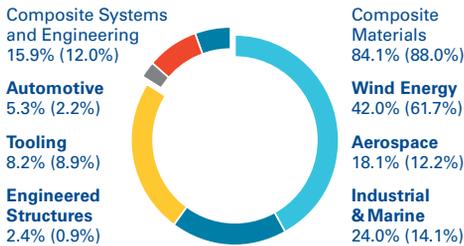


interim
report
2013

Growth in most markets could not offset the sharply lower demand from global wind energy customers – resulting in overall 33.7% lower sales for the first half of 2013.

Sales by end-market



(Prior-year period)

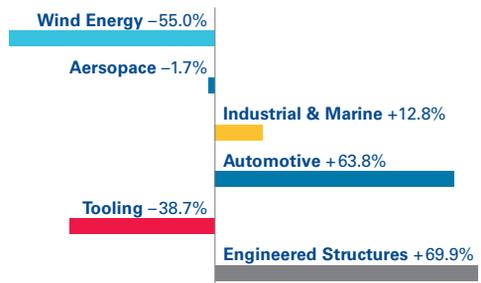
Key figures Consolidated Income Statement 1HY 2013
(in CHF million)

Net sales	129.7
Operating profit	0.6
Net profit	-2.4

Key figures Balance Sheet
(in CHF million)

	30.6.2013	30.6.2012
Total assets	224.6	283.1
thereof Current assets	141.0	183.1
Total liabilities	68.7	125.5
thereof Current liabilities	55.9	83.0
Equity	155.9	157.6
Equity ratio	69.4%	55.7%

Sales dynamics 1HY 2013 over 1HY 2012



Dear Shareholders

Gurit achieved net sales of CHF 129.7 million in the first six months of 2013. This represents a disappointing decline of 33.7% over the respective strong prior-year period. The negative sales trend reflects the poor demand and weak price levels in the volatile global wind energy market: in Asia, particularly in China, overcapacities on the supply side and contracted demand along the entire supply chain have impacted prices and volumes. In the US market, sales have missed the 2012 levels by far, as a consequence of the late renewal of the production tax credit subsidies for renewable energy. This led to a slow ramp-up of sales in 2013. While the operating profit and the profit before tax remained positive, Gurit posts a net loss for the first half-year of CHF 2.4 million. On the positive side, sales to non-wind-energy related customers continue to grow and Gurit makes important inroads into new applications for composite materials and services, supported by its new organisational set-up. Going forward, Gurit will be better able to balance out the volatile sales levels in the global wind energy market and achieve growth. On a sequential basis, sales in the second quarter 2013 grew by 13.1% over the first quarter 2013, confirming the anticipated sales recovery, yet at a still somewhat lower than expected pace.

Gurit Composite Materials

In the first half of 2013, Gurit achieved net sales of CHF 109.1 million with customers in the wind energy, aerospace, marine, and – increasingly – in additional industrial markets. Compared with the CHF 172.3 million of net sales generated during the same prior-year period, this is a sharp decline of 36.7%.

Gurit's prominent exposure to the volatile global wind energy market has unfortunately negatively earmarked this first half-year: material sales to wind-energy-related customers decreased by 55.0% to CHF 54.4 million compared with CHF 120.7 million recorded in the first six months of last year. This decline reflects the lower demand from Asian and American markets as well as some postponements of sales to European offshore projects.

In Asia, particularly in China, overcapacities along the entire supply chain have adversely affected sales volumes and pricing. The tough market environment also led to exposed financial conditions at many customers and hindered the installation of new wind power turbines. Several of Gurit's key customers were facing serious output reductions and in the case of one major traditional customer, a complete stop of operations over a period of several months. We expect the Asian markets to recover slowly during the second half of 2013.

The renewal of the so-called production tax credits, the most important subsidy for renewable energy in the USA, at the very last moment in 2012 had practically caused supplies to stop in the fourth quarter of 2012. In 2013, it only allowed the industry to gradually and slowly ramp up the production again. This erratic demand situation created a major disruption to Gurit's sales pattern and operations over the last nine months. Based on current customer indications for the remainder of 2013 and the beginning of 2014, the outlook for the American market has improved in the meantime. Yet the positive trend will not be sufficient to make up for the low sales levels witnessed during the first part of 2013.

Sales to European wind energy customers remained quite stable in the first half of 2013. Only shipments for offshore projects did not meet the expectations.

Despite the disappointing and extremely challenging demand troughs Gurit believes that wind energy remains an important and attractive composite materials market in the mid to longer term.

 [Shape N° 13 p. 16](#)

Material sales to industrial and marine customers increased positively by 12.8% to CHF 31.2 million. Gurit's new organisational set-up supports the sales development in additional industries and new applications which are now increasingly discovering the versatility and advantages of composite materials. The marine market continues to gradually recover with Gurit supplying many leading boat-building projects.  [Shape N° 13 p. 29](#) Remarkable uses of composite materials in non-marine applications include for example the Al Haramain high-speed train stations in Saudi Arabia: Two stations feature composite roofs manufactured using Gurit composite materials.

 [Shape N° 13 p. 10](#)

Sales to the aerospace and rail customers remained stable during the period under review with CHF 23.5 million versus CHF 23.9 million a year ago. This development depicts the long-term stability of this market dominated by material sales for aircraft interiors especially to one of the largest international air- and spacecraft manufacturers. New product developments and an increased sales effort in the USA should, over time, enable Gurit to expand its customer base as well as enter the materials market for primary structures.

Gurit Composite Systems and Engineering

In the first half of 2013, Gurit generated net sales of CHF 20.6 million with engineering services and the manufacture of finished parts, systems and tools. Compared with the CHF 23.4 million sales recorded for same period of last year this is a decline of 11.9% and largely the consequence of low wind-



Rudolf Hadorn, Chief Executive Officer (left)
Peter Leupp, Chairman of the Board of Directors (right)

energy-related tooling equipment sales in the first quarter of the year. Our industry-leading mould making plant in China recorded a strong sales increase of 96% in the second quarter 2013 compared with the first three months of the year. This trend confirms the recovery of the tooling business, while its aggregate sales for the first half of 2013 is 38.7% below the same period of last year.

Sales of finished automotive car body parts rose by 63.8% to CHF 6.9 million compared with the first half of 2012. This increase reflects the manufacture and delivery of larger series of parts to an increased number of premium and high-end car manufacturers.

 [Shape N° 13 p.26](#)

Engineered Structures which includes Gurit's leading structural design and prototyping offering for the entire composite material industry generated 69.9% higher sales of CHF 3.1 million during the first six months of 2013.  [Shape N° 13 p. 18](#)

Organisation and leadership

During the first half of 2013, Gurit implemented its new organisational structure. The global materials business for all target markets has been grouped

into one business unit led by Stefan Gautschi.  [Shape N° 13 p.22](#) The tooling business, component manufacturing and the structural engineering service activities have been combined in a second business unit led by Rudolf Hadorn.

Operational and financial results

The low sales level of the first half-year with a resulting low absorption of fixed costs and the fierce price competition, particularly in the Asian markets, have led to the compression of the operating profit to CHF 0.6 million. This contrasts with a strong prior-year result of CHF 17.2 million, which had included impairment charges of net CHF 2.9 million.

After income tax expenses of CHF 2.5 million, Gurit records a loss for the period of CHF 2.4 million. This tax expense incurred as Gurit achieved the majority of its profit in higher-tax jurisdictions in Europe and did not capitalise tax assets on some losses incurred in other regions.

Cash flow and balance sheet

Mostly reflecting the significantly lower operating profit before depreciation and amortisation (EBITDA), Gurit's cash flow from operating activi-

ties declined to CHF 1.7 million compared with a strong CHF 16.8 million generated in the same period of last year.

Gurit paid back borrowings of CHF 9.6 million. As sales volumes increased in the second quarter of 2013 versus the low volumes recorded in the fourth quarter of 2012, some cash was also required to finance additional working capital. Together with the CHF 7.0 million distributions to shareholders this turned the net cash position of CHF 6.0 million recorded at year end 2012 into a net debt position of CHF 1.8 million.

The distribution to the shareholders was also the main reason for the small decrease in the equity ratio by 1.1 percentage points from 70.5% at the end of last year to 69.4% as per June 30, 2013.

Outlook

During the second half of this year, Gurit expects its materials sales to gradually recover from its low levels. Materials and tooling sales to the wind energy market are expected to pick up and material sales to new industrial markets and sales of finished car body components are expected to grow further.

Yours sincerely, Gurit Holding AG



Peter Leupp,
Chairman of the
Board of Directors



Rudolf Hadorn
Chief Executive
Officer

Consolidated Income Statement

In CHF 1000	Note	Half-year ended June 30, 2013 unaudited	Half-year ended June 30, 2012 unaudited
Net sales	4	129 650	195 646
Other operating income		821	1 161
Change in inventories of finished and unfinished goods		2 738	-1 278
Material expense		-71 860	-107 942
Personnel expense		-37 146	-39 622
Other operating expenses		-18 330	-21 486
Impairment, net of reversals		-147	-2 878
Depreciation		-4 674	-6 032
Amortization		-442	-396
Operating profit		610	17 173
Finance expense		-999	-1 766
Finance income		540	1 355
Ordinary result		151	16 762
Non-operating result and extraordinary result		-	-
Profit before tax		151	16 762
Income tax expense		-2 514	-6 136
(Loss)/profit for the half-year		-2 363	10 626
Earnings per share			
Basic earnings per bearer share		CHF -5.05	CHF 22.73
Diluted earnings per bearer share		CHF -5.05	CHF 22.73
Basic earnings per registered share		CHF -1.01	CHF 4.55
Diluted earnings per registered share		CHF -1.01	CHF 4.55

The accompanying notes form an integral part of these interim consolidated financial statements.

Consolidated Balance Sheet

In CHF 1000	At June 30, 2013 unaudited	At December 31, 2012 audited	At June 30, 2012 unaudited
Assets			
Cash and cash equivalents	20 177	37 266	26 100
Derivative financial instruments	21	38	229
Trade receivables	69 464	61 053	88 406
Other receivables	6 093	5 044	8 004
Prepayments and accrued income	6 190	7 014	8 718
Inventories	39 009	36 560	51 653
Current assets	140 954	146 975	183 110
Other receivables	375	883	378
Deferred income tax assets	1 129	1 017	1 891
Property, plant and equipment	76 386	77 053	92 083
Intangible assets	5 715	5 666	5 614
Non-current assets	83 605	84 619	99 966
Total assets	224 559	231 594	283 076
Liabilities and equity			
Borrowings	11 762	16 377	27 736
Derivative financial instruments	608	186	89
Trade payables	19 925	12 807	23 020
Other payables	6 157	7 145	6 532
Accrued liabilities and deferred income	14 168	10 956	19 404
Provisions	3 271	2 091	6 205
Current liabilities	55 891	49 562	82 986
Borrowings	10 221	14 886	24 005
Derivative financial instruments	503	93	1 291
Deferred income tax liabilities	756	901	12 763
Provisions	1 306	2 794	4 445
Non-current liabilities	12 786	18 674	42 504
Total liabilities	68 677	68 236	125 490
Share capital	23 400	23 400	23 400
Capital reserve	25 704	32 724	39 744
Treasury shares	-37	-37	-37
Hedging reserve	-608	-68	-1 019
Currency translation adjustments	-26 400	-28 929	-24 200
Offset goodwill	-27 920	-27 920	-34 253
Retained earnings	161 743	164 188	153 951
Total equity	155 882	163 358	157 586
Total liabilities and equity	224 559	231 594	283 076

The accompanying notes form an integral part of these interim consolidated financial statements.

Consolidated Cash Flow Statement

In CHF 1000	Note	Half-year ended June 30, 2013 unaudited	Half-year ended June 30, 2012 unaudited
(Loss)/profit for the half-year		-2 363	10 626
Adjustments for:			
Impairment, net of reversals		147	2 878
Depreciation and amortization		5 116	6 428
Finance income and expense, net		459	410
Income tax expense		2 514	6 136
Losses from disposal of fixed assets		79	109
Other non-cash items		1 986	2 508
Working capital changes (excluding the effects of acquisitions and disposals of subsidiaries):			
Change in trade receivables		-7 535	-4 985
Change in inventories		-3 428	-3 169
Change in other receivables and prepayments and accrued income		-578	1 347
Change in trade and other payables and accrued liabilities and deferred income		7 288	-1 901
Change in provisions		-347	-349
Cash generated from operations		3 338	20 038
Finance cost, net paid		-356	-1 146
Income tax paid		-1 293	-2 119
Net cash flow from operating activities		1 689	16 773
Purchase of property, plant and equipment		-2 435	-2 138
Proceeds from sale of property, plant and equipment		19	169
Repayments of loans receivable		425	-
Purchase of intangible assets		-371	-323
Acquisition of subsidiaries		185	-
Net cash flow from investing activities		-2 177	-2 292
Repayments of current borrowings		-9 602	-1 375
Distribution to shareholders	5	-7 019	-7 018
Purchase of treasury shares		-180	-207
Net cash flow from financing activities		-16 801	-8 600
Net change in cash and cash equivalents		-17 289	5 881
Cash and cash equivalents at the beginning of the half-year		37 266	19 861
Net change in cash and cash equivalents		-17 289	5 881
Exchange gains on cash		200	358
Cash and cash equivalents at the end of the half-year		20 177	26 100

The accompanying notes form an integral part of these interim consolidated financial statements.

Consolidated Statement of Changes in Equity

In CHF 1000	Share capital	Capital reserve
Balance at January 1, 2012	23 400	39 744
Profit for the half-year	-	-
Changes in hedging reserve	-	-
Currency translation adjustments	-	-
Total income and expense for the half-year	-	-
Distribution to shareholders (note 5)	-	-
Usage of treasury shares for share-based compensation	-	-
Share-based compensation	-	-
Purchase of treasury shares	-	-
Total transactions with shareholders	-	-
Goodwill directly offset with equity	-	-
Balance at June 30, 2012	23 400	39 744
Profit for the half-year	-	-
Changes in hedging reserve	-	-
Currency translation adjustments	-	-
Total income and expense for the half-year	-	-
Usage of treasury shares for share-based compensation	-	-
Share-based compensation	-	-
Purchase of treasury shares	-	-
Total transactions with shareholders	-	-
Transfer of reserves from capital contributions	-	-7 020
Goodwill directly offset with equity	-	-
Balance at December 31, 2012	23 400	32 724
Loss for the half-year	-	-
Changes in hedging reserve	-	-
Currency translation adjustments	-	-
Total income and expense for the half-year	-	-
Distribution to shareholders (note 5)	-	-7 020
Usage of treasury shares for share-based compensation	-	-
Share-based compensation	-	-
Purchase of treasury shares	-	-
Total transactions with shareholders	-	-7 020
Balance at June 30, 2013	23 400	25 704

The accompanying notes form an integral part of these interim consolidated financial statements.

Treasury shares	Hedging reserve	Currency translation adjustments	Offset goodwill	Retained earnings	Total equity
-499	-187	-28 055	-39 157	150 683	145 929
-	-	-	-	10 626	10 626
-	-832	-	-	-	-832
-	-	3 855	-	-	3 855
-	-832	3 855	-	10 626	13 649
-	-	-	-	-7 018	-7 018
669	-	-	-	-669	-
-	-	-	-	329	329
-207	-	-	-	-	-207
462	-	-	-	-7 358	-6 896
-	-	-	4 904	-	4 904
-37	-1 019	-24 200	-34 253	153 951	157 586
-	-	-	-	3 121	3 121
-	951	-	-	-	951
-	-	-4 729	-	-	-4 729
-	951	-4 729	-	3 121	-657
13	-	-	-	-13	-
-	-	-	-	109	109
-13	-	-	-	-	-13
-	-	-	-	96	96
-	-	-	-	7 020	-
-	-	-	6 333	-	6 333
-37	-68	-28 929	-27 920	164 188	163 358
-	-	-	-	-2 363	-2 363
-	-540	-	-	-	-540
-	-	2 529	-	-	2 529
-	-540	2 529	-	-2 363	-374
-	-	-	-	1	-7 019
180	-	-	-	-180	-
-	-	-	-	97	97
-180	-	-	-	-	-180
-	-	-	-	-82	-7 102
-37	-608	-26 400	-27 920	161 743	155 882

Notes to the Interim Consolidated Financial Statements

1. General information

Gurit Holding AG is a public limited company incorporated and domiciled in Switzerland whose bearer shares are listed on SIX Swiss Exchange; the registered shares are mostly in firm hands and are not listed.

2. Basis for preparation and accounting policies

These unaudited interim consolidated financial statements of the Group for the half-year ended June 30, 2013, have been prepared in accordance with Swiss GAAP FER 12, Interim Reporting.

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2012.

The accounting policies are consistent with those of the annual financial statements for the year ended December 31, 2012.

3. Exchange rates

The principal exchange rates versus the Swiss franc were as follows:

	June 30, 2013	December 31, 2012	June 30, 2012	Ø Half-year 1 2013	Ø Half-year 1 2012
1 USD	0.9440	0.9139	0.9641	0.9366	0.9288
1 EUR	1.2298	1.2077	1.2012	1.2297	1.2051
1 GBP	1.4435	1.4768	1.4993	1.4466	1.4646
1 CAD	0.9027	0.9170	0.9380	0.9228	0.9234
1 CNY	0.1525	0.1450	0.1528	0.1501	0.1474

4. Net sales

In CHF 1000	Half-year ended June 30, 2013 unaudited	Half-year ended June 30, 2012 unaudited
Net sales by business units		
Composite Materials	109 057	172 266
Composite Systems and Engineering	20 593	23 380
Total net sales	129 650	195 646

In CHF 1000	Half-year ended June 30, 2013 unaudited	Half-year ended June 30, 2012 unaudited
Net sales by regions of destination		
Europe	64 962	89 280
Asia	18 857	28 619
Americas	28 923	68 585
Rest of the world	16 908	9 162
Total net sales	129 650	195 646

5. Distributions to shareholders

In accordance with the resolution of the Annual General Meeting of Shareholders held on April 9, 2013, an amount of CHF 7 019 000 (CHF 3.00 per registered share and CHF 15.00 per bearer share) has been distributed to the shareholders on April 16, 2013, out of "reserves from capital contributions." Payments in 2012 amounted to CHF 7 018 000 (CHF 3.00 per registered share and CHF 15.00 per bearer share).

Investor Relations

Share capital

The share capital of Gurit Holding AG is divided into:

240 000 registered shares at CHF 10.00 par value	Securities no. 185 039
420 000 bearer shares at CHF 50.00 par value	Securities no. 801 223

Par value adjusted to CHF 50.00, this results, purely arithmetically, in a total of 468 000 shares.

Stock market trading

The bearer shares are listed on SIX Swiss Exchange. Prices are published in the Swiss daily and financial press as well as in electronic price information systems under the following symbols or numbers:

Bearer share:

Reuters	GUR.S
Telekurs	GUR
Securities no.	801 223

Internet/e-mail alerts

For additional information, please visit the Gurit website at www.gurit.com. Sign-up for e-mail alerts on Gurit is available at http://investors.gurit.com/investor-relations/news_en.html

This report contains forward-looking statements that include risk and uncertainties regarding the future global developments that cannot be influenced by the Company.

Important Dates

October 25, 2013

Press release on Q3 sales

End of January 2014

Press release on FY 2013 sales

March 14, 2014

Presentation FY results 2013

Analyst/Media conference

Online publication of Annual Report 2013

April 10, 2014

Annual General Meeting

August 2013

Interim Report 2014

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