

Media Release

Results for the first quarter 2013

- **Order intake up 16 % in first quarter 2013**
- **Order backlog up 11 % year-on-year**
- **Sales revenue of CHF 91 million (-6.3 %)**
- **Earnings before interest and taxes EBIT of CHF 3.5 million – 3.8 % of sales revenue**
- **Net income unchanged at CHF 2.8 million – margin of 3.1 %**

Order intake rises as forecast

Order intake for the first three months of 2013 was up 29 % compared with the fourth quarter of 2012 due to the carrying over of announced orders into the first quarter of this year. Order intake was up 15.7 % year-on-year to CHF 111 million. Excluding acquisitions and adjusted for currency, this represents a decrease of 1.8 %. Order backlog was up 10.8 % year-on-year at CHF 261 million.

Sales revenue came in at CHF 91.4 million, which was down 6.3 % year-on-year and 19.3 % excluding acquisitions and adjusted for currency. The main reason for this decrease is the lower order intake in the second half of 2012, which also had an effect on the financial position. Earnings before interest and taxes for example were down to CHF 3.5 million in the opening quarter (compared with CHF 5.0 million for the same period the previous year), representing 3.8 % of sales revenue (2012: 5.1 %). Net income remained unchanged at CHF 2.8 million thanks to the improved financial result, and the corresponding margin improved to 3.1 % from 2.9 % the previous year.

Equity financing remains high at 54 %

Total assets were up by 9 % compared with end-March 2012 to CHF 354 million, primarily due to the acquisition of Bumotec the previous year. Net cash also came in significantly lower than the previous year at CHF 14.3 million, and this again is primarily down to the

above-mentioned self-financed acquisition. Starrag Group continues to remain financially sound, with an equity ratio of 54 %.

Successful trade fair presence

The company was highly satisfied with its participation at CIMT – the leading Chinese trade fair for machine tools – at the end of April in Beijing, particularly since it was able to sell on-site several of the machines on display. Last year's Baselworld also saw Bumotec, which the group purchased in 2012, present a newly-acquired range of products for finishing machining in the watch industry.

Outlook

In the target market of wind power, uncertainty over future investments continued, which had a correspondingly negative effect on order intake. Starrag Group therefore found itself under the obligation to speed up the already planned cost reduction measures. Based on the order backlog which has once again significantly increased since the end of 2012, the company is assuming that there will be stable economic conditions throughout 2013, and that sales, order intake and results will exceed those of the previous year.

Company profile Starrag Group:

Starrag Group is a global technology leader in manufacturing high-precision machine tools for milling, turning, boring and grinding of small, medium-sized and larger workpieces of metallic and composite materials. Our customers are primarily internationally active companies in the Aerospace, Transport, Industrial and Energy sectors. In addition to its portfolio of machine tools, Starrag Group provides integrated technology and maintenance services that significantly enhance customer productivity.

Starrag Group products are marketed under the following strategic brands: Berthiez, Bumotec, Dörries, Droop+Rein, Heckert, Scharmann, SIP, Starrag, TTL, WMW. Headquartered in Rorschach/Switzerland, the Starrag Group operates manufacturing plants in Switzerland, Germany, France, the UK and India and has established a network of sales and services subsidiaries in numerous other countries.

Starrag Group is listed on the SIX Swiss Exchange (STGN).

Rorschacherberg, 7 May 2013

Starrag Group Holding AG

Key Figures Starraq Group

	CHF million	31.03.2013	31.03.2012	Change	2012
Order intake		111.1	96.0	+16 %	364.2
Order backlog		260.5	235.2	+11 %	238.6
Sales revenue		91.4	97.5	-6.3 %	384.0
Earnings before interest and taxes EBIT		3.5	5.0	-30 %	21.7
EBIT as % of sales revenue		3.8 %	5.1 %	-25 %	5.7 %
Net income		2.8	2.8	0 %	13.6
Net income as a % of sales revenue		3.1 %	2.9 %	+6.9 %	5.2 %
Earnings per share (in CHF)		0.82	0.81	+1.2 %	4.00
Return on equity ROE		5.9. %	6.3 %	-6.3 %	7.3 %
Cash flow from operating activities		-9.1	-0.1	n/a	24.9
Capital expenditure		1.8	2.6	-31%	32.1
Free cashflow		-10.9	- 2.7	n/a	10.2
Total assets		353.9	325.5	+8.7 %	347.6
Net cash		14.3	34.0	-58 %	24.9
Shareholders' equity		189.6	178.6	+6.1 %	185.6
Equity ratio		54 %	55 %	-2.4 %	53 %
Headcount		1'645	1'413	+16 %	1'644

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Forthcoming events

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| • Half-year report 2013 | 26 July 2013 |
| • Interim information third quarter 2013 | 5 November 2013 |
| • Preliminary information on annual results | 27 January 2014 |
| • Key figures 2013 / Annual report | 7 March 2014 |
| • Media and analysts conference in Zurich | 7 March 2014 |
| • Annual general meeting | 12 April 2014 |
| • Interim information first quarter 2014 | 9 May 2014 |

The economic projections and predictions contained in this information relate to future facts. Such projections and predictions are subject to risks, uncertainties and changes which cannot be foreseen and which are beyond the control of the issuer. The Starrag Group is therefore not in a position to make any representations as to the accuracy of economic projections and predictions or their impact on the financial situation of Starrag Group or on the market in which the shares and securities of the Starrag Group are traded.