

orell füssli Holding AG

Dietzingerstrasse 3, P.O. Box
CH-8036 Zurich, Switzerland
Phone +41 44 466 7273
Fax +41 44 466 7280
info@orellfuessli.com
www.orellfuessli.com

Media release: for release on April 12, 2012, 7:00 a.m.

Orell Füssli contends with difficult business conditions

Structural action in response to unsatisfactory operating results in 2011

Zurich, April 12, 2012 - Orell Füssli reported sales of CHF 287.8 million in the 2011 financial year, equivalent to a decline of 9.9% compared with the previous year. After adjustment for exchange rate movements and changes in the scope of consolidation, revenues were 5.4% lower. The Security Printing and Book Retailing divisions were the main contributory factors to this outcome. Operating earnings (EBIT) of the Orell Füssli Group declined to CHF 2.4 million (CHF 13.2 million in 2010). Operating earnings were depressed by provisions in book retailing and at Atlantic Zeiser totalling CHF 6.8 million. Profits in security printing were lower than expected due to the further postponement of a major order. Net income for the period excluding minority interests amounted to CHF 0.2 million (CHF 9.5 million in 2010).

Atlantic Zeiser (AZ) reported a 4.5% increase in sales revenues to € 61.9 million in the 2011 financial year. Operating earnings before non-recurrent provisions amounted to € -1.5 million (€ + 0.2 million in 2010). Higher personnel expenditure with a view to boosting marketing and sales performance also contributed to this outcome. Rationalisation efforts that were initiated in development and manufacturing operations as well as the focusing of market services on promising sectors are aimed at returning AZ to profitability.

Manfred Minich has been appointed new CEO of AZ. An experienced, market-oriented corporate manager from the industrial sector, he will assume his position at the beginning of May 2012.

Security printing suffered a 14% decline in sales to CHF 85.4 million (CHF 99.3 million in 2010). This was attributable to the order mix, price competition and the adverse currency trend. Despite these difficult circumstances the division reported EBIT of CHF 11.3 million (CHF 13.1 million in 2010). The optimisation efforts which have been pursued in production operations for the past two years made a significant contribution to this outcome. Overall capacity utilisation was at a high level, despite the fact that the starting date for printing the new series of Swiss banknotes was postponed again. More foreign customers were gained in the period under review.

Sales revenues in the **book retailing** business at Orell Füssli – and also throughout the sector – declined due to price reductions and slightly lower sales volumes. Overall sales amounted to CHF 113.8 million, equivalent to a decline of 5.1% compared with the previous year (CHF 119.9 million). The division reported a breakeven result (CHF 0.3 million) before non-recurrent provisions. Provisions on the order of some CHF 3 million were set aside for forthcoming adjustments to the branch network.

Despite these unsatisfactory results, Orell Füssli's balance sheet is still very sound with an equity ratio of 66.5% (72.9% in 2010) including minority interests.

Dividend proposal to the Annual General Meeting

The Board of Directors will propose to the Annual General Meeting on May 10, 2012, that a dividend of CHF 2.-- per share should be paid. Our long-term dividend policy does not foresee a dividend payment on the basis of the current results. However, it is justifiable in light of the sound balance-sheet situation. The proposed dividend is intended to underline our confidence in the future development of the company.

Changes in the Board of Directors

Klaus Oesch, the present Chairman of the Board, will retire from the Board as planned at the Annual General Meeting. A proposal will be submitted to the Annual General Meeting to elect Heinrich Fischer as a new member of the Board. It is intended that Heinrich Fischer should assume the chairmanship of the Board of Directors after his election by the Annual General Meeting. Heinrich Fischer is a recognised industry professional with many years of international experience as a member of the executive board of Oerlikon Bühler and as CEO and a director of Saurer AG. He is currently chairman of an investment company and a director of listed companies such as Tecan, Schweiter, Hilti and other companies.

Outlook

Orell Füssli expects results at Atlantic Zeiser to improve significantly in 2012. Capacity utilisation can be expected to remain high in security printing. The order mix will improve compared with the previous year. The question of when the production of the new Swiss banknotes can finally begin is still unanswered to date. In book retailing the current market trend of declining sales in physical outlets is expected to continue. At the same time Orell Füssli is facing up to the challenges and seeking to exploit opportunities selectively in the rapidly changing book retailing environment.

Key figures for Orell Füssli

| CHF m | 2010 | 2011 | Δ% |
|---------------------------------|-------|--------------------------|-------|
| Sales | 319.4 | 287.8 | -9.9 |
| EBIT before extraordinary items | 13.2 | 8.3 | -37.1 |
| Profit after minority interests | 9.5 | 0.2 | |
| in % of sales | 3.0% | 0% | |
| Number of employees | 1 046 | 1 048 | +0.2 |
| Dividend (in CHF per share) | 2.50 | 2.00 ¹ | |

1) Proposed by the Board of Directors to the Annual General Meeting on May 10, 2012.

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 300 million with about 1 000 employees at locations in 10 countries and is listed on the Swiss Stock Exchange.

Annual report

The 2011 annual report (consisting of an abridged and a detailed business report) will be published with today's date and can be accessed on the Internet at www.orellfuessli.com/GB11 or ordered from the holding company secretariat by 'phone at +41 44 466 72 73 or at investors@orellfuessli.com.

Agenda

Annual General Meeting of Orell Füssli Holding Ltd Zurich May 10, 2012, 3:30 p.m.
Press release: half-year results 2012 August 2012

Contact

Michel Kunz, CEO Orell Füssli
Phone +41 44 466 7273
ceo@orellfuessli.com