



30/09/2009

Halfyear Report

Sustainable

Swiss Private Equity

This document contains a selection of translated excerpt from the german version. For full information complying with the legal standards and regulations, please revert to the official «Halbjahresbericht 2009»

Sunny Markets

Solar Industries is building its company structure along the entire value added chain of photovoltaics – from silicon production via module production to systems installation and services: A growing market with enormous potential.

Solar Industries AG – a portfolio company of **new value**

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IMPRESSUM

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Careful and sustainable handling of nature and its resources is important to New Value AG. For this reason the business report 2008/09 has been printed on paper which comprises at least 50% recycling fibres and at least 17.5% fresh fibres from certified forestry (FSC).

Ready for the rebound

Ladies and Gentlemen:

The drastic decline in the economy has slowed for the time being. As we regain our footing, many markets are already beginning to grow again. However, this sharp turnaround and the return of euphoria to the stock markets are still insufficient indicators of a quick recovery in the real economy. Just how sustainable the latest rebound will be remains unknown. We therefore remain prepared for inconsistency in the economy in the near future.

Most of New Value's portfolio companies have enjoyed success in this demanding environment. Renewable energy projects have performed particularly favorably. 3S Industries AG once again posted record profits in the first half of 2009 despite uncertainty in the market. The company is excellently positioned, both in terms of technology and the tap-

ping of new sales markets, to take part in the enormous growth potential of the solar industry. Another highlight has been the successful positioning of Silentsoft AG in the market for determining and optimizing the so-called environmental footprint of real estate. The software specialist now offers innovative M2M networks for remote monitoring of buildings using real-time data. On the other hand, some portfolio companies have felt the effects of the economic downturn. Natural lubricant specialist Natoil AG has been particularly strongly affected by the crisis in the machine industry.

The current recession can only be overcome through innovation and hard work. However, a weak economy also offers opportunities. Lagging production pressure allows companies to direct their focus toward strategic matters and optimize their operational efficiency. Bumpy growth is thus an opportunity for reviewing the business model.

In times of serious societal and economic threats, sustainability has become a key criterion. Sustainability-based investment instruments are popping up everywhere. For New Value, social impact has always been a deciding investment criterion. Innovations in renewable energies, health care, new materials and information technology are meeting current societal and social needs in addition to the challenges of the 21st century head-on.

We are proud to be a part of the success of numerous growth firms – not just financially but through active involvement in business development. Companies in which New Value has invested in with confidence include Meyer Burger Technology AG, producer of wafers for solar module production. Following the impressive increase in the company's value in the last several years, New Value sold all of its shares during the reporting period, thus completing its exit.



In the past several months, the value of investment companies in general and of private equity instruments specifically have been a topic of much discussion due to the discrepancy between net asset value and market valuation. Individual observers see the drop in value as a good opportunity for entry, others see it as sign of distrust. The truth probably lies somewhere in between. We believe that the discussion regarding the reduction in investment companies' NAV is too one-sided. For you as a shareholder, NAV serves as an important orientation measure, especially for capital increases. More decisive, however, are stock price performance, portfolio valuation and the manner in which the portfolio is managed – as with any other listed company. For private equity investment companies, investment focus, financing and leverage, (over)commitments, diversification and liquidity of the underlying instruments are also important, as clearly evidenced by the events of the last two years. In this regard, New Value is performing well. The concept is proven.

New Value portfolio companies are well positioned for an economic rebound. New Value will continue to implement its strategy of sustainable growth. Everyone stands to benefit from this policy: young companies, the Swiss job market and our shareholders, to whom I would like to extend my sincere thanks on behalf of the Board of Directors and the investment management team for their renewed trust.

Kind regards,

A handwritten signature in black ink, appearing to be 'R. Wägli', with a horizontal line extending to the right.

Rolf Wägli
President of the Board of Directors

Halfyear Report

**Net Asset Value +18.6%,
Earnings CHF 10.2 million**

Financial results for the first half of

2009/10: Profits from active portfolio management

New Value earned profits of CHF 10.2 million (same period last year: CHF 3.0 million) from the active management of its portfolio. This is primarily the result of a rebound in the price of shares of 3S Industries AG since March 31, 2009, which rose by 120% from CHF 9.95 on March 31, 2009, to CHF 21.90 on the closing date of September 30, 2009. This encouraging development resulted in an upvaluation of New Value's investment by CHF 16.9 million. The sale of shares in Meyer Burger also contributed positively to the results. New Value sold all 1,000 of its shares in Meyer Burger at an average price of CHF 248.99. The sale marked

the end of a very successful investment by New Value in solar company Meyer Burger. Due to slower than expected business growth for Idiad AG and Bogar AG, value adjustments of CHF -2.40 million and -3.57 million respectively were posted. Overall, New Value generated earnings per share of CHF 3.39 during the first six months of the 2009/10 fiscal year (April to September 2009).

The Net Asset Value (NAV) of New Value rose in comparison with the beginning of the reporting period by 18.6% to CHF 79.64 million. NAV per share increased from CHF 21.76 to 24.28. New Value's share price at the end of the reporting period on September 30, 2009, was CHF 15.60, or about 9% higher than at the end of March 2009.

Operational highlights:

Additional financing for Natoil, Qualilife, Idiad and Swiss Medical Solution

Between April and June 2009, New Value took part in two growth financing initiatives for existing portfolio companies: Lubricant company Natoil AG completed a capital increase totaling CHF 1.06 million in June, including CHF 0.15 million in new funds and the conversion of previous bond financing into capital stock. New Value contributed CHF 0.09 million to the capital increase and converted a CHF 0.3 million bond. It thus increased its share in the company from 23.8% to 30.5%.

In May and July 2009, New Value also acquired new shares in health care software specialist Qualilife SA as planned totaling CHF 1.28 million, increasing its share of the company's equity from 18.2% to 38.1%.

In September, New Value invested CHF 0.52 million in a CHF 1.0 million convertible bond issued by Idiad AG. New Value had previously taken over a stock package from an institutional investor valued at CHF 0.44 million, increasing New Value's share in Idiad from 45.5% to 49.7%.

In September, New Value also invested in a CHF 0.5 million convertible bond from Swiss Medical Solution.



Sunny skies continue for solar firms

Undeterred by the current weak market, in the first six months of 2009, 3S Industries AG continued on its path of fast growth. The company managed to once again double its sales over the same period last year. At the same time, 3S opened its own offices in Hong Kong and Singapore, thus strengthening its presence in the important Asian market. Its consideration for various prestigious projects is proof of 3S's leadership in technology: 3S developed a special solar module tester for Thales Alenia Space that simulates the properties of the sun in space with maximum accuracy. 3S also outfitted the roof of the Matterhorn Glacier Paradise restaurant on the Klein Matterhorn near Zermatt with solar modules and was awarded a contract from Bertrand Piccard's solar airplane project, Solar Impulse, to develop a new soldering technology for combining solar cells.

In early 2009, Solar Industries AG founded SI Solutions GmbH, a provider of photovoltaic systems, in Puchheim, Germany. This step allows Solar Industries to grant its Italian production firms easy access to the German sales market.

Dampened performance for Iddiag, Bogar

Iddiag's focus on proprietary products and the associated task of selling retail products only resulted in a drop in sales. Only sales of SpiroTiger Sport rose slightly. Additional world-renowned soccer teams such as Manchester United were impressed with the training benefits offered by SpiroTiger. SpiroTiger athletes Nino Schurter (cross country mountainbiking) and Simone Niggli-Luder (orienteering) both won gold in world championships.

At Bogar AG, the strong Swiss franc hampered its planned expansion into Eastern Europe. The company also had to deal with a sharp downturn in the demand for anti-flea products due to the long winter.

Natoil was in turn affected by the heavy drop in business in the machine building and automobile supplier industries.

Silentsoft pushes forward into the cleantech growth market

In May 2009, Silentsoft signed agreements for the installation of over 1,200 telemetry systems, including high-profile projects in the cities of Zurich and Winterthur. Silentsoft will also intensively pursue the Green Building market segment. To this end, the company is working with EPFL Energy Center to offer comprehensive joint solutions in this promising future market.

Swiss Medical Solution and Qualilife strengthen management

During the reporting period, Swiss Medical Solution AG welcomed Marc Neuschwander, former CEO of Bayer Switzerland, as its new President and Dr. Peter Röttger, member of the board of directors of the German Diabetes Foundation, as the newest member of its own Board of Directors. In addition, Dr. Thomas Kaltenbach has been the company's new CEO since June.

Qualilife SA welcomed new CEO Walter M. Huber in May of 2009. In September 2009, Dirk Sebald joined the Board of Directors as President.

Financial results

Strong increase in earnings from investments
Earnings from investments and loans totaled CHF 19.1 million (same period last year: CHF 6.9 million), while expenditures from investments and loans increased from CHF 2.5 million during the same period last year to CHF 7.2 million. These expenditures include value adjustments for Iddiag and Bogar as a result of weaker than expected business development for both companies. Operating expenses totaled CHF 1.4 million (same period last year: CHF 1.4 million).

Portfolio development:**increased strength and continuous expansion**

During the reporting period, the proportion of renewable energy firms in the total portfolio once again increased due to a rebound in the price of 3S shares since March 31, 2009, to ((xx))% (end of last year: 35.0%). This was followed by health care at ((xx))% (same period last year: 20.5%) and medical technology at ((xx))% (same period last year: 18.0%) as the next most important sectors. On September 30, 2009, liquid funds and financial assets totaled CHF 6.9 million or 8.6% of the portfolio. These funds will be used to strengthen and promote current and new investments. The investment team is currently reviewing several opportunities, namely in the cleantech and health care segments. Our goal is to take advantage of the low-price buying phase and conduct several new investments in the coming six months.



Peter Letter
CEO of EPS Value Plus AG

Investment portfolio as of 9/30/2009

Company	Title	shares/ nominal	Currency	price per 30/09/2009	+/- vs. 31/03/2009	Market value CHF ¹⁾	Share of PF ²⁾	Comp. share
Renewable Energies/Solar Technology								
3S Industries	Shares	1,415,187	CHF	21.90	+120.1%	30,992,595	39.0%	10.2%
Solar Industries	Shares	1,554,100	CHF	5.00	0.0%	7,770,500	9.8%	33.1%
Medtech								
Swiss Medical Solution	Shares	311,581	CHF	5.00	0.0%	1,557,905	8.2%	38.9%
	Convertible loan	907,013	CHF	489.72%	+2.9%	4,441,796		
	Convertible loan	500,000	CHF	108.93%	n/a	544,652		
Idiag	Shares	6,928,621	CHF	0.64	-46.7%	4,434,317	7.8%	49.7%
	Convertible loan	518,458	CHF	334.25%	n/a	1,732,947		
Health								
Mycosym International	Shares	194,337	CHF	21.75	0.0%	4,226,830	5.9%	49.1%
	Loan	457,648	CHF	100.00%	0.0%	457,648		
Bogar	Shares	233,795	CHF	15.29	-50.0%	3,574,726	4.5%	29.8%
Information Technology (IT)								
FotoDesk Group	Shares	4,502,115	CHF	1.00	0.0%	4,502,115	7.2%	45.0%
	Convertible loan	1,050,000	CHF	117.63%	+9.0%	1,235,088		
Silentsoft	Shares	20,312	CHF	176.13	0.0%	3,577,553	4.5%	25.7%
QualiLife	Shares	661,706	CHF	3.02 ³⁾	0.0%	2,000,000	2.5%	38.1%
New Materials								
Natoil	Shares	125,274	CHF	12.69 ³⁾	0.0%	1,590,000	2.0%	30.5%
Total						72,638,672	91.4% ⁴⁾	

¹⁾ In accordance with IFRS, the market value of convertible bonds includes a valuation of the borrowed capital portion at net present value using the effective interest method and of the option portion.

²⁾ Based on market value including liquid funds and financial investments.

³⁾ No change in the share price based on average acquisition price compared to the previous year's price (only absolute change in the price per share with no impact on portfolio valuation for the overall position).

⁴⁾ Market value / net assets (investment level)

Information for Investors

Stock Quotes

CHF 15.60 (SIX Swiss Exchange)
EUR 10.10 (Xetra)

Net Asse Value (NAV)

CHF 24.28 per share

Share capital

CHF 32.8 Mio.

Issued shares

3 287 233 registered shares
(nominal value CHF 10 per share)

Market capitalisation

CHF 51.3 Mio.

Listings

SIX Swiss Exchange since May 2006
(previously at the Berne eXchange
from August 2000 until December 2006)
Xetra, Open Market Frankfurt, Berlin, Dusseldorf,
Munich and Stuttgart

Ticker-Symbols

NEWN (CH), N7V (DE)

Security identification

Valorennummer 1081986
Wertpapierkennnummer 552932
ISIN CH0010819867

Investment Manager

EPS Value Plus AG Zurich (www.epsvalueplus.ch)

Management fee

0.5% per quarter, as measured by the NAV

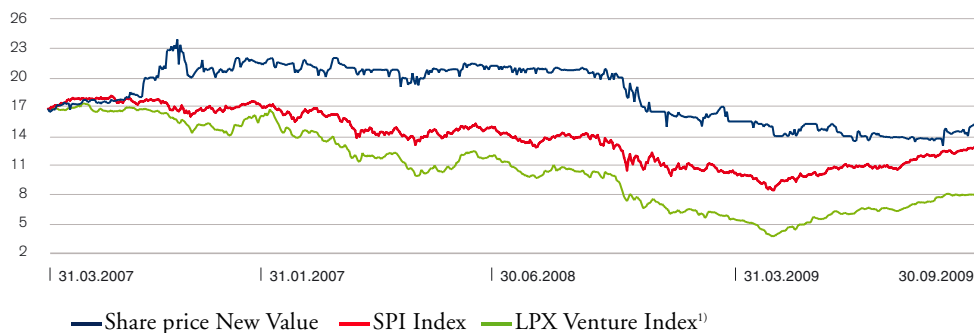
Performance fee

10%, if > or = 10% growth p.a.
20%, if > or = 15% growth p.a.

Upcoming Releases and Events

08.12.2009 New Value at the Münchner
Kapitalmarktkonferenz MKK
26.01.2010 Release quarterly newsletter
per 12.31.2009
05.05.2010 New Value at the Fachmesse 2! in Zürich
10.06.2010 Release annual results
and annual report 2009/2010
08.07.2010 10th annual shareholders meeting

NEW VALUE SHARE PRICE



¹⁾ The LPX Venture Index contains the 20 largest Private Equity Companies worldwide, that predominantly (at least 50%) make venture investments.

Natural Talents.

Mycosym International supports nature with biology: natural crop technologies for water saving and curing of root fungal attack on olive trees. This ensures growth of both plants and sales.

Mycosym – a portfolio company of **new value**

Focus Cleantech

Silentsoft

Real-time visibility on building energy performance and CO₂ emissions

Innovative technologies are crucial in order to reduce CO₂ emissions. They allow an efficient use of energy and the introduction of facilitated processes. Among other green-tech companies that provide new highly sophisticated solutions New Value's portfolio company Silentsoft is portrayed in the latest edition of ((name of publication, topics covered)).

Copenhagen United Nations Climate Conference December 7 – 18, 2009

The primary goal of the convention is to stabilize the amount of greenhouse gases in the atmosphere at a level that prevents dangerous man-made climate changes. Among the threatening effects are more droughts and flooding, less ice and snow in the mountains, more extreme weather incidents and rising sea level. Especially for future generations it is of highest priority that the Copenhagen conference will be successful in reinforcing and prolonging the Kyoto treaties thereby also embedding developing and emerging countries.

Silentsoft has a unique experience in large scale deployment of real-time building monitoring. Currently, it operates telemetry on more than 30,000 sites in 12 countries to provide the business information needed to help companies save energy costs and reduce CO₂ emissions.

This starts by capturing all energy parameters of each building using low cost sensors with radio frequency transmission to avoid expensive cabling. These parameters include:

- Continual energy inflows from electricity, gas, water and district heating;
- Consumption from the bulk storage of heating oil and liquefied petroleum gas (LPG);
- Energy production of solar photovoltaic arrays for both the building and the electricity grid;
- Alarms and measurements of technical installations such as burner efficiency, heating and hot water production.

Quote from Charles Upchurch, CEO of Silentsoft

«Silentsoft is partnering with research universities, governments and its building energy management clients to develop this enhanced product offering which positions Silentsoft as a clean-tech company.»

Gary Nichols-Roth, Managing Editor of Government Projects at Sovereign Publications, publisher of the COP 15 edition of Climate Change “addressing the challenge”

«We have chosen to highlight Silentsoft's innovative technology as one of the leading promising solutions essential to creating a global low carbon economy post Copenhagen and Kyoto.»

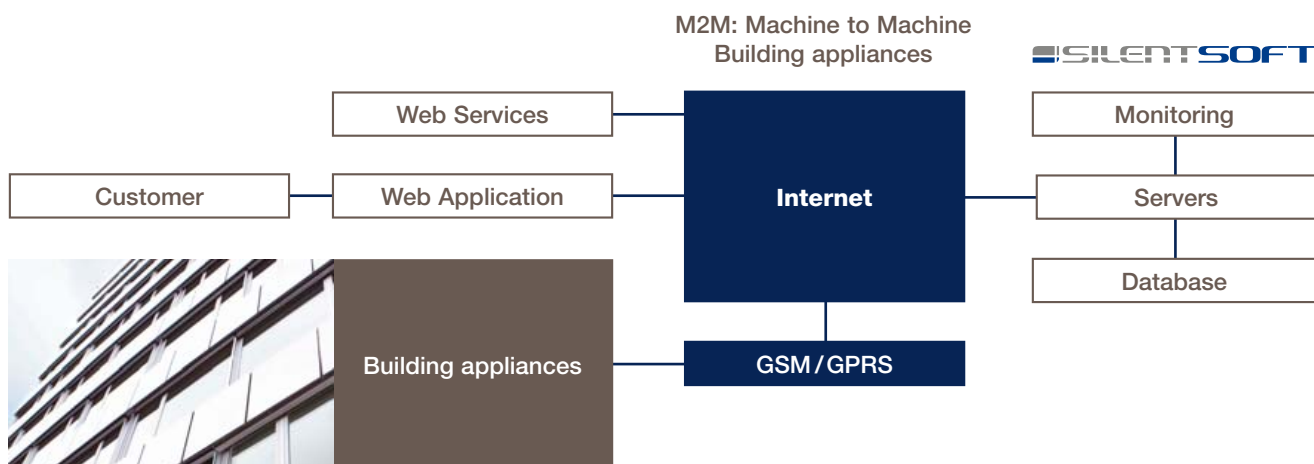
These real-time measurements undergo digital processing on the Silentsoft M2M platform. Some typical examples of this processing are:

- Automatic filling detection in bulk fuel storage tanks;
- Calculation of energy and water consumption and CO₂ emissions over any period of time specified by the user;
- Detection of thresholds on any signal and generation of alarm messages by email or SMS including follow-up escalation rules.

The visibility provided is used to establish and monitor in real-time the baseline energy signature, energy index, energy category and CO₂ emissions of each building.

In addition, Silentsoft partners with a vehicle telemetry provider that measures real-time fuel consumption and CO₂ emissions by monitoring the CAN-bus (electronic interface in a vehicle that provides access to vehicle diagnostics). Both buildings and vehicles real-time energy and CO₂ data can be consolidated into a single window solution. This integrated view ensures companies have a complete solution for their energy optimisation and CO₂ reduction needs.

M2M Services Operation



Renewable Energy/Solar Technology

3S Industries AG

Business segments: Mechanical and process technology for the solar industry, energy-generating construction materials

Locations: Lyss and Neuchâtel, Switzerland, Freiburg and Umkirch, Germany Number of employees as of 12/31/2008: 302

full-time staff Sales 01/01 – 06/30/2009: CHF 63.5 million (+108%) New Value holdings as of 09/30/2009: CHF 31.0 million; corresponds to 10.2% share of equity New Value Board Representative: Rolf Wägli (President) Website: www.3-s.ch

Ticker symbol: BX Bern Exchange: SSS; Open Market Frankfurt: S3V

Brief Description

- 3S Industries AG (3S), along with group partners 3S Swiss Solar Systems, Somont and Pasan, is a worldwide marketer of production lines using leading technology for the manufacture of solar modules. The group covers the entire value chain of photovoltaic solar module production and combines key competencies in soldering, laminating and testing under one roof. 3S production lines guarantee stable processes, high throughput and maximum product quality with minimal waste. 3S sells complete, turnkey production lines with varying degrees of automation as well as individual line components. 3S also offers innovative, building-integrated solar systems for rooftop, façade or shading use.

Highlights

- The 3S Industries Group further expanded its market position in the first half of 2009. Net earnings doubled over the previous year to CHF 63.5 million and the EBIT margin rose from 10.0% to 13.4%.
- 3S opened two new locations in Hong Kong and Singapore, guaranteeing local sales and service through customer proximity. In 2008 3S further expanded its international presence by founding a US-based marketing company.
- 3S won several major contracts, most recently from Malaysian start-up San Du Solar Energy for the delivery of a turnkey 25 MW production line. With support from 3S, San Du Solar Energy is building the first crystalline solar module factory in Malaysia.
- At the EUPVSEC industry conference in mid-September in Hamburg, 3S unveiled its newest developments: a highly automated turnkey production line, the CERCUS Stringer, an automatic laminating line and a new process for string testing.

- 3S also took part in three prestigious projects: It designed a special solar module tester for Thales Alenia Space. 3S also outfitted the roof of the Matterhorn Glacier Paradise restaurant, built to the latest environmental standards on the Klein Matterhorn near Zermatt, with solar modules. Last but not least, 3S was awarded a contract from Bertrand Piccard's solar airplane project, Solar Impulse, to develop a new soldering technology for combining solar cells.
- New Value sold 102,162 shares during the reporting period at an average price of CHF 14.07, earning profits on the sale in the amount of CHF 0.4 million.

Value Drivers

- High projected industry growth, bolstered by "grid parity" expected in the next few years (competitiveness of solar power costs versus traditional generation methods)
- Stronger market and technology positioning: Acquisition of Pasan and Somont increases growth and positions 3S as an integrated provider of complete solutions for solar module production.

Valuation

- Valuation at CHF 21.90 per share corresponds to the market price on September 30, 2009 (at March 31, 2009: CHF 9.95). The stock price rebounded sharply during the reporting period, quoting 120.1% higher on the closing date than on March 31, 2009.

Renewable Energy/Solar Technology

Solar Industries AG

Business segments: Solar industry firms along the value chain for PV solar module manufacture Locations: Niederurnen, Switzerland; Milan, Italy; and Puchheim, Germany Number of employees as of 09/30/2009: 9.5 full-time staff (8 of which are in Puchheim) and external partners (including non-fully-consolidated companies: 242 full-time positions) Sales development: to be announced New Value holdings as of 09/30/2009: CHF 7.77 million; corresponds to 33.1% share of equity New Value Board Representative: Rolf Wägli (President) Website: www.solarindustries.ch

Brief Description

- Solar Industries AG invests in existing and up-and-coming companies along the entire value chain of solar module manufacturing. Solar Industries strives toward a competitive industrial integration of these companies. In Italy, Solar industries works with Milan-based MX Group SpA, which operates production facilities for PV solar modules with an annual capacity of 120 MWp. The group is also involved in the planning and implementation of solar parks. Further major investments are planned for the construction of production facilities for solar cells and solar modules. These investments are focused on the fast-growing Italian market and other European countries. The Italian market will serve as a platform for long-term expansion at a later time into other European markets as well as overseas. Solar Industries also holds a majority interest in SI Solutions GmbH of Puchheim, Germany (near Munich), a provider of photovoltaic systems.

Highlights

- In early September 2009, Solar Industries reached a milestone on the path toward tapping the European sales market for solar energy by founding SI Solutions GmbH, a provider of photovoltaic systems, in Puchheim. With this step, Solar Industries can offer its Italian production firms easy access to the German sales market.
- SI Solutions' prospects for successfully establishing itself in the specialized market are extremely bright. CEO Dirk Finnei brings with him many years of experience as a PV specialist for a major system provider. By partnering with ITEC Solar GmbH, the company can now offer expertise in international trade as well. SI Solutions currently has eight employees during its startup phase.

- MX Group, in which Solar Industries holds a minority interest, began producing solar modules in Italy. Plans call for gradually expanding currently semi-automated production to reach full automation. Production systems, including technical consulting, were provided by 3S.

Value Drivers

- Targeted government subsidies for solar markets in Italy, Germany, the US and other countries
- High solar radiation, particularly in Italy
- Numerous opportunities along the entire value chain for solar module manufacturing with access to marketing organizations in Italy, Germany and the rest of Europe
- Cooperation with knowledge partners in Switzerland and surrounding countries

Valuation

- Valuation at CHF 5.00 per share corresponds to the price at the last capital increase in December 2008 (at March 31, 2009: CHF 5.00).

Medical Technology

Swiss Medical Solution AG

Business segments: **In-vitro diagnostics** Location: **Büron, Switzerland** Number of employees as of 09/30/2009: **7.6 full-time staff** Sales development 01/01–06/30/2009: **+91%** New Value holdings as of 09/30/2009: **CHF 1.56 million**, corresponds to a **38.9%** share of equity; additional **CHF 4.99 million convertible bond** New Value Board Representative: **Peter Letter** Website: **www.swissmedicalsolution.ch**

Brief Description

- Swiss Medical Solution AG develops, produces and sells self-tests for urinary tract infections to sales partners. These custom-tailored tests comprehensively address the specific needs of women, small children, the elderly and diabetics. The first application in use is the U-Lab® self-test for early detection in women.

Highlights

- Swiss Medical Solution AG welcomed a new CEO, Dr. Thomas Kaltenbach. Dr. Kaltenbach has extensive experience in sales and marketing as well as supply chain management. The Board of Directors was also expanded with the addition of new president Marc Neuschwander (former CEO of Bayer Switzerland) and Dr. Petter Röttger (member of the board of directors of the German Diabetes Foundation).
- In cooperation with newly acquired sales partners for U-Lab in Germany and Switzerland, the product was successfully launched in October. An equally important sales partnership was established in Italy, where market entry for U-Lab is scheduled for November.
- New Value invested in a convertible bond in September 2009 worth CHF 0.5 million.

Value Drivers

- Patent-protected technology and product platform for in vitro diagnostics in the home testing market.
- Clear USP: Self-tests are user-friendly and provide laboratory quality
- Encouraging success of U-Lab® in Switzerland, the first product offered by Swiss Medical Solution; Germany and Italy a promising base for international market expansion
- Variety of additional applications for the technology in new products, two of which are already undergoing clinical testing (for small children and the elderly) or are in advanced development (testing for diabetics).

Valuation

- Valuation at CHF 5.00 per share using the discounted cash flow method (at March 31, 2009: CHF 5.00). The market value of the convertible bond includes a valuation of the borrowed capital portion at net present value using the effective interest method and of the option portion.

Medical Technology

Idiag AG

Business segments: Diagnostics and rehabilitation for back and respiratory complaints Locations: Fehraltorf, Switzerland, and Bad Säckingen, Germany Number of employees as of 09/30/2009: 11 full-time staff Sales development 01/01 – 06/30/2009: -17% New Value holdings as of 09/30/2009: CHF 4.43 million; corresponds to 49.7% share of equity; additional CHF 1.73 million convertible bond New Value Board Representative: Paul Santner (President) Website: www.idiag.ch

Brief Description

- Idiag AG develops and markets innovative products for medical, therapeutic and sports applications in the back and respiratory growth segments. MediMouse® is a convenient measuring system for computer-assisted imaging and radiation-free examination of the shape and mobility of the spinal column. SpiroTiger® Medical is a respiratory training device used to improve the performance and endurance of respiratory muscles (for example, for shortness of breath in COPD patients). SpiroTiger® Sport is used by recreational and professional athletes to increase the endurance and strength of their respiratory muscles and upper body.

Highlights

- A focus on proprietary products and the associated task of selling retail products only resulted in a drop in sales. Only sales of Idiag's own SpiroTiger Sport were slightly higher than during the same period last year, a result of the challenging market.
- Idiag's management reacted immediately to the decline in sales. MediMouse sales in Germany were outsourced to LucaMed, a new company led by Idiag co-founder Dr. Lucio Carlucci. Idiag also intensified its search for additional sales partners.
- The new, user-friendly product generation featuring modern, redesigned packaging was well received by customers, resulting in higher sales in July and August 2009.
- Studies on cystic fibrosis and obstructive sleep apnea proceeded according to plan. Initiated in 2008, their aim is to uncover additional medical applications for SpiroTiger.
- SpiroTiger athletes earned numerous medals in competition: Nino Schurter won gold for cross country mountainbiking and Simone Niggli-Luder for orienteering at world championships. Idiag was also able to convince several additional soccer clubs of the training ben-

efits offered by SpiroTiger, including Manchester United and various top teams in the German Bundesliga.

- Idiag issued a convertible bond for CHF 1 million, with New Value investing CHF 0.52 million. Other investors included BioMedCredit AG, a financing firm specialized in health care and life science, as well as several private investors. The new funds will be disbursed to the company in three installments. Previously, New Value acquired a stock package from institutional investors valued at CHF 0.44 million.

Value Drivers

- Back and respiratory complaints and preventive health care as growth segments in medicine
- Potential for substantial growth rates thanks to promising product and technology portfolio
- Increased cooperation with sales partners and new medical studies as a basis for planned market expansion

Valuation

- Valuation at CHF 0.64 per share using the discounted cash flow method (at March 31, 2009: CHF 1.20). A CHF -3.62 million value adjustment in the stock position was the result of a slowdown in business in 2009. The market value of the convertible bond includes a valuation of the borrowed capital portion at net present value using the effective interest method and of the option portion. Thanks to favorable conversion terms, the bond is now valued at CHF 1.73, corresponding to an upvaluation of CHF 1.21 million and resulting in an overall devaluation of the Idiag position of CHF -2.40 million.

Health

Mycosym International AG

Business segment: **Plant technology** Locations: **Basel, Switzerland, and Seville, Spain** Number of employees as of 09/30/2009: **5.5 full-time staff** Sales development 01/01–06/30/2009: **+76%** New Value holdings as of 09/30/2009: **CHF 4.23 million**; corresponds to **49.1%** share of equity; additional **CHF 0.46 million** loan New Value Board Representative: **Peter Letter (President)** Website: **www.mycosym.com**

Brief Description

- Mycosym International AG is a plant technology company that develops, produces and markets innovative biological soil conditioners using mycorrhiza (natural symbiosis of plants and soil fungi). Soil conditioners improve plant growth (vitalization, root volume), resulting in higher yield and fewer losses in intensive farming and allowing growth in extreme locations (aridity, salinity). Another benefit is reduced water consumption in agriculture and gardening. In some applications, resistance to pests and illnesses is increased.

Highlights

- In April 2009, Mycosym unveiled its concept of water conservation through the use of Mycosym products to its target audience in the golf segment at an international conference on golf and the environment in Malaga, Spain. Mycosym demonstrated the following advantages: Water savings of up to 40% and better lawn quality by using recycled water (resistance to high salinity); investment payback within approximately 12 months (depending on water costs); highly beneficial particularly in regions where water availability is limited, where water represents a substantial cost factor or where environmental impact is relevant.
- In October 2009, Mycosym began marketing its products in the produce and greens segment in southern Spain. Also, in the first three quarters a customer reference database was constructed.
- Distribution partnerships were established in Greece and Turkey.

Value Drivers

- Attractive gross margins thanks to cost-effective production processes; deep cost structure
- High market entry barriers for competitors due to the time required for development (natural growth cycle of plants)
- Large potential for continuous product innovation
- Sustainable agricultural products as a high-growth market segment; additional potential thanks to high customer benefits in water management

Valuation

- Valuation at CHF 21.75 per share using the discounted cash flow method (at March 31, 2009: CHF 21.75).

Health

Bogar AG

Business segments: **Animal health and nutrition** Location: **Wallisellen, Switzerland** Number of employees as of 09/30/2009: **8 full-time positions** Sales development 01/01–06/30/2009 **-34%** New Value holdings as of 09/30/2009: **CHF 3.57 million**; corresponds to **29.8%** share of equity New Value Board Representative: **Rolf Wägli (President)** Website: **www.bogar.com**

Brief Description

- Bogar AG is a specialist in natural and future-oriented pet health and nutrition that develops, produces and distributes high-quality herbal pet food supplements and care products. Bogar is a pioneer in the area of veterinary phytotherapy and a developer of an ever-expanding range of products for effective supportive nutrition as well as natural prevention and treatment of various illnesses and diseases in animals. The current product line consists of effective nutritional supplements as well as high-quality care compounds for dogs, cats and sporting and recreational horses.

Highlights

- Following record results in 2008, sales in the first half of 2009 remained below expectations. One reason was that orders for anti-flea products were placed later in the year and in lower quantities due to the long winter. Distributors and consumers purchased smaller quantities. The strength of the Swiss franc had a negative impact on the planned eastward expansion of the market.
- Bogar once again took advantage of the lull in activity to focus on new product innovations: The shampoo line was completely revamped, the product range was streamlined and new, more user-friendly and modern tubes were designed. New products include an even more effective parasite shampoo and shampoos for three specific target groups: puppies or kittens, active young dogs and senior dogs.
- External sales in Switzerland were outsourced to Petco for efficiency and cost purposes. Petco is a company of the Henry Schein group that operates in the pet store and dog and cat breeder segments as well as animal shelters throughout Switzerland. The company's assortment includes high-quality Hill's Pet Nutrition products. It also boasts a modern logistics infrastructure.

- As of summer 2009, Bogar products are available through two of Germany's largest internet portals: www.zooplus.de (under the Trixie label) and www.shop-apotheke.de.

Value Drivers

- Expanded product portfolio; successful launch of new products to the market
- Well-established, efficient distribution channels in Switzerland and Germany, market expansion in Germany still harbors potential
- Duplication of strategy in additional international markets planned

Valuation

- Valuation at CHF 15.29 per share using the discounted cash flow method (at March 31, 2009: CHF 30.57). A CHF -3.57 million value adjustment in the stock position was the result of a slowdown in business in 2009.

Information technology

Fotodesk Group AG

Business segments: Online photo service Locations: Zug and Basel, Switzerland, and Trivandrum, India Number of employees as of 09/30/2009: 46 full-time staff Sales development 01/01–06/30/2009: +91% New Value holdings as of 09/30/2009: CHF 4.5 million, corresponds to a 45% share of equity; additional CHF 1.24 million convertible bond New Value Board Representative: Peter Letter (President) Website: www.fotodesk.com

Brief Description

- Fotodesk Group AG is an integrated digital imaging services company that offers traditional photo printing alongside innovative lifestyle products such as self-stick posters, laptop skins and wall tattoos. Fotodesk expanded its offerings with an online boutique for fine art prints. Through its merger with flauntR, www.flauuntr.com, an online portal for image editing, customers also have access to high-quality image editing applications. The company launched two online services, www.colormailer.com and www.fastlab.com.

Highlights

- On October 30, 2009, Fotodesk opened its first gallery at a new location in Basel (near the train station) as a venue for the physical presentation of its high-quality products.
- The company increased its efforts to acquire new customers (with promotions such as the “1,000 free print offer”) as well as its marketing activities (such as the “India-India Festival” at the main train station in Zurich). These campaigns were particularly well-received by customers in France and Switzerland.
- At the end of June 2009, Fotodesk launched the first-ever online photobook that is both easy to design and order. Downloading the photobook software to the desktop is no longer necessary, allowing Fotodesk to continuously offer customers new features.

Value Drivers

- Customer base in several European countries
- Growth potential from use of innovative web technologies and integration with online photo editing
- Continuous product innovations in printing, fine art and decor segments; sole provider of an online photobook editor.
- Strong development team with high competence in internet applications, image editing and online marketing

Valuation

- Valuation at CHF 1.00 per share corresponds to the capital transaction price upon the acquisition of Colorplaza SA by FotoDesk Group AG in June 2008 (at March 31, 2009: CHF 1.00). The market value of the convertible bond includes a valuation of the borrowed capital portion at net present value using the effective interest method and of the option portion.

Information technology

Silentsoft SA

Business segments: **Information technology/M2M telemetry** Location: **Morges, Switzerland** Number of employees as of 09/30/2009: **25 full-time staff** Sales development 01/01–06/30/2009: **+64%** New Value holdings as of 09/30/2009: **CHF 3.58 million**; corresponds to **25.7%** share of equity New Value Board Representative: **Dr. Marius Fuchs** (New Value cooperation partner) Website: www.silentsoft.com

Brief Description

- Silentsoft SA is a leading company in the machine to machine (M2M) communications technology sector. Silentsoft developed a proprietary technology with processes and software that make it possible to set up and operate large M2M remote monitoring networks for measuring, automatically transmitting and analyzing data from geographically distributed containers for liquids, powders or waste products. Founded as a pioneer in M2M communications in 2000, Silentsoft has developed into Europe's leading provider of wireless M2M network services for building management. These widely-used services allow property managers to monitor and manage gas tank levels, for instance, from a central location.

Highlights

- Silentsoft increased its sales by 64% over the same period last year. To realize positive growth, four new full-time positions were created.
- In May 2009, Silentsoft signed agreements for the installation of over 1,200 telemetry systems, including high-profile projects in the cities of Zurich and Winterthur. The systems will offer the customers significant cost savings through simplified monitoring of water levels in tank systems.
- At the same time, Silentsoft further expanded its M2M product range. In addition to remote monitoring devices for waste collection sites and silos introduced at the end of 2008, the company developed remote water and gas measurement systems with built-in alarm functions.
- Green Building is a new and promising market segment. Building energy optimization and real-time building monitoring represent the fast-growing needs of building owners and property management companies. In this area Silentsoft plans to offer a comprehensive solution in cooperation with partners.

- Silentsoft also entered the field of M2M applications for energy optimization and CO₂ reduction and formed a partnership with a leading provider of vehicle diagnostics and telematics technologies for the auto industry.

Value Drivers

- Leading position in the European market in the M2M networks segment for building management as an excellent basis for fast expansion of customer base
- High customer loyalty and repeat sales
- Expansion of core business activities; potential in real-time building monitoring, energy optimization, agricultural product silos and recycling collection systems.
- High market growth expected in the next few years (Harbor Research predicts average growth of 42.5% for M2M devices over the next 5 years).

Valuation

- Valuation at CHF 176.13 per share corresponds to the acquisition price at the last capital increases in February and November 2008 (at March 31, 2009: CHF 176.13).

Information technology

Qualilife SA

[illegible]

Brief Description

- Qualilife SA is a software company that specializes in developing access technologies for the disabled, the elderly and hospital patients. Qualilife's newest development, QualiMedical UCS (Unified Communication Solution), is an innovative software platform that allows patients in hospitals and rehab clinics to access TV, radio, telephone and the internet or to watch videos. The software is intuitive and supports the use of special hardware for the disabled. Through interfaces to the administration system and targeted patient information, the solution supports work processes in the clinic, thus contributing to improving efficiency and quality.

Highlights

- In May 2009 Qualilife welcomed Walter M. Huber as its new CEO. Mr. Huber brings with him many years of professional experience in the health care IT solutions sector and will advance the expansion of national and international sales structures at Qualilife.
- In September 2009, Dirk Sebald, director of expert group AG of Zug, Switzerland, was elected the new president of the Board of Directors. He has broad experience as a CEO and coach in IT and health care.
- Qualilife is equipping a private clinic in the Swiss canton of Ticino with 100 patient terminals and Qualilife's Qualimedical Unified Solution software. The project, which is scheduled for completion in early 2010, represents a major victory for the company in terms of its reputation in the health care sector.

- To finance the continued growth of Qualilife, New Value invested CHF 2.0 million in three increments. After the first financing round of 0.72 million in June 2008, New Value increased its investment between May and July 2009 with an additional CHF 1.28 million. It now holds a 38.1% share in Qualilife. The new funds are being used mainly for the expansion of international marketing structures and the further development of products for the health care industry.

Value Drivers

- Health care market entry with technologically compelling product; duplication potential in the telemedicine and telecare industries
- System offers high customer benefits in the health care, disabled and senior sectors
- Existing development partnerships with leading software companies
- Increased attention for access technologies through membership in international organizations

Valuation

- Valuation at CHF 3.02 per share corresponds to the average acquisition price (at March 31, 2009: CHF 3.00).

New Materials / Materials

Natoil AG

Business segments: Lubricants made using renewable raw materials Location: Immensee, Switzerland Number of employees as of 09/30/2009: 1.5 full-time staff Sales development 01/01–06/30/2009: -36% New Value holdings as of 09/30/2009: CHF 1.59 million; corresponds to 30.5% share of equity New Value Board Representative: Peter Letter Website: www.natoil.ch

Brief Description

- Natoil AG develops and distributes industrial lubricants with first-rate technical qualities made as much as possible using renewable raw materials. Their use enables substantial energy savings and reduces wear and tear thanks to lower friction. The current discussion over CO₂ and the long-term trend toward higher prices for mineral oil products underscore the market potential for Natoil lubricants. Natoil uses seeds from a special type of domestically cultivated sunflower as its primary raw ingredient. This variation of the sunflower does not compete with food production.

Highlights

- One of Natoil's most important customer segments is the machine building and automobile supplier industries, which are battling a downturn in business. Nevertheless, Natoil was able to further strengthen its market position, a position built on a stable customer base, positive benchmark performance, first fills and word-of-mouth recommendations from renowned machine manufacturers as well as numerous patents. Natoil is also actively involved in several research programs and has formed development partnerships with renowned companies in the lubricant and motor oil segments.
- Based on this experience, Natoil has developed a new distribution concept, which it plans to implement in the next few months in cooperation with partners with existing distribution structures. Its goal is faster market penetration. Its own sales department has been reduced as a result.
- In June 2009 Natoil completed a capital increase totaling CHF 1.06 million, including CHF 0.15 million in new funds and the conversion of previous bond financing into capital stock. New Value contributed CHF 0.09 million to the fundraising initiative and converted a CHF 0.3 million bond. It thus increased its share in the company from 23.8% to 30.5%.

Value Drivers

- Excellent product properties with high customer benefits in niche applications
- Broad existing product portfolio for diverse industrial applications
- Production using renewable resources from European agricultural areas; acceptance of products increased thanks to current discussion over CO₂.
- Good scalability in production and market access

Valuation

- Valuation at CHF 12.69 per share (at March 31, 2009: CHF 25.38) corresponds to acquisition price during capital increases completed in June 2007, February 2008 and June 2009.

FINANCIALS

Financial Statements 2009

BALANCE SHEET

Item	Note	9/30/09 CHF	3/31/09 CHF
ASSETS			
Non-Current Assets			
Investments	5.2.	64,226,541	53,530,700
Long-term Convertibles and Loans	4.3./4.4.	7,867,479	5,638,153
Total Non-Current Assets		72,094,020	59,168,853
Current Assets			
short-term loans and convertibles	4.1./4.2.	544,652	240,000
Other accounts receivable		70,559	65,591
Accruals		74,714	16,262
Cash and cash equivalents		6,858,378	7,630,280
Total Current Assets		7,548,303	7,952,133
Total Assets		79,642,323	67,120,986
LIABILITIES AND SHAREHOLDER'S EQUITY			
Shareholders Equity			
Share capital paid-in	6	32,872,330	32,872,330
Treasury Shares	6.4.	-1,083,565	-5,231,499
Share premium		20,672,809	22,115,981
Accumulated profit/loss carried forward		25,758,627	15,587,969
Total Shareholders' Equity		78,220,201	65,344,781
Liabilities			
Short-term Financial Liabilities		311,075	1,324,800
Deferrals		1,111,047	451,405
Total Liabilities		1,422,122	1,776,205
Total Liabilities and Shareholders' Equity		79,642,323	67,120,986

STATEMENT OF INCOME

		4/1/2009 – 30/09/09	4/1/2008 – 30/09/08
Item	Note	CHF	CHF
Income from investments and loans			
Income from sale of investments	5.2.	553,336	1,042,924
Unrealised income from investments	4/5.2.	18,426,091	5,797,110
Interest income		88,824	90,173
Total income from investments and loans		19,068,251	6,930,207
Expenses from investments and loans			
Unrealised losses on investments and loans	4/5.2.	-7,238,383	-2,340,474
Investment expenses		-8,070	-143,667
Total expenses from investments and loans		-7,246,453	-2,484,141
Operating expenses			
Investment management fee	8	-703,110	-873,138
External personnel expenses		-48,420	-48,420
Expenses Board of Directors		-228,917	-74,744
Expenses auditors		-46,875	-37,202
Expenses Communication/IR		-261,292	-215,749
Consulting costs (Legal and Tax)		-214	-20,820
Other administrative expenses		-77,789	-82,447
Capital tax		-60,000	-55,000
Total operating expenses		-1,426,617	-1,407,520
Financial income and expenses			
Financial income		27,098	60,609
Financial expenses		-251,621	-107,682
Total financial income and expenses		-224,523	-47,073
Earnings before taxes		10,170,658	2,991,473
Income tax		0	0
Halfyear profit		10,170,658	2,991,473
Other comprehensive income		0	0
Total comprehensive income halfyear 2009		10,170,658	2,991,473
Average number of shares outstanding		2,996,574	2,929,378
Result per share undiluted	9	3.39	1.02
Result per share diluted	9	3.39	1.01

CHANGES IN EQUITY

	Note	Share capital	Treasury shares	Share premium	profit/loss carried forward	Share- holder's equity
		CHF	CHF	CHF	CHF	CHF
Shareholder's equity per 4/1/2008		32,872,330	-6,406,150	25,139,669	29,576,794	81,182,643
Purchase of treasury stocks	6.4.		-7,913,325			-7,913,325
Sale of treasury stocks	6.4.		7,838,087	-472,433		7,365,654
Option plan				0		0
Total comprehensive income halfyear 2008					2,991,473	2,991,473
Shareholder's equity per 30/09/2008		32,872,330	-6,481,388	24,667,236	32,568,267	83,626,445
Shareholder's equity per 01/04/2009		32,872,330	-5,231,499	22,115,981	15,587,969	65,344,781
Purchase of treasury stocks	6.4.		-3,675,413			-3,675,413
Sale of treasury stocks	6.4.		7,823,347	-1,443,172		6,380,175
Total comprehensive income halfyear 2009					10,170,658	10,170,658
Shareholder's equity per 30/09/2009		32,872,330	-1,083,565	20,672,809	25,758,627	78,220,201

CASH FLOW

		4/1/2009 – 30/09/09	4/1/2008 – 30/09/09
Item	Note	CHF	CHF
Cash flow from operating activities			
Halfyear profit		10,170,658	2,991,473
Adjustment interests paid		62,822	696
Adjustment interests earned		-53,989	-150,782
Unrealised income from investments	4/5.2.	-18,426,091	-5,797,110
Unrealised losses from investments and loans	4/5.2.	7,238,383	2,340,474
Realised income from Investments	5.2.	-553,336	-1,042,924
Change in receivables		-4,968	-9,218
Change in accruals		-58,451	64,411
Change in deferrals		659,642	-22,186
Net cash from operating activities		-965,330	-1,625,166
Cash flows from investing activities			
Loans granted ³⁾	4	-957,383	-790,000
Investments ^{1) 2)}	5.2.	-1,430,000	-2,574,288
Divestments	5.2.	1,686,454	5,957,709
Interests received		14,108	66,876
Net cash from financing activities		-686,821	2,660,297
Cash flows from financing activities			
Purchase of treasury shares	6.4.	-3,675,413	-7,913,325
Sale of treasury shares ¹⁾	6.4.	5,943,284	7,365,654
Change in other short-term liabilities ³⁾		-1,324,800	-420,000
Interests paid		-62,822	-696
Net cash from financing activities		880,249	-968,367
Net cash		-771,902	66,764
Cash and cash equivalents per 01/04		7,630,280	14,882,671
Net change in cash and cash equivalents		-771,902	66,764
Cash and cash equivalents per 30/09		6,858,378	14,949,435

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