



NOVAVISIONS AG

**HALF-YEAR REPORT
ACCORDING TO IFRS**

AS PER

30 JUNE 2012

NOVAVISIONS AG

LETTER TO THE SHAREHOLDERS

Novavisions with loss for the first half year 2012

For the first half year 2012 a almost break-even net result was achieved. This was due to a unique special effect and continuing low administrative costs. The equity ratio increased to 58.5%. The liquidity is still tight.

After the Shareholders Meeting on 29 May decided to reduce the nominal value of the share und to make a stock split, these decisions are now implemented actively. Furthermore, strategic investors subscribed a capital increase without subscription rights from the authorized capital after the reporting date. Thus a certain space for development is created for the company, and partly – with corresponding discounts – old positions settled as well.

The stock price does not reflect the potential of Novavisions. NovaStor as well as MultiCom developed well during the first half year. We expect a possible major transaction for Petshop to bring the company even more quickly ahead.

Outlook to the end of the year

The board of directors constantly monitors options to increase the value of Novavisions. However, the tight liquidity narrows the scope of action. Since all companies in the investment portfolio develop well and currently other options get verified we are confident to realize beneficial solutions for the shareholders.

Thanks

Our thanks are due for the confidence placed in us. We thank the staff of the various portfolio companies for their great commitment and their professionalism.

Yours sincerely,

Novavisions AG



Adrian Knapp
CEO/Chairman



Jean-Christophe Probst
Chief Financial Officer



THE COMPANY

Novavisions AG is an investment company specialised in consulting and investments in the technology sector. In addition to the overall idea and the sustainable potential of the technology, the decision to invest will depend primarily on the management and the people involved. Novavisions takes an active role in the investment but does not aim for holding majority stakes.

NOVAVISIONS AG, OVERVIEW

In thousand EUR

	01.-06.12	01.-06.11
	EUR	EUR
Net operating income	174	-196
General & administrative expense	-211	-210
EBTDA	-37	-406
Depreciation	-1	-1
Operating result (EBT)	-38	-407
Profit/Loss for period	-27	-407
Earnings per GDR, diluted and undiluted	-0.001	-0.017
GDRs, diluted and undiluted		
- average in circulation	24'077'470	24'077'470
- in circulation as per reporting date	24'077'470	24'077'470
	30.06.2012	31.12.2011
Equity capital	2'821	2'812
<i>Equity ratio</i>	58.5%	55.8%
Balance sheet total	4'824	5'037



MAJOR INVESTMENTS


NovaStor is headquartered in Switzerland but it also owns offices/operations in the United States and in Germany. NovaStor is a leading provider of award winning software solutions for data availability and protection. NovaStor's products, which comprises online/offline data protection, data recovery and the long-term, legally-compliant storage meet the requirements of different end-users starting from individuals over small and medium-sized business users to large enterprises.


System Restore Made Convenient

NovaBACKUP 13 simplifies life for those needing to restore their critical data and make it available at a moment's notice. With the addition of a universal restore function, users achieve the capability for the seamless restoration of a complete system to dissimilar hardware. Users of the new version benefit from a boot environment based on original Microsoft technology, Windows PE, for the restoration of a system. Instead of using supplied boot images based technologies that may not always be current, NovaBACKUP 13 users start the restore of a complete system using the Win PE a platform which is continuously updated by Microsoft for the use of current hardware.

Selected Awards and Certifications

Selected References


MultiCom

SOFTWARE

MultiCom Software Oy improves and integrates software technologies (from NovaStor amongst others) for important Finnish companies such as TietoEnator and Cap Gemini. The company is based in Lappeenranta in Eastern Finland, near St. Petersburg and constitutes an important hub in the innovative Finnish mobile market, which continues to set global trends. MultiCom Software Oy has been profitable for years. MultiCom can be reached at www.multicom.fi.

Ausgewählte Referenzen



PETSHOP.de

With more than 10,000 articles for dogs, cats, birds, small animals, horse-riding, aquariums and terrariums, **Petshop.de** is one of the largest German online shops for pet supplies. Petshop.de GmbH can draw on logistics support from BTG Systemlogistik Group, the largest wholesale purchasing alliance for pet supplies in Germany and Austria, giving the company considerable strategic advantages.

Petshop.de can be found at www.petshop.de.



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Selänge der Vorrat reicht

1 2 3 4 5



MANAGEMENT AND BOARD OF DIRECTORS

As of June 30, 2012, the Management and the Board of Directors at Novavisions' Group comprised the following persons:

Board of Directors

Adrian Knapp, Chairman is a seasoned entrepreneur. He has a degree in Business Economics from GSBA Zurich. He has been involved in the launch of several companies. In 1991 he was one of the founders of Dicom AG (Kofax plc today), an international Swiss VAD (value added distributor) for imaging products. Dicom had its IPO at AIM London in 1995. He was also a co-founder of COPE AG, the first fully data storage focused system integrator in Central Europe. COPE had a Nasdaq IPO in 1998. Later Adrian was involved in Mount10, a Swiss based managed service firm. Mount10 went public on Frankfurt Neuer Markt in 2000 and bought the American NovaStor in 2005. 2006 he was the initiator of Novavisions, a Holding firm that is investing in technology firms.

Markus Bernhard, Member of the Board of Directors graduated from the University of St. Gallen (HSG) as a licensed Business Economist HSG. He worked for Revisuisse Pricewaterhouse between 1991 and 1997. During this period, he became a Certified Public Accountant. In September 1997 he became Chief Financial Officer of COPE, Inc. and was the main driver in the IPO processes of COPE (Nasdaq 1998) and Mount10 (Neuer Markt Frankfurt, 2001). He served as CFO for Novavisions till March 2007. In April 2007 he became CFO of mobilezone holding ag, the leading Swiss based independent mobile phone provider.

Peter Urs Naef, Member of the Board of Directors is the owner and partner of Naef Partners AG in Zurich, Switzerland. He is also a member of the board of directors of Engelberg Titlis Tourismus AG in Engelberg, Switzerland, of Swiss Equity Medien AG in Bern, Switzerland of the Willisauer Bote in Willisau, Switzerland and a member of the Advisory Board of the Swiss Economic Forum. Peter Urs Naef joined the Board of Directors of today's Novavisions AG in 2002.

Sascha Magsamen, Member of the Board of Directors holds a Master of Science in Economics (FH). After graduating he worked as business editor for print magazines such as "Euro am Sonntag", "Die Telebörse" as well as the business newspaper "Börsen-Zeitung". 2004 he moved from Economic Journalism to Investment Banking. At Dresdner Kleinwort Wasserstein he was in the bank's own share trading with focus on second-line stocks in the DACH region. At the function of a director he left the institution end of 2009. Sascha Magsamen is member of the management board of Impera Total Return AG in Frankfurt since 2010. Sascha Magsamen started his activities as an entrepreneur in the media sector in 1995. As from 2001 he co-founded and financed more than a dozen SMBs. He serves in several Boards of Directors.

Management

Adrian Knapp, Chief Executive Officer
Jean-Christophe Probst, Chief Financial Officer



NOVAVISIONS SHARES

The share price of Novavisions has developed as follows:

Highest price (Xetra) 03.08.11: EUR 0.14

Lowest price (Xetra) 02.07.12: EUR 0.05

General Standard (12 months)



Investor Relations:

Would you like to receive Novavisions' newsletter? Get in contact with us:

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BALANCE SHEET (IFRS)
(UNAUDITED)

	30.06.12	31.12.11
	EUR	EUR
A S S E T S		
Long-term assets		
Tangible fixed assets	1'798	2'535
Investments	1'629'765	1'605'823
Investments in associated companies	1'112'439	1'085'384
Long-term loans	1'940'942	1'912'428
Long-term assets, total	4'684'944	4'606'170
Short-term assets		
Short term part of long-term loans	123'465	410'341
Deferred expenses	2'319	7'970
Accounts receivables	7'975	2'572
Cash and cash equivalents	5'144	9'783
Short-term assets, total	138'903	430'666
Assets, total	4'823'847	5'036'836

	30.06.12	31.12.11
	EUR	EUR
E Q U I T Y & L I A B I L I T I E S		
Equity capital		
Share capital	933'211	5'472'299
Additional paid in Capital	2'131'560	2'131'561
Retained earnings	-1'740'705	-6'252'853
Cumulative exchange rate differences	1'497'076	1'460'585
Equity capital, total	2'821'142	2'811'592
Long-term liabilities		
Bonds	337'115	1'512'649
Long-term loans	154'090	0
Other long-term liabilities	0	97'664
Deferred tax liabilities	19'919	30'567
Long-term liabilities from continued operations	511'124	1'640'880
Short-term liabilities		
Short-term loans	0	151'826
Short-term bonds	1'188'822	0
Short-term provisions	63'767	73'705
Accounts payables	185'867	290'402
Accrued expenses	53'125	68'431
Short-term liabilities, total	1'491'581	584'364
Liabilities, total	2'002'705	2'225'244
Equity & Liabilities, total	4'823'847	5'036'836



INCOME STATEMENT (IFRS)
(UNAUDITED)

	01.-06.12	01.-06.11
	EUR	EUR
Net result from investment	0	-313'827
Revaluation at fair value	816	12'423
Net result from associated companies	16'188	12'069
Dividend income	34'722	56'822
Interest income	22'302	13'866
Other income	118'135	64'143
Interest expense	-41'651	-72'958
Other financial expense	0	-6'366
Net foreign exchange gain	23'107	38'073
Net operating income	173'619	-195'755
General & administrative expenses	-210'862	-209'923
Earnings before taxes, depreciation and amortization	-37'243	-405'678
Depreciation	-772	-907
Earnings before taxes	-38'015	-406'585
Income taxes	11'075	0
Net result for the period	-26'940	-406'585
of which attributable:		
to shareholders	-26'940	-406'585
to holders of minority interests	0	0
Earnings per GDR		
undiluted	-0.001	-0.017
diluted	-0.001	-0.017
Average of GDRs in circulation		
undiluted	24'077'470	24'077'470
diluted	24'077'470	24'077'470



STATEMENT OF COMPREHENSIVE INCOME (IFRS)
(UNAUDITED)

	01.-06.12	01.-06.11
	EUR	EUR
Net result for period	-26'940	-406'585
Other comprehensive income		
Currency translation difference	36'491	136'921
Other comprehensive income	36'491	136'921
Total comprehensive income	9'551	-269'664
of which attributable:		
to shareholders	9'551	-269'664
to holders of minority interests	0	0

STATEMENT OF CHANGES IN EQUITY (IFRS)
(UNAUDITED)

EUR	Share capital	Additional paid in capital	Retained earnings	Cumulative exchange rate difference	TOTAL
Balance 31.12.10	5'472'299	2'131'561	-2'552'613	1'336'219	6'387'466
Net result	0	0	-406'585	136'921	-269'664
Balance 30.06.11	5'472'299	2'131'561	-2'959'198	1'473'140	6'117'802
Balance 31.12.11	5'472'299	2'131'561	-6'252'853	1'460'585	2'811'592
Appropriation of Result	-4'539'088	-1	4'539'088	0	-1
Net result	0	0	-26'940	36'491	9'551
Balance 30.06.12	933'211	2'131'560	-1'740'705	1'497'076	2'821'142

The share capital as of June 30, 2012 is CHF 1'203'873.50 divided into 24'077'470 bearer shares of CHF 0.05 each (31.12.11: 2'407'747 bearer shares of CHF 3.50 each) which is converted at historical value.

The Shareholders Meeting held on the 29th of May 2012 approved to reduce the nominal value per share, by a nominal value reduction and a share split of 1:10 from CHF 3.50 to CHF 0.05.



CASH FLOW STATEMENT (IFRS)
(UNAUDITED)

	01.-06.12	01.-06.11
	EUR	EUR
Loss before taxes	-38'015	-406'585
Depreciation of fixed assets and amortization of intangible assets	773	907
Net result from investments	0	313'827
Revaluation at fair value	-816	-12'423
Financial revenue from associated companies	-16'188	-12'069
Financial result	-38'481	-21'019
Change in accounts receivables	2'305	7'823
Change in other current assets	-3	5'625
Change in accounts payable	-59'125	-21'717
Change in other short-term liabilities	-140'695	-241'583
Change in provisions	-10'122	0
CASH FLOW FROM OPERATING ACTIVITIES	-300'367	-387'214
Investment in fixed assets and intangible assets	0	-1'689
Disposal of investments	0	128'390
Repayment from loans	292'239	59'634
Interests received	14'649	13'866
Dividends received	34'722	56'822
CASH FLOW FROM INVESTMENT ACTIVITIES	341'610	257'023
Loans received	0	174'862
Interests paid	-43'223	-28'993
CASH FLOW FROM FINANCING ACTIVITIES	-43'223	145'869
Foreign exchange differences	-2'659	-11'302
NET CHANGE IN CASH AND CASH EQUIVALENTS	-4'639	4'376
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	9'783	11'961
CASH AND CASH EQUIVALENTS AT END OF PERIOD	5'144	16'337

APPENDIX
A CORPORATE DATA
General

The headquarters of Novavisions AG (Novavisions for short) is located at Grundstrasse 12 in Rotkreuz/Kanton Zug (Switzerland). The company was established on entry into the commercial register on 16 December 1999.

Novavisions AG is an investment company, which seeks to play active role in their investments but not to hold majority stakes nor to control the companies.

The reporting date is 31 December and the accounting period starts on 1 January and ends on 31 December.



B REPORTING STANDARDS

This Interim Financial Statements for the first half year ended June 30, 2012 were prepared in accordance with International Accounting Standards (IAS) 34 and accounting policies set out in the 2011 Annual report, except the rules and policies of the new and revised International Financial Standards (IFRS) which came into force with effect from January 1, 2012.

1. Selected critical accounting policies

The principal accounting policies are set out in note C to appendix in the 2011 Annual Report.

The financial statements for Novavisions AG are based on uniform accounting and measurement principles in accordance with International Financial Reporting Standards (IFRS). The presentation of interim financial statements requires management to make subjective and complex judgments that affect the reported amounts. Because of the inherent uncertainties, actual outcomes and results may differ from management's assumptions and estimates, in particular, as discussed in notes C 16 of the 2011 Annual Report.

As discussed in notes D4 and D5 of the 2011 Annual Report, investments and investments in associated companies are reviewed for impairment whenever an event or decision occurs that raises concern about their balance sheet carrying value. The amount of investments and investments in associated companies on the balance sheet is significant. Impairment testing under IFRS may lead to potentially significant impairment charges in the future that could have materially adverse impact on Novavisions' financial results.

The fair value of publicly listed financial instruments is based on available listed prices. If financial instruments are not traded on an active market alternative valuation methods are used. These refer to recent transactions between willing and independent third parties or cash flow valuations or similar. Minority interests are carried at fair value if they have not historically been accounted for under the equity method as associated companies.

2. Investment portfolio

<i>Name / Headquarters</i>	<i>Country</i>	<i>Share</i>		<i>Capital stock</i>		<i>Valuation</i>
		<i>2012</i>	<i>2011</i>			
NovaStor AG, Zug	Switzerland	16.6%	16,6%	CHF	100'000	Fair value
Multicom Software Oy, Lappeenranta	Finland	40%	40%	EUR	166'912	Equity method
Petshop.de GmbH, Viersen	Germany	30%	30%	EUR	25'565	Fair value

3. Exchange Rates

The exchange rate tables are used for foreign currency translations.

1 EUR	ISO-Code	Unit	2012		2011	
			30.06.	Average	31.12.	Average
Swiss francs	CHF	1	1.2006	1.2037	1.2518	1.2607
US-Dollar	USD	1	1.2664	1.2953	1.2877	1.4084

