



Press release dated June 5, 2018

Metall Zug Group: Belimed Life Science to become autonomous business unit

Zug, June 5, 2018 – The Metall Zug Group intends to spin off the Life Science Business Area of its Infection Control Business Unit (Belimed Group) into a new business unit under direct Metall Zug AG ownership.

The Infection Control Business Unit (Belimed Group) offers innovative system solutions for cleaning, disinfection and sterilization. Its solutions are used in hospitals (Medical Business Area) and the pharmaceutical industry (Life Science Business Area). Although the technologies and product ranges are similar in both markets and thus offer scope for synergies, there are substantial differences between the business models – apparatus versus systems engineering – and markets.

The Metall Zug Group intends to spin off the current activities of the Life Science Business Area of its Infection Control Business Unit (Belimed Group) into a new business unit under direct Metall Zug AG ownership and operate it independently from Belimed AG. Spinning off the Life Science Business Area as an autonomous unit will enable both segments to focus on their core competencies. The Medical Business Area will therefore also benefit from the Life Science Business Area's autonomy.

The Life Science Business Area will operate as a new, autonomous business unit with effect from January 1, 2019. The two business areas – Medical and Life Science – will continue to operate in their markets under the Belimed brand name. To ensure it still benefits specifically from synergies, the Life Science Business Area will continue to procure certain services from Belimed AG under service agreements.

The spin off of the Life Science Business Area will be connected with a restructuring of this business area. As part of this restructuring, the Life Science Business Area will cease activities in Mühldorf, Germany. Certain functions will be taken over by the existing organization in Sulgen, Switzerland, while the Grosuplje site in Slovenia will be further expanded. The aim is to simplify structures. Restructuring will probably result in the loss of around 100 jobs in Mühldorf. The upcoming negotiations with the Works Council will try to find a socially compatible solution. The Medical and Service Business Areas' activities at Mühldorf are not affected by the restructuring measures. The 2017 Annual Financial Statements include appropriate provisions for restructuring. Now that these measures have been specified, it is currently assumed that the provisions will, for the most part, be sufficient to cover the restructuring cost.

The new Life Science Business Unit will be the smallest business unit in the Metall Zug Group by far. Nevertheless, Metall Zug is confident that once restructuring is complete, the step will give the business unit what it needs to grow profitably in an attractive market segment.

About the Metall Zug Group

Metall Zug is an industrial group of companies headquartered in Zug, comprises four Business Units, and has a workforce of around 5,000 employees. The Household Appliances Business Unit includes the Swiss market leader V-ZUG AG with its foreign subsidiaries and V-ZUG Kühltechnik AG, SIBIRGroup AG and Gehrig Group AG. The Infection Control Business Unit is represented by the Belimed Group, and the Schleuniger Group makes up the Wire Processing Business Unit. The Haag-Streit Group forms the Medical Devices Business Unit. The holding company Metall Zug AG is listed in the Swiss Reporting Standard of SIX Swiss Exchange in Zurich (type B registered shares: securities number 3 982 108, ticker symbol METN).

Disclaimer

The expectations expressed in this press release are based on assumptions. Actual results may vary from those anticipated. This press release is published in German and English. The German version is binding.

Key dates

August 20, 2018

Publication of results for the first half of 2018

Further information

Daniel Keist

Chief Financial Officer

Phone: +41 (0)58 768 60 50

Christian Arnold

Head of Corporate Communications & IR

Phone: +41 (0)58 768 60 50

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