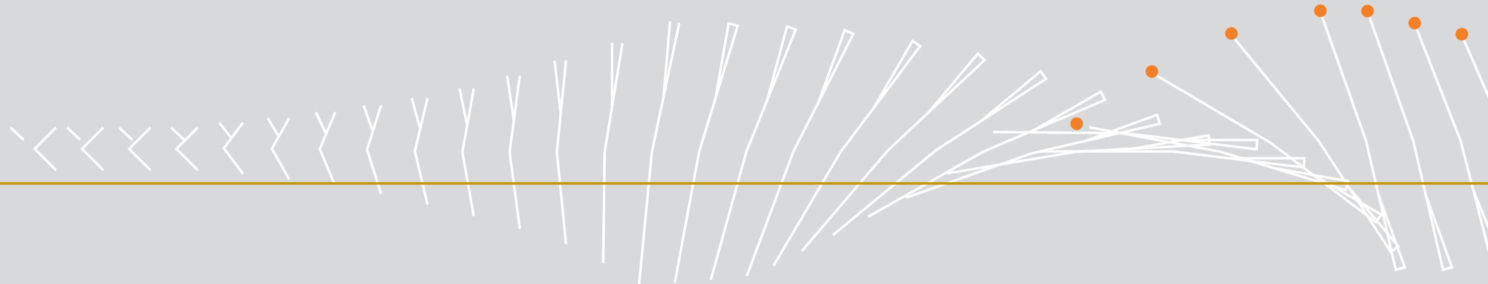
Perrot Duval Holding S.A.

ANNUAL REPORT 2010/2011

106th YEAR



ANNUAL SHAREHOLDERS' MEETING OF 22 SEPTEMBER 2011

CONTENTS

THE COMPANY, ITS ORGANISATION AND ITS ACTIVITIES

ACTIVITIES

The corporate objective of Perrot Duval Holding S.A. is to invest in financial, industrial or commercial business enterprises.

It pursues this objective by directing its investments towards the creation and acquisition of small or medium-sized companies whose basic activities lie in advanced technologies and, subsequently, the sale of such companies.

It establishes groups with complementary activities composed of specialised industrial and commercial units, sets their goals and determines the route to be followed.

It ensures the development of each entity by providing support and advice in financial matters and management. Thus it pursues the realisation of their own company objectives.

From a geographic point of view, it concentrates its efforts on the industrialised and newly industrialised countries.

STRATEGY

The prime area of the companies in which Perrot Duval Holding S.A. invests currently is in the field of **automation technologies**. Its Board of Directors has chosen two specific activities in this economic area which is in constant progress:

- **automated production processes** used in manufacturing chemical and pharmaceutical products. This is the field of activity of our subsidiary Füll Process S.A., whose existence is more recent (11.1 percent of the consolidated sales). The Füll Group furnishes fully automated installations and components for dispensing and safety which improve or simplify certain processes in manufacturing chemical products – such as paints, printing inks, textiles dyes, food and cosmetics – as well as pharmaceutical products (see page 4).
- the **movement automation** relies upon either production tools or internally controlled equipment or installations such as medical, simulation or communication equipment, etc. This is the field of activity pursued by its subsidiary, Infranor Inter Ltd., representing 88.9 percent of our consolidated sales (see page 5).

SECURITIES

The 4,150,000 CHF share capital of Perrot Duval Holding S.A. (fully paid up) is divided into two classes of stock: 3,407 bearer shares at 1,000 CHF par value and 3,715 registered shares at 200 CHF par value. All the shares issued by the company have dividend rights.

The 1,350,000 CHF participation certificate capital (fully paid up) consists of 27,000 participation certificates at 50 CHF par value. All the participation certificates issued by the company have dividend rights.

The bearer shares have been listed on the SIX Swiss Exchange since 1905. They are traded under the securities number 290691, Telekurs & Swissquote: PED; Thomson Reuters: PED.S; Bloomberg: PED.SW. The participation certificates have been listed since 1988 and are traded under the securities number 290693, Telekurs & Swissquote: PEDP; Thomson Reuters: PEDP.S; Bloomberg: PEDP.SW.

KEY FIGURES

Perrot Duval Group CHF 1,000	06/07 IFRS	07/08 IFRS	08/09 Swiss GAAP FER	09/10 Swiss GAAP FER	10/11 Swiss GAAP FER
Sales	78,718	84,417	60,725	44,641	55,407
Change versus previous year as %	12,6 %	7,2 %	– 28,1 %	– 26,5 %	24,1 %
Gross margin as % of sales	55,8 %	56,2 %	57,6 %	60,6 %	58,0 %
EBIT	6,727	5,233	– 9,085	1,660	4,752
as % of net sales	8,5 %	6,2 %	– 15,0 %	3,7 %	8,6 %
Net result	4,221	2,482	– 10,511	– 579	1,700
as % of net sales	5,3 %	2,9 %	– 17,3 %	– 1,3 %	3,1 %
Operating cash flow	2,792	4,567	1,129	– 2,951	2,690
as % of net sales	3,5 %	5,4 %	1,9 %	– 6,6 %	4,9 %
Total assets	53,155	52,925	44,280	37,949	37,856
Shareholders’ equity including minority interest	12,859	14,269	2,750	1,634	2,235
Equity ratio %	24,2 %	27,0 %	6,2 %	4,3 %	5,9 %
Return on equity	49,5 %	19,3 %	– 73,7 %	– 21,1 %	104,0 %
Number of employees	327	332	207	209	239

Perrot Duval Holding S.A. CHF 1,000	06/07	07/08	08/09	09/10	**10/11**
Net result	580	276	– 142	– 208	– 285
Total assets	14,890	14,126	16,503	16,340	16,079
Cash	540	548	639	307	364
Shareholders’ equity	14,529	13,980	13,474	13,266	12,981

PERROT DUVAL SECURITIES

CHF	06/07	07/08	08/09	09/10	10/11
Key stock figures					
EBIT per bearer share	1 223.09	951.45	– 1,651.82	301.82	864.07
Net result per bearer share					
including minority interest	767.45	451.27	– 1,911.09	– 105.27	309.12
Equity per bearer share					
including minority interest	2 338.00	2,594.36	500.00	297.09	406.43
Dividend per bearer share	150.00	66.92	–	–	–
Dividend per participation certificate	7.50	3.35	–	–	–
Payout ratio %	20,09	14,80	–	–	–
Stock prices of the bearer share					
High	3 445.00	3,620.00	3,140.00	1,755.00	1,950.00
Low	2 600.00	2,670.00	1,400.00	1,155.00	1,021.00
As per 30.4.	3 300.00	2,950.00	1,550.00	1,306.00	1,700.00
Stock prices of participation certificate					
High	165.00	166.00	175.00	69.70	68.00
Low	96.70	125.00	55.00	52.00	50.00
As per 30.4.	149.50	127.00	63.90	62.00	57.00
Market capitalisation (CHF million)					
As per 30.4.	17.7	15.7	8.2	7.1	8.6

REPORT OF THE BOARD OF DIRECTORS

Ladies and Gentlemen,

We are herewith rendering account of the operations of our company during the 2010/11 year under review, providing you with information on the companies in which we participate, and submitting the financial statements for the year ended 30 April 2011 for your approval.

SECTORIAL INFORMATION

FÜLL PROCESS GROUP (100 %)

Activities and organisation
The Füll Process Group concentrates on the automation of all or part of the processes utilised in the chemical and pharmaceutical industries. The parent company, Füll Process S.A., owns two operating companies, Füll Systembau GmbH (Germany) and Füll Engineering B.V. (Netherlands).

Füll Systembau GmbH
Füll Systembau GmbH, which was founded in 1975, designs, produces and markets original and exclusive products, such as metering valves and control software, as well as fully tailor-made automated dispensing and storage systems. Its customers, manufacturers of chemical products (additives, adhesives, sundry mixtures, dyes, dispersions, glues, hardeners, varnishes, lubricants, oils, paints, resins, silicones), pharmaceutical and medical products (serums), or users of such products in very diverse industrial fields such as printing, packaging, cars, construction, etc., particularly appreciate its understanding of fluid mechanics, its expertise in state-of-the-art engineering and its knowledge of the chemical industry.

The scope of the German company expands every day as it responds to two growing demands from manufacturers:

– industrial process plants must reproduce – in an automated way – complex processes on a reduced area and in a shorter time,

– the plant providers, who are increasingly considered as partners, must be capable of incorporating their customers' know-how into their own product.

Over the past few years, Füll has seen its customers form business combinations and the European market decline in its core segments of printing inks, paints and varnishes. Although its operating base hinges essentially on production and development, Füll Systembau GmbH has remained steadfast in its market. Recent developments have been made in the area of laboratory facilities and equipment for dispensing small quantities.

Füll Engineering B.V.
The discovery of applications requiring greater dispensing precision and faster execution speeds has led to the development of new products and original technical approaches since 2007. The launch of new volumetric-based dispensing modules intended for industrial facilities and now protected by five patent applications, aims to increase the productivity of numerous industrial processes in many fields of chemistry.

The first facilities integrating this volumetric dispensing principle were installed by manufacturers of adhesives, paints and printing inks last year. Several adaptations of this principle are being studied in partnership with major chemical product manufacturers.

Year under review

The Füll Group profited from the resumption of investments in equipment in the first few months of 2010. Therefore, projects which had been put on ice because of the recession were realised, particularly in Germany and further east. On the other hand, it was not possible to commission any of the projects based in southern Europe, generally for want of financing. The Greek market, which had shown initial promise and which had been carefully monitored over the past two years, has not developed. Furthermore, the cautious approach adopted by Füll customers, preferring fewer, staggered investments, has contributed towards a slowing of the Group's growth.

Overall, Füll Division's sales rose by 0.5 million CHF to 6.1 million CHF (5.6 million CHF in the previous year), representing an increase of 9.8 per cent. Without the negative impact of euro to Swiss franc currency translation, sales would have risen to as much as 6.9 million CHF.

The gross margin has increased from 3.0 million CHF the previous year to 3.2 million CHF, but has fallen in relative terms to 52.1 per cent (55.4 per cent at 30 April 2010) owing to the proportionally large share of customised equipment in net sales, which tends to result in a lower contribution margin.

Operating expenses (3.1 million CHF) were kept down for as long as possible (3.2 million CHF last year). However, the reduction of working hours (to quote just one measure) was lifted from September as a result of the increasing volume of business. Overall, the EBIT margin is positive again (0.1 million CHF).

CHF 1,000	**10/11**	09/10
Net sales	6,147	5,600
Change versus previous year	9,8 %	– 16,1 %
EBITDA	234	– 104
as % of net sales	3,8 %	– 1,9 %
Depreciation and amortisation	– 154	– 81
EBIT	80	– 185
as % of net sales	1,3 %	– 3,3 %
Employees	30	29
EBIT / employee CHF 1,000	2.67	– 6.38

Outlook

The Füll Group began the new year under review in a strong position, with 1.2 million CHF worth of orders on its books and a considerably higher number of new projects. However, it is still not in control of the rate of release of orders. In this regard, its visibility remains poor. This year, once again, it will concentrate its commercial efforts on Germany and Central Europe and expects to achieve a budget of 7.5 million CHF and to repeat the EBIT result registered last year.

INFRANOR GROUP (78.0 %)

Share capital, stock prices and conditional capital

The share capital of the Group's parent company, Infranor Inter Ltd., is 15,539,920 CHF, composed of 776,996 bearer shares at 20 CHF par value. The Infranor Inter Ltd. shares are quoted on the SIX Swiss Exchange. The shares varied between 19.20 CHF and 28.00 CHF during the year under review and reached 26.45 CHF at 30 April 2011, representing a market capitalisation of 20.6 million CHF, an increase of 17 per cent compared to the previous closing at 30 April 2010. On the same date, Perrot Duval Holding S.A. held 78 per

REPORT OF THE BOARD OF DIRECTORS

cent of the share capital.

On 31 October 2002, the Shareholders decided on the creation of conditional capital to a maximum amount of 6,350,000 CHF, subdivided into 317,500 shares at 20 CHF par value.

On 21 December 2009, the holding company issued a convertible bond to a total amount of 7,010,060 CHF, subscribed for 4,359,300 CHF (representing 435,930 securities at 10 CHF par value), at an interest rate of 7 per cent and repayable no later than 21 December 2016. As of April 2011, no bonds have been converted into new bearer shares.

The convertible bond was quoted – unlisted - at 104 % as of April 2011.

Infranor Inter Ltd.'s management report covering the 2010/11 year under review was made public on 18 August 2011 and is available at the company's head office and on its website.

Activities

Since 1959, the Infranor Group has specialised in industrial automation. Its core business – the control of movements made by production machinery, industrial installations and autonomous apparatus – is carried out via the provision of services (engineering, multi-disciplinary expertise and professional software) and products (electric servo-motors, electric signal amplifiers and programmable controls).

Through its status of preferred partner for its customers, Infranor builds assemblies – called systems – that are tailor-made for the specific needs of its customers, using its own key products.

The central control unit of a system is the real mastermind of any appliance, machine or installation. It coordinates the functioning of the servo-motors, amplifiers and other equipment, and serves as an interface with the human operator. Cybelec S.A. at Yverdon-les-Bains designs and produces digital controls.

Infranor has acquired a global reputation among manufacturers of machines that require dynamic, precise and, in many cases, synchronised movements, which are on demand in a growing number of highly diverse markets.

The Group has focused on a core competence that covers the needs of a number of very different sectors. Its target market is the production machinery and industrial material-handling industry, as well as the processes industry, focusing in particular on applications in the fields of packaging, robotics, medical equipment and simulation, to mention just a few.

Organisation

The Infranor Group follows a strategy of a geographically dense commercial presence, which, directly or indirectly, covers the European, North American (as well as Brazilian in the near future) and Asian markets (China and in the near future India). Each sales and engineering entity has the necessary skills to enable it to offer services and solutions adapted to its customers' particular requirements. This know-how is sustained by often optimised and exclusive products.

The Group's activities have been split into two clearly defined segments, each following development strategies and objectives adapted to their specific markets:

- the Infranor Division, made up of eight sales and engineering entities and two production

REPORT OF THE BOARD OF DIRECTORS

and development units, concentrates on the servo-technology and drive techniques used by machinery manufacturers in the most diverse economic sectors, via its vast range of products and from its local base.

The sale of these products and subassemblies requires specialist knowledge on the part of the application engineers in (both hard and soft) electronics, as well as programming and communication language and logic. To this end, the Infranor Division has created a centralised internal service, responsible for equipping the Group companies with a uniform programming language, optimising the choices of hardware and training employees. This policy enables the development of the organisation to be continued on the basis of product marketing towards the supply of unified industrial solutions.

- the Cybelec Division offers complex, vertically integrated drive solutions, on the basis of its own digital controls, reserved for manufacturers of sheet metal processing machines and, particularly, press brakes. More recently, the division has expanded by providing new complete solutions (digital controls, drives and professional software) specifically intended for managing, coordinating and controlling entire machinery processes and providing an interface with human beings. Its new applications are used in machine tools and parallel fields of press brakes.

YEAR UNDER REVIEW

Sustained recovery during 2010

After initial signs of an economic recovery in September 2009, it reached full swing in the year under review 2010/11. The traditional customer base not only replenished its stocks but progressively renewed framework orders. The driving force behind this recovery was undeniably South-east Asia (China, essentially) but other countries (India and Brazil) also began to show their growth potential. As far as net sales were concerned, last year outperformed 2009/10 despite the negative impact of the euro to Swiss franc exchange rate. The Group rediscovered stable, sustainable profitability with an EBIT margin over 10 per cent of total consolidated sales.

CHF 1,000	**10/11**	09/10
Net sales	49,260	39,041
Change versus previous year	26,2 %	– 27,8 %
EBITDA	6,906	3,972
as % of net sales	14,0 %	10,2 %
Depreciation and amortisation	– 1,748	– 1,691
EBIT	5,158	2,281
as % of net sales	10,5 %	5,8 %
Employees	208	179
EBIT / employee (CHF 1,000)	24.8	12.7

Products and services

Infranor continued to develop application solutions or so-called system solutions. The latest generations of AC servo-motors without cogging and XtrapulsPac servo-amplifiers helped with this considerably. A solution for the generation of electricity and the permanent control of movements in the wind-energy sector, intended to withstand extreme environments (temperature, impact, dust, etc.), for example, was developed over the year with the support of our Infranor Support Centre. Other applications resulting from this development are set to be launched soon.

Cybelec, for its part, has continued to develop its market-adapted products. Therefore, while the

REPORT OF THE BOARD OF DIRECTORS

VisiTouch digital control, increasingly popular in Europe, is unequalled in terms of functionalities and rapid execution, the CybTouch controller, with its small touch screen for low-level machinery (found in China, for example) has also been made available in several versions.

In order to remain competitive, Cybelec now offers complete solutions to its customers located in newly industrialised countries, such as China and India, via local partnerships. Other partnerships are being considered and enable optimistic developments to be projected for Cybelec in the countries in which they may be established.

Consolidated income account

As a sign of the recovery observed during the year under review 2010/11, registered orders (52.4 million CHF) were higher than those entered in the budget (47.2 million CHF). Net sales (49.3 million CHF) followed the same trend, exceeding the figure reached during the previous year (39.0 million CHF) by 10.3 million CHF or 26.2 per cent.

Within this framework, a significant increase was registered by all the Infranor Group companies (three of them even exceeding 50 per cent), with the exception of the sales and engineering companies in the USA and Spain – although both remained stable – owing to local jolts in the economic climate. The euro to Swiss franc exchange loss has had a negative effect on net sales to the tune of 6.9 per cent.

The gross margin profited from the marked increase in sales but, in falling from 61.3 per cent to 58.7 per cent in relative terms, was affected by the return of major customers which tends to result in a lower contribution margin on the one hand, and those resulting from a proportionally larger share of direct sales from production companies on the other.

Keeping operating expenses under control (at 22.3 million CHF) meant that an EBIT margin of 5.2 million CHF could be secured, representing a 10.5 per cent share of net sales.

Consolidated balance sheet

The sudden difficulties in procuring certain electronic components during the fourth quarter of the year under review led to the temporary purchase of excessive stock. Production and development company stock thus grew by 1.2 million CHF for orders to be delivered in the coming months.

The net debt (calculated by deducting all the liquid assets from the financial debts) decreased by 2.9 million CHF, from 19.9 million CHF at 30 April 2010 to 17.0 million CHF at the end of the financial year. For the first time, the Group was able to start repaying the CDO bond 2006-13, making a 1 million CHF settlement (total due at 30 April 2011: 7.3 million CHF).

The share of equity increased from 6.5 per cent as of 30 April 2009 to 9.0 per cent. The shareholder's equity amounted to 42.7 per cent of the balance sheet total, including the economic contribution represented by the balance of the subordinated convertible bond 2009-16 of 4.4 million CHF and of the subordinated bond of 7.3 million CHF, repayable in July 2013 – both postponed.

Outlook

Bearing in mind the performance of registered orders over several months, the Infranor Group is forecasting an increase of roughly 9 per cent over the year under review 2010/11 as a whole, as well as profit exceeding 2.5 million CHF. The two divisions, Infranor and Cybelec, are currently experiencing pleasing development in all geographical regions. The launch of a number of projects for new customer machinery, the activities of which are outside the industrial automation circle, should generate sales which the Infranor Group hopes will be significant.

The new year has picked up where the previous one left off with a high, stable rate of registered orders and numerous projects under way. New geographical markets (including India and Brazil) are acquiring more legitimacy every day and new market segments are opening up to the brand of robotisation offered by the Group. Only an increase in the price of raw materials and a slowing of growth in Southeast Asian countries could have a negative effect on the operating market. Infranor is counting on growth to 54 million CHF as well as on keeping its EBIT margin above 9 per cent. The Group plans to hire specialist engineering staff. It will continue to favour the repayment of financial loans to increase its ability for manoeuvre in future.

REAL ESTATE INVESTMENTS (100 %)

Perrot Duval Holding S.A. owns one real estate company: Bleu-Indim S.A., Fribourg, which owns land and an industrial building in Santa Perpetua de la Mogoda (Spain) leased out to a company of the Infranor Group.

SERVICES (100%)

Our company entirely controls the service company Perrot Duval Management S.A., in Coppet (Switzerland), charged on the one hand with assisting each of the legal entities of the group in the administrative, financial, legal and fiscal areas and, on the other, with coordinating the complementary tasks in these spheres between the Group companies throughout the world.

NOMINATION ON THE BOARD OF DIRECTORS

Called on to carry out duties within his employer bank which are incompatible with his position as member of the Board of Directors, Mr Michel Juvet is to resign prematurely on 31 October 2011. Mr Frédéric Potelle (financial analyst and Vice-President at Bordier & Cie, Geneva) will be proposed as his replacement.

RENEWAL OF THE MANDATE OF THE AUDITORS

Your Board of Directors proposes to renew the mandate given to the auditors Pricewaterhouse-Coopers S.A., Lausanne for the coming year.

PERROT DUVAL HOLDING S.A. AND PROPOSED APPROPRIATION OF RETAINED EARNINGS FOR 2010/11

In the light of the development of the company, the need to conserve the liquid assets within the group and to reinforce the equity, the Board proposes that the unappropriated retained earnings be carried forward this year.

REPORT OF THE BOARD OF DIRECTORS

PASSING OF OUR HONORARY CHAIRMAN, MR MAURICE EICHENBERGER

When he took over the reins of Perrot Duval on 20 April 1954, Mr Maurice Eichenberger was an army captain and a graduate in political science. He had already acquired solid training during his eleven years in the Foreign Affairs Department of the Swiss Confederation, and then in the sales management of a large insurance company. At 32, he had considerable imagination, immense curiosity and plenty of good sense. He was particularly talented as an organiser, a leader of men with a businessman's temperament and wanted to make his dream of being a creative industrial entrepreneur come trough.

He had a clear vision of the future, particularly where original technology was concerned – electronics, which would later result in a new segment of the economy: automation. He was also aware of the acceleration in communication tending towards what became known as 'globalisation'. As his continued career would prove, he had the ability to glimpse the future and link it to the present.

The life of Perrot Duval can be divided into two long periods: one born with the heroic era of the motor car (from 1897 to 1970) and the other with the introduction of the transistor, which would lead to automation (from 1960). Overlapping these periods, an activity dedicated to the lighting industry (1938-1973) enabled a technological leap between 'the craftsmanship of the motor vehicle industry' and 'the electronics industry', as well as a geographical leap between a local activity limited to Switzerland at most and an international operation.

As far as the launch of the second stage of operations – that of industrial automation – was concerned, Maurice Eichenberger was the second founder of Perrot Duval, a very old Genevan business which, despite its history and solid reputation, was on the decline on his arrival.

Under his management (from 1954 to 1994), Perrot Duval remained a flexible, independent entity, recognised for its successes in controlling a number of interdisciplinary fields at the forefront of advances in cutting-edge technologies. Gradually, it became an international enterprise, as the technologies in which it was involved obliged it to work in a very broad market shaped by the location of its customers.

Thanks to him, Perrot Duval would work in the form of a holding company, owning mainly small companies, each of them using and developing a very specific part of the Group's expertise in different areas or marketing the products resulting thereof.

When Maurice Eichenberger joined the company as General Manager, Perrot Duval was made up of a motor-vehicle maintenance division with three garages, holding representative offices of Austin, Mercedes-Benz and Lancia, on the one hand, and the 'Infranor' Division involved in application studies, construction and the organisation of sales of projectors for large surface.

Maurice Eichenberger began by tackling the motor vehicle operations. He attached the 'Perrot Duval' label to rising star 'Mercedes' and rapidly regained some of its lost prestige. He patiently established a large network of garages, the sizes of which were adapted to the regions and different makes of cars in French-speaking Switzerland (the network included as many as 20 garages towards the end of the 1960s). He was also interested in the function and operation of car parks and made his first inroads into the USA with the provision of a limousine hire service.

The vertical concentration established by motor vehicle manufacturers gradually led Perrot Duval to invest its goodwill and experience into the art of maintenance. Maurice Eichenberger introduced the innovative 'Perrot Duval Service' concept: a network of service and maintenance outlets offering similar services, the same reception, the same facilities and the same benefits.

In 1970, faced with the increasing pressure exerced by the motor vehicle manufacturers, Perrot Duval sold its automobile branch to Emil Frey AG Zurich. While he was it, Mr Maurice Eichenberger took over the control of the company and was appointed Chairman.

Since 1938, the lighting operations within Perrot Duval were carried out via its Soleator holding, later re-named Infranor. Driven by Maurice Eichenberger's efforts, this division began its conquest of the North American market in 1960. The company reaped a number of successes: after illuminating five major bridges in New York, the San Diego Chargers' Stadium was the first stadium in the world to enable broadcasting by colour television.

The development of the lighting technology and new developments in industrial automation persuaded Perrot Duval to withdraw Infranor from the lighting business for good in the early 1970s.

From 1960 onwards, Maurice Eichenberger steered Infranor S.A. towards progress in electronic applications for industrial automation. Via the design of an ironless motor, with a printed circuit board and very low inertia, which only existed as a prototype – and with the imagination of Infranor employees – he began its conquest of the niche that Infranor occupies in this sector to this day.

Perrot Duval's automation activity, primarily concerned with the development of machine tools, gradually turned to an industry where the area of application of its products was wider and highly competitive: the industry which provides the traditional transformation industry with automatic machines (the automated equipment industry), construction and handling robots, artificial vision systems and computer-assisted production and construction systems.

In order to guarantee a presence within industrialised countries, Infranor automation set up and purchased almost twenty sales, engineering and production companies between 1970 and 1989. Maurice Eichenberger gave this Perrot Duval division its own personality under the Infranor Inter banner in 1987.

Maurice Eichenberger resigned as Chairman of the Board of Perrot Duval Holding S.A. in 1994, becoming its Honorary Chairman, generously providing the company with his shrewd advice.

Visionary, charismatic and generous, Maurice Eichenberger will remain synonymous with the entrepreneurial spirit of excellence on which our company has built its success.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

1. GROUP STRUCTURE AND MAJOR SHAREHOLDERS

The chapter on corporate governance shows how Perrot Duval Holding S.A. has organised the management and control functions within the group. The corporate governance disclosures comply fully with the SIX Swiss Exchange rules regarding corporate governance.

1.1 Group structure

Perrot Duval Holding S.A. establishes and develops companies which are then grouped together in independent divisions and managed autonomously. Therefore it does not control a vertically integrated company. The Perrot Duval Group is subdivided into two divisions: the automation of processes (for which Füll Process S.A. is the parent company), and the automation of movements (for which Infranor Inter Ltd., Zurich, quoted on SIX Swiss Exchange, Zurich, is the parent company). The two parent companies themselves own several sales, engineering and production companies. Perrot Duval Holding S.A.'s investment in each of these companies is shown on page 30.

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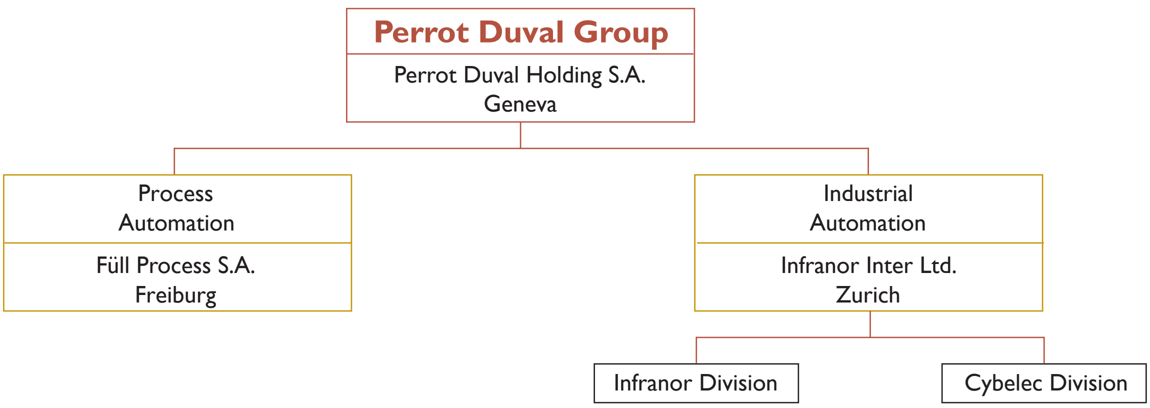
Quoted participation:
Infranor Inter Ltd., Zurich, quoted since 1987 on the SIX Swiss Exchange, Zurich, under securities number 724910, Telekurs & Swissquote: INI; Thomson Reuters: INI.S; Bloomberg: INI.SW.

Market capitalisation on 30 April 2011:
20.6 m CHF
Share of Perrot Duval Holding S.A.:
78.0 percent

1.2 Major shareholders

As of 30 April 2011, Nicolas Eichenberger held all the registered shares, representing 17.9 percent of the share capital.



On the same date, Mr Gerhard Berchtold, residing in Herrliberg, held 3.02 per cent of the share capital.

To the knowledge of the Board of Directors no other shareholder holds more than 3 per cent of the share capital. Moreover there are no shareholders' agreements.

1.3 Cross-shareholdings

There are no cross-shareholdings.

2. CAPITAL STRUCTURE

2.1 Share capital

The 4,150,000 CHF capital of Perrot Duval Holding S.A. is divided into two classes of stock: 3,407 bearer shares at 1,000 CHF par value and 3,715 registered shares at 200 CHF par value, all of which are issued and outstanding. They entitle to dividends and have the same voting rights. The share capital is fully paid up.

The bearer shares have been listed on the SIX Swiss Exchange since 1905. They are traded under the securities number 290691. Telekurs & Swissquote: PED; Thomson Reuters: PED.S; Bloomberg: PED.SW.

Based on the year end 2010/11 price of 1,700 CHF for the bearer shares and 57 CHF for each participation certificate, the market capitalisation increased to 8.6 m CHF as of 30 April 2011. As of 30 April 2011, the Perrot Duval Group did not hold any of its own shares.

2.2 Authorised and conditional capital

There is no authorised or conditional capital.

2.3 Change in capital structure

There have been no changes in capital over the last three business years.

2.4 Participation capital

The 1,350,000 CHF participation certificate capital is divided into 27,000 participation certificates at 50 CHF par value. All the participation certificates issued by the company are entitled to dividends. The participation certificate capital is fully paid up.

The participation certificates have been listed on the SIX Swiss Exchange since 1988. They are traded under the securities number 290693. Telekurs & Swissquote; PEDP, Thomson Reuters: PEDP.S.; Bloomberg: PEDP.SW.

As per 30.4. (CHF)	2011	2010	2009
Share capital	4,150,000	4,150,000	4,150,000
Participation capital	1,350,000	1,350,000	1,350,000
Legal reserve	100,000	1,100,000	1,100,000
Reserve from capital contributions	1,000,000	0	0
Unappropriated retained earnings	6,380,933	6,665,943	6,873,719
Equity	12,980,933	13,265,943	13,473,719

CORPORATE GOVERNANCE

2.5 Profit-sharing certificates
There are no profit-sharing certificates.

2.6 Limitations on transferability and nominee registrations
There are no restrictions of any kind applicable to the transfer or ownership of Perrot Duval bearer shares, and there are no nominees.

2.7 Convertible bonds and options
As of 21 December 2009, Infranor Inter Ltd. has issued a seven-year subordinated convertible bond carrying a coupon of 7 percent. On 30 April 2011, Perrot Duval Holding S.A., held 50,000 subordinated convertible bonds Infranor Inter Ltd., each with a par value of 10 CHF (please refer to note 10.3 on page 40 of the consolidated financial statements for details).

An option plan on the Infranor Inter Ltd. shares, which is no longer maintained, still exists. Treasury shares to cover this option are in the deposit of Infranor Inter Ltd.

3. BOARD OF DIRECTORS

3.1 Composition
The Board of Directors consists of one executive and three non-executive members. The latter three have no business relationship with the group.

Executive member
Nicolas Eichenberger (1958), from Geneva and Trub, residing in Mies (CH)
Chief Executive Officer since 1996, Chairman of the Board of Directors since 1 May 2008, elected until 30 April 2014.
Nicolas Eichenberger, a Board member since 1993, Chief Executive Officer since 1996. He is a graduate in law and holds a university degree in chemistry. He is also a member of the Board of Directors of a listed company (Infranor Inter AG) and unlisted companies. He holds the position of managing director, having been appointed by Perrot Duval Management S.A., a direct subsidiary of Perrot Duval Holding S.A.

Non-executive members
Michel Juvet (1959), from Buttes, residing in Collonge-Bellerive (CH)
Board member since 2005, elected until 30 April 2014, Vice-Chairman since 24 September 2008.
Michel Juvet holds a degree in economics, special mention political economics. He joined the bank Bordier & Cie in 1984, and has been a member of the Executive Board since 1998. He is also a member of the supervisory board of an investment fund, a member of the consultative committee of the Swiss Government for international development and cooperation, and a director of unlisted companies.

Luc Hafner (1945), from Geneva, residing in Cologny (CH)
Board member since 1987, elected until 30 April 2014.
Luc Hafner, attorney-at-law, a Board member since 1987. He was admitted to the Geneva Bar in 1970 where he has been practising since. He is also a member of the Board of Directors and a legal advisor of several unlisted companies in the financial, maritime, real-estate and science sector. Luc Hafner is a partner with the firm of lawyers Borel & Barbey in Geneva, and provides the Board of Directors with his expertise, mainly in the legal field.

Roland Wartenweiler (1944), from Bischofszell, residing in Bursins (CH).
Elected since 1 May 2008 until 30 April 2014.
Business editor at the Neue Zürcher Zeitung between 1970 and 2007, Roland Wartenweiler spent long periods in London, Brussels, Berlin and also in Geneva. He has in-depth knowledge of the broad economic trends and is a keen analyst of international relations.

3.2 Other activities and vested interests

The members of the Board of Directors do not carry out any other activities than mentioned on pages 16 and 17 and have no vested interests that would be of significance for the Perrot Duval Group.

3.3 Cross-involvement

Nicolas Eichenberger is Executive Chairman of the Board of Directors of Infranor Inter Ltd., Zurich until 30 April 2014. There is no other reciprocal representation on the Board of Directors of listed companies.

3.4 Elections and terms of office

The Annual Shareholders' Meeting elects the Board members for a term of three years. Members may be re-elected. All members of the Board of Directors are elected until the end of the 2013/14 financial year.

3.5 Internal organisational structure and committees

The Board of Directors constitutes itself from its own Members and elects the Chairman, the Vice-Chairman, the Delegate and the Secretary, who does not have to be a member of the Board of Directors.

The Board of Directors is responsible for defining the group's strategy. It also checks the company's basic plans and targets and identifies external risks and opportunities.

The Board of Directors has a quorum if at least half of its members are present. It passes its resolutions with the majority of the votes cast. In the event of a tied vote, the Chairman has the casting vote. During the 2010/11 business year, the Board of Directors had four one-day meetings.

The Remuneration Committee of the Board of Directors consists of Mr Luc Hafner and Mr Michel Juvet since 1 May 2008.

The Remuneration Committee makes suggestions concerning the compensation paid to the executive and non-executive members of the Board of Directors and the General Managers of the Group companies (except for Infranor Group) on behalf of the Board as a whole, which approves them. The Remuneration Committee had one meeting during the 2010/11 financial year.

Due to the size of the company, the Board does not currently appoint other committees. All tasks within the Board's area of responsibility are assumed by the Board as a whole.

CORPORATE GOVERNANCE

3.6 Powers and responsibilities

The powers and responsibilities of the Board of Directors and the power-sharing arrangement between the Board of Directors and the Chairman/CEO are stipulated in the organisation by laws. These can be examined at the company's headquarters.

The detailed competencies and responsibilities of the Board of Directors and the regulation of powers and responsibilities between the Board of Directors and the Chairman/CEO are recorded in the organisational bylaws.

3.7 Information and control instruments relating to the Chairman/CEO

The Board of Directors receives quarterly written reports detailing the sales, incoming orders and volume of orders outstanding of all Group units. Four times a year, it receives the consolidated statements (balance sheets, income statements, cash-flow, comparative data and analysis) of each investment and of the entire group. These are compared with the budget and the year-end forecasts. Significant items are always reported immediately. Financial reporting is a fixed constituent of the meetings of the Board of Directors. Deviations are discussed and measures may be initiated as a result.

As well as the statutory auditors, the Chairman/CEO with the CFO of the Infranor Group work on behalf of the Board of Directors to check for adherence to Group guidelines and regulations, and the suitability of the control instruments and the procedures within individual Group companies. Every year, the Group auditor defines the main risk-related auditing items. The work of the Group auditor as well as the local auditors is evaluated by the Chairman/CEO on behalf of the Board of Directors.

A comprehensive central internal control system (ICS) with an internet-based multilingual software program support obliges every group company to follow defined procedures each quarter in order to be able to fully comply with the internal guidelines and Swiss law. The Chairman/CEO reports quarterly to the Board of Directors, which reviews the ICS concept at yearly intervals with regard to identifying, evaluating and remedying risks associated with business activities and adapts it to new requirements as necessary.

4. GENERAL MANAGEMENT

4.1 Members of the General Management

In view of the Group's structure, as described on page 14 to 18, the General Management role is currently provided solely by the Chairman/CEO, Nicolas Eichenberger. If necessary, the Board of Directors can also pass responsibility for certain tasks to other members of the Board.

4.2 Other activities and vested interests

The sole member of the General Management does not carry out any activities other than those mentioned on pages 16 to 17 and has no vested interests that would be of significance for the Perrot Duval Group.

4.3 Management contracts

Infranor Holding S.A., Yverdon-les-Bains, member of the Infranor Inter Group, and Füll Systembau GmbH, Idstein (Germany), member of the Füll Process Group, have a management contract in place with Perrot Duval Management S.A., Coppet. The core element of these management contracts is the compensation for the services that have been provided by Mr Nicolas Eichenberger as an executive member of the Board of Directors, as well as advisory work performed by other Members of the Board of Directors of Perrot Duval Holding S.A.

Perrot Duval Management S.A. charged in 2010/11 640,238 CHF for management services (previous year: 596,100 CHF). These management contracts were agreed to at arm's length conditions according to a time and materials basis for an indeterminate period. However, the contracts can be terminated at annual intervals.

5. COMPENSATIONS, SHAREHOLDINGS AND LOANS

5.1 Content and method of determining the compensation

The Board of Directors makes decisions about compensation given to the Board of Directors on an annual basis in accordance with the recommendations of the Remuneration Committee of the Board of Directors (see also general explanations concerning the Remuneration Committee on page 17).

The compensation of the non-executive members of the Board of Directors comprises a fixed fee of 20,000 CHF; the one of the Chairman/CEO of the Board of Directors comprises a fixed fee of 40,000 CHF and a variable performance component. The fixed fee of the executive member of the Board of Directors is not included in the variable compensation. The variable component of the overall payment is solely oriented to Group profit before taxes. There is no maximum value of the annual bonus. All remuneration is paid in cash. The bonus payment is made after the General meeting of the Shareholders of Perrot Duval Holding S.A. following the fiscal year under review.

Perrot Duval Holding S.A. does not provide healthcare benefits to Members of the Board of Directors.

In financial year 2010/11, compensations of 36,000 CHF were paid to Mr Maurice Eichenberger and 24,000 CHF to Mr Pierre Zähner, both former members of the Board of Directors.

5.2 Compensation paid to members of the Board of Directors and Group Management

This information is shown in the Appendix to the Financial Statements of Perrot Duval Holding S.A. on page 58 in accordance with article 663b bis Swiss Code of Obligations.

6. SHAREHOLDERS' PARTICIPATION RIGHTS

6.1 Restrictions applicable to voting rights and voting by proxy

The company's articles of association do not contain any restrictions applicable to voting by proxy and representation rights.

6.2 Quorums stipulated in the articles of association

The quorums stipulated in the articles of association for motions carried by the Annual Shareholders' Meeting are in accordance with the law (art. 703 et seq. of the Swiss Code of Obligations).

6.3 Convocation of the annual shareholders' meeting, tabling of motions

The Annual Shareholders' Meeting is called by the Board of Directors or by the governing bodies and persons designated by law in accordance with legal and statutory requirements at least 20 days before the meeting by announcement in the "Feuille Officielle Suisse du Commerce".

6.4 Agenda

One or more shareholders who together represent at least 10 per cent of the share capital may request that a Shareholders' Meeting be called or a motion tabled. Shareholders whose shares represent a par value of 1.0 m CHF may also request that a motion be added to the agenda.

This request must be done at least 45 days in advance, in writing, including the motion to be added, before the Shareholders' Meeting.

6.5 Registration of registered shares

There is no limitation to the registration of registered shares.

7. CHANGE OF CONTROL AND DEFENCE MEASURES

7.1 Obligation to submit an offer

A party acquiring shares in the company is not obliged to submit a public purchase offer (opting out) pursuant to articles 32 and 52 of the Federal Act on Stock Exchanges and Securities Trading (art. 6.5 of the Articles of Association).

7.2 Change of control clauses

There are no clauses on changes of control in favour of the Board of Directors and/or other key personnel.

8. AUDITORS

8.1 Duration of the audit mandate and duration of the appointment of the auditor responsible

PricewaterhouseCoopers S.A., Lausanne, under the responsibility of Mr Felix Roth has been the company's auditor since 2009/10 financial year. Mr Felix Roth, as lead auditor, has been responsible for the mandate since then.

The auditor is elected for a period of one year in each case.

8.2 Auditing fees

The fees paid to PricewaterhouseCoopers S.A. for Perrot Duval Holding S.A, the consolidation of the Perrot Duval Group and the Infranor Group, on the one hand, and of various Swiss companies of the Infranor Group, on the other hand, amounted 149,530 CHF (155,119 CHF previous fiscal year).

The remaining foreign audit companies charged 86,531 CHF (122,068 CHF previous fiscal year).

8.3 Additional fees

There were no additional fees paid to the auditor.

8.4 Supervisory and control instruments pertaining to the audit

The Board of Directors is responsible for evaluating the external audit, but delegates this task to the Chairman/CEO. The Chairman draws up an audit report on behalf of the Board of Directors. At least one meeting between the external auditor and Chairman/CEO of the Board takes place at annual intervals. The main findings for each company (management letters) and the consolidated statement, which are summarised in the audit report, are discussed in depth at these meetings. The auditor also discusses the scope of work performed (audit review) for each company and the current developments in the Swiss GAAP FER and the effects thereof on the consolidated financial statements of the Perrot Duval Group.

9. INFORMATION POLICY

Perrot Duval Holding S.A. provides shareholders, financial analysts and financial journalists with information by means of an annual report and half-yearly report. These documents are distributed to the media and those shareholders whose addresses it has, and it briefs the media on current events. As a listed company, Perrot Duval Holding S.A. must disclose any information that may affect the share price (ad-hoc publicity, article 72 Listing regulations, www.six.com).

Our Chairman/CEO is pleased to answer your questions personally:

Nicolas Eichenberger
Chairman of the Board of Directors
and Chief Executive Officer

Tel. +41 (0)22 776 61 44
nicolas.eichenberger@perrotduval.com

AGENDA

22.09.2011	Shareholder's meeting 2010/11
20.12.2011	Half-year results 2011/12
20.09.2012	Shareholder's meeting 2011/12

FINANCIAL REPORT OF THE PERROT DUVAL GROUP

CONSOLIDATED BALANCE SHEETS

ASSETS CHF 1,000	Note	**30.4.11**	30.4.10
Cash and cash equivalents	3	4,873	4,620
Trade accounts receivable	4	10,812	10,735
Other receivables	5	1,361	1,189
Inventories	6	10,369	8,894
Prepaid expenses		620	758
Total current assets		28,035	26,196
Financial assets		26	29
Property, plant and equipment	7	6,228	6,838
Intangible assets	8	2,240	3,160
Deferred tax assets	9.2	1,327	1,726
Total non-current assets		9,821	11,753
Total assets		37,856	37,949
LIABILITIES			
Current financial liabilities	10.1	9,122	9,664
Trade accounts payable		4,956	4,959
Other current liabilities	11	1,262	1,137
Accruals and deferred income	12	3,324	2,732
Short-term provisions	13	674	617
Provision for income taxes		450	77
Total current liabilities		19,788	19,186
Non-current financial liabilities	10.2	2,555	3,249
Subordinated convertible bond 2009–16	10.3	3,859	3,559
Subordinated bond CDO 2006–13	10.4	7,300	8,300
Loan	10.5	1,500	1,500
Long-term provisions	14	382	294
Deferred tax liabilities	9.2	237	227
Total non-current liabilities		15,833	17,129
Total liabilities		35,621	36,315
Share capital and participation capital	16	5,500	5,500
Reserves		– 12,005	– 12,004
Retained earnings		8,845	7,558
Currency translation differences		– 791	82
Shareholders' equity before minority interest		1,549	1,136
Minority interest		686	498
Total shareholders' equity		2,235	1,634
Total liabilities and shareholders' equity		37,856	37,949

CONSOLIDATED INCOME STATEMENTS

CHF 1,000	Note	10/11	09/10
Net sales	17, 18	55,407	44,641
Cost of goods sold		– 25,875	– 15,754
Change in inventories		2,594	– 1,838
Gross margin		32,126	27,049
Personnel costs	19	– 18,257	– 16,539
General and administrative costs	20	– 1,980	– 1,885
Sales costs	21	– 1,742	– 1,488
Other operating expenses	22	– 4,114	– 4,449
Other operating income	23	624	758
Total operating expenses		– 25,469	– 23,603
Earnings before interest, tax, depreciation and amortisation (EBITDA)	17	6,657	3,446
Depreciation and amortisation	24	– 1,905	– 1,786
Earnings before interest and tax (EBIT)		4,752	1,660
Financial income		48	71
Financial expenses		– 2,309	– 1,822
Financial result	25	– 2,261	– 1,751
Profit/loss before taxes		2,491	– 91
Taxes	9.1	– 791	– 488
Net profit/loss		1,700	– 579
thereof for:			
– Shareholder's of Perrot Duval Holding S.A.		1,287	– 546
– Minority interest		413	– 33

CONSOLIDATED CASH FLOW STATEMENTS

Indirect method with cash and cash equivalents CHF 1,000	Note	10/11	09/10
Earnings before interest and tax (EBIT)		4,752	1,660
Depreciation/amortisation of fixed assets	24	1,905	1,786
Change in provisions and other non-cash items		1,267	– 1,014
Payments out of provisions		– 656	– 4,582
Interest received		22	10
Interest and other financial expenses paid		– 1,819	– 1,503
Income taxes paid		– 95	– 300
Cash flow before change in net current assets		5,376	– 3,943
Change in trade accounts receivables		– 1,213	– 804
Change in inventories		– 2,594	1,838
Change in other current assets		– 135	136
Change in trade accounts payables		419	979
Change in other current liabilities		837	– 1,157
Cash flow from operating activities		2,690	– 2,951
Investments in financial assets		– 3	0
Disposal of financial assets		328	413
Investments in property, plant and equipment	7	– 1,005	– 1,255
Disposal of property, plant and equipment		12	78
Investments in intangible assets	8	– 81	– 779
Cash flow from investing activities		– 749	– 1,543
Increase in current financial liabilities		979	888
Repayment of current financial liabilities		– 856	– 5,511
Increase in non-current financial liabilities		231	5,506
Repayment of non-current financial liabilities		– 1,441	– 178
Repayment of lease obligations		– 387	– 169
Cash flow from financing activities		– 1,474	536
Currency translation differences on cash		– 214	– 165
Change in cash and cash equivalents		253	– 4,123
Cash at the beginning of the year	3	4,620	8,743
Cash at the end of the year	3	4,873	4,620
Change in cash and cash equivalents	3	253	– 4,123

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share and Participation capital	Reserves	Retained earnings	Currency translation differences	Total shareholders' equity before minority interest	Minority interest	Total shareholders' equity with minority interest
Balance at 30.4.09	5,500	– 10,906	7,006	507	2,107	643	2,750
Net currency translation diff.				– 425	– 425	– 112	– 537
Net profit/(loss)			– 546		– 546	– 33	– 579
Partial dissolution of legal reserve		– 1,214	1,214		0	0	0
Transfer		116	– 116		0	0	0
Balance at 30.4.10	5,500	– 12,004	7,558	82	1,136	498	1,634
Net currency translation diff.		– 1	0	– 873	– 874	– 225	– 1,099
Net profit/(loss)			1,287		1,287	413	1,700
Balance at 30.4.11	5,500	– 12,005	8,845	– 791	1,549	686	2,235

Definition of the components of equity:

– The **share capital** and **participation capital** is the capital of the parent company, Perrot Duval Holding S.A.

– **Reserves** comprise the goodwill from company acquisitions that was taken directly to equity in the past as well as premiums from capital increases. Non distributable **Reserves** amounted 5.8 million CHF as of April 2011 (previous fiscal year 5.9 million CHF).

– **Retained earnings** comprise accumulated profits retained in Group companies.

– **Currency translation differences** comprise all currency translation differences arising from the currency conversions of foreign Group entities.

– The shares held by **minority interest** represent all the share capital of the investments of Perrot Duval Holding S.A., owned by shareholders other than the latter.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Segment report

The split of the segments by business is based on the two strategic pillars of the Group within the automation industry (see comments on pages 4 to 9). Without considering the real-estate company, both segments have an identical legal structure and their reports are based on the figures used for internal reporting purposes (management approach). No sales have been recorded between these segments. General Group expenses that cannot be assigned are shown separately. Transactions between the segments would be conducted on the "at arm's length" principle.

1.1 Segment report by business line

Segment	Automated production processes FUELL GROUP		Automation of motion INFRANOR GROUP		Others		Total group	
CHF 1,000	10/11	09/10	10/11	09/10	10/11	09/10	10/11	09/10
Net sales	6,147	5,600	49,260	39,041			55,407	44,641
Change versus previous year	9,8 %	– 16,1 %	26,2 %	– 27,8 %			24,1 %	– 26,5 %
EBITDA	234	– 104	6,906	3,972	– 483	– 422	6,657	3,446
as % of net sales	3,8 %	– 1,9 %	14,0 %	10,2 %			12,0 %	7,7 %
Depreciation and amortisation	– 154	– 81	– 1,748	– 1,691	– 3	– 14	– 1,905	– 1,786
EBIT	80	– 185	5,158	2,281	– 486	– 436	4,752	1,660
as % of net sales	1,3 %	– 3,3 %	10,5 %	5,8 %			8,6 %	3,7 %
Financial items (net)							– 2,261	– 1,751
Income taxes							– 791	– 488
Net profit/(loss)							1,700	– 579
as % of sales (with minority interest)							3,1 %	– 1,3 %
Employees	30	29	208	179	1	1	239	209
Total assets	2,203	2,031	36,391	35,248	– 738	670	37,856	37,949
Total liabilities	2,353	492	32,748	34,079	520	1,744	35,621	36,315
Assets net	– 150	1,539	3,643	1,169	– 1,258	– 1,074	2,235	1,634

1.2 Segment report by region

CHF 1,000	Net sales by region	
	10/11	09/10
Europe / Middle East / Africa	43,001	36,593
North and South America	3,863	2,281
Asia / Pacific	8,543	5,767
Total	55,407	44,641

2. Consolidation principles and accounting policies General

The Perrot Duval Group, through its parent company Perrot Duval Holding S.A., is active in automation technologies, particularly in the field of process automation (Füll Process S.A.) and industrial automation (Infranor Inter Ltd.) respectively. The Group develops, produces and sells advanced original technological components and solutions worldwide.

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Basis of preparation

The financial statements of the Perrot Duval Group were prepared in compliance with full Swiss GAAP FER, based on the individual financial statements of the Group companies as at 30 April 2011 which were prepared on a uniform basis and on the historical cost basis. In addition, the consolidated financial statements comply with the requirements of Swiss law.

The consolidated financial statements are presented in Swiss francs (1,000 CHF). However, the majority of the Group's transactions are conducted in Euros.

Certain comparative figures have been reclassified to conform to the current year's presentation.

Basis of consolidation

The consolidated financial statements – consisting of the balance sheet, income statement, cash flow statement, statement of changes in equity, and notes – are based on the annual financial statements of the companies within the scope of consolidation, in accordance with Swiss GAAP FER by applying uniform Groupwide accounting policies.

Consolidation principles

The consolidated financial statements of the Perrot Duval Group cover all entities that are controlled by Perrot Duval Holding S.A., which normally is the case when the Group holds directly or indirectly more than 50 percent of the voting rights. Newly acquired companies are consolidated from the date of their acquisition.

The results of companies that have been sold are recognised until the date of sale. Companies in which the Group holds more than 20 percent but not more than 50 percent of the voting rights are accounted for under the equity method, whereby the investment is initially recognised at cost and adjusted thereafter for the changes in the investor's share of net assets of the investee.

Entities controlled by the Group are consolidated by applying the purchase method. The assets and liabilities of newly acquired companies are recognised at fair value at the time of acquisition. Minority interests show the minorities' share of total assets less liabilities.

All transactions and balances between the consolidated companies are eliminated in the consolidation. Intragroup profits generated from internal transactions are eliminated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Companies included in the consolidation

The following companies were fully consolidated as of 30 April 2011:

Group companies listed by place of jurisdiction	Activity 1)		Share capital	Participation	Year founded
Perrot Duval Holding S.A., CH-Geneva	F	CHF	5,500,000	n/a	1905
Perrot Duval Management S.A., CH-Coppet	S	CHF	100,000	100 %	1989
Bleu-Indim S.A., CH-Freiburg	F	CHF	50,000	100 %	1984
Füll Process S.A., CH-Freiburg	F	CHF	810,000	100 %	1990
Füll Systembau GmbH, D-Idstein	P,E	EUR	200,000	100 %	1975
Füll Engineering B.V., NL-Voorhout	P	EUR	100,000	100 %	2007
Infranor Inter AG, CH-Zurich	F	CHF	15,539,920	78,0 %	1987
Infranor Holding S.A.					
CH-Yverdon-les-Bains	F,S	CHF	9,120,000	78,0 %	1941
Infranor AG, CH-Zurich	E	CHF	450,000	78,0 %	1953
Infranor S.A.S., F-Lourdes	P, E	EUR	1,741,299	78,0 %	2005
Infranor GmbH, D-Hanau	E	EUR	152,000	78,0 %	1968
Infranor Inc., USA-Wilmington, MA	E	USD	1,620	78,0 %	2001
Infranor Motion Control Technology					
(Shanghai) Co. Ltd., CN-Shanghai	E	CNY	1,478,975	78,0 %	2009
Infranor Spain S.L.U., E-Badalona	E	EUR	150,000	78,0 %	2006
Mavilor Motors S.A.					
E-Sta.Perpetua de Mogoda	P	EUR	135,000	78,0 %	1973
Infranor Ltd., UK-Woodbridge	E	GBP	200,000	78,0 %	1983
Cybelec S.A., CH-Yverdon-les-Bains	P	CHF	250,000	78,0 %	1970
Cybelec S.r.l, I-Cinisello Balsamo	E	EUR	100,000	78,0 %	2004
Cybelec Numerical Control Technology					
(Shanghai) Co. Ltd., CN-Shanghai	P	CNY	2,811,100	78,0 %	2006

1) E = Engineering and Sales
P = Production, Development and Sales
F = Finance
S = Service

Foreign-currency translation

The consolidated accounts are presented in Swiss francs (CHF). The financial statements of the individual Group companies are prepared in the currency of the primary economic environment in which the respective company operates (functional currency). The income statements of foreign companies are translated into Swiss francs at the average exchange rates.

The balance sheets of subsidiaries are translated at the exchange rates that apply on 30 April, using the closing-rate method. The resulting translation differences are taken to equity and are recognised in the income statement only if and when the subsidiaries are disposed of.

Foreign-currency transactions at Group companies are recorded at the exchange rates in effect on the date of the transaction. Gains and losses from such transactions and from the translation of foreign currency assets and liabilities are taken to the income statement, with the carrying amounts in the balance sheet being translated at the exchange rate in effect at year-end. Foreign exchange differences on Group loans to a foreign company which are considered as part of the net investment are recognised in equity.

The following exchange rates were used:

(CHF)	Year-end rates for the balance sheet		Average rates for the income statement	
	30.4.11	30.4.10	10/11	09/10
USD	0.8697	1.0836	1.0011	1.0572
EUR	1.2905	1.4344	1.3284	1.4952
GBP	1.4494	1.6531	1.5626	1.6922
CNY	0.1340	0.1590	0.1499	0.1550

Net sales

Revenue from product sales or service provision is recognised at the time the products are delivered or the services are provided, less sales deductions and value-added taxes.

Cash

Cash comprises cash on hand, postal giro account and bank deposits as well as amounts due from money-market transactions maturing up to three months.

Trade accounts receivable

Trade receivables are carried in the balance sheet at nominal value less necessary provisions for doubtful debts.

Inventories and work in progress

Purchased goods and products manufactured in-house are recognised at cost. Manufacturing costs include the cost of the components, all specific production costs (actual costs) plus an appropriate allocation of production overhead and production-related depreciation and amortisation. Provision is made if the net realisable value of an item is lower than the cost of inventories calculated in accordance with the methods described above.

Inventories are measured using the weighted average cost method. An additional write-down is recognised for obsolete inventory items based on turnover frequency. Discounts received are recognised as a reduction in the purchase price.

Intragroup profits from internal deliveries are eliminated.

Property, plant and equipment

Property, plant and equipment are measured at cost less depreciation using the straight-line method over the estimated useful life: buildings and installations, 20 to 25 years; machinery and tools, industrial plants, office furniture and equipment, 5 to 15 years; motor vehicles and IT equipment, 2 to 7 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Leases
Lease agreements for property, plant and equipment where both the risks and the benefits incident to ownership are transferred to the Group (finance leases) are recognised at the lower value of the fair value of the leased asset or the present value of the future minimum lease payments at the commencement of the lease term, and are depreciated over the aforementioned estimated useful lives. The corresponding liabilities are recognised under "Current financial liabilities" or "Non-current financial liabilities" depending on whether they fall due within or after 12 months. The cost of maintaining and repairing the property, plant and equipment is charged to the income statement if it does not add future economic benefits.

Payments made under "Operating leasing" are charged directly to the income statement.

Intangible assets and goodwill
This item includes mainly own product development, business software, trademarks and patents. Intangible assets are capitalised if they are clearly identifiable and the costs are reliably determinable, and if a measurable benefit to the company is expected over the course of several years. Intangible assets are measured at purchase cost less accumulated depreciation. Depreciation is charged on a straight line basis. Licenses, trademarks and patents are amortised over 3 to 10 years, software over 2 to 5 years and product development over 2 to 7 years.

The book value of investments has been eliminated against the share in the assets of the companies, valued at the time of acquisition of creation. The purchase method is applied. The difference between acquisition cost and the fair value of net assets acquired is booked directly against shareholder's equity in the year of acquisition.

As of 30 April 2011, the theoretical effect of the goodwill as an asset on the balance sheet and on the income statement would be zero, this asset having been entirely amortised at this date.

Research and development costs
Research and development costs are, in principle, recognised as expenses. If the criterias regarding recognition as an asset are met, significant development costs are recognised in the balance sheet at their purchase or production costs and depreciated over their useful life up to a maximum of seven years.

Impairment
The value of non-current assets is assessed on the balance sheet date for signs of impairment. If there is evidence of any lasting reduction value, the recoverable amount is calculated (impairment test). If the book value exceeds the realisable value, the difference is recognised in profit and loss via extraordinary impairment.

Financial liabilities
Financial liabilities are stated at their nominal value, they are classified as current liabilities unless the Group has an unconditional right to defer the settlement of the liability for at least twelve months after the balance sheet date.

Long-term provisions
Long-term provisions comprise pension obligations and other obligations towards employees and other liabilities with uncertain timing or amount.

Income taxes
Provisions are provided for taxes incurred on taxable profit irrespective of when such liabilities fall due for payment, after considering any tax-deductible losses carried forward.

Deferred taxes
Deferred taxes are recognised on temporary differences between the values of assets and liabilities as recognised by the tax authorities and the values as stated in the consolidated financial statements. Deferred taxes are calculated using the liability method on the basis of the local tax rate enacted or substantively enacted at the balance sheet date. Deferred tax assets are calculated for all deductible temporary differences if it is likely that sufficient taxable income will be available in the future. Deferred tax assets and liabilities are netted when legal regulations permit offsetting. Changes in the amounts of deferred taxes are recognised as tax expense.

Provisions are not provided for taxes that would be incurred on the distribution of retained earnings of subsidiaries, except where a distribution can be expected in the foreseeable future or where it has been decided.

Employee benefit obligations

Employees and former employees receive various employee benefits and old age pensions which are provided in accordance with the laws of the countries in which the companies operate. The Swiss companies of the Group have joined a pension plan with full insurance character. The pension plans are financed by employer and employee contributions. Further information in accordance with Swiss GAAP FER 16 “Employee benefit obligations” is disclosed in Note 15.

Ex-employee stock option plan

From 1 October 1999 to 30 April 2007, options to purchase Infranor Inter Ltd. bearer shares were sold to its Executive Chairman, who resigned from his position as of 31 May 2009. This option plan has expired and was not renewed; however the vesting periods have not yet expired.

The benefit consisted of options to purchase Infranor Inter shares at a predeterminated price. Options were granted within the scope of this stock option plan. The last options were issued in the 2006/07 financial year. In order to cover all potentially outstanding options, the Group purchased the necessary number of shares and holds these until the options expire or are exercised. No additional shares will be issued as part of this equity compensation plan.

The options’ strike prices were determined at the grant date on the basis of the then current share price. The fair value of these options is calculated by an actuary using the Black-Scholes formula. If share prices are lower during the exercise period, the options’ strike prices are not adjusted. The options are subject to a three year vesting period.

Contingent liabilities

Contingent liabilities are valued on the balance sheet date based on the agreements in place and other supporting documents. If an outflow of funds is likely, a provision is created.

Explanatory notes on the consolidated financial statements

3. Cash and cash equivalents

CHF 1,000	30.4.11	30.4.10
CHF	2,541	2,918
EUR	1,496	1,122
USD	170	39
Other currencies (GBP, CNY)	620	484
Cash equivalents	46	57
Total cash	4,873	4,620

The actual yield on current accounts with banks and cash and cash-equivalent holdings is the variable overnight rate paid by the banks on customer deposits in the respective currencies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. Trade accounts receivable

CHF 1,000	30.4.11	30.4.10
Total trade accounts receivable (gross)	11,660	11,398
./. Bad debt allowances	– 848	– 663
Total trade accounts receivable (net)	10,812	10,735

As of 30 April 2011, receivables totalling 0.25 m CHF (previous year: 0.53 m CHF) were pledged with banks as loan collateral.

Trade accounts receivable are normally due within 30 to 120 days; in principle they are interest-free and unsecured. The risk of default is taken into account in the corresponding bad-debt allowance.

5. Other receivables

CHF 1,000	30.4.11	30.4.10
VAT recoverables, withholding taxes	883	515
Income tax receivables	28	73
Advance payments to suppliers	89	110
Other receivables	361	491
Total	1,361	1,189

6. Inventories

CHF 1,000	30.4.11	30.4.10
Raw materials and supplies	5,890	4,907
Semi-finished products and work in progress	2,437	2,151
Finished products	3,591	3,209
Inventories (gross)	11,918	10,267
Valuation allowance	– 1,549	– 1,373
Inventories (net)	10,369	8,894

Inventories increase is mainly due to the purchase of electronic products in production companies within the Infranor Group in order to avoid long delays and uncertainties to suppliers of these materials.

7. Property, plant and equipment

7.1 Year under review

CHF 1,000	Land, buildings, installations	Machinery/ tools	IT hardware	Industrial plant	Office furniture and equipment	Motor vehicles	Total 10/11
Cost							
As at 1.5.	3,485	12,729	1,515	2,861	1,368	570	22,528
Additions	44	611	67	190	16	87	1,015
Disposals	0	– 53	0	– 132	– 70	– 37	– 292
Currency translation differences	– 146	– 1,159	– 121	– 269	– 90	– 32	– 1,817
As at 30.4.	3,383	12,128	1,461	2,650	1,224	588	21,434
Accumulated depreciation							
As at 1.5.	– 2,025	– 9,099	– 1,278	– 1,672	– 1,176	– 440	– 15,690
Depreciation	– 155	– 500	– 98	– 159	– 53	– 75	– 1,040
Disposals	0	53	0	127	80	37	297
Currency translation differences	79	798	102	150	75	23	1,227
As at 30.4.	– 2,101	– 8,748	– 1,274	– 1,554	– 1,074	– 455	– 15,206
Net carrying values 30.4.2011	1,282	3,380	187	1,096	150	133	6,228
Net carrying values 1.5.2010	1,460	3,630	237	1,189	192	130	6,838
of which under finance leases	489	1,206	0	15	20	42	1,772
Insured values 30.4.							11,767

7.2 Previous year

CHF 1,000	Land, buildings, installations	Machinery/ tools	IT hardware	Industrial plant	Office furniture and equipment	Motor vehicles	Total 09/10
Cost							
As at 1.5.	3,707	12,370	1,652	2,735	1,640	606	22,710
Additions	214	891	32	62	17	38	1,254
Disposals	0	– 40	– 110	– 78	– 243	– 60	– 531
Reclassification/addition	– 345	77	– 1	269	0	0	0
Currency translation differences	– 91	– 569	– 58	– 127	– 46	– 14	– 905
As at 30.4.	3,485	12,729	1,515	2,861	1,368	570	22,528
Accumulated depreciation							
As at 1.5.	– 1,924	– 9,049	– 1,324	– 1,715	– 1,354	– 398	– 15,764
Depreciation	– 160	– 397	– 136	– 142	– 60	– 90	– 985
Disposals	3	33	135	45	199	38	453
Reclassification/addition	19	– 77	0	57	1	0	0
Currency translation differences	37	391	47	83	38	10	606
As at 30.4.	– 2,025	– 9,099	– 1,278	– 1,672	– 1,176	– 440	– 15,690
Net carrying values 30.4.2010	1,460	3,630	237	1,189	192	130	6,838
Net carrying values 1.5.2009	1,783	3,321	328	1,020	286	208	6,946
of which under finance leases	599	1,132	0	0	29	47	1,807
Insured values 30.4.							11,127

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

A property (book value of 0.28 m CHF same as previous year) was pledged of as of April 2011.

As at the balance sheet date there were no indications of possible impairment of property, plant and equipment.

The property plant and equipment which were financed by means of finance leasing are related to the factory building in Lourdes, France (Infranor Group) and to the machinery and extension to the factory building in Spain.

All leasing agreements include an option to buy the asset at the calculated residual value, which is usually zero.

The lessor has not imposed any restrictions or conditions.

8. Intangible assets

8.1 Year under review

CHF 1,000	Business software	Product development	Trademarks, patents, other	Total 10/11
Cost				
As at 1.5.	1,708	3,424	517	5,649
Additions	50	0	32	82
Disposals	– 1	0	– 1	– 2
Reclassification	1	0	– 1	0
Currency translation differences	– 31	– 179	0	– 210
As at 30.4.	1,727	3,245	547	5,519
Accumulated amortisation				
As at 1.5.	– 1,034	– 1,312	– 143	– 2,489
Depreciation	– 300	– 477	– 88	– 865
Disposals	1	0	1	2
Reclassification	– 1	0	1	0
Currency translation differences	26	47	0	73
As at 30.4.	– 1,308	– 1,742	– 229	– 3,279
Net carrying values as at 30.4.11	419	1,503	318	2,240
Net carrying values as at 1.5.10	674	2,112	374	3,160

8.2 Previous year

CHF 1,000	Business software	Product development	Trademarks, patents, other	Total 09/10
Cost				
As at 1.5.	1,890	2,700	351	4,941
Additions	59	783	166	1,008
Disposals	– 230	0	0	– 230
Currency translation differences	– 11	– 59	0	– 70
As at 30.4.	1,708	3,424	517	5,649
Accumulated amortisation				
As at 1.5.	– 961	– 919	– 67	– 1,947
Depreciation	– 313	– 412	– 76	– 801
Disposals	230	0	0	230
Currency translation differences	10	19	0	29
As at 30.4.	– 1,034	– 1,312	– 143	– 2,489
Net carrying values as at 30.4.10	674	2,112	374	3,160
Net carrying values as at 1.5.09	929	1,781	284	2,994

At the balance sheet date there were no indications of possible impairment of intangible assets.

The business software comprises company-specific or commonly used systems such as ERP, CRM, financial and Internet applications.

The product development and launch costs refer solely to self-developed new products within the Infranor Group namely from Cybelec S.A. (FASTware), Mavilor Motors S.A. (XtraforsPrime) as well as Infranor S.A.S (XtraPuls), for which supply agreements have already been signed.

Trademark rights are purchased product trademarks which continue to be registered in the leading industrialised countries as well as licences and patents related to purchased marketing rights for complementary third-party products and purchased patents for motion automation products. Trademark rights and marketing licences developed within the business are not capitalised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9. Income taxes

9.1 Income tax expenses

CHF 1,000	10/11	09/10
Current income tax	509	167
Deferred income tax	282	321
Total income tax expenses	791	488

Neither in the current year nor in aggregate are there taxes that relate to items that were charged or credited directly to equity.

9.2 Composition of the deferred tax assets and liabilities

Deferred tax assets

CHF 1,000	10/11	09/10
Property, plant and equipment	93	165
Other fixed assets	128	87
Current assets	188	257
Non-current liabilities	125	0
Payables	134	44
Subtotal temporary differences	668	553
Losses carried forward / Tax credits	816	1,173
Total deferred tax assets	1,484	1,726

Deferred tax liabilities

CHF 1,000	10/11	09/10
Property, plant and equipment	166	0
Current assets	228	227
Total deferred tax liabilities	394	227
of which recognised in the balance sheet as:		
Deferred tax liabilities	– 237	– 227
Deferred tax assets	1,327	1,726
Net deferred tax assets	1,090	1,499

Deferred taxes are calculated for every company using the actual tax rate. As of April 2011, the weighed average rate was 35.2 per cent (previous fiscal year loss).

It is not expected that distributions by the Group and affiliated companies will generate appreciable additional tax liabilities.

The Perrot Duval Group does not make provision for taxes on possible future distributions of profits retained by Group companies as these amounts are treated as permanently reinvested.

9.3 Tax losses and tax credits brought forward

As of 30 April 2011, individual group companies had brought forward unrecognised tax losses totalling 22.9 m CHF (previous year: 24.1 m CHF) that can be set off against taxable earnings in future financial years. In this respect, deferred tax assets are taken into account only to the extent that it is probable that future taxable profits will be available and can be utilised against the deferred tax assets. This amount decreased due to the lower currency exchange rates; in addition, some tax losses could be utilised against profits of the reporting period.

Tax losses/tax credits for which no deferred taxes are capitalised

These will expire on the following dates:

CHF 1,000	10/11	09/10
Expire in 1 year	978	153
Expire in 2–3 years	5,696	3,606
Expire in 4–7 years	10,263	13,710
Expire in more than 7 years	1,992	813
No expiry date	4,062	5,870
Total	22,991	24,152

10. Financial liabilities

10.1 Current financial liabilities

CHF 1,000	30.4.11	30.4.10
Bank overdrafts	4,632	5,933
Bank loans, falling due within one year	4,178	3,325
Total current liabilities due to banks	8,810	9,258
Obligations under finance leases, falling due within one year	312	406
Total current interest-bearing liabilities	9,122	9,664

Current liabilities due to banks by currency with average interest rates

CHF 1,000	30.4.11	Effective interest rates	30.4.10	Effective interest rates
CHF	3,597	3,72 %	3,611	4,04 %
EUR	5,213	6,60 %	5,647	4,64 %
Total	8,810	5,42 %	9,258	4,41 %

In view of the financial situation of the Infranor Group, a standstill agreement with a credit of 6.0 million CHF, subject to covenant clauses, was agreed by Infranor Inter Ltd. as of 30 April 2009 under the lead of Credit Suisse and three other Swiss banks. It was renewed under similar conditions one year later. Due to the positive evolution of the Group, all parties decided to end the standstill agreement as of 29 April 2011, allowing the Group to re-enter into credit facility agreements separately and individually with each Swiss bank. As of 30 April 2011, all the existing credit facilities with Swiss banks and the Infranor Inter Group were maintained.

10.2 Non-current financial liabilities

CHF 1,000	30.4.11	30.4.10
Long-term bank loans (1–5 years)	2,362	2,697
Loans from government institutions (1–5 years)	58	65
Obligations under finance leases (1–5 years)	135	487
Total	2,555	3,249

The effective interest rate on the long-term bank liabilities in Euros for the countervalue of 2.4 m CHF (previous year 2.6 m CHF) was 4.52 percent (previous year 4.32 percent).

10.3 Subordinated convertible bond

1,000 CHF	30.4.11	30.4.10
Par value of subordinated convertible bond		
at issue date	4,359	3,320
Paid back		– 3,320
Issued 2009–2016, 7 %	0	4,359
./. Bonds held by Perrot Duval Holding SA	– 500	– 800
Carrying value current	0	0
Carrying value non-current	3,859	3,559

On 21 December 2009, Infranor Inter Ltd. issued a new subordinated, seven-year convertible bond for a total amount of 4.36 million CHF, in which Perrot Duval Holding S.A. invested 0.8 m CHF. The bond carries a coupon of 7 percent. Bondholders are entitled to convert four bonds, each with a par value of 10 CHF, into one new Infranor Inter Ltd. bearer share with a par value of 20 CHF, between 21 June 2010 and 14 December 2016.

After three years, i.e. from 21 December 2012 onwards, the issuer may repay the bond any time prior to maturity at par plus accrued interest, subject to a notice period of 30 calendar days (hard call).

After 21 June 2010, the issuer may repay the bond at any time prior to this maturity, at par plus accrued interest, subject to a notice period of 30 calendar days, and provided there is at least one transaction in the issuer's shares on the SIX Swiss Exchange during at least 45 out of 90 trading days after 21 June 2010, and the closing price of at least 60 CHF. Notice must be given within twenty trading days directly following the aforementioned time period of 90 trading days (soft call).

10.4 Subordinated Bond CDO 2006-13

CHF 1,000	30.4.11	30.4.10
Par value of subordinated CDO PULS 2006–13 at issue date	7,300	8,300
Carrying amount	7,300	8,300

On 25 July, 2006, Infranor Holding SA, a subholding of Infranor Inter Ltd., issued a seven-year subordinated Swiss franc collateralised debt obligation (CDO) in the amount of 8.30 million CHF carrying a coupon of 7.26 per cent; this was done within the scope of PULS CDO 2006-1, 2006-13, a collateralised debt obligation in the total amount of 260 million euros. Merrill Lynch, Germany, acted as arranger, and Capital Securities Group AG, Baar, acted as the portfolio manager. The new capital was used exclusively to repay bank loans of the Infranor Group.

The agreed covenants for the CDO are – based on the figures of the Infranor Inter Group – as follows:

– Level of debt less than 250 percent (Ratio of: a) total liabilities disregarding the total par value of the CDO but plus other subordinated debt instruments, and b) shareholders' equity taking the CDO into account.)
– Interest coverage of more than 100 percent (ratio EBITDA/net financing costs)

Infranor Inter Ltd. has issued a joint security for the amount of the collateralised debt obligation in favour of the lender.
Infranor Group repaid 1.0 million CHF on 29 April 2011.

10.5 Loan

A third party loan of 1.5 m CHF from a financial investor has been agreed as of 20 April 2009 with a duration until 31 December 2012 at an interest rate of 3.3 percent

11. Other current liabilities

CHF 1,000	30.4.11	30.4.10
Other liabilities / VAT	732	665
Commissions	129	144
Uncashed dividend coupons	13	10
Customers' prepayments	388	318
Total	1,262	1,137

12. Accruals and deferred income

CHF 1,000	30.4.11	30.4.10
Personnel costs	1,838	1,588
Other accruals	1,242	957
Interest	244	187
Total	3,324	2,732

13. Short-term provisions

CHF 1,000	Warranties	Other	Restructuring	Total 30.4.11	Total 30.4.10
As at 1.5.	566	42	9	617	5,113
Currency translation differences	– 35	– 4	– 1	– 40	– 151
Utilised	– 643	0	0	– 643	– 4,693
Provided / Reversed through profit & loss	739	1	0	740	348
As at 30.4.	627	39	8	674	617

The provisions for warranties were provided for repairs and for replacing defective products. They are based firstly on a cost estimate based on known facts, and secondly on experience, particularly with respect to the cost of further development work on newly launched products.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14. Long-term provisions

CHF 1,000	Employee benefit obligations not financed by plan assets Total 30.4.11	Total 30.4.10
As at 1.5.	294	302
Currency translation differences	– 33	– 15
Provided through profit & loss	121	7
As at 30.4.	382	294

The anticipated outflow of funds provided for employee benefit obligations extends over a period of twenty years.

15. Employee benefit obligations

Employees and former employees receive various employee benefits and old age pensions which are provided in accordance with the laws of the countries in which the companies operate. The Swiss companies of the Group have joined a pension plan with full insurance character. The pension plans are financed by employer and employee contributions.

CHF 1,000	Contributions accrued	Pension plan expenses in personnel expenses	
	10/11	10/11	09/10
Pension institutions without surplus/deficit	625	591	423
Pension institutions with surplus	0	0	
Pension institutions with deficit	0	0	
Total	625	591	423

Employee benefit expenses

CHF 1,000	**10/11**	09/10
Contributions to pension institutions charged to the company	591	423
Total contributions	591	423
Pension plan expenses included in personnel expenses	591	423

There is no ECR (employer contribution reserve) in Perrot Duval Group. In addition of that there were no changes in the economic obligations from deficit.

16. Shares and share capital

Share capital		**30.4.11**	30.4.10
Listed bearer shares at a par value of CHF 1,000, Val. 290691	number	3,407	3,407
Unlisted registered shares at a par value of CHF 200	number	3,715	3,715
Issued share capital as at 30.4.	CHF	4,150,000	4,150,000
Participation capital			
Listed participation certificates at a par value of CHF 50, Val. 290693	number	27,000	27,000
Issued participation capital as at 30.4.	CHF	1,350,000	1,350,000
Total share capital and participation capital	CHF	5,500,000	5,500,000

17. Impact of foreign currencies on the income statement

Change as against the previous year	10/11	09/10
Net sales	– 7,5 %	– 2,7 %
EBITDA	– 10,9 %	0,4 %

18. Net sales

18.1 Net sales by products

CHF 1,000	10/11	09/10
Servo-motors	16,382	12,864
Servo-drivers	11,011	8,461
Controls	15,989	12,486
Dispensing	6,136	5,589
Traded products	2,286	2,040
Service, spare parts, repairs	3,603	3,201
Total net sales	55,407	44,641

18.2 Net sales by sector

CHF 1,000	10/11	09/10
Industrial manufacturing	47 %	47 %
Industrial handling and assembly	16 %	15 %
Processing industry	18 %	19 %
Packaging	3 %	4 %
Other	16 %	15 %
Total net sales	100 %	100 %

19. Personnel costs

19.1 Detailed personnel costs

CHF 1,000	10/11	09/10
Wages and bonuses	14,077	13,086
Costs capitalised	– 202	– 530
Social security	2,730	2,739
Pension expenses as per Note 15	591	423
Other personnel costs	1,061	821
Total personnel costs	18,257	16,539

19.2 Number of employees by role

	10/11	09/10
Sales, engineering, service	80	81
Production	100	73
Research and development	29	24
Administration	30	31
Total	239	209

19.3 Option plan

The ex-employee's of Infranor Inter Ltd. stock option plan is described on page 33.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20. General and administrative costs

CHF 1,000	10/11	09/10
Administrative costs	738	915
IT costs	347	210
Travel costs	246	187
Consultancy & service fees	413	296
Audit fees	236	277
Total General and administrative costs	1,980	1,885

21. Sales costs

CHF 1,000	10/11	09/10
Marketing	114	133
Exhibitions	239	93
Commissions	445	382
Representative office	55	8
Travel expenses	771	807
Miscellaneous	118	65
Total sales costs	1,742	1,488

The increase of sales costs was due to the amounts spent in participating to larger shows, taking place every second fiscal year.

22. Other operating expenses

22.1 Details on other operating expenses

CHF 1,000	10/11	09/10
Production and engineering expenses	1,644	1,695
Costs relating to a different accounting period	44	346
Restructuring costs	0	439
Rental costs	1,320	1,344
Warranty costs	496	200
Accounts receivable losses and bad debt allowances	343	129
External R&D, trademark and patent costs	267	439
Capitalised product launching costs	0	– 143
Total other operating expenses	4,114	4,449

The R&D item in the income statement shows only external research and development costs including prototyping costs as well as current costs for trademark and patent rights. In the current accounting period, no external costs were capitalised for the products launched (in accordance with Swiss GAAP FER N° 10) (previous fiscal year : 0.14 m. CHF). The total research and development costs are allocated to various items in the income statement and break down as follows:

22.2 Total research and development costs

CHF 1,000	10/11	09/10
Internal engineering	3,007	3,042
External engineering	39	305
Materials, tools and miscellaneous items	240	94
Patents	77	104
Capitalised product launching costs	0	– 143
Total development costs	3,363	3,402
As % of net sales	6,1 %	7,6 %

23. Other operating income

CHF 1,000	10/11	09/10
Commission income	295	243
Income relating to a different accounting period	135	387
Other income	194	128
Total other operating income	624	758

Sales commission for slewing rings and bearings within the Infranor Inter Group remained low due to the overall business situation.

Income relating to the previous accounting periods were mainly generated by the recovery of old receivables amounts which were previously written off.

24. Depreciation and amortisation

CHF 1,000	10/11	09/10
Depreciation of property, plant and equipment	1,040	985
Amortisation of intangible assets	865	801
Total depreciation and amortisation	1,905	1,786

The slight increased amortisation of intangible assets is the result of the investment in software and product development. More details can be found in notes 7 and 8 on pages 35 to 37.

25. Financial result

CHF 1,000	10/11	09/10
Interest income	48	71
Interest expenses to banks and third parties	– 709	– 705
Convertible bond interest expense	– 255	– 214
Interest expense of collateralised debt obligation	– 604	– 604
Net foreign exchange losses	– 545	– 177
Bank charges	– 196	– 122
Financial result	– 2,261	– 1,751

The growth of financial expenses is explained by the major increase of the net foreign exchange losses.

26. Contingent liabilities

CHF 1,000	30.4.11	30.4.10
Bank guarantees provided by Perrot Duval Holding S.A.	546	68
Guarantees provided by Infranor Inter Ltd. for banks and landlords	5,380	6,070
Infranor Inter Ltd. guarantee for collateralized debt obligation PULS CDO 2006–13	7,300	8,300
Guarantees provided to third parties	0	60
Total	13,226	14,498

As of 30 April 2011 Group companies drew on bank credit lines, which are guaranteed by Infranor Inter Ltd., in the amount of 9.4 m CHF (previous year 10.8 m CHF). Furthermore, the bank credit lines (with and without guarantees from Perrot Duval Holding S.A. or from Infranor Inter Ltd.) in favour of all Group companies, including bank discount limits, amounted to a total of 12.3 m CHF (previous year: 12.7 m CHF).

27. Pledged assets

CHF 1,000	30.4.11	30.4.10
Assignment of individual accounts receivable	251	531
Pledged assets	278	278
Total	529	809

The Infranor Spanish engineering company finance their current assets partially through assignment of receivables and discounted bills and checks.

28. Off-balance sheet obligations under operating leases and rental agreements

CHF 1,000	30.4.11	30.4.10
Obligations		
– due within one year	1,053	1,137
– due in 1 to 5 years	2,679	2,523
– due over 5 years	404	799
Total	4,136	4,459

The obligations consist almost exclusively of rental contracts for buildings used by the Infranor Group. The longest rental contract has seven years to run and was drawn up for the Cybelec S.A. building. The remaining rent obligation for this contract amounts to 2.4 m CHF (previous fiscal year 2.8 m CHF)

29. Transactions with related parties

The detailed information required by Section 663b bis of the Swiss Code of Obligations on management compensation are disclosed in the separate financial statement of Perrot Duval Holding S.A. on page 58. There are no employment contracts with non-standard periods of notice (more than one year) or with severance payment arrangements. All transactions have been conducted at arm's length.

30. Share ownership

Mr Nicolas Eichenberger held 3,715 registered shares at a nominal value of 200 CHF (that means 100 percent) and 8 bearer shares at a nominal value of 1,000 CHF, representing 17.9 percent of the share capital and 52.3 percent of the voting rights. The Board of Directors of Perrot Duval Holding S.A. has no knowledge of any parties related to members of the Board of Directors who are shareholders in Perrot Duval Holding S.A.

31. Events after the balance sheet date

The financial statements have been prepared on a going concern basis which the Directors and the Chairman/ CEO believe to be appropriate.

Between the balance sheet date and the date of publication of this Annual Report, no events occurred which could have a material impact on the consolidated financial statements for 2010/11.

32. Approval of the consolidated financial statements

The consolidated financial statements were authorised for issue by the Board of Directors of Perrot Duval Holding S.A. at its meeting on 19 July 2011. The Board of Directors will recommend to the Annual Shareholders' Meeting on 22 September 2011, that the consolidated financial statements be approved.

REPORT OF THE STATUTORY AUDITOR

pwc

To the general meeting of Perrot Duval Holding S.A.
Geneva

Report of the statutory auditor
on the consolidated financial statements

As statutory auditor, we have audited the consolidated financial statements of Perrot Duval Holding S.A., which comprise the balance sheet, income statement, statement of changes in equity, cash flow statement and notes (pages 24 to 47), for the year ended 30 April 2011.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Swiss GAAP FER and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements for the year ended 30 April 2011 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER and comply with Swiss law.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers SA

Felix Roth	Pierre-Alain Dévaud
Audit expert	Audit expert
Auditor in charge	

Lausanne, 19 July 2011

FINANCIAL REPORT OF PERROT DUVAL HOLDING S.A.

BALANCE SHEET
OF PERROT DUVAL HOLDING S.A.

ASSETS (CHF)	Note	**30.4.11**	30.4.10
Current assets			
Cash and cash equivalents		364,049	306,537
Other receivables		32,281	27,979
Prepaid expenses		12,600	20,067
Total		408,930	354,583
Fixed assets			
Securities	1	500,001	800,002
Investments	2	14,480,862	14,495,656
Loans to group companies	3	689,620	689,620
Total		15,670,483	15,985,278
Total assets		16,079,413	16,339,861

LIABILITIES (CHF)	Note	**30.4.11**	30.4.10
Current liabilities			
Current liabilities		13,361	13,752
Accrued expenses	4	194,272	144,538
Debts towards group companies	5	560,847	0
Total		768,480	158,290
Long-term liabilities			
Debts towards group companies	5	830,000	1,415,628
Debts towards third parties	5	1,500,000	1,500,000
Total		2,330,000	2,915,628
Total current and long-term liabilities		3,098,480	3,073,918
Shareholders' equity			
Share capital	6,7	4,150,000	4,150,000
Participation certificates	6,7	1,350,000	1,350,000
Reserve from capital contributions	7	1,000,000	0
Other legal reserve	7	100,000	1,100,000
Legal reserves	7	1,100,000	1,100,000
Retained earnings	7	6,380,933	6,665,943
Total	7	12,980,933	13,265,943
Total liabilities and equity		16,079,413	16,339,861

INCOME STATEMENT
OF PERROT DUVAL HOLDING S.A.

CHF	Note	10/11	09/10
Income from securities and investments	8	265,500	312,000
Financial income	9	61,781	125,437
Other income	10	12,284	134,258
Total income		339,565	571,695
General expenses	11	– 504,380	– 650,327
Financial expenses	12	– 108,582	– 112,733
Loss / profit before taxes		– 273,397	– 191,365
Income taxes		– 11,613	– 16,411
Net loss / net profit		– 285,010	– 207,776

NOTES TO THE ANNUAL FINANCIAL STATEMENTS OF PERROT DUVAL HOLDING S.A.

1. Securities

CHF	30.4.11	30.4.10
Subordinated convertible bond Infranor Inter Ltd.	500,000	800,000
Belwag AG, Bern	1	1
Reduto S.A., Freiburg	0	1
Total	500,001	800,002

On 21 December 2009, Perrot Duval Holding S.A. subscribed the seven-year subordinated convertible bond Infranor Inter Ltd. 2009–16, issued on 30 November 2009 with a coupon of 7.0 percent, to an amount of 800,000 CHF. In the current fiscal year, Perrot Duval Holding S.A. has sold 300,000 CHF. The sum of 12,600 CHF under "Prepaid expenses" represented the cumulated interest as of 30 April 2011.

2. Investments

Companies	Number of shares	Currency	Par value per share	Share capital at par value	Interest in %	30.4.11	30.4.10
Infranor Inter Ltd., Zurich	776,996	CHF	20	15,539,920	78,0	14,030,860	14,045,654
Füll Process S.A., Freiburg	810	CHF	1,000	810,000	100,0	450,000	450,000
Bleu-Indim S.A., Freiburg	50	CHF	1,000	50,000	100,0	1	1
Perrot Duval Management S.A., Coppet	100	CHF	1,000	100,000	100,0	1	1
Total net carrying amount						14,480,862	14,495,656

3. Loans to group companies

CHF	30.4.11	30.4.10
Füll Process S.A., Freiburg	689,620	689,620
Total	689,620	689,620

4. Accrued expenses

CHF	30.4.11	30.4.10
Auditing fees	25,000	25,000
Annual report and annual shareholders' meeting	70,272	70,038
Interest payable to third parties	99,000	49,500
Total	194,272	144,538

Payment on interest due was deferred to new fiscal year 2011/12.

5. Debts towards group companies and third parties

CHF	30.4.11	30.4.10
Bleu-Indim S.A., Freiburg	1,390,847	1,415,628
Third party loan	1,500,000	1,500,000
Total	2,890,847	2,915,628

The loan of 1,390,847 CHF from Bleu-Indim S.A., Freiburg, is subject to a variable rate of interest adjusted annually (3.6 percent as of 30 April 2011). It varies according to the necessary additional funds needed to finance the technical developments of Füll Engineering B.V. and for the payment of dividends to Perrot Duval Holding S.A.

Furthermore a loan of 1,500,000 CHF, subject to interest of 3.3 percent and repayable on 31 December, 2012, was granted by a third party prior to year-end 2008/09.

6. Share capital and participation certificates

		10/11	09/10
Listed, issued bearer shares at a par value of CHF 1,000		3,407	3,407
Not listed, issued registered shares at a par value of CHF 200		3,715	3,715
Share capital, fully paid up	CHF	4,150,000	4,150,000
Listed, issued participation certificates at a par value of CHF 50		27,000	27,000
Participation certificates, fully paid up	CHF	1,350,000	1,350,000

7. Shareholder's equity

CHF	Share capital	Participation certificates	Reserve from capital contribution	Other legal reserve	Unappropriated retained earnings	Total
10/11						
As at 1.5.	4,150,000	1,350,000	0	1,100,000	6,665,943	13,265,943
Transfer of reserve from capital contributions			1,000,000	– 1,000,000		0
Profit/(-)Loss for the financial year					– 285,010	– 285,010
As at 30.4.	4,150,000	1,350,000	1,000,000	100,000	6,380,933	12,980,933

8. Income from securities and investments

CHF	10/11	09/10
Dividend Belwag AG, Bern	15,500	62,000
Dividend Bleu-Indim S.A., Freiburg	250,000	250,000
Total	265,500	312,000

NOTES TO THE ANNUAL FINANCIAL STATEMENTS OF PERROT DUVAL HOLDING S.A.

9. Financial Income

CHF	10/11	09/10
Realised gain on Infranor Inter Ltd. shares and bonds	11,296	0
Subtotal of realised gains	11,296	0
Interest on subordinated convertible bond Infranor Inter Ltd. 2009–16	50,147	29,147
Interest on loan to Füll Process S.A.	0	11,158
Interest on loan to Infranor Inter Ltd.	0	84,844
Subtotal from group companies	50,147	125,149
Bank interest	338	288
Total	61,781	125,437

The decrease on the financial income is mainly due to the repayment of debts from Infranor Inter Ltd. (fully paid back in December 2009). Only one income has increased during period under review: the interest on subordinated convertible bond Infranor Inter Ltd 2009-16,issued on 30 November 2009 with a coupon of 7.0 per cent. This is due to the fact that the period of calculation is larger than previous fiscal year.

10. Other income

CHF	10/11	09/10
Income from expired dividend coupons	390	0
Income from VAT	11,894	21,789
Income from R & D provision dissolution	0	112,469
Total	12,284	134,258

The decrease is mainly due to an accrual in the amount of 112,429 CHF related to development activities was reversed during previous fiscal year.

11. General expenses

CHF	10/11	09/10
Administrative expenses	– 92,717	– 106,407
Auditors	– 16,570	– 32,180
Remuneration	– 106,050	– 106,050
Expenses related to Shareholders' Meeting and annual report	– 63,824	– 70,062
Research & development expenses	– 225,219	– 335,628
Total	– 504,380	– 650,327

In the year under review, Perrot Duval Holding S.A. did not have any major development charge. Due to a strict control of operating expenses, these maintained stable. The development of a new dispensing method for pastes and fluids at our indirect subsidiary Füll Engineering B.V. in the Netherlands, initiated in November 2007, had resulted in research costs of 225,219 CHF during the year 2010/11 (previous year: 335,628 CHF). The development was nearly achieved as of April 2011.

12. Financial expenses

CHF	10/11	09/10
Bank interest, brokerage, bank deposit expenses	– 11,884	– 16,370
Interest on advances granted by group companies	– 47,197	– 46,863
Interest to be paid related to third party loan	– 49,500	– 49,500
Revaluation participation Reduto S.A.	– 1	0
Total	– 108,582	– 112,733

The interest of 3.6 percent on the loan granted by our subsidiary Bleu-Indim S.A. represented 47,197 CHF for the financial year 2010/11.

The loan of 1,500,000 CHF granted by a third party during financial year 2008/09, was subject to interest of 3.3 percent, unpaid as of 30 April 2011 (refer to note 5).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS OF PERROT DUVAL HOLDING S.A.

13. Compensation, loans and investments made by members of the Board of Directors

CHF		Fixed gross remuneration	Variable gross remuneration	Pension fund & social security charges	Others	Total
10/11						
Board of Directors						
Nicolas Eichenberger	Chairman	40,000	0	2,500	0	42,500
Michel Juvet	Vice-Chairman	20,000	0	1,250	0	21,250
Luc Hafner	Director	20,000	0	1,250	0	21,250
Roland Wartenweiler	Director	20,000	0	958	0	20,958
Total		100,000	0	5,958	0	105,958
Delegation						
Nicolas Eichenberger 1)	Executive Director	295,066	0	59,299	6,000	360,365
Total		295,066	0	59,299	6,000	360,365
Former member of the Board of Directors						
Maurice Eichenberger	Honorary Chairman	36,000	0	1,287	0	37,287
Pierre Zähner		24,000	0	771	0	24,771
Total		60,000	0	2,058	0	62,058

CHF		Fixed gross remuneration	Variable gross remuneration	Pension fund & social security charges	Others	Total
09/10						
Board of Directors						
Nicolas Eichenberger	Chairman	40,000	0	2,420	0	42,420
Michel Juvet	Vice-Chairman	20,000	0	1,210	0	21,210
Luc Hafner	Director	20,000	0	1,210	0	21,210
Roland Wartenweiler	Director	20,000	0	1,210	0	21,210
Total		100,000	0	6,050	0	106,050
Delegation						
Nicolas Eichenberger 1)	Executive Director	292,800	0	57,088	6,000	355,888
Total		292,800	0	57,088	6,000	355,888
Former member of the Board of Directors						
Maurice Eichenberger	Honorary Chairman	36,000	0	1,287	0	37,287
Pierre Zähner		24,000	0	771	0	24,771
Total		60,000	0	2,058	0	62,058

1) Compensations are paid by role. The “Delegation” segment includes direct compensation from Infranor Group, too.

14. Share ownership

30.04.11 Board of directors		Registered shares	Bearer shares
Nicolas Eichenberger	Chairman	3,715	8
Michel Juvet	Vice-Chairman	0	5
Luc Hafner	Director	0	10
Roland Wartenweiler	Director	0	1

30.04.10 Board of directors		Registered shares	Bearer shares
Nicolas Eichenberger	Chairman	3,715	8
Michel Juvet	Vice-Chairman	0	5
Luc Hafner	Director	0	10
Roland Wartenweiler	Director	0	1

As of 30 April 2011, Mr Nicolas Eichenberger held all the 3,715 registered shares representing 17.9 percent of the share capital and 52.3 percent of the voting rights.

The Board of Directors has no knowledge of any parties related to members of the Board of Directors who are shareholders in Perrot Duval Holding S.A.

15. Contingent liabilities

Perrot Duval Holding S.A. granted temporarily a guarantee of 423'145 EUR (47,239 EUR previous fiscal year) in favour of the VR Bank Untertaunus EG in Idstein, Germany, to cover an overdraft facility of Füll Systembau GmbH in Idstein, Germany, an affiliated company of Füll Process S.A.

16. Risk Management

Risk management takes place within the Group in accordance with the principles and guidelines laid down by the management. These regulate the protection against market risks (exchange rates, interests), credit risks and liquidity risks. These risks are further discussed below. There are also guidelines for managing liquid assets and obtaining loans. Risk management is aimed at minimising potentially negative effects on the financial situation.

The Board of Directors is responsible for monitoring the Group's internal management systems, which can manage but not eliminate all business risks. These systems offer adequate but not total protection against errors and losses. Group Management is responsible for identifying and assessing significant risks for each Group company. In addition to adopting quantitative approaches and formal guidelines – which represent just one element of a comprehensive approach to risk management – Group Management attaches importance to building up and maintaining a suitable risk-management culture.

The Group's risk policy also includes protecting against risks through comprehensive and efficient insurance cover as well as through Infranor's broad spread of customers across various sectors of industry and geographical regions.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS OF PERROT DUVAL HOLDING S.A.

A comprehensive central internal control system (ICS) with an internet-based multilingual software program support obliges every group company to follow defined procedures each quarter in order to be able to fully comply with the internal guidelines and Swiss law. The Chairman/CEO reports quarterly to the Board of Directors, which reviews the ICS concept at yearly intervals with regard to identifying, evaluating and remedying risks associated with business activities and adapts it to new requirements as necessary.

17. Events after the balance sheet date

Between the balance sheet date and the date of publication of this Annual Report, no other events occurred which could have a material impact on the annual financial statements for 2010/11.

18. Approval of the annual financial statements

The annual financial statements were approved and released for publication by the Board of Directors of Perrot Duval Holding S.A. at its meeting on 19 July 2011. The Board of Directors will recommend to the General Shareholders' Meeting on 22 September 2011 that the annual financial statements be approved.

PROPOSED APPROPRIATION OF RETAINED EARNINGS

CHF	10/11	09/10
Balance brought forward from previous year	6,665,943	6,873,719
Loss for the year	– 285,010	– 207,776
Unappropriated retained earnings at the disposition of the Shareholders' Meeting	6,380,933	6,665,943
The Board of Directors will propose to the Shareholders' Meeting on 22 September 2011 that unappropriated retained earnings be utilised as follows:		
Carried forward to the new accounting period	6,380,933	6,665,943
Total available to Annual Shareholders' Meeting	6,380,933	6,665,943

REPORT OF THE STATUTORY AUDITOR

pwc

To the general meeting of Perrot Duval Holding S.A.
Geneva

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the financial statements of Perrot Duval Holding S.A., which comprise the balance sheet, income statement and notes (pages 52 to 60), for the year ended 30 April 2011.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 30 April 2011 comply with Swiss law and the company's articles of incorporation.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation.

We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers SA

Felix Roth
Audit expert
Auditor in charge

Pierre-Alain Dévaud
Audit expert

Lausanne, 19 July 2011

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AS OF 1 MAY 2011

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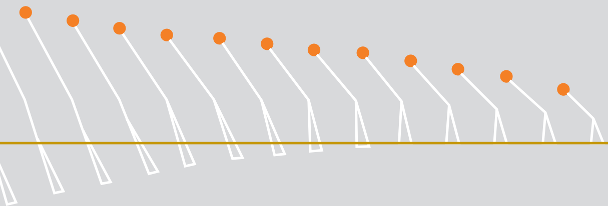

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