

interim  
report  
2015

Gurit achieved net sales of CHF 178 million and an operating profit of CHF 16 million in the first half of 2015, a significant improvement over the prior-year period.

#### Sales by End Market



(Prior-year period)

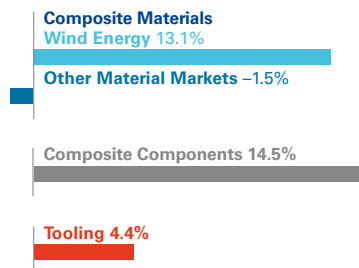
#### Key Figures Consolidated Income Statement 1HY 2015 (in CHF million)

Net sales	177.8
Operating profit	15.8
Net profit	9.6

#### Key Figures Consolidated Balance Sheet (in CHF million)

	30.6.2015	31.12.2014
<b>Total assets</b>	<b>238.1</b>	<b>253.4</b>
thereof Current assets	159.1	171.1
<b>Total liabilities</b>	<b>71.5</b>	<b>80.0</b>
thereof Current liabilities	69.1	77.4
Equity	166.6	173.4
<b>Equity ratio</b>	<b>70.0%</b>	<b>68.4%</b>

#### Sales Dynamics 1HY 2015 over 1HY 2014



## Dear Shareholders

Gurit achieved net sales of CHF 178 million in the first six months of 2015. This represents an increase of 6.5% in Swiss francs over the same period of last year or 9.1% on a 2015 normalized currency base. Operating profit significantly improved to CHF 15.8 million or 8.9% of net sales – a value which is in line with the Group's medium-term profitability target of eight to ten percent.

### Sustained Positive Development

During the first half of 2015, Gurit continued to benefit from the positive market development. Strong market demand led to favorable sales growth and also translated into a significantly improved profitability. Currency translation exchange rate effects on Group sales in the first half of 2015 came in lower than anticipated with 2.6%. The projected minor transactional currency exchange impact on profit margins was confirmed.

The lasting good demand in the wind energy business, in particular, fueled sales in the Company's core material offering. Gurit was able to record strong sales into all major wind business regions. Sales of composite materials to other end markets showed a solid performance with a single-digit decrease in reported Swiss francs or, in turn, a single-digit currency-adjusted growth compared to the same period of the previous year. Sales volumes to new industrial markets increased while the aerospace business faced a slight downturn in the first half of 2015 against the previous-year period due to a project delay.

The newly created composite components section (previously automotive and engineered structures) still felt the dip in between the expiration of old and the volume start of new contracts as compared to the last quarter of 2014. In comparison to the first half of 2014, however, the composite components business showed double-digit sales growth. Production of wind turbine blade moulds and related equipment (Gurit Tooling), as anticipated, was showing moderate growth while already being at full capacity utilization level. As such, the business reported single-digit growth for the first half of 2015.

### **Favorable Sales Growth Leads to Significant Profitability Improvement**

The higher demand and the concomitant increased capacity utilization as well as the ongoing operational improvements resulted in a significantly ameliorated profitability. In the first half of 2015, Gurit achieved an operating profit of CHF 15.8 million as compared to CHF 7.7 million in the same period last year. The operating profit margin accordingly rose to 8.9% for the first six months of 2015 (1HY 2014: 4.6%) and thus reached the Company's medium-term target of eight to ten percent.

Profitability in particular benefited from the very good performance in core material sales as well as the continued good sales in the tooling business. Moreover, the ongoing operational improvements contributed strongly to the recovery of the profitability level and the Company will continue to place its focus on tapping the potential from further optimizations and advancements. Equally, the sourcing conditions were slightly favorable in the first half-year of 2015.

### **Gurit Composite Materials**

The business unit Composite Materials achieved net sales of CHF 136.6 million in the first half of 2015 (1HY 2014: 128.8 million). This represents an increase of 6% in reported Swiss francs or 10.7% on a currency-adjusted basis.

Material sales to wind energy customers grew by 13.1% (currency-adjusted: 18.5%) to CHF 75.5 million in the first six months of 2015. Main growth driver was the well-balanced core materials product offering which more than offset the drop in wind carbon prepreg sales due to the end of a program at year end 2014. In addition to the current growth of the global wind energy market, the recovered liquidity and pricing levels in the Asian markets also had a positive effect on the Company's composite materials business.

Sales to other material markets (Marine, Aerospace, Industrial, Automotive Materials, and Ballistics) amounted to CHF 61 million in the first half of 2015. This represents a 1.5% decrease in reported Swiss francs compared to sales of CHF 62 million in the first six months of 2014 or a 2.3% currency-adjusted increase.

Aerospace recorded a slight single-digit decrease in sales in the first six months of 2015 compared to the previous year to CHF 22.2 million mainly due to a project delay. At the same time, the Company continues all efforts to complete qualification for new programs on OEM level as well as material qualification with leading tier-1 manufacturers. Sales to all other material markets overall improved compared to the first six months of 2014 yet remained below expectations due to longer than anticipated qualification processes as prerequisite for the entry into these markets.

From a regional perspective, Europe continued to be the strongest region for composite materials sales, followed by Asia and the Americas. In terms of sales contribution per product category, core material sales showed the strongest growth in the first half of 2015. Production output of balsa wood reached new record levels. Gurit was also able to increase sales of its self-produced as well as traded synthetic core materials. Prepreg sales to the wind market as anticipated further decreased whereas prepreg sales to other material markets as well as sales of Gurit's adhesive product range developed in line with expectations.

Gurit Composite Materials achieved considerable progress in the improvement of its operational performance in the first six months of 2015. The business unit will continue to implement measures for continuous improvement to substantiate the achieved amelioration.



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

### Gurit Composite Components

Gurit has merged its engineered structures and automotive business activities at the beginning of 2015 to form the new Composite Components business unit. Following the appointment of Laurent Michaux as General Manager Composite Components in May 2015, Gurit has now adjusted its segment reporting to reflect the embodied business structure. As a result, the Company now discloses net sales by three segments: Composite Materials, Composite Components and Tooling. Gurit previously disclosed net sales by the two segments Composite Materials and Composite Systems & Engineering. The level of information and detail provided is not affected by this adjustment.

The newly created Composite Components segment (automotive components, bus parts and structural engineering) reported sales of CHF 14.9 million for the first half-year 2015 as compared to CHF 13 million in the first six months of 2014. This represents an increase of 14.5% in reported Swiss francs or 17.6% on a currency-adjusted basis.

Overall, net sales in the first and in the second quarter of 2015 in the composite components section still remained below the fourth quarter 2014 level due to the time gap between the regular expiration

of one project and the start of volume production for a new project.

Among the milestones accomplished in the first half-year 2015 was production and delivery of the first volumes for the newly won contract within only 4 to 5 months since Gurit had been selected as the supplier to this project. Extension of the existing production site in Hungary to house the industrialized production of car parts continues to progress well. The investment program and concomitant installation of machinery and equipment advance according to schedule. At the same time, the Company continues to serve super premium and premium car brands with manually manufactured, unique, and complex-shaped parts manufactured at Gurit's production facility in Newport, UK.

### Gurit Tooling

In Tooling, sales of wind turbine blade moulds and related equipment in the first six months of 2015 increased by 4.4 percent to CHF 26.3 million (1HY 2014: 25.2 million). As anticipated, sales in the second quarter 2015 continued to develop positively but could not further outperform previous record levels.

In total, the full utilization of the tooling business contributed positively to the operating profit of Gurit. In order to enable further growth and to accommodate the ever increasing size of wind turbines of sizes in the range of 80 to 90 meters, Gurit invests into a larger production building.

### Financial Results

The increase in sales and the concomitant good capacity utilization have enabled Gurit to reach an operating profit of CHF 15.8 million, or 8.9% of net sales during the first six months of 2015. This is a major step forward compared to the CHF 7.7 million, or 4.6% of net sales during the first half of 2014. It also reflects the ongoing progress the Company has made in terms of operational performance.

Interest expenses in the first half of 2015 remained low whereas exchange losses increased considerably as compared with the previous year. Overall, currency exchange rate effects remained below the anticipated five to eight percent of Group sales. Income taxes of CHF 4.2 million clearly exceeded the previous year's level of CHF 2.5 million due to the increased profits in higher tax jurisdictions.

Net cash flow from operating activities amounted to CHF 7.3 million in the first half of 2015 compared to negative CHF 1.8 million in the first half of 2014. This is mainly due to the higher operating profit.

Capital expenditures of CHF 6.6 million in the first six months of 2015 included part of the newly installed prepreg tower at the Company's aerospace production site in Kassel, Germany, the expansion of Gurit's tooling plant as well as the further industrialization of the existing composite components factory in Hungary.

With an equity ratio of 70.0% at end of June 2015 as compared to 68.4% at the end of December 2014, Gurit's balance sheet remains very solid.

At the end of June 2015, the Company employed a global workforce of 2090 employees.

### Outlook

Gurit expects net sales for the full year 2015 to amount to around CHF 350 million, representing a growth of some 4% over the 2014 financial year. The operating profit margin for the full year 2015 is expected to double versus 2014 and to come in at the Company's reported mid-term target of eight to ten percent.

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, 2015 unaudited	Half-year ended June 30, 2014 unaudited
Net sales	4	177 786	167 011
Other operating income		36	194
Change in inventories of finished and unfinished goods		3 299	5 430
Material expense		-88 298	-90 590
Personnel expense		-42 046	-43 820
Other operating expenses		-30 307	-25 981
Impairment (charges)/reversals, net		-207	131
Depreciation		-4 092	-4 207
Amortization		-377	-459
Operating profit		15 794	7 709
Finance expense		-2 782	-874
Finance income		817	715
Ordinary result		13 829	7 550
Non-operating result		-	2 051
Profit before tax		13 829	9 601
Income tax expense		-4 234	-2 495
<b>Profit for the half-year</b>		<b>9 595</b>	<b>7 106</b>
<b>Earnings per share</b>			
Basic earnings per bearer share		CHF 20.51	CHF 15.19
Diluted earnings per bearer share		CHF 20.51	CHF 15.19
Basic earnings per registered share		CHF 4.10	CHF 3.04
Diluted earnings per registered share		CHF 4.10	CHF 3.04

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

## Consolidated Balance Sheet

In CHF 1000	At June 30, 2015 unaudited	At December 31, 2014 audited	At June 30, 2014 unaudited
<b>Assets</b>			
Cash and cash equivalents	15 723	29 011	21 714
Derivative financial instruments	–	54	445
Trade receivables	74 794	67 764	77 549
Other receivables	8 306	9 410	8 997
Prepayments and accrued income	9 479	10 099	8 130
Inventories	50 751	54 798	47 717
<b>Current assets</b>	<b>159 053</b>	<b>171 136</b>	<b>164 552</b>
Derivative financial instruments	289	–	–
Other receivables	98	421	229
Deferred income tax assets	2 541	2 370	1 520
Property, plant and equipment	70 794	73 768	69 963
Intangible assets	5 342	5 666	5 352
<b>Non-current assets</b>	<b>79 064</b>	<b>82 225</b>	<b>77 064</b>
<b>Total assets</b>	<b>238 117</b>	<b>253 361</b>	<b>241 616</b>
<b>Liabilities and equity</b>			
Borrowings	15 396	23 768	15 533
Derivative financial instruments	337	353	104
Trade payables	25 581	24 429	28 010
Other payables	4 941	7 720	7 226
Accrued liabilities and deferred income	21 188	19 015	15 193
Provisions	1 632	2 086	5 082
<b>Current liabilities</b>	<b>69 075</b>	<b>77 371</b>	<b>71 148</b>
Borrowings	–	1 000	7 025
Derivative financial instruments	1 274	584	–
Deferred income tax liabilities	373	247	726
Provisions	795	800	1 031
<b>Non-current liabilities</b>	<b>2 442</b>	<b>2 631</b>	<b>8 782</b>
<b>Total liabilities</b>	<b>71 517</b>	<b>80 002</b>	<b>79 930</b>
Share capital	23 400	23 400	23 400
Capital reserve	18 216	22 194	22 194
Treasury shares	–49	–50	–37
Hedging reserve	–995	–513	166
Currency translation adjustments	–32 106	–20 366	–28 642
Offset goodwill	–26 690	–26 690	–26 690
Retained earnings	184 824	175 384	171 295
<b>Total equity</b>	<b>166 600</b>	<b>173 359</b>	<b>161 686</b>
<b>Total liabilities and equity</b>	<b>238 117</b>	<b>253 361</b>	<b>241 616</b>

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, 2015 unaudited	Half-year ended June 30, 2014 unaudited
Profit for the half-year		9 595	7 106
Adjustments for:			
Impairment charges/(reversals), net		207	- 131
Depreciation and amortization		4 469	4 666
Finance income and expense, net		1 965	159
Income tax expense		4 234	2 495
Losses/(gains) from disposal of fixed assets		34	- 2 047
Other non-cash items		- 173	78
Working capital changes (excluding the effects of acquisitions and disposals of subsidiaries):			
Change in trade receivables		- 12 537	- 14 304
Change in inventories		- 23	- 9 745
Change in other receivables and prepayments and accrued income		- 260	5 350
Change in trade and other payables and accrued liabilities and deferred income		3 062	6 585
Change in provisions		- 324	1 520
Cash generated from operations		10 249	1 732
Finance cost, net paid		- 907	- 357
Income tax paid		- 2 043	- 3 209
<b>Net cash flow from operating activities</b>		<b>7 299</b>	<b>- 1 834</b>
Purchase of property, plant and equipment		- 6 296	- 3 945
Proceeds from sale of property, plant and equipment		16	2 201
Loan repayments received/(granted)		54	- 4
Purchase of intangible assets		- 328	- 330
<b>Net cash flow from investing activities</b>		<b>- 6 554</b>	<b>- 2 078</b>
(Repayments of)/proceeds from current borrowings		- 8 020	4 722
Proceeds from non-current borrowings		-	1 000
Distribution to shareholders	5	- 3 977	- 3 510
Purchase of treasury shares		- 191	- 231
<b>Net cash flow from financing activities</b>		<b>- 12 188</b>	<b>1 981</b>
<b>Net change in cash and cash equivalents</b>		<b>- 11 443</b>	<b>- 1 931</b>
Cash and cash equivalents at the beginning of the half-year		29 011	23 101
Net change in cash and cash equivalents		- 11 443	- 1 931
Exchange gains on cash		- 1 845	544
<b>Cash and cash equivalents at the end of the half-year</b>		<b>15 723</b>	<b>21 714</b>

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
<b>Balance at January 1, 2014</b>	<b>23 400</b>	<b>25 704</b>
Profit for the half-year	-	-
Changes in hedging reserve	-	-
Currency translation adjustments	-	-
<b>Total income and expense for the half-year</b>	<b>-</b>	<b>-</b>
Distribution to shareholders (note 5)	-	-3 510
Usage of treasury shares for share-based compensation	-	-
Share-based compensation	-	-
Purchase of treasury shares	-	-
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-3 510</b>
<b>Balance at June 30, 2014</b>	<b>23 400</b>	<b>22 194</b>
Profit for the half-year	-	-
Changes in hedging reserve	-	-
Currency translation adjustments	-	-
<b>Total income and expense for the half-year</b>	<b>-</b>	<b>-</b>
Usage of treasury shares for share-based compensation	-	-
Share-based compensation	-	-
Purchase of treasury shares	-	-
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-</b>
<b>Balance at December 31, 2014</b>	<b>23 400</b>	<b>22 194</b>
Profit for the half-year	-	-
Changes in hedging reserve	-	-
Currency translation adjustments	-	-
<b>Total income and expense for the half-year</b>	<b>-</b>	<b>-</b>
Distribution to shareholders (note 5)	-	-3 978
Usage of treasury shares for share-based compensation	-	-
Share-based compensation	-	-
Purchase of treasury shares	-	-
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-3 978</b>
<b>Balance at June 30, 2015</b>	<b>23 400</b>	<b>18 216</b>

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
<b>-37</b>	<b>253</b>	<b>-29 674</b>	<b>-26 690</b>	<b>164 310</b>	<b>157 266</b>
-	-	-	-	7 106	7 106
-	-87	-	-	-	-87
-	-	1 032	-	-	1 032
-	-87	1 032	-	7 106	8 051
-	-	-	-	-	-3 510
231	-	-	-	-231	-
-	-	-	-	110	110
-231	-	-	-	-	-231
-	-	-	-	-121	-3 631
<b>-37</b>	<b>166</b>	<b>-28 642</b>	<b>-26 690</b>	<b>171 295</b>	<b>161 686</b>
-	-	-	-	4 000	4 000
-	-679	-	-	-	-679
-	-	8 276	-	-	8 276
-	-679	8 276	-	4 000	11 597
224	-	-	-	-224	-
-	-	-	-	313	313
-237	-	-	-	-	-237
-13	-	-	-	89	76
<b>-50</b>	<b>-513</b>	<b>-20 366</b>	<b>-26 690</b>	<b>175 384</b>	<b>173 359</b>
-	-	-	-	9 595	9 595
-	-482	-	-	-	-482
-	-	-11 740	-	-	-11 740
-	-482	-11 740	-	9 595	-2 627
-	-	-	-	1	-3 977
192	-	-	-	-192	-
-	-	-	-	36	36
-191	-	-	-	-	-191
1	-	-	-	-155	-4 132
<b>-49</b>	<b>-995</b>	<b>-32 106</b>	<b>-26 690</b>	<b>184 824</b>	<b>166 600</b>

## 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, 2015, have been prepared in accordance with the Swiss Accounting and Reporting Recommendations (Swiss GAAP FER). They comply with the complementary recommendation for listed companies (Swiss GAAP FER 31). 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, 2014. The accounting policies are consistent with those of the annual financial statements for the year ended December 31, 2014. The Group has adopted Swiss GAAP FER 31 with effect of January 1, 2015. The new rules had no impact on the consolidated balance sheet and income statement of the Group.

These unaudited interim consolidated financial statements were signed off by the Board of Directors on August 17, 2015, for publication.

### 3. Exchange rates

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

	June 30, 2015	December 31, 2014	June 30, 2014	Ø Half-year 1 2015	Ø Half-year 1 2014
1 USD	0.9342	0.9895	0.8911	0.9475	0.8910
1 EUR	1.0365	1.2028	1.2159	1.0584	1.2213
1 GBP	1.4685	1.5370	1.5177	1.4432	1.4868
1 CAD	0.7561	0.8510	0.8354	0.7680	0.8127
1 CNY	0.1530	0.1610	0.1448	0.1547	0.1451

#### 4. Segment information

In CHF 1000	Half-year ended June 30, 2015 unaudited	Half-year ended June 30, 2014 unaudited
<b>Net sales by segments</b>		
Composite Materials	136 592	128 808
Composite Components	14 912	13 029
Tooling	26 282	25 174
<b>Total net sales</b>	<b>177 786</b>	<b>167 011</b>

Gurit disclaims the disclosure of segment financial operating results as such disclosure would bear the risk of significant competitive disadvantages. The target markets, in which most business units, especially Tooling and Composite Components, operate are relatively confined market niches and the product offering of these two units is relatively homogeneous. Most of the main direct competitors in the markets in which those segments operate are either not stock exchange-listed or do not disclose the relevant comparable segment information. As a result, disclosure of the performance of these segments would lead to significant competitive disadvantages.

In CHF 1000	Half-year ended June 30, 2015 unaudited	Half-year ended June 30, 2014 unaudited
<b>Net sales by regions of destination</b>		
Europe	72 974	72 878
Asia	61 076	33 013
Americas	29 398	46 985
Rest of the world	14 338	14 135
<b>Total net sales</b>	<b>177 786</b>	<b>167 011</b>

#### 5. Distribution to shareholders

In accordance with the resolution of the Annual General Meeting of Shareholders held on April 9, 2015, an amount of CHF 3 978 000 (CHF 1.70 per registered share and CHF 8.50 per bearer share) has been distributed to the shareholders on April 15, 2015, out of "reserves from capital contributions." Payments in 2014 amounted to CHF 3 510 000 (CHF 1.50 per registered share and CHF 7.50 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 in the Swiss Reporting Standard of 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
ISIN	CH0008012236

### Internet/e-mail alerts

For additional information, please visit the Gurit website at [www.gurit.com](http://www.gurit.com).

Sign up for e-mail alerts on Gurit at [http://investors.gurit.com/investor-relations/news\\_en.html](http://investors.gurit.com/investor-relations/news_en.html)

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

# Important Dates

October 20, 2015

Media Release on the third quarter 2015

January 29, 2016

First information on full year 2015

March 15, 2016

Presentation of the full-year 2015 results

Analyst/Media conference

Online publication of Annual Report 2015

April 14, 2016

Annual General Meeting

Media Release on the first quarter 2016

August 2016

Interim Report 2016

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