantly greater than expected.

Operational problems in production, machine downtime and value adjustments resulted in a massive loss at the Security Printing Division and negative results for the Orell Füssli Group in the 2013 financial year. The pleasing developments at the other divisions were far from sufficient to offset these shortfalls. The Orell Füssli Group will post a heavy loss of CHF 17.0 million for the 2013 financial year. However, the group still maintains a healthy equity ratio of over 55%.

In the past year Atlantic Zeiser confirmed the upward trend which had started in the previous year. The strategic focus, action on costs and the improvement in productivity bore fruit. Our German subsidiary doubled its EBIT compared to the previous year and created a good platform from which to continue this positive development in 2014.

We made decisive moves for future progress in book retailing. The announcement of the merger of our book retailing business with Thalia Bücher Ltd was well received and the competition authorities gave it their unconditional consent. We can count on a management team and employees who are putting in enormous effort and have given the new company a successful start. Orell Füssli Thalia Ltd is on track after the first quarter. With this joint venture our book retailing business is well placed to cope successfully with changing consumer habits, major competitors operating internationally in the online trade and the growing importance of digital reading.

In the field of security printing Orell Füssli can look back on a long history of technological and quality leadership. Lapses due largely to in-house shortcomings have prevented us from maintaining our earlier standards of performance in the recent past. The causes have been identified and appropriate action has been taken in the operational field. Investments have also been made in the machinery portfolio and the management structure has been adapted accordingly. Implementation of the action that has been initiated is being supervised very closely by the Board of Directors and the Executive Board. We are confident that we shall achieve a lasting improvement in the situation with the steps which have been initiated and in some cases already implemented, and thus regain our former strengths again.

Based on the expected operating improvements and the healthy order book at Security Printing, together with the trend at Atlantic Zeiser and Book Retailing, we expect the Orell Füssli Group to post positive results again in 2014.

The Board of Directors will once again propose to shareholders at the Annual General Meeting on May 7, 2014, that no dividend should be paid.

BOARD OF DIRECTORS ORELL FÜSSLI HOLDING LTD

Heinrich Fischer³

Chairman

Dr. Hans Kuhn^{1,3}

Deputy Chairman

Gonpo Tsering²

Andreas S. Wetter¹

Dieter Widmer^{2,3}

¹ Member of the Compensation Committee

² Member of the Audit Committee

³ Member of the Security Printing Committee

Dear shareholders, we look back on a year with which we are by no means satisfied and in which we suffered a severe setback. You may be assured that we have drawn the necessary conclusions. We are very well aware that you expect different results from us. We want to thank you for remaining loyal to our company even in this extremely difficult financial year.

Our thanks go in particular to our customers in Switzerland and elsewhere for the confidence they continue to show in us, and to our employees, who are contributing through their commitment towards enabling Orell Füssli to achieve a turnaround in the current financial year.

Zurich, April 2014



Heinrich Fischer
Chairman of the Board of Directors



Michel Kunz
CEO

Business in 2013

Orell Füssli reported a heavy loss on slightly lower sales in the 2013 financial year. This was due to results at the Security Printing Division, which posted a negative outcome for the first time. Atlantic Zeiser and the publishing activities improved their results compared with the previous year. There was a slight decline in book retailing.

Orell Füssli reported net revenues of CHF 272.2 million in the 2013 financial year, equivalent to a decline of 3.2% compared to the previous year. Earnings at the EBIT level amounted to CHF –20.7 million (CHF 3.6 million in 2012). This figure includes special charges of CHF –14.9 million (CHF –4.7 million in 2012). Net income of the Orell Füssli Group amounted to CHF –17.0 million (CHF 0.8 million in 2012).

Equity capital including minority interests declined from CHF 167.6 million to CHF 144.3 million. The equity ratio was 55.1% (61.9% in 2012). In addition, there are valuation reserves on property substantially in excess of CHF 20 million.

SEGMENTAL RESULTS

<i>in CHF '000</i>	2013	2012	2011	2010	2009
Division Atlantic Zeiser					
Net revenues from sales to customers	78,578	75,565	75,752	79,151	72,536
Earnings before interest and taxes (EBIT) and before special charges	4,196	1,438	–1,901	212	–4,427
Division Security Printing					
Net revenues from sales to customers	75,095	85,910	85,402	99,275	85,323
Earnings before interest and taxes (EBIT) and before special charges	–12,866	6,229	11,347	13,075	16,704
Division Book Retailing					
Net revenues from sales to customers	109,465	109,506	113,768	119,861	123,629
Earnings before interest and taxes (EBIT) and before special charges	3,294	3,660	304	1,653	1,167

Atlantic Zeiser Division

Atlantic Zeiser reported a slight increase of 1.8% in net revenues to € 63.8 million in 2013. Higher sales in the business segments of packaging and card systems offset declines in banknote serialisation and service contracts. EBIT before special effects improved significantly compared to the previous year due to a sustained increase in productivity and cost savings. EBIT rose to € 3.4 million (€ 1.2 million in 2012).

The basis for this positive development was an efficiency enhancement programme which is being systematically implemented in manufacturing operations. This was particularly successful in reducing the cost of materials, lead times and inventories. Marketing and sales focused on the three strategic business segments of banknote serialisation, card systems and packaging. In the banknote serialisation segment the company had to contend with hesitant investment activity and excess banknote printing capacity. In the card systems segment the technological advantages of Atlantic Zeiser's systems solutions for identity cards, such as driving licences and identity documents, as well as for financial and gift cards, resulted in further gains in market share. In the packaging segment the company has concentrated on marking solutions for the pharmaceutical and cosmetics industries since 2012. The marketing and sales organisation has been expanded specifically for these markets and market penetration has been increased. The business with software solutions and special inks for the printing industry pursued by the SOFHA and Tritron affiliates respectively has developed as planned. Long-term projects and healthy order intake in the final months of 2013 enabled Atlantic Zeiser to start the new financial year with more orders in hand than a year earlier.

Developments:

The implementation of the product development programme is proceeding as planned. Prototypes of the new Digiline Blister, a marking system for blister packaging films for the pharmaceutical industry, and Digiline Booklet, a marking system for booklet labels for clinical studies, were exhibited at international trade fairs in 2013. A new personalisation system which enables the entire surface of the card to be printed economically in full colour for the first time to produce so-called Commercial Cards, was launched in the shape of Cardline Versa Color. These product innovations met with a positive reception in the markets. The two new Mediatracker and Brandtracker software solutions also achieved initial market successes. These two products round off Atlantic Zeiser's offering to meet the growing demand for product tracking and brand protection solutions, and reinforce its position as one of the leading providers of personalisation, individualisation and track&trace solutions.

Orell Füssli Security Printing Division

The Security Printing Division posted net revenues of CHF 75.1 million in 2013, equivalent to a 12.6% decline compared with the previous year. Following the very unsatisfactory results already reported in 2012, Security Printing posted EBIT of CHF –25.0 million in 2013 (CHF 2.6 million in 2012). This figure includes charges arising from provisions of CHF 9.3 million made in connection with loss-free valuations using the PoC (percentage of completion) method. Operating profits before special factors were CHF –12.9 million (CHF 6.2 million in 2012).

The 2013 financial year at Security Printing was dominated by an accumulation of negative effects which were largely home-grown. Unexpectedly complex maintenance work on important printing equipment and downtime at two production bottlenecks resulted in heavy additional costs as well as making it impossible to fulfil production schedules. The production of new series of banknotes for two key customers necessitated extensive tests, which imposed an additional burden on production capacity. Orders were postponed into 2014 due to machine downtime and the additional tests, thus resulting in lost sales revenues in 2013. Operational defects in the production process and underestimates of the complexity of printing orders in some cases resulted in excessively high reject rates and had a negative impact on results. A liability case also resulted in reduced revenues. The case of theft in 2012, which was disclosed in October 2013, gave rise to various security audits and changes to security arrangements.

Developments:

After the operational problems had been identified, the causes were systematically analysed and steps were taken to improve the situation. These are currently at different stages of implementation. Optimal performance of the machinery portfolio and the operation of production and logistics according to lean management principles have top priority. Close attention is also being paid to personnel policies. Optimisation of deployment planning, recruitment of additional technical personnel, continuous further training of employees to consolidate specific security printing know-how and a modification of order preparation processes have been implemented for the most part. Inspection, maintenance and servicing processes have been re-specified for all machinery and equipment. The offset printing press, one of the production bottlenecks, has been overhauled. At the same time a new offset printing press has been ordered and is scheduled to be brought into operation in the 3rd quarter of 2014. One of the five-colour intaglio printing presses, another production bottleneck, will be given a total overhaul. Production capacity in 2014 is fully utilised. A significant improvement in results can therefore be expected.

Book Retailing Division

In 2013 book retailing operations reported net revenues of CHF 109.5 million (CHF 109.5 million in 2012) and operating earnings (EBIT) of CHF 3.3 million (CHF 3.7 million in 2012) before special charges for adjustments arising from the merger with Thalia. Provisions totalling CHF 2.8 million were made for special charges relating to the implementation of the joint venture between Orell Füssli Buchhandlungs Ltd and Thalia Bücher Ltd.

The book retailing activities of Orell Füssli Buchhandlungs Ltd have been incorporated in Orell Füssli Thalia Ltd since October 1, 2013. Rather more books were sold in the first nine months than in the previous year (excluding the Storyworld online store, which was closed at the end of 2012), and sales revenues were slightly higher (+0.6%). The shift towards digital reading which has already been apparent in the past two years intensified significantly again in 2013. Orell Füssli had recognised this trend at an early stage and equipped most of its branches with modern e-reader and e-book shops. The Orell Füssli branch in the Westside shopping centre in Berne was closed as planned at the end of 2013.

Orell Füssli Thalia Ltd was launched at the beginning of October 2013. The relevant competition authorities had given the joint venture their unconditional consent. Headquarters were established in Zurich; the merger of the service departments has been largely completed. Orell Füssli and Thalia each hold a 50% interest in the joint venture. The Orell Füssli Group includes the results of Orell Füssli Thalia Ltd pro rata in its consolidated financial statements.

The financial year of Orell Füssli Thalia Ltd is from October 1 to September 30. After the first quarter the company's start can be pronounced a success. About a quarter of sales – a high proportion by comparison for the industry – are booked by the online stores. Online sales have remained stable. Business in the bricks-and-mortar outlets declined slightly after adjustment for changes in selling space. Demand for digital reading, i.e. reading e-books using e-readers, continues undiminished. The trend in sales figures for e-books is therefore positive, doubling in comparison with a year earlier.

Developments:

The work arising from the joint venture has been pursued with great intensity and is making good progress. The focus is on steps which support the integration of two corporate cultures, the harmonisation of the entire IT environment, the merger of two logistics structures and the realisation of synergies in purchasing, digital reading and the online segment. Space requirements have been reviewed and adapted to customer behaviour in certain sales outlets. It is intended to close one of the branches in Winterthur in the course of 2014. The special charges foreseen for these steps have been provided for in Orell Füssli's 2013 financial statements. Orell Füssli Thalia Ltd has negotiated a new collective bargaining agreement with the Syndicom union to take effect from January 1, 2015, including up-to-date supplementary agreements for large enterprises. Orell Füssli Thalia Ltd expects sales in bricks-and-mortar outlets to continue their decline in the 2013/2014 financial year, and further growth in the digital business via sustained demand for e-books.

Orell Füssli Publishing

Orell Füssli Verlag Ltd posted a 6% increase in net revenues in 2013 compared with a year earlier. While revenues at mid-year were at the previous year's level, the second half saw a significant increase with the integration of the Fuchs educational aids publishing business. Returns of deliveries from 2012, more special publications and more marketing titles were the reason for the higher cost of sales and the fact that the targeted breakeven result was not quite achieved.

Developments:

The acquisition of the Fuchs publishing business specialising in educational aids was an important step for publishing operations. It reinforces the offering of Orell Füssli educational media in a priority segment. The development in legal media was very positive in 2013. Customers rewarded high standards of quality and topicality. The launch of the «Orell Füssli Children's Book» publishing label in the growing children's and young people's segment – alongside the established atlantis programme and series such as Barbapapa, Schellen-Ursli or Globi – recorded initial successes. The development of the non-fiction programme into a high-quality public audience publishing unit from Switzerland is well on track, and the average print run of the new publications has recently increased significantly. Titles such as Witold Pilecki's moving report «Freiwillig nach Auschwitz» or the major Saint-Exupéry biography by Joseph Hanemann were the subject of considerable attention from buyers and the media. Working processes in the service operations were optimised in 2013. The preconditions for improved results in 2014 are therefore also in place in this area. The greatest sales potential in the near term is offered by the non-fiction and children's book segments. In the medium term the publication of innovative contents in the field of educational media is planned.

Changes in the Board of Directors

Dr. Hans Kuhn and Andreas S. Wetter will not be standing for re-election as directors at the 2014 Annual General Meeting. The Board of Directors wishes to express its thanks to its colleagues on their retirement for their efforts on behalf of the Orell Füssli Group.

Personnel

After nine years as Head of Orell Füssli Buchhandlungs Ltd and a member of the Executive Board, Fabio Amato decided to leave the company at the end of September 2013. Dr. Michele Bomio was appointed CEO of the new Orell Füssli Thalia Ltd. Dr. Anton Gasteiger, Head of the Security Printing Division, left the company in July 2013. Michel Kunz, CEO of Orell Füssli Holding Ltd, has acted as Head of the Security Printing Division since then.

ORELL FÜSSLI HOLDING LTD, GROUP MANAGEMENT (AT 31 DECEMBER 2013)

Michel Kunz	CEO, as of 1 July 2013 additionally Head of the Security Printing Division
Beat Müller	CFO
Manfred Minich	Head of the Atlantic Zeiser Division
Dr. Matti Schüsseler	Head of the Publishing Division
Peter Crottogini	Head Human Resources
Dr. Martin Söderberg	Head Corporate Development

ORELL FÜSSLI THALIA LTD

Dr. Michele Bomio	CEO as of 1 October 2013
-------------------	--------------------------

Financial Report

2013

CONTENTS

I FINANCIAL STATEMENTS OF THE ORELL FÜSSLI GROUP	10
1.1 CONSOLIDATED INCOME STATEMENT	10
1.2 CONSOLIDATED BALANCE SHEET AT 31 DECEMBER	11
1.3 CONSOLIDATED CASH FLOW STATEMENT	12
1.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	13
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	
2 ACCOUNTING POLICIES	14
3 RISK MANAGEMENT	19
4 EXPLANATIONS TO THE CONSOLIDATED FINANCIAL STATEMENTS	21
5 REPORT OF THE GROUP AUDITORS	35
6 FINANCIAL STATEMENTS OF ORELL FÜSSLI HOLDING LTD	36
6.1 INCOME STATEMENT	36
6.2 BALANCE SHEET AT 31 DECEMBER	37
7 NOTES TO THE FINANCIAL STATEMENTS	38
8 COMPANIES OF THE ORELL FÜSSLI GROUP	42
9 REPORT OF THE STATUTORY AUDITORS ON THE FINANCIAL STATEMENTS	43

1 FINANCIAL STATEMENTS OF THE ORELL FÜSSLI GROUP

1.1 CONSOLIDATED INCOME STATEMENT

<i>in CHF '000</i>	NOTES	2013	2012
Net revenues from sales to customers	4.1 / 4.2	272,181	281,086
Other operating income		4,351	3,387
Changes in inventories of semi-finished and finished products, capitalised costs		5,573	406
Total operating income	4.3	282,105	284,879
Cost of materials		-120,061	-120,665
External production costs		-15,264	-14,786
Personnel expenditure	4.4 / 4.5	-89,581	-83,670
Other operating expenses	4.6	-62,803	-46,969
Depreciation and impairment on tangible assets	4.15	-13,383	-12,616
Depreciation and impairment on intangible assets	4.16	-1,760	-2,602
Earnings before interest and taxes (EBIT)	4.1	-20,747	3,571
Financial income		1,884	1,115
Financial expenses		-2,073	-2,656
Financial result	4.7	-189	-1,541
Earnings before income taxes (EBT)		-20,936	2,030
Income tax expenses	4.8	3,893	-1,279
Net income for the period		-17,043	751
Attributable to the shareholders of Orell Füssli Holding Ltd		-18,226	-1,014
Attributable to minority interests		1,183	1,765

<i>in CHF</i>	NOTES	2013	2012
Loss per share	4.9	-9.30	-0.52

The disclosures on pages 14 to 34 form an integral part of the financial report.

FINANCIAL STATEMENTS OF THE ORELL FÜSSLI GROUP

1.2 CONSOLIDATED BALANCE SHEET AT 31 DECEMBER

in CHF '000	NOTES	2013	2012
Assets			
Cash and cash equivalents	4.10	27,202	17,060
Marketable securities & derivative financial instruments	4.11	676	1,047
Trade accounts receivable	4.12	32,469	31,645
Other receivables	4.13	41,156	66,056
Inventories	4.14	50,943	48,040
Current income tax receivables		1,360	1,709
Accrued income and deferred expenses		4,484	3,593
Total current assets		158,290	169,150
Tangible assets	4.15 / 4.17	81,025	81,941
Intangible assets	4.16 / 4.17	4,058	4,372
Investments	4.18	3,482	4,770
Deferred tax assets	4.23	9,675	4,621
Other non-current financial assets	4.19	5,545	5,813
Total non-current assets		103,785	101,517
Total assets		262,075	270,667
Liabilities			
Trade payables		21,322	23,292
Other current liabilities	4.20	52,099	35,120
Current income tax liabilities		1,192	660
Accrued expenses and deferred income		12,090	10,323
Current financial liabilities	4.21	11,749	26,550
Current provisions	4.22	12,871	3,098
Total current liabilities		111,323	99,043
Non-current financial liabilities	4.21	2,550	1,086
Pension fund liabilities		369	344
Non-current provisions	4.22	1,819	340
Deferred tax liabilities	4.23	1,694	2,209
Total non-current liabilities		6,432	3,979
Share capital		1,960	1,960
Capital reserves		4,160	4,160
Retained earnings		139,717	159,352
Translation differences		-14,166	-14,270
Total equity before minority interests		131,671	151,202
Minority interests		12,649	16,443
Total equity		144,320	167,645
Total liabilities		262,075	270,667

The disclosures on pages 14 to 34 form an integral part of the financial report.

FINANCIAL STATEMENTS OF THE ORELL FÜSSLI GROUP

1.3 CONSOLIDATED CASH FLOW STATEMENT

in CHF '000	NOTES	2013	2012
Net income for the period		-17,043	751
Depreciation		14,672	14,608
Impairment and amortisation		1,027	610
Share of loss applicable to equity method		100	61
Other non-fund related income and expenses		-2,234	-1,037
Change in trade accounts receivable		-589	-6,863
Change in inventories		796	1,839
Change in other receivables		30,630	-17,926
Change in trade payables		-2,116	1,243
Change in other liabilities		10,326	573
Change in accruals net		711	2,816
Change in provisions and deferred income tax		5,720	-2,898
Cash flow from operating activities		42,000	-6,223
Purchase of tangible assets		-10,460	-4,999
Proceeds from disposals of tangible assets		307	795
Purchase of intangible assets		-1,233	-2,968
Proceeds from disposals of intangible assets		-	2
Purchase of Verlag Fuchs Ltd	4.28	-1,670	-
Net increase from change in scope of consolidation	4.28	3,576	-
Proceeds from disposals of other investments		645	-
Purchase of other non-current assets		-199	-84
Proceeds from disposals of other non-current assets		243	-
Cash flow from investing activities		-8,791	-7,254
Increase of financial liabilities		66	16,387
Repayment of financial liabilities		-18,127	-1,171
Dividends paid to minorities (Orell Füssli Buchhandlungs Ltd, Sofha GmbH)		-4,993	-704
Dividends paid		-	-3,920
Cash flow from financing activities		-23,054	10,592
Translation effects		-13	-41
Increase (decrease) in cash and cash equivalents		10,142	-2,926
Cash and cash equivalents at 1 January		17,060	19,986
Cash and cash equivalents at 31 December		27,202	17,060

The disclosures on pages 14 to 34 form an integral part of the financial report.

1.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>in CHF '000</i>	Share capital	Capital reserves	Retained earnings and net income	Translation differences	Equity before minority interests	Minority interests	Total equity
Equity at 1 January 2012	1,960	4,160	164,286	-13,927	156,479	15,402	171,881
Dividends paid	-	-	-3,920	-	-3,920	-704	-4,624
Currency translation effects	-	-	-	-343	-343	-20	-363
Net income for the period	-	-	-1,014	-	-1,014	1,765	751
Total equity at 31 December 2012	1,960	4,160	159,352	-14,270	151,202	16,443	167,645
Equity at 1 January 2013	1,960	4,160	159,352	-14,270	151,202	16,443	167,645
Dividends paid	-	-	-	-	-	-4,993	-4,993
Offsetting goodwill against equity	-	-	-1,409	-	-1,409	-	-1,409
Currency translation effects	-	-	-	104	104	16	120
Net income for the period	-	-	-18,226	-	-18,226	1,183	-17,043
Total equity at 31 December 2013	1,960	4,160	139,717	-14,166	131,671	12,649	144,320

The share capital as at 31 December 2013 and 31 December 2012 consisted of 1,960,000 registered shares with a par value of CHF 1.- each.

The amount of accumulated non-distributable reserves stands at CHF 8,464,000 (2012: CHF 9,002,000).

The disclosures on pages 14 to 34 form an integral part of the financial report.

2 ACCOUNTING POLICIES

2.1 BASIS OF ACCOUNTING

The consolidated financial statements have been prepared in conformity with the existing Swiss GAAP FER standards in their entirety, as well as the provisions of the listing regulations of the SIX Swiss Exchange and Swiss company law.

The consolidated financial statements are based on the principle of historical costs and are prepared on the assumption that the company is a going concern.

2.2 CONSOLIDATION

Subsidiaries

Subsidiaries are all domestic and foreign entities if they are directly or indirectly controlled by Orell Füssli Holding Ltd, the latter holding more than 50% of the votes or being able to control financial and operating policies in any other ways.

Subsidiaries are fully consolidated from the date on which the direct or indirect control passes to Orell Füssli Holding Ltd. They are deconsolidated from the date that control ceases. The purchase method is used to account for the acquisition of subsidiaries by the Group. On the acquisition date all identifiable assets and liabilities of the subsidiary are measured at fair value. The excess of the cost of acquisition over the fair value of the Group's share in the net assets of the subsidiary acquired is recorded as goodwill. Minor subsidiaries are not fully consolidated.

Effects on inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated in the consolidated financial statements.

Holdings in joint ventures

Joint ventures under joint management, but not controlled by one of the parties, are consolidated pro rata.

Orell Füssli Thalia Ltd was created by the merger of the book retailing activities of Thalia Bücher Ltd and Orell Füssli Buchhandlungs Ltd. Each parent company holds a 50% interest and the Board of Directors consists of two representatives of each parent company. This joint venture is consolidated pro rata. 50% of all income statement and balance sheet items is included in the consolidated financial statements of the Orell Füssli Group. Orell Füssli Holding Ltd and the Hugendubel family continue to hold 51% and 49% respectively of the capital of Orell Füssli Buchhandlungs Ltd.

Investments in associates

Investments in associates in which Orell Füssli Holding Ltd can exercise significant influence, are accounted for using the equity method. Influence is considered as significant if Orell Füssli Holding Ltd directly or indirectly holds between 20% and 50% of the voting rights or can otherwise significantly influence financial and operating policies.

Investments in associates are initially recognised at cost. Cost may include goodwill. The book value of the investment is subsequently adjusted according to the development of the share in the associate's equity held by Orell Füssli Holding Ltd.

Other investments

Holdings of less than 20% of voting rights are stated at the lower of cost or market value.

2.3 CURRENCY TRANSLATION

The items included in the financial statements of each Group entity are measured using the currency of the primary economic environment in which the Group operates (the "functional currency"). Foreign currency transactions are translated into the functional currency using the exchange rate prevailing on the date of transaction.

The consolidated financial statements are presented in Swiss Francs. On preparation of the consolidated financial statements, assets and liabilities of subsidiaries in foreign currencies are converted into Swiss Francs at the closing rate of each balance sheet date. Revenues and expenses are translated at the average currency exchange rate of the financial year. Translation differences and foreign currency gains on long-term loans in the nature of shareholders' equity are posted under currency differences in shareholders' equity, without any impact on income. The Orell Füssli Group used the following currency exchange rates for the 2013 and 2012 financial years:

CURRENCY EXCHANGE RATES

	Closing rate		Annual average rate	
	2013	2012	2013	2012
EUR at a rate of CHF	1.2259	1.2077	1.2309	1.2055
USD at a rate of CHF	0.8905	0.9139	0.9272	0.9380
GBP at a rate of CHF	1.4684	1.4768	1.4500	1.4865

2.4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Preparation of the annual financial statements requires management to make estimates and assumptions affecting income, expenses, assets, liabilities and contingent liabilities stated on balance sheet date. If estimates and assumptions of this kind, which were made by management on balance sheet date to the best of their knowledge, differ from actual conditions at a later date, the original estimates and assumptions are amended in the reporting period in which the conditions have changed.

2.5 SEGMENT REPORTING

A business segment is a group of assets and operations engaged in providing products and services that are subject to risk and returns different from those of other business segments.

The Group's business activities are categorised into three segments: Industrial Systems, Security Printing and Book Retailing. Other business activities include the publishing units as well as infrastructure services. Their size is not material. Information about products and services of each business segment is provided in 4.1 of the notes to the consolidated financial statements.

2.6 REVENUErecognition

Revenue from sales of tradable, produced and printed goods is recorded as income after their delivery and their acceptance by the client. Revenue is shown net of value added tax and any rebates.

Revenue from construction contracts is recognised using the percentage of completion method (PoC) in order to record the portion of total sales for the reporting period.

Revenue from services which are rendered for a certain period of time and which are invoiced periodically is recorded in the period in which the service is rendered. Revenue for settling transaction-related services is recorded at the time the service is fully rendered.

Dividend income is recorded in the reporting period in which the right to receive payments is established.

2.7 IMPAIRMENT

Tangible and intangible assets are assessed for impairment. Such assessment occurs on the basis of events or changes of circumstances which indicate that the value of an asset may be impaired. If such indications exist, the recoverable amount will be determined. An impairment loss results if the book value exceeds the recoverable amount. The recoverable amount is the higher value of either the fair value less selling costs or the present value of expected future cash flows. The impairment is recorded in the income statement. For the purpose of assessing impairment, assets are grouped at the lowest levels for which separate cash flows can be identified.

2.8 INCOME TAXES

Income taxes are recorded on the basis of the applicable tax rate of the individual countries and expensed in the period in which they occur. Tax effects resulting from tax losses are recognised as deferred tax assets if it is probable that future taxable profit will be available against which the tax losses could be used.

Deferred tax liabilities are recognised in the balance sheet based upon temporary differences between tax base of assets and liabilities and their carrying amount if they will result in future taxable profits. Deferred tax assets are recognised in the balance sheet based upon temporary differences if they will result in deductible amounts in determining taxable profits, provided that taxable profits will be available in future periods for which the temporary difference can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset will be realised or the liability will be settled.

Current tax liabilities and receivables can be offset against each other provided they refer to the same taxable unit, the same tax authority and if there is a legally enforceable right to offset them. Deferred tax liabilities and receivables can be offset against each other if the same circumstances apply.

Current and deferred taxes are recorded in the income statement as tax income or expense.

2.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, cash in banks and short-term fixed deposits with a contractual maturity period of three months or less.

2.10 MARKETABLE SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS

Marketable securities are initially valued at cost plus transaction costs. All purchases and sales are posted on trade date. Thereafter marketable securities are included in current assets and marked to market in the income statement.

Derivative financial instruments used to hedge transactions with future cashflows are recognised with the fair value in the balance sheet if the underlying transaction is recorded in the balance sheet. Otherwise they are solely disclosed in the notes of the financial statements. The Orell Füssli Group uses no other derivative financial instruments.

2.11 TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ACCOUNTS RECEIVABLE

Trade accounts receivable and other current accounts receivable are measured at amortised cost less any impairments. Specific charges are made for doubtful accounts receivable, which are measured in terms of expected losses based on empirical values.

An increase of the provision for doubtful accounts receivable will be recognised as other operating expense in the income statement, while any recovery of such provision will result in a decrease of the operational expense accordingly.

2.12 CONSTRUCTION CONTRACTS

Manufacturing contracts are long-term orders with a timeframe of at least three months and a contract volume of at least CHF 500,000, which are usually governed by a contract for work and services. Manufacturing contracts are recognised using the percentage of completion method (PoC). The PoC method measures the stage of completion of the contract activity in percentages; this enables revenue for the reporting period to be determined and recognised as a receivable. Each business unit uses different calculation methods that are based on the completed quantity of a production lot and/or on the portion of the production stages carried out. Expected losses on construction contracts are immediately recognised as an expense.

Advance payments for manufacturing contracts are recorded without any impact on income. If no restitution can be claimed, advance payments are offset against the manufacturing contract for which they have been made.

2.13 INVENTORIES

Inventories include raw materials, auxiliary material and supplies, semi-finished products, finished products and trading goods. Inventories are stated at the lower of cost or net realisable value. Cost is determined on the basis of the weighted average cost calculation. The cost of semi-finished and finished products contains direct production costs including materials and manufacturing costs, as well as overhead costs. The net realisable value is the estimated selling price in the ordinary course of business less the production and distribution costs. For the net realisable value of finished products, the range of coverage analyses is used, and for produced books the year of their publication. Discounts deducted are treated as reductions in costs.

2.14 FINANCIAL ASSETS

Demand and time deposits maturing in more than 90 days with third parties as well as loans are defined as current and non-current financial assets. They are measured at face value less any provisions.

2.15 TANGIBLE ASSETS

Tangible assets comprise machinery, technical installations, moveable property, leasehold improvements, vehicles, IT and systems, property, buildings, investment property and fixed facilities.

Tangible assets are initially measured at cost. Costs include the purchase price of the tangible asset plus directly related costs which occur for bringing the asset to the location and in condition necessary for it to be capable of operating in the manner intended by management.

Tangible assets are subsequently depreciated using the straight-line method over the period of their useful life. This also applies to tangible assets developed in-house. Land property is not depreciated. The period of depreciation may be adjusted according to operational necessity. Depreciation begins once the tangible asset is ready for use. The estimated useful lives of each fixed asset category are as follows:

ESTIMATED USEFUL LIFE OF EACH FIXED ASSET CATEGORY

in years	Estimated useful lives
Machinery and technical installations	5–10
Buildings	30–40
Fixed facilities in production premises and own properties	30–40
Fixed facilities in commercial premises	12–15
Movable property, leasehold improvements, vehicles	4–10
IT and systems	3–5

Buildings under construction are fixed assets which are not yet finished or not yet operational. They are measured at accumulated costs and are not depreciated.

Replacement investments and improvements of tangible assets are recognised in the balance sheet if additional economic use is likely.

Expenditures for repairs and maintenance of buildings and technical installations are recorded as expenses in the income statement when they occur.

2.16 INTANGIBLE ASSETS

Rights, licences and software are defined as intangible assets. They are measured at cost of acquisition/manufacture less accumulated depreciation and impairment. The cost of acquisition of rights, licences and software comprises the purchase price plus directly attributable costs. Rights, licences and software are amortised using the straight-line method over the contractually agreed duration. Software developed in-house is amortised using the straight-line method over a maximum period of three years.

2.17 GOODWILL

Goodwill represents the excess of the purchase price over the fair value of the identifiable net assets of a company acquired by the Orell Füssli Group on the date of acquisition. Goodwill arising from acquisitions is offset against consolidated shareholders' equity on the date of acquisition. The impact of theoretical capitalisation and amortisation of goodwill is disclosed in the notes to the consolidated financial statements. Negative goodwill is recognised directly in shareholders' equity as a capital reserve.

2.18 TRADE ACCOUNTS PAYABLE

Trade accounts payable are recognised at face value.

2.19 DIVIDEND DISTRIBUTION

Shareholders' claims to dividend distributions are recorded as a liability in the period in which the dividends are approved by the company's shareholders.

2.20 FINANCIAL LIABILITIES

Financial liabilities comprise borrowings, finance lease liabilities and other financial liabilities. Financial liabilities are measured at fair value net of transaction costs incurred, and are subsequently stated at amortised costs.

Financial liabilities are classified as current unless the Group has an unconditional right to defer the settlement of the liability for at least 12 months. In case of a loan prolongation commitment on the reporting date, the new duration of the loan will be taken into account for its classification.

2.21 LEASES

Leases of assets in which substantially all the risk and rewards incidental to ownership are transferred to the lessee are classified as finance leases. Finance leases are initially recognised in the balance sheet at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The leased asset is depreciated over the useful life or the lease term, whichever is shorter. The corresponding financial obligations are recorded as liabilities.

Leases of assets in which substantially all risks and reward incidental to ownership are effectively held and used by the lessor are classified as operating leases. Lease payments under an operating lease are recorded in the income statement on a straight-line basis over the lease term.

2.22 EMPLOYEE BENEFITS

Group companies' retirement benefit schemes are included in the consolidated financial statements according to the legal provisions in effect in the relevant countries. Any actual financial impact of pension plans on the Group is calculated on balance sheet date. Any financial benefit is carried as an asset if it is used for the company's future pension expenses. A financial commitment is carried as a liability if the requirements for making a provision are met. Any freely available employer's contribution reserves are recognised as an asset.

The Group's Swiss subsidiaries have a legally independent retirement benefit scheme funded by employer's and employees' contributions. The financial consequences for the Group of pension fund surpluses and deficits as well as changes in any employer's contribution reserves are taken to income as personnel expenses alongside deferred contributions for the period. Any surpluses or deficits are calculated on the basis of the pension fund's provisional annual financial statements under Swiss GAAP FER 26.

Foreign pension plans are of secondary importance. Certain foreign subsidiaries have pension plans without independent assets and include the corresponding pension provision directly in the balance sheet. Pension provisions are calculated according to nationally recognised methods, and changes are taken to income as personnel expenses.

2.23 PROVISIONS

Provisions are recognised if the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that a cash outflow will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. No provisions are recorded for future operational losses.

If the effect of the time value of money is significant, provisions are determined by discounting future cash flows.

2.24 SHARE CAPITAL

Ordinary shares are classified as part of the shareholders' equity.

The Group applies a policy of treating transactions with minority interests as transactions with treasury shares. Therefore consideration paid for purchases of minority interests as well as consideration received from sales of minority interests are recorded in equity. Any differences between consideration received/paid and minority interests presented in the balance sheet are recorded in equity (economic entity model).

3 RISK MANAGEMENT

3.1 RISK ASSESSMENT

The Board of Directors of Orell Füssli Holding Ltd conducts a systematic risk assessment at least once a year in the context of its obligation of supervisory management of the Orell Füssli. At its meeting on 6 September 2013 the Board of Directors took note of management's report on group-wide risk management and approved the steps proposed.

3.2 FINANCIAL RISK MANAGEMENT

The Orell Füssli Group is active worldwide and therefore exposed to various financial risks, such as currency, interest rate, credit and liquidity risks.

In addition to risk management in general, financial risk management at the Orell Füssli Group focuses on the unpredictability of financial market trends and seeks to minimise potential adverse effects on the group's financial performance. This can also include the occasional use of derivative financial instruments for economical hedging of financial risks.

3.3 CURRENCY RISK

The Orell Füssli Group does not engage in business transactions in currencies which are highly volatile or must otherwise be regarded as particularly risky. In the case of substantial orders with a lead time of more than three months, the risk of currency fluctuations is assessed by the Finance Department and if necessary hedged by means of financial instruments.

3.4 INTEREST RATE RISK

As the Orell Füssli Group has no significant interest-bearing assets, both income and operating cash flow are largely unaffected by changes in market interest rates.

Non-current, interest-bearing borrowings at variable rates expose the group to cash flow interest rate risk, while fixed-rate borrowings represent a fair value interest rate risk.

Management policy is to maintain approximately 80% of its borrowings in fixed-rate instruments. In principle, no interest-rate hedging transactions are entered into.

3.5 CREDIT RISK

Credit risks can arise on cash and cash equivalents, credit balances with financial institutions and receivables from customers. Risks are minimised by utilising various financial service providers rather than a single banking institution.

In light of the differing customer structure of the divisions, no general credit limits are applied throughout the group, but customers' credit-worthiness is systematically assessed by each division, also taking into account the financial situation, past experience and/or other factors. Material business activities in the international environment are usually secured by bank guarantees or letters of credit.

Management does not expect any material losses on its inventory of receivables.

3.6 LIQUIDITY RISK

The Orell Füssli Group monitors its liquidity risk through prudent liquidity management, pursuing the principle of maintaining a liquidity reserve in excess of daily and monthly requirements for operating funds. This includes holding sufficient reserves of cash and cash equivalents, the availability of funding through an adequate amount of committed credit facilities and the ability to make issues on the market. Rolling liquidity planning is therefore conducted on the basis of expected cash flows and is regularly updated. It has to be borne in mind that different divisions customarily hold higher liquidity reserves at year-end due to the seasonal nature of their business, and these are reduced again in the following quarter. Average liquidity reserves are usually much lower than those held at year-end.

Available liquidity on balance sheet date was as follows:

LIQUIDITY RESERVES AND CREDIT FACILITIES

<i>in CHF '000 at 31 December</i>	2013	2012
Liquidity reserves	27,879	17,724
Committed credit facilities	80,906	71,656
./. bank guarantees	-32,065	-3,353
./. utilised credit facilities	-8,581	-27,468
Total liquidity reserves and non-utilised credit facilities	68,139	58,559

As well as committed credit facilities in local currencies, sufficient funds should also be available to conduct ordinary business activities in future. Credit facilities were increased by CHF 8,000,000 net in 2013.

If additional liquidity is required for significant investments in non-current assets and expenditure on future acquisitions, an adjustment of credit facilities may be considered. However, a mortgage could also be taken out on the unencumbered property on Dietzingerstrasse, Zurich.

3.7 CAPITAL RISK

In managing capital, the Orell Füssli Group seeks in particular to safeguard the group's ability to continue operating as a going concern and to optimise the balance sheet structure having due regard for the cost of capital.

The Orell Füssli Group monitors the capital structure on the basis of the net gearing ratio, i.e. net debt as a proportion of total capital, expressed in percent. Net debt is calculated as the total of interest-bearing liabilities, trade accounts payable, prepayments by customers and other current liabilities, less cash and cash equivalents. Total capital is calculated as shareholders' equity as shown in the consolidated balance sheet, plus net debt.

The net gearing ratio on the relevant balance sheet dates was as follows:

NET GEARING RATIO

<i>in CHF '000 at 31 December</i>	2013	2012
Total financial liabilities	14,299	27,636
+ trade payables	21,322	23,292
+ prepayments from customers	76,866	61,567
+ other current liabilities	4,051	5,479
./. cash and cash equivalents	-27,202	-17,060
Net indebtedness	89,336	100,914
Total equity	144,320	167,645
Total capital	233,656	268,559
Net gearing ratio	38%	38%

4 EXPLANATIONS TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.1 SEGMENT REPORTING BY BUSINESS UNITS

The business activities of the Orell Füssli Group are organised into three main segments, which provide the basis for regular internal segmental reporting. Segmental reporting provides information on sales revenues and operating earnings (EBIT).

Industrial Systems

Production and marketing of machinery and systems for encoding and personalising any printable products.

Security Printing

Production and marketing of banknotes, security documents, passports and further documents with high and highest security requirements.

Book Retailing

Sale of books and similar products in numerous bookstores in German-speaking Switzerland and on the Internet. 100% of the income statement and balance sheet items of Orell Füssli Buchhandlungs Ltd until 30 September 2013 and 50% of Orell Füssli Thalia Ltd as from 1 October 2013 are included.

Other business activities

In 2013 and 2012 this segment consisted primarily of the publishing business.

Unallocated are infrastructure services, costs and revenues on holding level and consolidation effects arising from inter-segmental income.

SEGMENT RESULTS 2013

in CHF '000	Industrial Systems	Security Printing	Book Retailing	Other	Total segments	Unallocated	Total Group
Net revenues from segment sales	76,252	75,094	109,464	11,308	272,118	63	272,181
Inter-segment sales	2,326	1	1	14	2,342	-2,342	-
Net revenues from sales to customers	78,578	75,095	109,465	11,322	274,460	-2,279	272,181
 Earnings before interest and taxes (EBIT)	 4,196	 -24,980	 508	 -100	 -20,376	 -371	 -20,747

SEGMENT RESULTS 2012

in CHF '000	Industrial Systems	Security Printing	Book Retailing	Other	Total segments	Unallocated	Total Group
Net revenues from segment sales	75,008	85,910	109,499	10,669	281,086	-	281,086
Inter-segment sales	557	-	7	29	593	-593	-
Net revenues from sales to customers	75,565	85,910	109,506	10,698	281,679	-593	281,086
 Earnings before interest and taxes (EBIT)	 1,872	 2,630	 2,469	 -460	 6,511	 -2,940	 3,571

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.2 NET REVENUES FROM SALES AND SERVICES BY COUNTRY AND REGION

Industrial Systems and Security Printing are the two business units whose customer relations exist worldwide without any geographic market specifications. Customers of the Book Retailing and Other Activities business segments are mainly to be found in Switzerland and the neighbouring countries.

Net revenues from sales and services are generated in the following regions:

NET REVENUES FROM SALES TO CUSTOMERS BY REGION

<i>in CHF '000</i>	2013	2012
Switzerland	170,822	172,238
Germany	13,075	12,854
The rest of Europe and Africa	39,034	41,340
North and South America	31,056	21,777
Asia and Oceania	18,194	32,877
Total net revenues from sales to customers by region	272,181	281,086

Total sales are allocated based on the country in which the customer is located.

4.3 OPERATING INCOME

<i>in CHF '000</i>	2013	2012
Sales of goods and products	268,288	277,425
Revenues from license fees	3,893	3,661
Rental income from operating leases	549	735
Gain from sales of non-current assets	20	98
Other income	3,782	2,554
Changes in inventories of semi-finished and finished products	3,761	-271
Capitalised costs	1,812	677
Total operating income	282,105	284,879

The “Sales of goods and products” item includes revenues from construction contracts based on PoC of CHF 38,083,000 (2012: CHF 65,431,000). Security Printing accounts for more than 80% of PoC orders, and Atlantic Zeiser accounts for the remainder. Completion of various orders originating from 2012 enabled Security Printing to reduce outstanding PoC orders considerably.

4.4 PERSONNEL EXPENDITURE

<i>in CHF '000</i>	2013	2012
Wages and salaries	75,588	70,648
Social security costs	6,781	6,290
Pension costs	4,803	4,450
Other personnel expenditure	2,409	2,282
Total personnel expenditure	89,581	83,670

The problems arising at Orell Füssli Security Printing Ltd necessitated the employment of more personnel in security services, logistics, materials management and quality assurance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.5 PENSION FUNDS

The Orell Füssli Foundation has used the new 2010 BVG mortality table since 2011. The actuarial interest rate is 2.75% (2012: 3.00%).

EMPLOYER CONTRIBUTION RESERVES

in CHF '000	Nominal value ECR	Waiver of usage	Adjustments	Additions/ Reversals	Balance sheet	Balance sheet	Result from ECR in personnel expenditure	Result from ECR in personnel expenditure
	31.12.2013	31.12.2013	31.12.2013	2013	31.12.2013	31.12.2012	2013	2012
Pension schemes without funding surplus / deficit (Switzerland)	3,623				3,623	3,623	-	-

FINANCIAL BENEFIT/LIABILITY AND PENSION COSTS

in CHF '000	Funding surplus/deficit according to Swiss GAAP FER 26	Economic benefit/obliga- tion Group	Economic benefit/obliga- tion Group	Translation differences with no impact on the income statement	Change to prior year or charged to income statement	Contributions limited to the period	Pension costs in personnel expenditure	Pension costs in personnel expenditure
	31.12.2013	31.12.2013	31.12.2012	2013	31.12.2013	31.12.2013	2013	2012
Pension schemes without funding surplus / deficit (Switzerland)	-	-	-	-	-	-	3,167	2,752
Unfunded pension schemes (abroad)	-	-	-	-	-	-	1,636	1,698
Total	-	-	-	-	-	-	4,803	4,450

4.6 OTHER OPERATING EXPENSES

in CHF '000		NOTES	2013	2012
Marketing and distribution expenses			11,560	13,260
Operating lease expenses			12,227	12,409
Repairs and maintenance			5,571	5,410
Administration expenses			6,642	6,487
Losses on bad debts			517	94
Made provisions for POC	4.22		9,250	-
Losses from sales of fixed assets			41	23
Impairment loss on investments and loan assets	4.18		555	-
Share of loss applicable to equity method			-	61
Energy			2,707	2,268
Other operating expenses			13,733	6,957
Total other operating expenses			62,803	46,969

The increase in the "Other operating expenses" item was attributable primarily to the setting up of provisions by the joint venture and special charges at Security Printing. See also Note 4.22 "provisions".

4.7 FINANCIAL RESULT

in CHF '000	Expenses	Income	Balance 2013	Expenses	Income	Balance 2012
Interest income and expenses						
Bank borrowings	-623	119	-504	-1,172	118	-1,054
Finance lease liabilities	-65	-	-65	-91	-	-91
Total interest income and expenses	-688	119	-569	-1,263	118	-1,145
Other financial income and expenses						
Dividend income	-	180	180	-	167	167
Income from derivative financial instruments	-383	-	-383	-	383	383
Net gains (losses) from foreign exchange differences	-714	1,585	871	-1,124	297	-827
Bank charges and other finance cost	-288	-	-288	-269	150	-119
Total other financial income and expenses	-1,385	1,765	380	-1,393	997	-396
Total financial result	-2,073	1,884	-189	-2,656	1,115	-1,541

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.8 INCOME TAX EXPENSES

<i>in CHF '000</i>	2013	2012
Current income tax	1,647	2,049
Deferred income tax	-5,540	-770
Total income tax expenses	-3,893	1,279

4.9 EARNINGS PER SHARE

<i>at 31 December</i>	2013	2012
Net income for the period in CHF '000	-18,226	-1,014
Weighted average numbers of shares in issue (in thousands)	1,960	1,960
Loss per share in CHF	-9.30	-0.52

There were no dilution effects either in 2013 or in 2012.

4.10 CASH AND CASH EQUIVALENTS

<i>in CHF '000 at 31 December</i>	2013	2012
Cash in bank accounts and in hand	26,083	16,539
Short-term bank deposits	1,119	521
Total cash and cash equivalents	27,202	17,060

For purposes of the cash flow statement, the “cash and cash equivalents” item comprised liquid assets. Current account credits were not included in “cash and cash equivalents”.

Cash and cash equivalents include CHF 10,861,000 from the joint venture company Orell Füssli Thalia AG. The Orell Füssli Group has only limited access to these funds. The size of this amount is due to Christmas season business, which features large holdings of liquid funds and always declines steeply in the 1st quarter of the following year.

4.11 MARKETABLE SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS

<i>in CHF '000 at 31 December</i>	2013	2012
Marketable securities & bank deposits	676	664
Derivative financial instruments	-	383
Total marketable securities and derivative financial instruments	676	1,047

The derivative financial instruments are foreign currency hedges against future cash flows where the underlying transaction already has an impact on the balance sheet.

No foreign exchange contracts to hedge future cash flows were open on 31 December 2013. In the previous year forward foreign exchange contracts totalling CHF 814,000 not yet included in the balance sheet were open on balance sheet date.

No foreign currency hedges existed on balance sheet date (2012: CHF 20,620,000).

4.12 TRADE ACCOUNTS RECEIVABLE

<i>in CHF '000 at 31 December</i>	2013	2012
Trade accounts receivable gross	33,659	32,676
./. provisions for doubtful trade accounts receivable	-1,190	-1,031
Total trade accounts receivable net	32,469	31,645

Provisions for doubtful trade accounts receivable are based not only on decisions by individual judgment taking into account the different customer structure in each division, but also on updated information about past experience. The loss was included in the income statement as “other operating expenses”.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

PROVISION FOR DOUBTFUL TRADE ACCOUNTS RECEIVABLE

<i>in CHF '000</i>	2013	2012
At 1 January	-1,031	-1,716
Increase in provisions for doubtful trade accounts receivable	-269	-295
Utilisation of provisions	121	145
Reversal of provisions	1	821
Exchange differences	-12	14
At 31 December	-1,190	-1,031

There are no assignments on the receivables portfolio.

4.13 OTHER RECEIVABLES

<i>in CHF '000 at 31 December</i>	2013	2012
Construction contracts gross	58,545	89,359
./. deductible customer advances received	-28,818	-31,927
Total construction contracts net	29,727	57,432
Prepayments to suppliers	1,130	3,455
Current financial assets	2,255	573
Other receivables	8,044	4,596
Total other receivables	41,156	66,056

The steep decline in PoC receivables is attributable to completed and finally invoiced orders at Security Printing.

The increase in other receivables is a result of the pro rata consolidation and represents receivables of Orell Füssli Thalia Ltd vis-à-vis Thalia Bücher Ltd.

4.14 INVENTORIES

<i>in CHF '000 at 31 December</i>	2013	2012
Raw materials, auxiliary materials and supplies	22,823	26,240
Semi-finished and finished products	21,168	17,309
Trading goods	18,925	16,739
Work-in-progress	686	737
Total inventories gross	63,602	61,025
./. allowance on inventories	-12,659	-12,985
Total inventories net	50,943	48,040

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.15 TANGIBLE ASSETS IN 2013

<i>in CHF '000</i>	Developed property and buildings	Undeveloped property	Investment property	Machinery and technical installations	Other tangible assets	Assets under construction	Total 2013
Cost at 1 January	97,124	362	311	113,607	34,246	42	245,692
Change in scope of consolidation	-8,263	-	-	-46	-3,617	-	-11,926
Additions	243	-	-	2,307	1,533	6,403	10,486
Disposals	-703	-	-	-774	-4,215	-	-5,692
Reclassification	1	-	-	-	1,192	-698	495
Exchange differences	111	5	-1	107	227	-1	448
Cost at 31 December	88,513	367	310	115,201	29,366	5,746	239,503
Accumulated depreciation and impairment at 1 January	-61,014	-	-285	-77,887	-24,565	-	-163,751
Change in scope of consolidation	8,732	-	-	33	4,790	-	13,555
Depreciation on disposals	699	-	-	704	3,962	-	5,365
Depreciation	-3,330	-	-15	-6,595	-2,971	-	-12,911
Impairment	-27	-	-	-117	-328	-	-472
Reclassification	-1	-	-	-	-	-	-1
Exchange differences	-25	-	-	-60	-178	-	-263
Accumulated depreciation and impairment at 31 December	-54,966	-	-300	-83,922	-19,290	-	-158,478
Net book value at 1 January	36,110	362	26	35,720	9,681	42	81,941
Net book value at 31 December	33,547	367	10	31,279	10,076	5,746	81,025
Net book value of tangible assets under finance lease	2,620	-	-	-	-	-	2,620

TANGIBLE ASSETS IN 2012

<i>in CHF '000</i>	Developed property and buildings	Undeveloped property	Investment property	Machinery and technical installations	Other tangible assets	Assets under construction	Total 2012
Cost at 1 January	94,905	365	306	112,389	43,826	339	252,130
Additions	136	-	-	2,531	2,287	721	5,675
Disposals	-6,123	-	-	-1,415	-3,293	-19	-10,850
Reclassification	8,386	-	-	146	-8,466	-996	-930
Exchange differences	-180	-3	5	-44	-108	-3	-333
Cost at 31 December	97,124	362	311	113,607	34,246	42	245,692
Accumulated depreciation and impairment at 1 January	-58,826	-	-266	-73,342	-30,193	-	-162,627
Depreciation on disposals	6,123	-	-	1,330	2,677	-	10,130
Depreciation	-3,782	-	-15	-5,877	-2,820	-	-12,494
Impairment	-51	-	-	-	-71	-	-122
Reclassification	-4,584	-	-	-27	5,752	-	1,141
Exchange differences	106	-	-4	29	90	-	221
Accumulated depreciation and impairment at 31 December	-61,014	-	-285	-77,887	-24,565	-	-163,751
Net book value at 1 January	36,079	365	40	39,047	13,633	339	89,503
Net book value at 31 December	36,110	362	26	35,720	9,681	42	81,941
Net book value of tangible assets under finance lease	2,682	-	-	-	-	-	2,682

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.16 INTANGIBLE ASSETS IN 2013

<i>in CHF '000</i>	Software and developments	Rights and licenses	Other intangible assets	Total 2013
Cost at 1 January	12,276	448	1,150	13,874
Change in scope of consolidation	-2,808	855	-	-1,953
Additions	110	33	1,090	1,233
Disposals	-162	-	-	-162
Reclassification	505	-	-998	-493
Exchange differences	59	4	10	73
Cost at 31 December	9,980	1,340	1,252	12,572
Accumulated depreciation and impairment at 1 January	-8,408	-418	-676	-9,502
Change in scope of consolidation	2,646	-	-	2,646
Depreciation on disposals	162	-	-	162
Depreciation	-1,741	-16	-3	-1,760
Impairment	-	-	-	-
Reclassification	-	-	-	-
Exchange differences	-46	-4	-10	-60
Accumulated depreciation and impairment at 31 December	-7,387	-438	-689	-8,514
Net book value at 1 January	3,868	30	474	4,372
Net book value at 31 December	2,593	902	563	4,058

INTANGIBLE ASSETS IN 2012

<i>in CHF '000</i>	Software and developments	Rights and licenses	Other intangible assets	Total 2012
Cost at 1 January	9,567	449	1,434	11,450
Additions	67	-	2,901	2,968
Disposals	-1,486	-	-	-1,486
Reclassification	4,155	-	-3,178	977
Exchange differences	-27	-1	-7	-35
Cost at 31 December	12,276	448	1,150	13,874
Accumulated depreciation and impairment at 1 January	-6,156	-370	-696	-7,222
Depreciation on disposals	1,484	-	-	1,484
Depreciation	-2,066	-48	-	-2,114
Impairment	-488	-	-	-488
Reclassification	-1,201	-	13	-1,188
Exchange differences	19	-	7	26
Accumulated depreciation and impairment at 31 December	-8,408	-418	-676	-9,502
Net book value at 1 January	3,411	79	738	4,228
Net book value at 31 December	3,868	30	474	4,372

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.17 FURTHER DETAILS OF TANGIBLE AND INTANGIBLE ASSETS

The following changes occurred in insurance values and commitments to purchase tangible assets:

FURTHER DETAILS OF TANGIBLE ASSETS

in CHF '000 at 31 December	2013	2012
Insurance value	283,578	287,263
Commitments for purchases of property, plant and other equipment	14,446	182

The assets were examined for any evidence of impairment on balance sheet date and necessary provisions were made.

The remaining fixed assets stated at cost on 31 December 2013 in Note 4.15 consist mainly of furniture and fixtures for CHF 18,649,000 (2012: CHF 22,748,000) and IT and systems for CHF 10,207,000 (2012: CHF 11,204,000).

The Software and Development item (4.16) consists solely of bought-in products.

In the 2012 and 2013 financial year no bank borrowings were secured on land and buildings. Lease rentals amounted to CHF 11,398,000 (2012: CHF 11,581,000), while CHF 829,000 (2012: CHF 828,000) were related to other leased tangible assets.

Commitments entered into to purchase fixed assets refer mainly to the purchase of a new offset printing press at Security Printing. The contract was signed in the 2013 financial year. Delivery and installation is expected in the 3rd quarter of 2014.

4.18 INVESTMENTS

The investment in Bider & Tanner AG was sold back to the majority shareholder as contractually agreed after entering into the joint venture with Thalia Bücher AG. This resulted in a loss of CHF 555,000.

At 31 December the Orell Füssli Group held the following investments:

INVESTMENTS

in CHF '000 at 31 December	2013	2012
Photoglob Ltd (34 %)	280	280
Bider & Tanner Ltd (0 % (2012: 25%))	–	1,200
Orell Füssli Kartographie Ltd (24 %)	50	150
Total investments in associates	330	1,630
Participation in cooperative Schweizer Buchzentrum	2,110	2,110
Other investments	1,042	1,030
Total investments	3,482	4,770

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.19 OTHER NON-CURRENT FINANCIAL ASSETS

<i>in CHF '000 at 31 December</i>	2013	2012
Loan assets	901	1,133
Pension fund assets	3,623	3,623
Other non-current financial assets	1,021	1,057
Total other non-current financial assets	5,545	5,813

4.20 OTHER CURRENT LIABILITIES

<i>in CHF '000 at 31 December</i>	2013	2012
Prepayments from customers on construction contracts gross	30,306	33,129
./. deductible customer advances received	-28,818	-31,927
Prepayments from customers on construction contracts net	1,488	1,202
Prepayments from customers	46,560	28,439
Liabilities to employees	1,153	1,684
VAT and similar taxes payable	774	451
Dividends payable	3	430
Other current payables	2,121	2,914
Total other current liabilities	52,099	35,120

4.21 FINANCIAL LIABILITIES

The book values of financial liabilities have the following maturities:

MATURITIES OF FINANCIAL LIABILITIES

<i>in CHF '000 at 31 December</i>	From borrowings	Liabilities from finance lease	Total 2013	From borrowings	Liabilities from finance lease	Total 2012
Current financial liabilities	11,449	300	11,749	26,273	277	26,550
Non-current financial liabilities	1,850	700	2,550	100	986	1,086
Total financial liabilities	13,299	1,000	14,299	26,373	1,263	27,636

Interest expenditure on finance lease liabilities amounted to CHF 65,000 (2012: CHF 91,000).

No secured liabilities are included in financial liabilities in 2013 or 2012. Finance lease liabilities are secured effectively as the rights to the leased asset revert to the lessor in the event of a breach of contract.

4.22 PROVISIONS

Provisions are included for restructuring, warranties, outstanding commissions, unfinished projects and for the loss-free valuation of orders.

The restructuring provisions at Orell Füssli Buchhandlungs Ltd for the closure of the outlet at Berne Westside were not utilised in full, and the remainder was released to income in the 2013 financial year. Provisions of CHF 2,800,000 for restructuring were made in connection to establish the new joint venture company Orell Füssli Thalia AG. Further provisions had to be made as a result of the decision to close a branch in Winterthur.

Warranty provisions are made in connection with services rendered and are based on local legislation or contractual agreements. The provisions are calculated on the basis of empirical figures.

Provisions had to be made on orders already issued at Security Printing in connection with "loss-free valuation" with regard to ability to deliver. Total provisions of CHF 9,250,000 were calculated and included in "Other provisions".

No provision was made for legal claims either in 2013 or 2012.

MOVEMENT IN PROVISIONS 2013

<i>in CHF '000</i>	Provisions for restructuring	Warranty provisions	Other provisions	Total 2013
At 1 January	2,033	529	876	3,438
Additions (charged to income statement)	4,547	444	9,369	14,360
Reversals (charged to income statement)	-412	-68	-146	-626
Utilisation during the year	-1,901	-357	-235	-2,493
Exchange differences	2	8	1	11
At 31 December	4,269	556	9,865	14,690
Provisions maturing within 12 months	4,267	556	8,048	12,871
Provisions maturing over 1 year	2	-	1,817	1,819

MOVEMENT IN PROVISIONS 2012

<i>in CHF '000</i>	Provisions for restructuring	Warranty provisions	Other provisions	Total 2012
At 1 January	4,482	554	643	5,679
Additions (charged to income statement)	600	529	592	1,721
Reversals (charged to income statement)	-465	-294	-151	-910
Utilisation during the year	-2,563	-255	-206	-3,024
Exchange differences	-21	-5	-2	-28
At 31 December	2,033	529	876	3,438
Provisions maturing within 12 months	2,029	529	540	3,098
Provisions maturing over 1 year	4	-	336	340

4.23 DEFERRED INCOME TAX

Deferred income tax assets and liabilities were as follows:

DEFERRED INCOME TAX ASSETS AND LIABILITIES

<i>in CHF '000</i>	Deferred tax assets	Deferred tax liabilities	Balance 2013	Deferred tax assets	Deferred tax liabilities	Balance 2012
At 1 January	4,621	-2,209	2,412	4,655	-2,988	1,667
Charges to income statement	5,017	523	5,540	6	764	770
Exchange differences	37	-8	29	-40	15	-25
At 31 December	9,675	-1,694	7,981	4,621	-2,209	2,412

Deferred taxes are calculated at the effective applicable rate for each company. This results in an average, weighted group tax rate of 21.1% (2012: 24.4%) on balance sheet date. Deferred taxes include capitalised losses carried forward in the amount of CHF 10,381,000 (2012: CHF 4,273,000). Income tax assets arising from tax loss carry-forwards are recognised to the extent that the realisation of the related tax benefits through future taxable profits is likely. The Orell Füssli Group has not recognised deferred income tax assets of CHF 2,810,000 (2012: CHF 2,769,000). The unutilised tax loss carry-forwards amounting to CHF 10,133,000 (2012: CHF 9,988,000), arising mainly at Atlantic Zeiser GmbH, can be carried forward and offset against future taxable income.

Tax loss carry-forwards at Orell Füssli Book Retailing Ltd amounting to CHF 2,775,000 were transferred to the new company in the course of establishing the joint venture.

4.24 DIVIDEND PER SHARE

Dividends of CHF 3,920,000 (CHF 2.00 per share) were disbursed in 2012 for the foregoing financial year. No dividend was paid in the current reporting year for the 2012 financial year.

It will be proposed to the shareholders at the Annual General Meeting to be held on 7 May 2014 that no dividend be paid in respect of the year ended 31 December 2013.

4.25 GOODWILL FROM ACQUISITIONS

The goodwill arising from acquisitions is offset against Group shareholders' equity on the date of acquisition. Theoretical capitalisation of the goodwill would have the following impact on the annual financial statements:

THEORETICAL STATEMENT OF GOODWILL

<i>in CHF '000</i>	2013	2012
Cost at 1 January	5,245	5,245
Additions in scope of consolidation (acquisitions)	1,409	
Cost at 31 December	6,654	5,245
 Accumulated amortisation at 1 January	 -3,107	 -2,058
Depreciation and impairment	-1,330	-1,049
Accumulated amortisation at 31 December	-4,437	-3,107
 Theoretical net book value at 1 January	 2,138	 3,187
Theoretical net book value at 31 December	2,217	2,138

A theoretical linear amortisation period of five years is usually applied. Goodwill items are converted into Swiss francs at a fixed rate on the date of acquisition in the above theoretical statement of assets. No currency adjustments in the statement of assets arise from this approach.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

THEORETICAL IMPACT ON NET INCOME FOR THE PERIOD

<i>in CHF '000</i>	2013	2012
Earnings before interest and taxes (EBIT) according to consolidated income statement	–20,747	3,571
Goodwill amortisation	–1,330	–1,049
Theoretical earnings before interest and taxes (EBIT) including goodwill amortisation	–22,077	2,522
 Net income for the period after minority interests	 –18,226	 –1,014
Goodwill amortisation	–1,330	–1,049
Net income for the period after minority interests including goodwill amortisation	–19,556	–2,063

THEORETICAL IMPACT ON SHAREHOLDERS' EQUITY

<i>in CHF '000 at 31 December</i>	2013	2012
Equity before minority interests according to the consolidated balance sheet	131,671	151,202
Theoretical capitalisation of goodwill (net book value)	2,217	2,138
Theoretical equity before minority interests including goodwill (net book value)	133,888	153,340

4.26 CONTINGENT LIABILITIES AND OTHER COMMITMENTS NOT INCLUDED IN THE BALANCE SHEET
 Liability arising from the purchase of minority interests of 25.1% of SOFHA GmbH, Berlin, CHF 1,226,000.
 (2012: CHF 1,208,000)

4.27 PAYABLES FROM OPERATING LEASE CONTRACTS

The Orell Füssli Group rents property, machinery and fixed assets by means of operational leases. Some lease contracts are non-cancellable; others have an option for cancellation of usually less than one year.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

MATURITIES OF FUTURE AGGREGATE MINIMUM LEASE PAYMENTS

<i>in CHF '000 at 31 December</i>	2013	2012
No later than 1 year	11,488	11,647
Later than 1 year and no later than 5 years	37,840	37,851
Later than 5 years	17,607	18,667
Total future aggregate minimum lease payments	66,935	68,165

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4.28 CHANGES IN SCOPE OF CONSOLIDATION

Orell Füssli Security Documents Ltd: This company specialised in printing identity documents, bank cards, etc. These activities have already been performed for some years by Orell Füssli Security Printing Ltd. The company was therefore liquidated on 30 September 2013.

Orell Füssli Thalia Ltd: The owners of Thalia Bücher Ltd and Orell Füssli Buchhandlungs Ltd agreed in spring 2013 to merge their activities in Swiss book retailing in order to remain competitive in face of international online marketers. After unconditional consent to this application had been received from the competition authorities, the company commenced business on 1 October 2013. As is usual in the retail trade, the new financial year was fixed from 1 October to 30 September. Based on the options offered by Swiss GAAP FER, Orell Füssli Holding Ltd decided to consolidate this joint venture at 50% (pro rata consolidation). 50% of the income statement and balance sheet items are therefore included in the consolidated financial statements of the Orell Füssli Group.

Share capital of CHF 13,900,000 and a paid-in surplus of CHF 4,687,000 were created by the contribution of fixed assets. Orell Füssli Buchhandlungs Ltd contributed CHF 6,971,000 and Thalia Bücher Ltd CHF 11,616,000. Each party received 50% of the shares in return. The resulting goodwill for Orell Füssli Buchhandlungs Ltd was offset by a necessary provision in connection with the merger of the companies. Further assets and liabilities were transferred to the joint venture against loans and current accounts. In the case of inventories, the largest item, Thalia Bücher Ltd contributed CHF 12,200,000 and Orell Füssli Buchhandlungs Ltd CHF 6,000,000.

Fuchs Verlag Ltd: 100% of Fuchs Verlag Ltd was acquired by Orell Füssli Holding Ltd on 20 February 2013. The transaction was effected through Orell Füssli Verlag Ltd. Fuchs Verlag Ltd merged with Orell Füssli Verlag Ltd at the end of 2013.

The acquisition balance sheet is shown below:

ACQUISITION BALANCE SHEET OF FUCHS VERLAG LTD, ROTHENBURG.

<i>in CHF '000 at 1 January 2013</i>	Fair value
Receivables	30
Inventories	540
Liabilities	-73
Accrued expenses and deferred income	-236
Net assets	261
Effective purchase price	1,670
Goodwill	1,409

4.29 RELATED PARTY TRANSACTIONS

All transactions with related parties are included in the consolidated annual financial statements for 2013 and 2012.

RELATED PARTY TRANSACTIONS

<i>in CHF '000</i>	<i>with associated entities</i>	<i>with shareholders</i>	<i>with other related parties</i>	<i>Total 2013</i>	<i>with associated entities</i>	<i>with shareholders</i>	<i>with other related parties</i>	<i>Total 2012</i>
Net revenues from sales	248	29,302	–	29,550	209	33,600	–	33,809
Other operating income	358	15	–	373	62	–	–	62
Financial income	73	–	–	73	87	–	–	87
Cost of materials	22	–	123	145	14	–	6,710	6,724
Other operating expenses	565	–	160	725	–	–	160	160

<i>in CHF '000 at 31 December</i>	<i>with associated entities</i>	<i>with shareholders</i>	<i>with other related parties</i>	<i>Total 2013</i>	<i>with associated entities</i>	<i>with shareholders</i>	<i>with other related parties</i>	<i>Total 2012</i>
Trade accounts receivable	312	1,604	–	1,916	54	1,044	–	1,098
Other receivables	1,931	8,295	–	10,226	75	32,979	–	33,054
Financial assets	2,167	–	–	2,167	717	–	–	717
Trade payables	1	–	–	1	–	–	829	829
Other liabilities	–	13,075	–	13,075	–	–	–	–
Financial liabilities	4,650	–	–	4,650	22,041	–	–	22,041

In 2013 as in prior years, the Orell Füssli Group continued to sell books and publishing products to related parties and to employees at favourable rates.

A full list of all group and associated companies is shown in section 8: "Companies of the Orell Füssli Group".

4.30 BOARD AND EXECUTIVE COMPENSATION

The Orell Füssli Group assigned salaries and other current compensations to the Board of Directors and Executive Board of the Group in the amount of CHF 2,446,000 (2012: CHF 2,357,000) for the financial year 2013. The social insurance contribution amounted to CHF 360,000 (2012: CHF 296,000).

For the disclosures of the remunerations to the Board of Directors and Executive Board of the Group in connection with the transparency law reference is made to note 7.11 of the financial report of Orell Füssli Holding Ltd.

4.31 EVENTS AFTER THE BALANCE SHEET DATE

No further events which provide additional information on the items in the consolidated financial statements, cast doubt on the continued existence of the company or are otherwise material, occurred between balance sheet date and the date on which the annual report was approved by the Board of Directors (18 March 2014).

5 REPORT OF THE GROUP AUDITORS

To the general meeting of Orell Füssli Holding Ltd

As statutory auditor, we have audited the consolidated financial statements of Orell Füssli Holding Ltd, which comprise the income statement, balance sheet, cash flow statement, statement of changes in equity and notes (pages 10 to 34), for the year ended 31 December 2013.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation and the fair presentation of the consolidated financial statements in accordance with Swiss GAAP FER and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements for the year ended 31 December 2013 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER and comply with Swiss law.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditors Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers Ltd



Christian Kessler
Audit expert
Auditor in charge



Thomas Wallmer
Audit expert

Zurich, 18 March 2014

6 FINANCIAL STATEMENTS OF ORELL FÜSSLI HOLDING LTD

6.1 INCOME STATEMENT

	NOTES	2013	2012
<i>in CHF '000</i>			
Income from investments	7.1	1,056	5,100
Other operating income		2,381	1,816
Total operating income		3,437	6,916
Personnel expenditure		-2,084	-1,952
Other operating expenses		-1,381	-1,299
Earnings before interest and taxes		-28	3,665
Financial income		6,058	4,015
Financial expenses		-932	-1,518
Financial result	7.2	5,126	2,497
Net operating income before extraordinary income and expenses		5,098	6,162
Extraordinary income		-	1
Extraordinary expenses	7.3	-230	-2,214
Earning before taxes (EBT)		4,868	3,949
Income tax expenses	7.4	-380	-4
Net income for the period	7.5	4,488	3,945

FINANCIAL STATEMENTS OF ORELL FÜSSLI HOLDING LTD

6.2 BALANCE SHEET AT 31 DECEMBER

in CHF '000	NOTES	2013	2012
Assets			
Cash and cash equivalents		180	176
Receivables from affiliated and associated entities	7.6	50,634	82,126
Other receivables		28	794
Total current assets		50,842	83,096
Operating assets		137	57
Investments in affiliated and associated entities	7.7	36,074	27,181
Loans to affiliated and associated entities	7.7	49,010	57,950
Total non-current assets		85,221	85,188
Total assets		136,063	168,284
Liabilities			
Trade payables		154	23
Payables to affiliated and associated entities	7.8	227	21,140
Current provisions		5	5
Other current liabilities		1,044	16,967
Total current liabilities		1,430	38,135
Provisions for restructuring		130	134
Total non-current liabilities		130	134
Share capital		1,960	1,960
Legal reserves		11,140	11,140
Unrestricted reserves	7.9	116,915	112,970
Retained earnings:			
Net income for the period		4,488	3,945
Total equity		134,503	130,015
Total liabilities		136,063	168,284

7 NOTES TO THE FINANCIAL STATEMENTS

7.1 INCOME FROM INVESTMENTS

The stated income from dividends is the result of the liquidation of Orell Füssli Security Documents Ltd, Zurich. This company has not been operational for some years. No other dividends were paid to the parent company in 2013.

7.2 FINANCIAL RESULT

The financial requirements of the subsidiaries in 2013 were greater than in the previous year. Interest income was therefore some CHF 1,000,000 higher. Currency gains also resulted in an increase in financial income of some CHF 1,000,000 compared with the previous year. The improvement in financial expenses was due virtually entirely to lower exchange losses than in the previous year.

7.3 EXTRAORDINARY EXPENSES

No value adjustments were made on investments in 2013.

A value adjustment of CHF 1,000,000 on the investment in Orell Füssli Verlag Ltd and of CHF 60,000 on the investment in Photoglob Ltd were included in 2012. A value adjustment of TCHF 1,000,000 was made on the loan to Orell Füssli Dienstleistungs Ltd.

Payments of CHF 147,000 (2012: CHF 149,000) were also made to pensioners of the Orell Füssli Group in the 2013 financial year.

7.4 INCOME TAX EXPENSES

Income tax is calculated on ordinary net income less income from investments. The high financial income and low dividend income resulted in higher income tax expenses than in prior years.

7.5 NET INCOME FOR THE PERIOD

Net income for the period was CHF 543,000 higher than a year earlier. Lower dividend income was offset by lower value adjustments and higher financial income.

7.6 RECEIVABLES FROM AND LOANS TO CONSOLIDATED AND ASSOCIATED ENTITIES

Orell Füssli Holding Ltd places the necessary financial resources at the disposal of its subsidiaries and other associated companies in the form of loans or short-term current account credit. The funding needs of Orell Füssli Security Printing Ltd rose steeply in 2012 due to delays in production. Orell Füssli Security Printing Ltd was able to reduce its liabilities towards Orell Füssli Holding Ltd considerably at the end of 2013 due to contracts concluded and prepayments by customers for future deliveries.

7.7 INVESTMENTS IN CONSOLIDATED AND ASSOCIATED ENTITIES

The transformation between Participation and Loan to a consolidated and loosely related company is due to the conversion of a loan of CHF 9,057,000 to Atlantic Zeiser GmbH into Equity. Value adjustments of CHF 1,000,000 at Orell Füssli Verlag Ltd and CHF 60,000 at Photoglob Ltd had been made in the previous year. A total of CHF 24,000,000 in claims arising from loans is subordinated.

7.8 PAYABLES TO CONSOLIDATED AND ASSOCIATED ENTITIES

The CHF 16,750,000 loan from Orell Füssli Buchhandlungs Ltd was repaid in full. The loan to Orell Füssli Security Documents Ltd was offset against the liquidation dividend.

7.9 UNRESTRICTED RESERVES

The unrestricted reserves and retained earnings from the previous year are aggregated in accordance with the resolution adopted by the Annual General Meeting held on 11 May 2005.

UNRESTRICTED RESERVES

<i>in CHF '000</i>	2013	2012
Opening balance at 1 January	112,970	108,653
./. dividends paid	–	–3,920
+ retained earnings from previous period	3,945	8,237
Closing balance at 31 December	116,915	112,970

7.10 RISK ASSESSMENT

The Board of Directors and the Executive Board of the Orell Füssli Group are responsible for establishing and maintaining adequate controls for financial reporting. The Board of Directors of Orell Füssli Holding Ltd is fully integrated into the risk assessment process. Processes are in place to ensure that risks are identified at an early stage and action can be taken to mitigate risks. Risk assessment is conducted within the framework of the group's management structure.

Risk management at the Orell Füssli Group is performed by the ICS officers of the divisions under the supervision of ICS officer. Risks are systematically entered in a risk register and categorised in accordance with the recommendations of the COSO report. The divisions and Executive Management are primarily responsible for risk assessment and management. The central functions of the Orell Füssli Group are responsible for providing systematic basic principles, training, coordination and monitoring. The internal control officer regularly reports to the Board of Directors of Orell Füssli Holding Ltd and the Audit Committee on the nature, extent and assessment of the risks and the action taken.

7.11 REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD

Basic principles

The remuneration stated relates to payments made in the period under review. The tables below therefore contain in full all entitlements to remuneration in respect of the 2013 financial year. Provisions are made in the relevant financial year for all remuneration as yet unpaid, even if this is not disbursed until the following year.

The Orell Füssli Group made no payments other than those listed in the tables below to current or former members of the Board of Directors, the Executive Board or related parties, nor did it waive any claims on these parties.

Share ownership

On balance sheet date, 300 shares were held by Gonpo Tsering and 200 shares by Dieter Widmer, all members of the Board of Directors, and 265 shares were held by Michel Kunz member of the Executive Board. Director Dr. Hans Kuhn is officer of the Swiss National Bank (SNB), which holds 653,460 shares of Orell Füssli Holding Ltd.

Remuneration of members of the Board of Directors and members of the Executive Board

The fees for the Chairman and the other members of the Board of Directors relate to the period of office.

REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS IN 2013

in CHF	Basic remuneration	Variable remuneration	Other payments		Total 2013
			in cash	Special allowances	
Heinrich Fischer, Chairman Security Printing Committee (Chairman)	150,000	–	–	11,012	161,012
Dr. Hans Kuhn, Deputy Chairman Compensation Committee (Chairman) Security Printing Committee (Member)	45,000	–	–	3,347	48,347
Gonpo Tsering Audit Committee (Member)	45,000	–	–	3,347	48,347
Andreas S. Wetter Compensation Committee (Member)	45,000	–	–	3,347	48,347
Dieter Widmer Audit Committee (Chairman) Security Printing Committee (Member)	60,000	–	–	4,463	64,463
Total	345,000	–	–	25,516	370,516

NOTES TO THE FINANCIAL STATEMENTS

REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS IN 2012

in CHF	Basic remuneration	Variable remuneration	Other payments		Total 2012
	in cash	in cash	Special allowances	Social security and pension costs	
Dr. Klaus Oesch, Chairman until 10 May 2012	75,375	—	—	5,435	80,810
Heinrich Fischer, Chairman from 10 May 2012	100,000	—	—	7,940	107,940
Dr. Hans Kuhn, Deputy Chairman Compensation Committee (Chairman)	20,000	3,000	2,200	1,899	27,099
Nick Huber Compensation Committee (Member)	20,000	2,000	200	1,673	23,873
Dewet Moser Audit Committee (Member)	20,000	4,000	200	1,824	26,024
Gonpo Tsering Audit Committee (Member)	20,000	4,000	1,200	1,899	27,099
Andreas S. Wetter Compensation Committee (Member)	20,000	2,000	2,600	1,854	26,454
Dieter Widmer Audit Committee (Chairman)	20,000	6,000	11,200	2,804	40,004
Total	295,375	21,000	17,600	25,328	359,303

REMUNERATION OF MEMBERS OF THE EXECUTIVE BOARD IN 2013

in CHF	Basic remuneration	Variable remuneration	Other payments		Total 2013
	in cash	in cash	Special allowances	Social security and pension costs	
Michel Kunz CEO Orell Füssli Group	362,004	31,112	10,886	63,685	467,687
Other members of the Executive ¹⁾	1,422,329	226,300	48,130	271,104	1,967,863
Total	1,784,333	257,412	59,016	334,789	2,435,550

¹⁾ Martin Söderberg was elected a member of the Executive Board responsible for corporate development with effect from 1 April 2013. Beat Müller was also appointed CFO on 1 April 2013. Fabio Amato, Head of the Book Retailing Division, left the company on 30 September 2013. The new head of joint venture company Orell Füssli Thalia Ltd is not a member of the Executive Board of the Orell Füssli Group. Anton Gasteiger resigned as CEO of Orell Füssli Security Printing Ltd and as a member of the Executive Board of the Orell Füssli Group on 7 July 2013. The above figures include compensation for Anton Gasteiger until his final departure on 31 December 2013. His total remuneration from 1 July until 31 December 2013, amounted to CHF 206,445, which includes holidays, bonus and pension fund contributions. The position of Head of the Security Printing Division is still vacant, so that the Executive Board consisted of six members at 31 December 2013.

REMUNERATION OF MEMBERS OF THE EXECUTIVE BOARD IN 2012

in CHF	Basic remuneration	Variable remuneration	Other payments		Total 2012
	in cash	in cash	Special allowances	Social security and pension costs	
Michel Kunz CEO Orell Füssli Group	362,004	49,400	10,456	63,562	485,422
Other members of the Executive ¹⁾	1,329,169	235,812	36,214	207,572	1,808,767
Total	1,691,173	285,212	46,670	271,134	2,294,189

¹⁾ The Executive Board of Orell Füssli Holding consisted of seven members in 2012. Manfred Minich became a member of the Executive Board as CEO of the Atlantic Zeiser Group in May 2012. Thomas Obitz, CFO of the Atlantic Zeiser Group, was a member of the Executive Board ad interim until 30 April 2012.

NOTES TO THE FINANCIAL STATEMENTS

7.12 MAJOR SHAREHOLDERS

<i>at 31 December 2013</i>	Total registered shares	Participation in %
Swiss National Bank (SNB), Berne (CH)	653,460	33.34%
Dieter Meier, Buenos Aires (AR)	274,226	13.99%
Fam. Siegert, Meerbusch (D)	188,000	9.59%
Sarasin Investmentfonds Ltd, Basle (CH)	141,881	7.24%

7.13 FURTHER INFORMATION

<i>in CHF '000 at 31 December</i>	2013	2012
Contingent liabilities in favour of third parties	34,000	9,172

The steep rise in contingent liabilities is attributable to prepayment guarantees issued to a customer at the end of the year.

Orell Füssli held none of its own shares on 31 December 2013.

No further disclosures are required under Art. 663b^{bis} of the Swiss Code of Obligations.

7.14 PROPOSED APPROPRIATION OF RETAINED EARNINGS AND UNRESTRICTED RESERVES

The board of director proposes not to pay a dividend to the Annual General Meeting on 7 May 2014:

PROPOSED APPROPRIATION OF RETAINED EARNINGS AND UNRESTRICTED RESERVES

<i>in CHF '000</i>	2013
Unrestricted reserves	116,915
Net income for the year 2013	4,488
Earnings available for appropriation	121,403
Dividend per share of CHF 0.00	–
Total unrestricted reserves	121,403

8 COMPANIES OF THE ORELL FÜSSLI GROUP

SIGNIFICANT INVESTMENTS

	City, Country	Currency	Nominal capital in 1000	% of capital held ¹⁾	
				direct	indirect ²⁾
Affiliated companies for which full consolidation treatment applies					
Orell Füssli Security Printing Ltd	Zurich, CH	CHF	10,000	100	
Orell Füssli Technology Ltd	Zug, CH	CHF	50	100	
Orell Füssli Banknote Engineering Ltd	Zurich, CH	CHF	100	100	
Orell Füssli Buchhandlungs Ltd	Zurich, CH	CHF	5,000	51	
Orell Füssli Verlag Ltd	Zurich, CH	CHF	1,000	100	
Orell Füssli Dienstleistungs Ltd	Zurich, CH	CHF	500	100	
Atlantic Zeiser GmbH	Emmingen, D	EUR	869	100	
Atlantic Zeiser Inc. ⁴⁾	West Caldwell, USA	USD	0		100
Atlantic Zeiser (M) SDN BHD ⁴⁾	Kuala Lumpur, MAL	EUR	102		100
Atlantic Zeiser Ltd ⁴⁾	Andover, UK	GBP	0		100
Atlantic Zeiser SAS ⁴⁾	Créteil Cedex, F	EUR	38		100
Atlantic Zeiser SA ⁴⁾	Madrid, E	EUR	60		100
Atlantic Zeiser SRL ⁴⁾	Milano, I	EUR	100		100
SOFHA GmbH ⁴⁾	Berlin, D	EUR	281		75
Tritron GmbH ⁴⁾	Battenberg, D	EUR	200		51
Joint ventures companies for which pro rata consolidation treatment applies					
Orell Füssli Thalia Ltd ³⁾	Zurich, CH	CHF	14,000		50
Associated companies for which equity consolidation treatment applies					
Photoglob Ltd	Zurich, CH	CHF	1,000	34	
Orell Füssli Kartographie Ltd	Zurich, CH	CHF	210	24	
Other interests					
Schweizer Buchzentrum ³⁾	Hägendorf, CH	CHF	13,230		17

¹⁾ Capital held and voting rights in % are identical except the participation in the cooperative Schweizer Buchzentrum.

²⁾ Capital participation of the particular mother company.

³⁾ Held through Orell Füssli Buchhandlungs Ltd.

⁴⁾ Held through Atlantic Zeiser GmbH

9 REPORT OF THE STATUTORY AUDITORS ON THE FINANCIAL STATEMENTS

To the general meeting of Orell Füssli Holding Ltd, Zurich

As statutory auditor, we have audited the financial statements of Orell Füssli Holding Ltd, which comprise the income statement, balance sheet and notes (pages 36 to 42), for the year ended 31 December 2013.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2013 comply with Swiss law and the company's articles of incorporation.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instruction of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers Ltd



Christian Kessler
Audit expert
Auditor in charge

Thomas Wallmer
Audit expert

Zurich, 18 March 2014

Corporate Governance

This report complies with the requirements of the SIX Swiss Exchange's guidelines regarding information on corporate governance. Unless stated otherwise, the data refer to 31 December 2013.

1. GROUP STRUCTURE AND SHAREHOLDERS

Operating structure of the group

In management terms the Orell Füssli Group is subdivided into three divisions and the publishing companies.

Strategic and operating management within the Atlantic Zeiser, Security Printing and Book Retailing divisions, as well as the publishing companies, is largely autonomous. Orell Füssli Holding Ltd operates as a financial holding company and exerts influence on the strategic focus of the individual divisions.

Companies included in the scope of consolidation

The registered office of the parent company, Orell Füssli Holding Ltd, is in Zurich. The company is listed on the SIX Swiss Exchange under security code 342 080 and ISIN code CH0003420806. Its market capitalisation on 31 December 2013 was CHF 175 million.

Orell Füssli Holding Ltd has no investments in listed companies. An overview of its main investment holdings is included in the financial report.

Major shareholders

There were no material changes in shareholdings in the year under review and therefore no disclosures were required. Please refer to the financial report for a list of major shareholders.

Cross-shareholdings

There are no cross-shareholdings with other public limited companies.

2. CAPITAL STRUCTURE

Capital

The share capital of Orell Füssli Holding Ltd consists of 1,960,000 registered shares with a par value of CHF 1.– each and is fully paid. Each share entitles the holder to one vote. Orell Füssli Holding Ltd has issued neither dividend-right certificates nor participation certificates.

At 31 December 2013, Orell Füssli Holding Ltd had neither contingent nor authorised capital at its disposal, and no convertible bonds or options were outstanding.

Changes in capital

The share capital of Orell Füssli Holding was unchanged in the year under review and the two preceding years.

Transfer restrictions

The Articles of Incorporation of Orell Füssli Holding Ltd include no restrictions on the transfer of shares.

The Articles of Incorporation of Orell Füssli Holding Ltd can be accessed online at (www.orellfuessli.com/en/investors/corporate-governance).

3. BOARD OF DIRECTORS

<i>Members of the Board of Directors</i>	Year of birth	Nationality	Member since
Heinrich Fischer	1950	Swiss	10.05.2012
Dr. Hans Kuhn	1961	Swiss	09.05.2007
Gonpo Tsering	1956	Swiss	10.05.2011
Andreas S. Wetter	1949	Swiss	10.05.2011
Dieter Widmer	1963	Swiss	10.05.2011

Biographical details of the members of the Board of Directors

There are no executive directors. Dr. Hans Kuhn represents the Swiss National Bank (SNB), the company's largest shareholder. The SNB has its banknotes produced by Orell Füssli. All other directors are independent and have no material business relationships with Orell Füssli Holding Ltd or any other company in the Orell Füssli Group besides their directorship.

Heinrich Fischer

CHAIRMAN Chairman of the Security Printing Committee
Member of the Board of Directors since 2012

Swiss, born 1950; Qualifications: Dipl. Ing. ETH Zurich, lic.oec.publ. University of Zurich, MBA University of Zurich

Significant professional activities and functions:

- 1980–1990 Oerlikon-Bührle Group, Head BU Coating Equipment, Director of Staff Technology at Balzers Ltd., Balzers/FL
- 1991–1996 Oerlikon-Bührle Holding, Zurich, Head Corporate Development and Member of the Group Executive Board
- 1994–2005 ISE Integrated System Engineering, Zurich/San José, USA, Co-Found and Chairman (today a division of Synopsys, Inc.)
- 1996–2007 Saurer Ltd, Arbon, Delegate of the Board of Directors and CEO
- Since 2007 DiamondScull Ltd, Zug, Owner and Chairman of the Board of Directors (Investment company for start-ups)

Other board appointments:

- Member of the Board of Directors, Hilti Ltd, Schaan/FL
- Member of the Board of Directors, Sensirion Holding Ltd, Stäfa
- Member of the Board of Directors, Tecan Group Ltd, Stäfa
- Member of the Board of Directors, CAMOX Fund, London

Dr. Hans Kuhn

DEPUTY CHAIRMAN Chairman of the Compensation Committee
Member of the Security Printing Committee, Member of the Board of Directors since 2007

Swiss, born 1961; Qualifications: Dr. iur., lawyer, LL.M.

Significant professional activities and functions:

- 1995–2001 Swiss Federal Office of Justice, Section of Private International Law and International Civil Procedure Law, 1998–2001 Deputy Head of Section
- 2001–2007 Swiss National Bank (SNB): Head of Legal Services, Director since 2003
- Since 2007 SNB: Head of the "Law and Services Division"

Other board appointments:

- Member of the Board of Directors of the StabFund Group

Gonpo Tsering



MEMBER OF THE BOARD Member of the Audit Committee

Member of the Board of Directors since 2011

Swiss, born 1956; Qualifications: Lic.oec. HSG University of St. Gallen, MBA IMD Lausanne
Significant professional activities and functions:

- 1983–1984 Ciba-Geigy Ltd, Basel: Controller
 - 1985–1988 Ciba-Geigy Ltd, Nairobi/Kenya: Regional Planning & Controlling Manager
 - 1990–1997 Diethelm Holdings Bhd, Kuala Lumpur/Malaysia: Group Finance Director
 - 1998–1999 Rothmans of Pall Mall Ltd, Zug: Finance Director
 - 2000–2001 SiberHegner Holding Ltd, Zurich: Chief Financial Officer, Member of Group Management
 - Since 2002 DKSH Holding Ltd, Zurich: Head Operations Support, Member of Group Management
- Other board appointments:
- Chairman of the Board of Directors, Maurice Lacroix Holding Ltd, Zurich
 - Member of the Board of Directors, Bovet Fleurier S.A., Plan-les-Ouates, Geneva
 - Member of the Board of Directors of several DKSH Holding subsidiaries

Andreas S. Wetter



MEMBER OF THE BOARD Member of the Compensation Committee

Member of the Board of Directors since 2011

Swiss, born 1949; Qualifications: Electronics engineer, Executive MBA GSBA Zurich/Boston University
Significant professional activities and functions:

- 1974–1976 Assignments in Canada
 - 1977–1993 Various managerial functions in companies in the IT industry, Zurich
 - 1993–1995 Ascom Audisys Ltd, Flamat: Executive Director
 - 1996–1998 Radio TV Steiner Ltd, Berne (Coop Group): Managing Director
 - 1998–2009 Orange Switzerland, Lausanne: Executive Director
 - 2010–2012 Orange Switzerland, Lausanne: Chairman of the Board of Directors
 - Since 2009 Wetter & Partner GmbH, Feldmeilen: Partner, independent Management Consultant and Director
- Other board appointments:
- Member of the Board of Directors, Broadband Networks Ltd, Urdorf
 - Board member of trade associations ICTswitzerland and asut

Dieter Widmer



MEMBER OF THE BOARD Chairman of the Audit Committee

Member of the Security Printing Committee, Member of the Board of Directors since 2011

Swiss, born 1963; Qualifications: Swiss certified public accountant (CPA) and auditor
Significant professional activities and functions:

- 1986–2010 KPMG, Zurich, Vancouver, Berne: Auditor and Management Consultant, as of 1997 Head of KPMG Berne, as of 1998 Partner and as of 2002 Member of the Executive Committee of KPMG Switzerland, as of 2007 Member of the Non-Executive Board and Member of the Audit Committee of KPMG Europe LLP (Frankfurt/London)
 - Since 2010 valeth, Forch: Owner, Management Consultant and independent Member of various Boards of Directors
- Other board appointments:
- Member of the Red Cross Council, Swiss Red Cross, Berne
 - Co-owner and Member of the Board of Directors, EquityNova Ltd, Zug
 - Co-owner and Member of the Board of Directors, EnergyOn Holding Ltd, Zug
 - Chairman of the Board of Directors, Curena Ltd, Zurich
 - Member of the Board of Directors, Blattmann Switzerland Ltd, Wädenswil
 - Member of the Board of Directors, Mühle Walther Ltd, Bolligen

Election and term of office

The Board of Directors consists of at least three members elected by the Annual General Meeting of shareholders. Directors are elected for a one-year term of office by an absolute majority of votes represented at an Annual General Meeting of shareholders. Directors are elected individually. The restrictions on age and duration of office are stipulated in the regulations governing the organisation of the company, which can be accessed online at (www.orellfussli.com/en/investors/corporate-governance).

Internal organisation

The Board of Directors has the following functions: Chairman and Vice-Chairman.

The principal duties of the Board of Directors are as defined by the Swiss Code of Obligations, in particular Art. 716a, and the regulations governing the organisation of the company. Management of the business is delegated to the CEO and the Executive Board of Orell Füssli Holding Ltd. The CEO chairs the Executive Board.

The Board of Directors meets as often as business requires, but at least once a quarter. Members of executive management may also be invited to attend meetings. The Board of Directors can also call in external consultants in order to deal with specific issues. The Board of Directors is assisted in its work by the Audit Committee and the Compensation Committee. In the year under review the Board of Directors met five times for a full day (plus the constituent meeting following the Annual General Meeting) and held several conference calls.

Audit Committee

The Board of Directors has appointed an Audit Committee, which assesses the annual and half-year financial statements, risk management, the internal controls and the external auditors. The duties of the Audit Committee are defined in specific regulations. The Audit Committee has decision-making authority subject to the approval of the Board of Directors as a whole, which also receives the minutes of the meetings. The committee consists of two members of the Board of Directors. The CEO, the ICS Officer, the Head of Internal Audit and the CFO as well as a representative of the auditors also attend the meetings of the Audit Committee in a consultative capacity. The committee meets at least twice a year, usually in the first and third quarter. The Audit Committee held three half-day meetings in the year under review. The Chairman of the Audit Committee holds regular meetings with the Head of Internal Audit.

Compensation Committee

The Board of Directors has appointed a Compensation Committee, which determines the salary of the members of the Executive Board and management, subject to corporate profits and performance. The duties of the Compensation Committee are defined in specific regulations. The Compensation Committee has decision-making authority. The other members of the Board of Directors are informed of the business dealt with and the main decisions taken after each meeting. The Compensation Committee consists of two members of the Board of Directors. The Group CEO also attends the meetings in a non-voting capacity. The committee meets at least once a year. The Compensation Committee held one meeting lasting about two hours in the year under review.

Security Printing Committee

Towards the end of 2012 an ad hoc committee of the Board of Directors was formed to deal with issues relating to Security Printing. In 2013 this committee continued its duties and held three half-day meetings, several ad hoc meetings and conference calls.

Allocation of authority between the Board of Directors and the Executive Board

The allocation of authority between the Board of Directors and the Executive Board is defined by the regulations governing the organisation of the company, which can be accessed online at (www.orellfussli.com/en/investors/corporate-governance). The Board of Directors determines business policy and the organisational structure, appoints the CEO, approves the budget and takes decisions on proposals assigned to it in the context of the allocation of authority. The Board of Directors has entrusted the management of the business to the Executive Board under the chairmanship of the CEO.

Information and control instruments of the Board of Directors

The CEO briefs the Board of Directors at its meetings about the current trend of business and important business transactions. Financial reporting to the Board of Directors consists of monthly management income statements, the half-year report and the Annual Report with annual financial statements at the end of the financial year.

The Chairman of the Board of Directors regularly meets with the CEO and receives for information purposes the minutes of the meetings of the Executive Board of Orell Füssli Holding Ltd as well as of the business review meetings held with the divisions every two to three months.

The Board of Directors and the Audit Committee in particular supervises risk management and implementation of the internal control system. The Audit Committee defines its own audit areas and is informed at its meetings by the ICS Officer and the Head of Internal Audit about the results of audits conducted by independent internal or external units. Details of the internal control system and risk management can be accessed online at (www.orellfussli.com/en/investors/corporate-governance). Please also refer to the details of risk assessment in the notes to the annual financial statements of Orell Füssli Holding Ltd.

Internal Audit

In 2013 the Board of Directors decided to form an Internal Audit unit with the principal task of assessing and where necessary improving the effectiveness and efficiency of risk management, the internal management and control systems, and management processes (governance). Internal Audit also monitors compliance with standards and provides independent, objective assurance and advisory services. The Head of Internal Audit commenced his activities on 1 August 2013 and reports directly to the Chairman of the Audit Committee. Four audits focusing on the Security Printing Division were conducted up to 31 December 2013. Further audits at group level and within the divisions will follow in 2014.

Terje Paulsen



HEAD OF INTERNAL AUDIT

Swiss-Swedish dual citizenship, born 1954; Qualifications: MSc. in Business Administration (Stockholm School of Economics); CFE, Certified Fraud Examiner/CIA, Certified Internal Auditor/CCSA, Certification in Control Self-Assessment; Certificate in Corporate Governance, I.FPM-HSG
Significant professional activities and functions:
— 1984–1992 Electrolux Holding Ltd, Zurich, Internal Audit/Controller, CFO
— 1993–2000 Autoneum, Winterthur, Detroit, Sevelen, Division Controller Internal Audit, Head Business Unit
— 2000–2001 Mahle König, Rankweil, CFO & General Manager
— 2002–2003 Raiffeisen Informatik, Dietikon, Head Corporate Services
— 2004–2005 Kaiser AG, Schaanwald, Interim CFO
— 2006–2007 OC Oerlikon, Pfäffikon, Internal Audit Team Leader
— 2007–2013 Oerlikon Space/RUAG Space, Zurich, CFO Space Division
— Since 1 August 2013 Head of Internal Audit Orell Füssli Group
Memberships
— Association of Certified Fraud Examiners
— The Institute of Internal Auditors

4. EXECUTIVE BOARD
Orell Füssli Holding Ltd

Michel Kunz



**CEO ORELL FÜSSLI HOLDING LTD
AS OF JULY 2013 ADDITIONALLY HEAD OF THE SECURITY PRINTING DIVISION**

Swiss, born 1959; Qualifications: Dipl. El. Ing. ETH Zurich, MBA Master of Business Administration GSBA
Significant professional activities and functions:

- 1985–1987 BBC, Baden: Development Engineer
 - 1987–1990 Schweizer Electronics: Development Engineer
 - 1991–1993 Ascom Hasler Ltd: Director Procurement
 - 1993–1994 Ascom Hasler Ltd: Director Profit Center Electronic Production
 - 1994–1997 PostFinance/Swiss Post: Director System Development and Member of the Executive Board
 - 1997–1999 Swiss Post: Director Information Technology/Member of the extended Executive Management
 - 1999–2009 Swiss Post: Member of the Executive Management (amongst others Director PostMail and PostLogistics), finally as Chairman of the Executive Management
 - Since 1 July 2010 CEO Orell Füssli Group
- Other board appointments:
- Various directorships with companies in the Orell Füssli Group
 - Member of the Board of Directors, BSI Business Systems Integration Ltd, Baden

Beat Müller



CFO ORELL FÜSSLI HOLDING LTD

Swiss, born 1956; Qualifications: Business Economist (lic.oec.publ. Zurich University), EMBA Executive Master of Business Administration GSBA, Zurich/Albany

Significant professional activities and functions:

- 1983–1985 Limmat Insurance, Zurich: Controller
 - 1987–1989 Swissôtel, Zurich: Country Controller Switzerland
 - 1989–1992 Swissair, Zurich: Controller Operations and Information Technology
 - 1993–1995 Swissair, Zurich: Head of Business Administration and Strategic Planning Operations
 - 1996–2000 Swissair, Zurich: Vice President Planning and Business Administration Operations, Member of the Management Board Operations
 - 2000–009 Swiss Post, Berne, Post Offices and Sales: CFO, Member of the Management Board
 - 2010–2011 Swiss Post, Berne, Swiss Post International Management Ltd: CFO, Member of the Management Board
 - 2012–2013 Orell Füssli Holding Ltd: Head Group Controlling
 - Since 1 April 2013, CFO Orell Füssli Group
- Other board appointments:
- Various directorships with companies in the Orell Füssli Group

Manfred Minich



HEAD OF THE ATLANTIC ZEISER DIVISION

German, born 1958; Qualifications: Industrial Business Administrator, Study "Corporate Management" Hochschule Pinneberg

Significant professional activities and functions:

- 1976–1997 Metabowerke GmbH & Co, Nürtingen: various functions in Sales and Marketing, finally Director Sales Region DACH
 - 1997–1999 Black & Decker Germany, Idstein: Director Marketing German-Alpine (DACH) and Member of the Extended Executive Board
 - 1999–2000 Loewe AG (Loewe Opta GmbH), Kronach: Director Marketing CE
 - 2001–2006 Herma GmbH, Stuttgart: Managing Director Label Division and Machinery Division, Member of Executive Boards in various subsidiaries, finally Chairman of the Executive Board of the Herma Group
 - 2006–2011 MBO Binder GmbH & Co.,KG, Oppenweiler: Director Sales, Marketing and Service, Member of Executive Boards in various subsidiaries, Spokesman of the Executive Board of the MBO Group
 - Since 1.5.2012 Head of the Atlantic Zeiser Division, Orell Füssli Group
- Other board appointments:
- None

Dr. Matti Schüsseler



HEAD OF THE PUBLISHING DIVISION

German, born 1959; Qualifications: Studies in literature and linguistics at the Universities of Göttingen, Rennes (France), Munich and Constance

Significant professional activities and functions:

- 1988–1991 Bertelsmann AG, Gütersloh: various functions, finally Head of the Representative Office in Berlin
 - 1991–1993 FNAC Deutschland GmbH, Berlin: Division Manager Books
 - 1993–1996 Klett AG, Stuttgart: General Manager Ernst Klett Distribution Company
 - 1996–2010 Langenscheidt KG, Munich: Director Marketing & Distribution and Member of the Management Board;
in addition CEO Langenscheidt Poland, Warsaw (as of 2000) and Langenscheidt Ibérica, Madrid (as of 2008)
 - Since 1 March, 2011 Head of the Publishing Division, Orell Füssli Group
- Other board appointments:
- None

Peter Crottogini



HEAD HUMAN RESOURCES ORELL FÜSSLI HOLDING LTD

Swiss, born 1959; Qualifications: Trainer in Further Education (Swiss Federal Certificate), Manager in Adult Education (Swiss Diploma)

Significant professional activities and functions:

- 1995–2001 Swissair: Instructor & Manager of Training Ground Services worldwide
 - 2001–2002 ESEC Management Ltd: Manager Education & Training
 - 2002–2003 Swiss International Air Lines: General Manager Sales & Marketing and Airport Training
 - 2003–2009 Sunrise Communication Ltd: Manager Training & Development
 - 2010 Orell Füssli Holding Ltd: Head Personnel & Organisational Development
 - Since 1 January 2011 Head Human Resources Orell Füssli Group
- Other board appointments:
- None

Dr. Martin Söderberg



HEAD CORPORATE DEVELOPMENT ORELL FÜSSLI HOLDING LTD

Swiss-Swedish dual citizenship, born 1959; Qualifications: M.Sc. and Ph.D. in Engineering Physics, Royal Institute of Technology, Stockholm; MBA, IMD, Lausanne

Significant professional activities and functions:

- 1987–1989 Tetra Pak Stockholm: Logistics Officer
- 1989–1991 Tetra Pak Pully: Decision Support Manager
- 1993–1995 McKinsey & Co.: Management Consultant
- 1995–2000 General Motors Europe: Manager New Business Development and Strategic Planning
- 2001–2003 Management Consultant
- 2003–2009 Swiss Post/Corporate Development: Vice President Strategy
- 2009–2010 Swiss Post: Advisor to the Chairman of the Board of Directors
- 2011 Management Consultant
- Since 1 Feb. 2012: Head Corporate Development Orell Füssli Group

Other board appointments:

- None

Orell Füssli Thalia Ltd

Dr. Michele Bomio



CEO ORELL FÜSSLI THALIA LTD

Swiss, born 1961; Qualifications: Dipl. Ing., PhD Thesis in Biotechnology, Dr. Sc. Tech., ETH Zurich

Significant professional activities and functions:

- 1990–2007 SAM International Ltd, Cham, Zurich, Mannheim, Hamburg, Munich, Barcelona, London, Paris, Milan, Parma: CEO and founder
- 2005–2007 Innocat Ltd: CEO and founder
- 2007–2009 Navyboot Ltd, Zurich: CEO
- 2009–2013 Thalia Bücher Ltd: CEO and Spokesman
- Since 1 October 2013 CEO Orell Füssli Thalia Ltd

Other board appointments:

- None

5. COMPENSATION OF MEMBERS OF THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD

Basic principles

Compensation of the Board of Directors consists of a fixed amount and compensation of the Executive Board consists of a fixed and a variable component. External experts are consulted on the specification of the remuneration system only in the event of a fundamental restructuring. Functionally specific benchmarks are applied to the determination of remuneration in the case of new appointments or promotions at group level.

The Orell Füssli Group has neither a share nor an option allocation scheme for members of the Board of Directors and the Executive Board. There is therefore no direct connection between shares in Orell Füssli Holding Ltd held by members of the Executive Board and the Board of Directors and the functions of these officers; they have been acquired privately in open trading on the stock market.

With the exception of contributions to the pension fund, the upper limit of which (CHF 842,400) is defined by occupational pensions' legislation, the Orell Füssli Group does not provide any specific retirement pension schemes for members of the Board of Directors and the Executive Board.

No contractually agreed severance payments ("golden parachutes") have been stipulated in advance for the members of the Board of Directors and the Executive Board. The members of the Executive Board are not employed under long-term contracts (no longer than 6 months).

Compensation

The fixed directors' fees are periodically reviewed by the Board of Directors at its own discretion and adjusted if appropriate. As of 2013 directors are compensated with fixed amounts.

The fixed remuneration component for the Executive Board as proposed by the CEO is stipulated annually with final authority at the start of the new financial year by the Compensation Committee of the Board of Directors. The amount of fixed remuneration is defined by function, duties, qualifications, experience and the market environment. The variable compensation component for the Executive Board is based on bonus regulations adopted by the Board of Directors. The maximum possible amount of variable remuneration (if all targets are achieved) is stipulated individually and amounts to 20–50 percent of basic salary. It is calculated on the basis of a preset formula which takes into account EBIT and the achievement of individually specified annual targets, whereby the weighting of EBIT and individually specified targets is stipulated individually for each member of the Executive Board. The members of the Executive Board performing exclusively group-related functions are assessed in terms of group profit with regard to EBIT, other members of the Executive Board mainly with regard to the profits of the division headed by them. The individually specified three to five annual targets comprise quantitative and qualitative components and must be specific, measurable, challenging, relevant and have time limits. They can, for example, relate to the implementation of a project, compliance with a project budget or professional further development. The Chairman of the Board of Directors is responsible for specifying individual targets for the CEO. The CEO specifies the individual targets of the other members of the Executive Board.

The fixed remuneration component of the Executive Board and the Chairman of the Board of Directors includes individually agreed additional benefits such as providing a free company car or assuming the cost of a rail season ticket.

Loans and other payments

No loans were granted to current or former members of the Board of Directors and the Executive Board in the 2013 financial year, nor were any guarantees assumed for loans granted to directors and officers by third parties. The balance sheet contains no claims of this nature arising from loans as of 31 December 2013.

Other information

Detailed information on the compensation of the Board of Directors and the Executive Board in the 2013 financial year is included in the notes to the annual financial statements of Orell Füssli Holding Ltd (Section 7 of the financial report).

The Orell Füssli Group made no further payments to current or former members of the Board of Directors and the Executive Board or related parties and did not waive any claims on these parties.

6. SHAREHOLDERS' PARTICIPATION RIGHTS

Only those persons listed in the shareholders' register are recognised as shareholders in relation to the company. Entry in the shareholders' register presupposes evidence of beneficial ownership of the shares to be registered. The conditions are stipulated in the relevant regulations (Regulations of the Board of Directors regarding the registration of shares and maintenance of the shareholders' register), which together with the company's Articles of Incorporation can be accessed online at (www.orellfussli.com/en/investors/corporate-governance).

In order to attend the Annual General Meeting each shareholder must furnish evidence of his shareholding no less than five days prior to the date of the meeting. He will then receive an admission card issued in his name. Notwithstanding the relevant legal provision (Art. 689, para. 2 of the Swiss Code of Obligations) the Articles of Incorporation provide that a shareholder can only be represented by another shareholder and therefore not by any third party at the Annual General Meeting. The only exceptions from this requirement are senior officers of companies listed in the Commercial Register.

Shareholders representing at least 5% of the share capital may request the inclusion of an item on the agenda.

7. CHANGE IN CONTROL AND DEFENSIVE MEASURES

There are no provisions in the Articles of Incorporation relating to "opting out" or "opting up".

Orell Füssli Holding Ltd has no clauses applying to members of the Board of Directors and the Executive Board in the event of a change in control.

8. AUDITORS

Duration of the mandate and term of office of the lead auditor

PricewaterhouseCoopers were first elected external auditors of the consolidated financial statements and those of the holding company at the Annual General Meeting of shareholders held on 14 May 2003. Christian Kessler has officiated as lead auditor since the 2009 financial year.

Audit fees of CHF 402,459 to PricewaterhouseCoopers were incurred in 2013.

Additional fees totalling CHF 128,068 were charged by PricewaterhouseCoopers in the year under review.

Audit supervision and control instruments

The Audit Committee is responsible for supervising and controlling the external auditors. A representative of the auditors is also invited to attend meetings of the Audit Committee to provide information. The Audit Committee assesses the performance, fees and independence of the external auditors on the basis of criteria such as professional expertise, scope and quality of written reports and oral comments, practical feasibility of recommendations, transparent and effective communication and coordination, as well as compliance with deadlines. The Audit Committee examines the scope of external auditing, audit planning and the relevant processes annually, and discusses the audit results with the external auditors. Reporting by the external auditors includes the audit reports, the Management Letter and the detailed report by the auditors on the past financial year addressed to the Audit Committee and the Board of Directors.

9. INFORMATION POLICY

A press release including key group figures for the year under review is issued in mid-March, after the close of the financial year. The detailed annual financial statements are published each year together with the Annual Report in April. A presentation for financial analysts is held on the same day.

The Annual General Meeting of shareholders is held in May. The group issues a press release with the half-year figures about mid-August. Planned publication dates can be accessed online at (www.orellfuessli.com/en/investors/events).

Shareholders receive the annual financial statements (short report) and the half-year report. Press releases can also be accessed online at (www.orellfuessli.com/en/media/messages).

Information on exceptional events of relevance for the stock market is published in ad hoc press releases. Shareholders can register at (www.orellfuessli.com/en/investors/ad-hoc-publicity) to have these forwarded to them automatically.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

No statements relating to the future imply any guarantee whatsoever with regard to future performance. They are subject to risks and uncertainties including but not confined to future global economic conditions, exchange rates, legal provisions, market conditions, activities by competitors and other factors outside the company's control, which can lead to actual developments and results differing significantly from the statements made in this document. Orell Füssli is under no obligation whatsoever to adjust or amend forward-looking statements on the basis of new information, future events or for other reasons.

PUBLISHED BY ORELL FÜSSLI HOLDING LTD, ZURICH
CONCEPT AND DESIGN ECLAT, ERLENBACH ZH
PHOTOS BEAT SCHWEIZER, BERN (PORTRAIT DR. M. SÖDERBERG: PAOLO DUTTO, ZURICH)
PREPRESS MANAGEMENT DIGITAL DATA LTD, LENZBURG
PRINTING NEIDHART + SCHÖN LTD, ZURICH
CLIMATE-NEUTRAL PRINTING, CO₂ COMPENSATION IN COOPERATION WITH CLIMATE PARTNER
PAPER ARCTIC VOLUME WHITE, FSC-CERTIFIED

ClimatePartner[®]
climate neutral
Print | ID: 53232-1402-1019



THE ENGLISH TRANSLATION IS BASED ON THE ORIGINAL ANNUAL REPORT IN GERMAN.
THE PRINTED GERMAN TEXT IS BINDING.

APRIL 2014 – ORELL FÜSSLI HOLDING LTD, ZURICH, SWITZERLAND
WWW.ORELLFUESSLI.COM

CONTACT FOR INVESTOR RELATIONS

PHONE + 41 44 466 72 73
FAX + 41 44 466 72 80
E-MAIL INVESTORS@ORELLFUESSLI.COM

HISTORY OF THE ORELL FÜSSLI GROUP

- 1519 Company is founded by Christoph Froschauer, a printer who had immigrated from Bavaria. He becomes a citizen of Zurich, and his company becomes the government printing press.
- 1531 Folio Bible is printed (the so-called "Zurich Bible")
- 1576 The land surveyor Jos Murer publishes a plan of the city
- 1761 The Orell and Gessner publishing companies merge to form Orell, Gessner & Cie. Hans Conrad Gessner's bookshop is also absorbed into this partnership.
- 1766 Hans Rudolf Füssli takes over the publishing company of Heidegger & Cie.
- 1770 The Orell, Gessner & Cie. and Füssli & Cie. publishing companies merge to form Orell, Gessner, Füssli & Cie.
- 1780 First edition of the "Zürcher Zeitung" newspaper, which became the "Neue Zürcher Zeitung" in 1821. It was spun off as an independent public limited company in 1868.
- 1798 The Gessner family withdraw from the partnership; the publishing company and bookshops now trade as Orell Füssli & Cie.
- 1827 First securities are printed
- 1843 First postage stamps are printed in continental Europe, the second series worldwide – "Züri 4" and "Züri 6"
- 1880 Development of the ten-colour photochromic printing technique
- 1890 Company is converted into a public limited company (Art. Institut Orell Füssli Ltd)
- 1897 Listing on Zurich Stock Exchange
- 1911 Company begins printing banknotes for the Swiss National Bank
- 1992 Orell Füssli Buchhandlungs Ltd is founded; the book retailer H. Hugendubel, Germany, takes a minority interest in the company
- 1996 Internet book retailing launched at www.books.ch
- 1999 Company is restructured to form Orell Füssli Holding Ltd
- 2001 Takeover of Teledata Ltd
- 2002 Acquisition of a majority shareholding in Atlantic Zeiser Group Ltd (Germany), which becomes wholly-owned in 2005
- 2003 Takeover of the publishing units Atlantis and pro juventute
- 2004 Acquisition of bookstores Rösslitor Bücher, St. Gall
- 2007 Acquisition of Globi Verlag, Zurich
- 2008 Divestment of Orell Füssli Business Information Division
- 2010 Acquisition of a majority shareholding in SOFHA GmbH, Berlin
- 2013 Merger of Orell Füssli Book Retailing Ltd and Thalia Bücher AG to form Orell Füssli Thalia Ltd

WWW.ORELLFUESSLI.COM