

Consolidated Balance Sheet (unaudited)

In thousands of CHF	June 30, 2013	%	Dec. 31, 2012 restated ¹	%	Change	June 30, 2012 restated ¹
ASSETS						
Cash and cash equivalents	10,610		16,740		-6,130	13,653
Trade and other receivables	42,135		39,236		2,899	33,388
Other financial assets	186		300		-114	6
Tax receivables	73		10		63	131
Inventories	42,290		35,419		6,871	41,690
Net assets from manufacturing contracts	2,959		1,721		1,238	5,598
Prepaid expenses	1,603		1,460		143	2,659
Total current assets	99,856	48.2%	94,886	47.3%	4,970	97,126
Property, plant and equipment	56,371		55,192		1,179	55,654
Intangible assets	47,513		48,533		-1,021	50,518
Financial assets	229		315		-86	0
Employee benefit plan assets	1,785		1,014		771	1,759
Deferred tax assets	1,399		840		560	1,169
Total non-current assets	107,297	51.8%	105,894	52.7%	1,403	109,100
Total assets	207,153	100%	200,780	100%	6,373	206,226
LIABILITIES AND SHAREHOLDERS' EQUITY						
Current debt	11,296		13,469		-2,172	10,924
Trade and other payables	21,401		19,006		2,396	21,992
Other financial liabilities	58		0		58	300
Tax payables	2,422		2,959		-536	1,671
Net liabilities manufacturing contracts	604		425		179	524
Accrued expenses	12,636		11,909		726	11,512
Current provisions	4,068		3,893		175	3,808
Total current liabilities	52,485	25.3%	51,661	25.7%	824	50,730
Long-term debt	29,094		29,150		-56	36,246
Non-current provisions	95		95		0	166
Employee benefit plan liabilities	1,804		1,762		42	1,368
Deferred tax liabilities	2,873		2,289		583	1,579
Total non-current liabilities	33,866	16.4%	33,296	16.6%	569	39,359
Total liabilities	86,351	41.7%	84,956	42.3%	1,394	90,090
Capital stock	7,701		7,663		38	7,663
Additional paid-in capital	57,863		59,930		-2,067	59,938
Treasury stock	-2,186		-4,424		2,238	-2,483
Retained earnings	76,443		72,665		3,779	70,178
Foreign currency translation differences	-19,018		-20,010		992	-19,161
Total equity attributable to shareholders of COMET HOLDING AG	120,803	58.3%	115,824	57.7%	4,980	116,136
Total liabilities and shareholders' equity	207,153	100%	200,780	100%	6,373	206,226

¹ Restated to reflect the new IAS 19. See note 1, Significant Accounting Policies.

Consolidated Statement of Income (unaudited)

In thousands of CHF	Six months to June 30		Change	
	2013	2012	Absolute	%
Net sales	106,046	104,082	1,964	1.9%
Cost of sales	-64,424	-63,487	-937	1.5%
Gross profit	41,622	40,594	1,027	2.5%
Other operating income	1,555	2,376	-820	-34.5%
Development expenses	-13,715	-14,591	876	-6.0%
Marketing and selling expenses	-16,650	-14,423	-2,228	15.4%
General and administrative expenses	-8,450	-9,366	916	-9.8%
Operating income	4,362	4,590	-228	-5.0%
Financing expenses	-5,422	-5,337	-85	1.6%
Financing income	5,129	4,531	598	13.2%
Income before tax	4,069	3,784	285	7.5%
Income tax	-1,383	-1,088	-295	27.1%
Net income	2,686	2,696	-10	-0.4%
Earnings per share in CHF, diluted and basic	3.60	3.55	0.05	1.4%
Operating income	4,362	4,590	-228	-5.0%
Amortization	2,034	2,965	-931	31.4%
EBITA	6,396	7,556	-1,159	-15.3%
Depreciation	3,395	3,485	-91	-2.6%
EBITDA	9,791	11,041	-1,250	-11.3%

Consolidated Statement of Comprehensive Income (unaudited)

In thousands of CHF	Six months to June 30		Change	
	2013	2012	Absolute	%
Net income	2,686	2,696	-10	-0.4%
Other comprehensive income				
Foreign currency translation differences	992	-239	+1,231	-
Total items that will be reclassified to the income statement on realization	992	-239	+1,231	-
Actuarial gains and losses on defined-benefit plans	771	0	+771	-
Income tax	-131	0	-131	-
Total items that will not subsequently be reclassified to the income statement	640	0	+640	-
Total other comprehensive income/(loss)	1,632	-239	+1,871	-
Total comprehensive income	4,318	2,457	+1,861	+75.7%

Consolidated Statement of Cash Flows (condensed and unaudited)

In thousands of CHF	Six months to June 30		Change
	2013	2012	
Net cash provided by operating activities	514	7,666	-7,152
Net cash used in investing activities	-3,806	-2,467	-1,339
Net cash used in financing activities	-3,166	-11,608	+8,442
Foreign currency translation gains on cash and cash equivalents	329	69	+260
Net decrease in cash and cash equivalents	-6,129	-6,339	+210
Net cash and cash equivalents at January 1	16,740	19,992	-3,252
Net decrease in cash and cash equivalents	-6,129	-6,339	+210
Net cash and cash equivalents at June 30	10,610	13,653	-3,043

Consolidated Statement of Changes in Equity (unaudited)

Equity attributable to shareholders of COMET HOLDING AG						
In thousands of CHF	Capital stock	Addition- al paid-in capital	Treasury stock	Retained earnings	Foreign currency translation differences	Total share- holders' equity
December 31, 2011	7,625	62,180	0	68,415	-18,922	119,298
Restatement ¹				-856		-856
December 31, 2011, restated ¹	7,625	62,180	0	67,559	-18,922	118,442
Net income				2,696		2,696
Other comprehensive loss					-239	-239
Total comprehensive income				2,696	-239	2,457
Distribution to shareholders of COMET Holding AG		-3,035				-3,035
Repurchase of treasury stock			-2,483			-2,483
Increase in capital (for stock compensation for 2011)	38	793		-698		133
Share-based payments				622		622
June 30, 2012, restated ¹	7,663	59,938	-2,483	70,178	-19,161	116,136
December 31, 2012	7,663	59,930	-4,424	74,627	-20,010	117,786
Restatement ¹				-1,962		-1,962
December 31, restated ¹	7,663	59,930	-4,424	72,665	-20,010	115,824
Net income				2,686		2,686
Other comprehensive income				640	992	1,632
Total comprehensive income				3,326	992	4,318
Distribution to shareholders of COMET HOLDING AG		-2,977				-2,977
Sale of treasury stock			2,238	764		3,002
Increase in capital (for stock compensation for 2012)	38	910		-986		-38
Share-based payments				674		674
June 30, 2013	7,701	57,863	-2,186	76,443	-19,018	120,803

¹ Restated to reflect the new IAS 19. See note 1, Significant Accounting Policies.

Notes to the Consolidated Financial Statements (condensed and unaudited)

1. Significant accounting policies

The half-year report for the six months ended June 30, 2013 presents the consolidated financial statements of COMET HOLDING AG and its directly or indirectly controlled subsidiaries. The report was prepared in accordance with IAS 34, Interim Financial Reporting, which forms part of the International Financial Reporting Standards (IFRS). The half-year report does not contain all information included in the annual accounts and should therefore be read in conjunction with the annual consolidated financial statements for 2012. The half-year report has not been audited by the independent auditors.

Changes in accounting policies

The accounting principles applied in the half-year report are those described in the 2012 annual consolidated financial statements, except for the changes set out below.

With effect from January 1, 2013, COMET has applied the following new or revised IFRS/IAS for the first time:

- IAS 1 – Amendments – Presentation of Financial Statements
- IAS 19 – Amendments – Employee Benefits
- IAS 27 – Amendments – Separate Financial Statements
- IAS 28 – Amendments – Investments in Associates and Joint Ventures
- IFRS 10 – Consolidated Financial Statements
- IFRS 11 – Joint Arrangements
- IFRS 12 – Disclosure of Interests in Other Entities
- IFRS 13 – Fair Value Measurement
- IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine
- Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12)
- Annual Improvements to IFRSs: 2009 – 2011 Cycle (published May 2012)

Principal effects of first-time application of amended IAS 19

The amended IAS 19 eliminates the option to defer the recognition of actuarial gains and losses (the so-called corridor method) and now requires their immediate recognition in other comprehensive income. As required, the prior period has been restated accordingly.

As well, instead of the past practice of calculating pension costs by using the expected rate of return on plan assets, net interest on the net defined-benefit asset or liability is now used, calculated at the discount rate. For COMET this results in slightly higher pension costs and a significantly reduced plan asset. As required, the prior period has been restated.

Summary of restatement of 2012 results

Consolidated balance sheet – restatement

In thousands of CHF	June 30, 2012			December 31, 2012		
	Reported	Restate- ment	Restated	Reported	Restate- ment	Restated
Total current assets	97,126	0	97,126	94,886	0	94,886
Employee benefit plan assets	2,786	-1,027	1,759	3,246	-2,232	1,014
Other non-current assets	107,341	0	107,341	104,880	0	104,880
Total non-current assets	110,127	-1,027	109,100	108,126	-2,232	105,894
Total assets	207,253	-1,027	206,226	203,12	-2,232	200,780
Total current liabilities	50,730	0	50,730	51,661	0	51,661
Employee benefit plan liabilities	1,502	-133	1,368	1,598	164	1,762
Deferred tax liabilities	1,616	-37	1,579	2,722	-433	2,289
Other non-current liabilities	36,412	0	36,412	29,245	0	29,245
Total liabilities	90,260	-170	90,090	85,226	-269	84,956
Total shareholder's equity	116,992	-856	116,136	117,786	-1,962	115,824
Total liabilities and equity	207,253	-1,027	206,226	203,012	-2,232	200,780

Consolidated statement of income – restatement

In thousands of CHF	Six months to June 30, 2012			Year to December 31, 2012		
	Reported	Restate- ment	Restated	Reported	Restate- ment	Restated
Net sales	104,082	0	104,082	214,401	0	214,401
Cost of sales	-63,487	0	-63,487	-131,119	-246	-131,365
Gross profit	40,594	0	40,594	83,282	-246	83,036
Other operating income	2,376	0	2,376	3,928	0	3,928
Development expenses	-14,591	0	-14,591	-26,815	-71	-26,886
Marketing and selling expenses	-14,423	0	-14,423	-30,230	-9	-30,239
General and administrative expenses	-9,366	0	-9,366	-17,405	34	-17,371
Operating income	4,590	0	4,590	12,761	-292	12,468
Net finance expense	-806	0	-806	-2,338	0	-2,338
Income before tax	3,784	0	3,784	10,423	-292	10,130
Income tax	-1,088	0	-1,088	-4,499	49	-4,450
Net income	2,696	0	2,696	5,924	-243	5,680
Earnings per share in CHF	3.55	0.00	3.55	7.86	-0.32	7.54

Consolidated statement of comprehensive income – restatement

In thousands of CHF	Six months to June 30, 2012			Year to December 31, 2012		
	Reported	Restate- ment	Restated	Reported	Restate- ment	Restated
Net income	2,696	0	2,696	5,924	-243	5,680
Other comprehensive income						
Foreign currency translation differences recognized in equity	-239	0	-239	-1,088	0	-1,088
Total items that will be reclassified to the income statement on realization	0	0	0	-1,088	0	-1,088
Actuarial gains and losses on defined-benefit plans	0	0	0	0	-1,209	-1,209
Income tax	0	0	0	0	345	345
Total items that will not subsequently be reclassified to the income statement	0	0	0	0	-864	-864
Total other comprehensive income/(loss)	239	0	239	-1,088	-864	-1,952
Total comprehensive income	2,457	0	2,457	4,836	-1,108	3,728

Other amended or revised IFRS/IAS

The changes to IAS 1 and the new IFRS 12 bring amendments to the presentation of the annual financial statements, and expanded or amended disclosures.

The other issued new and revised IFRS, which become effective after 2013, were not adopted early and, based on a preliminary assessment, will have no effects on COMET's consolidated financial statements.

Basis of consolidation

During the first half of 2013, as in the first six months of 2012, no businesses were acquired or divested.

Estimates

The preparation of the half-year report requires assumptions and estimates by management, which were made on the basis of the best knowledge and of all information available at the time. Adjustments to assumptions and estimates can have a material impact on future results, as such adjustments are recognized in the reporting period during which the assumptions and estimates change.

Seasonality of business

The business of the *X-Ray & ebeam Technologies* segment and *Plasma Control Technologies* segment is not subject to seasonal variation, while the *X-Ray Systems* segment typically registers slightly higher sales in the second half of the year. As a result, in the latter half of the year the COMET Group as a whole (subject to macroeconomic influences) tends to re-

port higher sales than in the first six months of the year. Details on the business performance by segment are provided earlier in this report.

Foreign currency translation

The following exchange rates were used to translate the major currencies into Swiss francs:

			Closing rate			Average rate Six months to June 30	
			Jun. 30, '13	Dec. 31, '12	Jun. 30, '12	2013	2012
USA	USD	1	0.944	0.915	0.956	0.936	0.928
Europe	EUR	1	1.234	1.207	1.201	1.230	1.205
China	CNY	1	0.154	0.147	0.152	0.151	0.147
Japan	JPY	100	0.955	1.059	1.205	0.982	1.165
Denmark	DKK	1	0.165	0.162	0.162	0.165	0.162

2. Segment reporting

In 2013, consistent with its strategic goals, COMET adjusted the organizational structure at Group level, assigning the former two divisions to the following three market-based segments. The segment reporting was adjusted accordingly and the *Modules & Components* division split into two segments – *X-Ray & ebeam Technologies* and *Plasma Control Technologies* – which will from now on be reported separately as segments. The former *Systems* division, renamed without undergoing a structural change, will be reported as the *X-Ray Systems* segment. The prior-year segment reporting was restated to conform to the new reporting structure.

For management reporting purposes the Group is divided into three segments, based on the products and services offered. The Group has the following operating segments:

- The X-Ray & ebeam Technologies segment develops, manufactures and markets metal-ceramic x-ray sources and modules for non-destructive testing and inspection in the automotive, aerospace, pipeline and steel industries as well as for security inspection at airports and borders. The segment also develops and markets ebeam emitters suitable for applications such as surface sterilization in the food and pharmaceutical industries.
- The Plasma Control Technologies segment manufactures and markets vacuum capacitors and RF matchboxes for use in the production of semiconductors, LCD and LED screens and solar panels.
- The X-Ray Systems segment is a global vendor of systems and services for non-destructive testing using x-ray technology and computed tomography.

The segment results include all revenues and expenses attributable to a particular segment. Only the costs and revenues of COMET HOLDING AG as well as net financial items and income taxes are not allocated to the segment results. The segment assets represent all operating assets. The following items are not allocated to segments: cash and cash equivalents, financial assets, assets related to income tax, and all assets of COMET HOLDING AG.

Six months to June 30, 2013 In thousands of CHF	X-Ray & ebeam Technologies	Plasma Control Technologies	X-Ray Systems	Elimination	Corporate	Consolidated
Net sales						
External net sales	23,765	33,294	48,987	0	0	106,046
Intersegment sales	7,246	0	3,230	-10,476	0	0
Total net sales	31,011	33,294	52,217	-10,476	0	106,046
Earnings						
Segment operating income	4,014	1,128	315	-167		5,290
Unallocated costs	0	0	0		-928	-928
Operating income	4,014	1,128	315	-167	-928	4,362
Net finance expense						-293
Income before tax						4,069
Operating income	4,014	1,128	315	-167	-928	4,362
Depreciation and amortization	1,766	1,776	1,886	0	0	5,428
EBITDA	5,780	2,904	2,201	-167	-928	9,791
Total assets	63,817	52,208	78,988	0	12,140	207,153
Additions to non-current assets						
Property, plant and equipment	2,201	291	2,451	0	0	4,942
Intangible assets	104	227	131	0	0	462

Six months to June 30, 2012 In thousands of CHF	X-Ray & ebeam Technologies	Plasma Control Technologies	X-Ray Systems	Elimination	Corporate	Consolidated
Net sales						
External net sales	19,954	34,975	49,153	0	0	104,082
Intersegment sales	7,588	0	2,342	-9,930	0	0
Total net sales	27,542	34,975	51,495	-9,930	0	104,082
Earnings						
Segment operating income	3,700	658	1,777	-905	0	5,230
Unallocated costs	0	0	0	0	-639	-639
Operating income	3,700	658	1,777	-905	-639	4,590
Net finance expense						-806
Income before tax						3,784
Operating income	3,700	658	1,777	-905	-639	4,590
Depreciation and amortization	2,448	1,844	2,159	0	0	6,451
EBITDA	6,148	2,502	3,936	-905	-639	11,041
Total assets	56,367	56,876	78,284	0	14,699	206,226
Additions to non-current assets						
Property, plant and equipment	706	1,176	362	0	0	2,244
Intangible assets	19	163	57	0	0	239

3. Financial instruments

3.1 Fair values of financial instruments

Presented below are the financial instruments held (excluding cash and cash equivalents), showing carrying amounts and fair values at June 30, 2013.

In thousands of CHF	Carrying amount		Fair value
Financial assets	Held for trading	Loans and receivables	
Trade and other receivables		42,135	42,135
Derivative financial instruments (for foreign exchange hedging)	186		186
Total current assets	186	42,135	42,321
Financial assets		229	229
Total non-current assets		229	229
Total assets	186	42,364	42,550
Financial liabilities	Held for trading	At amortized cost	
Current debt		11,296	11,296
Trade and other payables		21,401	21,401
Derivative financial instruments (for foreign exchange hedging)	58		58
Total current liabilities	58	32,697	32,755
Non-current financial liabilities		29,094	31,136
Total non-current liabilities		29,094	31,136
Total liabilities	58	61,791	63,891

3.2 Measurement methods used

Financial instruments categorized as held for trading are measured at fair value. The amounts recognized are based solely on forward currency sales contracted with banks as counterparties (OTC) for the purpose of foreign exchange hedging. The fair value (market value) reported is the value used by the bank counterparty, which is based on observable market data, particularly the spot rates and yield curves of the respective currencies. The measurement basis thus represents Level 2 of the fair value measurement hierarchy under IFRS 13.

4. Impairment

Goodwill and other intangible assets with indefinite useful lives are tested for impairment annually at September 30 or when there is an indication of impairment.

As there was no indication of impairment in the first half of the year, no impairment test was performed, i.e., the corresponding cash generating units were not measured.

5. Financing

5.1 Debt

In the first half of 2013 COMET repaid a net CHF 2.3 million of debt.

5.2 Shareholders' equity

Authorized capital for equity-based compensation

In the first half of 2013 the unissued capital which the Board of Directors is authorized to issue, without time limit, in order to meet existing or future obligations under share-based payment plans to staff and management, was increased by a decision of the Annual Shareholder Meeting on April 18, 2013 to 30,000 shares or CHF 300,000. In payment of variable compensation payable to the Board of Directors and executive management for 2012, a total of 3,776 shares were issued from this authorized capital in the first half of 2013. As a result, the authorized capital for equity-based compensation amounted to 26,224 shares, or CHF 262,240, at the end of the reporting period.

Distribution to shareholders

The Annual General Meeting on April 18, 2013 approved a distribution of CHF 4.00 per share (prior year: CHF 4.00) from distributable paid-in capital. COMET HOLDING AG paid the distribution, which totaled CHF 3.0 million, on April 25, 2013.

6. Events after the balance sheet date

There have been no events after the balance sheet date with a material effect on the amounts in this half-year report.

7. Release of the half-year report for publication

At its meeting on August 14, 2013, the Board of Directors approved these interim financial statements for publication.