NASDAQ OMX Copenhagen A/S
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TOPSIL SEMICONDUCTOR MATERIALS A/S

INTERIM REPORT, Q2 2013 three months ended 30 June 2013

POSITIVE PERFORMANCE IN Q2

"Our revenue showed more than expected growth in Q2, well supported by sales to a number of one-off projects. Our main focus during the period was on implementing the strategy launched in 2012, and we are beginning to see the initial results of our efforts. On this background, we are upgrading our full-year guidance."

Kalle Hvidt Nielsen, CEO

HIGHLIGHTS OF THE QUARTER

- Revenue totalled DKK 87.3 million, up from DKK 76.0 million in Q2 2012 (+14.8%). The revenue was positively affected by silicon sales to a number of one-off projects.
- The contribution margin for Q2 was 48.7%, the same level as in Q2 2012.
- Other external costs and staff costs were down by DKK 0.8 million from DKK 31.7 million in Q2 2012 to DKK 30.9 million in Q2 2013. Q2 2013 included interim costs of about DKK 1 million due to parallel production lines at two locations in Frederikssund.
- Operating profit before depreciation and amortisation (EBITDA) was DKK 11.6 million in Q2 2013 against DKK 5.3 million in Q2 2013, bringing the EBITDA margin to 13.3% against 7.7% in Q2 2012.
- Working capital increased by DKK 19.9 million as compared with the amount at year-end 2012. This increase was a result of lower payables and higher receivables due to increased sales offset by inventory reduction.
- There was a cash outflow from operating activities of DKK 9.1 million in Q2 2013, and DKK 6.0 million was invested in production equipment and product development.
- New product qualifications were initiated during the period, and samples of 200mm NTD silicon wafers were sent to a number of customers.
- The construction of the new plant was completed in early April. Depreciation of investments related to the plant was made in the whole of Q2.

OUTLOOK FOR 2013

Based on the good revenue performance resulting primarily from increased sales for one-off projects in the second quarter of the year and unchanged expectations for H2 2013, Topsil now upgrades its full-year forecast. The guidance for 2013 is increased to revenue in the region of DKK 300 million and EBITDA in the region of DKK 20 million from the previous guidance of revenue of at least DKK 290 million and EBITDA of at least DKK 13 million.

FINANCIAL HIGHLIGHTS FOR THE GROUP (UNAUDITED)

DKK '000	Q2 2013	Q2 2012	H1 2013	H1 2012	Jan.-Dec. 2012
Income statement					
Revenue	87,252	75,982	157,973	154,485	289,567
Operating profit before depreciation and amortisation (EBITDA)	11,581	5,332	14,953	14,394	12,795
Operating profit/(loss) (EBIT)	4,732	(997)	2,268	1,801	(13,913)
Net financials	(3,448)	(7,096)	(5,775)	(4,363)	(3,728)
Profit/(loss) for the period after tax	**78**	**(8,964)**	**(4,514)**	**(4,616)**	**(24,670)**
Of which attributable to parent company shareholders	57	(8,935)	(4,295)	(4,595)	(24,596)
Cash flows:					
Cash flows from operating activities	(9,110)	(17,376)	(10,477)	5,850	(3,827)
Cash flows from investing activities	(5,975)	(36,239)	(11,606)	(91,855)	(131,706)
Investments in property, plant and equipment	5,016	35,727	8,459	88,987	122,500
Balance sheet:					
Share capital	132,029	132,029	132,029	132,029	132,029
Equity attributable to parent company shareholders	375,425	400,213	375,425	400,213	387,828
Equity attributable to non-controlling shareholders	16,714	17,257	16,714	17,257	17,978
Total equity of the Group	392,139	417,470	392,139	417,470	405,806
Total assets	675,708	678,664	675,708	678,664	686,223
Invested capital	573,110	458,536	573,110	458,536	568,638
Net interest-bearing debt	170,944	103,866	170,944	103,866	152,318
Net working capital (NWC)	155,552	136,401	155,552	136,401	135,648
Financial ratios:					
EBITDA margin (%)	13.3	7.0	9.5	9.3	4.4
EBIT margin/profit margin (%)	5.4	(1.3)	1.4	1.2	(4.9)
Return on invested capital (%)	2.0	1.2	2.6	3.1	2.5
Contribution ratio (%)	48.7	48.7	49.1	50.7	47.6
Equity ratio	58	62	58	62	59
Return on equity (%)	0.0	(2.1)	(1.1)	(1.1)	(6.3)
Current number of shares (thousands)	528,114	528,114	528,114	528,114	528,114
Earnings per share (DKK)	0.00	(0.02)	(0.01)	(0.01)	(0.05)
Market value, DKK per share	0.40	0.41	0.40	0.41	0.38
Average number of full-time employees	346	367	346	367	358

FINANCIAL PERFORMANCE

SALES PERFORMANCEAND MARKET DEVELOPMENTS

Revenue grew more than expected in the first half of the year. This was the result of growing sales in Q2, primarily relating to silicon sales to a number of one-off projects.

At the beginning of the second half of the year, customers were still reporting unchanged low order visibility and expectations of moderate positive growth for the year as a whole, which is expected to be reflected in Topsil's sales performance for 2013.

The silicon industry (Gartner, IDC, WSTS and others) expect the total silicon market to grow by 2-6%, primarily in the second half of the year. Yole Developpement, which engages in analyses specifically for the power market, retains its growth forecast for the power electronics market at around 5% in 2013.

STRATEGY

Launched in August 2012, Topsil's strategy "Executing on Opportunities" is based on four main themes. The key milestones reached in H1 were:

1. **To increase the focus on the type of products we expect to show the highest growth rates in the coming years, especially PFZ.**

- New product qualifications were initiated in Q2, and samples of 200mm NTD silicon wafers were sent to a number of customers. It is expected that 200mm HPS silicon will be launched in the second half of 2013 and 200mm PFZ silicon in continuation thereof.

2. **To establish a stronger position on the strategically important Japanese and Chinese markets**

- The work to establish an improved sales setup in Japan progressed according to plan, and the new structure is expected to be announced in 2013. New product qualifications, including next-generation silicon wafers (200 mm), were initiated with customers in Japan and China in Q2.

3. **To substantially enhance wafer production efficiency**

- The work to increase production efficiency continued in the first half of 2013. Process improvements of silicon production in Denmark resulted in better utilisation of raw material compared to the same period of 2012, and process development combined with upgraded production equipment in Poland resulted in more efficient production of wafers.

4. **To secure an improved cash flow**

- The construction of the new plant was completed in early April on schedule and budget. The internal qualification of the new plant was completed according to plan at the start of Q3, meaning that Topsil can now supply silicon from the plant to a number of customers. However, a group of customers require external qualification of the plant, and the preparations for this continued as planned.

- In the second quarter of the year, Topsil began further negotiations with its suppliers of raw materials to reduce its procurement obligations in order to avoid an increase in inventories towards the end of the year.

REVENUE

Revenue for Q2 2013 was DKK 87.3 million against DKK 76.0 million for the year-earlier period, corresponding to organic growth of DKK 11.3 million (+14.8%). This performance was supported by growing sales of silicon, primarily to a number of one-off projects. Sales of silicon in Q2 totalled DKK 83.8 million, up from DKK 72.6 million in Q2 2012 (+15.4%).

Revenue for H1 2013 was DKK 158.0 million against DKK 158,0 million in H1 2012 (+2.3%). Revenue from silicon sales accounted for DKK 150.8 million of total revenue against DKK 147.0 million in H1 2012, equivalent to an increase of DKK 3.8 million (+2.6%).

COSTS

Direct production costs were DKK 44.8 million in Q2 2013 against DKK 39.0 million in Q2 2012. The contribution margin was 48.7%, which was on a level with the same period last year. The contribution margin was composed of cost improvements offset by changes in the underlying customer and product mixes.

Other external expenses and staff costs were reduced by DKK 0.8 million equivalent to a decline of 2.6% in Q2 2013 year on year. The underlying cost savings are in fact higher, but interim costs of about DKK 1 million relating to parallel production lines at two locations in Frederikssund had a negative impact on the Company's performance. Adjusted for this, the underlying cost savings were DKK 1.8 million equivalent to a decline of 5.7% year on year, partly as a result of a reduction in staff and the effect of Topsil's continued efforts to reduce costs.

OPERATING PROFIT

EBITDA totalled DKK 11.6 million in Q2 2013 against DKK 5.3 million in Q2 2012. Accumulated EBITDA for H1 2013 was DKK 15.0 million against DKK 14.4 million in H1 2012.

Depreciation and amortisation charges for the period amounted to DKK 6.8 million against DKK 6.3 million in Q2 2012. Last year's depreciation and amortisation was impacted by increased depreciation charges on assets not relocated to the new plant. This resulted in additional depreciation of DKK 0.4 million per quarter in 2012.

The construction of the new plant at Frederikssund was completed in early April 2013, and the investment has been reclassified from property, plant and equipment in progress to the respective asset groups. Depreciation in respect of the new plant was charged for the whole of Q2 2013. Going forward, the construction of the plant (the greenfield project) will entail annual depreciation charges of DKK 3.2 million.

EBIT was a profit of DKK 4.7 million in Q2 2013 against a loss of DKK 1.0 million in Q2 2012.

NET FINANCIALS

Net financials amounted to an expense of DKK 3.4 million against an expense of DKK 7.1 million in Q2 2012. For H1, net financials amounted to an expense of DKK 5.8 million, against an expense of DKK 4.4 million for H1 last year. Interest expenses totalling DKK 1.0 million relating to the construction of the new plant were capitalised over the first four months of the year. No more interest expense is expected to be capitalised in respect of the new plant.

PROFIT AFTER TAX

Topsil posted a profit after tax of DKK 0.1 million in Q2 2013 against a loss of DKK 9.0 million in Q2 2012, and an accumulated H1loss after tax of DKK 4.5 million against a loss of DKK 4.6 million in H1 2012.

BALANCE SHEET

Total assets at 30 June 2013 amounted to DKK 675.7 million against DKK 678.7 million at 30 June 2012. Non-current assets rose by DKK 13.7 million, and current assets were reduced by DKK 16.7 million. The increase in non-current assets related to investments in production facilities, including in particular the construction of the new plant at Frederikssund.

Property, plant and equipment in progress totalled DKK 64.5 million, mainly consisting of production equipment. Following the completion of the internal qualification, Topsil expects to start depreciating the equipment from Q3.

Working capital was DKK 155.6 million at the balance sheet date, representing an increase of DKK 19.9 million compared to 31 December 2012. The increase was mainly the result of a DKK 13.2 million reduction of payables partly following the completion of the new plant, and an increase in receivables by DKK 15.4 million as a result of increased revenue offset by a DKK 16.0 million reduction of inventories.

Inventories stood at DKK 143.0 million at 30 June 2013, which was DKK 18.9 million less than at 30 June 2012. Inventories were reduced by DKK 9.8 million during the quarter, and Topsil negotiated with its suppliers of raw materials to reduce its procurement obligations in order to ensure that inventories do not increase towards the end of the year.

Payables totalled DKK 65.4 million at 30 June 2013, which was DKK 14.5 million higher than at 30 June 2012 as a result of the increase in revenue for the quarter.

Net interest-bearing debt was DKK 170.9 million at 30 June 2013, representing an increase of DKK 67.1 million compared to 30 June 2012. This increase was primarily due to investments in new production facilities, including the construction of the new plant in Frederikssund.

At the balance sheet date, equity amounted to DKK 392.1 million, corresponding to an equity ratio of 58.

CASH FLOW STATEMENT
Cash flows from operating activities were an outflow of DKK 9.1 million in Q2 2013 against an outflow of DKK 17.4 million in Q2 2012. The financial performance in Q2 had a favourable impact on the cash flows in 2013.

Cash flows from investing activities were an outflow of DKK 6.0 million in Q2 2013 against an outflow of DKK 36.2 million in Q2 2012. Of these investments, DKK 5.0 million related to property, plant and equipment and DKK 1.0 million to development projects.

Cash flows from financing activities were an inflow of DKK 12.0 million in Q2 2013 compared to DKK 50.0 million in Q2 2013.

OUTLOOK FOR 2013
Based on the good revenue performance resulting primarily from increased sales to one-off projects in the second quarter of the year and unchanged expectations for H2 2013, Topsil now upgrades its full-year forecast. The guidance for 2013 is increased to revenue in the region of DKK 300 million and EBITDA in the region of DKK 20 million from the previous guidance of revenue of at least DKK 290 million and EBITDA of at least DKK 13 million.

These expectations are based on exchange rates of DKK 575/USD 100 and DKK 180/PLN 100/previously DKK 600/USD 100 and DKK 180/PLN 100.

The forward-looking statements in this interim report reflect Management's current expectations for certain future events and financial results. Forward-looking statements are inherently subject to uncertainty, and actual results may therefore differ materially from expectations.

Factors that may cause actual results to differ materially from expectations include, but are not limited to, general economic developments and developments in financial markets, changes in the silicon market, market acceptance of new products as well as the launch of competing products.

Topsil is under an obligation to update and adjust the expectations provided only to the extent required by Danish law, including the Danish Securities Trading Act and similar legislation.

INVESTOR RELATIONS COMMUNICATION

CEO Kalle Hvidt Nielsen and CFO Jesper Bodeholt will present the Company's financial statements at a meeting with institutional investors on Wednesday, 28 August at 12:00 noon Copenhagen time (CET) at Carnegie Bank, Copenhagen.

Please direct any questions regarding this announcement to the Company's CEO and CFO through Ms Christina Fris Bjørling, Communications Manager, tel.: +45 2152 1011.

This announcement has been prepared in a Danish-language and an English-language version. In the event of discrepancies, the Danish version shall prevail.

FINANCIAL CALENDAR 2013

Interim report - Q3 2013	27 November 2013

Prior to each publication, Topsil observes a four-week silent period.

ANNOUNCEMENTS 2013

21.06	Insiders' trading
28.05	Interim report, Q1 2013
02.05	Warrant programme – updated Articles of Association
02.05	Updated Articles of Association
23.04	Topsil establishes warrant programme for members of the management board and managerial employees
23.04	Change of Management
22.04	Decisions of Annual General Meeting
16.04	Insiders' trading
22.03	Notice to convene Annual General Meeting
20.03	Annual Report 2012
03.01	Next silicon wafer generation submitted for customer qualification

E-MAIL SERVICE
Under Contacts on Topsil's website, it is possible to subscribe to and unsubscribe from Topsil's electronic email service to receive annual reports, quarterly reports and similar stock exchange announcements.

MANAGEMENT STATEMENT

The Board of Directors and the Management have today considered and adopted the interim report of Topsil Semiconductor Materials A/S for the three months ended 30 June 2013.

The interim report is presented in accordance with IAS 34 "Interim financial reporting" as adopted by the EU and Danish disclosure requirements for interim reports of listed companies.

In our opinion, the interim financial statements give a true and fair view of the Group's assets, liabilities and financial position at 30 June 2013 and of the results of the Group's operations and cash flows for the second quarter of 2013.

In our opinion, the management report includes a fair review of the development and performance of the business and financial position of the Group, the financial results for the period as well as the financial position in general of the consolidated companies, together with a description of the principal risks and uncertainties that the Group faces.

Frederikssund, 27 August 2013

MANAGEMENT BOARD:

Kalle Hvidt Nielsen CEO	Jørgen Bødker EVP, Director of Logistics, Sales and Marketing	Jesper Bodeholt CFO

BOARD OF DIRECTORS:

Jens Borelli-Kjær Chairman	Eivind Dam Jensen Deputy Chairman	Jørgen Frost Board member
Michael Hedegaard Lyng Board member	Jens Balslev Olesen Elected by the employees	Jesper Leed Thomsen Elected by the employees

INCOME STATEMENT

DKK ’000	Q2 2013	Q2 2012	H1 2013	H1 2012	Jan.-Dec. 2012
Revenue	87,252	75,982	157,973	154,485	289,567
Direct production costs	(44,800)	(38,970)	(80,415)	(76,209)	(151,759)
Other external expenses and staff costs	(30,871)	(31,680)	(62,605)	(63,882)	(125,013)
Profit from operations before depreciation and amortisation (EBITDA)	**11,581**	**5,332**	**14,953**	**14,394**	**12,795**
Depreciation, amortisation and impairment	(6,849)	(6,329)	(12,685)	(12,593)	(26,708)
Operating profit/(loss) (EBIT)	**4,732**	**(997)**	**2,268**	**1,801**	**(13,913)**
Net financials	(3,448)	(7,096)	(5,775)	(4,363)	(3,728)
Profit/(loss) before tax	**1,284**	**(8,093)**	**(3,507)**	**(2,562)**	**(17,641)**
Tax on profit for the period	(1,206)	(871)	(1,007)	(2,054)	(7,029)
Profit/(loss) for the period	**78**	**(8,964)**	**(4,514)**	**(4,616)**	**(24,670)**
Appropriation of profit/(loss) for the period:					
Parent company shareholders	57	(8,935)	(4,295)	(4,595)	(24,596)
Non-controlling interests	21	(29)	(219)	(21)	(74)
	78	**(8,964)**	**(4,514)**	**(4,616)**	**(24,670)**
Earnings per share:					
Earnings per share (DKK)	0.00	(0.02)	(0.01)	(0.01)	(0.05)
Diluted earnings per share (DKK)	0.00	(0.02)	(0.01)	(0.01)	(0.05)

STATEMENT OF COMPREHENSIVE INCOME

DKK ’000	Q2 2013	Q2 2012	H1 2013	H1 2012	Jan.-Dec. 2012
Profit/(loss) for the period	78	(8,964)	(4,514)	(4,616)	(24,670)
Foreign exchange adjustment relating to foreign subsidiaries	(5,201)	(2,809)	(9,453)	4,245	12,607
Comprehensive income for the period	**(5,123)**	**(11,773)**	**(13,967)**	**(371)**	**(12,063)**
Parent company shareholders	(4,535)	(10,863)	(12,703)	(1,731)	(15,006)
Non-controlling interests	(588)	(910)	(1,264)	1,360	2,943
	(5,123)	**(11,773)**	**(13,967)**	**(371)**	**(12,063)**

CASH FLOW STATEMENT

DKK ’000	Q2 2013	Q2 2012	H1 2013	H1 2012	Jan.-Dec. 2012
Operating profit/(loss) (EBIT)	4,732	(997)	2,268	1,801	(13,913)
Depreciation, amortisation and impairment	6,849	6,329	12,685	12,593	26,708
Change in net working capital	(17,155)	(15,542)	(20,220)	4,958	(10,240)
Other	(88)	(70)	565	(4,278)	1,137
Cash generated from operations (operating activities)	**(5,662)**	**(10,280)**	**(4,702)**	**15,074**	**3,692**
Tax paid	0	0	0	(4,861)	(3,791)
Net financials	(3,448)	(7,096)	(5,775)	(4,363)	(3,728)
Cash flows from operating activities	**(9,110)**	**(17,376)**	**(10,477)**	**5,850**	**(3,827)**
Acquisition etc. of intangible assets	(959)	(512)	(3,147)	(2,868)	(9,206)
Acquisition etc. of property, plant and equipment	(5,016)	(35,727)	(8,459)	(88,987)	(122,500)
Cash flows from investing activities	**(5,975)**	**(36,239)**	**(11,606)**	**(91,855)**	**(131,706)**
Raising of money market loans	11,998	50,000	19,416	90,000	125,000
Acquisition, non-controlling interests	0	0	0	(12,129)	(12,374)
Cash flows from financing activities	**11,998**	**50,000**	**19,416**	**77,871**	**112,626**
Change in cash and cash equivalents	**(3,087)**	**(3,615)**	**(2,667)**	**(8,134)**	**(22,907)**
Cash and cash equivalents at beginning of period	1,293	13,920	431	23,449	23,482
Market value adjustment of cash and cash equivalents	2,570	3,579	3,012	(1,431)	(144)
Cash and cash equivalents at end of period	**776**	**13,884**	**776**	**13,884**	**431**
Specification of cash and cash equivalents:					
Cash	11,073	23,930	11,073	23,930	10,904
Overdraft facilities drawings	(10,297)	(10,046)	(10,297)	(10,046)	(10,473)
Net cash and cash equivalents at end of period	**776**	**13,884**	**776**	**13,884**	**431**

BALANCE SHEET, ASSETS

DKK '000	Q2 2013	Q2 2012	Jan.-Dec. 2012
Completed development projects	8,934	10,836	8,946
Goodwill	16,995	17,291	18,068
Other intangible assets	14,595	15,145	15,670
Development projects in progress	17,747	10,492	16,788
Intangible assets	**58,271**	**53,764**	**59,472**
Land and buildings	173,758	55,275	65,850
Plant and machinery	122,410	101,187	115,386
Other fixtures and fittings, tools and equipment	2,484	3,952	3,123
Property, plant and equipment under construction	64,522	184,494	189,159
Property, plant and equipment	**363,174**	**344,908**	**373,518**
Other non-current receivables	19,888	24,142	22,116
Financial assets	**19,888**	**24,142**	**22,116**
Deferred tax asset	**6,738**	**11,514**	**2,923**
Non-current assets	**448,071**	**434,328**	**458,029**
Inventories	**143,038**	**161,955**	**159,010**
Receivables	65,379	50,898	49,973
Other receivables	5,359	6,231	5,340
Prepayments	2,788	1,322	2,966
Receivables	**73,526**	**58,451**	**58,279**
Cash and cash equivalents	**11,073**	**23,930**	**10,905**
Current assets	**227,637**	**244,336**	**228,194**
Assets	**675,708**	**678,664**	**686,223**

BALANCE SHEET, EQUITY AND LIABILITIES

DKK '000	Q2 2013	Q2 2012	Jan.-Dec. 2012
Share capital	132,029	132,029	132,029
Translation reserve	(21,835)	(20,153)	(13,427)
Reserve for share-based payment	777	6,548	477
Retained earnings	264,454	281,789	268,749
Equity attributable to parent company shareholders	**375,425**	**400,213**	**387,828**
Equity attributable to non-controlling interests	**16,714**	**17,257**	**17,978**
Equity	**392,139**	**417,470**	**405,806**
Debt to credit institutions	0	0	125,000
Finance lease liabilities	3,174	6,781	4,951
Prepayments received on account from customers	10,100	19,187	14,319
Other non-current liabilities	2,368	1,076	2,659
Deferred tax liabilities	19,576	17,412	15,656
Non-current liabilities	**35,218**	**44,456**	**162,585**
Debt to credit institutions	184,267	130,046	40,473
Finance lease liabilities	3,074	2,688	3,074
Trade creditors	36,798	66,083	49,994
Prepayments received on account from customers	5,019	195	4,915
Provisions	1,625	1,847	1,955
Other payables	17,568	15,879	17,421
Current liabilities	**248,351**	**216,738**	**117,832**
Total liabilities	**283,569**	**261,194**	**280,417**
Equity and liabilities	**675,708**	**678,664**	**686,223**

STATEMENT OF CHANGES IN EQUITY

DKK '000	Share capital	Translation reserve	Reserve for share-based payment	Retained earnings	Equity attributable to parent company shareholders	Equity attributable to non-controlling interests	Total equity
Equity at 01.01.2012	**132,029**	**(23,017)**	**5,970**	**279,028**	**394,010**	**35,096**	**429,106**
Comprehensive income for the period	0	2,864	0	(4,595)	(1,731)	1,360	(371)
Share-based payment	0	0	578	0	578	0	578
Acquisition, non-controlling interests	0	0	0	7,356	7,356	(19,199)	(11,843)
Equity at 30.06.2012	**132,029**	**(20,153)**	**6,548**	**281,789**	**400,213**	**17,257**	**417,470**
Equity at 01.01.2013	**132,029**	**(13,427)**	**477**	**268,749**	**387,828**	**17,978**	**405,806**
Comprehensive income for the period	0	(8,408)	0	(4,295)	(12,703)	(1,264)	(13,967)
Share-based payment	0	0	300	0	300	0	300
Equity at 30.06.2013	**132,029**	**(21,835)**	**777**	**264,454**	**375,425**	**16,714**	**392,139**

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND RISKS, ETC.

The interim report is presented in accordance with IAS 34 "Interim financial reporting" as adopted by the EU and additional Danish disclosure requirements for the interim reports of listed companies.

The interim report has been neither audited nor reviewed. The accounting policies are consistent with those of the Annual Report 2012. See the Annual Report 2012 for a full description of the accounting policies.

For accounting estimates and judgments, see note 2, page 42 of the Annual Report 2012. For information on risks, see note 35, pages 66-70, and “Special risks”, pages 17-18 of the Annual Report 2012.

According to the accounting regulations, Management must consider whether the quarterly report can be prepared on a going concern basis. Based on the Company's estimated outlook, including the most recent order forecast, expectations for the Company's future cash flow and existing credit facilities, etc., Management believes that the existing cash reserves and expected future cash flows will be sufficient to maintain operations and fund any measures planned. For further information on Topsil's cash flows and capital resources, see note 35, pages 66-70 of the Annual Report 2012.

2 SEGMENT INFORMATION

Topsil's segments are "Sales of silicon ingots and wafers” and "Property management". See below:

DKK ’000	Q2 2013	Q2 2012	H1 2013	H1 2012	Jan.-Dec. 2012
Sales of silicon ingots and wafers	83,758	72,602	150,803	146,964	274,391
Property management	3,494	3,380	7,170	7,521	15,151
Total	**87,252**	**75,982**	**157,973**	**154,485**	**289,542**

DKK ’000 Sales of silicon ingots and wafers	Q2 2013	Q2 2012	H1 2013	H1 2012	Jan.-Dec. 2012
Revenue	83,758	72,602	150,803	146,964	274,391
EBITDA	10,483	4,290	13,227	12,111	7,755
Depreciation, amortisation and impairment	(6,034)	(5,372)	(11,046)	(11,273)	(21,198)
EBIT	4,449	(1,082)	2,181	838	(13,443)
Net financials	(3,668)	(7,138)	(5,986)	(4,486)	(4,024)
Profit/(loss) before tax	781	(8,220)	(3,805)	(3,647)	(17,467)
Assets	586,053	590,036	586,053	590,036	590,512
Addition of property, plant and equipment during the year	7,898	88,277	7,898	88,277	120,645
Total liabilities	279,810	259,457	279,810	259,457	266,951

2 SEGMENT INFORMATION - CONTINUED

DKK '000 Property management	Q2 2013	Q2 2012	H1 2013	H1 2012	Jan.-Dec. 2012
Revenue	3,494	3,380	7,170	7,521	15,176
EBITDA	1,098	1,042	1,726	2,283	5,040
Depreciation, amortisation and impairment	(815)	(957)	(1,639)	(1,320)	(5,510)
EBIT	283	85	87	963	(470)
Net financials	220	42	211	123	296
Profit before tax	503	127	298	1,085	(175)
Assets	89,655	88,628	89,655	88,628	95,711
Addition of property, plant and equipment during the year	561	710	561	710	5,071
Total liabilities	3,759	1,737	3,759	1,737	13,466

The efforts to divest Cemat'70 S.A. continued during the period, as Topsil still wishes to divest this asset. The company contributes to the profit of Topsil.

3 EVENTS AFTER THE BALANCE SHEET DATE

No significant events have occurred after the balance sheet date.

4 FINANCIAL HIGHLIGHTS AND KEY RATIOS

The financial ratios have been calculated in accordance with "Recommendations and Financial Ratios 2010" issued by the Danish Society of Financial Analysts. The individual calculation formulas are provided in note 1, page 41 of the Annual Report 2012.

Topsil at a glance

Topsil produces ultra-pure silicon in the form of wafers which contribute to energy-efficient voltage management in advanced electrical components forming part of different end-user applications such as electricity distribution networks, production machines, wind turbines, electric cars and hybrid vehicles, and electric trains. The purity level of silicon is so high that only a handful of companies worldwide have the required knowledge and capacity to produce it. Customers are primarily major multinational companies in the semiconductor industry and to a lesser extent universities and other research institutions worldwide.

Topsil mainly addresses the highest voltage segments in the power market, which constitute about 10% of the overall silicon market, corresponding to DKK 5.2 billion in 2012. The market is driven by factors such as population growth and growing prosperity. More people and growing middle classes will therefore drive up demand for energy and functional energy infrastructures as well as investments in transport, green energy and energy efficiency.

Topsil's "Executing on Opportunities" strategy aims to exploit the long-term market potential for growth, including to increase the sale of the type of silicon that we expect will show the highest growth rates in the coming years and improve Topsil's market position in the two strategically important markets, Japan and China. At the same time, the strategy aims to increase the Company's cash flows from operating activities and enhance wafer production efficiency. The strategy builds on previous capacity investments in buildings, technology and equipment.

Topsil has production facilities and is headquartered in Copenhagen Cleantech Park, Frederikssund, Denmark and has production facilities in Warsaw, Poland. Topsil was founded in 1959, and had an average of 358 employees in 2012. For more information, go to www.topsil.com

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