

PRESS RELEASE

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Artemis Group: pleasing results in the first half of 2014 with significant growth in sales and earnings

- Sales growth of + 11.0% (CHF 1,355.4 million)
- Organic growth of +11.8%

The Artemis Group generated net sales of CHF 1,355.4 million with its activities Franke Group, Artemis Real Estate Group, Artemis Asset Management Group and Feintool Group in the first half of 2014 – an increase of 11.0% over the same period last year. This represents organic growth of +11.8%, despite negative currency effects of -4.6%. The Franke Group's acquisitions (KWC, Nokite and FundaMetal Design) contributed +3.8% to the Artemis Group's growth. As a result, the Artemis Group's profitability continued to develop positively.

The investments made by the Artemis Group so far have amounted to CHF 54.7 million. With 11,534 employees as of June 30, 2014, the headcount was 572 higher than on the same date in 2013.

Thanks primarily to pronounced dynamics in the first quarter of 2014, the **Franke Group** achieved organic growth of +8.9%. The divisions Franke Foodservice Systems, Franke Water Systems and Franke Coffee Systems in particular made above-average contributions to the sales growth. Furthermore, after a period of negative growth, the Group once again reported a rise in sales in its key southern European market.

A further encouraging development was the fact that three important projects were successfully put into practice in the first half of 2014. While Franke Foodservice Systems GmbH in Bad Säckingen,

Germany, brought the “Speedbox” logistics center into operation with an investment volume of some EUR 15 million, Franke Foodservice Systems Inc. expanded its warehouse in Fayetteville, USA. In addition, the shared production site in San Luis Potosí, Mexico, went into operation in January as part of the joint venture with Mabe, the leading manufacturer of home appliances in Mexico and Central America. The aim of the alliance (55% Franke, 45% Mabe) is to further develop the business with kitchen hoods on the American continent.

The Franke Group expects business performance to be good overall in the second half of 2014, albeit in a more challenging market environment. The Group will do everything it can to make the most of its market opportunities and position its brand portfolio even more competitively in the global environment.

The **Artemis Real Estate Group** also reported encouraging performance, increasing rental income by 11.9% year-on-year thanks to successfully completed construction projects.

The stakes in the companies Forbo, Rieter, Autoneum and Adval Tech held by the **Artemis Asset Management Group** developed positively in the first six months of 2014, with all of these companies recording further share price increases. The portfolio remained unchanged in the first half of 2014.

The first six months of the 2014 financial year were promising for **Feintool** and were characterized by strong organic growth. The specialist in fine blanking systems and cold forming components benefited in particular from the strong positive trend in the automotive industry and a series of product developments realized in recent years. By selling IMA Automation Amberg GmbH in June 2014, Feintool completed the implementation of its focus strategy.

The Artemis Group at a glance

in CHF million	1st half of 2014	1st half of 2013
Net sales	1,355.4	1,221.4
- Change as a %	11.0	0.9
- Organic growth as a %	11.8	-3.0
Total investments	54.7	188.4
Equity	1,932.9	1,642.5
- as a % of total assets	57.3	52.1
Headcount as of Dec. 31.	11,534	10,962

The Artemis Group includes the **Franke Group**, the **Artemis Real Estate Group** (real estate portfolio in Switzerland and abroad), the **Artemis Asset Management Group** (various strategic participations in international companies listed on the Swiss stock exchange) and has a majority stake in the **Feintool Group** (the world leader in fine blanking technology).

The Artemis Group employs around 11,400 people worldwide and generated consolidated sales of close to CHF 2.6 billion in 2013.

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