

**+GFF+**

# Georg Fischer Corporation

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**Financial Analysts` Conference  
1 March 2011**

**2010 financial year**

**Yves Serra**

CEO

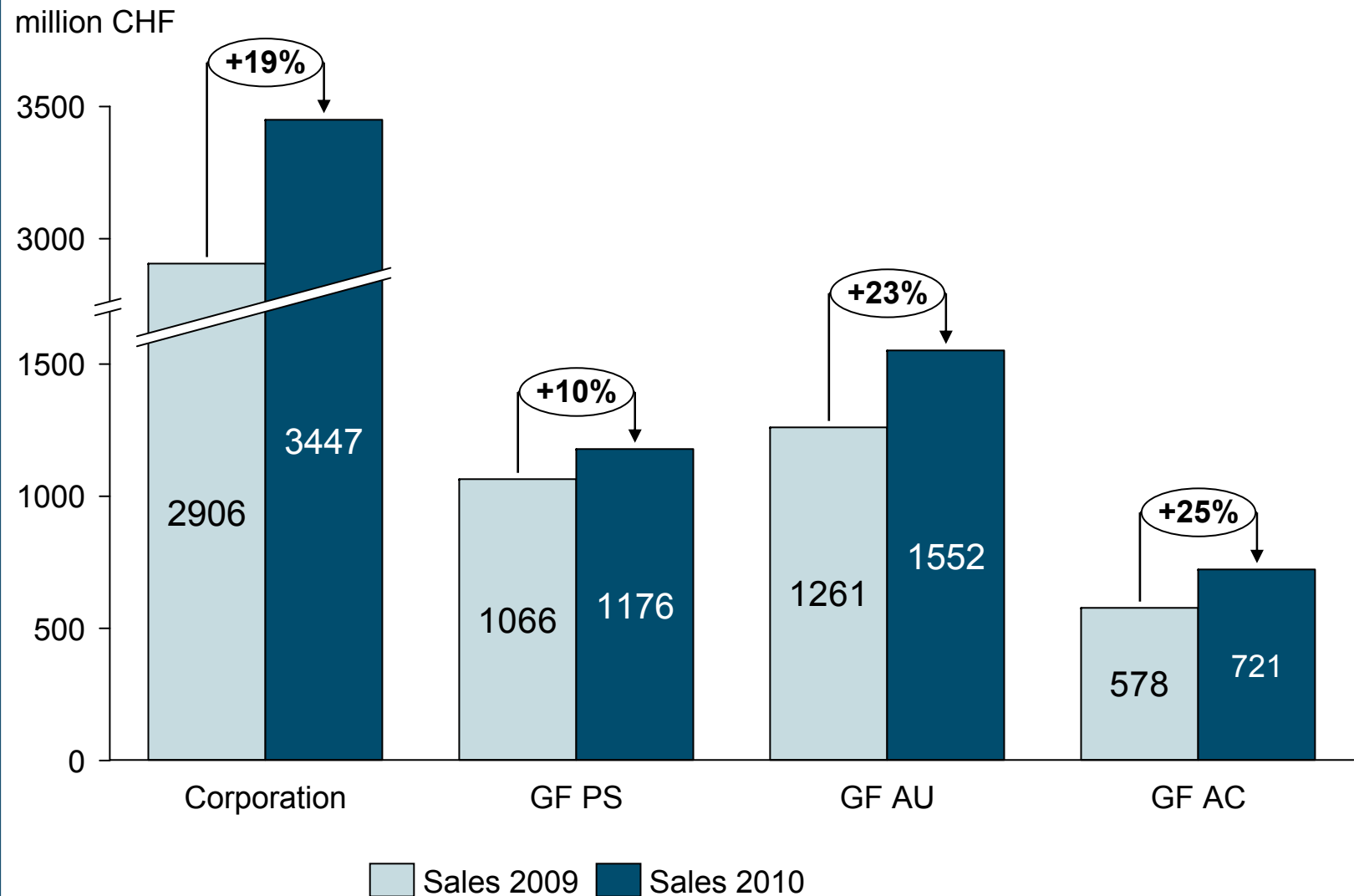
**A strong rebound in sales and profitability**

- **Sales increase of 19% to CHF 3.45 billion**
- **Operational profit jumped from CHF -58 million (in 2009) to CHF 180 million**
- **FCF increased to CHF 150 million**

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## All three groups with double-digit growth



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Early focus on Asia pays off / Europe & US recovering

### Share of Corporate Sales

**Europe 69% (73%)**

Growth in CHF +14%

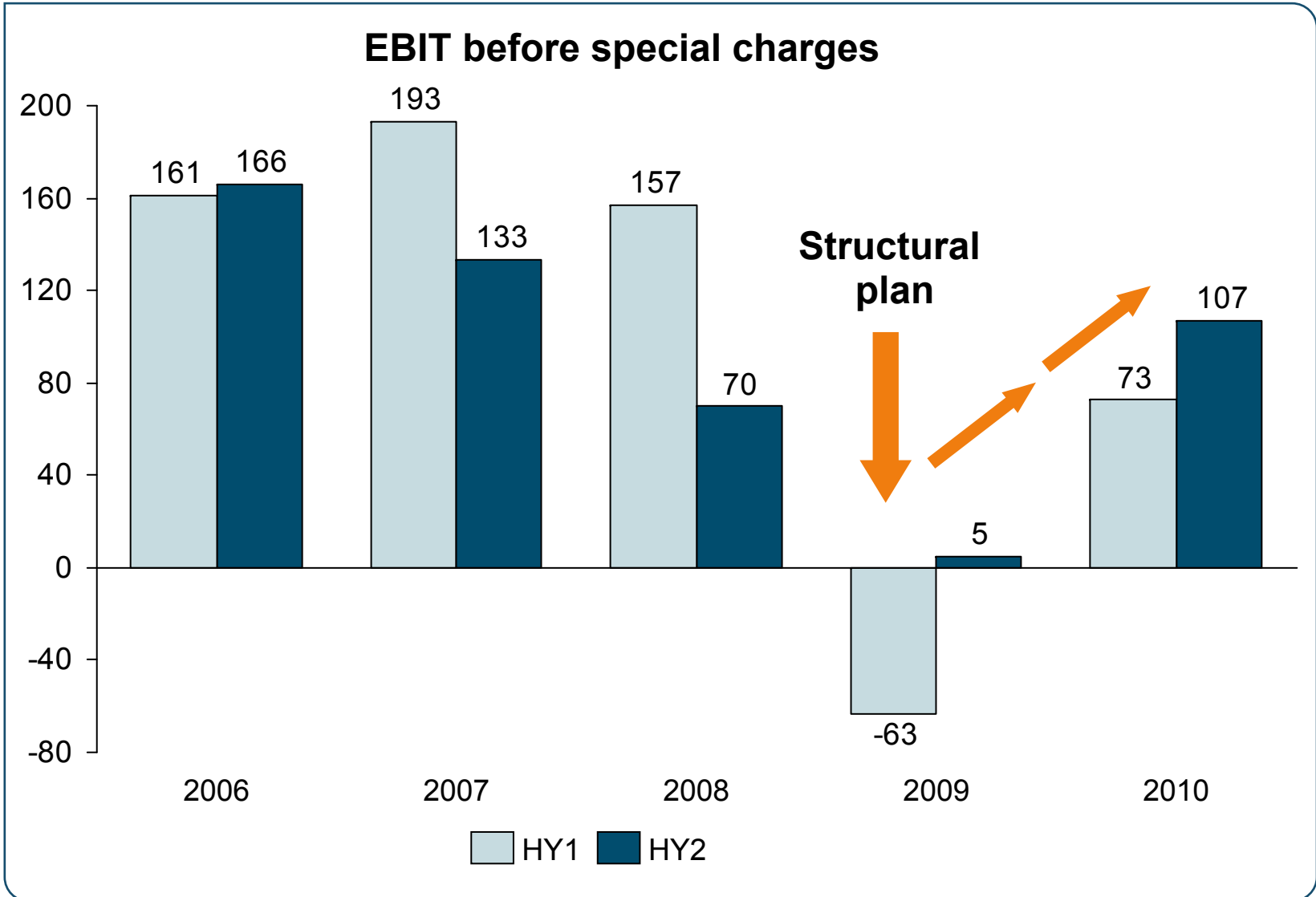
**Asia 18% (15%)**

Growth in CHF +37%

**America 11% (10%)**

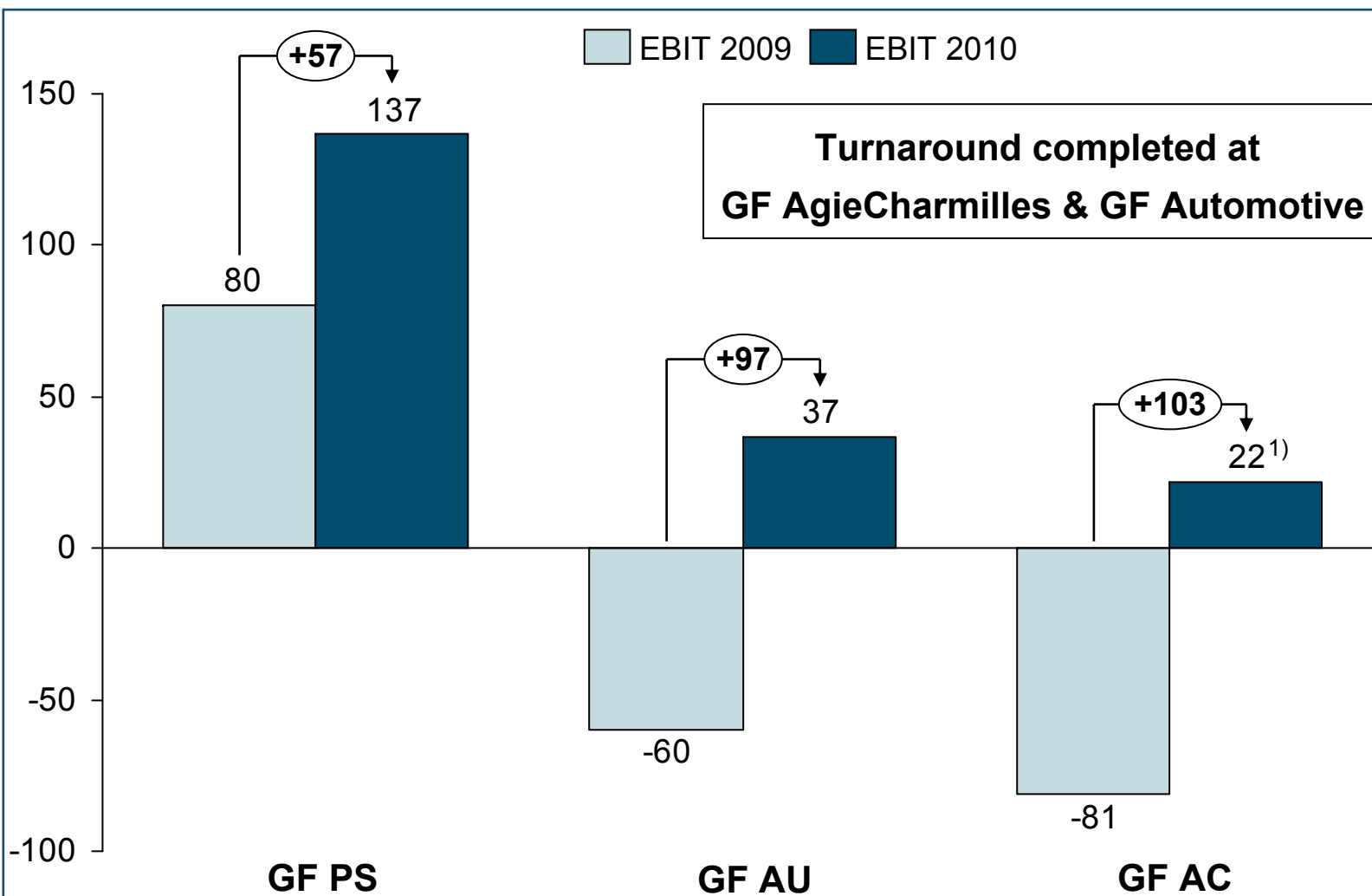
Growth in CHF + 24%

million CHF



# Clear performance improvement in all 3 groups

million CHF



1) Includes CHF 13 million one-off profit from the sale of the Geneva plant.

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GF Piping Systems

## Double digit growth and EBIT margin



**Sales up by 10%** (in LC 16%)  
well over market average

**EBIT of CHF 137 million**

**ROS 11.6%**

**Most plants well loaded in 2010**  
**High growth in Asia (in LC 31%)**  
**New products add momentum**



## Direct Web Marketing (Baidu)

- GF appears first by searching for „floor-heating“



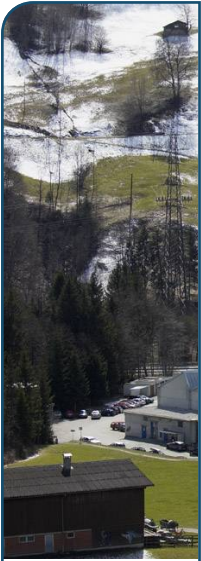
## Beijing Plant (10<sup>th</sup> factory in China)

- 200 new apartments installed per day with GF floor-heating systems

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GF Piping Systems

New products add momentum



**New diaphragm valve:**

- Double flow rate
- Sales increased 50%

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**GF Automotive**

## **Premium car market drives sales increase**

**Sales up 23% (in LC 36%)**

**EBIT of CHF 37 million**

**ROS 2.4%**

**Positive momentum in the car sector  
Truck sector recovery after mid-year  
High growth in China**

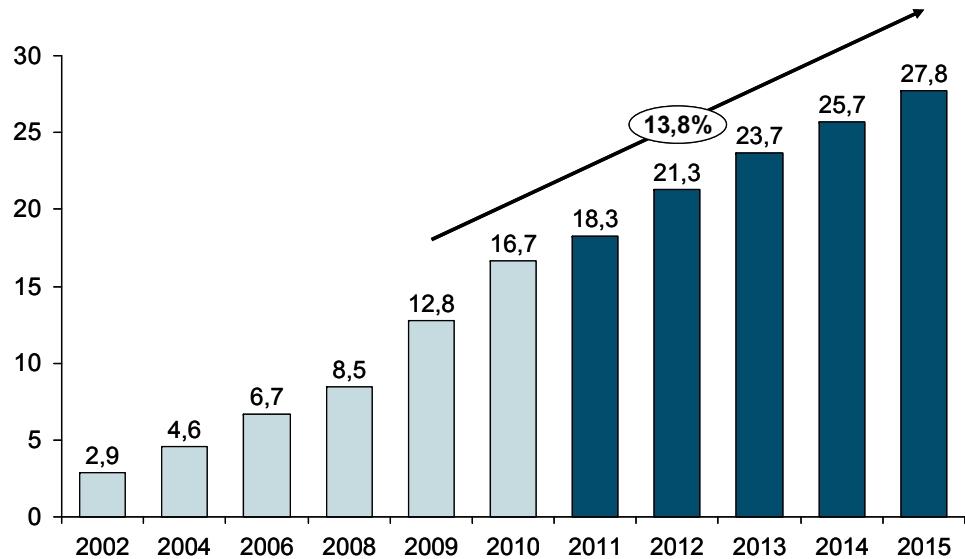
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GF Automotive

50% growth in the number one world market



Production of light vehicles in China in million units



Source: J.D. Power, update Dec. 2010



## New R&D center in Schaffhausen



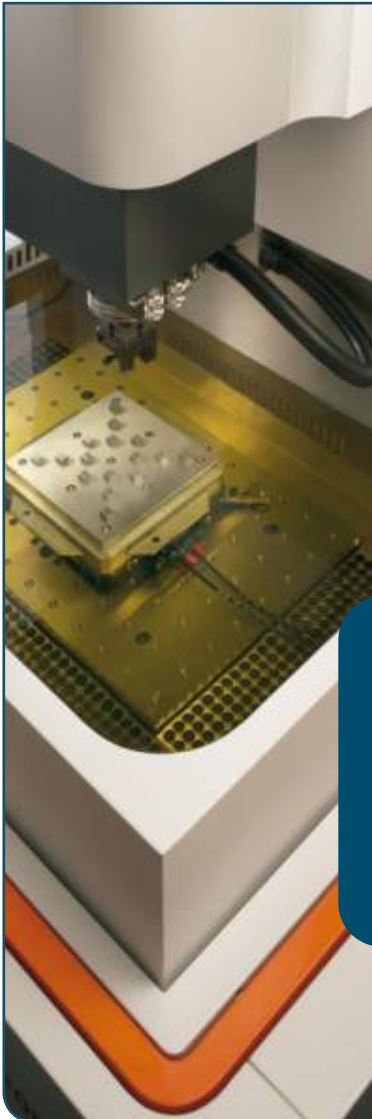
### Focus on vehicle weight reduction

- Area: 4,200 sqm
- Testing and development of new materials and processes
- Design of new parts in iron and aluminium

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**GF AgieCharmilles**

## **Back to black figures**



**Sales up 25% (in LC 31%)**

**EBIT of CHF 22 million**

**ROS 3.1%**

**Market Asia strongly recovered**

**Customers started to invest again in Europe / US**

**Turnaround achieved**

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GF AgieCharmilles

EDM production concentrated in one plant



**Losone plant (Zandone)**  
**Sales +197% in 2010**

1 March 2011

Financial Analysts' Conference 2010 financial year 15

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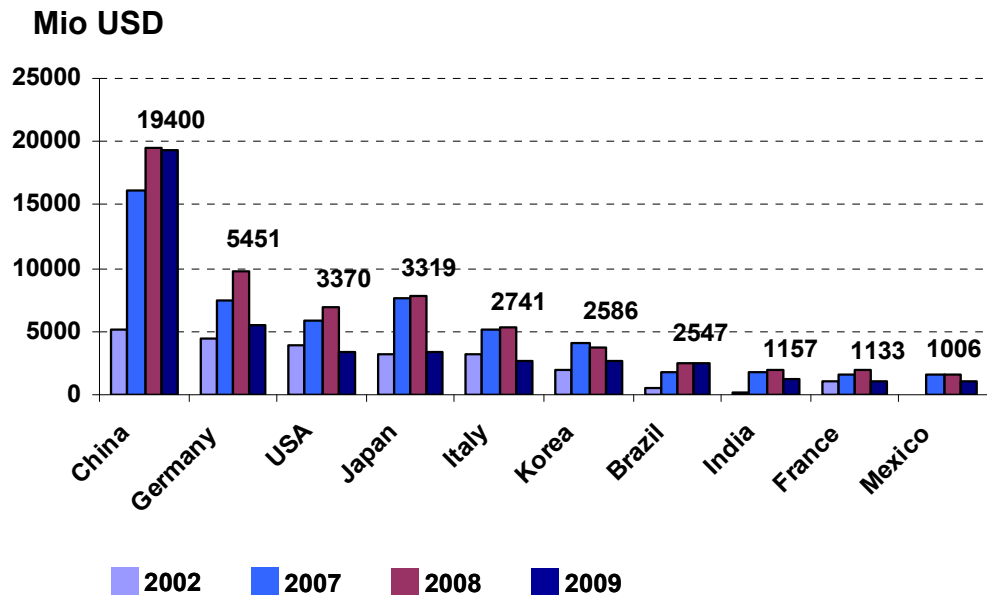
GF AgieCharmilles

# New factory, new milling machine for China



Changzhou

## Serving the No.1 machine tool market in the world



# Georg Fischer Corporation

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**Consolidated financial  
statements and financing**

**Roland Abt**

CFO

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## Georg Fischer Corporation

# Income statement

million CHF

	2010	2009	Δ
<b>Sales</b>	<b>3 447</b>	<b>2 906</b>	<b>19%</b>
Gross value added	1 228	999	23%
Personnel expenses	-899	-893	1%
EBITDA	329	106	210%
Depreciation, amortization	-149	-164	-9%
<b>EBIT before special charges</b>	<b>180</b>	<b>-58</b>	<b>-</b>
Restructuring expenses	-	-90	-
Impairment on goodwill and PPE	-	-53	-
<b>EBIT</b>	<b>180</b>	<b>-201</b>	<b>-</b>
Financial result	-46	-40	15%
Share of results of associates	-	1	-
Result of investment properties	3	4	-
Income taxes	-29	-2	-
<b>Net profit</b>	<b>108</b>	<b>-238</b>	<b>-</b>

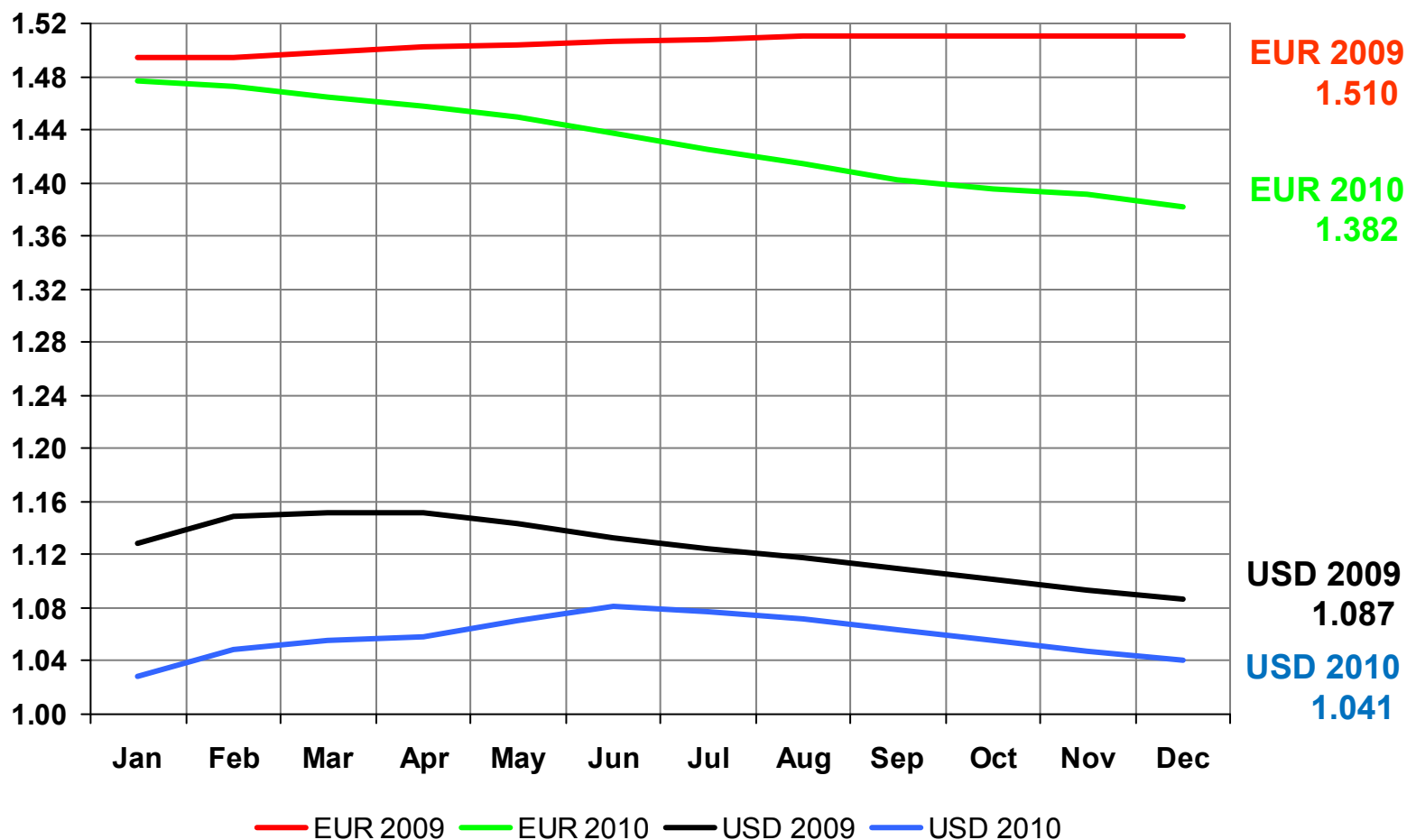
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## Georg Fischer Corporation Sales by Corporate Groups

million CHF	Growth $\Delta$			
	2010	2009	in LC	
GF Piping Systems	1 176	1 066	10%	16%
GF Automotive	1 552	1 261	23%	36%
GF AgieCharmilles	721	578	25%	31%
<b>Corporation</b>	<b>3 447</b>	<b>2 906</b>	<b>19%</b>	<b>27%</b>

▶ **Currency effects** reduce sales by CHF 230 million

## Average rates related to CHF



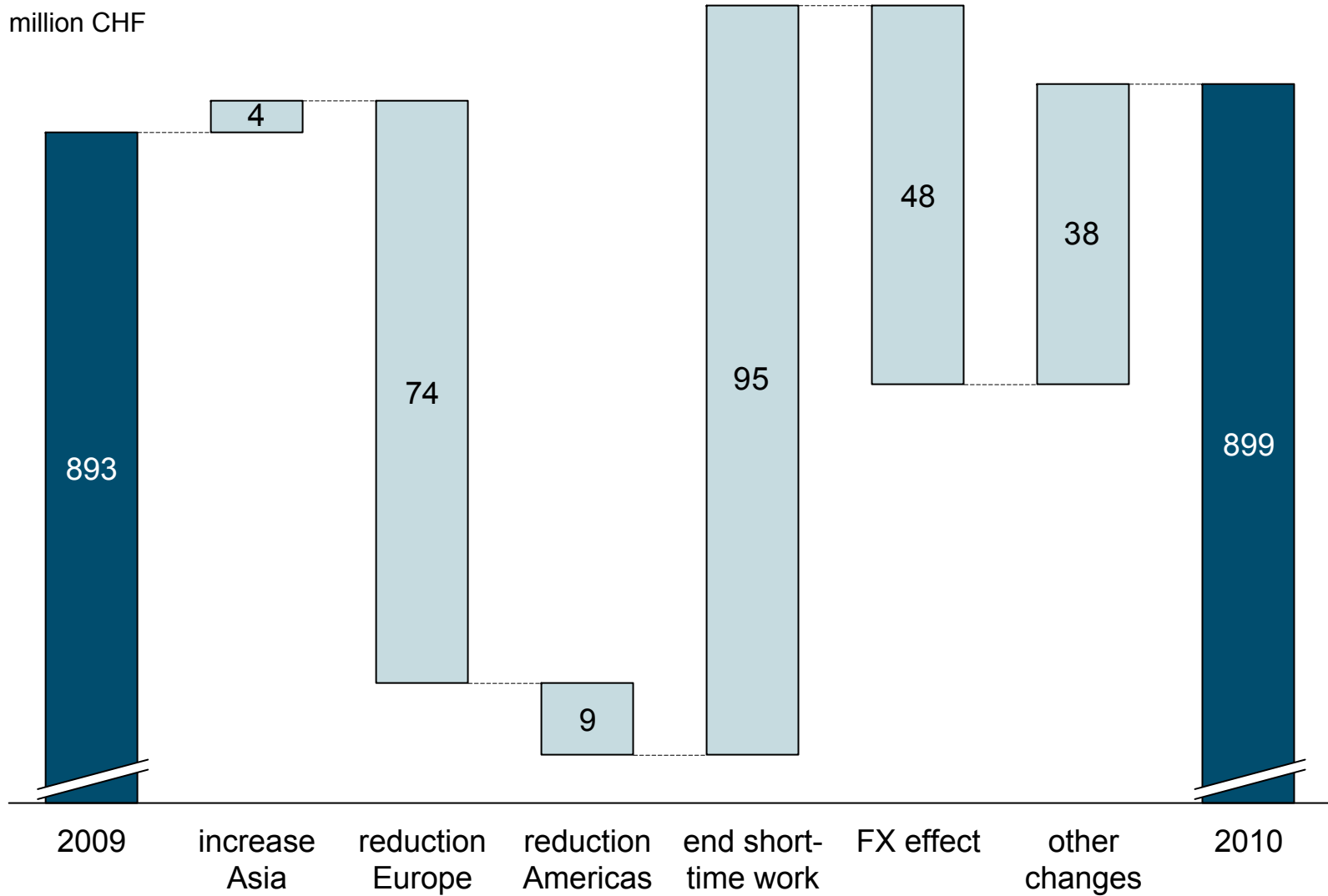
## Currency impact on sales / EBIT

million CHF

	Sales	EBIT
<b>2010</b>	<b>3 447</b>	<b>180</b>
EUR	-203	-29
USD	-15	-5
Others	-12	-4
<b>Total currency impact</b>	<b>-230</b>	<b>-38</b>

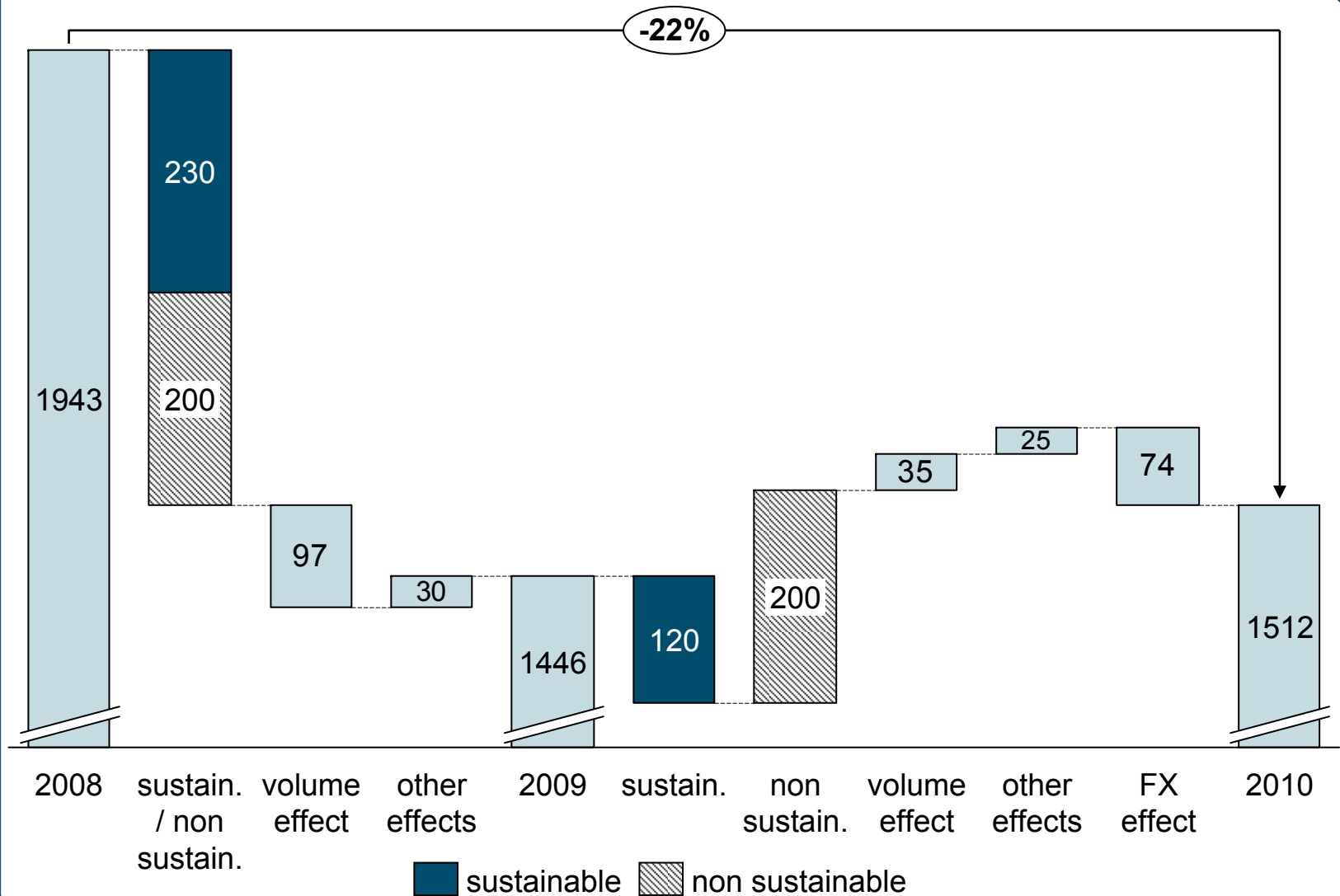
# Development personnel expenses 2009-2010

million CHF



# Operating and personnel expenses 2008-2010

million CHF



## Statement of financial position: Assets

million CHF

	2010	%	2009	%
Property, plant, equipment	955		1 106	
Intangible assets	251		277	
Other financial assets	5		8	
Deferred tax assets	58		56	
<b>Non-current assets</b>	<b>1 269</b>	<b>45</b>	<b>1 447</b>	<b>50</b>
Inventories	589		614	
Trade accounts receivable	486		431	
Other current assets	87		102	
Securities / Cash and cash equiv.	407		321	
<b>Current assets</b>	<b>1 569</b>	<b>55</b>	<b>1 468</b>	<b>50</b>
<b>Assets</b>	<b>2 838</b>	<b>100</b>	<b>2 915</b>	<b>100</b>

## Statement of financial position: Liabilities and equity

million CHF

	2010	%	2009	%
Share capital	82		82	
Share premium	179		181	
Retained earnings	819		844	
Non-controlling interests	44		45	
<b>Equity</b>	<b>1 124</b>	<b>40</b>	<b>1 152</b>	<b>40</b>
Non-current liabilities	878		750	
Current liabilities	836		1 013	
<b>Liabilities</b>	<b>1 714</b>	<b>60</b>	<b>1 763</b>	<b>60</b>
<b>Liabilities and equity</b>	<b>2 838</b>	<b>100</b>	<b>2 915</b>	<b>100</b>

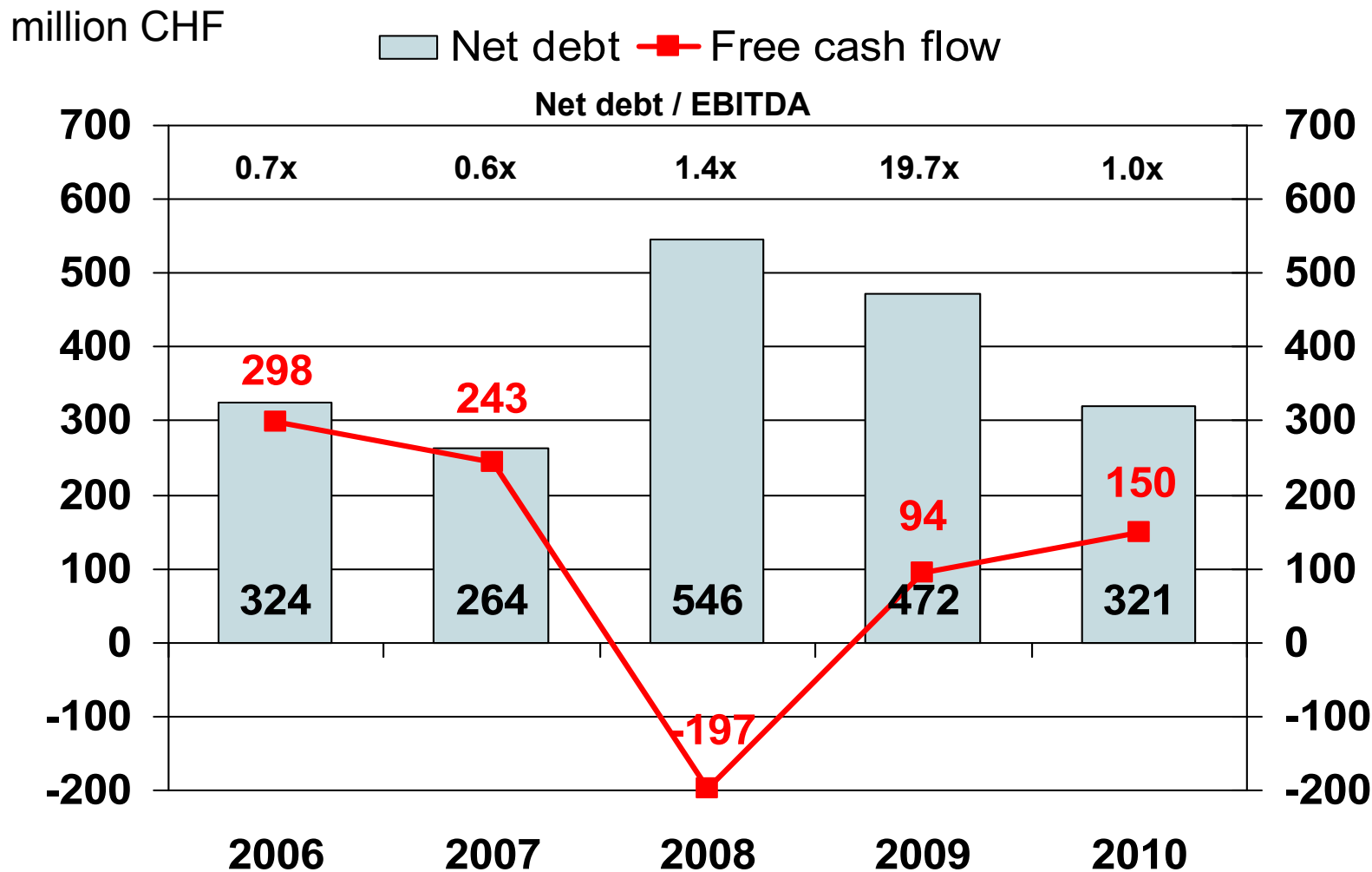
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# Free cash flow

million CHF	2010	2009
EBITDA	329	106
Changes in net working capital	-17	213
Income taxes / interest paid	-54	-47
Other changes	-15	-30
<b>Cash flow from operating activities</b>	<b>243</b>	<b>242</b>
Additions to property, plant and equipment	-124	-148
Acquisitions / divestitures	0	-10
Disposals of financial assets	2	1
Other additions / disposals	29	9
<b>Cash flow from investing activities</b>	<b>-93</b>	<b>-148</b>
<b>Free cash flow</b>	<b>150</b>	<b>94</b>

# Georg Fischer Corporation

## Net debt and free cash flow



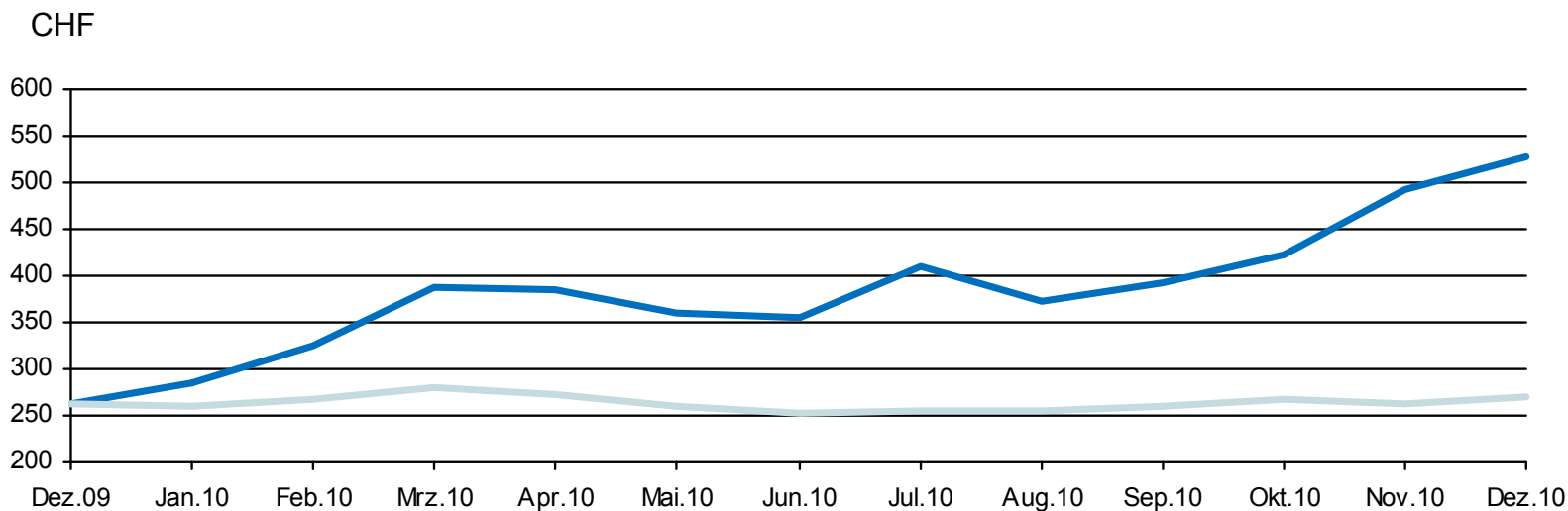
## Key figures

million CHF	2010	2009
Δ Sales in %	19	-35
Δ Sales in % (organic growth)	27	-33
Return on Sales (EBIT margin) in %	5.2	-2.0
Net profit / (loss) in % of sales	3.1	-8.2
Cash flow from operating activities in % of sales	7	8
ROIC in %	9	-12
Return on Equity in %	10	-19
Equity ratio in %	40	40
Economic Profit	13	-375
Earnings / (loss) in CHF per registered share	24	-61
Number of employees (incl. trainees)	12 908	12 481
Sales per employee [thousand CHF]	272	217

# Georg Fischer Corporation

## Share information

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million CHF	GF	SPI	2010	2009
Market capitalization as per December 31			2 163	1 073
- in % of equity			200	97
Price-Earnings-Ratio			22	-
Earnings / (loss) in CHF per registered share			24	-61
Dividend paid (proposal) in CHF per registered share			10	0

# Georg Fischer Corporation

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**Outlook**

**Yves Serra**

CEO

**A positive outlook for 2011**

- **Strong order book, a good starting point**
- **Low cost base, specially in Europe**
- **Strong presence in growth markets brings additional momentum**
- **Uncertainties remain regarding currencies and raw material prices**

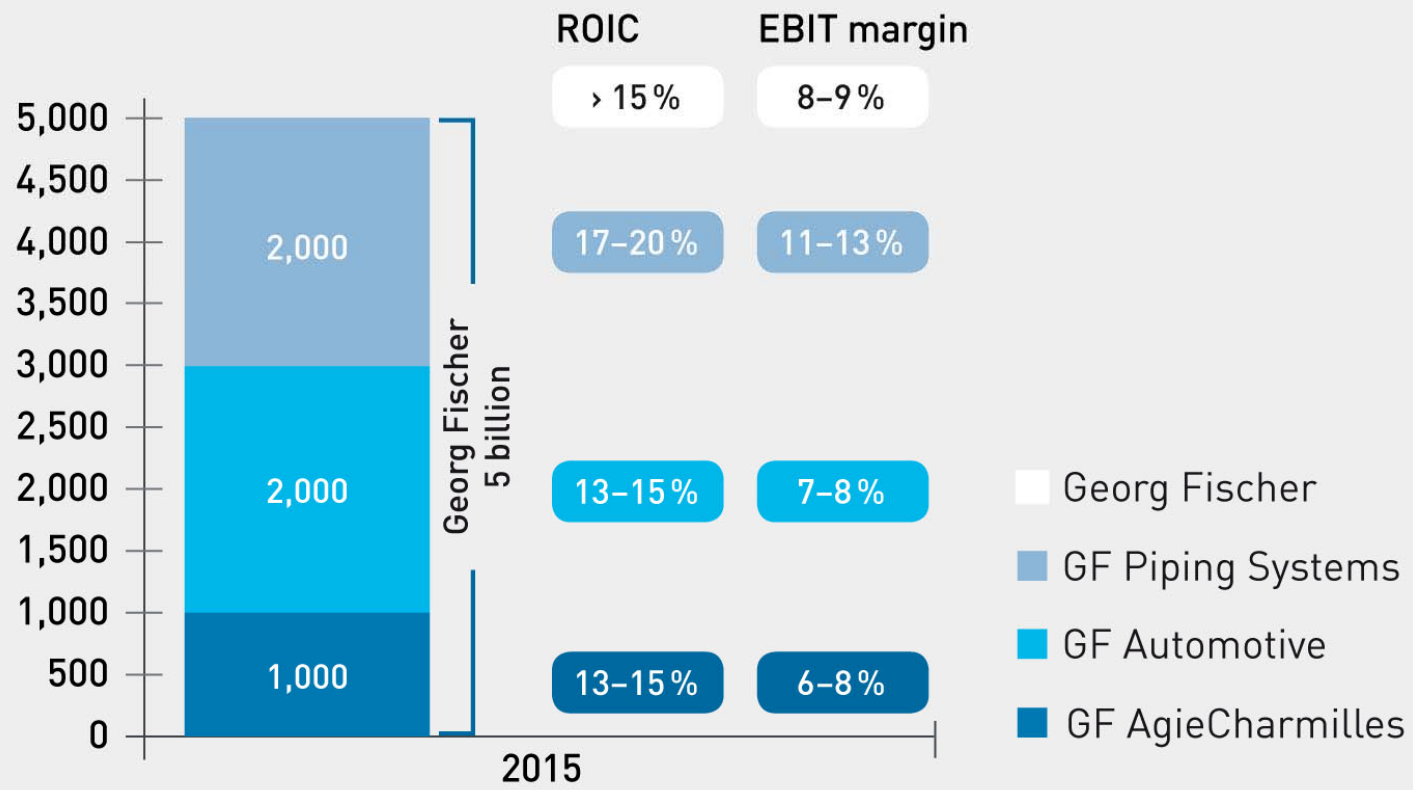
**Further top and bottom line growth expected assuming economic recovery continues**

## Targets for 2012 confirmed

- **Return on sales (EBIT margin) 8%**
- **Net debt below CHF 400 million**
- **Return on Invested Capital (ROIC) 15%**

## Strategic objectives 2015

Objectives per Corporate Group in millions of Swiss francs



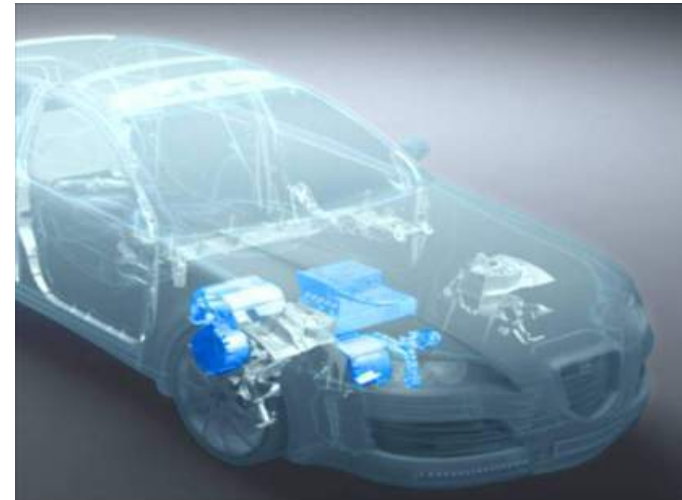
- **Foster competitiveness and technological leadership**
- **Expand GF Piping Systems**
- **Further boost presence in growth markets**



# Georg Fischer Corporation Foster technological leadership



**Water and energy conservation**



**Vehicle weight reduction**

**High precision manufacturing**



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