FEINTOOL GROUP

EXPANDING HORIZONS WITH FINEBLANKING, FORMING AND STAMPING

Report on Half-Year Figures, 1 January to 30 June 2019

FEINTOOL

EXPANDING HORIZONS

Key figures, first half year		Change vs. prev. year	2019 01/01/–06/30/19	2018 01/01/–06/30/18
Operating figures	in kCHF			
Net sales		-1.6 %	331 855	337 259
Earnings before interest, taxes, depreciation and amortization (EBITDA) [1]		-23.3 %	34 815	45 398
Operating profit (EBIT) [2]		-59.0 %	10 541	25 706
Net earnings		-72.4 %	4 660	16 854
Expected releases - high volume parts manufacturing		-8.3 %	271 383	295 926
Orders received third (investment goods)		-46.9 %	27 032	50 943
Orders backlog third as at 30.06. (investment goods)		-48.7 %	23 771	46 323
Return figures	in %			
EBITDA-Margin [1]		-3.0 %	10.5	13.5
EBIT-Margin [2]		-4.4 %	3.2	7.6
Net return on sales		-3.6 %	1.4	5.0
Other				
Number of employees (excl. apprentices)		4.6 %	2 725	2 604

1) Includes the operating result before depreciation and amortization, (net) financial income and income tax.

2) Includes the operating result before (net) financial income and income tax.

Dear Shareholders, Dear Sir/Madam,

Despite the challenging market environment, Feintool only recorded a slight decline in net sales of 1.6 percent in the first half of the 2019 financial year. The decline in the ongoing production and equipment business and negative currency effects were largely offset by additional net sales from the acquisition of the electro lamination stamping business and ramp-ups of new parts orders.

Business in the System Parts segment, which specializes in the high-volume production of high-precision components, grew slightly, but fell short of expectations compared to the previous year's figures. The capital goods segment, which comprises presses and equipment, saw a significant decline in orders received. This reflects the general market situation, which is seeing a reluctance on the part of manufacturers to invest in capital goods.

Uncertain market environment

Whereas 2018 was still a record year for Feintool, economic and political uncertainties are now increasingly weighing on the market environment. More stringent environmental requirements and associated test cycles are delaying deliveries/market launches of new vehicle models. Changing trade flows and discussions about the future of the internal combustion engine, hybrid technology, electric vehicles, and mobility in general are having an impact on the development of the industry and the behavior of market participants. All of these factors are having different effects on sales in the company's most important regions. For example, according to the German Association of the Automotive Industry (VDA), sales in the passenger car market fell worldwide in the first half of 2019. In Europe and the United States, the number of vehicles sold declined year over year by three percent and two percent, respectively. Sales in the Chinese market even dropped by 14 %. The machinery market followed this trend with low investment confidence around the world. Feintool is closely monitoring the market situation and has initiated measures adapted to the individual regions. As such, Feintool is taking advantage of current market conditions and optimizing its locations to meet the respective challenges, while at the same time driving innovation forward.

As a partner for precise and high-volume fineblanking, forming, and electro lamination components, Feintool continues to be very well positioned in all relevant applications compared to its competitors. This particularly includes drivetrain and seat mechanism applications. The Feintool portfolio is broadly diversified, particularly in the drivetrain segment, with components for automatic transmissions, dual-clutch transmissions, and all-wheel drive. In addition, thanks to the acquisition of a company that manufactures stamped electro lamination for electric motors, Feintool is well prepared for changes in the market. The expected regulations will give complex hybrid vehicles a boost. These contain several components such as a dual clutch, electric motor, and all-wheel drive. Electric vehicles and the growing trend towards automatic transmissions in connection with autonomous vehicles are also having a positive impact on long-term demand for fineblanked and formed parts and electro lamination components.

Fineblanking technology: research and development

During the first half of the year, Feintool made further advancements to the FB one hydraulic press generation and will add further models to the series. In the future, we will be able to supply all sizes from 4 000 kN to 11 000 kN from our own press manufacturing facility in Jona, Switzerland. The new press series contains a variety of highly complex innovations that must be tested extremely thoroughly. In order to avoid taking any risks with customers, the originally scheduled rollout was postponed to the second half of the year. This has not affected our strategy, however – Feintool is still pushing ahead with the expansion and enhancement of our Press Competence Center. The XFT 2500speed press series' sales figures also speak to the success of Feintool presses developed entirely in-house – the company successfully shipped its fiftieth press to a customer during the first half of the year.

With regard to research and development projects, Feintool was able to make considerable progress in the project to manufacture bipolar plates for use in fuel cells. Since then, the company has succeeded in proving its feasibility and developing a production concept. The visit to an exhibition for electro lamination stamping and hydrogen/fuel cells in China generated a great deal of interest.

System parts: advancement and expansion

Through integrating upstream or downstream production steps, Feintool not only improves its business processes, but also ensures its long-term business success. Vertical integration not only optimizes the value and supply chains, but also creates competitive advantages thanks to a high level of expertise at all stages of the value chain. One example is our forming plant in Ohrdruf, Germany. Here the company invested heavily in its own component hardening process. As a result, the plant not only manufactures formed parts, but can also process them directly on site and deliver them to the customer ready for assembly. Since the end of last year, various hardening processes have been in operation using the latest equipment.

The growth at our latest European location in Most, Czech Republic, has been quite encouraging. The fineblanking plant, which was only opened about a year ago, currently employs 50 people, who continuously operate the plant. The first mass-produced parts will be shipped from this plant this year and additional sample parts have been placed at customers' disposal for approval before entering series production.

In mid may, Feintool presented its FeinClutch technology at the CTI Symposium in Novi, Michigan. This will meet the growing demand for lightweight, ready-to-install drive components for automated transmission. The technology makes it possible to produce clutch plates both at the speed of conventional stamping and with the quality of a fineblanked component.

Outlook

Due to the existing political and increasing economic uncertainties, Feintool expects these to have a depressive impact on the anticipated net sales in all regions and markets. The extent and duration of these negative influences are currently difficult to assess, therefore Feintool is refraining from issuing a quantitative outlook for the financial year 2019 for the time being. Feintool expects the market situation to remain difficult in the second half of 2019, but nevertheless expects to generate sustained positive net result for the 2019 financial year. Feintool expects further growth in all regions in the coming years, due to customer projects and new market share acquired in the current financial year.

ALEXANDER VON WITZLEBEN
Chairman of the Board of Directors

KNUT ZIMMER
Chief Executive Officer

FINANCIAL REVIEW

as at June 30, 2019

BUSINESS PERFORMANCE

General

This half-year report applies to Feintool International Holding AG and all its subsidiaries. It encompasses the period from January 1 to June 30, 2019. The same period during the previous year is used for comparative purposes.

On July 31, 2018, Feintool Holding GmbH, Bayreuth, acquired 100 % of the German company Stanzwerk Jessen GmbH, located in Jessen, Saxony-Anhalt, Germany, with its subsidiaries Jela GmbH, SLTJ GmbH, and Stanz- und Lasertechnik Jessen GmbH. SLTJ GmbH was subsequently merged with Stanz- und Lasertechnik Jessen GmbH. Stanz- und Lasertechnik Jessen GmbH was then renamed Feintool System Parts Jessen GmbH. As a result, the comparative figures for the previous year do not include any figures for these companies.

Orders received and orders backlog, expected releases

The System Parts segment's parts business is short-term. Customers can postpone or even cancel orders that they have already entered into our ordering systems. As of June 30, 2019, Feintool's customer are expecting releases amounting to CHF 271.4 million (previous year: CHF 295.9 million) over the next six months. This corresponds to a decrease of 8.3 % compared to the same period last year. Without the acquisition of the electro lamination stamping business, the corresponding figure would have actually been 12.0 % lower than the comparable figure for the previous year. Although this figure only constitutes an early indication, it is clear that market expectations have declined significantly compared to the previous year. Overall, the market relevant to Feintool has decreased around 7 % compared to the previous year.

The value of orders received by the Fineblanking Technology segment fell by 45.5 % to CHF 31.6 million in the reporting period (previous year: CHF 57.9 million). Orders received from intracompany business fell in the reporting period by 34.8 % to CHF 4.5 million (previous year: CHF 7.0 million). Orders received from third-party business thus totaled CHF 27.0 million (previous year CHF 50.9 million), a decline of nearly 50 %. The massive decline in orders received reflects the current market situation, which reveals a sharp slowdown in the capital goods business.

As of June 30, 2019, the Fineblanking Technology segment had an orders backlog with a total value of CHF 25.8 million (previous year: CHF 47.2 million). This represents a 45.4 % decline in the value of orders backlog compared with the same period last year and a 30.9 % decline compared with December 31, 2018. In the long-term press business, the existing orders backlog represents only three to four months of guaranteed capacity utilization.

Net sales

Consolidated net sales fell by 1.6 % to CHF 331.9 million in the reporting period (previous year: CHF 337.3 million). Currency effects negatively impacted sales by CHF 2.3 million. In local currency terms, Feintool posted a decline in net sales of only 0.9 % thanks to the acquisition of the electro lamination stamping business and a number of new start-ups, which bucked the market trend. The aforementioned acquisition effect totaled CHF 19.5 million, equal to 5.8 %. The System

Parts segment generated 89.7 % of third-party sales, Fineblanking Technology contributed 10.3 %. Taking intracompany sales into account, the capital goods business still accounted for 13.0 % of total net sales. The stronger decline in the capital goods business reflects this segment's greater volatility.

Thanks to the acquisition and new orders, the System Parts segment's parts business grew by 1.4 % to CHF 299.4 million (previous year: CHF 295.2 million). Negative currency effects totaled CHF 2.4 million. In local currency terms, the segment therefore grew by 2.2 %. The acquisition of the electro lamination stamping business in the previous year impacted growth by 6.6 percentage points. Sales generated in Europe totaled CHF 177.2 million. Adjusted for currency effects, this corresponds to growth of 6.8 % (+ 3.8 % in the reporting currency). The acquisition effect totaled 11.4 %. Despite several new orders, sales in Europe also fell by 4.8 %. Currency-adjusted sales generated in the United States fell by 3.1 % to CHF 91.7 million, due in particular to falling steel prices. Not adjusted for currency effects, sales generated in the United States stood at the previous year's level. Sales generated in Asia fell to CHF 31.7 million, a decrease of 3.8 % in local currency terms (4.5 % in reporting currency terms). Thanks to receiving many new orders, the decline in net sales generated in Asia is significantly smaller than the overall market decline (China: -12.4 %).

Thanks to the acquisition of the electro lamination stamping business, the share of sales generated by the European locations once again increased to 59.0 % (previous year: 57.7 %). In contrast, the share of sales generated by US locations fell to 30.5 % (previous year: 31.1 %), with the varying fluctuations in the value of the euro and the US dollar also having an impact. Sales generated in Asia fell to 10.5 % (previous year: 11.2 %). Feintool calculates the breakdown of sales by region based on the customer's location. Many of the parts produced by Feintool, having been incorporated into modules or entire vehicles, are then exported to other countries/continents as part of these modules or vehicles. As a result, the parts manufactured by Feintool are likely to be used more or less equally in the three regions of Europe, America, and Asia.

Net sales generated by the Fineblanking Technology segment fell by 18.9 % to CHF 43.2 million (previous year: CHF 53.3 million). Intracompany sales declined by 12.9 %. Third-party sales thus fell by 20.4 % to CHF 34.1 million (previous year: CHF 42.9 million). Lower press sales were the primary cause of this disappointing sales performance. In addition, net sales from the sale of tools totaling CHF 4.1 million were allocated to the other segment for organizational purposes. The spare parts and service business remained stable.

Overall, the Feintool Group generated third-party sales of CHF 192.7 million, equal to 58.1 %, in Europe (previous year: CHF 187.0 million and 55.5 %, respectively). Europe thus once again gained in importance. With sales of CHF 96.0 million, or 28.9 % of total sales (previous year: CHF 91.5 million or 27.1 %), North America gained 1.8 percentage points in the geographical breakdown of sales. Sales generated in Asia fell to CHF 43.2 million, equal to a 13 % share of the total (previous year: CHF 58.7 million or 17.4 %). The slowdown in the Chinese market is having a direct impact here. With sales of CHF 5.1 million or 1.5 % (previous year: CHF 4.4 million or 1.3 %), the Swiss market is only of marginal importance to Feintool.

Gross margin

Feintool's gross margin fell significantly by 2.7 percentage points to 36.2 % year over year; gross profit in the reporting period therefore totaled CHF 120.1 million, declining by CHF 2.1 million due to volume factors. Changes in the product mix, individual production disruptions, and, in particular, contractually negotiated discounts granted to customers had a negative impact of CHF 9.0 million.

The Fineblanking Technology segment's gross margin fell significantly to 31.2 % (previous year: 36.1 %). An increase in the share of press sales, product mix changes, and geographical shifts caused this decrease.

The System Parts segment achieved a gross margin of 36.4 %, which was also well below the previous year's figure of 38.8 %. Efficiency increases and, in some cases, slightly lower steel prices in the reporting year could not adequately compensate for the contractually negotiated discounts granted to customers.

Key cost items

At CHF 149.6 million, material costs are by far the company's greatest expense item. As a percentage of net sales, these declined from 46.6 % to 45.1 %. However, taking changes in inventories into account, materials accounted for 47.6 % of sales, up from 45.8 % a year earlier. The contractually negotiated discounts and product mix changes were the primary reasons for this increase. Personnel expenses rose by CHF 4.8 million to CHF 102.4 million and now account for 30.9 % of net sales (previous year: 28.9 %). In the Fineblanking Technology segment, the ratio of personnel expenses to revenues fell slightly to 25.5 % (previous year: 26.8 %). This is due to the organizational change that toolmaking in Europe – as in the other regions – is now allocated to the System Parts business unit. In the System Parts business unit, this ratio increased significantly to 29.2 % (previous year: 26.9 %). Salary increases in Germany and the aforementioned organizational change accounted for most of this increase. Declines in orders delivered intensified the effect. The increase in personnel at the new facilities in Most, Oelsnitz, and Tianjin (China) also had a negative impact. Other net operating expenses fell to CHF 38.2 million, while the efficiency ratio fell to 11.5 % of net sales.

Earning before interest, taxes, depreciation and amortization (EBITDA)

Earnings before interest, taxes, depreciation, and amortization (EBITDA) fell by CHF 10.6 million or – adjusted for foreign currency effects – 23.2 % to CHF 34.8 million in the reporting period. The EBITDA margin fell to 10.5 %. In the capital-intensive parts business (System Parts), the EBITDA margin fell to 11.9 % (previous year: 15.3 %). Contractually negotiated discounts on some large-scale projects, advance payments to expand capacity at the new facilities, and a significant decrease in orders shipped resulted in this decline. In the capital goods business (Fineblanking Technology), the EBITDA margin fell significantly from 8.4 % to 4.9 %, partly as a result of lower revenues.

Depreciation and Amortization

Due to the high capital expenditures in the System Parts business unit in recent years, depreciation and amortization rose by CHF 4.6 million to CHF 24.3 million in the reporting period. CHF 1.4 million of this increase is due to the acquisition of the electro lamination stamping business. For the first time in a long time, capital expenditures are on par with depreciation and amortization.

Operating profit (EBIT)

Feintool generated an operating profit (EBIT) of CHF 10.5 million and an EBIT margin of 3.2 % in the reporting period. This corresponds to a decline of 59.7 % in local currency. The downturn in the market had a significant, negative impact on both segments.

The Fineblanking Technology segment was unable to maintain the positive trend of the previous year. Significantly lower revenues ultimately resulted in an operating profit (EBIT) of CHF 1.2 million (previous year: CHF 3.8 million). In this context, Feintool continued to invest heavily in research and development as an investment in the future.

The System Parts segment's EBIT fell significantly by CHF 13.7 million or 53.5 % (in local currency) to CHF 12.3 million (previous year: CHF 26.1 million). This figure also includes CHF 1.2 million from electro lamination stamping. On the other hand, the slowdown in orders delivered to customers, initial costs for new products, costs for two new production facilities, and discounts on various products caused this decline. The EBIT margin fell accordingly to 4.1 % compared to 8.8 % in the previous year. The European locations contributed CHF 3.7 million to the result, which corresponds to a decline of 75.6 % year over year, expressed in local currency. This decline was primarily due to lower sales and preproduction costs for the facilities in Oelsnitz and Most. The American locations contributed an EBIT of CHF 8.4 million (adjusted for foreign currency effects: -17.6 %) to the result. Asia generated an EBIT of CHF 0.2 million. Due to the weak Chinese market, the expected recovery in Asia has not yet occurred.

The costs incurred by the nonoperating segments totaled CHF 3.4 million. Strong spending discipline and fewer projects resulted in savings of CHF 1.0 million compared with the same period last year.

Net financial result

Net financial expenses increased significantly to CHF -3.6 million (previous year: CHF -1.7 million). Net interest expenses (including financing costs) grew to CHF 1.7 million (previous year: CHF 1.5 million) as a result of the significantly higher level of debt. Feintool recorded net currency losses of CHF 1.5 million in the reporting period (previous year: currency gains of CHF 0.3 million).

Taxes

The Feintool companies' tax expenses totaled CHF 2.4 million in the reporting period, corresponding to a tax rate of 32.7 %. This includes withholding taxes of CHF 0.5 million on intragroup dividend payments.

Net income

The group generated consolidated net income of CHF 4.7 million (previous year: CHF 16.9 million). As a result, the net profit margin fell from 5.0 % to 1.4 %.

CONSOLIDATED BALANCE SHEET

Total assets increased by 2.8 % to CHF 725.4 million (December 31, 2018: CHF 705.3 million). CHF 11.6 million or 1.6 % of this total is the result of the first-time application of the new IFRS 16 standard governing leases and is therefore not a result of operations.

Current assets increased by a total of CHF 11.0 million to CHF 249.8 million, with all subitems increasing slightly. Cash and cash equivalents increased by CHF 3.3 million to CHF 34.2 million. Receivables increased by CHF 4.3 million to CHF 105.6 million. The value of receivables that do not need to be recognized on the Statement of Financial Position and were sold within the scope of factoring programs decreased to CHF 10.6 million (December 31, 2018: CHF 11.4 million). Inventories and net contract assets increased by CHF 3.5 million to CHF 103.3 million. Accrued income remained unchanged at CHF 6.7 million.

Net operating working capital rose by CHF 9.9 million from December 31, 2018, to CHF 105.1 million, representing 15.8 % of projected annual revenue (previous year 13.0 %). The strongest negative effects were caused by the increase in receivables by CHF 4.3 million and in inventories and net contract assets by CHF 3.5 million, as well as the decrease in non-interest-bearing liabilities by CHF 13.4 million. Increasing deferred income (+ CHF 8.5 million) and increased accruals (+ CHF 3.0 million) had a positive effect on net working capital.

Fixed assets increased by CHF 9.1 million to CHF 475.5 million. Property, plant, and equipment increased by CHF 8.4 million to CHF 355.4 million, of which CHF 11.6 million resulted from the first-time application of the new IFRS standard governing leases; without this technical change, property, plant, and equipment would have decreased by CHF 3.2 million. Intangible assets decreased by CHF 2.2 million to CHF 99.0 million. Financial assets remained virtually unchanged at CHF 1.8 million. Deferred tax assets increased by CHF 19.4 million (December 31, 2018: CHF 16.5 million).

On the liabilities side, total debt increased by CHF 33.6 million to CHF 418.1 million. Accounts payable and other liabilities decreased by CHF 13.4 million to CHF 64.8 million. Deferred income, current and noncurrent provisions, and deferred tax liabilities increased by CHF 9.5 million to CHF 78.0 million. In this context, accrued expenses and deferred income were impacted by the higher value of accounts payable at the end of the reporting period. Liabilities for employee benefits (IAS 19) increased significantly in the reporting period to CHF 66.4 million as a result of the declining discount rate

Interest-bearing debt increased by CHF 30.2 million to CHF 208.9 million, CHF 11.6 million of which resulted from the first-time application of IFRS 16 (leases). CHF 106.3 million of the interest-bearing debt is of a long-term nature.

Net debt rose to CHF 174.8 million in the reporting period (December 31, 2018: CHF 147.9 million) due to the increase in net working capital and the first-time application of IFRS 16 (leases). On the other hand, Feintool has CHF 54.1 million in cash and cash equivalents as well as unused credit lines available.

Shareholders' equity totaled CHF 307.3 million on June 30, 2019 (December 31, 2018: CHF 320.8 million). As a result, the equity ratio fell from 45.5 % to 42.4 %. The Statement of Changes in Equity shows that consolidated earnings increased shareholders' equity by CHF 4.7 million. In contrast, the dividend distributed reduced equity by CHF 9.8 million. Currency conversion differences totaling CHF 3.2 million recognized directly in equity as well as actuarial losses of CHF 5.6 million from pension plans (IAS 19) had a significant negative impact. The other items had little impact.

CONSOLIDATED STATEMENT OF CASH FLOWS

At CHF 17.1 million, cash flow from operating activities was lower than in the same period last year (CHF 24.9 million) due to the decline in earnings before interest and taxes. This decrease is a consequence of the considerably lower EBIT of CHF 32.2 million (previous year CHF 46.9 million). Net working capital increased at a lower rate in the reporting period than in the comparative period. At CHF 22.6 million (previous year: CHF 50.1 million), cash flow from investing activities was significantly lower than in the previous year. For the first time in quite a while, depreciation and amortization exceeded capital expenditures for the corresponding period. Overall, this resulted in an operating cash outflow of CHF 5.5 million (previous year: CHF 25.2 million). The cash outflow from the dividend totaled CHF 9.8 million.

EMPLOYEES

The number of employees* (excluding vocational trainees) has increased by 28 to 2 725 since December 31, 2018. In addition, 90 young people are currently completing a vocational training program at our company (December 31, 2018: 82). The System Parts segment has created 30 new jobs since December 31, 2018. In total, 2 519 people now work in the parts business. In Europe, the number of employees grew by 50 to a total of 1 567. In Asia, the number of employees decreased by 12 to 361, while in North America the number of employees rose by 8 to 592. The Fineblanking Technology segment employed 177 people (+ 3), 29 of whom work in nonoperating departments.

Altogether, Feintool employs 1 740 people in Europe (plus 79 vocational trainees), 417 of them in Switzerland (plus 37 vocational trainees). A total of 601 people are employed in the United States (plus 11 vocational trainees) and 384 in Asia.

* calculated as full-time positions

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the first half of 2019 (January 1 to June 30, 2019)

(unaudited)	Note	1st HY 2019 01/01/–06/30/2019 in CHF 1 000	in %	1st HY 2018 01/01/–06/30/2018 in CHF 1 000	in %
Net sales		**331 855**	**100.0**	**337 259**	**100.0**
Change in finished and semi-finished goods and work in progress		-8 381		2 497	
Capitalized self-generated assets		1 553		1 556	
Material cost		-149 574		-157 025	
Personnel expenses		-102 406		-97 605	
Other operating expenses		-39 988		-42 545	
Other operating income		1 756		1 261	
Earnings before interest, taxes, depreciation and amortization (EBITDA) [1]		**34 815**	**10.5**	**45 398**	**13.5**
Depreciation and amortization		-24 274		-19 692	
Operating profit (EBIT) [2]		**10 541**	**3.2**	**25 706**	**7.6**
Financial expenses	2	-17 333		-12 132	
Financial income	2	13 715		10 472	
Earnings before taxes		**6 923**	**2.1**	**24 046**	**7.1**
Income taxes		-2 263		-7 192	
Net income attributable to Feintool Holding shareholders		**4 660**	**1.4**	**16 854**	**5.0**

[1] Includes the operating result before depreciation and amortization, (net) financial income and income tax.

[2] Includes the operating result before (net) financial income and income tax.

(unaudited)	Note	1st HY 2019 01/01/–06/30/2019 in CHF 1 000	in %	1st HY 2018 01/01/–06/30/2018 in CHF 1 000	in %
Other comprehensive income					
Items that may be reclassified to profit or loss					
Translation differences		-3 210		1 407	
Income taxes on recycable items		249		–	
Items that may not be reclassified to profit or loss					
Reassessment of net defined benefit liability (asset)		-7 181		2 600	
Income taxes on non recycable items		1 618		-597	
Total other comprehensive income		**-8 524**		**3 410**	
Total comprehensive income attributable to Feintool Holding shareholders		**-3 864**		**20 264**	
Net income attributable to Feintool Holding shareholders		4 660		16 854	
Total comprehensive income attributable to Feintool Holding shareholders		-3 864		20 264	
Basic earnings per share (in CHF)		0.95		3.78	
Diluted earnings per share (in CHF)		0.95		3.78	
Number of employees					
Number of employees excl. 90 (previous year 68) trainees		**2 725**		**2 604**	

CONSOLIDATED BALANCE SHEET

for the first half of 2019 (as at June 30, 2019)

(unaudited)	Note	06/30/2019 in CHF 1 000	in %	12/31/2018 in CHF 1 000	in %
ASSETS					
Current assets					
Cash and cash equivalents		34 158		30 872	
Trade and other receivables		104 874		101 029	
Tax receivables		774		288	
Inventories		91 218		93 421	
Net contract assets		12 110		6 424	
Prepaid expenses and accrued income		6 711		6 779	
Total current assets		**249 845**	**34.4**	**238 813**	**33.9**
Non-current assets					
Property, plant and equipment		355 387		347 016	
Intangible assets		99 000		101 249	
Financial assets		1 782		1 750	
Deferred tax assets		19 380		16 452	
Total non-current assets		**475 549**	**65.6**	**466 467**	**66.1**
TOTAL ASSETS		**725 394**	**100.0**	**705 280**	**100.0**
LIABILITIES					
Current liabilities					
Financial liabilities		102 649		73 790	
Trade and other payables		63 338		72 062	
Tax liabilities		1 469		6 165	
Accrued expenses and deferred income		45 611		37 079	
Current provisions		11 130		8 114	
Total current liabilities		**224 197**	**30.9**	**197 210**	**28.0**
Non-current liabilities					
Financial liabilities		106 265		104 950	
Non-current provisions		2 362		2 379	
Deferred tax liabilities		18 867		20 931	
Employee benefit liabilities		66 436		59 049	
Total non-current liabilities		**193 930**	**26.7**	**187 309**	**26.7**
Total liabilities		**418 127**	**57.6**	**384 519**	**54.5**
Equity					
Share capital	3	49 148		49 148	
Capital reserves		117 120		127 269	
Retained earnings		175 947		176 601	
Treasury shares		-1 261		-1 780	
Translation differences		-33 687		-30 477	
Total equity		**307 267**	**42.4**	**320 761**	**45.5**
TOTAL EQUITY AND LIABILITIES		**725 394**	**100.0**	**705 280**	**100.0**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the first half of 2019

in CHF 1 000 (unaudited)	Share capital	Treasury shares	Capital reserves	Retained earnings	Translation differences	Total equity
January 1, 2018	**44 630**	**-703**	**90 929**	**145 643**	**-25 277**	**255 222**
Translation differences	–	–	–	–	1 407	1 407
Reassessment of net defined benefit liability (asset), net of tax	–	–	–	1 989	–	1 989
Other line items	–	–	–	12	–	12
Total other comprehensive income	**–**	**–**	**–**	**2 001**	**1 407**	**3 408**
Net income attributable to Feintool Holding shareholders	–	–	–	16 854		16 854
Total comprehensive income attributable to Feintool Holding shareholders	**–**	**–**	**–**	**18 855**	**1 407**	**20 262**
Dividend [1]	–	–	-8 924	–	–	-8 924
Share-based management remuneration [2]	–	600	-228	–	–	372
June 30, 2018	**44 630**	**-103**	**81 777**	**164 498**	**-23 870**	**266 932**
January 1, 2019	**49 148**	**-1 780**	**127 269**	**176 601**	**-30 477**	**320 761**
Translation differences	–	–	–	–	-3 210	-3 210
Reassessment of net defined benefit liability (asset), net of tax	–	–	–	-5 563	–	-5 563
Other line items	–	–	–	249	–	249
Total other comprehensive income	**–**	**–**	**–**	**-5 314**	**-3 210**	**-8 524**
Net income attributable to Feintool Holding shareholders	–	–	–	4 660	–	4 660
Total comprehensive income attributable to Feintool Holding shareholders	**–**	**–**	**–**	**-654**	**-3 210**	**-3 864**
Dividend [3]	–	–	-9 805	–	–	-9 805
Share-based management remuneration [2]	–	519	-344	–	–	175
June 30, 2019	**49 148**	**-1 261**	**117 120**	**175 947**	**-33 687**	**307 267**

[1] The General Meeting held on April 24, 2018 approved the Board of Directors' proposed dividend distribution of CHF 2.00 per registered share from earnings for the financial year ended December 31, 2017.

[2] The share based management remuneration involves payment of part of the salary in shares.

[3] The General Meeting held on April 30, 2019 approved the Board of Directors' proposed dividend distribution of CHF 2.00 per registered share from earnings for the financial year ended December 31, 2018.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the first half of 2019

(unaudited)	1st HY 2019 01/01/–06/30/2019 in CHF 1 000	1st HY 2018 01/01/–06/30/2018 in CHF 1 000
Net income of the Feintool Group	4 660	16 854
Depreciation and amortization	24 274	19 692
(Gain)/loss on disposal of property, plant and equipment	199	-393
Increase/(decrease) in provisions and valuation allowances	3 840	4 252
(Increase)/decrease in deferred taxes	-4 885	12
Other non-cash changes	1 866	-684
Income taxes	2 263	7 192
Cash flows from operating activities before change in net working capital (NWC)	**32 217**	**46 925**
Increase/decrease in:		
Accounts receivables	-4 469	-10 226
Inventories and net contract assets	-5 609	-6 692
Prepaid and accrued expenses and income	8 788	3 627
Accounts payables	-8 428	-1 492
Other net working capital (NWC)	2 043	-600
Income taxes paid	-7 450	-6 685
Cash flows from operating activities	**17 092**	**24 857**
Investments in property, plant and equipment	-22 372	-52 730
Disposals of property, plant and equipment	636	3 793
Investments in intangible assets	-1 270	-1 641
Disposals of intangible assets	1	–
Decrease in financial assets	450	476
Cash flows from investing activities	**-22 555**	**-50 102**
Free cash flow	**-5 463**	**-25 245**

(unaudited)	Note	1st HY 2019 01/01/–06/30/2019 in CHF 1 000	1st HY 2018 01/01/–06/30/2018 in CHF 1 000
Dividends paid	4	-9 805	-8 924
Sale of treasury shares		519	599
Borrowing of interest-bearing liabilities		29 483	35 636
Repayment of financial lease liabilities		-8 688	-5 426
Repayment of interest-bearing liabilities		-1 251	-11 372
Cash flows from financing activities		**10 258**	**10 513**
Increase/(decrease) in cash and cash equivalents		**3 286**	**-15 087**
Cash and cash equivalents at the beginning of the period		30 872	52 384
Translation differences		-1 509	-355
Cash and cash equivalents at the end of the period		34 158	37 297
Interest paid		-1 196	-938
Interest received		77	31

NOTES TO THE HALF-YEAR REPORT

as at June 30, 2019

GENERAL PRINCIPLES

This unaudited, consolidated half-yearly financial statement of the Feintool Group is based on the individual financial statements of the Group companies as of June 30, 2019, which were prepared in accordance with uniform accounting policies, and released for publication by the Board of Directors on August 20, 2019.

With the exception of the changes to the accounting principles outlined below, the consolidated half-year result has been created according to the same valuation guidelines as the annual financial statement of December 31, 2018 and corresponds to the International Financial Reporting Standards (IFRS) in accordance with IAS 34 Interim Financial Reporting and the requirements of SIX Swiss Exchange. This half-yearly report does not include all the information and disclosures that are disclosed in the annual report of the Feintool Group as of December 31, 2018, and for that reason should be read in conjunction with it.

The consolidated half-yearly financial statement is shown in Swiss francs (CHF), rounded to the nearest thousand. It is produced in German and English. The half-yearly financial statement in German is the authoritative version.

CHANGES TO THE ACCOUNTING PRINCIPLES

With the exception of newly issued or revised Standards and Interpretations, which are applicable or have been modified in the reporting year, essentially the same accounting policies were applied as in the previous year.

On January 1, 2019, Feintool introduced the following new (adapted) Standards and Interpretations:

IFRS 16 – Leases

Within the scope of the transition to IFRS 16, on January 1, 2019, the rights to use leased assets were recognized as assets with a value of CHF 11.6 million. The transition to IFRS 16 was carried out according to the modified retrospective approach, whereby the company refrained from reassessing whether a contract contains a lease component for practical reasons. The comparative figures for prior-year periods have not been restated. As part of the first-time adoption of IFRS 16, Feintool is making use of the exemption and restating the value of right-of-use assets to reflect possible provisions for onerous leases, which are recognized on the Balance Sheet immediately before the date of first-time adoption. In addition, Feintool has decided not to apply the new provisions to leases that expire within twelve months of the date of initial adoption.

Based on the operating lease obligations held on December 31, 2018, the value of lease liabilities was restated on the Statement of Financial Position as of January 1, 2019, as follows:

	01/01/2019 in CHF 1 000
Non-discounted operating lease liabilities at 12/31/2018	13 716
Discounted using the incremental interest rate at 01/01/2019	12 968
Carrying amount of the financial lease liabilities at 12/31/2018	36 685
Recognition exemption for leases with less than 12 months contract duration after transition date	-2 545
Recognition exemption for low-value assets	-656
Adjustment rental contract duration	1 034
Other	833
Additional lease liabilities at 01/01/2019	**48 319**

Lease liabilities were discounted using the incremental borrowing rate as of January 1, 2019. The weighted average borrowing rate stood at 2.4%.

As of June 30, 2019, and for the reporting period, the following disclosures were made on the Balance Sheet and the Consolidated Statement of Comprehensive Income:

	06/30/2019 in CHF 1 000
ASSETS	
Non-current assets under IFRS 16	
Right-of-use – Real estate	8 315
Right-of-use – Machinery and Equipment	44 245
Right-of-use – Other property, plant and equipment	1 814
Total non-current assets	**54 374**
LIABILITIES	
Current portion of lease liabilities	12 071
Non-current portion of lease liabilities	29 056
Total lease liabilities	**41 127**

The right-of-use assets include assets which has been accounted as financial leases under IAS 17 until December 31, 2018.

	01/01/– 06/30/2019 in CHF 1 000
Other operating expenses	
Expenses for short-term leases	-633
Expenses for low-value assets	-216
Deprecation	
Deprecation from right-of-use assets	-5 683
Financial expenses	
Interest expenses from lease liabilities	-350

Recognition and Measurement Methods for Leases

Upon entering into a contract, the Feintool Group will assess whether the contract should be classified as a lease or contains a lease component. In making this assessment, which requires a certain degree of discretion, the Group will assess whether a specific asset is affected, whether the Group obtains substantially all the economic benefits from the use of the asset, and whether the Group has the right to control the use of the leased asset.

The Feintool Group will recognize a right-of-use asset and a lease liability at the beginning of the lease term, except in the following two cases:

- Leases of low-value assets
- Short-term leases with a lease term of twelve months or less

In both cases, lease payments are recognized as an expense on the Consolidated Statement of Comprehensive Income on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease. If this rate cannot be readily determined, the Feintool Group will use an incremental borrowing rate specific to the country, term, and currency of the contract. Lease payments include, for example, fixed and variable payments that depend on an index or rate known at the commencement of the lease. The lease liability is subsequently measured at cost less accumulated depreciation and accumulated impairment on the basis of the effective interest method and remeasured (with a corresponding adjustment to the right-of-use asset) if future lease payments change as a result of renegotiation, changes in an index or interest rate, or a revaluation of options.

The right-of-use asset is initially measured at the amount of the lease liability, any initial direct costs, as well as restoration obligations, less any lease incentives granted. The right-of-use asset is depreciated over the shorter of the lease term or the useful life of the underlying asset. Similar to assets held by the Group, the recoverability of the right-of-use asset is also reviewed if there are indications of impairment.

The right-of-use asset is recognized under property, plant, and equipment and the lease liability under current and noncurrent financial liabilities.

The following contract terms or depreciation periods generally apply:

Property:	3 to 10 years
Machines:	5 to 15 years
Other tangible assets:	3 to 5 years

Other new and revised standards

- IFRIC 23 – Uncertainty over Income Tax Treatments
- IFRS 9 – Amendments Prepayment Features with Negative Compensation
- IAS 28 – Amendments Long-term Interests in Associates and Joint Ventures
- Annual Improvements IFRS – 2015 to 2017 Cycle, IFRS 3, 11, IAS 12, 23
- IAS 19 – Amendments Plan Amendments, Curtailment or Settlement

Feintool is either unaffected by these changes, or the changes have no material effect on its financial position, results of operations or cash flows.

FUTURE CHANGES TO ACCOUNTING PRINCIPLES

Feintool constantly examines the effects of newly published accounting principles on the Group's financial position, results of operations or cash flows.

- Amendments to References to the Conceptual Framework in IFRS Standards
- IFRS 3 – Amendments Definition of a Business (January 1, 2020)
- IAS 1 and 8 – Amendments Definition of material (January 1, 2020)
- IFRS 17 – Insurance Contracts (January 1, 2021)

Feintool is assessing the impacts of the revised Standards and Interpretations. Based on its initial findings, Feintool does not foresee any significant impacts on its financial position, results of operations or cash flows.

KEY ESTIMATES

The preparation of the consolidated half-yearly financial statements requires that the management makes assessments and assumptions which influence the amounts of assets and liabilities, the statement of contingent receivables and liabilities, as well as income and expenditure. Areas in which estimates have a significant influence on the carrying amount include the calculation of provisions, the economic useful life of the fixed assets, the assumptions of the "value in use" calculation for goodwill, the expected future cash flow from capitalized development costs, the valuation of long-term construction contracts, the assessment of expected and deferred taxes, and the actuarial assumptions in the calculation of pension obligations. These estimates may differ from the actual results and hence have a significant impact on the Group's financial position, results of operations or cash flows.

Management and Board of Directors believe that the planning principles and assumptions are realistic.

CONTINGENT LIABILITIES/PURCHASE COMMITMENTS

The contingent liabilities arising from received funding, which has certain conditions attached, amount to CHF 3.7 million (previous year CHF 3.5 million).

Feintool owns properties at some locations that are either contaminated or suspected of being contaminated. Under the supervision of the local authorities, Feintool is remediating these plots of land to remove the corresponding pollution and contaminants. Based on our current assessment, these activities are not expected to have a significant impact on the Feintool Group's net assets, financial position, or results of operations.

At one location in Switzerland, a neighbor filled a suit due to excessive noise emissions from a production site. Together with the responsible authorities, Feintool is currently examining structural and organizational modifications with the aim of reducing the effects of the emissions. Feintool does not expect these modifications to have a material impact on the Group's financial position, results of operations or cash flows.

At the end of the reporting period, Feintool was not involved in any other court proceedings. However, disputes relating to product liability, promotional activities, labor law and unfair dismissals, anti-trust law, securities trading, sales and marketing practices, health and safety, environmental and tax-related claims, state investigations and copyright law are always a possibility. Such proceedings could result in substantial claims being brought against Feintool that may not be covered by insurance policies. Feintool believes, however, that any such proceedings would not have a significant effect on the Group's financial position, operating results or cash flows.

The Feintool Group has undertaken to purchase property, plant and equipment amounting to CHF 30.0 million (previous year CHF 7.8 million).

BASIS OF CONSOLIDATION

The consolidated half-yearly financial statements encompass the half yearly financial statement of Feintool International Holding AG, Lyss (Switzerland), in addition to the half-yearly financial statements of all Group companies in which Feintool International Holding AG directly or indirectly owns more than 50 % of the voting rights or which it controls in any other way. A list of all the subsidiaries is contained in the Annual Financial Report of December 31, 2018, page 95.

On July 31, 2018, Feintool Holding GmbH, Bayreuth, Germany, acquired 100 % of the shares of the German company Stanzwerk Jessen GmbH, located in Jessen, Saxony-Anhalt, Germany, with its subsidiaries Jela GmbH, SLTJ GmbH and Stanz- und Lasertechnik Jessen GmbH. SLTJ GmbH merged after that with Stanz- und Lasertechnik GmbH. The name of Stanz- und Lasertechnik Jessen GmbH was then changed to Feintool System Parts Jessen GmbH.

Retroactive as of January 1, 2018, Feintool Equipment AG, Lyss, merged with Feintool System Parts Lyss AG.

FINANCIAL COVENANTS

Feintool has a syndicated loan of CHF 90 million (previous year EUR 90 million), a promissory note in the amount of EUR 65 million (previous year EUR 65 million), bilateral credit loans and several leasing and rental contracts (more details in the Annual Financial Report of December 31, 2018 note 20 and 24).

These contracts contain standard covenants, particularly
- equity ratio > 30 %
- net senior debt / EBITDA < 3.0 x

Were the Group or individual companies unable to meet these covenants, the banks would have the right to terminate the loans at short notice. As at December 31, 2018, all covenants had been met. As at June 30, 2019, Feintool had CHF 41.5 million (previous year CHF 73.1 million) in unused, confirmed credit lines at the bank.

SEASONALITY

The business segments of Feintool are subject to no significant seasonal fluctuations. The earnings arising from contract assets recognized over a specific period of time are distributed over the period.

The Feintool Group used the following exchange rates in the half-years:

		06/30/2019		06/30/2018	
		Closing rate	Average rate	Closing rate	Average rate
China	CNY 100	14.1721	14.6443	14.9529	15.1486
Czech Republic	CZK 100	4.3640	4.3917	4.4462	4.5597
Eurozone	EUR 1	1.1105	1.1277	1.1569	1.1662
Japan	JPY 100	0.9058	0.9092	0.8965	0.8912
USA	USD 1	0.9758	0.9977	0.9924	0.9672

1 SEGMENT INFORMATION

1.1 Products and services 1st HY 2019 in CHF 1 000	Fineblanking Technology	System Parts	Total segments	Finance/ Other	Eliminations	Total Group
Net sales	43 231	299 395	**342 626**	–	-10 771	**331 855**
- Intersegment income	-9 097	-1 674	**-10 771**	–	10 771	**–**
Total net sales – Group [1]	**34 134**	**297 721**	**331 855**	**–**	**–**	**331 855**
Gross margin [2]	13 483	109 036	**122 519**	–	-2 390	**120 129**
EBITDA	**2 122**	**35 638**	**37 760**	**-2 173**	**-772**	**34 815**
Depreciation and amortization	-874	-23 322	**-24 196**	-1 191	1 113	**-24 274**
Operating profit (EBIT)	**1 248**	**12 316**	**13 564**	**-3 364**	**341**	**10 541**
Financial expenses						**-17 333**
Financial income						**13 715**
Income taxes						**-2 263**
Net income attributable to Feintool Holding shareholders						**4 660**
Assets	**78 827**	**610 141**	**688 968**	**270 731**	**-234 305**	**725 394**
Net working capital [3]	**9 518**	**100 188**	**109 706**	**33 373**	**-37 984**	**105 095**
Investments in property, plant and equipment/intangible assets (incl. leases)	**589**	**23 020**	**23 609**	**952**	**-594**	**23 967**
Number of employees	**177**	**2 519**	**2 696**	**29**	**–**	**2 725**

1.2 Geographical areas 1st HY 2019	Switzerland	Europe excl. Switzerland	America	Asia	Total
Total net sales – Group [4]	**5 093**	**187 593**	**95 983**	**43 186**	**331 855**
thereof Germany		127 876			
thereof USA			69 335		
thereof Japan				17 046	
thereof China				21 580	
Fixed and intangible assets	**59 043**	**226 964**	**80 911**	**87 469**	**454 386**

1.3 Products and services 1st HY 2018 in CHF 1 000	Fineblanking Technology	System Parts	Total segments	Finance/ Other	Eliminations	Total Group
Net sales	53 322	295 217	**348 539**	–	-11 280	**337 259**
- Intersegment income	-10 449	-831	**-11 280**	–	11 280	**–**
Total net sales – Group [1]	**42 873**	**294 386**	**337 259**	**–**	**–**	**337 259**
Gross margin [2]	19 274	114 490	**133 764**	-3	-2 510	**131 251**
EBITDA	**4 469**	**45 202**	**49 671**	**-3 145**	**-1 128**	**45 398**
Depreciation and amortization	-660	-19 137	**-19 797**	-929	1 034	**-19 692**
Operating profit (EBIT)	**3 809**	**26 065**	**29 874**	**-4 074**	**-94**	**25 706**
Financial expenses						**-12 132**
Financial income						**10 472**
Income taxes						**-7 192**
Net income attributable to Feintool Holding shareholders						**16 854**
Assets	**83 499**	**565 767**	**649 266**	**223 679**	**-237 075**	**635 870**
Net working capital [3]	**-1 964**	**103 283**	**101 319**	**27 407**	**-40 912**	**87 814**
Investments in property, plant and equipment/intangible assets (incl. leases)	**1 369**	**57 415**	**58 784**	**887**	**-2 503**	**57 168**
Number of employees	**177**	**2 390**	**2 567**	**37**	**–**	**2 604**

1.4 Geographical areas 1st HY 2018	Switzerland	Europe excl. Switzerland	America	Asia	Total
Total net sales – Group [4]	**4 443**	**182 573**	**91 529**	**58 714**	**337 259**
thereof Germany		118 361			
thereof USA			66 146		
thereof Japan				19 067	
thereof China				29 317	
Fixed and intangible assets	**53 229**	**148 252**	**85 331**	**70 815**	**357 627**

The following footnotes are applicable to the 2019 and 2018 half-year periods.

1) Total Net Sales include "Sales from products transferred over time" about CHF 18.5 million (prior year CHF 25.2 million). The net sales have been recognized in the Fineblanking Technology Segment. The remaining net sales in this segment mainly consist of tool sales and services.

2) The gross margin is calculated as net sales less material costs, the change in finished and semi-finished goods and work in progress, and direct personnel costs.

3) Net working capital comprises trade receivables, inventories, net assets of construction contracts and prepaid expenses and accrued income less trade payables, advance payments received from customers and accrued expenses and deferred income. The remaining receivables and liabilities is included in the calculation for "Finances/Other".

4) Net sales is allocated to countries based on the customer's domicile.

The following explanations on the segment information apply to the financial years 2018 and 2019.

The Fineblanking Technology segment comprises the development, manufacture and sale of presses, tools, peripheral systems and all related services.

The System Parts segment develops, produces and sells high-precision system components and assemblies using fineblanking and forming technology as well as electro lamination sheet stamping. The segment also sells production-specific tools to third-party customers. The production and internal sale of tools is also included in this segment.

For operational reasons, the tool making business in Switzerland has been shifted from Fineblanking Technology to the System Parts segment as of June 1, 2018. This affects 68 employees and assets amounting to CHF 3.3 million.

"Finances/Other" essentially comprises the figures for Feintool International Holding AG, the German sub-holding company Feintool Holding GmbH and the real estate company included in the sub-holding company HL Holding AG.

The operating profit/loss comprises all operating income and expenses directly attributable to the individual segments. This includes all cross-segment expenses, which are charged directly on an arm’s-length basis. Feintool’s financing is undertaken at the Group level. Financial expenses and income, financial liabilities as well as taxes, are therefore reported only at the Group level and do not appear in the segment reports.

There is no reconciliation of data in management reports and data contained in the financial reports, as internal and external reporting are subject to the same valuation principles.

2 FINANCIAL RESULT AND DERIVATIVE FINANCIAL INSTRUMENTS

2.1 Financial expenses	1st HY 2019 in CHF 1 000	1st HY 2018 in CHF 1 000
Interest expense	1 802	1 503
Other finance costs [1]	398	489
Foreign exchange losses	15 133	10 140
Total financial expenses	**17 333**	**12 132**

[1] Besides bank charges, other financial expenses include annual amortization of establishing cost for the promissory note/syndicated loan and market making costs.

2.2 Financial income	1st HY 2019 in CHF 1 000	1st HY 2018 in CHF 1 000
Interest income	86	34
Other financial income	1	9
Foreign exchange gains	13 628	10 429
Total financial income	**13 715**	**10 472**

2.3 Fair value hierarchy

Feintool has measured financial instruments at fair value and uses the following hierarchy to determine fair value:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)
Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Feintool holds only financial instruments in Level 2. These include currency forwards. Detailed information is disclosed in part "Derivative financial instruments outstanding".

2.4 Derivative financial instruments outstanding	in CHF 1 000	Fair values positive	 negative	 Contract volumes
Futures contracts		179	45	18 808
Currency instruments		**179**	**45**	**18 808**
Total derivative financial instruments as at 06/30/2019		**179**	**45**	**18 808**
Futures contracts		893	14	33 164
Currency instruments		**893**	**14**	**33 164**
Total derivative financial instruments as at 06/30/2018		**893**	**14**	**33 164**

Currency instruments primarily relate to the hedging of foreign-currency risks in euros. The life of the foreign exchange futures is a few months.

2.5 Fair Values

The carrying amounts of the financial assets and liabilities do not differ materially from their fair values.

3 EQUITY

3.1 Authorized capital	1st HY 2019 in CHF 1 000	1st HY 2018 in CHF 1 000
Start of period	**1 482**	**6 000**
Expired	–	-6 000
Created	–	6 000
End of period	**1 482**	**6 000**

The "authorized capital" amounting to a maximum of CHF 6 000 000 created on April 19, 2016, by issuing a maximum of 600 000 new shares with a par value of CHF 10 each expired on April 19, 2018. By resolution of the General Meeting of April 24, 2018, the Board of Directors was authorized, if required, to create authorized capital amounting to a maximum of CHF 6 000 000 by issuing a maximum of 600 000 new shares with a par value of CHF 10 each. The new shares must be paid up in full. The Board of Directors is authorized to restrict or exclude the subscription right in certain cases. The shares may be issued in one or more steps. The authorization is limited to two years. The authorized share capital will expire on April 24, 2020.

As of September 20, 2018, 451 871 new shares with a par value of CHF 10 each were issued as part of a capital increase. The shares were fully drawn from the "authorized share capital".

		06/30/2019		06/30/2018	
3.2 Major shareholders	Date of notification	Number	Share of capital	Number	Share of capital
Artemis Beteiligungen I AG und Michael Pieper	09/20/2018	2 473 349	50.32 %	2 245 949	50.32 %
Geocent AG [1]	07/15/2013	400 285	8.14 %	400 285	8.97 %

[1] The notice dated July 15, 2013, comprised 400 285 shares or 8.97 % of the corresponding share capital. Following the capital increase on September 20, 2018, 400 285 shares correspond to a capital share of 8.14 %.

4 DIVIDEND

On the occasion of the Annual General Meeting of Feintool International Holding AG on April 30, 2019, the shareholders approved the distribution of a dividend of CHF 2.00 (previous year CHF 2.00) per share for financial year 2018. This led to a dividend payout of kCHF 9 805 (previous year: kCHF 8 924).

5 EVENTS AFTER THE BALANCE SHEET DATE

There were no significant events after the balance sheet date.

ADDRESSES OF OUR OPERATING COMPANIES

as at June 30, 2019

Company	Address	Phone/Fax	Mail
Switzerland			
Feintool International Holding AG	Industriering 8 3250 Lyss Switzerland	Phone +41 32 387 51 11 Fax +41 32 387 57 81	feintool-fih@feintool.com
Feintool Technologie AG	Industriering 3 3250 Lyss Switzerland	Phone +41 32 387 51 11 Fax +41 32 387 57 80	feintool-ftl@feintool.com
Feintool Technologie AG	Grünfeldstrasse 25 8645 Jona Switzerland	Phone +41 55 225 21 11 Fax +41 55 225 24 04	feintool-ftl@feintool.com
Feintool System Parts Lyss AG	Industriering 53 3250 Lyss Switzerland	Phone +41 32 387 51 11 Fax +41 32 387 57 79	feintool-pbel@feintool.com
Europe			
Feintool System Parts Ettlingen GmbH	Englerstrasse 18 76275 Ettlingen Germany	Phone +49 7243 320 20 Fax +49 7243 320 240	feintool-pbee@feintool.com
Feintool System Parts Jena GmbH	Löbstedter Strasse 85 07749 Jena Germany	Phone +49 3641 506 100 Fax +49 3641 506 300	feintool-pbej@feintool.com
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Feintool System Parts Most GmbH	Havran 164 435 01 Havran Czech Republic	Phone +420 733 589 070	feintool-pbem@feintool.com
Feintool System Parts Obertshausen GmbH	Ringstrasse 10 63179 Obertshausen Germany	Phone +49 6104 401 0 Fax +49 6104 401 204	feintool-pfef@feintool.com
Feintool System Parts Ohrdruf GmbH	Ringstrasse 13 99885 Ohrdruf Germany	Phone +49 3624 335 0 Fax +49 3624 335 200	feintool-pfeo@feintool.com
Feintool System Parts Oelsnitz GmbH	Hoffeldstrasse 2 09376 Oelsnitz Germany	Phone +49 3729 830 299 0 Fax +49 3729 830 299 111	feintool-pbeo@feintool.com

Company	Address	Phone/Fax	Mail
Americas			
Feintool Equipment Corp.	6833 Creek Road Cincinnati, OH 45242, USA	Phone +1 513 791 00 66 Fax +1 513 791 15 89	feintool-ftu@feintool.com
Feintool Cincinnati, Inc.	11280 Cornell Park Drive Cincinnati, OH 45242, USA	Phone +1 513 247 01 10 Fax +1 513 247 00 60	feintool-pbuc@feintool.com
Feintool Tennessee, Inc.	2930 Old Franklin Road Antioch, TN 37013, USA	Phone +1 615 641 77 70 Fax +1 615 641 79 95	feintool-pfut@feintool.com
Asia			
Feintool Japan Co., Ltd. (Equipment)	Atsugi Plant, 260-53, Hase, Atsugi City Kanagawa Prefecture, 243-0036 Japan	Phone +81 46 247 74 51 Fax +81 46 247 20 08	feintool-ftj@feintool.com
Feintool Japan Co., Ltd. (System Parts)	Atsugi Plant, 260-53, Hase, Atsugi City Kanagawa Prefecture, 243-0036 Japan	Phone +81 46 248 44 41 Fax +81 46 247 20 08	feintool-pbja@feintool.com
Feintool Japan Co., Ltd. (System Parts)	Tokoname Plant, 178 Ikeda, Aza Kume, Tokoname City Aichi Prefecture, 479-0002 Japan	Phone +81 569 44 04 00 Fax +81 569 44 04 35	feintool-pbjt@feintool.com
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