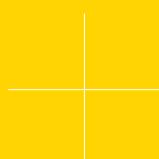
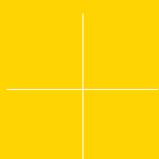
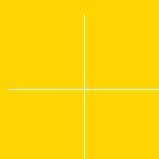
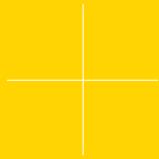
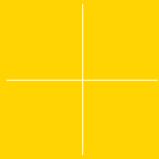
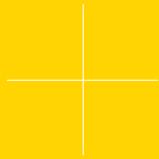




THE FIRST HALF OF 2012

OUR MOTTO FOR 2012:
"SIMPLIFY – FOCUS – EXPLOIT SYNERGIES – COOPERATE"



DEAR SHAREHOLDERS

Compared with 2011, the Adval Tech Group can look back on a good first half: with total income of CHF 144.9 million (1H 2011: CHF 143.4 million) the Group generated operating earnings before depreciation (EBITDA) of CHF 9.9 million, corresponding to an increase of 25% year-on-year (1H 2011: CHF 7.9 million). The EBITDA margin thus rose from 5.5% to 6.8%. Operating earnings (EBIT) amounted to CHF 0.7 million (1H 2011: CHF -1.7 million). In the first half of 2012, the Adval Tech Group generated better results and is confident that it will also achieve the turnaround announced at the press conference in April 2012.

Net result of CHF -7.7 million (1H 2011: CHF -7.1 million) includes extraordinary expenses for restructuring programmes in China to the tune of CHF 1.6 million. Free cash flow of CHF 0.5 million (1H 2011: CHF -7.4 million) reflects amongst others the improvement in the operating business. Although the weak euro and US dollar are continuing to impact negatively on total income and EBITDA, the measures that have been introduced have had a positive effect on results.

Adval Tech will remain a listed group with global operations in future too. In organizational terms the Group now has a leaner, simpler structure. The former divisions have been dissolved to enable the Group companies to operate in closer proximity to the market and to be managed more directly.

Adval Tech Group
R. Rothen, CEO¹⁾

M. Reber, CFO¹⁾
H. Dreier, IT/Logistics/Legal¹⁾
V. Poretti, HR/Communication¹⁾
J. Lu, Plastic Components Asia¹⁾



1) member of the executive management team

In this semi-annual report the Adval Tech Group is reporting its results for the Components and Molds segments for the first time. With this new structure Adval Tech wishes to increase its focus and make better use of synergies. The previous year's results are stated in accordance with this new organizational structure.

Simplifying the structures and the related elimination of redundancies has produced substantial savings in the higher wage categories in particular, while retaining production capacities at the plants.

In the first half of 2012 the Adval Tech Group invested CHF 3.8 million in property, plant and equipment, which is less than 40% of the previous year's figure (CHF 10.6 million). Operative free cash flow increased by CHF 7.9 million. This includes the sale of a property in Switzerland no longer needed for operating purposes.

Net operating working capital – trade accounts receivable, inventories, trade accounts payable – amounted to CHF 51.7 million (December 31, 2011: CHF 44.2 million). The increase in net operating working capital in the first half of 2012 was the result of higher output. In terms of output, net operating working capital remained on a par with the 2011 level at 17.8%.

The net result of CHF -7.7 million includes extraordinary expenses for the restructuring programmes in China amounting to CHF 1.6 million. Around one half each of the provisions booked at the end of June have been earmarked for the estimated costs of moving production in the Components Segment from the facility in Xiamen to the Suzhou site, for the subsequent closure of that plant in the Components Segment and for merging the two mold-making sites in Shanghai and Suzhou under a single management. The plan is to complete both restructuring projects in spring 2013. This cost-cutting drive will have a positive effect on results as of 2013.

Components Segment

Components

America

- Styner+Bienz US Inc.
- Styner+Bienz do Brasil Ltda.
- Omni Manufacturing Services S.A. de C.V., Mexico
- Omni Manufacturing Services S.A. de C.V., Mexico, Medical Branch

Europe

- Styner+Bienz FormTech AG
- QSCH Kft.
- Teuscher Kunststofftechnik AG

Asia

- Omni Plastics (Suzhou) Co. Ltd
- Omni Plastics (Xiamen) Co. Ltd
- Omni Plastics (Thailand) Co. Ltd
- Omni Precision Sdn. Bhd., Malaysia
- Omni Plastics (Suzhou) Co. Ltd, Automotive Branch
- Adval Tech Medical (Suzhou) Co. Ltd

In the Components Segment (metal and plastics), total income for the first half of 2012 amounted to CHF 110.8 million, which is virtually unchanged from the year-back period (CHF 109.6 million). The Adval Tech Group increased EBITDA in this segment to CHF 7.0 million (1H 2011: CHF 2.6 million).

The result for Styner+Bienz FormTech Ltd (Switzerland) is particularly noteworthy, as this Group company more than doubled its EBITDA with a slightly lower total income in the first half of 2012. This includes the deduction of a one-off sum as compensation for development expenses for a returned project.

The Swiss Group company Teuscher Kunststofftechnik Ltd (medical components) was awarded a major project by a Swiss company, and a second is set to follow. We have acquired a new project for our medical unit in Querétaro, Mexico, and have already commenced production. The activities of our start-up company Adval Tech Medical (Suzhou) Co. Ltd are proceeding according to plan.

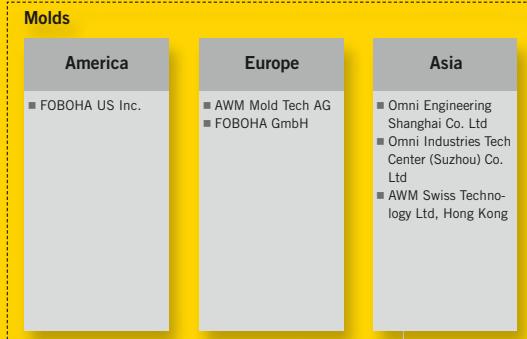
Sales at the Omni companies in Asia (plastics components) are stagnating, and the EBITDA margin is not yet at the level the Group would like to see. Optimization measures have therefore been introduced in Suzhou in particular, our largest site in Asia. A task force will, among other things, coordinate the outsourcing of components production from Xiamen to Suzhou and will deal with the related operational challenges.

The new project for Apple is proceeding apace. In order to meet this client's high quality requirements, the Adval Tech Group has completely renovated a production shop in Suzhou. This is now of the same standard as the facility in which our employees produce components for the large BMW order for the air/water separation system for the 1 and 3 series and door sills. BMW is very satisfied with the quality and has designated Adval Tech as a benchmark supplier in Asia.

Following the company's nomination for a large-scale order to produce steering systems, we are expanding our alliance with the US-based partner Anchor. The turnover for the entire project term (2014-2021) amounts to over US\$ 21 million.

In July 2012 a well-known German company nominated Styner+Bienz FormTech Ltd Switzerland for a new project with total sales of around CHF 2 million for the entire project term.

Molds Segment



Total income for the Molds Segment in 1H 2012 came to CHF 37.2 million, below the 2011 figure of CHF 40.6 million. EBITDA of CHF 2.3 million was much lower than the year-back figure of CHF 3.1 million.

The main factor in this decline is AWM Mold Tech Ltd in Muri (Switzerland), which has not yet broken even. Additional cost-saving measures have therefore been introduced in Muri and will begin to take effect as of July 2012. The sales and profit figures at FOBOHA GmbH in Haslach, Germany, are still encouraging. The Adval Tech Group intends to drive forward market penetration with FOBOHA's cube technology and use it to offer our customers one-stop-shop solutions. The first projects are already under way.

At the proposal of the Group Executive Management, the Board of Directors has decided to integrate AWM gradually into the FOBOHA GmbH structure. Moreover, in the future, AWM will produce molds on behalf of FOBOHA at the Muri plant.

The Group will merge the two mold-making plants in Shanghai and Suzhou in Suzhou towards the end of the year in a drive to exploit synergies. This will result in additional savings – especially in the indirectly productive division. Preparations for this are under way.

STRATEGY

Collaborations

Thanks to takeovers and partnerships, the Adval Tech Group has a worldwide presence. However, the systematic implementation of the global strategy is taking more time than originally planned in the current economic environment and has impacted to a greater-than-expected extent on the Group's results in the start-up stage. An analysis of Adval Tech's development potential carried out by CEO Stephan Mayer – who holds this post ad interim until the end of July 2012 – as a result of the unsatisfactory earnings situation in the past indicates that the Group has excellent opportunities to further develop its business in all of its areas of activity. However, owing to the Group's global orientation and discerning clientele in high-volume business, all business areas require substantial investments, which Adval Tech cannot afford to make all at once.

For this reason, the Adval Tech Group has decided to narrow the scope of its business and focus its efforts on selected fields of activity with a global reach. As already communicated, the Board of Directors of the Adval Tech Group has now decided to focus in the future on mold-making and on selected activities in the components business. Adval Tech is looking for possible cooperation opportunities for its deep drawn metal parts (automotive industry) business and for its components activities in the medical technology sector. Talks with interested parties are already under way.

Focus

By focus, the Adval Tech Group means producing high-quality components in Uetendorf, Switzerland, and then assembling them cost-efficiently in Szekszárd, Hungary.

Adval Tech is also focusing by applying a narrower filter to new business and no longer allowing any compromises in its calculations or pricing.

Also with a view to focusing its operations, Adval Tech has, in an initial step, placed the activities of Omni Engineering (Shanghai) Co. Ltd. and Omni Industries Tech Center Co. Ltd, Suzhou, under joint management. In a second step the Group will merge the two mold-making plants in Shanghai and thus exploit synergies.

Streamlining

The Adval Tech Group will demonstrate a clearer focus in the market. Thanks to the simplified Group structure it can summon up the necessary resources to develop the selected fields of activity.

Exploiting synergies

As a further measure to simplify structures, the Xiamen plant in China will be closed. The associated work is being planned and the move to our plant in Suzhou will take place between October 2012 and January 2013. We will therefore concentrate plastic component production in China at a single plant (Suzhou).

Personnel changes

Following Adval Tech's AGM for 2011, the Board of Directors appointed Willy Michel as its new Chairman. Willy Michel has been a member of the Board of Directors since 2007. Michael Pieper will remain as Vice-Chairman. Willy Michel is succeeding Walter Grüebler who, after more than 15 years as a member – six of them as Chairman – retired from the Board of Directors at the AGM. We would like to thank Walter Grüebler most sincerely for his considerable commitment on behalf of the Adval Tech Group.

Stephan Mayer has been in charge of reviewing the Group's strategy, in his capacity as interim CEO, since early December 2011. On 1 August 2012, René Rothen, former head of the Automotive Segment, took over the management of the Adval Tech Group as the new CEO. Valeria Poretti-Rezzonico, head of Human Resources & Communication since 2008, was elected to the Executive Board on 1 May 2012.

OUTLOOK

The sales targets communicated in April 2012 with planned growth of 4-7% year-on-year are still ambitious. In view of the planned start-up phases for large-scale projects in the Automotive Segment, the Adval Tech Group is confident that it can achieve these sales targets.

At the EBIT level, the cost-cutting measures have already begun to bear fruit but the full effect will only be felt after 3Q 2012.

The Adval Tech Group is still confident that it can achieve a turnaround at EBIT level this year, provided that no further negative developments occur in the relevant capital markets and economies.

Taking the previous year's substantial loss as a starting point, the Adval Tech Group expects to see a significant improvement in the company's result, even if a profit is not yet on the cards. The lower financial expenses will contribute to this.

The Board of Directors, Group Executive Management and employees are doing everything they can to generate positive results for the long term.

Special thanks are due to our customers, employees and suppliers.

We would also like to thank you, our valued shareholders. With your loyalty and trust we can create the basis for a more successful future.

Niederwangen, mid-August 2012

Willy Michel
Chairman of the Board

René Rothen
Chief Executive Officer

KEY SEMI-ANNUAL FIGURES OF THE ADVAL TECH GROUP

CHF million	1st half of 2012	2nd half of 2011 ¹⁾	1st half of 2011 ¹⁾
Total income			
– Group	144.9	141.5	143.4
– Components Segment	110.8	111.8	109.6
– Molds Segment	37.2	34.9	40.6
EBITDA			
Operating earnings before depreciation	9.9	6.4	7.9
– in % of total income	6.8	4.5	5.5
– Components Segment	7.0	4.6	2.6
– Molds Segment	2.3	2.6	3.1
EBIT			
Operating earnings	0.7	-3.3	-1.7
– in % of total income	0.5	-2.3	-1.2
Net result			
Net result for the year	-7.7	-9.2	-7.1
– in % of total income	-5.3	-6.5	-5.0
Cash flow and capital expenditure			
Cash flow from operations	0.3	1.0	4.6
Operative free cash flow	0.5	2.8	-7.4
Free cash flow	0.5	2.8	-7.4
Capital expenditure	-3.8	-7.0	-10.6
Number of employees (full-time equivalents)			
as per balance sheet date	2,521	2,491	2,466
– Components Segment	2,086	2,048	2,018
– Molds Segment	415	424	427

1) previous year's results per segment restated (cf. page 3)

SEMI-ANNUAL FINANCIAL STATEMENTS OF THE ADVAL

The unaudited semi-annual financial statements of the Adval Tech Group have been prepared in accordance with the accounting principles published in the annual report 2011 and corresponding to Swiss GAAP FER 12. They do not include all the information required by law or regulation to be included in an audited annual financial statement.

CONSOLIDATED BALANCE SHEET

	Notes	6/30/2012	12/31/2011
CHF 1,000			
Liquid assets		14,416	21,967
Trade accounts receivable	5	48,284	45,999
Other receivables	6	7,510	14,404
Advanced payments to suppliers		1,220	527
Inventories and work in progress	7	42,105	40,035
Prepaid expenses and accrued income		4,264	3,472
Total current assets		117,799	126,404
Tangible fixed assets		117,421	121,419
Financial assets		3,933	3,218
Intangible assets		9,092	8,477
Assets from employer's contribution reserves		2,841	2,841
Deferred tax assets		2,460	2,635
Total fixed assets		135,747	138,590
Total assets		253,546	264,994
Trade accounts payable		27,391	29,559
Short-term interest-bearing liabilities	8	119,873	127,808
Other short-term liabilities	9	9,540	11,534
Prepaid income and accrued expenses	10	22,457	17,817
Short-term provisions	11	2,435	1,029
Accrued current income taxes		996	1,161
Total short-term liabilities		182,692	188,908
Long-term interest-bearing liabilities	8	104	193
Other long-term liabilities		663	765
Long-term provisions		2,853	2,658
Deferred tax liability		5,224	3,998
Total long-term liabilities		8,844	7,614
Total liabilities		191,536	196,522
Share capital		14,600	14,600
Capital reserves		146,805	146,810
Treasury stock		0	-26
Translation differences		-17,425	-18,684
Retained earnings / accumulated losses		-81,970	-74,228
Total shareholders' equity		62,010	68,472
Total liabilities and shareholders' equity		253,546	264,994

tion provided by the consolidated annual financial statements and should therefore be read and interpreted in the context of the 2011 annual report.

CONSOLIDATED INCOME STATEMENT

CHF 1,000	Notes	1st half of 2012	1st half of 2011
Net turnover	12	133,479	131,868
Total income	12	144,882	143,395
Cost of materials and services	13	-62,004	-61,755
Personnel expenses	14	-48,700	-49,838
Other operating expenses		-24,306	-23,910
Operating expenses		-135,010	-135,503
Operating earnings before depreciation (EBITDA)		9,872	7,892
Depreciation		-9,126	-9,584
Operating earnings (EBIT)		746	-1,692
Net financial income	15	-4,389	-4,962
Ordinary result		-3,643	-6,654
Extraordinary result	16	-1,612	0
Net result before income taxes		-5,255	-6,654
Income taxes	17	-2,487	-445
Net result after income taxes		-7,742	-7,099

The attached explanatory notes are part of the consolidated semi-annual financial statements of the Adval Tech Group.

SHAREHOLDERS' EQUITY

1st half of 2011 CHF 1,000	Share capital	Capital reserves	Treasury stock	Translation differences	Ret. earnings acc. losses	Total share-holders' equity
At January 1, 2011	14,600	146,807	-1	-18,461	-58,193	84,752
Net result after taxes	0	0	0	0	-7,099	-7,099
Translation differences	0	0	0	-4,498	0	-4,498
Increase of share capital	0	0	0	0	0	0
Dividend	0	0	0	0	0	0
Transfers	0	0	0	-293	293	0
Purchase/sale of treasury stock	0	3	-25	0	0	-22
At June 30, 2011	14,600	146,810	-26	-23,252	-64,999	73,133
1st half of 2012 CHF 1,000	Share capital	Capital reserves	Treasury stock	Translation differences	Ret. earnings acc. losses	Total share-holders' equity
At January 1, 2012	14,600	146,810	-26	-18,684	-74,228	68,472
Net result after taxes	0	0	0	0	-7,742	-7,742
Translation differences	0	0	0	1,259	0	1,259
Increase of share capital	0	0	0	0	0	0
Dividend	0	0	0	0	0	0
Transfers	0	0	0	0	0	0
Purchase/sale of treasury stock	0	-5	26	0	0	21
At June 30, 2012	14,600	146,805	0	-17,425	-81,970	62,010

The share capital of Adval Tech Holding Ltd is divided into 730,000 registered shares (nominal value CHF 20 each, fully paid up). The Adval Tech Group held no own shares as at June 30, 2012 (June 30, 2011: 80 own shares, December 31, 2011: 80 own shares).

At the annual general meeting of Adval Tech Holding Ltd held on June 19, 2012, shareholders adopted a motion to make no dividend payment for the 2011 financial year.

The attached explanatory notes are part of the consolidated semi-annual financial statements of the Adval Tech Group.

CONSOLIDATED CASH FLOW STATEMENT

CHF 1,000	1st half of 2012	1st half of 2011
Net result after taxes	-7,742	-7,099
Depreciation on tangible fixed assets	8,590	9,210
Depreciation on intangible assets	536	374
Increase (+) / decrease (-) in long-term and short-term provisions	1,543	-434
Increase (+) / decrease (-) in provision for deferred taxes (net positions)	1,409	-554
Gain (-) / loss (+) on sales of tangible fixed assets	-23	-101
Other transactions with no impact on liquidity	1,603	1,593
Cash provided by operating activities before change in net current assets	5,916	2,989
Increase (-) / decrease (+) in receivables	-3,654	5,334
Increase (-) / decrease (+) in inventories	-2,154	-8,911
Increase (-) / decrease (+) in prepaid expenses and accrued income	820	3,874
Increase (-) / decrease (+) in trade accounts payable	-3,022	1,849
Increase (+) / decrease (-) in other short-term liabilities, prepaid income and accrued expenses	2,353	-512
Cash provided by operating activities	259	4,623
Capital expenditure	-3,762	-10,557
Income from sales of tangible fixed assets	5,866	243
Investments in financial assets	-709	0
Income from sales of financial assets	8	0
Investments in intangible assets	-1,115	-1,726
Cash used for investing activities	288	-12,040
Free cash flow	547	-7,417
Purchase (-) / sale (+) of treasury stock	26	-25
Increase (+) / decrease (-) in short-term debt	-7,926	293
Increase (+) / decrease (-) in long-term debt	-182	1,814
Cash provided by financing activities	-8,082	2,082
Translation differences	-16	-1,076
Change in liquid assets	-7,551	-6,411
Liquid assets on June 30	14,416	14,986
Liquid assets on January 1	21,967	21,397
Change in liquid assets	-7,551	-6,411

The structure of the 2011 figures has been adjusted to that of the financial statements as at December 31, 2011.

The attached explanatory notes are part of the consolidated semi-annual financial statements of the Adval Tech Group.

NOTES

1. SEASONAL INFLUENCES

The Adval Tech Group operates in various industrial sectors and markets. Seasonal influences in the individual sectors and markets on the consolidated semi-annual financial statements are not significant in total.

2. CHANGES TO THE SCOPE OF CONSOLIDATION

The following changes occurred in the Adval Tech Group's scope of consolidation in the first half of 2012:

As of the beginning of January 2012, AWM Mold Service US Inc. and FOBOHA US Inc., both in Beverly, MA, USA, were merged. The new company is known as FOBOHA US Inc. It sells and markets injection molds in North America.

In May 2012 Styner+Bienz FormTech AG, Niederwangen, and AWM Plast Tech AG, Merenschwand, merged with retroactive effect to January 1, 2012. The merged company is known as Styner+Bienz FormTech AG. The activities at the Muri site, in particular the development and marketing of plastic components for the automotive industry, will be continued in unchanged form.

In January, Adval Tech Medical (Suzhou) Co. Ltd. was established in Suzhou, China. This company will focus on the volume production of plastic components for the medical industry.

There were no changes to the scope of consolidation in the first half of 2011.

3. EXCHANGE RATES

Consolidation-relevant exchange rates relative to the reporting currency CHF:

	Average 1st half of 2011	Average 2nd half of 2011	Average 1st half of 2012
BRL	0.5542	0.5054	0.4993
CNY	0.1383	0.1352	0.1468
EUR	1.2699	1.1955	1.2046
HKD	0.1164	0.1111	0.1196
THB	0.0296	0.0282	0.0297
USD	0.9061	0.8653	0.9284

	on June 30, 2011	on December 31, 2011	on June 30, 2012
BRL	0.5315	0.5024	0.4628
CNY	0.1287	0.1497	0.1524
EUR	1.1989	1.2186	1.2010
HKD	0.1070	0.1213	0.1242
THB	0.0271	0.0297	0.0302
USD	0.8331	0.9431	0.9639

4. ITEMS WITH MATERIAL ESTIMATES BY MANAGEMENT AND RISKS

Items with material estimates by the management and the principal risks are fundamentally unchanged from the 2011 financial statements. They are listed in notes 1.1 and 2 of the 2011 financial report.

The Adval Tech Group is exposed to various financial risks in the context of its business activities, such as currency risks, interest rate risks, credit risks and liquidity risks. It seeks through systematic management to minimize any adverse effects of such fluctuations on its financial results.

5. TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable rose by CHF 2.3 million in the first semester 2012. They rose by CHF 3.1 million in the Components Segment and declined by CHF 0.8 million in the Molds Segment.

One Segments Molds customer filed a bankruptcy petition under US law in January 2012. The bulk of the trade accounts payable were settled in the first half of 2012. The related projects are being continued as part of normal business.

6. OTHER RECEIVABLES

Compared to the financial statements 2011, other receivables declined by CHF 6.9 million. CHF 5.8 million are attributable to the Molds Segment and are associated with the sale of a property in Muri, Switzerland, no longer needed for operating purposes.

7. INVENTORIES AND WORK IN PROGRESS

Inventories and work in progress increased by a total of CHF 2.1 million in the first six months of 2012. CHF 1.5 million is apportionable to the Components Segment and the rest to the Molds Segment. The increase is due primarily to the larger volume of work in progress in the Components Segment.

8. INTEREST-BEARING CURRENT AND NON-CURRENT LIABILITIES

Interest-bearing liabilities:

CHF 1,000	6/30/2012	12/31/2011
Short-term interest-bearing liabilities to third parties	119,682	127,620
Short-term leasing liabilities to third parties	191	188
Short-term interest-bearing liabilities	119,873	127,808
Long-term interest-bearing loans to third parties	0	0
Long-term leasing liabilities to third parties	104	193
Long-term interest-bearing liabilities	104	193
Total interest-bearing liabilities	119,977	128,001

Third-party interest-bearing current loans are based primarily on a credit agreement concluded in January 2012 with two big Swiss banks. This new agreement, which has replaced the old syndicated loan agreement, provides for a maximum credit facility of CHF 120 million over a period of 18 months. The granting of fixed advances under the new agreement is subject to various conditions (covenants). The covenants relate to the following key financial indicators: minimum equity of the group, minimum EBITDA to be achieved by the group for 2012 and 2013, and minimum available liquidity. These covenants were all adhered to as at mid-2012. The loan agreement also provides for the repayment of CHF 60 million for the fourth quarter of 2012. A major shareholder of Adval Tech Holding Ltd has granted the syndicate banks a guarantee for half of the amount of the credit facility.

9. OTHER CURRENT LIABILITIES

Other current liabilities declined by CHF 2.0 million. The decrease is primarily due to lower customer deposits. In the Molds Segment, payments were down by CHF 2.3 million, whereas they were slightly higher in the Components Segment.

10. ACCRUED EXPENSES AND DEFERRED INCOME

Accrued expenses and deferred income were up CHF 4.6 million on the 2011 figure. The increase is primarily due to the Components Segment.

11. SHORT-TERM PROVISIONS

Two-thirds of the increase in short-term provisions in the first half of 2012 was generated by the Components Segment and one third by the Molds Segment. This is largely related to the restructuring measures that have been introduced (see also Note 16).

12. SEGMENT RESULTS

CHF 1,000	Components Segment		Molds Segment		Other units and eliminations		Group	
	1st half of 2012	1st half of 2011	1st half of 2012	1st half of 2011	1st half of 2012	1st half of 2011	1st half of 2012	1st half of 2011
Net turnover from third parties and related parties	102,530	99,884	30,949	32,365	0	-381	133,479	131,868
Total income from third parties and related parties	110,525	109,122	37,147	40,442	-2,790	-6,169	144,882	143,395
Intragroup revenues	237	436	91	127	-328	-563	0	0
Total income	110,762	109,558	37,238	40,569	-3,118	-6,732	144,882	143,395

The financial statements as at June 30, 2011 have been adapted to reflect the new organization. The level of business in the individual segments is described on pages 3 and 4.

13. COST OF GOODS SOLD AND THIRD-PARTY SERVICES

There was only a slight increase in the cost of goods sold and third-party services compared with the first half of 2011. The share of materials and third-party services in the company's performance in the first half of 2012 was 0.3 percentage points below that of 1H 2011 (2011: 43.1%, 2012: 42.8%). In the Components Segment, the decline in materials was more pronounced than in the Molds Segment.

14. PERSONNEL EXPENSES

Compared with the previous year, personnel expenses declined by CHF 1.1 million, despite a slight year-on-year rise in average headcount by 14 full-time positions to 2,477 FTEs in the first half of 2012. The increase in headcount occurred in the Components Segment.

15. FINANCIAL RESULT

CHF 1,000	1st half of 2012	1st half of 2011
Interest earned	193	222
Currency gains	2,653	2,456
Gains on derivative financial instruments	2	597
Other financial income	348	14
Total financial income	3,196	3,289
Interest paid	-1,789	-2,476
Currency losses	-5,553	-5,493
Unrealized transaction differences	830	436
Losses on derivative financial instruments	-28	-2
Other financial expenses	-1,045	-716
Total financial expenses	-7,585	-8,251
Net financial income	-4,389	-4,962

Compared with the first half of 2011, net interest expenses declined by CHF 0.7 million in 1H 2012. This was mainly due to the new loan agreement concluded in January. In the first half of 2012, currency losses amounted to CHF 2.1 million net, i.e. CHF 0.5 million below the prior-year figure. Whereas income of CHF 0.6 million was generated by derivative financial instruments in the first half of 2011, the result for 1H 2012 was a small loss.

16. EXTRAORDINARY RESULT

The expenses posted under this item relate to the restructuring programmes in China. One half each of the provisions booked at the end of June have been earmarked for the estimated costs of moving production in the Components Segment from the facility in Xiamen to the Suzhou site and for merging the two mold-making sites in Shanghai and Suzhou under a single management. After the production transfer is completed, the Xiamen site will be sold. Mold-making will be concentrated in Suzhou. There are plans to conclude both restructuring projects in the first half of 2013.

17. INCOME TAXES

The increase in tax expenditure compared with the previous year is primarily due to a re-evaluation of deferred tax assets from tax-related loss carry-forwards. The change occurred primarily in the Molds Segment.

18. SHARE-BASED PAYMENTS

In terms of the remuneration regulations, part of the variable remuneration of group management for 2011 will be disbursed in the form of shares of Adval Tech Holding Ltd. At least 20% of the variable remuneration must be accepted in shares. Up to 100% of the variable remuneration can voluntarily be accepted in shares. A total of 180 registered shares (previous year: 357 registered shares) were allotted to group management for variable remuneration in 2011.

The shares allotted, which are legally transferred to the beneficiaries, cannot be sold for five years. The market value of the shares allotted (CHF 0.03 million) was deferred per December 31, 2011, as personnel expenses. The shares will be taken from treasury stock; any further shares necessary were purchased in the first half of 2012.

19. TRANSACTIONS WITH RELATED PARTIES

Persons and companies deemed to be related parties were unchanged in the first half of 2012. The complete list is included in note 35 to the 2011 consolidated financial statements.

The following business transactions were material in the first half of 2012:

- Contributions of CHF 1.5 million (CHF 1.5 million in first half of 2011) to the pension fund of Adval Tech Holding Ltd, posted as expenses.
- Liabilities to related parties in the financial statements to June 30, 2012, totaled CHF 1.0 million (CHF 1.9 million on December 31, 2011).
- As at June 30, 2012, receivables due from related parties totaled CHF 0.1 million (December 31, 2011: CHF 0.2 million).

20. EVENTS OCCURRING AFTER BALANCE SHEET DATE

Between the balance sheet date and the approval of the financial statements by the Board of Directors no events occurred that would adversely affect the information provided by the semi-annual 2012 consolidated accounts.

21. RELEASE OF THE SEMI-ANNUAL FINANCIAL STATEMENTS

These semi-annual financial statements were released for publication by the Board of Directors of Adval Tech Holding Ltd on August 17, 2012.

AGENDA

Results for 2012:	End of March, 2013
Financial statements conference for financial analysts:	April 23, 2013, in Zurich
Financial statements press conference:	April 23, 2013, in Zurich
Publication of the annual report 2012:	April 23, 2013
General meeting of shareholders 2013:	May 16, 2013, in Berne

BRIEF PORTRAIT OF THE ADVAL TECH GROUP

Adding value through innovation – that's what the name Adval Tech stands for. As a global technology and process partner, Adval Tech focuses on the complementary technologies of metal stamping and forming and plastic injection molding. In selected markets in the automotive, medical technology and consumer goods sectors, Adval Tech is a leading global supplier of volume components, subassemblies, systems, tools and special machinery. As a value-adding partner, Adval Tech covers the entire value chain: from product design and the development of volume components through design and production of the necessary molds and dies to complete manufacturing systems and the resulting production of components. Adval Tech trades on the markets under the names of AWM, FOBOHA, Omni, QSCH, Styner+Biensch and Teuscher.

Adval Tech Holding Ltd
Investor Relations
CH-3172 Niederwangen
Switzerland
Phone +41 31 980 84 44
Fax +41 31 980 82 60
info@advaltech.com
www.advaltech.com

This semi-annual report is available in English and German. The original German-language version is binding.

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