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Press release: half-year results 1/2011, for release at 7:00 a.m. on August 18, 2011

Orell Füssli – all divisions affected by currency turmoil

Operating improvements at Atlantic Zeiser – unsatisfactory mid-year results – significant improvement expected in the second half

Zurich, August 18, 2011. 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, reported sales of CHF 120.3 million in the first half of 2011 (CHF 135.3 million in the same period of the previous year). This represented a reduction of 11.1% compared with a year earlier. Adjusted for currency translation effects, sales amounted to CHF 136.3 million. The half-year loss at EBIT level was CHF 5.9 million (loss of CHF 2.6 million in 2010). The net half-year loss amounted to CHF 4.1 million (loss of CHF 0.5 million in 2010). The deterioration in the outcome compared with a year earlier was mainly attributable to the weakness of the US dollar and the euro. The Security Printing and Book Retailing divisions are directly affected by this, whereas the translation of Atlantic Zeiser's euro-denominated results has an indirect impact on group figures. As in previous years, seasonal effects typical of the business mean that the half-year financial statements are non-indicative.

The export-oriented industrial business of **Atlantic Zeiser** posted a 19% increase in half-year sales in euros at the operating level. This pleasing growth in sales was severely reduced in the consolidated financial statements due to the depreciation of the euro versus the Swiss franc. Atlantic Zeiser reported sales of CHF 36.9 million in group currency in the first six months (CHF 35.4 million in 2010). After adjustment for currency translation this was equivalent to an increase of 4.4% compared with the same period of the previous year. Atlantic Zeiser also posted a further improvement in operating profit.

Sales at the **Orell Füssli Security Printing Division** declined in the first six months to CHF 27.4 million (CHF 39.2 million in 2010). The majority of banknote printing orders in the first half of the year came from foreign customers and were consequently subject to margin and currency pressures. Despite further progress in the development of the new Swiss banknotes, production with correspondingly high value added will not start until the autumn.

In **book retailing**, sales declined by 5.3% to CHF 50.5 million (CHF 53.3 million a year earlier). This reduction in sales revenues was primarily due to price cuts dictated by the business environment as a result of the low euro exchange rate. In line with targets however, sales via the internet were 9% higher and those to large customers 24% higher than a year earlier. The publishing business developed within the range of expectations.

Outlook

The outlook for the second half of the year is by tradition considerably better, although the business environment is expected to be difficult. Timely commencement of production of the new Swiss banknotes will make a crucial contribution to results. The transition from the current series to the new banknotes and the associated delays have severely depressed Orell Füssli's profits to date. Viewed overall, Orell Füssli believes that last year's sales and profit figures can be equalled if the Swiss franc's exchange value stabilises at a realistic level.

Key figures for the Orell Füssli Group*

CHF million	H1 2010	H1 2011	Full year 2010
Sales to customers	135.3	120.3	313.0
EBIT	-2.6	-5.9	13.2
in % of sales to customers	-1.9%	-4.9%	4.2%
Profit after minority interests	-0.5	-3.6	9.5
in % of sales	-0.4%	-3.0%	3.0%
Total assets	274.3	234.0	245.8
Shareholders' equity	172.0	166.3	179.1
in % of total assets	62.7%	71.1%	72.9%
Number of employees	977	1 004	1 047

*Since the beginning of 2011 the consolidated financial statements have been prepared in accordance with Swiss GAAP. Prior period figures have been restated to conform to the presentation for the current financial period to ensure comparability.

Agenda

Press release: provisional annual figures for 2011
 Press release: annual financial statements for 2011
 Annual General Meeting of Orell Füssli Holding Ltd

Early February 2012
 April 12, 2012
 May 10, 2012

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Orell Füssli is an international industrial and trading 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 320 million with some 1 000 employees at locations in 10 countries and is listed on the Swiss Stock Exchange.