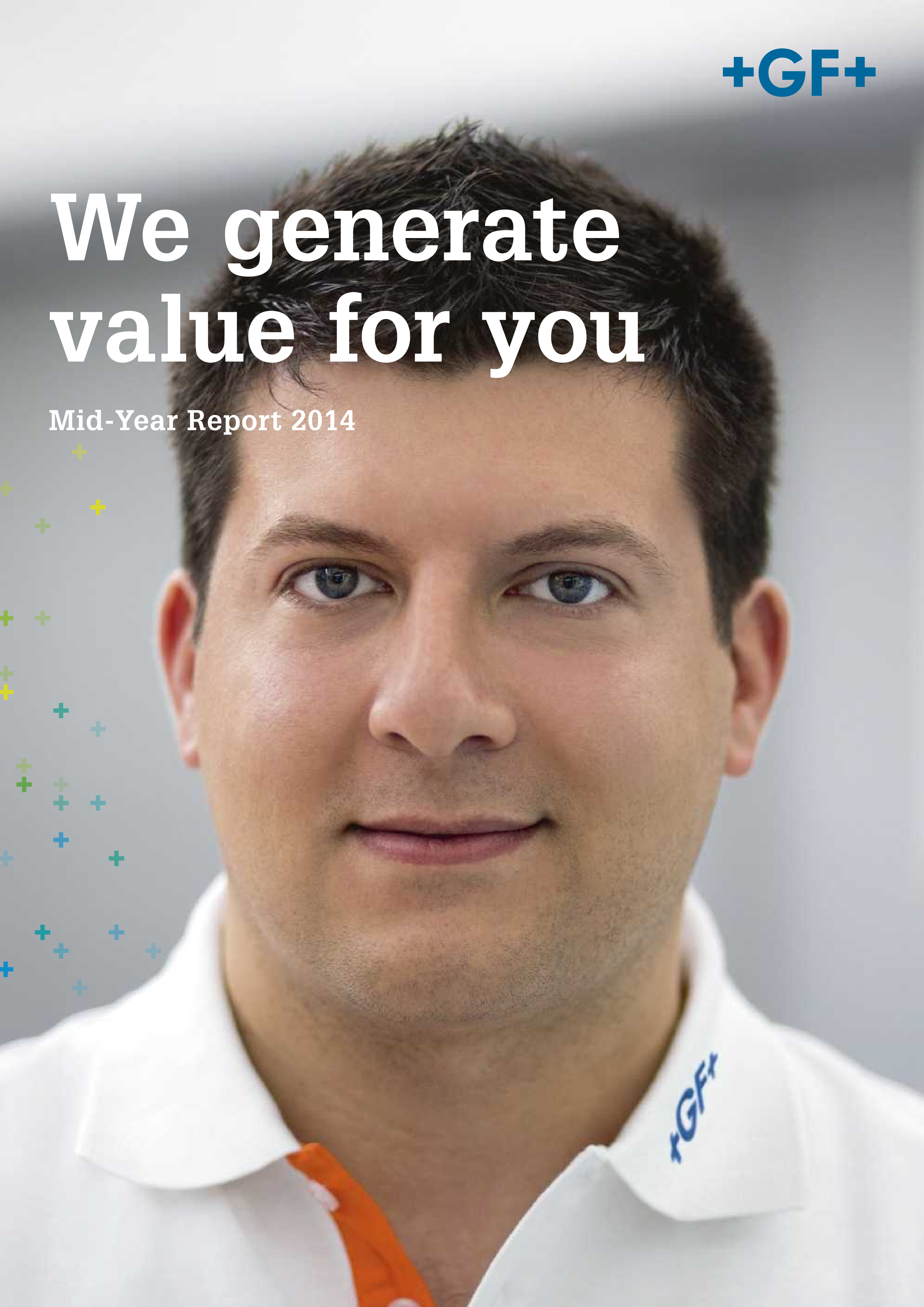
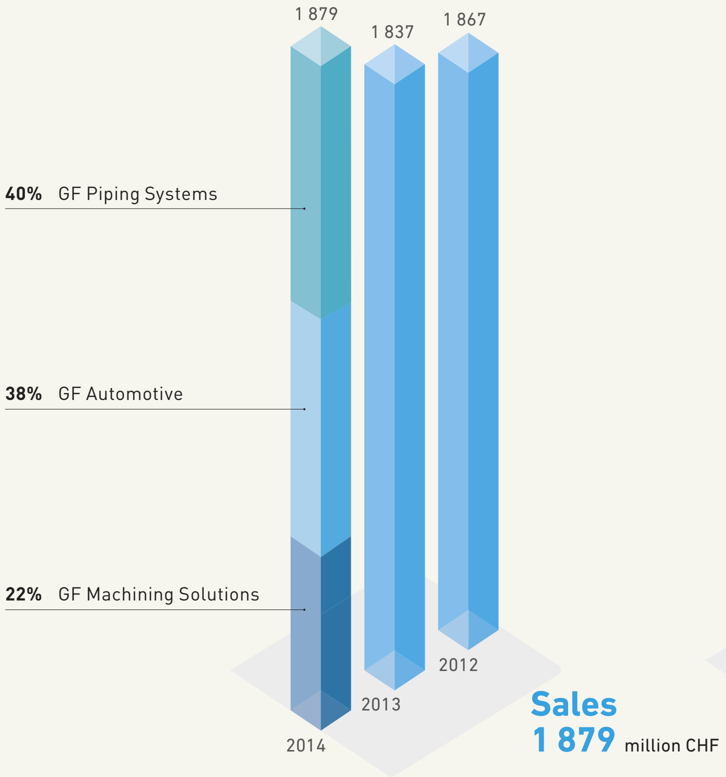
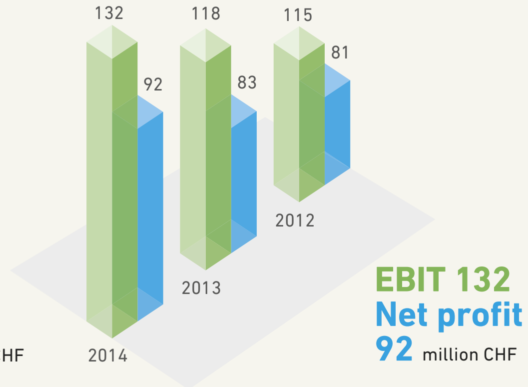
# We generate value for you

## Mid-Year Report 2014

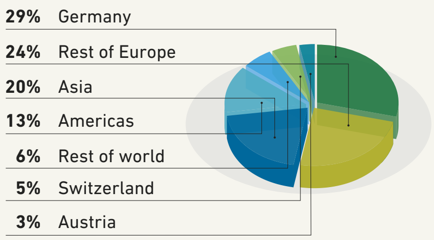


# Key Figures as per 30 June 2014

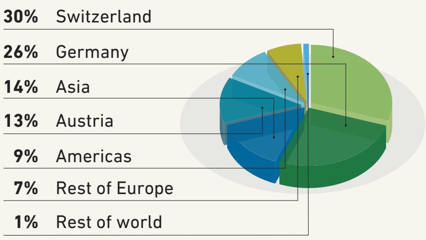


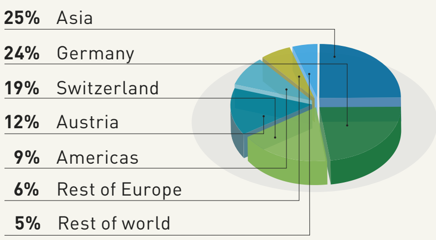

**Sales by region (in %)**
(100% = CHF 1.88 billion)




**Gross value added by region (in %)**
(100% = CHF 0.67 billion)




**Employees by region (in %)**
(100% = 13 801)




| | Corporation | | GF Piping Systems | | GF Automotive | | GF Machining Solutions | |
|---|---|---|---|---|---|---|---|---|
| million CHF | **2014** | 2013 | **2014** | 2013 | **2014** | 2013 | **2014** | 2013 |
| Order intake | **1 909** | 1 896 | **750** | 674 | **702** | 774 | **458** | 448 |
| Sales | **1 879** | 1 837 | **742** | 665 | **718** | 752 | **420** | 420 |
| EBITDA | **193** | 181 | **94** | 88 | **79** | 69 | **26** | 28 |
| EBIT | **132** | 118 | **70** | 67 | **49** | 35 | **20** | 22 |
| Net profit | **92** | 83 | | | | | | |
| Free cash flow | **-64** | 7 | | | | | | |
| Return on sales (EBIT margin) % | **7.0** | 6.4 | **9.4** | 10.1 | **6.8** | 4.7 | **4.8** | 5.2 |
| Return on invested capital (ROIC) % | **17.2** | 14.5 | **16.5** | 16.7 | **21.1** | 14.4 | **12.4** | 13.3 |
| Number of employees | **13 801** | 13 397 | **6 035** | 5 359 | **4 735** | 5 055 | **2 880** | 2 837 |

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# Productivity increases foster profitable growth

**– Sales growth of 4% organic, 2% in CHF at CHF 1 879 million**
**– Operational result up 12% to CHF 132 million**
**– GF Piping Systems became the largest GF division for the first time**

Yves Serra, President and CEO, and Andreas Koopmann, Chairman of the Board of Directors.

GF increased sales during the first half-year by 2% in CHF. Adjusted for currency effects, acquisitions and divestments, growth amounts to 4%. Most of the increase has been generated in Europe and in China. All three divisions increased their top line in local currencies.

The operating result (EBIT) grew 12% to CHF 132 million as plants were overall better loaded than previous year and the cost reductions of 2013 became fully effective. Excluding the negative impact of several currencies, such as the USD and the Turkish Lira, the increase in EBIT would have exceeded 20%. The return on sales (ROS) was lifted up to 7.0% and the return on invested capital (ROIC) to 17.2% compared to respectively 6.4% and 14.5% during the first semester of 2013. All three divisions reached a double-digit ROIC, well above their cost of capital.

Net profit increased 11% to CHF 92 million against CHF 83 million, the sale of a land parcel in Schaffhausen adding CHF 6 million. Free cash flow before acquisitions stood at a seasonally low –CHF 64 million. For the second half-year, a substantially positive cash flow is expected.

Headcount went up to 13 800 from 13 400. The headcount increase of 630 generated in Turkey by the acquisition of Hakan Plastik in July 2013 was partly offset by the decrease of 340 employees resulting from the divestment in January 2014 of the gravity die-casting plant of Herzogenburg (Austria).

Despite a harsh winter in the US and the ongoing investment slump in the semiconductor sector, **GF Piping Systems** increased sales by 12% to CHF 742 million. Free of acquisitions and currency effects, organic growth stood at 7%, coming mainly from Europe and China as well as from a good success in building technology, shipbuilding and cooling applications.

The operating result went up 4% to CHF 70 million from CHF 67 million in 2013, the increase in turnover compensating negative currency effects in Turkish Lira but also in US Dollar-denominated sales.

Sales growth at GF Hakan Plastik has been strong, especially in export markets. Measures have also been taken to significantly reduce foreign currency exposure and increase prices in Turkish Lira in view of bringing profitability levels up in the second half-year.

The reported sales of **GF Automotive** went down during the first half-year to CHF 718 million. Adjusted for currency effects and divestments, organic growth stood at 1%. In fact, the production volume went up 4% but only generated a 1% sales growth as the price decline of basic metals is passed on to the customers of GF Automotive. The division benefited from the slight upswing of the European car industry and from strong market conditions in China.

GF Automotive increased its operating result to CHF 49 million against CHF 35 million in 2013. The increase of 40%

resulted from a better plant load in Europe as well as from the portfolio streamlining and the cost reductions implemented in 2013.

**GF Machining Solutions** increased its bookings by 2%, 5% in local currencies, mainly on account of a rebound in Europe and a steady order intake in China. First half-year sales lagged somewhat behind orders as large contracts will be delivered in the second semester. In CHF they amount to CHF 420 million, at previous year's level. In local currencies, they were up 3%.

The operational profit was somewhat lower than previous year at CHF 20 million against CHF 22 million mainly on account of currency effects.

## Strategic moves to enhance value generation and reduce cyclicity

GF Piping Systems became for the first time the largest division of GF. This represents an important change in portfolio in view of reducing the overall cyclicity of the corporation and increase its profitability.

GF Automotive signed early July a strategic and financial partnership with Meco Eckel, the leading German manufacturer of pressure die-casting molds. This partnership brings a unique combination of mold and component production know-how at the service of our customers. Closing is expected in the next few weeks.

In addition, GF Machining Solutions acquired early July Liechti Engineering AG, the leading specialist of 5-axis milling machines used to produce key components of aircraft engines and power generating turbines. GF Machining Solutions will thus significantly strengthen its presence and product portfolio in the promising and less cyclical aerospace sector.

## Outlook

We expect market demand to remain uneven with a slight recovery in Europe and rather low growth levels in several Asian and South American countries. Nevertheless, despite a traditionally weaker second half-year, we expect to generate during that period figures similar to the first semester.

The US market for GF Piping Systems is recovering after the dismal weather conditions of the first quarter, the backlog of GF Machining Solutions is high and the car markets, including trucks, should be supportive of further growth at GF Automotive. In addition, the two acquisitions of GF Automotive and GF Machining Solutions strengthen their competitiveness and will add both volume and profit during the second half-year.

GF will keep course regarding the implementation of its strategy, steadily increasing its productivity in Europe and expanding in growth markets. The 2015 objectives remain unchanged with a ROIC between 16% to 20% and a ROS in the 8% range.

**Andreas Koopmann**
Chairman of the Board of Directors

**Yves Serra**
President and CEO

# Consolidated financial statements

## Balance sheet

| million CHF | Notes | 30 June 2014 | % | 31 Dec. 2013 | % |
|---|---|---|---|---|---|
| Cash and cash equivalents | | 569 | | 641 | |
| Marketable securities | | 4 | | 12 | |
| Trade accounts receivable | | 698 | | 568 | |
| Inventories | | 682 | | 647 | |
| Income taxes receivable | | 9 | | 6 | |
| Other accounts receivable | | 54 | | 63 | |
| Prepayments to creditors | | 25 | | 16 | |
| Accrued income | | 21 | | 13 | |
| Assets held for sale | | | | 23 | |
| **Current assets** | (2.1) | **2 062** | **65** | 1 989 | 64 |
| Property, plant and equipment for own use | | 933 | | 965 | |
| Investment properties | | 49 | | 43 | |
| Intangible assets | | 23 | | 23 | |
| Deferred tax assets | | 88 | | 90 | |
| Other financial assets | | 18 | | 16 | |
| **Non-current assets** | (2.2) | **1 111** | **35** | 1 137 | 36 |
| **Assets** | | **3 173** | **100** | 3 126 | 100 |
| Trade accounts payable | | 397 | | 421 | |
| Bonds | (2.4) | 300 | | 300 | |
| Other financial liabilities | (2.4) | 147 | | 149 | |
| Loans from pension fund institutions | | 25 | | 26 | |
| Other liabilities | | 137 | | 60 | |
| Prepayments from customers | | 41 | | 47 | |
| Current tax liabilities | | 45 | | 43 | |
| Provisions | | 34 | | 38 | |
| Accrued liabilities and deferred income | | 191 | | 175 | |
| Liabilities held for sale | | | | 23 | |
| **Current liabilities** | | **1 317** | **42** | 1 282 | 41 |
| Bonds | (2.4) | 497 | | 496 | |
| Other financial liabilities | (2.4) | 34 | | 34 | |
| Pension benefit obligations | | 130 | | 128 | |
| Other liabilities | | 48 | | 46 | |
| Provisions | | 120 | | 120 | |
| Deferred tax liabilities | | 40 | | 42 | |
| **Non-current liabilities** | | **869** | **27** | 866 | 28 |
| **Liabilities** | (2.3) | **2 186** | **69** | 2 148 | 69 |
| Share capital | | 4 | | 41 | |
| Share premium | | 32 | | 60 | |
| Treasury shares | | –8 | | –9 | |
| Retained earnings | | 918 | | 843 | |
| **Equity attributable to shareholders of Georg Fischer Ltd** | | **946** | **30** | 935 | 30 |
| Non-controlling interests | | 41 | 1 | 43 | 1 |
| **Equity** | (2.5) | **987** | **31** | 978 | 31 |
| **Liabilities and equity** | | **3 173** | **100** | 3 126 | 100 |

# Income statement

| million CHF | Notes | Jan. – June 2014 | % | Jan. – June 2013 | % |
|---|---|---|---|---|---|
| **Sales** | (3.1) | **1 879** | **100** | 1 837 | 100 |
| Other operating income | | 19 | | 17 | |
| **Income** | | **1 898** | **101** | 1 854 | 101 |
| Cost of materials and products | | –893 | | –874 | |
| Changes in inventory of unfinished and finished goods | | –12 | | –16 | |
| Operating expenses | | –327 | | –324 | |
| **Gross value added** | | **666** | **35** | 640 | 35 |
| Personnel expenses | | –473 | | –459 | |
| Depreciation on tangible fixed assets | | –60 | | –61 | |
| Amortization on intangible assets | | –1 | | –2 | |
| **Operating result (EBIT)** | (3.2) | **132** | **7** | 118 | 6 |
| Interest income | (3.3) | 1 | | 1 | |
| Interest expense | (3.3) | –20 | | –16 | |
| Other financial result | (3.3) | –3 | | | |
| **Ordinary result** | | **110** | **6** | 103 | 6 |
| Non-operating result | | 6 | | 1 | |
| **Profit before taxes** | | **116** | **6** | 104 | 6 |
| Income taxes | (3.3) | –24 | | –21 | |
| **Net profit** | (3.4) | **92** | **5** | 83 | 5 |
| – Thereof attributable to shareholders of Georg Fischer Ltd | | 88 | | 80 | |
| – Thereof attributable to non-controlling interests | | 4 | | 3 | |
| Basic earnings per share in CHF | (3.4) | 22 | | 20 | |
| Diluted earnings per share in CHF | (3.4) | 22 | | 20 | |

# Statement of changes in equity

| million CHF | Notes | **Share capital** | **Share premium** | **Treasury shares** | Cumulative translation adjustments | Cash flow hedging | Other retained earnings | **Retained earnings** | **Equity attributable to share-holders of Georg Fischer Ltd** | Non-controlling interests | **Equity** |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance as per 31 December 2012** | | **41** | **121** | **–5** | **–5** | **–11** | **794** | **778** | **935** | **44** | **979** |
| **Net profit** | | | | | | | **80** | **80** | **80** | **3** | **83** |
| Translation adjustments recognized in the reporting period | | | | | 22 | | | 22 | 22 | | 22 |
| Changes of cash flow hedges | | | | | | –7 | | –7 | –7 | | –7 |
| Disposal of treasury shares | | | 1 | 2 | | | | | 3 | | 3 |
| Share-related compensation | | | | 3 | | | | | 3 | | 3 |
| Dividends | | | –62 | | | | | | –62 | –5 | –67 |
| **Balance as per 30 June 2013** | (2.5) | **41** | **60** | | **17** | **–18** | **874** | **873** | **974** | **42** | **1 016** |
| **Balance as per 31 December 2013** | (2.5) | **41** | **60** | **–9** | **–3** | **–17** | **863** | **843** | **935** | **43** | **978** |
| **Net profit** | | | | | | | **88** | **88** | **88** | **4** | **92** |
| Translation adjustments recognized in the reporting period | | | | | –7 | | | –7 | –7 | –1 | –8 |
| Changes of cash flow hedges | | | | | | –8 | | –8 | –8 | | –8 |
| Goodwill offset via equity | | | | | | | 5 | 5 | 5 | | 5 |
| Purchase of treasury shares | | | | –13 | | | | | –13 | | –13 |
| Disposal of treasury shares | | | 1 | 9 | | | | | 10 | | 10 |
| Share-related compensation | | | | | | | | | | | |
| – Transferred for 2013 | | | | 5 | | | –5 | –5 | | | |
| – Granted for 2014 | | | | | | | 2 | 2 | 2 | | 2 |
| Reduction in par value | | –37 | | | | | | | –37 | | –37 |
| Dividends | | | –29 | | | | | | –29 | –5 | –34 |
| **Balance as per 30 June 2014** | (2.5) | **4** | **32** | **–8** | **–10** | **–25** | **953** | **918** | **946** | **41** | **987** |

# Statement of cash flows

| million CHF | Notes | Jan. – June 2014 | Jan. – June 2013 |
|---|---|---|---|
| Net profit | | 92 | 83 |
| Income taxes | | 24 | 21 |
| Financial result | | 22 | 15 |
| Depreciation and amortization | | 61 | 63 |
| Other non-cash income and expenses | | 9 | 10 |
| Increase in provisions, net | | 7 | 16 |
| Use of provisions | | –13 | –11 |
| Loss/profit from disposal of tangible fixed assets | | –6 | |
| Changes in | | | |
| – Inventories | | –52 | –47 |
| – Trade accounts receivable | | –137 | –113 |
| – Other receivables and accrued income | | 1 | –22 |
| – Trade accounts payable | | –18 | 42 |
| – Other liabilities and accrued liabilities and deferred income | | 17 | 20 |
| Interest paid | | –13 | –12 |
| Income taxes paid | | –21 | –23 |
| **Cash flow from operating activities** | | **–27** | **42** |
| Additions to | | | |
| – Property, plant and equipment | | –42 | –32 |
| – Intangible assets | | –2 | –3 |
| – Other financial assets | | –1 | –2 |
| Disposals of | | | |
| – Property, plant and equipment | | 7 | 1 |
| – Intangible assets | | 1 | |
| Purchase/disposal of marketable securities | | –1 | |
| Cash flow from acquisitions | | | |
| Cash flow from divestitures | | | |
| Interest received | | 1 | 1 |
| **Cash flow from investing activities** | | **–37** | **–35** |
| **Free cash flow** | (4) | **–64** | **7** |
| Purchase of treasury shares | | –13 | |
| Disposal of treasury shares | | 10 | 3 |
| Dividend payments to shareholders of Georg Fischer Ltd | | | –62 |
| Dividend payments to non-controlling interests | | –5 | –5 |
| Issuance of long-term financial liabilities | | 7 | 4 |
| Repayment of long-term financial liabilities | | –3 | –4 |
| Changes in short-term financial liabilities | | –3 | 1 |
| **Cash flow from financing activities** | | **–7** | **–63** |
| Translation adjustment on cash and cash equivalents | | –1 | 3 |
| **Net cash flow** | | **–72** | **–53** |
| Cash and cash equivalents at beginning of year | | 641 | 330 |
| **Cash and cash equivalents at end of period**[1] | | **569** | **277** |

1 Cash, postal and bank accounts: CHF 394 million (previous year: CHF 262 million), fixed-term deposits: CHF 175 million (previous year: CHF 15 million).

# You can count on us

# Corporate accounting principles

**Basis of preparation of the consolidated interim financial statements**

**Accounting principles //** The consolidated interim and annual financial statements are prepared in accordance with the entire existing guidelines of Swiss GAAP FER (Generally Accepted Accounting Principles/FER = Fachempfehlung zur Rechnungslegung). The regulations of Swiss GAAP FER 31 "Complementary Recommendation for Listed Public Companies" have been early adopted. Furthermore, the accounting complies with the provisions of the listing rules of the SIX Swiss Exchange and with Swiss company law.

The consolidated financial statements are based on the financial statements of the Corporate Companies prepared in accordance with the uniform corporate accounting principles. Since the consolidated interim financial statements do not include all the information contained in the consolidated annual financial statements, they should be read in conjunction with the consolidated financial statements for the year ended 31 December 2013.

The consolidated interim financial statements cover the period from 1 January 2014 to 30 June 2014 (hereinafter "period under review") and were approved for issue by the Board of Directors on 11 July 2014.

**Consolidation //** The consolidated interim financial statements are those of Georg Fischer Ltd and all Swiss and foreign Corporate Companies in which it holds – either directly or indirectly – more than 50% of the voting rights or for which it has operational and financial management power. Those entities are fully consolidated. Joint ventures in which the GF Corporation has a direct or indirect interest of 50%, or where the GF Corporation exercises joint control, are included in the consolidated financial statements using the proportionate consolidation method. Investments in associates in which the GF Corporation has a non-controlling interest of at least 20% but less than 50% or over which it otherwise has significant influence, are included in the consolidated financial statements using the equity method of accounting. Investments with a voting power of less than 20% are stated at fair value and presented under other financial assets.

The preparation of the consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, and disclosure of contingent liabilities at the closing date of the consolidated interim financial statements. If in future such estimates and assumptions, which are based on management's best judgment at the date of the consolidated interim financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the reporting period in which the circumstances change. In the consolidated interim financial statements, management made no new assumptions or estimates compared with the consolidated financial statements as at 31 December 2013.

Income tax expense is recognized based upon the best estimate of the weighted average annual income tax rate expected for the full financial year.

# Notes to the consolidated interim financial statements

**Segment information as per 30 June**

| million CHF | GF Piping Systems 2014 | GF Piping Systems 2013 | GF Automotive 2014 | GF Automotive 2013 | GF Machining Solutions 2014 | GF Machining Solutions 2013 | Total segments 2014 | Total segments 2013 |
|---|---|---|---|---|---|---|---|---|
| **Order intake** | **750** | 674 | **702** | 774 | **458** | 448 | **1 909** | 1 896 |
| **Orders on hand** | **67** | 80 | **345** | 379 | **169** | 180 | **581** | 638 |
| **Sales**[1] | **742** | 665 | **718** | 752 | **420** | 420 | **1 880** | 1 837 |
| **Operating result (EBIT)** | **70** | 67 | **49** | 35 | **20** | 22 | **139** | 124 |
| **Return on sales (EBIT margin) %** | **9.4** | 10.1 | **6.8** | 4.7 | **4.8** | 5.2 | | |

1 Sales between segments are insignificant.

**Reconciliation to the segment information as per 30 June**

| million CHF | 2014 | 2013 |
|---|---|---|
| **Sales** | | |
| Total sales for reportable segments | 1 880 | 1 837 |
| **Consolidated sales** | **1 879** | 1 837 |
| **Operating result (EBIT)** | | |
| Total EBIT for reportable segments | 139 | 124 |
| Other operating result (EBIT) | –7 | –6 |
| **Consolidated operating result (EBIT)** | **132** | 118 |

## 1 Changes in scope of consolidation

In the period under review, Georg Fischer Kokillenguss GmbH in Herzogenburg (Austria), was divested by the division GF Automotive as part of a management buyout. The divested company had annual sales of CHF 75 million.

## 2 Balance sheet

Total assets increased slightly by CHF 47 million to CHF 3.17 billion compared with year-end 2013. This increase was due to the seasonal changes in current assets. Non-current assets, by contrast, decreased since no major investments were made in the first half of the year. The currency effect on the balance sheet items was due mainly to the weakness of the US dollar and Asian currencies, which track the US dollar closely. Total assets fell by about CHF 15 million owing to the currency effect.

**2.1 Current assets //** Current assets rose by CHF 73 million to CHF 2.06 billion. Accounts receivable increased by CHF 130 million to CHF 698 million. Inventories also increased, up CHF 35 million to CHF 682 million. The growth in current assets reflects normal seasonal effects. Owing to the increase in accounts receivable and inventories, liquidity decreased by CHF 72 million to CHF 569 million. “Assets held for sale” valued at CHF 23 million were taken off the books owing to the divestment of the gravity die-casting foundry in Herzogenburg (Austria).

**2.2 Non-current assets //** Non-current assets fell marginally by CHF 26 million and amount to CHF 1.11 billion. Capital expenditures in the first six months came to CHF 42 million, as against depreciations amounting to CHF 61 million. In addition, translation adjustments further reduced non-current assets by CHF 7 million.

**2.3 Liabilities //** Liabilities rose by CHF 38 million to CHF 2.19 billion. The increase was due entirely to the change in current liabilities. Accounts payable decreased by CHF 24 million for seasonal reasons. By contrast, other current liabilities increased by CHF 77 million. The increase is due to the transfer of the dividend and the par value reduction from equity in the amount of CHF 66 million. Non-current liabilities remained virtually on previous years' level with CHF 869 million.

**2.4 Financing //** No significant financing transactions were conducted in the period under review. The syndicated loan for CHF 250 million is still unused but guarantees the necessary flexibility in the event of any future acquisitions. The next major maturity is the repayment of the 4.5% bond 2009–2014 for CHF 300 million, which falls due in September 2014. This bond was already refinanced in September 2013 by two bonds, each for CHF 150 million and with maturities of five and nine years respectively.

### Net debt

| million CHF | **30 June 2014** | 31 Dec. 2013 |
|---|---|---|
| Other financial liabilities | 169 | 171 |
| Bonds | 797 | 796 |
| Loans from pension fund institutions | 25 | 26 |
| Other liabilities | 12 | 12 |
| **Interest-bearing liabilities** | **1 003** | 1 005 |
| Marketable securities | 4 | 12 |
| Cash and cash equivalents | 569 | 641 |
| **Net debt** | **430** | 352 |

Net debt as per 30 June 2014 was CHF 430 million. This corresponds to an increase of CHF 78 million compared to the year ended 31 December 2013. The increase was due to the negative free cash flow of CHF 64 million, dividend payments to non-controlling interests of CHF 5 million and the negative increase in the valuation of cash flow hedges of CHF 8 million.

**2.5 Equity //** Equity increased by CHF 9 million to CHF 987 million compared to the year ended 31 December 2013. The CHF 92 million increase from net profit was for the most part absorbed by total dividend amounting to CHF 71 million. The profit distribution was paid out at the beginning of July, but it was derecognized from equity immediately following the decision of the Annual Shareholders' Meeting. Currency effects reduced equity by CHF 8 million.

The equity ratio remained stable at 31%. After repayment of the 4.5% bond 2009–2014 for CHF 300 million in September, the equity ratio will rise by 3 percentage points owing to the change in total assets.

## 3 Income statement

**3.1 Sales //** Sales increased overall by CHF 42 million to CHF 1.88 billion, which represents an increase of 2%. The changes in the scope of consolidation added CHF 20 million net to this figure. Currency effects reduced sales by CHF 43 million. The organic growth came to 4%.

**3.2 Operating profit (EBIT) //** Operating profit (EBIT) improved by CHF 14 million to CHF 132 million. The resulting EBIT margin comes to 7.0%, corresponding to an improvement of 0.6 percentage points. GF Piping Systems increased its EBIT but the EBIT margin eroded by currency effects and the acquisition of Hakan Plastik in Turkey, as this company did not provide any contribution to EBIT in the first six months. The EBIT margin fell from 10.1% to 9.4%. GF Automotive improved its profitability substantially thanks to the impact of its cost-cutting program in 2013 and its portfolio restructuring. This was reflected in a 2.1 percentage point increase in the EBIT margin, which rose to 6.8%. GF Machining Solutions posted a slight decline in profitability despite generating the same volume as in the previous year, primarily owing to weaker foreign exchange rates. The EBIT margin fell by 0.4 percentage points to 4.8%.

The currency effect on consolidated EBIT came to minus CHF 6 million.

**3.3 Financial result and taxes //** Interest expense came to CHF 20 million, exceeding previous years' figure by CHF 4 million. This was attributable almost exclusively to the early refinancing of the 4.5% bond of CHF 300 million.

The "non-operating result" contains profit of about CHF 6 million from the sale of an investment property.

As expected, the tax rate rose again slightly to 21%. Taxes came to CHF 24 million.

**3.4 Net profit and earnings per share //** The Corporation increased net profit by CHF 9 million to CHF 92 million. Earnings per share improved by CHF 2 to CHF 22.

## 4 Free cash flow

Free cash flow came to minus CHF 64 million. A significant negative free cash flow at the end of the first half is not unusual due to the high seasonal demand of funds.

Investments in property, plant and equipment were a relatively low CHF 42 million in the first six-month period. Anticipated investments for the full year will come to CHF 150 to 160 million.

## 5 Events after the balance sheet date

There were no events between 30 June 2014 and 11 July 2014 that would require an adjustment to the carrying amounts of assets and liabilities or need to be disclosed under this heading.

Two acquisitions were made and disclosed after the balance sheet date. On 4 July, GF announced the takeover of Liechti Engineering AG, in Langnau (Switzerland). This company produces milling machines for machining turbine blades that are used in the aerospace and energy industries. It posted sales of about CHF 50 million in 2013. Liechti Engineering AG will be integrated into the division GF Machining Solutions.

On 9 July, GF disclosed the acquisition of a 51% stake in Meco Eckel GmbH & Co. KG, in Biedenkopf-Wallau (Germany). Meco Eckel makes molds for aluminum pressure die-casting. Mold-making is a crucial component of the know-how needed for manufacturing pressure die-casting parts. Meco Eckel reported sales of about CHF 40 million in 2013. The company will be integrated into the division GF Automotive. The transaction requires the approval of Germany's antitrust authorities before it can be closed.

## 6 Foreign exchange rates

| | | Average rates | | Spot rates | |
|---|---|---|---|---|---|
| CHF | | **Jan. – June 2014** | Jan. – June 2013 | **30 June 2014** | 30 June 2013 |
| 1 | CNY | 0.145 | 0.151 | 0.144 | 0.154 |
| 1 | EUR | 1.222 | 1.229 | 1.216 | 1.235 |
| 1 | GBP | 1.486 | 1.447 | 1.516 | 1.443 |
| 1 | TRY | 0.412 | 0.517 | 0.419 | 0.493 |
| 1 | USD | 0.891 | 0.937 | 0.891 | 0.946 |
| 100 | JPY | 0.870 | 0.983 | 0.879 | 0.957 |
| 100 | SEK | 13.651 | 14.421 | 13.223 | 14.095 |

# Save the date

## 2015

**24 February //** Publication of Annual Report 2014, Media and Financial Analysts' Conference
**18 March //** Shareholders' Meeting for fiscal year 2014
**17 July //** Publication of Mid-Year Report 2015


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The statements in this publication relating to matters that are not historical facts are forward-looking statements that are not guarantees of future performance and involve risks, uncertainties and other factors beyond the control of the company.

The Mid-Year Report 2014 of Georg Fischer Ltd is also available in German. In the event of any discrepancy, the German version shall prevail.

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