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Press release: half-year results 1/2010, for release at 7:00 a.m. on August 10, 2010

Orell Füssli: operationally on track

Negative half-year results, depressed by exchange rate movements – improved performance in all divisions – firming markets and higher output – much stronger second half and striking increase in EBITDA expected.

Zurich, August 10, 2010. Orell Füssli, which operates in the fields of banknote and security printing, industrial systems used in the individualisation of security documents and branded products, and book retailing, posted sales of CHF 136.6 million in the first half of 2010 (CHF 137.9 million in the same period of the previous year). Adjusted for the deconsolidation of Photoglob Ltd., sales in the first six months were slightly higher than a year earlier. The half-year loss at the EBIT level amounted to CHF 2.7 million (loss of CHF 1.1 million in 2009, when the outcome had benefited from extraordinary income totalling CHF 4 million). The net half-year loss amounted to CHF 4.9 million (profit of CHF 0.8 million in 2009), due also to a negative financial result of CHF 3.5 million. The financial result was depressed by currency hedges which have been recognised in conformity with IAS 39, but will be neutralised after termination of the relevant contracts and will no longer affect annual financial results.

Following a review by the Board of Directors, projects to enhance efficiency and intensify marketing efforts have been initiated in all divisions under the direction of new CEO Michel Kunz. Orell Füssli is expecting a considerably stronger performance in the second half on the basis of generally firming markets and the completion of high-value-added orders, primarily in security printing. Substantially improved operating results and, thus, strikingly higher EBITDA and EBIT figures, excluding extraordinary income, are expected for the 2010 financial year.

The trough in the export-oriented industrial business of **Atlantic Zeiser** has bottomed out. Demand for numbering systems for banknote printing has risen strongly since the fourth quarter of 2009. Half-year sales of CHF 35.4 million were slightly higher than a year earlier. Economies were achieved in the first six months with short-time working, which will also continue in certain areas in the second half. Atlantic Zeiser is promisingly placed with innovative products for industrial digital printing. The focus on target markets and its market presence will be improved. The revival in demand, especially in government-related business, promises to generate annual sales substantially higher than the previous year's figure, though not at the level achieved in 2008.

The **Orell Füssli Security Printing** Division recorded an increase in first-half sales to CHF 39.3 million (CHF 38.9 million in 2009). Extensive projects to enhance efficiency and the organisational structure including the ERP system are currently in progress at Security Printing. Capacity utilisation is assured at a high level for the year as a whole. Significant output growth is expected in the second half of the year, also as a result of orders from the Swiss National Bank.

Orell Füssli is again facing a decline in demand at **Book Retailing**. Sales of CHF 53.3 million were slightly below the previous year's figure (CHF 54.9 million). However, lower sales were more than offset by improvements on the cost side. Books are encountering increasingly keen competition from other media. In distribution there are signs of a shift towards web-based sales and downloads of the steadily growing stock of digital books. Orell Füssli is responding to this megatrend with various e-book projects and by launching the new storyworld.ch internet platform for sales of inexpensive books.

Other activities, especially publishing, were within the range of expectations. Photoglob Ltd. is no longer included in the scope of consolidation following the disposal of a majority shareholding in spring.

Outlook

Orell Füssli expects a substantial improvement in operating profits in the second half of the year with EBITDA and EBIT before extraordinary income well in excess of the previous year's figure. However, since extraordinary income of more than CHF 9 million was included in 2009, the expected improvement in operating results will not be reflected in higher annual profits for 2010.

Key figures for Orell Füssli

CHF million	H1 2009	H1 2010	Full year 2009
Sales	137.9	136.6	306.3
EBIT	-1.1	-2.7	23.1
in % of sales	-0.8%	-2.0%	7.5%
Profit after minority interests	0.8	-4.9	14.7
in % of sales	0.6%	-3.6%	4.8%
Total assets	301.6	283.8	305.6
Shareholders' equity	171.5	176.8	188.2
in % of total assets	56.9%	62.3%	61.6%
Number of employees	1 030	977	1 027

Agenda

Press release: provisional annual figures for 2010
 Press release: annual financial statements for 2010
 Annual General Meeting of Orell Füssli Holding AG

Early February 2011
 1st half of April 2011
 May 10, 2011

In brief

Orell Füssli – half-year loss and positive outlook

Half-year figures at international industrial and commercial group Orell Füssli were at the previous year's level with sales of CHF 136.6 million. A loss of some CHF 5 million was posted, not least as a result of currency translation effects. Due to a revival in demand and higher output, Orell Füssli is expecting EBITDA and EBIT before extraordinary income to be significantly higher than the previous year's figures.

Key figures for Orell Füssli

CHF m	H1 09	H1 10
Sales	138	137
EBIT	-1	-3
Net profit	1	-5

Information

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Encl.

Half-year financial report 2010

Orell Füssli is an international industrial and commercial group focusing on 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 Zurich-based company since 1519. Orell Füssli generates sales of some CHF 300 million with 1 000 employees at locations in 10 countries and is listed on the Swiss Stock Exchange.