

# MEDIA RELEASE

Moutier, November 3, 2015

## **Cautious investment activity noticeable in Tornos' course of business**

- **Currency-adjusted net sales slightly below previous year**
- **Automotive and medical technology shoring up demand**

In the first nine months of the year under review, orders totalling CHF 126.3 million (prior-year period: CHF 148.8 million) were recorded. In geographic terms, the trend observed over the past few months has been confirmed: Greater China's willingness to invest has become much more cautious but this was partially offset by higher demand from the United States. In Europe, demand was unable to match the very strong figures of the previous year. In terms of products, demand was driven mainly by high-end machines, while customer orders for standard machines lagged behind expectations. Demand was strongest in the automotive and medical/dental technology markets. In the watchmaking industry, where investment activity was sharply reduced since the beginning of the year, Tornos was however able to secure several major orders.

### **Currency-adjusted net sales slightly below previous year**

Net sales (at the end of nine months) amounted to CHF 117.9 million, corresponding to a decrease of 6.7% or CHF 8.4 million compared with the prior-year period (CHF 126.3 million). Adjusted for exchange-rate effects, net sales come to CHF 124.7 million, just 1.3% below the prior-year period. Third quarter net sales at CHF 35.3 million were almost on a par with the prior-year figure (CHF 36.0 million).

The operating result (EBIT) amounts to CHF -1.9 million (2014: CHF 0.8 million). Adjusted for exchange-rate effects, EBIT amounts to CHF 1.2 million. Thanks to cost discipline, Tornos would therefore have succeeded in beating the prior-year result.

The net result came to CHF -3.45 million (prior-year period: CHF 1.4 million) and was affected by negative currency effects of CHF 0.5 million (prior-year period: positive effects of CHF 1.0 million).

### **Outlook**

Provided that certain major customer projects can be completed on schedule by the end of the year, Tornos expects the 2015 operational result (EBIT) to be balanced.

### **Restriction to publication of semi-annual and annual results**

The Tornos Group will continue to publish semi-annual and annual results, as stipulated in the accounting standards and by the SIX Exchange Regulations. However, the company will no longer publish quarterly results, owing to the volatile business trends from quarter to quarter. This change will take effect as of the 2016 financial year.

<b>Tornos Group</b>				
<b>Unaudited Key Figures</b>	<b>2015</b>	<b>2014*</b>		
(in CHF 1'000 unless otherwise stated)	1.1.-30.9.	1.1.-30.9.	Difference	Difference in %
Order intake	126'274	148'833	-22'559	-15.2%
Net sales	117'898	126'308	-8'410	-6.7%
Operating result (EBIT)	-1'897	777	-2'674	n/a
<i>in % of net sales</i>	<i>-1.6%</i>	<i>0.6%</i>		
Net result	-3'450	1'363	-4'813	n/a
<i>in % of net sales</i>	<i>-2.9%</i>	<i>1.1%</i>		
Cash flow from operating activities	-8'056	15'946	-24'002	n/a
Cash flow from investing activities	-1'294	272	-1'566	n/a
Free cash flow	-9'350	16'218	-25'568	n/a

\* Restated to Swiss GAAP FER

The French version of this media release prevails.

#### **Next publication dates**

January 26, 2016      Order intake and Net sales 2015  
 March 15, 2016      Full-year results 2015  
 April 13, 2016      Annual General Meeting 2016

Further information on Tornos can be found at [www.tornos.com](http://www.tornos.com)

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#### **Company profile**

Tornos Group is one of the global leaders for the development, production and distribution of Swiss-type automatic lathes and multi-spindle machines. The company's history dates back to 1880 and marked the beginning of Swiss-type lathe technology. Tornos primarily manufactures CNC Swiss-type (sliding headstock) turning machines, multi-spindle machines with numerical or cam control, and machining centers for complex parts requiring high precision (Almac). Tornos is headquartered in Switzerland. Through a global sales and service network, unique solutions are supplied to customers in dedicated market segments such as Automotive, Medical and dental technology, Micromechanics, and Electronics. With its approximately 630 employees (FTE), Tornos Group generated sales of CHF 175.8 million in 2014.