



Diethelm Keller Group

Europe **Asia** Americas
Americas Asia **Europe**

2012: A FAMILY COMPANY, AGAIN



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The fan tree (*ravenala madagascariensis*), also known as the traveler palm, is the symbol of the Diethelm Keller Group.

The fan tree is not only beautiful; it is strong, sturdy and enjoys long life. It bends with the wind but does not yield. The branches and leaves form a circle, thus embracing all the activities of the Diethelm Keller Group. The red color reflects the Swiss heritage and the fan tree stands for the Group's Asian roots.



The Diethelm Keller Group is an internationally active Swiss company whose roots date back nearly 150 years. The founders of the Diethelm and Edward Keller companies started by trading products between Asia and Europe. Over time, descendants of the owning families significantly expanded the trading business into marketing, logistics, and related services, while diversifying into industrial and travel activities.

In 2002, the trading businesses were integrated into DKSH Holding as a majority-owned affiliate of Diethelm Keller Holding. After DKSH successfully went public in March 2012, Diethelm Keller Holding, with 46% ownership, remains the anchor shareholder of DKSH.

Today the Diethelm Keller Group consists of four operating units, one investment company and a 46% participation in DKSH. All operating units hold strong market positions in their respective fields and operate with a high degree of entrepreneurial autonomy. At the end of 2012, the four operating units and DK Investments employed 3,981 people in 27 countries.

- DK Brands owns a portfolio of leading Swiss and international proprietary brands focused on household, kitchen and barbecue products
- DK Industrial provides integrated cleaning solutions for professional applications and is a manufacturer of top-quality aluminum products for transport solutions
- DK Investments was established primarily to hold new corporate engagements
- Diethelm Travel is a major destination management company in Asia
- STA Travel is the world's leading travel company for students and young people
- DKSH (46% ownership) is the leading Market Expansion Services provider with a focus on Asia

2012: A family company, again

Dear shareholders

Dear business partners, staff members and friends

2012 marks the beginning of a promising new chapter in the history of Diethelm Keller Group. The operations founded and developed under the leadership of our three preceding generations were merged in 2000 to form Diethelm Keller Holding Ltd. (DKH), which two years later added the business of SiberHegner Group. Since the year 2000 DKH increased total sales from CHF 4.6 billion to over CHF 11 billion in 2011 – a remarkable achievement for which my colleagues on the Board of Directors and I would like to wholeheartedly thank the many thousands of dedicated people involved in this success story.



The original Diethelm and Keller trading business with roots in Asia started humbly in the middle of the 19th century. After its set-up in 2002, DKSH Holding Ltd. developed the business into a highly successful Market Expansion Services Industry focused on Asia. DKSH in a thoroughly planned and well executed Initial Public Offering (IPO) went public in March 2012 in Zurich and since then is successfully traded on the SIX Swiss Exchange.

The impact of this development is reflected in this year's Annual Review of DKH. Sales of Diethelm Keller Group for 2012 amount to CHF 1.5 billion due to the fact that DKSH Holding Ltd. is not consolidated anymore, but it remains in our books as an investment albeit an impressive one. We are anchor shareholders of DKSH with our 46 % stake and proudly guide the company on Board level with our partners and shareholders. The change in our relationship is shown graphically in this Annual Review.

Besides its stake in DKSH the Diethelm Keller Group today owns the following five subsidiaries:

- DK Brands Ltd. combines all household products brand companies
- DK Industrial, at present a virtual structure, consists of Wetrok, EDAK and Diethelm Keller Aviation
- DK Investments Ltd., a newly incorporated unit, owns a majority stake in Angela Bruderer Ltd., a catalogue and internet sales business located in Winterthur, Switzerland, and 100 % of the outdoor furniture brand Gloster
- Diethelm Travel Holding Ltd.
- STA Travel Holding Ltd.



DK Industrial



2012 was a year of far reaching changes for the Diethelm Keller Group: we had to redefine the Group's focus and adapt its organization to the promising opportunities in a very challenging business environment. To this end and focusing on new growth opportunities we founded the new subsidiary DK Investments. This new entity is intended to hold new corporate engagements of the Group and will follow a long-term investment policy successfully practiced by the Diethelm Keller family investors. Furthermore the Board of Directors established a Strategy Committee, which was tasked to regularly review the strategies pursued by the various subsidiaries with the clear goal of minimizing hidden business risk positions.

The work of the Strategy Committee resulted in various subsidiaries changing and redefining their strategic options. This review also led to extensive discussions with all Chief Executive Officers (CEOs). Differing views on company positioning and strategy led to the resignation of the CEOs of DK Brands, Diethelm Travel and STA Travel. As new head of DK Brands we are glad to welcome Martina Müller who joins the Group from the outside. At the same time our best wishes go to Richard R. Brouwer (Diethelm Travel) and John Constable (STA Travel) in their new positions. The Group's Corporate Office was also redesigned and adapted to the needs of the new organization.

All managers and staff started with great enthusiasm into 2013 which already brought about good progress. Our strive to build a sustainable organization is led now also by members of the 5th generation of the founding families through the creation of an Advisory Board, which will be officially approved at the Annual General Meeting of DKH in May 2013.

Let me conclude by expressing also on behalf of my colleagues on the Board of Directors our thanks and appreciation for the work of all our staff in all the subsidiaries. Finally I wish to express our gratitude for the lasting support received by business partners and friends.

Andreas W. Keller
Chairman

Diethelm Keller Group: Key figures
(Financial figures in CHF million)

| | 2012 | 2011 |
|--------------------------|--------------------|--------|
| Total sales ¹ | 1,563 ² | 11,615 |
| Employees at year-end | 3,981 ³ | 28,683 |

Locations

Headquarters: Zurich (Switzerland)

International presence: Companies and branch offices in 27 countries.

- ¹ Total sales represent for example for STA Travel the sold tickets and other services whereas pursuant to International Financial Reporting Standards (IFRS) only the commissions earned on these transactions are recognized as Diethelm Keller Group net sales.
- ² This number excludes sales of DKSH, which for two months prior to IPO were consolidated under IFRS. Thereafter, Diethelm Keller Holding holds a participation of 46 % in DKSH. See page 29.
- ³ This number of employees excludes DKSH, following IPO in March 2012.

Professional standards as a guiding principle

Diethelm Keller Holding Ltd. is a privately held company, principally owned by descendants of the founders via the parent company DKH Holding Ltd.

The Diethelm Keller Group is committed to the principles of good corporate governance, has a professionally organized Board and applies group-wide International Financial Reporting Standards (IFRS).

Diethelm Keller Holding Ltd.

Board of Directors

Andreas W. Keller, Chairman
 Adrian T. Keller, Vice Chairman
 Jean-Daniel de Schaller
 Walter Ehrbar ¹
 Dr. Joerg W. Wolle
 Rudolf Ehrbar ²

Executive Committee

Andreas W. Keller, Chairman
 Adrian T. Keller
 Jean-Daniel de Schaller

Strategy Committee

Andreas W. Keller, Chairman
 Adrian T. Keller
 Dr. Joerg W. Wolle

Audit Committee

Walter Ehrbar ¹, Chairman
 Adrian T. Keller
 Rudolf Ehrbar ², Chairman

¹ Walter Ehrbar until May 28, 2013

² Rudolf Ehrbar from May 28, 2013

Diethelm Keller Group Management

Beat Schwendener, Chief Financial Officer
 Frank Wilper, General Counsel and Head Mergers & Acquisitions
 Markus Keller, Head of Corporate Affairs

Auditor

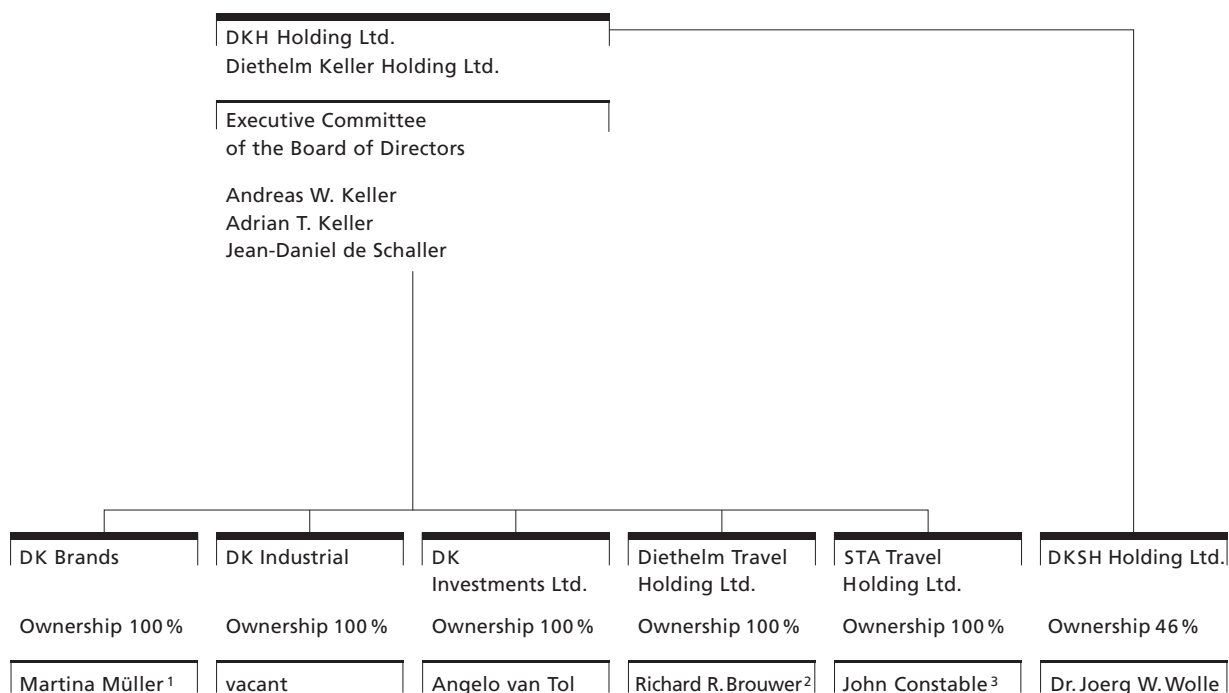
Ernst & Young Ltd., Zurich

The reception area at headquarters of Diethelm Keller Holding in Zurich, highlighting the fan tree, symbol of the Diethelm Keller Group.





DK Industrial



1 Martina Müller: from February 2013
 Sepp von Arx: until January 2013
 2 Richard Brouwer: from November 2012
 John Watson: until October 2012
 3 John Constable: from November 2012
 Peter Liney: until October 2012

Operating units and investment companies



DK Brands

DK Brands owns a portfolio of leading Swiss and international proprietary brands focusing on the design, production and marketing of innovative household products. DK Brands employs 266 people in eight countries and sells its products in more than 60 countries. CEO: Martina Müller.

DK Industrial

DK Industrial

DK Industrial consists of Swiss and international proprietary brands specializing in industrial cleaning systems, aluminum equipment for the airline industry and transport solutions. DK Industrial companies are active in eight countries, employing 531 people.



DK Investments

DK Investments was established primarily to hold new corporate engagements. Family succession and related investments are main activities.

721 employees.

CEO: Angelo van Tol.

DK Brands

The seven proprietary brands specialize in designing and producing small electrical kitchen appliances and consumer electronics, manual kitchen appliances, barbecues and accessories.

DK Industrial companies

DK Industrial provides integrated cleaning solutions for professional application under the Wetrok brand in more than 24 countries. Edak and Diethelm Keller Aviation develop, manufacture and sell top quality aluminum products for transport solutions to international customers.

DK Investments companies

Gloster, a leading company in the premium outdoor furniture market, is part of DK Investments which also holds 70% of Angela Bruderer, a Swiss mail-order firm.






Diethelm Travel

Over the last five decades, Diethelm Travel has evolved to become a leading destination management company in Asia. Diethelm Travel services tour operators worldwide from 93 countries. 522 employees in 13 countries. CEO: Richard R. Brouwer.

Diethelm Travel locations

Diethelm Travel offers professional inbound travel services in 13 countries and is active in the incentive and meeting business.

Bhutan
Cambodia
China
Hong Kong
India
Laos
Malaysia
Maldives
Myanmar
Singapore
Sri Lanka
Thailand
Vietnam



STA Travel

STA Travel was originally established in Australia and acquired by the Diethelm Keller Group in 1979. Today it is the world's leading travel company for students and young people, with 1,917 employees in eleven countries and licensing partners in another 49 countries. CEO: John Constable.

STA Travel locations

STA Travel sells its products and services to young people with a love for adventure. STA Travel covers individual journeys, group tours, language holidays, and work and travel programs. The company operates a network of 234 retail travel stores, call centers and websites in:

Australia
Austria
Germany
Japan
New Zealand
Singapore
South Africa
Switzerland
Thailand
United Kingdom
United States



DKSH

DKSH, a 46% participation of Diethelm Keller Holding, is the leading Market Expansion Services provider with a focus on Asia. DKSH offers integrated and tailor-made services along the entire value chain, operating with approximately 25,900 employees in 35 countries. CEO: Dr. Joerg W. Wolle.

Business units

Consumer Goods
focuses on fast moving consumer goods, food services, luxury goods, fashion and lifestyle products, as well as hair and skin cosmetics.

Healthcare
supports companies in the area of ethical pharmaceuticals, consumer health, over-the-counter (OTC), as well as medical devices.

Performance Materials
provides and distributes specialty chemicals and ingredients for pharmaceutical, personal care, food & beverage, as well as various industrial applications.

Technology
offers solutions for capital investment goods and analytical instruments in the areas of manufacturing and production, energy, research, food & beverage, advanced metals, and infrastructure.

Historic milestones



In 1887, Wilhelm Heinrich Diethelm purchased the majority of the shares of his employer, Hooglandt & Co., Singapore, and Edward Anton Keller acquired his employer's company, Lutz & Co., Manila (Philippines). Dedication to their companies and knowledge of their markets and customers were essential for the development of strong ties with international business partners.

Andreas W. Keller, Chairman of DKH, characterized the merger of the Diethelm and Keller groups as follows: "Out of Diethelm and Keller, a single group was born that is stronger than the individual companies added together. This was made possible by the vision of our predecessors, who coordinated the development of both groups to avoid duplications of effort and create potential synergies."



The fan tree logo of Diethelm & Co. Ltd., registered as a trademark in Saigon in the late 19th century.

In the late 1860s two young Swiss pioneers, Wilhelm Heinrich Diethelm and Edward Anton Keller, ventured to the Far East. Diethelm settled down in Singapore and Keller chose the Philippines as his new home.

Diversification, together with a policy of reinvesting profits, provided the basis for continuous growth. Diethelm & Co. Ltd. and Edward Keller Ltd. had the foresight to tap into the potential of their extensive networks throughout Asia, Europe and the Americas and combine them with their core competencies.

Although cooperation between the two families and their companies dates back to the beginning of the 20th century, the establishment of the Diethelm Keller Group did not take place until 100 years later, in July 2000, when the two groups merged into the newly founded Diethelm Keller Holding Ltd. (DKH).

In the 1950s, Diethelm & Co. Ltd. and Edward Keller Ltd. began to expand their presence in Europe to balance their strong position in Asia. Over the years, they built up a portfolio of brands. These companies were integrated under the umbrella of Diethelm Keller Brands. In 2012, after additional acquisitions of international household brands, the household goods business became the strategic focal point of Diethelm Keller Brands, now called DK Brands. At about the same time the industrial brands were integrated into the new organizational unit DK Industrial and Gloster was transferred to the newly formed investment company DK Investments Ltd.

DKH's travel activities also date back to the 1950s, when Diethelm & Co. Ltd. began to offer travel services in Southeast Asia. Today, Diethelm Travel is a leading destination management company in the region.

STA Travel was acquired in 1979. Established in the early 1970s, STA Travel is the world's premier travel organization for students and young people. STA Travel is present in 60 countries.

DKSH Holding Ltd. was formed in June 2002 through the merger of Diethelm Keller Services Asia Ltd. and SiberHegner Holding Ltd. SiberHegner's roots date back to 1865 when Hermann Siber, another pioneering Swiss entrepreneur, founded his own trading company in Yokohama. In the recent past, DKSH changed from a traditional trading house into a highly specialized services provider able to blend into the value chain of its business partners. Today, DKSH is the leading Market Expansion Services provider with a focus on Asia.

DKSH offers sourcing, marketing, sales, distribution and after-sales services and provides its partners with sound expertise and on-the-ground logistics based on a comprehensive network of unique size and depth established over its long history. The company went public in March 2012, whereby all substantial DKSH shareholders sold part of their holdings, creating a float of about 19 million shares. The shares now trade on the SIX Swiss Exchange under the symbol "DKSH".

Values and success factors

– Respect

We conduct our business with responsibility and respect toward people, cultures, countries, and the environment. We respect national customs, regulations and laws.

– Fairness

We are proud of the good reputation which the names Diethelm and Keller have enjoyed for generations, standing for credibility, stability and fairness.

– Integrity

We are committed to the highest standards of ethics and integrity throughout our company. It is a key requirement for employees to succeed in our organization.

– Learning culture

We foster an active, professional exchange of know-how among our employees by providing an open environment for our multicultural, multilingual and geographically diverse staff.

– Commitment to customers

We are fully committed to the products and services we provide and distribute. With our know-how, reliability and efficiency, we make sure that our customers' interests are optimally served.

– Sustainability

We pursue a long-term strategy of sustainable growth. We integrate economic, environmental and social considerations into our decision-making.

– Long-term financial orientation

We are strategic investors in our various businesses. Sustainable profitability combined with a conservative dividend policy allows our companies to grow long-term. In the process of the going public of DKSH, Diethelm Keller Holding has reduced its ownership stake, thereby realizing a broader financial diversification and returning to being a predominantly family owned holding company.

– Operating autonomy

Our operating units can rely on a high degree of entrepreneurial and financial autonomy in the implementation of their long-term strategies. Each entity is responsible for its financial soundness and is allowed to retain sufficient profits to enable a long-term growth strategy.

Our values

The Diethelm Keller Group is an enterprise in the tradition of European family companies. The owners have a long-term commitment to the business. We are proud of our company's long-standing reputation, which is based on our principal values.

Our success factors

The long-term strategy and the balance of risk exposure are determined by the shareholders to safeguard the long-term viability of our company. The responsibility and the authority to operate our various businesses are delegated to the operating units, which enjoy a high degree of entrepreneurial freedom. Our success is based on key business principles to which we strictly adhere.



DK Industrial



Highlights

January

- DK Brands
New Zyliss distributor appointed for Denmark
- Diethelm Travel
Hans van den Born is promoted to Managing Director in Thailand
- STA Travel
Opening of new store in Christchurch (New Zealand)
- DKSH
Opening of a new distribution center for consumer goods in Thailand

February

- DK Brands
Zyliss wins red dot award for its fast cut herb tool
- DK Industrial
Diethelm Keller Aviation starts delivery of airline carts to Boeing for the B787 Dreamliner

March

- DK Brands
Turmix launches Platinum, the new premium kitchen appliances line, in Switzerland
- DK Industrial
Wetrok signs contract with new partner in South Africa
- STA Travel
Kay Fischer is appointed new Managing Director Central Europe
- DKSH
Successful IPO on the SIX Swiss Exchange with a free float of about 30 %

April

- DK Brands
Turmix launches fully automatic coffee machines "Just Touch"
- DK Industrial
Diethelm Keller Aviation implements a production information system connecting machines and operators on a common platform
- Diethelm Travel
The Malaysian organization wins the Pepsico account
- STA Travel
Opening of the first retail store in France (Paris) based on a Joint Venture with ISIC France
Launch of a new point of sales system (1Source) for land products
- DKSH
Opening of two innovation centers in Bangkok and Taipei

May

- DK Industrial
Diethelm Keller Aviation gets the Plaque of Commendation Award of the National Trade Union Congress for outstanding contributions to the labor movements in Singapore
Wetrok launches "Tango", the world's smallest scrubber dryer for professional use
- Diethelm Travel
DT Sri Lanka and DT Maldives sign agreement to handle the FTI Germany account
- STA Travel
Acquisition of the remaining 61% in Reisedienst Deutscher Studentenschaften
- DKSH
Opening of a new distribution center for consumer goods in Hong Kong

June

- DK Brands
Launch of the Jamie Oliver product range in South Korea
- DK Industrial
Edak wins large contract for transit cases for the DCIS project for (CASSIDIAN/EADS)
- DKSH
Acquisition of Australian specialty cables distributor ElectCables

July

- DK Investments
Foundation of DK Investments Ltd. in Zurich with entry into commercial register and commencement of its operation
Acquisition of Angela Bruderer (70%), a Swiss mail-order firm
- Diethelm Travel
DT Sri Lanka and DT Maldives sign agreement for the Stella UK account
- STA Travel
Signing of a five-year global partnership agreement with Allianz Global Assistance
New US flagship store is opened on Broadway in New York City
- DKSH
Acquisition of the German/Japanese trading house Clay

From left:

The fast cut herb tool from *Zyliss* was distinguished with the "red dot design award".

Outdoorchef presented its new barbecue "Geneva" at the Spoga trade fair in Cologne (Germany).

In response to growing online customer activity, *STA Travel* launched new website homepages.





DK Industrial



August

- DK Brands
Launch of all manual kitchen appliance brands in Egypt
- DK Investments
Gloster moves from a distributor arrangement to direct selling in Italy

Angela Bruderer starts multichannel commerce by opening the first retail shop in St. Gallen

- Diethelm Travel
DT Thailand wins Creative Holidays (Australia) account, bringing more than 40,000 clients annually to Phuket
- DKSH
Divestment of non-core contract manufacturing plant OLIC in Thailand

Opening of a replacement distribution center for business units in Thailand

September

- DK Brands
Launch of Cole & Mason Precision Grind electronic mills

The new Outdoorchef barbecue "Geneva" is launched at Spoga in Cologne (Germany)

Start of international roll-out of Turmix Platinum into Austria, Benelux and Germany

Turmix introduces the "Juicepresso" slow juicer

Koenig launches new "Cooking on the Table" products
- DK Industrial
Edak introduces full line of aluminum ladder systems for manholes

- DK Investments
Gloster gets a large contract order from P&O Cruises

- Diethelm Travel
DT Thailand wins the TTG Travel Award
- STA Travel
International rail booking system goes live in-store and on websites

October

- DK Industrial
Edak introduces dip brazing technology for the manufacture of air conditioning units
- DK Investments
Gloster opens a flagship store in Hollywood, Los Angeles
- Diethelm Travel
20 year anniversary of Diethelm Travel Cambodia

Diethelm Travel wins two World Travel Awards

November

- DK Brands
Turmix Platinum is awarded the red dot German design prize
- DK Industrial
Edak wins contracts for transit cases and heat exchanger covers for the US Military

Edak, Wetrok and Diethelm Keller Aviation are integrated into DK Industrial

Wetrok announces the full integration of Minatol into the Wetrok organization
- Diethelm Travel
Richard R. Brouwer is appointed Chief Executive Officer

Appointment of Maarten Groeneveld as Chief Operating Officer

- STA Travel
John Constable is appointed Chief Executive Officer

- DKSH
DKSH acquires specialty chemicals distributor Staerkle & Nagler, a Swiss service and trading company

Appointment of Bruno Sidler as Chief Operating Officer as of February 1, 2013

December

- DK Brands
A new brand positioning and packaging for Zyliss is launched internationally
- DK Investments
The Gloster factory in Indonesia is restructured to gain more production flexibility
- Diethelm Travel
Etihad Airways appoints Diethelm Travel organizations in Hong Kong, Singapore and Vietnam to handle their holiday program for 2013

January 2013

- Diethelm Travel
Diethelm Travel Sri Lanka is appointed as PSA (Passenger Sales Agent) for Singapore Airlines

Appointment of Patama Narintarakool as Group Managing Director Finance
- DKSH
DKSH acquires medical device distributor Miraecare in Korea

February 2013

- DK Brands
Appointment of Martina Müller as Chief Executive Officer



The fine art of cooking – inspiration, creativity, and the best of ingredients – pairs well with the art of finest Swiss kitchenware, as practiced by Turmix, a symbol for Swiss quality and one of DK Brands' most reputed household brands. The new Platinum product line from Turmix combines innovative features with stunning design. All four Platinum tools – blender, stick mixer, hand mixer, and juicer – won the most prestigious international design prize, the "red dot: best of the best" award.



DK Brands:

Passion for quality and innovation



DK Brands – the company name reflects both the vision and mission of the owners who, in the middle of the last century, started to invest in Europe to complement their strong position in Asia by acquiring Swiss and international brand companies with leading positions in their business fields. Since that time, DK Brands has continually adapted its portfolio and invested in brand development, innovation and market expansion. In the recent past, DK Brands has placed a special focus on building up its international market position in the manufacture and distribution of household and kitchen products.

Accordingly, towards the end of 2012, DK Brands' eleven companies were realigned. While the seven household brands remained under the DK Brands umbrella, the three industrial brands, Wetrok, Diethelm Keller Aviation and Edak, were split off to form DK Industrial. Gloster, the internationally reputed producer of outdoor furniture, was transferred to the newly formed investment company DK Investments. The reporting in this Annual Review reflects the new structure.

2012: DK Brands expands its business

In 2012, DK Brands concentrated all efforts on strengthening and further developing its key brands through increased investment in brand building and innovation. At the beginning of the year, the company structure with three business units – electrical kitchen appliances and consumer electronics, manual kitchen appliances, and barbecue products – was fully operational and started to pay off. At the same time, the company intensified sales activities by selectively expanding its sales teams, entered new markets and expanded its distributor network. Functional activities were centralized with the objective of increasing the leverage of scale in supply chain management as well as in finance and controlling.

2012 was a difficult year for electrical appliances. Sales declined by 6 %, mainly as a consequence of significantly lower sales of Nespresso machines. Nespresso sales were affected by the delayed introduction of innovations as well as much lower prices of new and existing machines. This trend toward lower prices is expected to continue, as numerous new entries in this market segment are intensifying the competitive environment. The introduction of the U machine, a new product line of Nespresso, proved successful.

DK Brands: Key figures (Financial figures in CHF million)

| | 2012 | 2011 | +/- % |
|--------------------------|------|------|-------|
| Net sales | 157 | 156 | +1 |
| Employees at year-end | 266 | 246 | +8 |

Management

| |
|---|
| Martina Müller ¹ , Chief Executive Officer |
| Christoph Ernst, Chief Financial Officer |
| Nick Cornwell, Head of Sales and Markets |
| Alonso Quilez, Head of Sourcing and Supply |

¹ Martina Müller: CEO from February 2013
Sepp von Arx: CEO until January 2013

Locations

| |
|---|
| Headquarters: Zurich (Switzerland) |
| Subsidiaries in Austria, China, France, Germany, Switzerland, The Netherlands, United Kingdom, and USA |

Board of Directors

| |
|---------------------------------|
| Andreas W. Keller, Chairman |
| Adrian T. Keller, Vice Chairman |
| Jean-Daniel de Schaller |
| Angelo van Tol ¹ |

¹ from October 2012

Intensive competition put pressure on
Nespresso coffee machine prices

The Turmix Platinum product line won the most prestigious German design award

The highlight of the year in electrical appliances was the successful launch of Turmix Platinum, a new range of premium high-tech appliances which are manufactured in Switzerland. After years of product development Turmix Platinum was launched in Switzerland in March, backed by a nationwide demonstration and merchandizing campaign. The products have been well received by both retailers and consumers. Later in the year, Turmix Platinum was rolled out in Austria, followed by the expansion into Benelux and Germany in October. Turmix Platinum stands out in a highly contested market thanks to its design and quality. The Platinum line won the 2013 red dot award in product design in the highest category "red dot: best of the best" for all four products in this line.

Turmix benefited from a Coca Cola loyalty promotion as well as from newly set-up in-store demonstrations to promote the launches of the new "Just Touch" automatic coffee machine and the "Juicepresso" slow juicer. With the "Just Touch" launch Turmix re-entered the segment of automatic coffee machines after a long absence. In parallel, the company started activities in a new segment of food preparation appliances. Koenig achieved record sales, growing by 14 % with strong sales from the new products in its key segment "Cooking at the Table".

Manual kitchen appliances saw strong growth

2012 was again a year of growth for the manual appliances brands. For the third year in a row, excellent sales progress was made in the USA with a double-digit growth driven by both new products and expanded distribution. The UK as well as the international distributor markets also showed progress. Cole & Mason delivered the standout performance with 18 % growth compared to 2011.

This was driven by the roll-out of the new Precision Grind mechanisms as well as major customer acquisitions in the USA.

In the most important American market, Cole & Mason became the category leader in one of the largest and most prestigious retail chains, auguring well for future sales growth. The Culinare and Jamie Oliver brands also grew considerably, particularly in Australia and UK. Both brands established a strong position in their business niches.



In the 4th quarter, the key brands Zyliss and Cole & Mason were repositioned, including communication and packaging for international retail partners. Zyliss is being supported by the “Happy Cooking” tagline and Cole & Mason by “Release the Flavor”. The brand and product development teams moved to dedicated premises in Farnborough in order to strengthen their focus on the business and reduce dependency on the local UK operation.

Brand and product development efforts were intensified

Outdoorchef increased the barbecue business by a strong 17 % thanks to the strengthened sales force and efforts in Germany, Benelux and France. European distribution business partners supported this growth with their own activities. The Outdoorchef brand and business development team was enlarged and centralized in Zurich. The team focused on creating a full range of accessories and consolidating this position and the brand communication for Outdoorchef. Sales of Koenig barbecues declined by 24 % due to the loss of a major retailer in Switzerland. The acquisition of Heat in August 2011 complemented the barbecue portfolio with a high end product.

Outdoorchef barbecues were in high demand

Outlook

In 2013, DK Brands will continue to strengthen the position of its key brands through continued focus on brand-building and innovation. All of the major brands have a full pipeline of important new products waiting to be launched and promising solid growth prospects. Increased emphasis on expanding market presence in retail and distribution channels will be an additional lever for growth. The move to a functional structure forms the basis for better leveraging of resources in all areas, while the further alignment of process and structure is aimed at improving operational efficiency.

New products are ready for the market

It takes two to tango. And while there's no way to dance with the "Tango", it sure must feel like dancing when you use the world's smallest yet powerful scrubber dryer to polish the floor of a passenger area at the airport. "Tango" can just as easily reach under tables and benches. Wetrok, a DK Industrial Swiss brand company, is the creator of this high-grade, high-performance product. This machine was well received on the market and underlined Wetrok's strength as a reliable partner in the professional cleaning business.



DK Industrial: New home for industrial ingenuity



Since November 2012, DK Industrial has existed as an organizational unit of the Diethelm Keller Group. At that time, as Diethelm Keller Brands pursued its strategic and structural realignment with a clear focus on household products, the three industrial brand companies in the Diethelm Keller Brands portfolio – Wetrok, Edak and Diethelm Keller Aviation – were grouped together to form DK Industrial. While different in their fields of activities, ranging from professional cleaning systems to transport solutions, the three companies share the drive for industrial ingenuity.

2012: Investing in efficiency

In 2012, Wetrok, a specialist in cleaning solutions for professional use, completed its restructuring program launched in 2010 in order to strengthen the organization and increase profitability. The company restructured its operation in Sweden, integrated the business of Minatol, reorganized its Swiss sales organization and completed its decentralized production strategy. In May, Wetrok launched “Tango”, the world’s smallest scrubber dryer for professional users. Tango’s sales substantially exceeded expectations and helped to position Wetrok as a leader in the segment of small scrubber dryers. New international partnerships were built, supporting the drive to increase market share in key markets. Despite these efforts, sales remained below expectations, but operational profitability was further strengthened.

As the national defense budgets in traditional markets of Edak, the Swiss-based manufacturer and marketer of aluminum and stainless steel products, continued to decrease, some new projects came under pressure in 2012. However, the successful expansion into new markets started to pay off. In 2012 Edak continued its strong marketing activities in its Swiss and international business. The company explored additional markets and put strong emphasis on new manufacturing technologies.

Diethelm Keller Aviation, one of the world’s leading manufacturers of airline food service equipment, increased its business by 7 %. The company enhanced its core operational base in Singapore. The production performance was also boosted through the expansion of its plant in Suzhou, China. During the year, Diethelm Keller Aviation started supplying airline carts to Boeing for the B787 Dreamliner aircraft under a long-term contract.

Outlook

All three companies are set to increase their business through geographical expansion and the introduction of new innovative products, backed by strong efforts in sales management and product development. As market conditions remain cloudy and challenging, continuous efforts toward operational efficiency will be needed to achieve sustainable profitable growth.

DK Industrial: Key figures (Financial figures in CHF million)

| | 2012 | 2011 | +/- % |
|-----------------------|------|------|-------|
| Net sales | 108 | 112 | -4 |
| Employees at year-end | 531 | 576 | -8 |

Management

Chia Chee Seng, Managing Director Diethelm Keller Aviation Pte Ltd., Singapore

Heinz Strüby, Managing Director EDAK Ltd., Dachsen (Switzerland)

Mario Hochstrasser, Managing Director Wetrok Ltd., Kloten (Switzerland)

Locations

Headquarters: Zurich (Switzerland)

Three companies and six subsidiaries in Austria, China, Germany, Poland, Singapore, Sweden, Switzerland, and USA

Boeing’s Dreamliner is equipped with Diethelm Keller Aviation carts

Over the last 50 years, Gloster has developed into being the world's leading brand for luxury outdoor furniture. Gloster's heritage is teak furniture and in the last 20 years the company has expanded to use a wide variety of other materials to produce exceptional designs that lead the market. Gloster sells in over 40 countries with the USA being the largest market. With the opening of its first flagship store in Los Angeles in 2012, Gloster has written another new chapter in the company's history. Diethelm Keller has been a 50 % shareholder in the Gloster Group since 1974 and the sole owner since 2011.



DK Investments:

Experience and value-orientation at work



DK Investments, founded in July 2012 as an investment company of Diethelm Keller Group, was established to hold new corporate engagements. The company's investment policy is guided by the long-standing principles successfully practiced by the Diethelm Keller family investors: long-term ownership or participation, value generation and sustainable development and growth. Gloster, the main high-end worldwide brand for teak outdoor furniture transferred from DK Brands, and Angela Bruderer, a leading Swiss mail-order company in which DK Investments holds a 70% interest, are part of DK Investments.

2012: Shaping up an attractive business model

The participation model of DK Investments allows ownership of 100% as well as participations as lead investor jointly with minority investors. DK Investments is interested in particular, but not exclusively, in companies which fit into the existing business portfolio of the Group, permitting to take advantage of synergies. The aim is to pursue long-term engagements geared towards shaping the business and safeguarding steady payment of dividends. In this regard, DK Investments differs considerably from other rather short-term oriented private-equity and venture-capital models. Family succession and related investments are main activities and an ideal arena for DK Investments to demonstrate its experience, sensibility and core competences.

In 2012, Gloster benefited from new products launched in 2011 as well as from broader distribution in particular in the US. The company grew by 10%. Gloster successfully opened its first flagship store in Los Angeles in October, a landmark achievement in its history. The Gloster factory in Indonesia was aligned to achieve greater flexibility in production. The position of the Gloster brand was strengthened and supported by an unparalleled media campaign.

After record revenues in 2010 and 2011, Angela Bruderer's net sales in 2012 once again considerably rose. Strongly expanded online activities and new clients gained over the past few years generated a significant portion of total sales. Good growth was achieved in the French-speaking part of Switzerland where sales nearly quintupled since 2011 when the company returned to this market. The implementation of a multichannel sales concept added further impetus to the business expansion.

Outlook

Promising investment avenues are currently under review by DK Investments which is determined to successfully expand its portfolio.

DK Investments: Key figures (Financial figures in CHF million)

| | 2012 | 2011 |
|---------------------------------------|-----------------|------|
| Net sales ¹ | 73 ² | 34 |
| Employees ¹ at year-end | 721 | 994 |

¹ including Gloster

² Angela Bruderer acquired in 2012, net sales include full year 2012

Management

| |
|--|
| Angelo van Tol, Chief Executive Officer DK Investments |
| Beat Schwendener, Chief Financial Officer Diethelm Keller Group |
| Charles Vernon, Managing Director Gloster Furniture Ltd., Bristol (UK) |
| Jochen Thomann, Managing Director Angela Bruderer AG, Winterthur (Switzerland) |

Locations

| |
|--|
| Headquarters: Zurich (Switzerland) |
| Six companies in China, Indonesia, Singapore, Switzerland, United Kingdom, and USA |

Board of Directors

| |
|-----------------------------|
| Andreas W. Keller, Chairman |
| Adrian T. Keller |
| Jean-Daniel de Schaller |

Gloster opened a flagship store in Los Angeles

A multichannel sales concept supported the business expansion

Diethelm Travel hoisted its flag relatively early in Vietnam. In 1999, eight years after the first foray outside of its home country of Thailand, the company opened offices in Hanoi and Ho Chi Minh City. At present sprouting resorts of leading international hotel brands – like Inter-Continental's Danang Sun Peninsula Resort – showcase the rich history of Vietnam with a modern twist and testify to the country's growing popularity as a destination. Diethelm Travel Vietnam has prepared for the increasing tourist demand by strengthening its infrastructure.



Diethelm Travel:

A travel industry leader in Asia



Since its beginnings at its home base of Bangkok in April 1957, Diethelm Travel has grown to become one of the largest and most prominent inbound tourist operators in Asia. Diethelm Travel employs a multi-lingual staff 500 strong, handles in excess of 500,000 leisure and business travelers annually and serves thousands of quality tour operators and travel agents across the globe. Diethelm Travel initially specialized in tours around Thailand, exposing travelers to the kingdom's beauty and charms. The company's first foray outside Thailand came in 1991 when it opened its office in Vientiane, Laos. Diethelm Travel gradually expanded its business, operating today from offices in 13 countries.

2012: Challenges and progress

In the recent past, tourism saw significant growth on a global level. In 2012 growth was particularly strong in some of the countries in which Diethelm Travel operates. In particular, Diethelm Travel's long-standing presence in Myanmar paid off as the political opening of that country generated a strong influx of tourists. Other Diethelm Travel destinations expanded the company's client base. The changing ways travel is being planned and arrangements are being made, for example, due to increased direct access to online hotel databases give rise to new challenges faced by the travel industry, as does the shift in source markets from those normally producing sustained traveler volumes to new emerging market giants such as India and China.

However, 2012 provided some evidence that many tour operators and travel agents still hold the traditional inbound tourism services model pioneered by Diethelm Travel in high esteem. A number of Diethelm Travel's competitors realigned their market strategies accordingly, resulting in a declining focus on core destination management services.

Diethelm Travel Bhutan saw significant passenger growth from the USA and German markets. Additionally, Diethelm Travel, as one of only two tourism companies in the country, was invited to participate in an economic mission to Russia which produced new business opportunities. The Bhutan operation will also benefit from the launch of Druk Air services between Singapore and Paro.

Diethelm Travel Cambodia's anticipated growth was tempered by the popularity of Myanmar as a tourist destination. The future, however, looks bright due to the expansion of direct air capacity out of Australia and Asian countries. Diethelm Travel Cambodia's integration into the company-wide IT platform Canary of Diethelm Travel will help facilitate its operation.

Diethelm Travel: Key figures

(Financial figures in CHF million)

| | 2012 | 2011 | +/- % |
|--------------------------|------|------|-------|
| Total sales ¹ | 78 | 74 | +5 |
| Net sales | 53 | 49 | +8 |
| Employees at year-end | 522 | 520 | 0 |

¹ Sales from inbound travel operator activities are recorded as the amount invoiced to the customer. On all other services (i. e. air ticket sales) the commissions earned on these transactions are recognized as net sales.

Management

| |
|---|
| Richard R. Brouwer ¹ , Chief Executive Officer |
| Maarten Groeneveld, Chief Operating Officer |
| Patama Narintarangkool ² , Group Managing Director Finance |

¹ Richard R. Brouwer: CEO from November 2012
John Watson: CEO until October 2012

² Patama Narintarangkool: Group Managing Director Finance from January 2013
David Gostling: Group Managing Director Finance until December 2012

Locations

| |
|--|
| Headquarters: Bangkok (Thailand) |
| Offices: Bhutan, Cambodia, China, Hong Kong, India, Laos, Malaysia, Maldives, Myanmar, Singapore, Sri Lanka, Thailand, Vietnam |

Board of Directors

| |
|--------------------------------|
| Adrian T. Keller, Chairman |
| Stuart Davy |
| Andreas W. Keller ¹ |
| Angelo van Tol ¹ |

¹ from May 2012

Diethelm Travel's services model is held in high esteem

Myanmar overshadowed Cambodia as a tourist destination

Hong Kong is part of
the Diethelm Travel network

Diethelm Travel China had a good year, achieving double-digit revenue growth. The organization handled incentive groups in various areas of the country. Projects were started during the year to tap into the fast growing outbound markets as millions of Chinese gear up to discover their neighboring countries.

In early 2012, Diethelm Travel opened its new office in Hong Kong. Established as a marketing partnership with locally based Vigor Tours Ltd., the company is using the Diethelm Travel brand to establish itself in the Hong Kong inbound market and as a base to leverage new opportunities in the greater China region. At the end of the year, Etihad Holidays appointed Diethelm Travel Hong Kong as their official ground handler for 2013.

In 2012, Diethelm Travel India achieved the highest revenue since its opening in 2007. Two German travel trade accounts generated the core business. A fair amount of business was secured by the Diethelm Travel team handling direct enquiries from consumers.

Diethelm Travel Laos closed the year with a better than expected result, despite fierce competition from Myanmar as a holiday destination and disruptions of flight and hotel capacity in the peak season months of October and November when Laos hosted the Asia-Europe Parliamentary Partnership (ASEP) and the Asia-Europe (ASEM) summits.

Diethelm Travel Malaysia
won prestigious new accounts

Diethelm Travel Malaysia secured the important German account of Explorer Fernreisen for the inbound division. Australia, Russia and countries of the Commonwealth of Independent States (CIS) performed well with a revenue increase of 100%. The Corporate Ticketing Service of the Malaysian organization won the prestigious PepsiCo account. Diethelm Travel Malaysia achieved the best result of the last ten years.

Diethelm Travel Maldives not only consolidated its German market share but actually grew and handled more than 50,000 German tourists. Furthermore, Diethelm Travel Maldives was successful in winning Passenger Sales Agent status for the esteemed Singapore Airlines account.

The opening up of Myanmar and the sudden influx of tourists from all over the world created enormous opportunities as well as challenges. While the country's administration and infrastructure are facing difficulties in coping with the high demand, Diethelm Travel's long-standing presence in Myanmar since 1996 paid off. In 2012 the Myanmar organization handled the highest number of tourists ever, emphasizing the high levels of knowledge, experience and service for which the company is renowned. In October Diethelm Travel Myanmar moved into the former DKSH office, located in the heart of downtown Yangon.

Corporate travel
to Singapore boomed

Diethelm Travel Singapore experienced a challenging year as the number of corporate travel visitors rose beyond all forecasts, helping to maintain high-yield hotel room rates while, according to major hotel chains, the competitive nature of the leisure sector pegged back



overall earnings. Diethelm Travel Singapore successfully installed the Canary IT platform. At year-end the welcome news arrived that both The Travel Corporation and Etihad Holidays will move their business to Diethelm Travel Singapore by the first quarter of 2013.

Diethelm Travel Sri Lanka enjoyed a record year with a 15 % growth in passengers and a 36 % increase in revenue. The country will also, at long last, start to benefit from the numerous international hotel chains now providing an increase in much needed quality accommodation, so the shortage of hotel rooms usually experienced during the high season will soon be a thing of the past.

Sri Lanka's hotel situation has much improved thanks to international chains

The Kingdom of Thailand enjoyed a relatively stable year without any significant political issues or natural disasters. This helped to bring back a general feeling of confidence, which translates into increased popularity as a tourist destination. However, Diethelm Travel Thailand witnessed a large shift in traveler source markets. The European markets showed a slight increase while business from South America exhibited strong growth, albeit from a small traveler base. Furthermore, by securing the prestigious Travel Corporation account, Diethelm Travel ensured the expansion of its brand and services into Australia, a new and welcome source market.

2012 ended below expectations for Diethelm Travel Vietnam in terms of turnover, despite some major client acquisitions in the wake of a number of larger-scale special tourist (MICE) events. Vietnam attracted growing numbers of tourists, as the influx of regional travelers increased and the charter business from Russia saw unprecedented growth. Against the backdrop of growing numbers of direct scheduled flights into both Hanoi and Ho Chi Minh City Diethelm Travel has strengthened its infrastructure to manage the increased tourist demand with efficiency and high level services.

Diethelm Travel Vietnam is ready to handle increased tourist demand

Outlook

Given the emergence of new and exciting source markets and a real demand for authentic and diverse travel and touring experiences, the future for travel in Asia looks bright. Anticipating and understanding the ever-changing trends in planning and booking travel arrangements as well as in product distribution – and adapting to them without losing sight of global economic factors – remain constant challenges for Diethelm Travel's business approach which includes all stakeholders – travel industry partners, suppliers and guests alike – in its strategic thinking and decision making processes. This attitude, coupled with a tangible and active program of sustainable travel initiatives based on its corporate culture and its community spirit, will secure a solid business foundation of Diethelm Travel for the future.

The future for tourism in Asia looks bright

When students and young people travel, they are looking for excitement and adventure. STA Travel continues to review its retail stores to ensure the adventure of traveling starts right there: STA Travel has created and designed new stores to enable visitors to step inside a virtual reality of imagination and dreams. Young people's dreams come true thanks to STA Travel's products and services which are tailored to their wants and needs.



STA Travel:

The world's leading travel company for students and young adults



STA Travel, established in Australia in the early 1970s and acquired by the Diethelm Keller Group in 1979, has long had a heart for young people with a love for adventure. By continually focusing on the needs and desires of this premier target group, the company has positioned itself as the world's leading travel company in the student and young adult market. By moving into sustainable tourism and launching "Bridge the World", a new brand targeted at people over fifty in the UK, STA Travel keeps adjusting its base in the dynamic global travel market. STA Travel maintains a global distribution network spanning 60 countries through a mixture of wholly owned businesses, franchises and licensed partnerships.

2012: Robust consumer demand for travel

In 2012, against the backdrop of a global economic recovery of mixed quality, STA Travel managed to grow both total sales by 9% and net sales by 5%. Australia's economic growth was supported by low unemployment and strong mineral exports. Towards the latter part of 2012 Germany emerged from the Euro crisis well-positioned for economic growth in 2013. The UK and USA both experienced depressed economic activity. Consumer demand for travel remained resilient in the face of economic pressure on household discretionary spending.

In its key markets, the UK and Australia, STA Travel saw strong growth. The performance of the businesses in Japan, Thailand and Singapore was in line with expectations. Despite growth in sales, the turnover anticipated in the US, South Africa and Central European markets such as Austria, Germany and Switzerland was below expectations. The focus on generating demand and significant sales growth led to a substantially improved result in New Zealand. After the earthquake and the closure of two stores, STA Travel opened a new store in Christchurch in January 2012.

STA Travel's multichannel distribution strategy responds well to evolving consumer demand. The performance of the retail distribution channel held steady throughout the year. In August 2012, new website homepages were launched to keep pace with substantial growth in online customer activity.

STA Travel: Key figures

(Financial figures in CHF million unless otherwise stated)

| | 2012 | 2011 | +/- % |
|---|-------|-------|-------|
| Total sales ¹ in USD million | 1,160 | 1,126 | +3 |
| Total sales ¹ | 1,087 | 997 | +9 |
| Net sales | 148 | 141 | +5 |
| Employees at year-end | 1,917 | 1,943 | -1 |

¹ In 2012, STA Travel sold tickets and other services which generated total sales of almost CHF 1,1 billion/USD 1,2 billion. However, pursuant to International Financial Reporting Standards (IFRS), only the commissions earned on these transactions are recognized as net sales.

Management

| |
|---|
| John Constable ¹ , Chief Executive Officer |
| Steve Jenkins, Chief Financial Officer |
| Paul Maine, Chief Commercial Officer |
| Andy Mills, Chief Information Officer |
| Kay Fischer, Managing Director Central Europe |
| David Green, Managing Director Australia |
| Kevin Jacobs, Managing Director USA and Asia |
| Glen Mintrim, Managing Director UK and South Africa |

¹ John Constable: CEO from November 2012
Peter Liney: CEO until October 2012

Locations

| |
|--|
| Headquarters: Zurich (Switzerland) and London (UK) |
| 234 retail travel stores in eleven countries as well as franchising and licensing partners in another 49 countries |

Board of Directors

| |
|--|
| Andreas W. Keller, Chairman |
| Jean-Daniel de Schaller, Vice Chairman |
| Adrian T. Keller ¹ |
| Angelo van Tol |

¹ from May 2012

New website homepages support growing online customer activity

Partnerships with core airlines benefit the student air product offerings

Call center activity continued to decline with the transition towards EContact (online chat and e-mail). Business development investments in the Business-to-Business ("B2B") and group activities segments resulted in good demand growth during the year.

In a competitive marketplace, STA Travel's online and mobile platforms introduced flexible date booking options which contributed to increased sales on key simple air routes. The company's retail channel continues to offer consumers its expertise when booking more complex multi-stop trips. STA Travel's unique student and youth air product offering continues to benefit from core airline partnerships with Emirates, Etihad, Cathay Pacific and Qatar Airways. In addition, growth was reported in sales from Air New Zealand, Malaysia Airlines and Virgin.

Responding to consumer demand for land products, STA Travel invested in technology with the launch of a new land product point of sale system (1Source) for both online and offline bookings of hotels and hostels. The replacement of legacy systems led to a significant reduction in operating costs, while expanding the offering of products available. Substantial sales growth was achieved with global preferred tour operators, with strong benefits seen in the strategic alliances with GAdventures and Contiki. STA Travel remains strategically placed to satisfy growth in consumer demand for visas to work and study abroad.

Allianz Global Assistance provides travel insurance for STA Travel customers

In September 2012, STA Travel invested in a new global rail ticketing platform to increase the range of products available and improve booking speed. Following a tender process, STA Travel signed a five-year global partnership agreement with Allianz Global Assistance to provide travel insurance services to STA Travel customers.

In April 2012, STA Travel opened its first French retail store and website in Paris in the context of a joint venture with ISIC France. In May 2012, STA Travel acquired the outstanding 61 % interest in its joint venture ISIC business in Germany, RDS (Reisedienst Deutscher Studentenschaften GmbH). In July 2012, STA Travel decided to sell its Swedish business to its franchisee operating in Norway and Denmark, thereby creating a strategic Nordic franchise partner.



STA Travel maintained its focus on sustainable tourism, working in partnership with Planeterra which has been heading the company's drive toward "Responsible Tourism" since January 2010. Besides sending staff members on sponsored volunteering trips, the company matched donations from its staff to raise USD 25,000 to fund a project completed in June to purchase a river ambulance and install rain catchment systems that will provide clean drinking water solutions for the indigenous population of the Bocas Del Toro islands of Panama. In November, a second fundraising target of USD 100,000 was met to fund the construction of a hospital ward for children in Kikuyu, Kenya.

The commitment to "Responsible Tourism" was intensified

In 2012 the STA Travel Foundation was established as a registered charity. The Foundation will allow STA Travel, staff and customers to donate efficiently and easily through a variety of channels. It will also play a more active role in the selection of projects, working with existing partners and actively seeking out new partners to develop projects that benefit the communities visited by customers.

Outlook

2013 started with positive volume growth in all major markets. The restructuring of the STA Travel USA business in January reduced the number of retail stores from 16 to 7, recognizing the growing importance of the online and B2B market channels. 2013 is expected to be a year of continued consumer demand in an increasingly competitive market place, with the Internet and use of mobile devices growing in importance.

The marketplace for travel has become more competitive

Since prehistoric times, pigments have been used to bring color in people's lives. Its use in cosmetics dates back to ancient Egypt where women colored their eyelids with green powder obtained from crushed malachite. Today, pigments used by the cosmetics industry come as a highly concentrated loose color powder containing ingredients to help it adhere to the skin. DKSH's Business Unit Performance Materials is one of the industry's foremost suppliers of this indispensable ingredient.



DKSH:

Asia's leading provider of Market Expansion Services



"Think Asia. Think DKSH". While the brand name unites the initials of the founders of Swiss trading houses Diethelm, Keller and Siber-Hegner, the tagline sums up the vision of DKSH which was formed in 2002. Since then, DKSH has successfully transformed from a traditional trading house into a highly specialized provider of services along the entire value chain. Today, DKSH is ranked the leading Market Expansion Services provider with a focus on Asia. DKSH offers any combination of sourcing, research and analysis, marketing, sales, distribution, and after-sales services. After the successful Initial Public Offering (IPO) in March 2012, Diethelm Keller Holding, with 46 % of shares, is now the anchor investor of DKSH. The company employs a specialized staff of approximately 25,900 at 680 business locations across 35 countries.

2012: Strong organic and profitable growth

In 2012, DKSH once again set new records thanks primarily to organic growth, supported by acquisitions. While net sales increased by 20 % to CHF 8.8 billion, double-digit profit growth reflected the high operational efficiency. Earnings before interest and taxes (EBIT) increased by 16.7 % to CHF 277.3 million. In 2012, DKSH added 1,540 employees, bringing the total number of staff members to approximately 25,900 specialists at year-end 2012.

All of the business units and regions contributed to the company's excellent performance, which resulted from the successful implementation of this strategy: achieving organic growth through the expansion of existing partnerships, multiplying success stories from country to country, acquiring new clients and customers, as well as upgrading services and improving operational efficiency, while complementing organic growth with selective bolt-on acquisitions.

Three small acquisitions were completed in 2012. The business unit Technology in Australia acquired ElectCables, a specialty cables distributor, and the well-established German-Japanese trading firm Clay in Japan. The business unit Performance Materials acquired the Swiss specialty chemicals distributor Staerkle & Nagler in November, complementing its market leadership in Asia and expanding its client and product portfolio.

Outlook

DKSH is ideally positioned to exploit the growth generated by the long-term trends within its core Asian markets – including the rapid spreading of Asia's middle classes, strong growth in trade flows into and within Asia, and increased penetration of outsourcing. The company continues benefiting from these trends.

DKSH: Key figures

(Financial figures in CHF million)

| | 2012 | 2011 | +/- % |
|-----------------------|--------|--------|-------|
| Net sales | 8,834 | 7,340 | +20 |
| EBIT | 277 | 238 | +17 |
| Assets | 3,355 | 3,068 | +9 |
| Employees at year-end | 25,882 | 24,342 | +6 |

Management

| |
|---|
| Dr. Joerg W. Wolle, President & CEO |
| Bernhard Schmitt, Chief Financial Officer |
| Bruno Sidler, Chief Operating Officer |
| Martina Ludescher, Head Corporate Development |
| Gonpo Tsering, Head Operations Support |
| Marcel W. Schmid, Head Corporate Affairs |
| Somboon Prasitjutrakul, Head Business Unit Consumer Goods |
| Charles Toomey, Head Business Unit Healthcare |
| Mario Preissler, Head Business Unit Performance Materials |
| Dr. Adrian Eberle, Head Business Unit Technology |

Locations

| |
|------------------------------------|
| Headquarters: Zurich (Switzerland) |
| 680 locations in 35 countries |

Board of Directors

| |
|-----------------------------|
| Adrian T. Keller, Chairman* |
| Rainer-Marc Frey*/** |
| Dr. Frank Ch. Gulich*** |
| Andreas W. Keller*** |
| Robert Peugeot*** |
| Dr. Theo Siegert*/** |
| Dr. Hans Christoph Tanner** |
| Dr. Joerg W. Wolle* |

* Member of Strategy Committee

** Member of Audit Committee

*** Member of Nomination & Compensation Committee

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Photography concept:

The Diethelm Keller Group has its historic roots in the exchange of goods and services between Asia, Europe and the Americas. In nearly 150 years of business activities, extensive networks and close relations have been built with people as well as customers and clients. At the same time the spectrum of activities has widened. The images in this publication reflect both the close ties with customers and the various business lines of the Diethelm Keller Group.

Commissioned by Diethelm Keller Holding Ltd., the photographs in this Annual Review were taken by Laurent Raphaël Burst. He lives in Zug (Switzerland) and in Berlin (Germany) and was born in 1979. Since 2009 he has been working as a freelance photographer.

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Helmut Reincke, Malix

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Gottschalk+Ash Int'l, Zurich

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Neidhart+Schön Group,
Zurich

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