

Semiannual Report
2017

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Dear Shareholders,

A firming global economy and an improved investment climate have heightened interest in the Mikron Group's systems, cutting tools and services, but this is not yet reflected in the half-year results. The Group's order intake was unable to reach the level of the corresponding prior-year period. Weaker sales and additional outlays on individual customer projects resulted in an EBIT loss in the semiannual financial statements that must be corrected in the second half of the year.

The prospective new orders indicate a positive performance for Mikron Automation in the second half of 2017. The business segment is confident of seeing a significant improvement in order intake and sales at all its sites.

Mikron Machining is expecting to benefit from positive stimuli from the writing instruments, watchmaking and electronics industries. Demand from the automotive industry is still difficult to gauge.

Overall, we are expecting an increase in sales in the second half of 2017 to match the prior-year figure by the end of the current year. Factoring in the various additional measures in place to reduce costs and improve efficiency, we continue to predict a slight year-on-year increase in EBIT in the annual results for 2017.

We would like to thank all of Mikron's employees for their tireless dedication and our customers for our good working relationships. Our thanks also go to you, our valued shareholders, for your great confidence in us.



Heinrich Spoerry,
Chairman of the Board of Directors



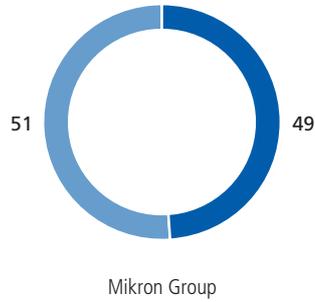
Bruno Cathomen,
Chief Executive Officer

Overview

Sales by segment in %

Total CHF 118.4 million

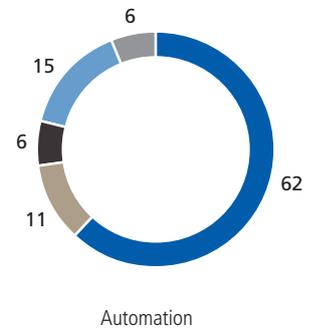
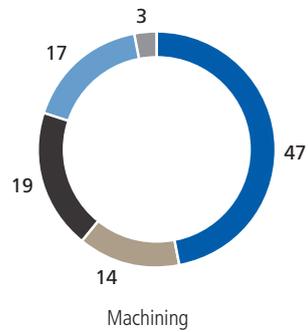
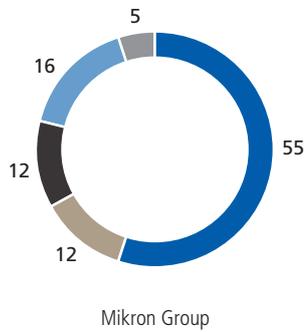
- Machining
- Automation



Sales by region in %

Total CHF 118.4 million

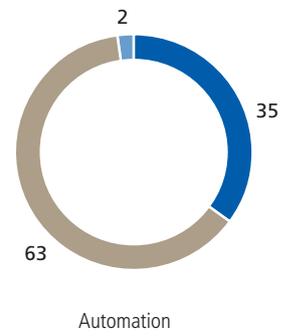
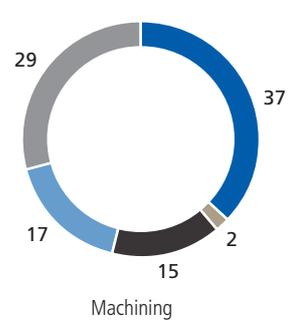
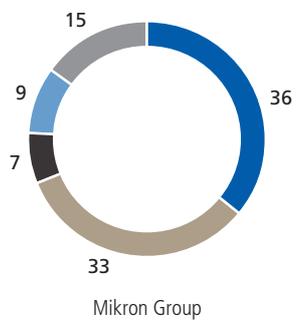
- Europe
- Switzerland
- Asia/Pacific
- North America
- Others



Sales by industry in %

Total CHF 118.4 million

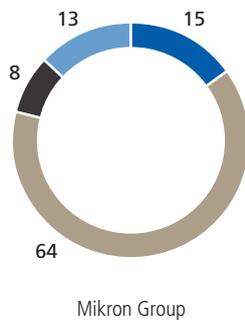
- Automotive
- Pharma/Medtech
- Writing
- Consumer Goods
- Others



Employees by region in %

Total 1,234

- Europe
- Switzerland
- Asia/Pacific
- North America



Key Figures for the First Half Year 2017

in CHF million, except productivity and number of employees

	1.1.–30.6.2017		1.1.–30.6.2016		+/-	
Key performance data						
Order intake	114.2		124.7		-10.5	-8.4%
Machining	60.5		56.8		3.7	6.5%
Automation	53.7		68.1		-14.4	-21.1%
Net sales	118.4		127.0		-8.6	-6.8%
Machining	57.8		59.2		-1.4	-2.4%
Automation	60.7		68.0		-7.3	-10.7%
Order backlog	119.2		139.5		-20.3	-14.6%
Machining	46.7		40.6		6.1	15.0%
Automation	72.7		98.9		-26.2	-26.5%
Productivity (added value/personnel expenses)	1.30		1.35		-0.05	-3.7%
Number of employees (end of period)	1,234		1,222		12	1.0%
Machining	590		606		-16	-2.6%
Automation	618		595		23	3.9%
Earnings						
Earnings before interest, taxes, depreciation, amortizations and impairments (EBITDA), as % of net sales	3.4	2.9%	5.5	4.3%	-2.1	-38.2%
Earnings before interest and taxes (EBIT), as % of net sales	-0.8	-0.7%	1.3	1.0%	-2.1	n.a.
Machining	-1.8	-3.1%	-3.2	-5.4%	1.4	n.a.
Automation	0.2	0.3%	3.7	5.4%	-3.5	-94.6%
Operating result, as % of net sales	-1.5	-1.3%	0.5	0.4%	-2.0	n.a.
Profit/Loss for the year, as % of net sales	-1.7	-1.4%	0.4	0.3%	-2.1	n.a.
Cash flow						
Cash flow from operating activities (incl. changes in net working capital), as % of net sales	-10.7	-9.0%	8.7	6.9%	-19.4	n.a.
	30.6.2017		31.12.2016		+/-	
Balance sheet						
Balance sheet total	241.2		251.8		-10.6	-4.2%
Current assets	149.1		158.2		-9.1	-5.8%
Cash and current financial assets	36.5		52.3		-15.8	-30.2%
Non-current assets	92.2		93.6		-1.4	-1.5%
Current liabilities	61.9		68.6		-6.7	-9.8%
Long-term liabilities	26.2		26.8		-0.6	-2.2%
Shareholders' equity, as % of balance sheet total	153.1	63.5%	156.3	62.1%	-3.2	-2.0%

Management Report

A firming global economy and an improved investment climate have heightened interest in the Mikron Group's systems, cutting tools and services, even if this is not yet reflected in the half-year results. At CHF 114.2 million, the Mikron Group's order intake for the first half of 2017 was clearly below the prior-year level (first half of 2016: CHF 124.7 million).

Within the Mikron Automation business segment, the Boudry site in Switzerland was operating at high capacity thanks to several new orders from the pharmaceutical, medtech and automotive industries. At all other sites, the anticipated orders for new Mikron automation systems were delayed. In the US in particular, several customers have put off decisions on placing orders to the second half of the year.

In the Machining business segment, the tool and service businesses reported good results. Numerous customers optimized their existing machinery and also required new tools, modifications, and spare parts. By contrast, Mikron Machining did not receive any major machine orders from the watchmaking and automotive industries. Demand for ballpoint pen tip production machines was encouraging, however, especially from customers in Asia.

Modest order intake for automation and machining systems in the first quarter had a direct impact on sales. This could not be offset by the higher sales in the tool business. The Mikron Group reported total net sales of CHF 118.4 million in the first half of 2017 (first half of 2016: CHF 127.0 million).

Weaker sales and additional outlays on individual customer projects resulted in an EBIT loss of CHF -0.8 million for the first half of 2017 (first half of 2016: CHF 1.3 million). The Automation business segment's result was just in positive territory. While the Machining business segment improved EBIT by CHF 1.4 million (first half of 2016: CHF -3.2 million), this was not sufficient to break even.

Outlook

At Mikron Automation, prospective orders indicate a positive performance in the second half of 2017. The business segment is confident of seeing a significant improvement

in order intake and sales at all its sites. Mikron Machining is expecting to benefit from positive stimuli from the writing instruments, watchmaking and electronics industries. Demand from the automotive industry is still difficult to gauge, whereas Mikron Machining can count on strong demand in the tool and service businesses in the second half as well.

Overall, the Mikron Group is expecting an increase in sales in the second half of 2017 to match the prior-year figure by the end of the current year. Factoring in the various additional measures in place to reduce costs and improve efficiency, the Group continues to predict a slight year-on-year increase in EBIT for 2017.

Innovations and continuous improvements

In the first half of 2017, the Mikron Group continued to invest in maintaining and scaling up existing automation and machining systems, delivering training and development opportunities for employees, and raising productivity.

The machines business innovation initiative launched by Mikron Machining last year is progressing according to plan, and the associated projects are on schedule. In addition, the Machining business segment expanded its production capacities for the tool business and strengthened its distribution and service network in both the USA and China.

The Automation business segment successfully completed the building extension work at the Denver site in the first half of 2017. Another encouraging factor was the huge interest shown in the numerous innovation projects presented by Mikron Automation to existing and potential new customers as well as an interested public at the Technology Days in mid-May.

The machines business innovation initiative launched by Mikron Machining last year is progressing according to plan, and the associated projects are on schedule.

Employees

At the end of June 2017, the Mikron Group had approximately 1,234 employees (end of 2016: 1,249 employees). The decrease is mainly due to personnel adjustments in the second half of 2016 which did not take effect until the first half of 2017. Natural attrition also contributed to the lower headcount. While Mikron Machining in Agno had to place approximately 15% of machines business employees on short-time work, the tool business increased its headcount to handle the rise in sales.

Order intake

At CHF 114.2 million, the Mikron Group's order intake for the first half of 2017 was clearly below the prior-year level (first half of 2016: CHF 124.7 million). The impact of translating orders in local currency into Swiss francs was minimal.

Largely on the back of orders in the second quarter, the Machining business segment reported a 7% rise in order intake compared with the relatively modest prior-year figure. Mikron Machining's tool business turned in a very reassuring performance in the first half of 2017, posting a 20% year-on-year increase in order intake. Regular product launches, more efficient production resources, additional personnel, and customer machinery operating at high capacity all drove further growth for the tool business. The service business saw order intake at a healthy level, exceeding the figure for the same period of 2016. Mikron Machining's machine business witnessed robust demand from the writing instruments industry in the first half of 2017, while no major orders came in from the watchmaking and automotive industries.

The Automation business segment reported a 21% decrease in order intake compared to the first half of 2016. Whereas Mikron Automation regularly received new orders from European customers in the pharmaceutical and medtech industries, US customers were very hesitant to invest, with individual pre-confirmed orders put on hold until the second half of 2017. Mikron Automation's service business order intake was satisfactory, although it did not reach the good figure for the first half of 2016.

Net sales

In the first half of 2017, the Mikron Group posted net sales of CHF 118.4 million (first half of 2016: CHF 127.0 million, -7%). The unevenly distributed order backlog at the individual sites at the beginning of the year and the unexpectedly low order intake in the first quarter of 2017 had a negative effect. Both business segments were unable to maintain sales at the prior year-level, as reflected in the decrease of 11% to CHF 60.7 million (first half of 2016: CHF 68.0 million) at Mikron Automation and of 2% to CHF 57.8 million (first half of 2016: CHF 59.2 million) at Mikron Machining.

Europe (including Switzerland) remained the dominant market for the Mikron Group, accounting for 67% of all sales. US sales were almost 43% lower compared to the first half of 2016. With the outlook for the US nonetheless very positive altogether, the Mikron Group is expecting to see an improvement in sales in the region in the second half of 2017. The Group just reached its sales targets in Asia.

Due to the delayed order intake from customers in the pharmaceutical and medtech industries, there was a significant change in this market segment's share of total sales compared with the prior-year period. In the first half of 2017, around 33% (previous year: 45%) of total sales still came from these industries. The automotive industry's share increased accordingly to around 36% (previous year: 28%).

Europe (including Switzerland) remained the dominant market for the Mikron Group, accounting for 67% of all sales.

Order backlog and capacity utilization

At CHF 119.2 million, the Mikron Group's order backlog at the end of June 2017 was around 3% lower than the figure as at the end of 2016 and well below the corresponding figure at the end of June 2016. Orders continue to be very unevenly distributed over the sites and business segments.

Capacity utilization rates varied considerably at the different sites in the first half of 2017. While capacity utilization was strong in the tool business and at some sites (thanks also in part to low-margin projects), other businesses and sites faced substantial capacity problems. This was due to the low order backlogs in some areas at the start of the year. A further factor was that, despite numerous concrete offers, significantly fewer orders were received in the first quarter than in the corresponding prior-year period. On account of an upturn in the order situation in the second quarter of 2017 and expectations of further orders in the summer months, capacity utilization is projected to improve in the second half of 2017.

Profitability and net earnings

Lower sales overall and additional outlays on individual Mikron Automation customer projects resulted in an EBIT loss of CHF -0.8 million for the first half of 2017 (first half of 2016: CHF 1.3 million).

Net earnings for the first half of 2017 came to CHF -1.7 million, as against the marginally positive result of CHF 0.4 million reported in the first half of 2016.

Financing and equity ratio

The Mikron Group's equity ratio as at the end of June 2017 was 64% (end of 2016: 62%). The change compared with the year-end 2016 is attributable primarily to the balance sheet total being around CHF 10 million lower.

With a net cash position (cash and cash equivalents plus current financial assets less interest-bearing liabilities) of approximately CHF 14 million, the Group remains essentially debt-free.

Cash flow

Despite the strict management of net working capital and the systematic collection of downpayments on customer projects, operative free cash flow came to CHF -14.8 million (first half of 2016: CHF 5.4 million). On the strength of order intake in the second quarter of 2017, the Mikron Group is nevertheless expecting a substantial improvement by the end of the year. Totalling CHF 4.1 million in the first half of 2017, investments included the extension of the building in Denver.

Mikron Automation

For the Automation business segment, the first half of 2017 was dominated by customers' hesitance to invest in Mikron's highly productive automation systems – particularly in the USA. The correspondingly lower order intake compared with the first half of 2016 also resulted in a fall in sales. However, various attractive new orders from the two principal markets (the pharmaceutical and medtech industries as well as the automotive industry) and commitments from customers that project orders would get the go-ahead in the foreseeable future give Mikron Automation grounds for confidence for the second half of the year.

Mikron Automation's order intake was very unevenly spread over the different sites in the first half of 2017. While the Boudry site was operating at consistently high capacity thanks to several very large new orders, the Asian and US sites received fewer orders than expected. The trend witnessed in the second half of 2016 generally continued: Customers were very reluctant to invest, and any investment decisions made were preceded by drawn-out internal approval processes. Accordingly, the business segment posted lower sales than in the first half of 2016. Business segment profitability was also impacted by additional outlays on individual highly demanding projects in Europe.

However, the prospect of new orders that came out of intensive discussions with customers certainly points to a positive business performance in the second half of 2017, with all sites being potential beneficiaries.

Key figures

Reporting an order intake of CHF 53.7 million, Mikron Automation was unable to maintain the previous year's solid result (CHF 68.1 million). As already seen in the second half of 2016, the anticipated orders for new automation systems from Mikron Automation were also delayed in the first half of 2017, above all in the US. The resulting order backlog of 72.7 million as at the end of June 2017 was distributed very unevenly across the different sites.

The low order intake also impacted on sales, which were down by a total of 11% from CHF 68.0 million in the first half of 2016 to CHF 60.7 million in the first half of 2017.

However, thanks to prudent personnel resources planning, capacity utilization was good at the majority of sites and very good in some cases. The encouragingly high order intake in the second quarter plus anticipated orders will not feed through to sales until the final quarter of 2017. Mikron Automation's service business order intake was satisfactory, although it did not reach the good level witnessed in the first half of 2016.

Mikron Automation's EBIT for the first half of 2017 was just in positive territory at CHF 0.2 million (first half of 2016: CHF 3.7 million). Low sales reported by some sites as well as additional outlays on individual innovative customer projects were the main reasons why EBIT was not higher. In the prior year, Mikron Automation executed several major customer projects better than planned, which had a positive impact on the half-year result for 2016.

Employees

At the end of June 2017, Mikron Automation had 618 employees (end of June 2016: 595 employees; end of December 2016: 636 employees). The business segment did not replace some natural departures and reduced the number of temporary employees. No cuts were made to Mikron Automation's internal training and personnel development activities.

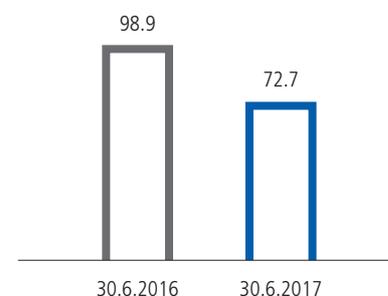
Order intake
Total CHF million



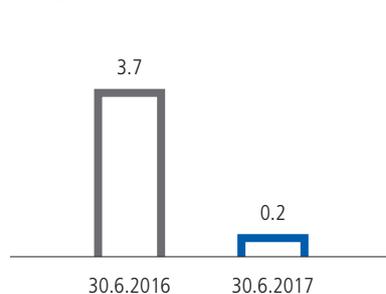
Net sales
Total CHF million



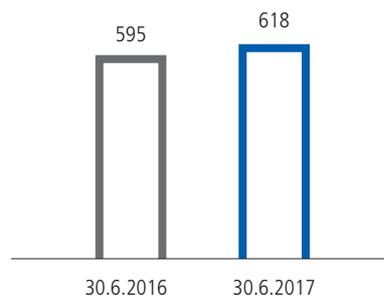
Order backlog
Total CHF million



EBIT
Total CHF million



Number of employees



Continuous improvements

The Automation business segment is continually improving its project management processes. It has invested in more efficient IT systems, among other things.

Building extension work at Mikron Automation's Denver site was completed in the first half of 2017.

Another encouraging factor was the huge interest shown in the numerous innovation projects presented by Mikron Automation to existing and potential customers and an interested specialist audience at the Technology Days in mid-May.

Outlook

Buoyed by the prospect of various new orders, the Automation business segment is confident that order intake will improve at all sites in the second half of 2017. Mikron Automation is also expecting to see a significant increase in sales during the second half, but this is unlikely to be sufficient to match the solid year-back results by the end of 2017.

Mikron Machining

The Machining business segment achieved good results in the tool and service business in the first half of 2017, but continued to suffer from poor demand for Mikron machining systems from the watchmaking and automotive industries. The innovation initiative launched last year in the machines business was systematically driven forward.

As evidenced by an upturn in tool business and successes in the service business in the first half of 2017, Mikron Machining locked very effectively into the opportunities offered by the buoyant economy, especially in Germany and the US, and by customers' correspondingly solid capacity utilization rates. The tool business in particular achieved an extremely strong performance and expanded its base of operations further. The service business reported relatively stable spare parts activities and, among other successes, also won a number of contracts to increase automation of machines already in operation. True to the spirit of Industry 4.0, Mikron is bringing customers' older machines to the cutting edge of technology.

In the machines business, Mikron Machining reported robust demand from the writing instruments industry in the first half of 2017, with new orders coming largely from customers in Asia. As expected, the machinery business was generally slow, fluctuating at a low level. Nonetheless, the Swiss production site saw a significantly higher order intake in the second quarter than in the first. There were no major orders from the watchmaking and automotive industries, however, and demand from the US market was lower than the relatively high demand for offers had suggested. While numerous Mikron Machining customers in these market segments are currently investing in new tools, modifications and training to increase productivity and optimize existing capacity, many of them are not yet ready for a leap in capacity entailing investments in new high-performance rotary transfer machines.

Key figures

Mikron Machining posted order intake of CHF 60.5 million in the first half of 2017, marking a considerable increase over the first half of 2016 (CHF 56.8 million, +7%). This is mainly attributable to the growth seen in the tool business. The machines business began to pick up a little

in the second quarter, but by and large did not attract any large-scale orders. At CHF 46.7 million, the backlog of orders was slightly higher than at the beginning of the year (CHF 42.3 million).

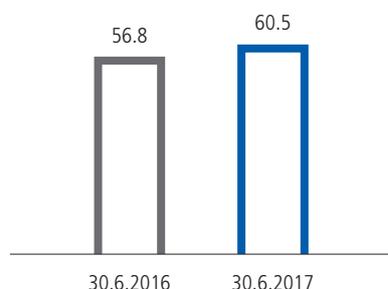
Both tool business production sites were operating at full capacity in the first half of 2017. In some instances, service business and spare parts production also reached capacity limits. By contrast, the machines business overall was operating at unsatisfactory levels of capacity, which were very unevenly distributed over the different sites. This led to approximately 15% of machines business employees at the Agno site (Switzerland) being placed on short-time work in the first half of 2017. At CHF 57.8 million, Mikron Machining's sales were, as projected, lower year on year (CHF 59.2 million, -2%).

While in terms of profitability the tool business performed well and the service business also witnessed an improvement, unsatisfactory capacity utilization and some low-margin projects in the machines business continued to have a very negative impact on the result. This was further strained by the innovation projects. Despite a year-on-year improvement in EBIT, at CHF -1.8 million it is still in negative territory (first half of 2016: CHF -3.2 million).

Employees

At the end of June 2017, Mikron Machining had a total of 590 employees (end of June 2016: 606 employees). The decrease is mainly due to personnel adjustments in the second half of 2016 which did not take effect until the first half of 2017. The growth in headcount in the tool business went as planned, with further increases scheduled in this area for the second half of 2017, above all in Germany and at the distribution sites. Whether Agno needs to keep machines business employees on short-time work depends on developments in customer project order intake in the near term.

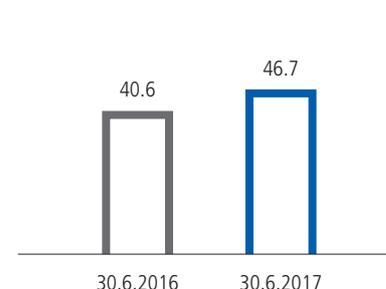
Order intake
Total CHF million



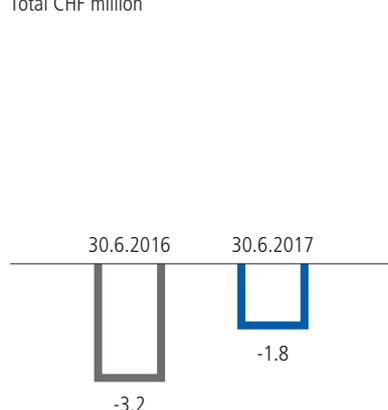
Net sales
Total CHF million



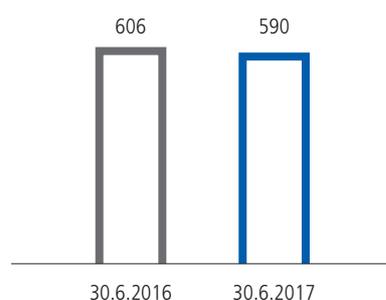
Order backlog
Total CHF million



EBIT
Total CHF million



Number of employees



Innovations and continuous improvements

The machines business innovation offensive launched in 2016 is progressing according to plan: The associated projects are on schedule, with the concept phases broadly completed. There will be a phase of detailed development and prototype construction in the second half of 2017, paving the way for initial tests to be conducted at the beginning of 2018. The Machining business segment is spending a total of more than CHF 10 million in renewing its machinery portfolio. In addition to the innovation offensive, Mikron Machining continues to maintain and scale up existing machining systems, expanding production capacity within the tool business, further strengthening the distribution and service network in the US and China, delivering training and development opportunities, and raising productivity. These activities will be taken to the regular income statement.

Outlook

Mikron Machining expects the encouraging trend in the tool business to continue in all geographic sales markets. The prospects for the service business are also positive: The machines installed by Mikron Machining over many years are running at full power – above all at customer facilities in Europe, the US and China. This stimulates demand for spare parts, maintenance, optimizations and tools.

In terms of the machines business, the Machining segment is predicting positive stimuli from the writing instruments, watchmaking and electronics industries. Demand from the automotive industry remains hard to gauge.

Consolidated Semiannual Financial Statements 2017 of the Mikron Group

Consolidated income statement

Short version, CHF 1,000	1.1.–30.6.2017		1.1.–30.6.2016	
Net sales	118,443	100.0%	126,989	100.0%
Change in work in progress/finished goods	-1,349		-228	
Capitalized own production	204		0	
Material costs and subcontractors	-44,249		-48,167	
Personnel expenses	-56,242		-58,038	
Other operating expenses (net)	-14,363		-16,098	
Depreciation and amortization	-3,948		-3,925	
Operating result	-1,504	-1.3%	533	0.4%
Financial result	-139		-543	
Ordinary result	-1,643	-1.4%	-10	-0.0%
Non-operating result	745		753	
Profit/Loss before taxes	-898	-0.8%	743	0.6%
Income taxes	-796		-372	
Profit/Loss	-1,694	-1.4%	371	0.3%
Net earnings per share – undiluted	-0.10		0.02	
Net earnings per share – diluted	-0.10		0.02	

The accompanying notes form an integral part of the Semiannual Financial Statements.

Consolidated balance sheet

Short version, CHF 1,000	30.6.2017		31.12.2016	
Cash and cash equivalents	21,934		38,723	
Current financial assets	14,545		13,530	
Receivables and prepaid expenses	24,466		21,688	
Inventories	41,604		45,313	
Net assets from customer projects	46,517		38,929	
Total current assets	149,066	61.8%	158,183	62.8%
Tangible assets	53,793		54,643	
Intangible assets	4,515		4,673	
Investment property	29,437		29,604	
Other non-current assets	4,412		4,652	
Total non-current assets	92,157	38.2%	93,572	37.2%
Total assets	241,223	100.0%	251,755	100.0%
Short-term financial liabilities	1,485		1,576	
Current liabilities and accrued expenses	33,511		35,477	
Net liabilities from customer projects	22,076		28,054	
Short-term provisions	4,793		3,528	
Total current liabilities	61,865	25.6%	68,635	27.3%
Long-term financial liabilities	21,470		21,988	
Other long-term liabilities	4,761		4,784	
Total long-term liabilities	26,231	10.9%	26,772	10.6%
Total shareholders' equity	153,127	63.5%	156,348	62.1%
Total liabilities and shareholders' equity	241,223	100.0%	251,755	100.0%

The accompanying notes form an integral part of the Semiannual Financial Statements.

Consolidated statement of cash flow

Short version, CHF 1,000	1.1.–30.6.2017	1.1.–30.6.2016
Profit/Loss	-1,694	371
Non-cash items	4,871	3,172
Cash flow from operating activities before changes in net working capital	3,177	3,543
Changes in net working capital	-13,883	5,174
Cash flow from operating activities	-10,706	8,717
Investments (-)/divestments (+) tangible assets (net)	-3,462	-2,291
Investments (-)/divestments (+) intangible assets (net)	-538	-599
Investments (-)/divestments (+) investment property (net)	-122	-397
Investments (-)/divestments (+) financial assets (net)	-703	-2,293
Cash flow from investing activities	-4,825	-5,580
Increase (+)/repayment (-) of finance lease liabilities	-527	-378
Distribution to shareholders	-835	-835
Other cash flow from financing activities	321	17
Cash flow from financing activities	-1,041	-1,196
Effect of exchange rate changes on cash and cash equivalents	-217	-79
Net cash flow	-16,789	1,862
Cash and cash equivalents at beginning of period	38,723	34,237
Cash and cash equivalents as at 30.6.	21,934	36,099

The accompanying notes form an integral part of the Semiannual Financial Statements.

Consolidated statement of shareholders' equity

Short version, CHF 1,000	30.6.2017	30.6.2016
Opening balance	156,348	154,571
Profit/Loss	-1,694	371
Translation adjustments	-753	-59
Distribution to shareholders	-835	-835
Change in treasury shares	61	30
Closing balance	153,127	154,078

Notes to the Consolidated Semiannual Financial Statements 2017

1. General information

Mikron Holding AG is a public limited company under Swiss law, domiciled in Biel. Its shares are listed on SIX Swiss Exchange (symbol: MIKN).

The Board of Directors approved the 2017 consolidated Semiannual Financial Statements on 21 July 2017.

The consolidated Semiannual Financial Statements should be read in conjunction with the consolidated Annual Financial Statements for the 2016 financial year, since they represent an update of the last full set of statements.

2. Accounting principles

The unaudited and condensed consolidated Semiannual Financial Statements for the period from 1 January 2017 to 30 June 2017 have been prepared in accordance with the rules of Swiss GAAP FER 31 "Complementary recommendation for listed companies", which – compared with the annual financial statements – permit shorter versions in terms of presentation and disclosure.

The accounting principles set out in the 2016 consolidated Financial Statements have been applied unchanged.

3. Business seasonality

The activities of the Mikron Group are not subject to significant seasonal fluctuations.

4. Scope of consolidation

The consolidated Semiannual Financial Statements include Mikron Holding AG, Biel, and all Swiss or foreign subsidiaries which the holding company controls directly or indirectly, either by holding more than 50% of the voting rights or through some other form of control.

In the first half of 2017, there was no change in the scope of consolidation compared to 31 December 2016.

5. Events after the balance sheet date

No significant events have occurred after the balance sheet date.

6. Foreign currency translation

The most significant exchange rates into Swiss francs for the Group in the period under review were:

Exchange rates

Currency	Average rate (income statement)		Closing rate (balance sheet)	
	1.1.–30.6.2017	1.1.–30.6.2016	30.6.2017	31.12.2016
1 EUR	1.079	1.094	1.093	1.071
1 USD	0.989	0.988	0.957	1.025
1 SGD	0.706	0.715	0.694	0.709
1 CNY	0.144	0.151	0.141	0.147

7. Information by business segment

CHF 1,000 / 1.1.–30.6.	Machining		Automation		Corporate/Eliminations		Total Group	
	2017	2016	2017	2016	2017	2016	2017	2016
Net sales – third party	57,733	59,097	60,710	67,946	0	-54	118,443	126,989
Net sales – Group	17	95	3	9	-20	-104	0	0
Total net sales	57,750	59,192	60,713	67,955	-20	-158	118,443	126,989
Operating result	-1,765	-3,241	239	3,693	22	81	-1,504	533
Earnings before interest and taxes (EBIT)	-1,765	-3,241	239	3,693	767	834	-759	1,286

The Mikron Group

The Mikron Group develops, produces and markets automation and machining systems that enable extremely precise and productive manufacturing processes. Rooted in the Swiss culture of innovation, the group is a globally leading partner to companies in the automotive, pharmaceutical, medtech, consumer goods, writing instruments and watchmaking industries.

The two divisions, Mikron Automation and Mikron Machining, are based in Switzerland (Boudry and Agno). The company has additional production facilities in Germany, Singapore, China and the US. The 1,250 employees of the Mikron Group can draw on over 100 years of experience in the production of high-precision systems for large-series product manufacture. Mikron Holding AG shares are traded on SIX Swiss Exchange (MIKN).

Mikron Holding AG
Mühlebrücke 2
CH-2502 Biel
Phone +41 32 321 72 00
Fax +41 32 321 72 01

ir.mma@mikron.com

Published in English and German.
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version, the German version shall prevail.

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Except for the historical information contained herein,
the statements in this semiannual report are forward-looking
statements that involve risks and uncertainties.

