

## Press release

Business year 2008 results

### **METALL ZUG GROUP: further growth despite difficult market situation**

**Zug, 16 April 2009 – In the year under review (2008), the METALL ZUG GROUP increased sales by CHF 167.1 million or 26.0% to CHF 808.6 million. The operating income (EBIT) of CHF 90.5 million almost reached the previous year's level, which was at a good CHF 94.2 million. The board of directors recommends to pay an unchanged dividend of CHF 20.25 million.**

The METALL ZUG GROUP performed well in 2008, despite an unfavorable economic environment. The group succeeded yet again in increasing sales in all business units with total sales of CHF 808.6 million, which is 26.0% higher than the previous year. Acquisition effects – particularly from the acquisition of the Schleuniger Group at the beginning of the year – contributed 22.5% to this increase. The operating income of CHF 90.5 million almost reached the previous year's high level (CHF 94.2 million). However, the financial result suffered from the turbulence in financial markets and the consolidated income decreased from CHF 84.6 million in the previous year to CHF 31.8 million.

In the past years, the METALL ZUG GROUP has systematically established the basis for further business development within the existing business units, thus enabling the business units to operate in a flexible way and to make their own acquisitions. In the course of business development, the household appliances business unit and the wire processing business unit already set significant milestones in 2008. The acquisition of the Schleuniger Group resulted in a pronounced geographical diversification: net sales achieved abroad were CHF 287.8 million (previous year: CHF 170.1 million), which is a considerable increase from 27.1% to 36.5% of total net sales.

**Household appliances: strong brands**

In 2008, V-ZUG AG increased sales again by 2.6% to CHF 423.0 million. The laundry room division contributed greatly to this success: with the Adora SLQ washing machine, V-ZUG AG managed to defend its position as an innovation leader. The energy-efficient Adora TSL WP heat-pump dryer was another growth driver. This device enables energy savings of up to 45% and thus effortlessly received energy label A. The Adora TSL WP was rated Europe's most energy-efficient dryer by the "Euro TopTen" EU project. With the acquisition of ESCO Schönmann AG and Novelan AG in 2008, the SIBIRGroup set a milestone in its corporate history, thus becoming the only full-range provider of appliances for common laundry facilities.

**Infection control: the first choice worldwide**

At the end of the year, sales of CHF 194.4 million were recorded, which is an increase of 5.7% compared to the previous year. The 12.1% increase in new orders reflects the fact that delayed hospital projects were implemented at the end of the year after all. However, currency losses had a negative effect on the gross margin, so the Belimed Group's operating income decreased despite growth in sales.

**Wire processing: a future-oriented strategy**

In the first complete business year as a member of the METALL ZUG GROUP, the Schleuniger Group increased sales by 11.1% to CHF 119.2 million. The group's strategy to purposefully strengthen its market position in the project business through incorporation of important technologies was consistently applied throughout 2008. Schleuniger acquired PAWO Systems AG, a company operating in the same market, thus procuring PAWO's extensive knowledge in seal assembly technology.

**Real estate: increase in earning power**

Compared to the previous year, MZ-Immobilien AG increased rental income by 10.3% to CHF 21.1 million. In 2008, all properties – both MZ-Immobilien AG's own and those managed on behalf of third parties – were always fully occupied. New contracts and index adjustments as well as the expansion of retail space in the Metalli shopping mall contributed to this positive development. Various development projects in the canton of Zug made significant progress.

**Proposal to pay unchanged dividend**

In compliance with the decision adopted by the annual general meeting of shareholders on 9 May 2008, the following measures were taken to simplify METALL ZUG AG's capital structure: the former registered shares were converted to new registered shares of type A and the former bearer shares and participation certificates were converted to registered shares of type B. Both share types are entitled to dividends for the entire business year 2008. Based on the positive annual result, the board of directors proposes the general meeting of shareholders to distribute an unchanged dividend of CHF 20.25 million.

### Outlook for 2009

The METALL ZUG GROUP will not be able to completely escape the difficult economic environment in 2009. However, due to the favorable interest rate level in Switzerland, it is likely that the demand for household appliances will remain stable. From a present-day perspective, the market for infection control equipment is considered to be in a steady state while the Schleuniger Group must expect a decrease in the current year. As for the real estate business unit, it is assumed that all properties of MZ-Immobilien AG will again be fully occupied in 2009. On the basis of these factors, the METALL ZUG GROUP expects a sales volume in 2009 that is on the same level as in the previous year. In the context of the economic slump, operating income (EBIT) will be of the order of CHF 70 million.

The METALL ZUG GROUP employs a staff of about 3 000. The holding company METALL ZUG AG is listed in the SIX Local Caps segment in Zurich (registered shares of type B: securities number 3982108, ticker symbol METN). The household appliances business unit comprises the Swiss market leader V-ZUG AG, SIBIRGroup AG and Gehrig Group AG. The Belimed Group (infection control), the Schleuniger Group (wire processing), MZ-Immobilien AG, Parkhotel Zug AG and ZEW Immobilien AG (real estate) are other members of the METALL ZUG GROUP.

### Upcoming events:

8 May 2009:	General meeting of shareholders
31 August 2009:	Publication of half-year results

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