

Media release

Horgen, May 15, 2008 – At yesterday's Annual General Meeting of Schweiter Technologies AG in Horgen, all proposals were convincingly approved: a dividend of CHF 9 per share, an extension of the authorized capital, and the election of Schweiter Technologies CEO Beat Siegrist to the Board of Directors.

Business operations

SSM Textile Machinery reported a year-on-year decrease of approximately 15% in new orders and revenues in the first quarter. In addition to lower revenues, restructuring costs for the closure of the Wuppertal plant impacted the result to the anticipated extent, as already communicated. Business is expected to develop along similar lines over the next few months in a challenging environment.

Satisloh posted a decline in new orders and revenues of around 15% versus record year 2007 (currency-adjusted: -7% and -4% respectively) in the first three months. A generally steady gross margin and tighter cost management produced a satisfactory operating result. Currency losses caused by a weak US dollar had a significantly negative impact on the financial result in the first quarter. Satisloh had a successful showing at the MIDO, the foremost ophthalmic fair.

Business is expected to be stable over the coming months.

Ismecca Semiconductor reported currency-adjusted new order volumes on a par with the fourth quarter of 2007. However, the figure was considerably lower than the very high level of incoming orders seen in Q1 2007. Thanks to a solid order backlog at the beginning of 2008, first quarter sales matched the previous year's level. The gross margin improved slightly despite the negative currency effect. A similar performance is expected for the coming months.

In spite of a somewhat muted start to the year attributable primarily to negative currency factors, the Group's prospects are generally intact thanks to solid strategic positions in all business areas.