INTERIM REPORT
2012

DATWYLER

HIGHLIGHTS

Key figures

in CHF millions	Six months ended	
	30.06.2012 unaudited	30.06.2011 unaudited
Net revenue	680.7	679.0
Change compared to prior period (%)	0.3%	0.3%
Operating result before interest, taxes, depreciation and amortisation (EBITDA)	90.5	85.0
EBITDA as % of net revenue	13.3%	12.5%
Operating result before interest and taxes (EBIT)	65.6	62.6
EBIT in % of net revenue	9.6%	9.2%
Net result	47.0	44.2
Net result as % of net revenue	6.9%	6.5%
Net cash from operating activities	48.4	57.8
Net cash used in investing activities	–60.2	–27.6
Free cash flow	–11.8	30.2
Net cash used in financing activities	–41.2	–39.7
Net change in cash and cash equivalents	–53.0	–9.5
Cash, cash equivalents, money market investments and securities	95.0	109.8
Net cash surplus	59.3	33.4
Capital expenditure on property, plant and equipment, gross	40.4	24.2
Total assets	928.1	877.9
Equity	646.9	584.2
Equity as % of total assets	69.7%	66.5%
Number of employees (half-year average)	5'478	5'187
Full time equivalents (half-year average)	5'241	4'960
Price (high/low) per bearer share (in CHF)	80/54	87/69

LETTER TO SHAREHOLDERS

Datwyler Group reports growth in revenue and profit

In the first half of 2012, the four divisions of the Datwyler Group were faced with very different market trends. On the one hand, the international pharmaceuticals market continued to follow the same steady growth trajectory as ever. The segments of the automotive and civil engineering sectors which are of relevance to the Sealing Technologies division also turned in a robust performance and impressed with stable demand at a high level. On the other hand, in the markets for cabling solutions Datwyler has experienced strong price and competitive pressure. Moreover, as a result of the persisting debt crisis in Europe, the first half of the year saw a decline in momentum in the manufacturing industry, which is relevant for the Technical Components division.

Increased profitability

In this challenging environment, Datwyler as a Group held up well. Net revenue increased slightly by 0.3% to CHF 680.7 million (previous year CHF 679.0 million). The contribution of the first-time consolidation of the profiles division of Phoenix and Display Elektronika came to CHF 27.2 million or 4.0%. The negative currency effect amounted to CHF 20.4 million or 3.0%. Datwyler's operating result (EBIT) was also up on the previous year: Thanks to the consistent implementation of the niche strategy, EBIT grew 4.8% to CHF 65.6 million (previous year CHF 62.6 million). After factoring out the negative currency effect of presenting the consolidated accounts in Swiss francs, EBIT growth was at 10.4%. The EBIT margin improved to 9.6% (previous year 9.2%), which is well within the Group's medium-term target range of 9% to 12%. The net result grew 6.3% to CHF 47.0 million (previous year CHF 44.2 million). The relocation projects announced in 2011 in the Cabling Solutions and Sealing Technologies divisions had largely been completed by mid-2012. This means that in future less than 10% of Group revenues will be exposed to the transaction risk of the Swiss franc, which remains strong.

Implementation of growth strategy on track

Despite the current challenging environment, Datwyler is systematically working on the implementation of its growth strategy. In line with this, the Pharma Packaging division began validating the new production facility in India the first half of the year. Series production is scheduled to start in the fourth quarter of 2012. As planned, the Sealing Technologies division has expanded the volume of the Nespresso order by successfully starting up the new product line. In parallel with this, Datwyler has integrated Phoenix Dichtungstechnik's profiles division, which was taken over at the beginning of the year, and has concentrated extrusion production at the new German site in Waltershausen. In the Technical Components division, the announced takeover of the Dutch Nedis Group at the beginning of September 2012 opens up a new growth area: Nedis, which has its own branches in twelve countries and employs 370 staff, generates annual revenue of around CHF 140 million. Nedis is Europe's number two in the wholesale trade in IT and electronics accessories and thanks to strong proprietary brands will have a positive impact on the EBIT margin of the Technical Components division from the start. The Nedis takeover expands the Datwyler Group's value chain in the online/catalogue distribution segment. Datwyler will now have a dual presence in the market as a wholesaler and distributor which will widen its strategic room for manoeuvre in the future.

Group-wide, further acquisition projects are in the pipeline. The focus being on growing online/catalogue distribution in Europe and expanding the global presence of the Pharma Packaging and Sealing Technologies divisions.

Technical Components division facing challenging environment

The Technical Components division posted a 7.8% year-to-date decline in net revenue to CHF 304.7 million (previous year CHF 330.6 million), 3.2% or CHF 10.5 million of which was attributable to the strong franc. After adjustment for currency effects arising from consolidation in Swiss francs, the decline in revenue compared with the strong year-back period came to 4.8%. The same period has seen the purchasing managers indices in Europe and Switzerland retreat from just short of 60 in the first half of 2011 to between 45 and 50 in the first half of 2012. In parallel, semiconductor sales in Europe fell by a steep 15.0% in the first quarter of 2012 (Source: DMASS). Against the background of this major slowdown in the electronics and manufacturing cycle, Datwyler again won market share thanks to a comparatively moderate decline in revenue in a shrinking market. As a result, in the period under review the division succeeded in again slightly increasing revenue in comparison with the second half of 2011. Developments in individual business units differed widely, however. In Switzerland, Maagtechnic in particular suffered from a marked decline in demand from the mechanical engineering industry. Distrelec/Elfa had to contend with decreasing demand in the high-margin Scandinavian countries in particular. However, Germany also faced a noticeable slowdown in growth toward mid-year. Thanks to its clear positioning based on professional quality at discount prices, Reichelt typically held its own in a difficult economic environment and grew in 2012 too. Its successful entry into new markets such as Austria and the Netherlands made a positive contribution to growth. Convinced of the long-term growth potential of online/catalogue distribution, Datwyler continued with strategic projects to accelerate organic growth despite a temporary dip in demand. The associated costs, a lack of volume and the changed geographical mix led to a disproportionate 21.2% decline in the operating result (EBIT) to CHF 27.9 million (previous year CHF 35.4 million). The EBIT margin fell to 9.2% (previous year 10.7%).

We do not yet expect to witness a recovery in the economic environment in the second half of the year. The Distrelec/Elfa Group, which operates throughout central and eastern Europe will continue to struggle with stagnant demand. For Maagtechnic the worst of the downturn is over, but the markets are persisting at a low level. Thanks to its attractive positioning and steady geographical expansion, we take an optimistic view of the outlook for Reichelt. From early September on, the Nedis Group will have a positive impact on revenue and the EBIT margin.

Pharma Packaging division exceeds market growth

In the first half of 2012, the Pharma Packaging division grew by 8.2% organically, once again exceeding the growth trend in the market. Consolidation in Swiss francs translated into a 4.5% increase in net revenue to CHF 152.4 million (previous year CHF 145.8 million). The main growth stimuli were generated by strong demand from key customers in the target markets of insulin products and biopharmaceutical drugs. Preferred by this group of customers, the FirstLine production concept with clean room conditions made a key contribution to the successful performance. Existing production capacity is already fully utilized and specific planning is in progress with a view to speeding up the expansion of the facilities. The coated Omniflex components also confirmed their growth trajectory. Although Datwyler was able to implement substantial price increases in the market, the tight situation in individual commodity markets is still impacting the operating result (EBIT). The start-up costs for the new plant in India also had a negative effect on EBIT. As a result, EBIT failed to keep pace with revenue growth and at CHF 19.8 million persisted at the year-back level (CHF 20.0 million). The EBIT margin slipped back to 13.0% accordingly (previous year 13.7%).

In the short term, we expect the situation on the commodity markets to remain tight in the second half of the year with high commodity prices putting corresponding pressure on margins. Moreover, the start-up costs for the plant in India will rise further. That said, from 2013 on, the investments will start paying off through positive contributions to margins from revenues and through improved competitiveness. Datwyler will be the first global manufacturer of elastomeric components to have a plant of its own in India. Over the medium term we take a decidedly optimistic view of this division because of its strong positions in the growth segments for high quality components.

Cabling Solutions division: improved profitability in a difficult environment

While the Cabling Solutions division had to contend with substantial currency-related losses in the standard cabling segment in the first half of the year, particularly in Europe, the trend in the system and turnkey segment was largely positive. Datwyler posted a gratifying order intake in the Middle East and Asia in particular, with momentum increasing toward the end of the period under review. As in previous years, the global lift business was under very high pressure on the price and competition fronts, leading to significant price discounts in some cases. Overall, the division's net revenue declined by 10.2% to CHF 111.4 million in the first half of the year (previous year CHF 124.1 million). Adjusted for currency factors and on the basis of the previous period's copper prices the decline came to 6.3%. The gross margin improved significantly thanks to adjustments to the product range. The division implemented as planned the projects initiated in 2011 involving the relocation of operations in the lift segment from Switzerland to the Czech Republic and China, and by mid-2012 much of this process had been completed. Modernization and process optimization work at the Altdorf site is progressing according to plan. Despite lower capacity utilization, the operating result (EBIT) before restructuring costs for the first half of 2012 improved to CHF 6.1 million (previous year CHF 4.7 million). Reported EBIT (including restructuring costs of CHF 1.1 million) increased to CHF 5.0 million (previous year CHF 0.5 million). The reported EBIT margin increased accordingly to 4.5% (previous year 0.4%).

For the second half of the year, we expect the Cabling Solutions division to encounter stable business conditions in Switzerland, a continuing tight competitive environment in Europe and an improved revenue situation in the Middle East and Asia compared with the first half. We expect the relocations and additional measures to optimize our operations to deliver a further improvement in our cost base, which should have an increasingly positive impact on EBIT in the second half of the year. As planned, the restructuring measures introduced in the second half of the year will lead to further one-off costs amounting to CHF 1.6 million.

Sealing Technologies division on track for profitable growth

In the Sealing Technologies division, during the first half of 2012 Datwyler reported brisk demand in all the markets in which it operates. The automotive sector witnessed further buoyant momentum thanks to its strong position as a development partner of the leading German automotive suppliers. The volume of the Nespresso order was continuously expanded through the successful roll-out of the new product line. Demand for special gaskets for building construction and civil engineering applications also remained at a high level. The integration of Phoenix Dichtungstechnik's profiles division, taken over at the beginning of the year, also proceeded according to plan. Overall, net revenue increased by 41.3% to CHF 114.0 million (previous year CHF 80.7 million). The contribution of the Profiles division of Phoenix, which was consolidated for the first time, came to CHF 26.5 million or 32.8%. Adjusted for negative exchange rate effects of CHF 3.7 million or 4.6%, the division posted organic growth of 13.0%. Before one-off income, the operating result (EBIT) increased to CHF 11.4 million (previous year CHF 6.7 million). The operating EBIT margin increased accordingly to 10.0% (previous year 8.3%). This is the result of high capacity

utilization and continuous improvement measures to reduce costs and currency dependencies. Thus, Datwyler relocated extrusion production for profiles from the Swiss site in Schattdorf to the new German location in Waltershausen within just six months without interrupting operations. The previous German site in Springe was closed mid-year. Reported EBIT including one-off gains on sale of a warehouse building at the Swiss site in Schattdorf amounted to CHF 12.9 million.

We are confident that we shall be able to maintain the pace of growth in the Sealing Technologies division in the second half of the year. In the automotive segment in particular Datwyler will see the groundwork accomplished in previous years bear fruit in the form of numerous new projects and a very well filled product pipeline. Thanks to its cutting-edge know-how and production sites in low-wage countries, Datwyler will be able to conclude the new projects on standard market terms. In parallel with our organic growth, we are examining options in the Sealing Technologies division with a view to reinforcing our global presence through further acquisitions.

Outlook: profitable growth set to continue

For the second half of 2012, the uncertainty has increased further. However, thanks to the strategic measures implemented, Datwyler is equipped for all scenarios. We have lessened the cyclicity of our portfolio and, at the same time, reduced dependence on the strong Swiss franc. What is more, we have seized opportunities for growth through acquisitions. Assuming that the general parameters do not worsen, Datwyler is convinced that it will be able to remain on track for profitable growth. For full-year 2012 we also expect to meet the goal of an EBIT margin within the target band of between 9% and 12% that we have set ourselves. The announced sale of a real estate package in the Canton of Uri for CHF 37.0 million will be settled by the end of September 2012. The buyer is the independent Datwyler Foundation. Based on the valuation in the Datwyler Group's books, this transaction will improve the 2012 operating result with a one-off gain of around CHF 20 million.

Altdorf, 17 August 2012

On behalf of the Board of Directors

Ulrich Graf, Chairman

On behalf of the Executive Management

Dr. Paul J. Haelg, CEO

Consolidated Income Statement

in CHF millions	Note	Six months ended 30.06.2012 unaudited	30.06.2011 unaudited	% change
Net revenue	1	680.7	679.0	0.3%
Change in inventories		4.9	–2.2	–
Material costs		–336.0	–335.0	0.3%
Gross profit		349.6	341.8	2.3%
Other operating income	5	22.1	22.8	–3.1%
Personnel expenses	5	–174.0	–173.6	0.2%
Operating expenses		–107.2	–106.0	1.1%
Income from investments in associated companies		0.0	–	–
Operating result before interest, taxes, depreciation and amortisation (EBITDA)		90.5	85.0	6.5%
Depreciation of property, plant and equipment		–22.8	–21.1	8.1%
Amortisation of intangible assets		–1.6	–1.3	23.1%
Impairment charges	5	–0.5	–	–
Operating result before interest and taxes (EBIT)	1	65.6	62.6	4.8%
Net finance result	5	–1.9	–3.2	–40.6%
Earnings before tax (EBT)		63.7	59.4	7.2%
Income tax expenses		–16.7	–15.2	9.9%
Net result		47.0	44.2	6.3%
Net result per bearer share entitled to dividend (in CHF) [1]		**3.04**	**2.86**	**6.3%**

[1] *There were no dilutive effects in the first half-year 2012 and 2011.*

The accompanying notes on pages 11 to 14 are an integral part of these interim consolidated financial statements.

Consolidated Balance Sheet

Assets

in CHF millions	Note	30.06.2012 unaudited	31.12.2011	30.06.2011 unaudited
Cash and cash equivalents	4	81.6	134.8	101.9
Money market investments	4	10.0	10.0	4.1
Securities	4	3.4	3.3	3.8
Trade accounts receivable		175.8	140.0	166.8
Inventories		203.4	188.4	193.5
Net assets from long-term contracts		0.3	0.6	0.9
Other receivables		36.9	19.6	34.0
Prepayments made and accrued income		9.3	10.4	6.2
Current assets		520.7	507.1	511.2
Property, plant and equipment		360.5	343.9	322.2
Intangible assets		9.5	6.8	6.5
Financial assets		37.4	34.2	38.0
Non-current assets		407.4	384.9	366.7
Total assets		**928.1**	**892.0**	**877.9**

Liabilities and equity

in CHF millions	Note	30.06.2012 unaudited	31.12.2011	30.06.2011 unaudited
Trade accounts payable		78.0	72.7	71.2
Short-term bank debt		35.7	49.5	76.4
Net liabilities from long-term contracts		0.1	0.0	–
Current provisions		35.8	33.0	41.8
Other current liabilities		56.0	28.7	42.9
Accrued expenses and deferred income		28.4	23.4	23.7
Current liabilities		234.0	207.3	256.0
Long-term bank debt		12.0	6.1	–
Long-term provisions		10.1	10.0	14.4
Deferred income tax liabilities		23.1	23.3	21.4
Pension liabilities		1.9	1.9	1.8
Other long-term liabilities		0.1	0.0	0.1
Long-term liabilities		47.2	41.3	37.7
Total liabilities		281.2	248.6	293.7
Share capital		0.9	0.9	0.9
Treasury shares		–0.1	–0.1	–0.1
Additional paid-in capital		88.6	87.2	87.2
Retained earnings		659.3	656.9	603.6
Cumulative translation adjustments		–101.8	–101.5	–107.4
Equity	4	646.9	643.4	584.2
Total liabilities and equity		**928.1**	**892.0**	**877.9**

The accompanying notes on pages 11 to 14 are an integral part of these interim consolidated financial statements.

Condensed Consolidated Cash Flow Statement

in CHF millions	Notes	Six months ended 30.06.2012 unaudited	30.06.2011 unaudited
Net result		47.0	44.2
Non-cash items and changes in working capital		1.4	13.6
Net cash from operating activities		48.4	57.8
Net purchases of property, plant and equipment		–35.0	–25.1
Acquisition of subsidiaries (net of cash acquired)	3	–22.6	–
Net purchases of other non-current assets		–2.6	–0.4
Net purchases of money market investments		–	–2.1
Net cash used in investing activities		–60.2	–27.6
Net repayment of bank debt		–7.2	–5.1
Net decrease in other long-term liabilities		–0.0	–0.6
Dividend paid to shareholders		–34.0	–34.0
Net cash used in financing activities		–41.2	–39.7
Net change in cash and cash equivalents		–53.0	–9.5
Cash and cash equivalents at 1 January		134.8	113.4
Effect of exchange rate changes on cash and cash equivalents		–0.2	–2.0
Cash and cash equivalents at 30 June		**81.6**	**101.9**

The accompanying notes on pages 11 to 14 are an integral part of these interim consolidated financial statements.

Consolidated Statement of Changes in Equity

in CHF millions	Share capital [1]	Treasury shares [2]	Additional paid-in capital	Retained earnings	Cumulative translation adjustments	**Total equity**
At 1 January 2011	0.9	–0.1	85.7	593.3	–96.3	583.5
Net result	–	–	–	44.2	–	44.2
Share award plan (see note 6)	–	0.0	1.5	–	–	1.5
Dividends	–	–	–	–34.0	–	–34.0
Change in valuation of interest rate swap, net of income taxes	–	–	–	0.1	–	0.1
Currency translation differences	–	–	–	–	–11.1	–11.1
At 30 June 2011	**0.9**	**–0.1**	**87.2**	**603.6**	**–107.4**	**584.2**
Net result	–	–	–	52.0	–	52.0
Offset of goodwill from acquisitions	–	–	–	1.3	–	1.3
Currency translation differences	–	–	–	–	5.9	5.9
At 1 January 2012	0.9	–0.1	87.2	656.9	–101.5	643.4
Net result	–	–	–	47.0	–	47.0
Share award plan (see note 6)	–	0.0	1.4	–	–	1.4
Dividends	–	–	–	–34.0	–	–34.0
Offset of goodwill from acquisitions (see note 3)	–	–	–	–10.6	–	–10.6
Currency translation differences	–	–	–	–	–0.3	–0.3
At 30 June 2012	**0.9**	**–0.1**	**88.6**	**659.3**	**–101.8**	**646.9**

[1] At 30 June 2012, the holding company's share capital was CHF 850'000 (30 June 2011 CHF 850'000).
[2] At 30 June 2012, the par value of treasury shares amounted to CHF 75'780 (30 June 2011 CHF 76'730).

The accompanying notes on pages 11 to 14 are an integral part of these interim consolidated financial statements.

Notes to the Consolidated Financial Statements

1 / SEGMENT INFORMATION

in CHF millions	Technical Components	Pharma Packaging	Cabling Solutions	Sealing Technologies	Eliminations	Total Group
Six months ended 30 June 2012:						
Revenue from external customers	303.7	152.4	110.9	113.7	–	680.7
Inter-segment revenue	1.0	0.0	0.5	0.3	–1.8	–
Total net revenue	304.7	152.4	111.4	114.0	–1.8	680.7
EBIT	27.9	19.8	5.0	12.9	–	65.6
EBIT in % of net revenue	9.2%	13.0%	4.5%	11.3%	–	9.6%

in CHF millions	Technical Components	Pharma Packaging	Cabling Solutions	Sealing Technologies	Eliminations	Total Group
Six months ended 30 June 2011:						
Revenue from external customers	329.4	145.8	123.6	80.2	–	679.0
Inter-segment revenue	1.2	–	0.5	0.5	–2.2	–
Total net revenue	330.6	145.8	124.1	80.7	–2.2	679.0
EBIT	35.4	20.0	0.5	6.7	–	62.6
EBIT in % of net revenue	10.7%	13.7%	0.4%	8.3%	–	9.2%

The Datwyler Group is an international multi-niche player organised into four divisions. The costs of the Group management functions are allocated to the divisions using a revenue-based key. The divisions are managed independently and their business performance is measured separately.

The Technical Components Division engages in online/catalogue and specialist distribution. Its distribution and service companies are located in Switzerland, Germany, Austria, Italy, France, Scandinavia, Poland, the Czech Republic and in the Baltic States.

The Pharma Packaging Division focuses on manufacturing rubber and aluminium/plastic components for pharma packaging as well as rubber components for diagnostics and drug delivery systems. Products are manufactured and distributed by Group companies in Belgium, Italy, Germany, the Netherlands and the USA.

The Cabling Solutions Division is a provider of end-to-end solutions in the areas data networks, safety cabling systems, building automation, elevator cabling systems and in-house energy provision. There are manufacturing and distribution facilities in Switzerland, Germany, Austria, the UK and Asia.

The Sealing Technologies Division develops and produces moulded components and extruded products and distributes them primarily in the automotive, construction and industrial sectors. Its manufacturing and distribution companies are located in Switzerland, Germany, the Czech Republic, the Ukraine, Mexico and China.

2 / BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying consolidated financial statements (hereinafter referred to as the "interim consolidated financial statements") comprise the unaudited interim financial statements for the six months ended 30 June 2012 (hereinafter referred to as "first half of 2012"). The consolidated financial statements are prepared in accordance with Swiss GAAP. The interim consolidated financial statements, which have been prepared in accordance with Swiss GAAP standard 12 "Interim reporting", do not include all the information and disclosures presented in the annual consolidated financial statements and should therefore be read in conjunction with the consolidated financial statements for the year ended 31 December 2011.

The interim consolidated financial statements were authorised for issue by the Board of Directors on 16 August 2012.

The interim consolidated financial statements include all companies which belonged to the Group during the reporting period and over which Datwyler Holding Inc. had the power to govern the financial and operating policies so as to obtain benefits from their activities. In the Datwyler Group, this is achieved when more than 50% of a Group company's share capital or voting rights is unconditionally owned directly or indirectly by Datwyler Holding Inc. domiciled in Altdorf (Switzerland).

The preparation of the interim consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions, which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

The operations of the Datwyler Group are not subject to any significant seasonal or cyclical variations, although the second half of the year tends to be weaker than the first.

Income tax expense is calculated based on the best estimate of the average annual income tax rate expected for the full financial year.

3 / ACQUISITION AND DISPOSAL OF SUBSIDIARIES

Acquisitions and disposal of subsidiaries had the following effect on the Group's assets and liabilities at 30 June 2012:

ACQUISITIONS IN THE FIRST HALF OF 2012

At the beginning of January 2012 the Profiles division of Phoenix Dichtungstechnik GmbH, Hamburg, Germany, was acquired in the Sealing Technologies division. The Profiles division of Phoenix is a leading international manufacturer of high-quality elastomeric seals and gaskets generating annual revenue of about CHF 43 million. At the beginning of April 2012, Display Elektronika B.V., domiciled in Utrecht, the Netherlands, with net assets of CHF 0.1 million was fully acquired by the Technical Components division. In the first half of 2012, the acquired businesses employing 209 people generated net revenue of CHF 27.2 million. The following table shows the fair value of assets and liabilities acquired at acquisition date and the goodwill arising from the transaction.

in CHF millions	Carrying amount	Fair value adjustments	**Fair value on acquisition**
Cash and cash equivalents	0.0	–	0.0
Trade accounts receivable	0.3	–	0.3
Inventories	3.0	–0.3	2.7
Other current assets	0.0	–	0.0
Property, plant and equipment	3.6	–	3.6
Intangible assets	0.0	1.8	1.8
Deferred income tax assets	–	4.1	4.1
Current liabilities	–0.5	–	–0.5
Net assets acquired at fair value			**12.0**
Goodwill including directly attributable transaction costs			10.6
Total			22.6
Less cash and cash equivalents acquired			–0.0
Net cash outflow on acquisition			**22.6**

DISPOSALS IN THE FIRST HALF OF 2012

In the Technical Components division the subsidiary DP ELFA Electronics, Kiev, Ukraine, was sold in April 2012. The financial impact on the consolidated financial statements is insignificant.

4 / BALANCE SHEET

Total assets increased by CHF 35.8 million or 4.0% compared to year-end 2011. Liquid assets (cash, cash equivalents, money market investments and securities) of the Group amounted to CHF 94.8 million at the end of June 2012. The decrease of CHF 53.3 million compared to year-end 2011 resulted, among other factors, due to higher capital expenditures and the acquisitions of subsidiaries. Trade accounts receivable have temporarily increased due to seasonal factors like at the end of June 2011. Consolidated equity increased by CHF 3.5 million to CHF 646.9 million, representing an equity ratio of 69.7%.

5 / INCOME STATEMENT

Compared with the first half of 2011, personnel expenses increased slightly by CHF 0.4 million to CHF 174.0 million. In the first half of 2011, a restructuring provision of CHF 4.2 million in the Cabling Solutions Division had been charged to personnel expenses (CHF 2.2 million) and operating expenses (CHF 2.0 million). Compared to 30 June 2011, the average number of employees including temporary staff rose by 291 to 5'478 employees at 30 June 2012 with newly acquired companies contributing an additional 209 employees.

Impairment charges of CHF 0.5 million were made on a land lot in the first half of 2012 (first half of 2011 none). Other operating income includes gains on sale of fixed assets of CHF 2.2 million (first half of 2011 CHF 0.3 million).

Net finance expenses of CHF 1.9 million (first half of 2011 CHF 3.2 million) include net foreign exchange losses of CHF 1.0 million (first half of 2011 CHF 2.6 million), partly offset by net gains on derivative financial instruments of CHF 0.1 million (first half of 2011 CHF 0.5 million). Net interest expense decreased to CHF 0.4 million in the first half of 2012 (first half of 2011 CHF 0.8 million). The market valuation of securities resulted in unrealised gains of CHF 0.1 million (first half of 2011 unrealised losses of CHF 0.1 million).

6 / SHARE AWARD PLAN

Since 2007, Directors and senior executives have received a portion of their remuneration in the form of bearer shares of Datwyler Holding Inc. Share-based payments to Directors and senior executives are measured at market value and recognised as personnel expenses at issue date. The shares awarded may not be sold for a period of 5 years after issue date. Voting and dividend rights of shares awarded are transferred to the beneficiaries at issue date. In June 2012, Directors were awarded a total of 9'600 (June 2011 9'600) bearer shares and senior executives were awarded a total of 9'400 (June 2011 9'400) bearer shares of Datwyler Holding Inc. Personnel expenses relating to the share award plan amount to CHF 1.4 million (first half of 2011 CHF 1.5 million).

7 / EVENTS AFTER BALANCE SHEET DATE

On 11 July, 2012, Datwyler Group signed an agreement to acquire Nedis Group. Headquartered in 's-Hertogenbosch in the Netherlands, Nedis ranks as Europe's number two wholesaler of IT and electronic accessories. With distribution companies in eleven other countries and about 370 employees, Nedis generates annual revenue of approximately CHF 140 million. Closing of the agreement is scheduled for the beginning of September 2012 subject to compliance with the customary regulatory conditions.

The Board of Directors and the Executive Management are not aware of any significant events occurring up to the date of approval of the interim consolidated financial statements on 16 August 2012 that would cause an adjustment of the carrying amounts of the Group's assets and liabilities.

8 / CURRENCY TRANSLATION RATES

	Six months ended 30 June 2012		Six months ended 30 June 2011	
	Closing rate at 30.06.	Average rate first-half year	Closing rate at 30.06.	Average rate first-half year
100 CNY	15.25	14.65	12.89	13.82
1 EUR	1.20	1.20	1.22	1.27
100 SEK	13.66	13.55	13.35	14.21
1 USD	0.96	0.93	0.84	0.91

Datwyler Group – international multi-niche player

The Datwyler Group is an international multi-niche player dedicated to industrial supply and distribution of engineering and electronic components. Our activities concentrate on attractive niches that offer opportunities to increase value added and sustain profitable growth. The Group's four divisions – Technical Components, Pharma Packaging, Cabling Solutions and Sealing Technologies – are focused on the manufacturing, pharmaceutical and datacom industries. Our strategy is built on delivering innovative solutions and positioning ourselves as a competent development partner for our customers. With more than 40 operating companies, sales in over 80 countries and more than 5'000 employees, the Datwyler Group generates more than CHF 1'300 million in revenue. Datwyler has been listed on the SIX Swiss Exchange since 1986 (security number 3048677).

www.datwyler.com

Important dates

Announcement of net revenue 2012	25 January 2013
Annual Press Conference and Analyst Conference	15 March 2013
Annual General Meeting	23 April 2013
Interim Report	16 August 2013

This Interim Report contains forward-looking statements that reflect the Datwler Group's current expectations regarding market conditions and future events and are therefore subject to a number of risks, uncertainties and assumptions. Unanticipated events could cause actual results to differ from those predicted and from the information published in this report. All forward-looking statements contained in this report are qualified in their entirety by the foregoing.

This Datwyler Group Interim Report is to be found in English and German as downloadable PDF on www.datwyler.com > Investors > Interim Report. The German version is binding.

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