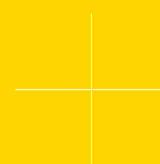
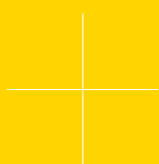
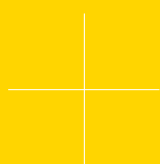
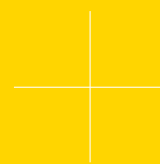
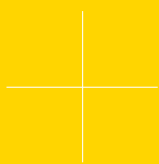
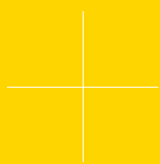


## THE FIRST HALF OF 2008

SIGNIFICANT INCREASE IN TOTAL INCOME, BUT LOWER PROFITS  
INADEQUATE CAPACITY UTILIZATION IN THE MANUFACTURE OF INJECTION MOLDS  
INTEGRATION OF OMNI PROCEEDING ACCORDING TO PLAN

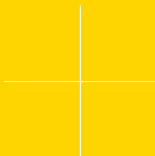
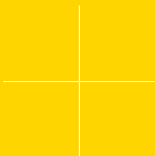
RECTIFICATION





**BRIEF PORTRAIT OF THE  
ADVAL TECH GROUP**

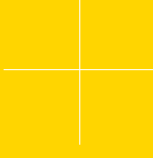
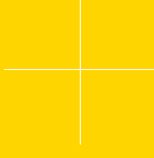

The Adval Tech Group is a leading global supplier of tools, special machinery, subassemblies, systems and volume components in the technology sectors of stamping and forming (metals) and injection molding (plastics). It is a supplier and value-adding partner for companies in selected industries where metal, plastic or composite components are manufactured and used in large volumes. Adval Tech covers the entire value chain: from product design and the development of volume components through design and production of the necessary molds and dies to complete manufacturing systems and the resulting production of components. The Adval Tech Group focuses on selected markets in the automotive, medical technology and consumer goods sectors. Adval Tech trades on the markets under the names of Styner+Bienz, QSCH, AWM, Foboha, Teuscher and Omni.



Adval Tech Holding Ltd  
Investor Relations  
CH-3172 Niederwangen  
Switzerland  
Phone +41 31 980 84 44  
Fax +41 31 980 82 60  
info@advaltech.com  
www.advaltech.com



All statements in this report which do not refer to historical facts are statements related to the future which offer no guarantee with regard to future performance; they are subject to risks and uncertainties including, but not confined to, future global economic conditions, exchange rates, legal provisions, market conditions, activities by competitors and other factors outside the company's control.



## DEAR SHAREHOLDERS,

**Despite a significant increase in total income, the Adval Tech Group had to report lower profits in the first half of 2008. This decline was triggered primarily by two developments in the Injection Molding Segment: the slump in the market for molds used in the manufacture of optical discs and the cancellation and postponement of a number of significant moldmaking orders in the consumer goods sector in the US dollar zone. These two factors resulted in inadequate capacity utilization, especially at AWM Mold Tech in Muri. The improvement in EBIT at the Stamping and Forming Segment and the first contribution to EBIT by the recently acquired Omni Group were not enough to offset the resulting profit shortfall completely.**

Total income of CHF 221.1 million reported by the Adval Tech Group represented an increase of 32% compared with the same period of the previous year (CHF 167.4 million). This growth was almost completely due to the acquisition of the Omni Group. Operating earnings (EBITDA) were slightly lower at CHF 19.1 million (CHF 19.4 million in the first six months of 2007), while EBIT declined significantly to CHF 5.1 million (CHF 7.0 million in the first half of 2007). The EBIT margin thus narrowed to 2.3%. Net profit amounted to CHF 0.2 million (CHF 4.2 million in the first half of 2007). The significantly steeper decline in net profit was primarily attributable to a non-recurring financial expense of some CHF 2 million in connection with bridging loans for the acquisition of the Omni Group.

### Acquisition of the Omni Group

By completing the acquisition of Omni Industries Pte Ltd in mid-January 2008 we achieved the goal of a global presence with wholly owned sales organizations and manufacturing facilities in Europe, Asia and America – which is so important for our key customers – earlier than expected.

Omni ideally complements our corporate group. Together we are now represented worldwide in all major market regions with wholly owned plants for producing plastics components. While the group's existing companies manufacture components primarily for the automotive, medical technology and pharmaceutical industries, the emphasis at Omni is on applications for leading companies in the consumer goods industry. To date we have sold our components mainly in European markets, and with Omni we now also have a presence in the Asian and the North American markets.

Integration of the Omni Group, with sales of almost USD 100 million (2007), some 2 000 employees and six manufacturing plants – three in China (Shanghai, Suzhou and Xiamen) and one each in Thailand, Malaysia and Mexico – is proceeding according to plan. Neo Age Seng, CEO of the Omni Group, has also been a member of Adval Tech group management since mid-March 2008.

However, cooperation between the companies forming the Injection Molding Segment – AWM, Foboha, Teuscher and Omni – not only assures us of a global presence, it also significantly expands our market position and thus in the medium term further strengthens Adval Tech's operations in Switzerland and Germany. In the future Omni's plants are also intended to provide a platform for the manufacture of stamped and formed components (Stamping and Forming Segment) in Asia and Mexico.

### Increase in share capital

In order to maintain our sound capital base an increase in share capital was concluded at the end of April to repay the bridging loans in connection with the acquisition of the Omni Group. Shareholders could subscribe for one new registered share for each share already held, at a price of CHF 275.

99.93% of the subscription rights were taken up, with both major shareholders exercising their rights. Gross proceeds accruing to the Adval Tech Group from this increase in share capital totaled approx. CHF 100 million. We are thus financing the acquisition of the Omni Group to a large extent from internal resources, i.e. without substantial new borrowing.

#### **Intensified communication within the group**

Striking growth and the consequent integration of the various units into the group also impose greater demands on internal communications. Adval Tech has created a group internal communications unit for this purpose. Among the assignments currently being undertaken here is a comprehensive Intranet project, with the goal of structuring worldwide cooperation within the group even more efficiently.

#### **Stamping and Forming Segment**

Total income of CHF 98.6 million at the Stamping and Forming Segment (Styner+Bienz, QSCH) exceeded the previous year's figure of CHF 84.3 million by 17% and operating earnings (EBITDA) increased by CHF 0.6 million (+7%) to CHF 9.4 million. EBIT was CHF 1.7 million higher (+50%) at CHF 5.0 million. The EBIT margin thus improved slightly.

55+% of the growth in sales was organic, and almost 45% was attributable to the consolidation of QSCH, which was acquired at the beginning of April 2007. The segment achieved organic growth primarily by intensifying market activities with existing customers, especially in components and subassemblies for steering systems, airbags, ABS and automobile lamps. The encouragingly high level of new orders resulted in slight delays to the project for streamlining production sites in Switzerland, involving transfers of manufacturing operations from Wolfwil to Uetendorf, Niederwangen and Szekszárd (Hungary); capacity was not sufficient to achieve the planned

levels of preproduction in full within the timeframe envisaged. The integration of QSCH is largely complete.

The trend in sales of subassemblies for coffee machines was also very encouraging in the first half of 2008. Both of the world's leading suppliers of professionally used coffee machines are among our customers.

In the currently good business climate in Brazil Styner+Bienz reported a further increase in sales of 20% compared with the first half of 2007. In addition to its two main existing customers, Styner+Bienz in Brazil supplied two new customers for the first time in the first half of 2008, and is currently tendering for business with a number of other interested companies. The organizational adjustments to the new level of business in the past year have paid off; the business in Brazil made a significantly greater contribution to segmental EBIT than in the previous year.

#### **Injection Molding Segment**

Total income of CHF 122.6 million at the Injection Molding Segment (AWM, Foboha, Teuscher and Omni) exceeded previous year's figure of CHF 83.0 million by 48%. The newly acquired Omni Group contributed CHF 51.7 million to this total. Operating earnings (EBITDA) of CHF 8.7 million were CHF 0.5 million (-5%) lower compared with the same period of the previous year. The corresponding margin thus deteriorated from 11.1% to 7.1%. Despite Omni's first contribution of CHF 2.5 million, EBIT was negative (CHF -0.5 million) in the first half of 2008 (CHF +2.5 million in 2007).

While component manufacture for the automotive and medical technology markets at the Injection Molding Segment's existing business units was within the range of expectations, the slump in the

market for molds used in the manufacture of optical discs at AWM Mold Tech and the cancellations and postponements of orders at Foboha resulted in a steep decline in total income and a negative EBIT figure.

With a new management team, AWM Plast Tech will focus even more closely on the automotive market than it has to date and will cooperate increasingly with the Stamping and Forming Segment in its approach to customers.

Teuscher Kunststoff-Technik AG, which specializes in component manufacture in the field of medical technology, again reported a significant increase in sales. Expansion of the Grenchen facility is proceeding according to plan. With a view to concentrating on its core business, Adval Tech has sold the property holdings in Grenchen to a real estate investor and at the same time concluded a long-term lease, thus also creating the preconditions for further expansion of the Grenchen manufacturing site.

It was not possible to compensate in the near term for the cancellations and postponements of a number of significant moldmaking orders in the consumer goods sector in the US dollar zone at Foboha and AWM referred to earlier. As a consequence, utilization of production capacity was inadequate. The weakness of the US dollar in relation to the Euro and the Swiss franc further intensified pressure on prices and margins.

Results at Omni in the first half of 2008 were satisfying but not quite in line with budgeting at the end of 2007. The global financial crisis affected sales of our products on the North American market in particular – albeit in very different ways. While sales volumes in the household appliance sector were actually somewhat higher than expected, sales in the home electronics sector were well below budget.

Various factors had a negative impact on our margins. For example, the weaker trend of the US dollar relative to local currencies in Asia and Mexico, but also the development in the price of crude oil, which resulted in higher raw material and transportation costs. Competitive pressure also increased considerably, especially in China. Omni is currently making vigorous efforts to expand its portfolio of applications and customers within the framework of strategic objectives. The new moldmaking facility in Suzhou is still in the startup phase, but initial orders have already been completed successfully.

### Outlook

We are making the following assumptions for the second half of 2008 and looking ahead to the annual results:

#### ■ Stamping and Forming Segment

For seasonal reasons, we expect demand from the automotive industry – our main sales market – to be slightly lower in the second half of the year. On the other hand, we foresee a continued high level of order intake for supplies of components for professionally used coffee machines. In the first half of the year, we have been able to pass on to customers a large proportion of the price increases for steel, which unusually took place during the course of the year. Additional production capacity and the almost completed transfer of manufacturing operations within Switzerland and to Hungary will enable us to operate with optimized production processes. Special charges posted in the first six months will also be eliminated. We expect a further year-on-year improvement in operating results in 2008.

#### ■ Injection Molding Segment

We will be able to commence production for a number of new applications in Asia in the second half of the year. This will result in an improve-

ment in the plastics components business as a whole. We regard the situation in Europe as relatively stable, although the economic trend and developments in the oil price are not without some risks.

In the moldmaking business we expect the market environment for optical discs to remain weak. The order situation for molds in the medical technology and consumer goods markets has improved slightly, but volume molds are under-represented in the order mix and pressure on margins remains severe, especially in the US dollar zone. However, action already initiated in the first six months will have a positive impact on operating results in the second half of the year.

Based on these assumptions we foresee an increase in consolidated total income to CHF 430 – 445 million (CHF 348.6 million in 2007). We expect a slight improvement in operating earnings (EBIT) and a more substantial increase in net profit in the second half of the year. However, the outcome will fall short of the previous year's figure of some CHF 8 million.

Niederwangen, end of August 2008

Walter Grüebler  
Chairman of the Board

Jean-Claude Philipona  
Chief Executive Officer

## KEY SEMI-ANNUAL FIGURES OF THE ADVAL TECH GROUP

CHF million	1 <sup>st</sup> half of 2008	2 <sup>nd</sup> half of 2007	1 <sup>st</sup> half of 2007
<b>Total income</b>	<b>221.142</b>	<b>181.125</b>	<b>167.430</b>
Stamping and Forming	98.552	98.175	84.339
Injection Molding	122.553	83.183	82.960
<b>Operating earnings before depreciation (EBITDA)</b>	<b>19.1</b>	<b>19.0</b>	<b>19.4</b>
in % of total income	8.6	10.5	11.6
Stamping and Forming	9.4	8.6	8.8
Injection Molding	8.7	10.3	9.2
<b>Operating earnings (EBIT)</b>	<b>5.1</b>	<b>8.4</b>	<b>7.0</b>
in % of total income	2.3	4.7	4.2
Stamping and Forming	5.0	4.1	3.4
Injection Molding	-0.5	4.4	2.5
<b>Net profit</b>	<b>0.2</b>	<b>4.1</b>	<b>4.2</b>
in % of total income	0.1	2.2	2.5
<b>Cash provided by operating activities</b>	<b>1.9</b>	<b>3.6</b>	<b>14.9</b>
Operative free cash flow	-6.2	-7.8	4.2
Free cash flow	-65.1	-7.8	-4.0
<b>Capital expenditure</b>	<b>13.9</b>	<b>12.0</b>	<b>10.6</b>
Stamping and Forming	6.4	4.2	1.7
Injection Molding	7.3	7.4	8.6
<b>Number of employees</b>	<b>3,332</b>	<b>1,379</b>	<b>1,322</b>
Stamping and Forming	910	805	765
Injection Molding	2,413	563	547

# SEMI-ANNUAL FINANCIAL STATEMENTS OF THE ADVAL

The semi-annual financial statements of the Adval Tech Group have been drawn up in condensed form in conformity with the accounting principles published in the financial reports for the 2007 financial year and IAS 34.

## CONSOLIDATED BALANCE SHEET

CHF 1000	Notes	6/30/2008	12/31/2007
Liquid assets	3	32,987	19,451
Trade accounts receivable	4	77,231	48,702
Other receivables	5	23,082	10,790
Inventories and work in progress		79,888	73,431
Tangible fixed assets for disposal		0	5,043
Prepaid expenses and accrued income		4,766	3,450
<b>Total current assets</b>		<b>217,954</b>	<b>160,867</b>
Tangible fixed assets		175,391	153,906
Financial assets		1,982	2,152
Intangible assets	2, 9	73,889	9,013
Pension assets		401	421
Deferred tax assets		2,572	1,026
<b>Total fixed assets</b>		<b>254,235</b>	<b>166,518</b>
<b>Total assets</b>		<b>472,189</b>	<b>327,385</b>
Trade accounts payable	6	42,899	29,789
Short-term interest-bearing liabilities	8	786	6,144
Other short-term liabilities		21,081	16,268
Accrued expenses	7	33,030	16,457
Short-term provisions		4,680	3,554
Accrued current income taxes		2,377	2,399
<b>Total short-term liabilities</b>		<b>104,853</b>	<b>74,611</b>
Long-term interest-bearing liabilities	8	120,490	107,440
Other long-term liabilities	9	16,536	0
Long-term provisions	10	7,285	1,894
Deferred tax liability		13,513	14,200
<b>Total long-term liabilities</b>		<b>157,824</b>	<b>123,534</b>
<b>Total liabilities</b>		<b>262,677</b>	<b>198,145</b>
Share capital		14,600	7,300
Capital reserves		146,480	57,324
Treasury stock		-139	-72
Translation differences		-13,271	1,897
Hedging reserves		0	-1,401
Retained earnings		61,842	64,192
<b>Total shareholders' equity</b>		<b>209,512</b>	<b>129,240</b>
<b>Total liabilities and shareholders' equity</b>		<b>472,189</b>	<b>327,385</b>

CONSOLIDATED INCOME STATEMENT

CHF 1000	Notes	1 <sup>st</sup> half of 2008	1 <sup>st</sup> half of 2007
<b>Net turnover</b>	11	<b>217,402</b>	<b>161,666</b>
<b>Total income</b>	11	<b>221,142</b>	<b>167,430</b>
Cost of materials and services		-99,397	-71,223
Personnel expenses		-67,418	-52,701
Other operating expenses		-35,251	-24,082
<b>Operating expenses</b>		<b>-202,066</b>	<b>-148,006</b>
<b>Operating earnings before depreciation (EBITDA)</b>	11	<b>19,076</b>	<b>19,424</b>
Depreciation		-13,979	-12,389
<b>Operating earnings (EBIT)</b>	11	<b>5,097</b>	<b>7,035</b>
Net financial income	12	-4,206	-1,704
<b>Net profit before taxes</b>		<b>891</b>	<b>5,331</b>
Taxes		-686	-1,094
<b>Net profit after taxes</b>		<b>205</b>	<b>4,237</b>
<b>Earnings per share (adjusted)</b>			
Non-diluted earnings per share (in CHF)		0.43	8.43
Diluted earnings per share (in CHF)		0.43	8.43

## CONSOLIDATED CASH FLOW STATEMENT

CHF 1000	Notes	1 <sup>st</sup> half of 2008	1 <sup>st</sup> half of 2007
<b>Net profit after taxes</b>		<b>205</b>	<b>4'237</b>
Depreciation on tangible fixed assets		13'161	12'063
Depreciation on financial assets and intangible assets		818	326
Increase- (+)/decrease (-) in long-term provisions		-1'595	428
Increase- (+)/decrease (-) in provision for deferred taxes		-1'033	448
Gain (-)/loss (+) from sales of tangible fixed assets		-301	112
Other non-cash income/expenses		-4'508	-668
Increase- (-)/decrease (+) in receivables		-7'164	-8'430
Increase- (-)/decrease (+) in inventories		571	-4'871
Increase- (-)/decrease (+) in prepaid expenses and accrued income		-979	-499
Increase- (-)/decrease (-) in short-term liabilities		2'720	11'779
<b>Cash provided by operating activities</b>		<b>1'895</b>	<b>14'925</b>
Capital expenditure		-13'866	-10'649
Income from sales of tangible fixed assets		5'852	149
Increase- (-)/decrease (+) in financial assets		-60	211
Increase- (-)/decrease (+) in intangible assets		0	-444
Change in the scope of consolidation	2	-58'909	-8'144
Other events having no impact on liquidity		0	0
<b>Cash used for investing activities</b>		<b>-66'983</b>	<b>-18'877</b>
<b>Free cash flow</b>		<b>-65'088</b>	<b>-3'952</b>
Dividends paid		-2'555	-2'190
Capital paid in (repaid)		96'456	0
Purchase (-)/sale (+) of treasury stock		-67	20
New borrowing (refinancing)		184'800	0
Loan repayment (refinancing)		-182'800	0
Increase/decrease in short-/long-term debt		-16'749	8'501
<b>Cash provided by financing activities</b>		<b>79'085</b>	<b>6'331</b>
Translation adjustments		-461	302
<b>Change in liquid assets</b>		<b>13'536</b>	<b>2'681</b>
Liquid assets on June 30		32'987	25'585
Liquid assets on January 1		19'451	22'904
Change in liquid assets		13'536	2'681

**SHAREHOLDERS' EQUITY**

1 <sup>st</sup> half of 2007 CHF 1000	Share capital	Capital reserves	Treasury stock	Hedging	Translation differences	Retained earnings	Total shareholders' equity
<b>At January 1, 2007</b>	<b>7'300</b>	<b>57'324</b>	<b>-82</b>	<b>0</b>	<b>-363</b>	<b>58'083</b>	<b>122'262</b>
Dividends						-2'190	-2'190
Purchase/sale of treasury stock			10			10	20
Change translation difference					1'962	0	1'962
Net profit for the year						4'237	4'237
<b>At June 30, 2007</b>	<b>7'300</b>	<b>57'324</b>	<b>-72</b>	<b>0</b>	<b>1'599</b>	<b>60'140</b>	<b>126'291</b>

1 <sup>st</sup> half of 2008 CHF 1000	Share capital	Capital reserves	Treasury stock	Hedging	Translation differences	Retained earnings	Total shareholders' equity
<b>At January 1, 2008</b>	<b>7'300</b>	<b>57'324</b>	<b>-72</b>	<b>-1'401</b>	<b>1'897</b>	<b>64'192</b>	<b>129'240</b>
Increase in share capital	7'300	89'156					96'456
Dividends						-2'555	-2'555
Purchase/sale of treasury stock			-67				-67
Hedging currency risks				1'401			1'401
Change translation difference					-15'168		-15'168
Net profit for the year						205	205
<b>At June 30, 2008</b>	<b>14'600</b>	<b>146'480</b>	<b>-139</b>	<b>0</b>	<b>-13'271</b>	<b>61'842</b>	<b>209'512</b>

Proceeds of CHF 96.5 million accrued to Adval Tech Holding Ltd from the increase in share capital completed on May 9, 2008, after deduction of costs directly related to this transaction. These funds were utilized to repay the bridging loans in connection with the acquisition of Omni Investors Pte. Ltd.

At the annual general meeting of Adval Tech Holding Ltd held on April 24, 2008, shareholders approved the payment of a dividend of CHF 7.00 gross per share, corresponding to a total amount of CHF 2.555 million.

The subscription rights to shares of the company issued in connection with the increase in share capital were exercised.

The currency hedge entered into at the end of 2007 in connection with the acquisition of Omni was closed out on completion of the transaction in January 2008.

# EXPLANATORY NOTES

## 1. SEASONAL INFLUENCES

The Adval Tech Group operates in various industrial sectors and markets. Seasonal influences in the individual industrial sectors and markets on the consolidated financial statements are not significant in total.

## 2. CHANGES TO THE SCOPE OF CONSOLIDATION

Adval Tech Holding Ltd acquired 100% of the share capital of Omni Investors Pte. Ltd in Singapore indirectly via two group companies in January 2008. Omni Investors Pte. Ltd is the holding company of the Omni Group, which comprises 10 companies operating primarily as manufacturers of plastic injection molded components. Two companies manufacture injection molds. The Omni Group has manufacturing plants in China, Malaysia, Mexico and Thailand. Omni's management is based in Singapore.

The Omni Group's results were integrated in the consolidated accounts as of January 2008.

Two contracts of sale were concluded for the purchase of the shares, one for 85.7% (1st tranche) and one for 14.3% (2nd tranche) of the shares. The purchase price for the first tranche was paid in January 2007. A compensation payment was made to Adval Tech in June 2008 on the basis of the final normalized operating earnings of the Omni Group in 2007. This compensation payment was deducted from the cost of acquisition. The purchase price for the second tranche depends on normalized operating earnings in 2009 and will become due for payment in the first half of 2010. The existing business plan on the date of acquisition provided the basis for calculating the cost of acquisition.

The cost of acquisition of the merger (consisting of the purchase price and acquisition-related costs) amounted to CHF 88.0 million. The net payment for the first tranche accounted for CHF 63.1 million and costs directly attributable to the acquisition for

CHF 1.7 million. The present value of the purchase price for the second tranche amounted to CHF 23.2 million on the date of acquisition and was posted to "Other long-term liabilities".

Calculation of the acquisition cost also took the following factors into account:

Manufacturing location in Asia, taking over existing customer orders, potential for achieving a global offering of products and services by the Adval Tech Group at a single stroke.

The initial balance sheet of the Omni Group drawn up in accordance with the group's valuation principles as of January 16, 2008, was as follows:

CHF 1000	IFRS book values prior to consolidation	Included in the consolidated balance sheet
Liquid assets	5,932	5,932
Other current assets	41,007	41,007
Tangible fixed assets	23,996	23,996
Deferred taxes (receivable)	1,832	1,832
Intangible assets	2,640	5,846
Short-term liabilities	-42,375	-42,375
Long-term liabilities	-22,474	-23,051
<b>Net assets acquired</b>	<b>10,558</b>	<b>13,187</b>
<b>Purchase price and acquisition costs</b>		<b>87,951</b>
<b>Goodwill</b>		<b>74,764</b>

This acquisition was initially included in the balance sheet with provisional figures as of June 30, 2007. The market value of the net assets acquired has not been finally established. Existing customer relationships were capitalized with a value of CHF 4.4 million and existing orders in hand with CHF 0.5 million on the date of acquisition. Goodwill included in the consolidated balance sheet on the date of acquisition thus amounts to CHF 74.8 million.

The Omni Group has generated profits of CHF 0.4 million since its initial consolidation. If initial consolidation had taken place on January 1, 2008, instead of January 16, 2008, this would have necessitated only a marginal change in the consolidated income statement in respect of sales and profits.

### 3. LIQUID ASSETS

The increase in liquid assets (CHF 13.5 million) is largely attributable to the compensation payment received in June in respect of the acquisition of Omni Investors Pte. Ltd, the proceeds from the sale of the property in Grenchen, which was also completed in June, and the integration of the Omni Group.

### 4. TRADE ACCOUNTS RECEIVABLE

The increase of CHF 27.2 million in trade accounts receivable since the annual financial statements for 2007 is due mainly to the integration of Omni. Trade accounts receivable from related parties amounted to CHF 1.7 million.

### 5. OTHER RECEIVABLES

Compared with December 31, 2007, other receivables increased by CHF 12.3 million as a result of the integration of Omni. This item also includes VAT claims and advance payments to suppliers.

### 6. TRADE ACCOUNTS PAYABLE

Trade accounts payable have increased by CHF 13.1 million since December 31, 2007. This is due to the integration of Omni.

### 7. ACCRUED EXPENSES

Some three-fifths of the increase of CHF 16.6 million in accrued expenses is attributable to the integration of Omni. The Stamping and Forming Division accounted for the remainder of the increase.

### 8. LONG-TERM INTEREST-BEARING LIABILITIES

The increase in long-term interest-bearing liabilities must be viewed in the context of the reduction in short-term interest-bearing liabilities and the increase in liquid assets (gross figures).

The long-term interest-bearing liabilities are bank loans. The syndicated loan raised in 2005 was repaid in connection with the acquisition of Omni. The loan agreement concluded in mid-January 2008 comprises a revolving credit facility for up to CHF 135 million with a term of five years. Syndication of this loan by the lead bank was completed in July 2008. The credit facility is dependent on compliance with key financial statistics (levels of debt and interest cover, leverage ratio), all of which were complied with at mid-2008. The amount of credit is continuously adjusted to current requirements in order to optimize financing costs.

The bridging loans raised in connection with the acquisition of Omni were repaid in full from the proceeds of the increase in share capital completed in May 2008.

### 9. OTHER LONG-TERM LIABILITIES

Other long-term liabilities correspond to the present value of the purchase price to be paid for the 2nd tranche of shares in Omni Investors Pte. Ltd in Singapore in the first half of 2010.

The business plan of the Omni Group was revised in June 2008 in the context of the Adval Tech Group's regular planning process. The budgets for the Omni Group derived from economic forecasts and market expectations showed that budgeted sales and earnings trends in the plans on which the initial consolidation was based need to be revised. The estimated purchase price for the 2nd tranche of shares in Omni Investors Pte. Ltd was therefore adjusted accordingly without any impact on earnings. Goodwill was thus reduced by CHF 4.6 million.

## 10. LONG-TERM PROVISIONS

The increase in long-term provisions is due primarily to the integration of Omni. This item includes a provision for bonus plans for Omni management. The amounts payable under these plans depend on operating profits before depreciation in the years 2008 and 2009. The provision was adjusted accordingly in the context of the revision of Omni's business plan referred to in note 9.

## 11. SEGMENT RESULTS

CHF 1000	Stamping and Forming		Injection Molding	
	1 <sup>st</sup> half of 2008	1 <sup>st</sup> half of 2007	1 <sup>st</sup> half of 2008	1 <sup>st</sup> half of 2007
Net turnover	96,165	78,392	121,425	83,388
IC turnover	19	66	169	48
Net turnover	96,146	78,326	121,256	83,340
Total income	98,552	84,339	122,553	82,960
Operating earnings before depreciation (EBITDA)	9,376	8,800	8,708	9,200
Operating earnings (EBIT)	5,020	3,352	-496	2,495
Capital expenditure	-6,357	-1,678	-7,258	-8,649
Employees	910	765	2,413	547

The Omni Group is included in the Injection Molding Segment.

**12. NET FINANCIAL INCOME**

CHF 1000	1 <sup>st</sup> half of 2008	1 <sup>st</sup> half of 2007
Interest earned	333	269
Currency gains	4,430	852
Gains on derivative financial instruments	0	231
Other financial income	931	620
<b>Total financial income</b>	<b>5,694</b>	<b>1,972</b>
Interest paid	-4,442	-2,103
Currency losses	-5,714	-741
Unrealized translation differences	1,520	11
Losses on derivative financial instruments	-139	-331
Other financial expenses	-1,125	-512
<b>Total financial expenses</b>	<b>-9,900</b>	<b>-3,676</b>
<b>Net financial income</b>	<b>-4,206</b>	<b>-1,704</b>

Interest paid increased by CHF 2.3 million compared with the same period of the previous year. Interest expenses incurred for the bridging loans in connection with the acquisition of Omni amounted to CHF 1.7 million. Interest expense of CHF 0.5 million was posted for interest accrued on the purchase price liability and provisions arising from the acquisition of Omni.

Other financial expenses include CHF 0.3 million of costs arising from the early repayment of the syndicated loan agreement concluded in 2005.

**13. TAXES AND INTEREST ACTUALLY PAID**

Taxes actually paid in the period under review amounted to CHF 1.6 million (-CHF 0.1 million in the first half of 2007). There was an outflow of CHF 4.7 million for interest on borrowings in the first half of 2008 (CHF 2.1 million in the first half of 2007).

