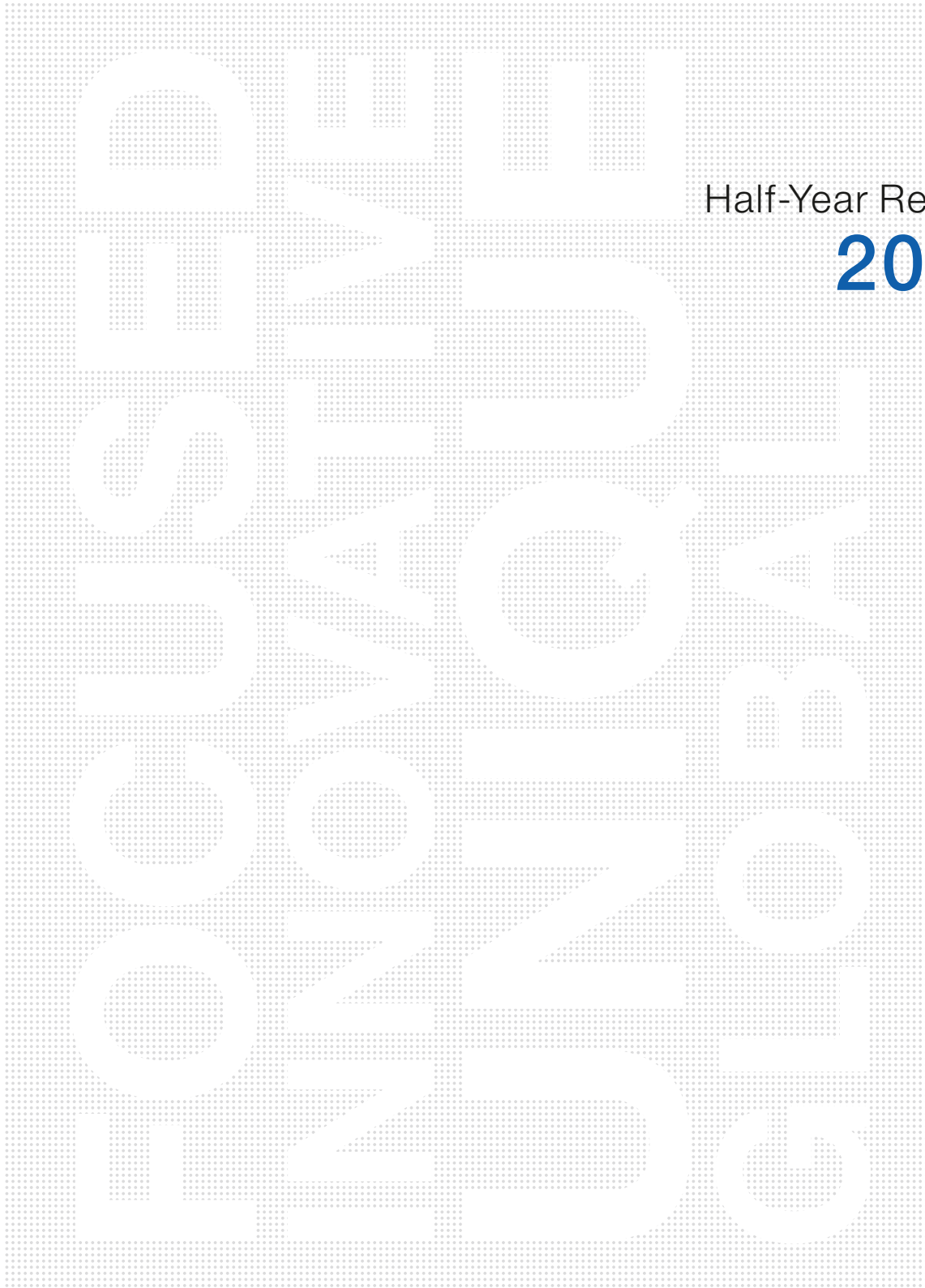


Half-Year Report

**2017**



Komax Group: Business  
in the first half of 2017

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# High order intake, strengthening of market position

## Dear Shareholder

The Komax Group significantly improved order intake in the first six months of 2017. It amounted to CHF 224.4 million, or 22.2% above the prior-year figure (CHF 183.6 million). Consolidated revenues came in at CHF 194.7 million, which is almost the same as the previous year (CHF 196.4 million). Komax changed its accounting standard from IFRS to Swiss GAAP FER this year. As a result, the prior-year figures contain the results of the former Medtech business unit, which Komax sold after the first quarter of 2016. Excluding the Medtech business unit figures, internal growth in the first six months of 2017 amounted to 8.7%.

### Timelag in conversion into revenues

The book-to-bill ratio stands at a high 1.15, as a number of orders already completed by Komax could not yet be delivered and therefore cannot yet be classified under revenues. This is true of both larger systems and of serial production machines manufactured in Switzerland for the fast-growing Asian market.

Operating profit (EBIT) came to CHF 25.4 million (previous year: CHF 30.5 million), while the EBIT margin amounted to 13.1% (previous year: 15.5%). Higher depreciations, the introduction of the new ERP system, and the sharp rise in headcount – the latter being attributable to higher revenues, acquisitions, and investment in market expansion – had an impact on the cost side. Foreign currencies had an impact of –0.9% on revenues and –0.4 percentage points on EBIT. Extraordinary expenses were higher than in the prior year, as Komax made a value adjustment of CHF 1.9 million to the loan granted to an associated company. This duly weighed on Group profit after taxes (EAT), which came in at CHF 18.6 million (previous year: CHF 22.9 million).

### Variation in market dynamism

The need for automation solutions continues to rise, and our clients are keen to switch manual activities to machines. In the first six months of 2017, this market dynamism was particularly notable in the Asia-Pacific region and in Europe (incl. Africa), as is evident in significant rises in net sales (excl. Medtech business unit) of +5.5% and +15.8% respectively. By contrast, net sales fell short of the expectations in North/South America (–5.8%). Here customers have been showing investment restraint for a number of months now. In the first six months of 2017, we discontinued unprofitable activities in the US and reduced headcount accordingly.

### Strong growth weighs on profitability

Following the sale of the Medtech business unit last year, the Komax Group has been focusing exclusively on the Wire business. At the same time, Komax has been striving not just to maintain its leading position in this core business, but to expand it further. The latest half-year figures, which reveal a very high order intake, show that this approach has proved successful and that Komax has managed to grow faster than the overall market. A contributory factor here is the very successful market launch of the new Alpha 530/550 machinery platform in Komax's core business (crimp to crimp). The new machines have replaced the existing products – which were optimized during the manufacturing process for years – more rapidly than expected. A combination of this replacement process, the greater change in the product mix compared to the previous year and the fierce competitive environment have weighed on profitability. We are determined to improve productivity as rapidly as possible and thereby continuously increase our profitability. In addition, we are continuing to channel above-average investment into research and development, as well as into the strengthening of our market organization, in order that we can remain the market and technology leader in the future thanks to new solutions.

### Financial base remains very robust

The Komax Group continues to have a very strong financial base, as is clear from the shareholders' equity figure of CHF 239.3 million as per 30 June 2017 (31 December 2016: CHF 246.2 million) and the equity ratio of 63.3%. Free cash flow amounted to CHF –0.2 million (previous year: CHF –0.5 million), while net debt stood at CHF 2.2 million (31 December 2016: net cash of CHF 17.0 million).

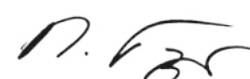
This financial basis allows Komax to continue developing the company in accordance with its selected strategy. Thanks to the asset deal concluded with Practical Solution in March 2017, Komax has expanded its presence in Asia in a targeted way. And with the acquisition of the French company Laselec SA, which was announced in June 2017 and is scheduled for completion in the second half of the year, Komax is strengthening its future presence in the aerospace segment.

### Outlook

The Komax Group remains very well positioned, and is determined to expand its leading market position further in the future, despite the highly competitive environment. This is in keeping with its 2017–2021 strategic targets. On the basis of our strong order backlog and the unrelenting dynamism of the automotive industry, we expect to surpass this latest half-year result in the second half of 2017 from today's perspective.



**Dr. Beat Kälin**  
Chairman of the  
Board of Directors



**Matijas Meyer**  
CEO

→ Consolidated balance sheet

in TCHF	30.06.2017	31.12.2016 <sup>1</sup>
<b>Assets</b>		
Cash and cash equivalents	57 589	48 531
Trade receivables	79 457	85 190
Other receivables	30 594	25 319
Inventories	83 980	70 410
Accrued income and prepaid expenses	3 385	2 429
<b>Total current assets</b>	<b>255 005</b>	<b>231 879</b>
Property, plant and equipment	86 997	83 741
Non-operating properties	4 908	5 311
Intangible assets	14 446	14 294
Investments in associates	687	670
Deferred tax assets	12 266	12 169
Other non-current receivables	3 900	8 996
<b>Total non-current assets</b>	<b>123 204</b>	<b>125 181</b>
<b>Total assets</b>	<b>378 209</b>	<b>357 060</b>
<b>Liabilities and shareholders' equity</b>		
Current financial liabilities	0	78
Trade payables	22 093	18 776
Other payables	28 129	28 146
Current provisions	2 180	2 222
Accrued expenses and deferred income	20 727	21 097
<b>Total current liabilities</b>	<b>73 129</b>	<b>70 319</b>
Non-current financial liabilities	59 835	31 445
Other non-current liabilities	1 116	3 922
Deferred tax liabilities	4 783	5 200
<b>Total non-current liabilities</b>	<b>65 734</b>	<b>40 567</b>
<b>Total liabilities</b>	<b>138 863</b>	<b>110 886</b>
Share capital	383	377
Capital surplus	27 890	27 670
Treasury shares	-1 956	-2 105
Retained earnings	213 029	220 232
<b>Equity attributable to shareholders' of Komax Holding AG</b>	<b>239 346</b>	<b>246 174</b>
Non-controlling interest	0	0
<b>Total shareholders' equity</b>	<b>239 346</b>	<b>246 174</b>
<b>Total liabilities and shareholders' equity</b>	<b>378 209</b>	<b>357 060</b>

<sup>1</sup> Since the start of 2017, the consolidated financial statements have been drawn up in accordance with Swiss GAAP FER. The previous year's figures have been revised accordingly (see accounting policies).

The notes on pages 8 to 14 are an integral component of these consolidated interim financial statements.

→ Consolidated income statement

in TCHF	First half 2017	First half 2016 <sup>1</sup>
Net sales	194 175	195 473
Other operating income	536	886
<b>Revenues</b>	<b>194 711</b>	<b>196 359</b>
Change in inventory of unfinished and finished goods	6 646	7 993
Cost of materials	-77 564	-78 063
<b>Gross profit</b>	<b>123 793</b>	<b>126 289</b>
Personnel expenses	-67 696	-66 652
Depreciation on property, plant and equipment	-3 761	-3 403
Depreciation on intangible assets	-1 466	-972
Other operating expenses	-25 426	-24 795
<b>Operating profit (EBIT)</b>	<b>25 444</b>	<b>30 467</b>
Financial result	-1 034	-732
<b>Ordinary profit</b>	<b>24 410</b>	<b>29 735</b>
Non-operating result	18	-104
Extraordinary result	-1 940	-1 094
<b>Group profit before taxes (EBT)</b>	<b>22 488</b>	<b>28 537</b>
Income taxes	-3 850	-5 616
<b>Group profit after taxes (EAT)</b>	<b>18 638</b>	<b>22 921</b>
Of which attributable to:		
- Shareholders' of Komax Holding AG	18 638	22 921
- Non-controlling interest	0	0
<b>Attributable to shareholders' of Komax Holding AG</b>		
Basic earnings per share (in CHF)	4.90	6.15
Diluted earnings per share (in CHF)	4.87	6.07

<sup>1</sup> Since the start of 2017, the consolidated financial statements have been drawn up in accordance with Swiss GAAP FER. The previous year's figures have been revised accordingly (see accounting policies).

The notes on pages 8 to 14 are an integral component of these consolidated interim financial statements.

→ Consolidated cash flow statement

in TCHF	First half 2017	First half 2016 <sup>1</sup>
<b>Cash flow from operating activities</b>		
Group profit after taxes	18 638	22 921
Adjustment for non-cash items		
– Taxes	3 850	5 616
– Depreciation and impairment of property, plant and equipment	3 858	3 500
– Depreciation and impairment of intangible assets	1 466	972
– Profit (-)/loss (+) from sale of non-current assets	2	-694
– Expense for share-based payments	552	910
– Employee benefits	0	0
– Net financial result	1 034	732
– Other non-cash items	-13	-136
Interest received and other financial income	299	630
Interest paid and other financial expenses	-1 144	-1 793
Taxes paid	-6 769	-6 599
Increase (+)/decrease (-) in provisions	-25	-799
Increase (-)/decrease (+) in trade receivables	4 450	20 259
Increase (-)/decrease (+) in inventories	-13 824	-9 298
Increase (+)/decrease (-) in trade payables	3 506	-572
Increase (-)/decrease (+) in other net current assets	-3 413	-10 885
<b>Total cash flow from operating activities</b>	<b>12 467</b>	<b>24 764</b>
<b>Cash flow from investing activities</b>		
Investments in property, plant and equipment	-7 532	-7 219
Sale of property, plant and equipment	70	154
Investments in intangible assets	-1 606	-2 379
Investments in associates	0	-33
Investments in Group companies and participations <sup>2</sup>	-8 200	-38 769
Sale of Group companies <sup>3</sup>	4 100	23 376
Increase in granted loans	0	-1 778
Decrease in granted loans	500	1 339
<b>Total cash flow from investing activities</b>	<b>-12 668</b>	<b>-25 309</b>
<b>Free cash flow</b>	<b>-201</b>	<b>-545</b>
<b>Cash flow from financing activities</b>		
Decrease in current financial liabilities	-78	0
Decrease in non-current financial liabilities	-218	0
Increase in non-current financial liabilities	28 906	23 967
Capital increase (share-based payments)	5 954	5 015
Distribution out of reserves from capital contributions	-5 728	-5 623
Dividend paid	-19 094	-16 870
<b>Total cash flow from financing activities</b>	<b>9 742</b>	<b>6 489</b>
Effect of currency translations on cash and cash equivalents	-483	54
<b>Increase (+)/decrease (-) in funds</b>	<b>9 058</b>	<b>5 998</b>
Cash and cash equivalents at 1 January	48 531	50 883
Cash and cash equivalents at 30 June	57 589	56 881

<sup>1</sup> Since the start of 2017, the consolidated financial statements have been drawn up in accordance with Swiss GAAP FER. The previous year's figures have been revised accordingly (see accounting policies).

<sup>2</sup> Less cash and cash equivalents acquired.

<sup>3</sup> Less cash and cash equivalents sold.

The notes on pages 8 to 14 are an integral component of these consolidated interim financial statements.

→ Consolidated statement of shareholders' equity

First half 2017

in TCHF	Share capital	Premium	Treasury shares	Goodwill offset	Currency differences	Other retained earnings	Total retained earnings	Equity shareholders of Komax Holding AG	Non-controlling interest	Total shareholders' equity
<b>Balance on 1 January 2017</b>	<b>377</b>	<b>27 670</b>	<b>-2 105</b>	-58 759	-732	279 723	<b>220 232</b>	<b>246 174</b>	0	<b>246 174</b>
Group profit after taxes						18 638	18 638	18 638	0	18 638
Capital increase from exercise of options	6	5 948						5 954	0	5 954
Distribution out of reserves from capital contributions		-5 728						-5 728	0	-5 728
Dividend paid						-19 094	-19 094	-19 094	0	-19 094
Share-based payments			149			403	403	552	0	552
Goodwill offset with shareholders' equity				-4 499			-4 499	-4 499	0	-4 499
Currency translation differences recorded in the reporting period					-2 651		-2 651	-2 651	0	-2 651
<b>Balance on 30 June 2017</b>	<b>383</b>	<b>27 890</b>	<b>-1 956</b>	-63 258	-3 383	279 670	<b>213 029</b>	<b>239 346</b>	<b>0</b>	<b>239 346</b>

First half 2016<sup>1</sup>

in TCHF	Share capital	Premium	Treasury shares	Goodwill offset	Currency differences	Other retained earnings	Total retained earnings	Equity shareholders of Komax Holding AG	Non-controlling interest	Total shareholders' equity
<b>Balance on 31 December 2015 (according to IFRS)</b>	<b>369</b>	<b>25 548</b>	<b>-2 191</b>	0	-29 760	289 168	<b>259 408</b>	<b>283 134</b>	<b>0</b>	<b>283 134</b>
Swiss GAAP FER adjustments <sup>1</sup>	0	0	0	-38 866	29 760	-32 861	-41 967	-41 967	0	-41 967
<b>Balance on 1 January 2016</b>	<b>369</b>	<b>25 548</b>	<b>-2 191</b>	-38 866	0	256 307	<b>217 441</b>	<b>241 167</b>	<b>0</b>	<b>241 167</b>
Group profit after taxes						22 921	22 921	22 921	0	22 921
Capital increase from exercise of options	8	5 007					0	5 015	0	5 015
Distribution out of reserves from capital contributions		-5 623					0	-5 623	0	-5 623
Dividend paid						-16 870	-16 870	-16 870	0	-16 870
Share-based payments			131			763	763	894	0	894
Goodwill offset with shareholders' equity				-3 029			-3 029	-3 029	0	-3 029
Currency translation differences recorded in the reporting period					-580		-580	-580	0	-580
<b>Balance on 30 June 2016</b>	<b>377</b>	<b>24 932</b>	<b>-2 060</b>	-41 895	-580	263 121	<b>220 646</b>	<b>243 895</b>	<b>0</b>	<b>243 895</b>

<sup>1</sup> Since the start of 2017, the consolidated financial statements have been drawn up in accordance with Swiss GAAP FER. The previous year's figures have been revised accordingly (see accounting policies).

The notes on pages 8 to 14 are an integral component of these consolidated interim financial statements.

## → Condensed notes to the consolidated financial statements

### 1 Summary of significant accounting policies

#### 1.1 General information on the consolidated financial statements

The present consolidated financial statements comprise the unaudited consolidated half-year financial statements of Komax Holding AG, which is domiciled in Switzerland, and its subsidiaries for the reporting period ended 30 June 2017.

With effect from 1 January 2017, the consolidated half-year and full-year financial statements have been drawn up in accordance with the existing guidelines of Swiss GAAP FER (Swiss Accounting and Reporting Recommendations). Furthermore, the provisions of the listing rules of SIX Swiss Exchange and Swiss company law have been complied with.

The consolidated half-year financial statements have been drawn up in accordance with Swiss GAAP FER 31 “Complementary Recommendation for Listed Companies”. As the consolidated half-year financial statements do not contain all the information set out in the consolidated annual financial statements, they should be read in conjunction with the consolidated financial statements as at 31 December 2016. Until 31 December 2016, Komax prepared its half-year and full-year financial statements in accordance with IFRS (International Financial Reporting Standards). With the exception of the accounting items referred to in the following section, the accounting principles used to prepare the half-year financial statements are nonetheless in accordance with those governing the consolidated financial statements as at 31 December 2016. The consolidated half-year financial statements encompass the period 1 January 2017 to 30 June 2017 (hereinafter “reporting period”) and were approved by the Board of Directors on 17 August 2017.

Preparation of the consolidated half-year financial statements requires the Board of Directors and Group Management to make estimates and assumptions that have an effect on the stated income, expenses, assets and liabilities, as well as the disclosure of contingent liabilities. If, at a later point in time, the estimates and assumptions made by management in good faith at the time of the interim financial statements are found to differ from actual conditions, the original estimates and assumptions are revised accordingly in the reporting period in which conditions changed.

In the consolidated half-year financial statements, management has not made any new assumptions or estimates compared with the consolidated financial statements as at 31 December 2016 over and above the adjustments due to the changeover to Swiss GAAP FER.

The Komax Group operates in business sectors where sales are not subject to any material seasonal or cyclical fluctuations over the course of the financial year.

Income taxes are calculated based on the best estimate of the expected weighted average tax rate for the financial year as a whole.

By stating its free cash flow in the cash flow statement, the Komax Group is reporting an item that is not in conformity to Swiss GAAP FER but is a key figure for Komax as well as being widely used and recognized in the financial sector.



## **1.2 Adjustments in connection with the change of accounting principles**

In its media release of 21 March 2017, Komax announced that it was changing its accounting standard from IFRS to Swiss GAAP FER with effect from the 2017 financial year. The change was driven by the following key considerations:

- The constant widening of the scope of regulation under IFRS and the ever-increasing number of complex and formal detailed regulations.
- The Swiss GAAP FER accounting standard is particularly suited to the needs of medium-sized companies like the Komax Group.
- The latter standard continues to guarantee shareholders transparent reporting in keeping with the “true and fair” principle.

The accounting standards applied in the preparation and presentation of the consolidated half-year financial statements for 2017 deviate from the consolidated full-year financial statements for 2016 drawn up in accordance with IFRS in the following key points:

### **1.2.1 Goodwill from acquisitions and associated companies**

Goodwill and technologies from acquisitions and associated companies are directly offset against retained earnings in shareholders’ equity, in keeping with the option that applies at the point of acquisition under Swiss GAAP FER 30 “Consolidated financial statements”. Under IFRS, goodwill was capitalized and reviewed for impairment on an annual basis, whereas prior to acquisitions not capitalized technologies were separately capitalized as part of the purchase price allocation process and amortized over their estimated economic lifetime. Under Swiss GAAP FER, transaction costs incurred in connection with acquisitions are treated as a component part of acquisition costs. Under IFRS, transaction costs were recognized in the income statement.

### **1.2.2 Employee benefits**

Under Swiss GAAP FER 16 “Pension benefit obligations”, the economic obligations and benefits of Swiss pension schemes are ascertained on the basis of figures drawn up in accordance with Swiss GAAP FER 26 “Accounting of pension plans”. The economic impact of the pension schemes of foreign subsidiaries is ascertained in accordance with locally applied valuation methods. Employer contribution reserves and comparable items are capitalized under Swiss GAAP FER 16. Under IFRS, defined-benefit pension plans were calculated according to the “projected unit credit method” and recorded in the balance sheet in accordance with IAS 19.

### **1.2.3 Tax-loss carryforwards**

Komax has elected not to capitalize future tax savings from offsettable tax-loss carryforwards. The use of these tax-loss carryforwards is recorded upon realization. Under IFRS, deferred tax claims in connection with tax losses were taken into account to the extent that it was deemed probable that future taxable profits would be generated so that these losses could be used in the foreseeable future.

### **1.2.4 Deferred income taxes**

The above-mentioned valuation and accounting adjustments have the corresponding repercussions for deferred income taxes in the balance sheet and the income statement.

### 1.2.5 Reclassification to shareholders' equity

As part of the changeover to Swiss GAAP FER, the cumulative currency translation differences were reset/reversed as of 1 January 2016 and offset against retained earnings. Under Swiss GAAP FER, the result from divestments (discontinued operations) therefore only contains the currency translation differences arising after 1 January 2016.

### 1.2.6 Presentation and format

The presentation and format of the balance sheet, income statement, statement of shareholders' equity and cash flow statement were adjusted in keeping with the requirements of Swiss GAAP FER. Prior periods were adjusted accordingly to facilitate comparability with the new presentation of the current reporting period (restatement). The repercussions of the above-mentioned adjustments for shareholders' equity and the income statement of Komax are summarized in the following tables:

#### Adjustment effects – shareholders' equity

in TCHF	01.01.2016	30.06.2016	31.12.2016
Shareholders' equity under IFRS	283 134	286 866	311 910
<b>Adjustments under Swiss GAAP FER</b>			
Offsetting of goodwill against shareholders' equity	-30 661	-33 456	-47 441
Offsetting of technology against shareholders' equity as component part of goodwill	-8 204	-7 534	-9 712
IAS 19 adjustments (incl. deferred taxes)	13 919	13 483	7 732
Non-capitalization of deferred taxes from offsettable tax-loss carryforwards	-17 021	-15 464	-16 315
<b>Shareholders' equity under Swiss GAAP FER</b>	<b>241 167</b>	<b>243 895</b>	<b>246 174</b>

#### Adjustment effects – Group profit after taxes (EAT)

in TCHF	First half 2016	2016
Group profit after taxes (EAT) under IFRS	20 374	35 489
<b>Adjustments under Swiss GAAP FER</b>		
Transaction costs from acquisitions	186	192
Amortization of intangible assets	671	1 492
IAS 19 adjustments (incl. deferred taxes)	-997	-963
Discontinued operations (effect of currency translation differences)	807	944
Non-capitalization of deferred taxes from offsettable tax-loss carryforwards	1 880	1 549
<b>Group profit after taxes (EAT) under Swiss GAAP FER</b>	<b>22 921</b>	<b>38 703</b>

## 2 Scope of consolidation

The consolidated half-year financial statements include the separate financial statements of Komax Holding AG, Dierikon (Switzerland), and all subsidiaries where Komax Holding AG directly or indirectly holds more than 50% of the voting power or otherwise exercises control over the entity's financial and operating policies. These companies are fully consolidated. Associated companies in which the Komax Group holds at least 20% of votes but in which it has a stake of less than 50% or on which it exerts a key influence in other ways are recognized by the equity method.

Komax acquired the business of Practical Solution Pte Ltd, Singapore, and Practical Solution Trading (Shanghai) Co., Ltd, China, by means of an asset deal with effect from 3 March 2017. Further details on the effected acquisitions can be found in Note 5. Additionally, Komax founded with Komax Manufacturing de México S. de R.L. de C.V. in the first half 2017 another subsidiary in Mexico.

The remaining subsidiaries are listed on pages 154 and 155 of the 2016 Annual Report.

### **3 Notes to the consolidated financial statements**

Below, we provide a number of supplementary notes to the information already set out in the Letter to Shareholders.

#### **3.1 Balance sheet**

The balance sheet total has increased by CHF 21.1 million to CHF 378.2 million in comparison to 31 December 2016. The foreign currency impact reduced the balance sheet total in the first half of 2017 by some CHF 2.7 million. The equity ratio has declined from 68.9% to 63.3%, primarily as a result of the dividend paid in May 2017 and the distribution from capital contribution reserves.

#### **3.2 Income statement**

For notes on revenues development and profitability, we refer you again to the Letter to Shareholders.

The non-operating result contains the income and expenses from non-operating properties.

The extraordinary result contains expenses of CHF 1.9 million relating to an impairment of a loan granted to an associated company. In the corresponding prior-year period, the expenses incurred in connection with the restructuring at the Porta Westfalica site in Germany and the result from the sale of the former Medtech business unit are contained in the extraordinary result.

#### **3.3 Cash flow statement**

Free cash flow moved slightly into negative territory in the first half to stand at CHF -0.2 million. Cash flow from operating activities has declined by CHF 12.3 million in comparison with the previous year. In addition to the lower Group profit after taxes, this decrease is due primarily to the increase in net working capital. Free cash flow is nonetheless CHF 0.3 million higher compared to the first half of 2016, as net investment was CHF 12.6 million lower in the first half of 2017 than in the prior-year period. The impact of currency translation differences on cash and cash equivalents was slightly negative at CHF -0.5 million.

#### **3.4 Statement of shareholders' equity**

Shareholders' equity has declined by CHF 6.8 million in comparison to 31 December 2016. In addition to a goodwill offset of CHF 4.5 million resulting from the asset deal with Practical Solution, the dividend distribution of CHF 19.1 million and the distribution from capital contribution reserves of CHF 5.7 million also have the effect of reducing shareholders' equity. The Komax Group recorded an inflow of CHF 6.0 million due to the capital increase from the exercising of options. The impact of currency translation differences was sharply negative at CHF -2.7 million: in particular, the USD and CNY exchange rates were lower on the balance sheet date than on 31 December 2016.

#### 4 Segment information

The Komax Group is a global technology company that focuses on markets in the automation sector. As a manufacturer of innovative and high-quality solutions for the wire processing industry, Komax helps its customers implement economical and safe manufacturing processes, especially in the automotive supply sector. All Group companies are active in wire processing, have a uniform client base, and are centrally managed. The Board of Directors and the Group Executive Committee, which make the key strategic and operating decisions, manage the Komax Group primarily on the basis of the financial statements of the individual companies, the Management Information System, and the consolidated financial statements. Due to the commercial similarity and interconnections of the Group companies, Komax presents its business in amalgamated form as a single segment, in accordance with Swiss GAAP FER 31.

Up until the sale of the Medtech business unit in April 2016, the Komax Group had two segments. The corresponding segment information is set out below:

##### First half 2017

in TCHF	Wire <sup>2</sup>	Medtech	Group
<b>Order intake</b>	<b>224 431</b>	<b>–</b>	<b>224 431</b>
Net sales from external customers	194 175	–	194 175
Net sales from other segments	–	–	–
<b>Total net sales</b>	<b>194 175</b>	<b>–</b>	<b>194 175</b>
<b>EBIT</b>	<b>25 444</b>	<b>–</b>	<b>25 444</b>

##### First half 2016<sup>1</sup>

in TCHF	Wire <sup>2</sup>	Medtech	Group
<b>Order intake</b>	<b>174 361</b>	<b>9 264</b>	<b>183 625</b>
Net sales from external customers	176 276	19 197	195 473
Net sales from other segments	0	0	0
<b>Total net sales</b>	<b>176 276</b>	<b>19 197</b>	<b>195 473</b>
<b>EBIT</b>	<b>30 029</b>	<b>438</b>	<b>30 467</b>

<sup>1</sup> Since the start of 2017, the consolidated financial statements have been drawn up in accordance with Swiss GAAP FER. The previous year's figures have been revised accordingly (see accounting policies).

<sup>2</sup> Including elimination of intersegment revenues and corporate costs.

The table below shows the reconciliation of the total of the reportable segments' EBIT to the Group profit after taxes:

in TCHF	First half 2017	First half 2016 <sup>1</sup>
<b>EBIT</b>	<b>25 444</b>	<b>30 467</b>
Financial result	-1 034	-732
<b>Ordinary profit</b>	<b>24 410</b>	<b>29 735</b>
Non-operating result	18	-104
Extraordinary result	-1 940	-1 094
<b>Group profit before taxes (EBT)</b>	<b>22 488</b>	<b>28 537</b>
Income taxes	-3 850	-5 616
<b>Group profit after taxes (EAT)</b>	<b>18 638</b>	<b>22 921</b>

<sup>1</sup> Since the start of 2017, the consolidated financial statements have been drawn up in accordance with Swiss GAAP FER. The previous year's figures have been revised accordingly (see accounting policies).

## 5 Acquisitions

Komax acquired the business of Practical Solution Pte Ltd, Singapore, and Practical Solution Trading (Shanghai) Co., Ltd, China, by means of an asset deal with effect from 3 March 2017. Inventories and fixed assets of CHF 1.2 million were acquired. The purchase price amounted to CHF 5.7 million, of which CHF 4.1 million was paid in the first half of 2017. The remaining payments are due at the start of 2018 (CHF 1.2 million) and the start of 2019 (CHF 0.4 million).

Information on the acquisitions effected in the previous year can be found in Note 34 of the 2016 Annual Report.

## 6 Exchange rates

The most important half-year and average exchange rates for Komax were as follows:

Currency	Rate on 30.06.2017	Average rate in first half 2017	Rate on 30.06.2016	Average rate in first half 2016
USD	0.970	1.010	0.990	1.000
EUR	1.110	1.090	1.100	1.110
BRL	0.292	0.318	0.306	0.264
CNY	0.143	0.147	0.149	0.153
RON	0.242	0.240	0.243	0.246

## 7 Events after the balance sheet date

No significant events occurred between the balance sheet date and the approval of the consolidated financial statements by the Board of Directors on 17 August 2017 which might adversely affect the information content of the 2017 half-year financial statements or which would require disclosure.

## 8 Information for shareholders

Komax Holding AG registered shares are listed on the main stock exchange in Zurich. Security no.: 1070215; Bloomberg: KOMN SW; Thomson Reuters: KOMN.S

	30.06.2017	31.12.2016
Share capital (in TCHF)	383	377
No. of shares (in units)	3 827 216	3 774 148
Market capitalization as at reference date (in TCHF)	1 073 534	948 255
Closing price as at reference date (in CHF)	280.50	251.25

## Financial calendar

First information on the year 2017	23 January 2018
Annual media and analyst conference on the 2017 financial results	20 March 2018
Annual General Meeting	19 April 2018
Half-year results 2018	21 August 2018

## Forward-looking statements

The Half-Year Report contains forward-looking statements in relation to Komax which are based on current assumptions and expectations. Unforeseeable events and developments could cause actual results to differ materially from those anticipated. Examples include: changes in the economic and legal environment, the outcome of legal disputes, exchange rate fluctuations, unexpected market behavior on the part of our competitors, negative publicity, and the departure of members of management. The forward-looking statements are pure assumptions, made on the basis of information that is currently available. This Half-Year Report and the Short Report are available in English and German. The original German versions are binding.

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