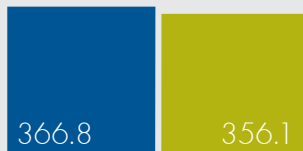


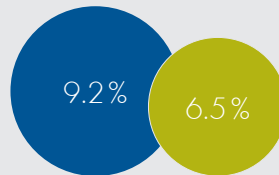
FACT SHEET

H1/2015

Net sales in the first half year slightly below previous year



EBIT margin within announced target range of 6-7.5%



Lower net income due to currency effects



Strong appreciation of the Swiss franc has a clear impact – measures initiated show effect already

Order intake stabilised at the level of H2/2014

Record net sales and double-digit EBIT margin in Fiber Optics division

■ H1/2014 ■ H1/2015 CHF millions

Net sales slightly below previous year – profitability suffers due to the Swiss franc appreciation



Despite the strong appreciation of the Swiss franc, net sales was only reduced by 2.9% to CHF 356.1 million. The order intake of CHF 356.3 million (-12.9%) fell significantly compared to the same period in the previous year, but stabilised at the level of the second half year 2014. With an increase of 20.7%, net sales in the Fiber Optics division rose to a new record level. Cube Optics, which was acquired in October last year, developed very dynamically.

At 6.5%, HUBER+SUHNER achieved an EBIT margin within the announced target range of 6–7.5%. On this level, the currency and copper impact was minus 1.5 percentage points in the first half year, not considering necessary pricing concessions. Net income fell to CHF 6.1 million due to non-cash-related, balance-sheet-based currency losses of CHF 12.8 million.

As a result of the low order intake in the fourth quarter of 2014, the start of the reporting year was as modest as expected. In organic terms, i.e. without currency and copper effects (-4%) as well as portfolio effects (+5%), net sales fell by 4%. Since order intake and net sales were on the same level in the first half year 2015, the book-to-bill rate was exactly 1. Compared to the end of the year, the headcount in the first six months of 2015 fell by 369 to 3522 permanent employees worldwide.

Continued growth of Communication market, decrease in Transportation and Industrial markets

With a net sales increase of 9%, the Communication market continued to grow pleasantly. This positive dynamic was primarily driven by the expansion of the leading position in the market for mobile phone infrastructure. HUBER+SUHNER also gained a foothold in India as part of the LTE (long-term evolution) roll-out and has already recorded initial successes in South-East Asia. Furthermore, Cube Optics, which was acquired in 2014, has had a very successful half year, achieving clearly above average growth. Developments in China, on the other hand, were modest due to delayed investments in communication networks.

The Transportation market saw a major downturn, with net sales reduced by 15%. The main reason for this was again the situation in China, where the merger of national rail manufacturers China Southern Rail (CSR) and China Northern Rail (CNR) resulted in project delays. Various delays in the railway market also impacted on projects in Europe. However, the major SBB Twindexx project, that was recently awarded, will have a positive gradual effect on the railway segment. The automotive business enjoyed high demand for the newly developed anti-capillary cable product family. These cables stop liquids, such as oil or water, from being passed in the vehicle through the cable and damaging electronic components at the other end.

Net sales in the Industrial market decreased by 8%. The main factors were the difficult currency situation and a further base effect in the solar business. After a subdued situation in the previous year, the Aerospace+Defense market segment is developing positively again. The investments made in the sales channels are taking effect gradually. The decline in the Test+Measurement segment was mainly due to weak demand in the test systems market for telecommunication networks.

Radio Frequency with significant reduction

Net sales (CHF 103.5 million) in the Radio Frequency division turned out to be clearly below previous year (-11%) as the OEM business with European and Asian communication equipment manufacturers was weak in the first six months of 2015.

The industrial high-tech niches remained steady and confirmed the level achieved in the previous year. Order intake amounted to CHF 97.8 million (-22%). Despite the negative currency effects and lower volumes, the EBIT margin remained at a pleasing 8.5%, with an EBIT of CHF 8.8 million.

New net sales record in Fiber Optics

Net sales in the Fiber Optics division achieved a new record level in the first half of 2015 (+21% to CHF 138.9 million). The successful organic development was further accelerated by the acquisition of Cube Optics. Both, the net sales development and profit contribution of this ideal complement to the product portfolio significantly exceeded expectations. Important progress was made in the market for data centers. The order intake in Fiber Optics was approximately the same level as the previous year at CHF 137.5 million (-1%). With an EBIT of CHF 14.4 million, the EBIT margin remained double digit at 10.4%.

Low Frequency heavily exposed

The Low Frequency division faced a difficult six months. Due to the high cost base in Switzerland and above-average net sales share in Europe, this division was particularly affected by currency distortions. In addition, delays impacted the railway market segment, which is typically dominated by large projects and the associated volatility. Overall net sales in the first half year 2015 (CHF 113.7 million) decreased by 16% compared to the previous year. The EBIT margin declined to 3.2%, with an EBIT of CHF 3.6 million. The order intake of CHF 121.0 million was higher than net sales. Only the first year related part of the large-scale SBB Twindexx order for a total of EUR 26 million has been recorded in the order intake to date.

Outlook

Based on the average exchange rates in the first six months, HUBER+SÜHNER expects net sales in the second half of the year to remain at similar levels as in the first six months of 2015. If the announced major roll-outs of rail and communication infrastructure projects in China will go ahead over the next few months, the order intake could catch momentum in the second half of the year. For the EBIT margin, we confirm the target range of 6-7.5% for the current financial year.



Dr Beat Kälin
Chairman of the
Board of Directors

Urs Kaufmann
Delegate of the Board of Directors
and CEO

Milestones in the first half year 2015

Transportation:

Railway



Large-scale order from Bombardier for 59 SBB Twindexx double-deck trains

Communication:

WAN and access networks



Second project with Three OPP for Fiber to the Home (FTTH) roll-out by Telekom Malaysia

Communication:

Mobile communication



Samsung India awards additional large-scale order for cell site business

Key figures H1/2015

Group CHF millions	January-June 2015	January-June 2014	Change
Order intake	356.3	408.9	(12.9%)
Order backlog as of 30.6.	167.6	193.0	(13.1%)
Net sales	356.1	366.8	(2.9%)
Gross margin	34.0%	36.5%	
EBITDA	40.2	50.1	(19.8%)
in % of net sales	11.3%	13.7%	
EBIT ¹⁾	23.3	33.8	(31.3%)
in % of net sales	6.5%	9.2%	
Net financial result	(13.1)	1.7	n/a
Net income	6.1	28.3	(78.5%)
in % of net sales	1.7%	7.7%	
Purchases of PP&E and intangible assets	10.5	27.2	(61.5%)
Free operating cash flow	12.1	(2.1)	n/a
Employees as of 30.6.	3 522	3 720	(5.3%)

¹⁾ including Corporate

Data per share in CHF	January-June 2015	January-June 2014	Change
Stock market price as of 30.6.	41.00	46.50	(11.8%)
Net income	0.31	1.45	(78.5%)

Divisions CHF millions	January-June 2015	January-June 2014	Change	
Radio Frequency	Order intake	97.8	125.3	(21.9%)
	Net sales	103.5	116.1	(10.8%)
	EBIT	8.8	15.7	(43.5%)
	in % of net sales	8.5%	13.5%	
Fiber Optics	Order intake	137.5	138.6	(0.8%)
	Net sales	138.9	115.0	20.7%
	EBIT	14.4	12.4	15.8%
	in % of net sales	10.4%	10.8%	
Low Frequency	Order intake	121.0	145.0	(16.5%)
	Net sales	113.7	135.7	(16.3%)
	EBIT	3.6	8.4	(56.5%)
	in % of net sales	3.2%	6.2%	

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Financial calendar

Net sales/Order intake (Q1–Q3)	27/10/2015
Net sales/Order intake (Q1–Q4)	26/01/2016
Annual report	08/03/2016
Media and analysts conference	08/03/2016
Annual General Meeting (Herisau)	06/04/2016

Detailed figures are available online at www.hubersuhner.com
below company/investors