

Press release

2010 annual financial statements:

Adval Tech Group achieves EBIT turnaround

Niederwangen, March 23, 2011, 7.00 a.m. – In 2010 the Adval Tech Group achieved an important milestone on the road back to profitability: a sharp rise in sales coupled with the timely launch of cost-cutting measures generated a turnaround in EBIT. A balanced net result would have been within reach had it not been for the strong increase in the value of the Swiss franc.

Total income of CHF 316.7 million reported by the Adval Tech Group was CHF 19.0 million or 6% higher than in the previous year. Operating earnings before depreciation, interest and taxes (EBITDA) of CHF 24.2 million were almost four times the previous year's figure (CHF 6.3 million). With operating earnings before interest and taxes (EBIT) of CHF 1.6 million Adval Tech achieved the turnaround in 2010 (CHF -22.7 million in 2009). The strong Swiss franc had an adverse impact on the financial result. This factor was largely to blame for the unsatisfactory net result also in 2010 of CHF -10.9 million (previous year: CHF -26.6 million). Since bottoming out in the first quarter of 2009, the Group's main sales markets have shown steady signs of recovery, in particular the market for automotive component supplies. The resolute implementation of the action already initiated at a very early stage to reduce costs made a significant contribution to the improvement in results. Adjusted for the effect of the closure of production facilities, the rise in total income of around 12% was even more marked. The number of employees was reduced again, from 2,573 full-time units at the end of 2009 to 2,470 at the end of 2010.

Unfortunately, the positive impact of higher sales and action to improve earnings was offset to a significant extent by exchange rate trends. Whereas the average value of the euro was about CHF 1.51 in 2009, this declined to CHF 1.38 in 2010. A breakeven result in net profit would have been within reach in the absence of the currency effects.

Change in financial reporting from IFRS to Swiss GAAP FER

The registered shares of Adval Tech Holding Ltd have been traded in the Domestic Standard segment of the SIX Swiss Exchange since December 30, 2010, following the approval of the application for their transfer from the Main Standard segment under SIX Swiss Exchange regulations. The change in trading segment was related to the change in financial reporting standards from IFRS (International Financial Reporting Standards) to Swiss GAAP FER (Accounting and Reporting Recommendations). The annual financial statements for 2010 have already been drawn up in conformity with the new reporting standards. In the context of this change Adval Tech has also restated the 2009 financial accounts.

Segment results

The recovery in sales markets had the greatest impact in the Automotive Segment. The sales trend in applications for airbags, ABS, fuel injection systems and automobile lamps was especially encouraging. Total income reported by the segment for the year under review amounted to CHF 157.0 million, which was CHF 22.9 million or 17% higher than in the previous year (CHF 134.1 million). EBITDA was clearly positive at CHF 11.9 million (CHF -3.2 million in 2009).

Total income of CHF 161.3 million in the Medical & Consumer Goods Segment was CHF 6.5 million or 4% lower than the previous year's figure of CHF 167.8 million. While components for the

consumer goods market posted higher sales, business with injection molds showed an overall fall in total income. EBITDA generated by the Medical & Consumer Goods Segment increased from CHF 8.7 million in the previous year to CHF 11.1 million in 2010. Improved earnings from moldmaking and from the business with components for the consumer goods market, contrast with lower earnings in the Medical Division.

Dividend

In light of the unsatisfactory results, the Board of Directors will propose to the Annual General Meeting that no dividend should be paid.

Adval Tech will provide detailed information on the annual financial statements and an initial review of the group's development in the current year at its press conference in Zurich on Tuesday, April 19, 2011. The Annual General Meeting of Adval Tech Holding Ltd will be held on May 12, 2011.

Key figures	2010	2009 (restated)	Change	(in %)
Total income (CHF millions)	316.7	297.7	+19.0	+6%
Net turnover (CHF millions)	300.4	298.7	+2.7	+1%
Operating earnings (EBITDA) (CHF millions)	24.2	6.3	+17.9	+384%
Operating earnings (EBIT) (CHF millions)	1.6	-22.7	+24.3	
Net profit (CHF millions)	-10.9	-26.6	+15.7	
Free cash flow from operations (CHF millions)	-1.6	-7.2	+5.6	
Number of employees on December 31	2,470	2,573	-103	-4%

Background information on the Adval Tech Group

Adding value through innovation – that's what the name Adval Tech stands for. As a global technology and process partner Adval Tech focuses on the complementary technologies of metal stamping and forming and plastic injection molding. In selected markets in the automotive, medical technology and consumer goods sectors, Adval Tech is a leading global supplier of volume components, subassemblies, systems, tools and special machinery. As a value-adding partner Adval Tech covers the entire value chain: from product design and the development of volume components through design and production of the necessary molds and dies to complete manufacturing systems and the resulting production of components. Adval Tech trades on the markets under the names of AWM, FOBOHA, Omni, QSCH, Styner+Biens and Teuscher.

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