

SCHWEITER TECHNOLOGIES



Media & Analyst Conference 2012

Zurich - March 8, 2012

1 Welcome and Introduction 

2 Results 2011

3 Division Information

4 Outlook

One Group – Three Leading Divisions

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SSM Textile Machinery

Revenues: 100 MCHF Employees: 230



Ismeca Semiconductor

Revenues: 100 MCHF / Employees: 350



3A Composites

Revenues: 600-800 MCHF / Employees: 2'500 (of which 900 in Ecuador)



1 Welcome and Introduction

2 **Results 2011**



3 Division Information

4 Outlook

- ***3A Composites:***

- (1) Decrease in net sales vs. 2010 by 13% (-3% in local currency)

- (2) Weak wind segment in China in H2 negatively affecting core material

- (3) Good performance of Architecture in Europe and Asia. Also good performance of Display in Europe, solid business performance in US. Negative impact of raw material price increases absorbed by YE

- **Solid results in *SSM Textile Machinery* and *Ismeca Semiconductor*. Weaker performance in H2 as anticipated due to business cycle**

- **Total restructuring expenses of about 6 MCHF. Weak USD/EUR affecting financial result by 3 MCHF**

- **HC reduction and other operating improvements, early adoption of IAS 19 revised and change of pension system scheme for 3A Composites staff with positive impact of 27 MCHF at EBITDA level**

- **Very solid balance sheet and cash position of MCHF 296**

SSM Textile Machinery

in CHF Mio.	H1 2011	H2 2011	Total 2011	Total 2010 ¹	%
Orders received	40.1	33.4	73.5	90.4	-19%
Net sales	39.3	33.6	72.9	85.9	-15%
EBITDA <i>in % of net sales</i>	5.4 13.7%	3.4 10.1%	8.8 12.1%	13.0 15.1%	-32%
Employees (end of period)			233	235	-1%

¹ Restated

SSM Textile Machinery

- **15% decrease in net sales (-12% in local currency). Weaker H2 however, good margins kept**
- **Solid performance in Asian markets. India outperforming China**
- **50% of sales in China, India and Bangladesh. Eastern European markets growing**
- **50% of all machines assembled in own factory in China**
- **Strong EBITDA-margin > 12%**
- **Continued R&D expenditures to extend strategic position**
- **Latest innovation presented at ITMA Barcelona 2011**
- **Acquisition of Giudici. Attractive high-end niche for false-twist-texturizing**

Ismeca Semiconductor

in CHF Mio.	H1 2011	H2 2011	Total 2011	Total 2010 ¹	%
Orders received	50.9	25.2	76.1	136.4	-44%
Net sales	50.8	36.8	87.6	126.3	-31%
EBITDA <i>in % of net sales</i>	5.3 10.4%	0.9 2.4%	6.2 7.1%	20.8 16.5%	-70%
Employees (end of period)			358	365	-2%

¹ Restated

- **Semicon cycle resulted in lower net sales in H2 however, above break-even**
- **Leading position in Taiwan and Philippines confirmed, Korea further increased**
- **Growth in LED and recurring businesses (spare parts, consumables, retro fit)**
- **Good margins and lower fix cost structure**
- **EBITDA of CHF 6.2 Mio. (7% margin)**
- **Good operating performance significantly affected by weak USD**
- **Standard equipment manufacturing concentrated in Malaysia, Switzerland focused on innovation**

3A Composites

in CHF Mio.	H1 2011	H2 2011	Total 2011	Total 2010 ¹	%
Orders received	389.3	318.8	708.1	734.1	-4%
Net sales	334.7	290.0	624.7	719.5	-13%
EBITDA ² <i>in % of net sales</i>	36.7 11.0%	38.4 13.2%	75.1 12.0%	66.9 9.3%	12%
Employees (end of period)			2'495	3'142	-21%

¹ Restated

² Impact of headcount reduction and change of pension plan with positive impact of MCHF 27 on EBIT & EBITDA and MCHF 22 on net income

3A Composites

- **Decrease in net sales vs. 2010 by 13% (-3% in local currency)**
- **Weak performance of wind segment in China in H2**
- **Good performance of Architecture in Europe and Asia. Also good performance of Display in Europe, solid business performance in US. Negative impact of raw material price increases mainly absorbed by YE**
- **Innovations successfully introduced in market**
- **Reorganization and major restructuring projects successfully executed. CHF 5m restructuring expenses. Full benefits visible from 2012 onwards.**
- **HC reduction and other operating improvements, early adoption of IAS 19 revised and change of pension system scheme for 3A Composites staff with positive impact of 27 MCHF at EBITDA level**

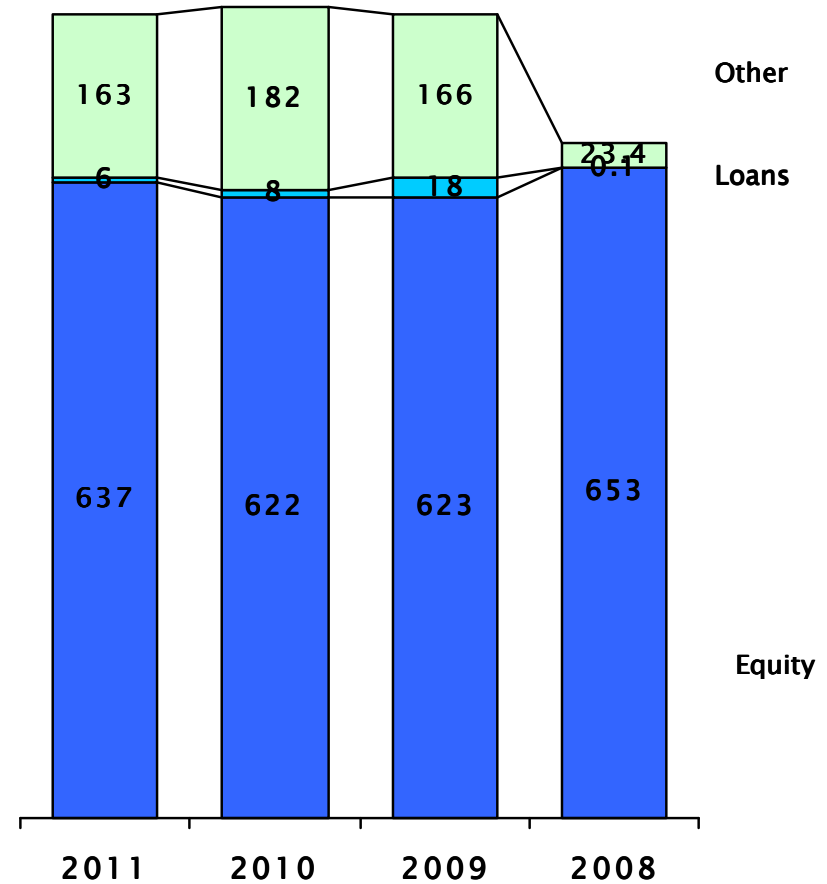
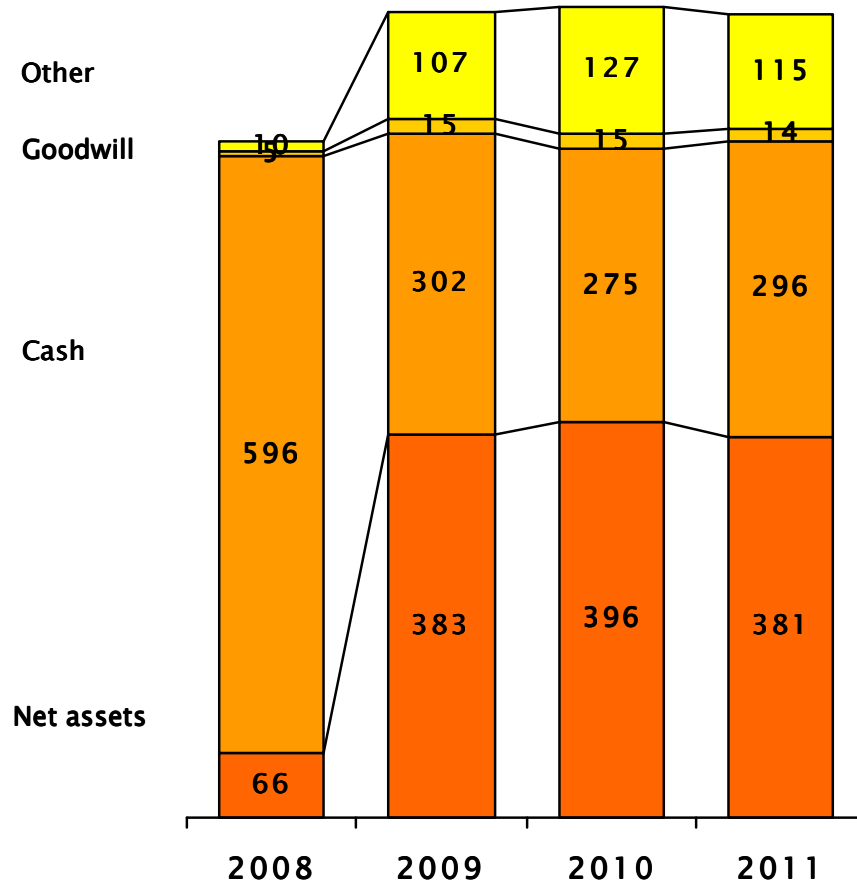
Group

	H1	H2	Total	Total	
in CHF Mio.	2011	2011	2011	2010 ¹	%
Orders received	480.3	377.4	857.7	960.9	-11%
Net sales	425.0	360.6	785.6	932.1	-16%
EBITDA²	46.3	42.1	88.4	100.3	-12%
<i>in % of net sales</i>	<i>10.9%</i>	<i>11.7%</i>	<i>11.3%</i>	<i>10.8%</i>	
EBIT²	31.5	28.2	59.7	67.8	-12%
<i>in % of net sales</i>	<i>7.4%</i>	<i>7.8%</i>	<i>7.6%</i>	<i>7.3%</i>	
Net income²	20.3	27.2	47.5	49.6	-4%
Employees (end of period)			3'092	3'745	-17%

¹ Restated

² Impact of headcount reduction and change of pension plan with positive impact of MCHF 27 on EBIT & EBITDA and MCHF 22 on net income

Strong Balance Sheet



Balance Sheet Highlights

- **Cash position CHF 296 Mio.**
- **Treasury shares 5.4% of share capital**
- **Practically no short/long term bank liabilities**
- **Goodwill CHF 14 Mio.**
- **Shareholders' Equity CHF 637 Mio. = CHF 441 per share**
- **Equity ratio 74%**

Dividend 2011

Proposal to the AGM, May 9, 2012

- 1. Regular cash payment of CHF 12 per bearer share**
 - > repayment of reserves from capital contribution, tax exempted
- 2. Stock dividend 18:1 ratio (treasury shares)**
 - > repayment of reserves from capital contribution, tax exempted

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4 Outlook

SSM – leading ^{Swiss} technology
for yarn processing and winding

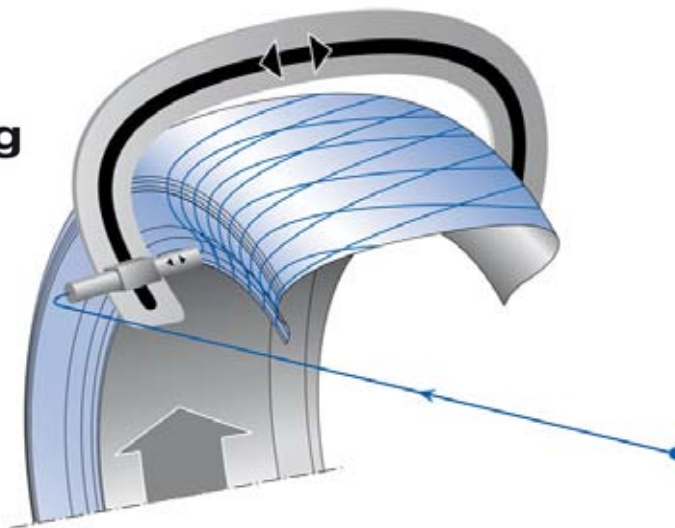


SSM Textile Machinery

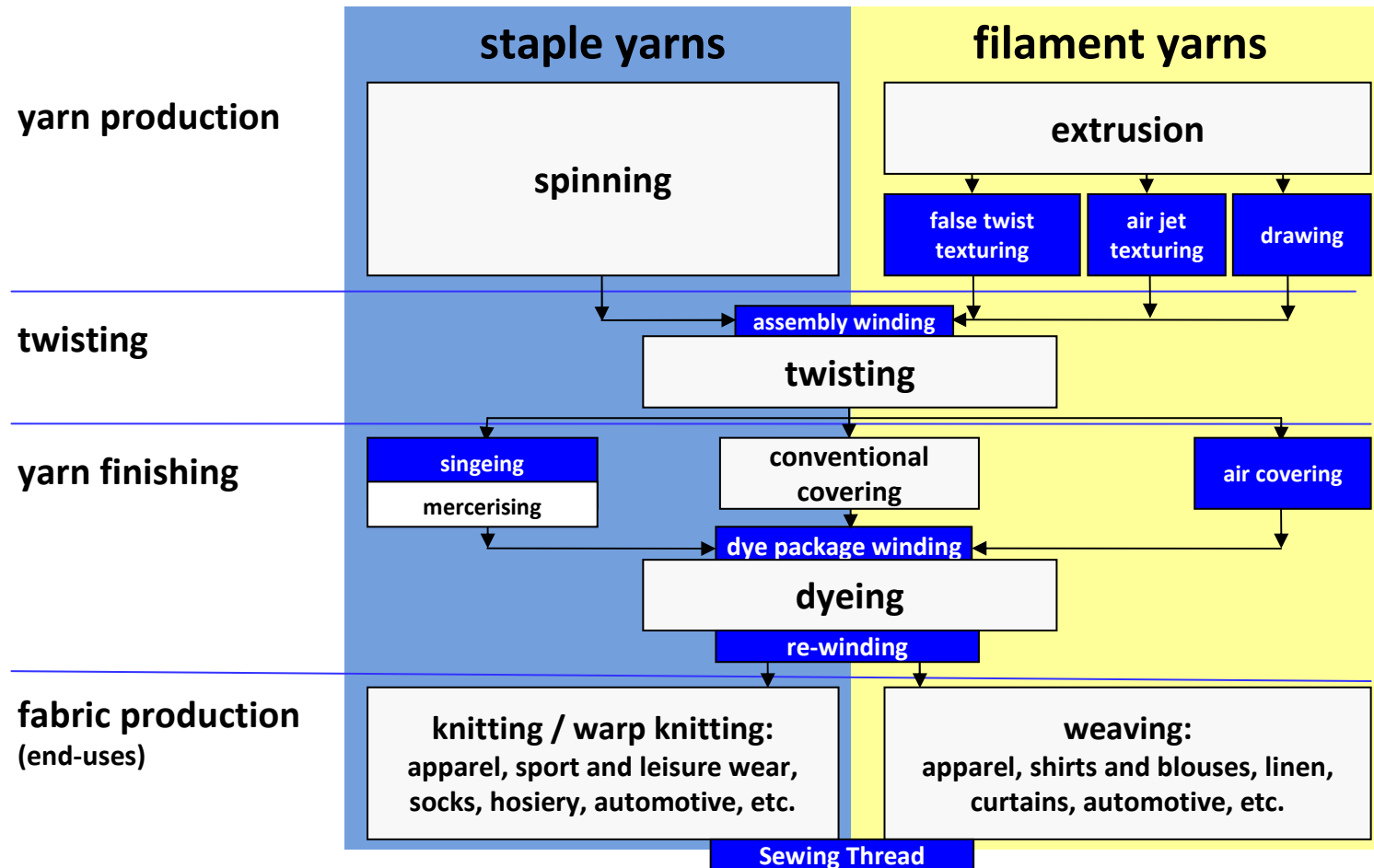
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SSM  3D-Winding



Strong niche positions in the production chain



All blue marked areas are supported by SSM equipment

Own manufacturing base in Asia

- Fully owned subsidiary under Swiss management serves as local manufacturing centre for the Asian market
- All know-how sensitive key components provided from Switzerland
- Facility also used for marketing & training purposes
- 1/3rd of sales generated ex China factory



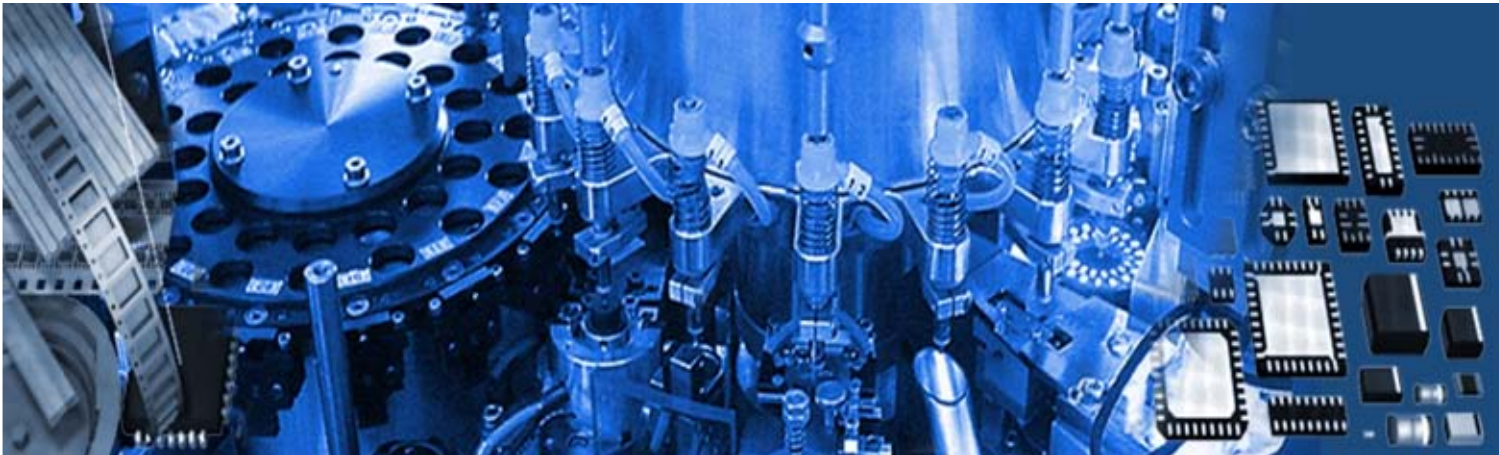
Acquisition of Giudici

- Acquisition announced on Dec. 23, 2011 and closed as of Jan. 31, 2012
- Attractive high-end niche in texturizing
- Giudici as a leader in false-twist texturizing with more than 50 years of experience in yarn texturizing
- Located in Sala al Barro, Galbiato (LC), Italy
- Turnover approx. MCHF 10 with 40 employees
- Product range complementary to SSM's product range
- Giudici will benefit from global SSM sales and service network and international sourcing capabilities

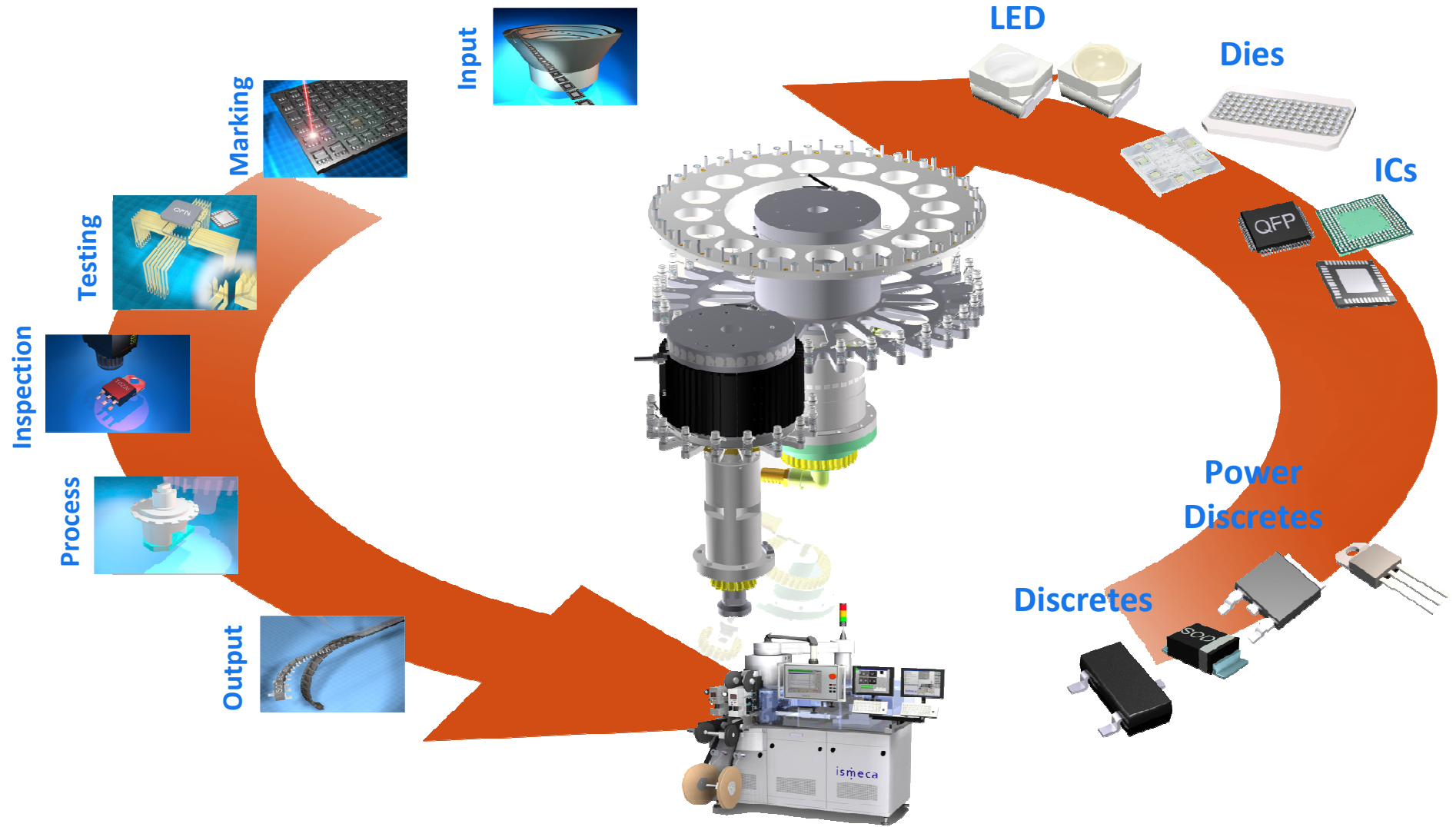
Strong Global Presence



Global Leader in Back-End Finishing Processes



Modular Solutions for Backend Finishing Processes

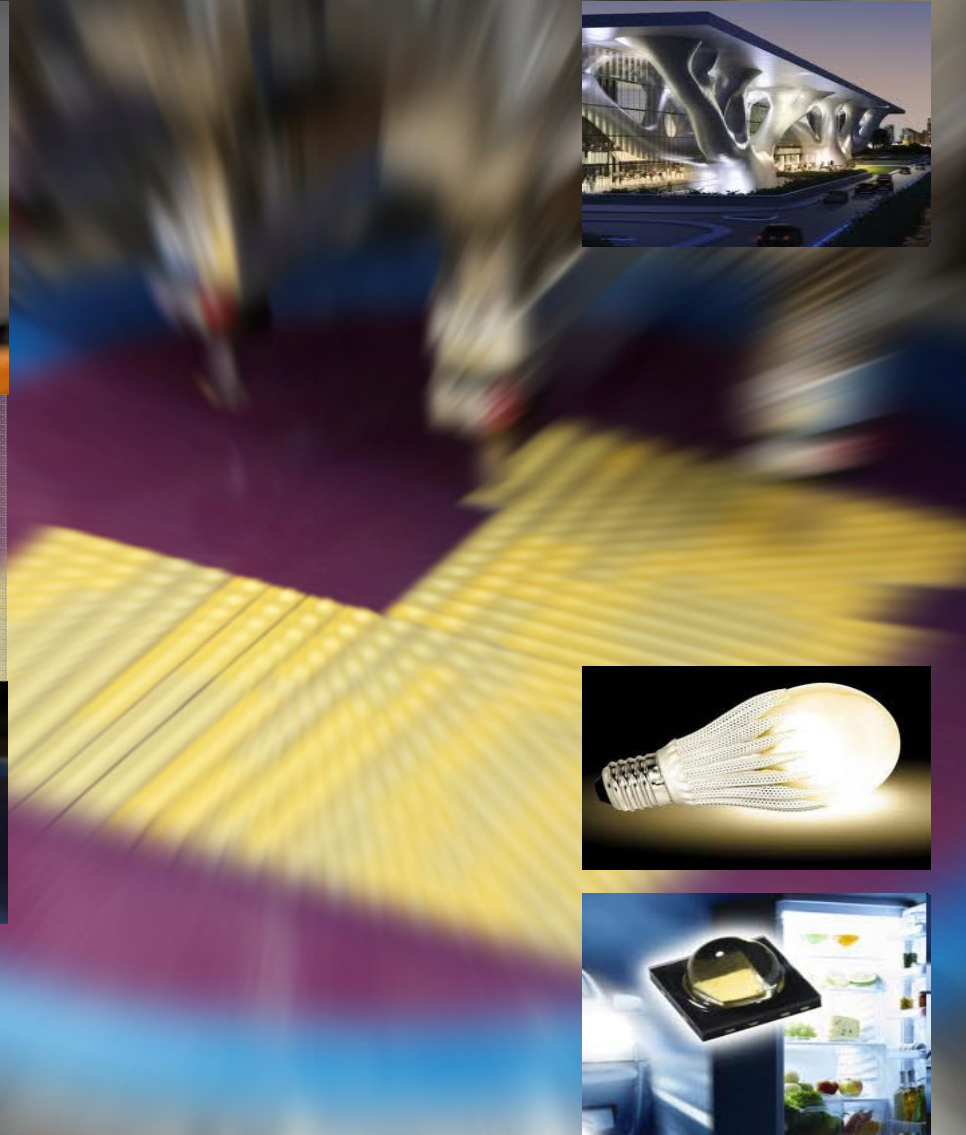
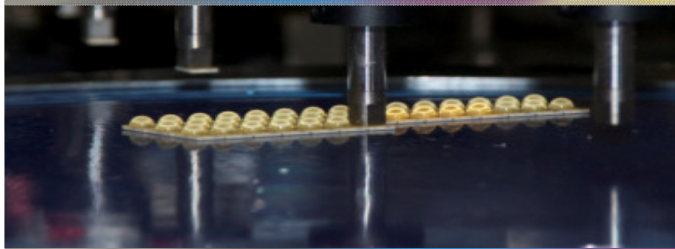


Integrated Solutions for HB LED Manufacturing



Ismecca integrated solutions:

- Full visual inspection
- LED lighting characterization
- LED sorting and taping
- Full device traceability



Global Presence – Local Support in all Markets



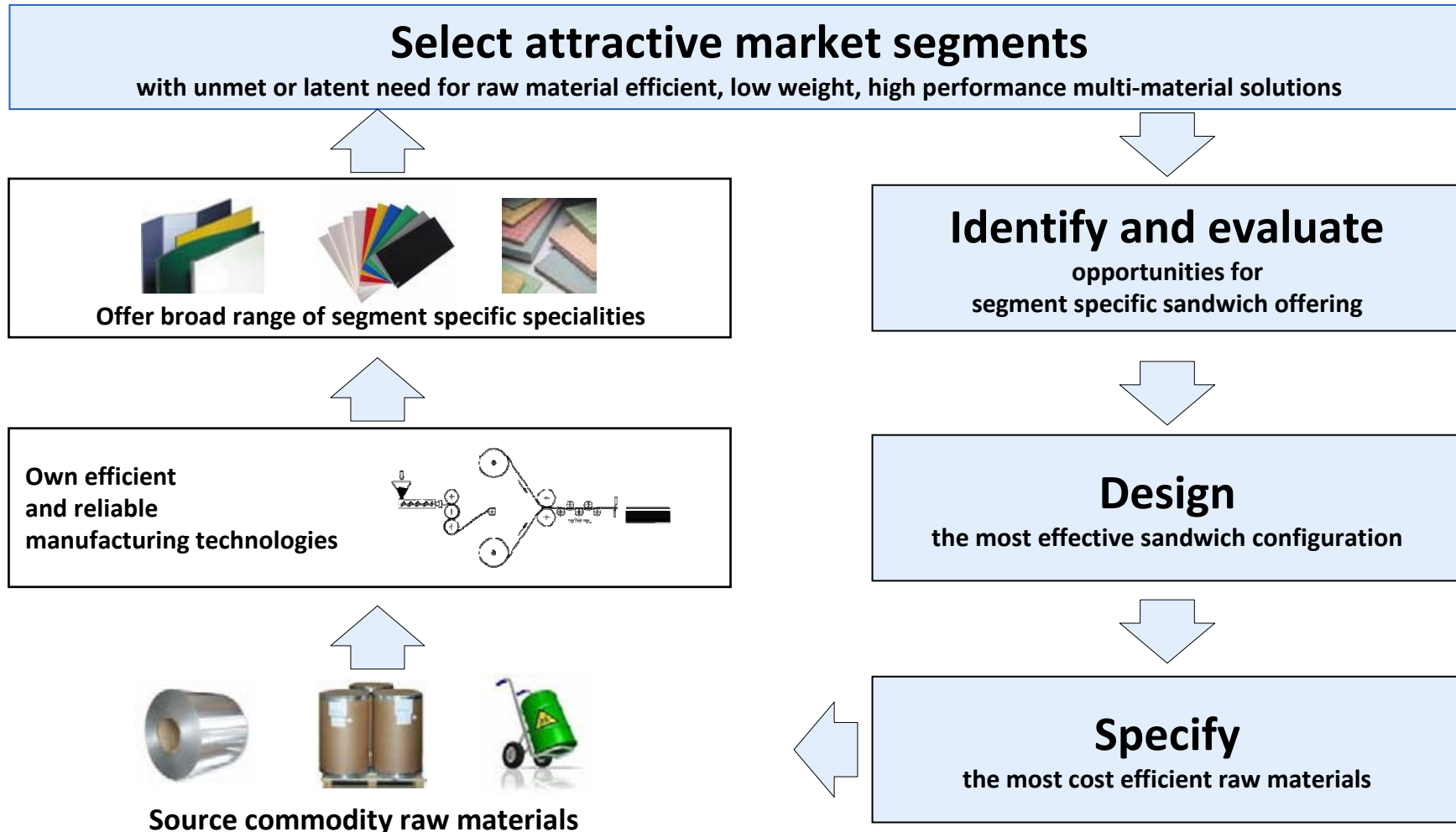


Composites

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3A Composites – The Business Idea



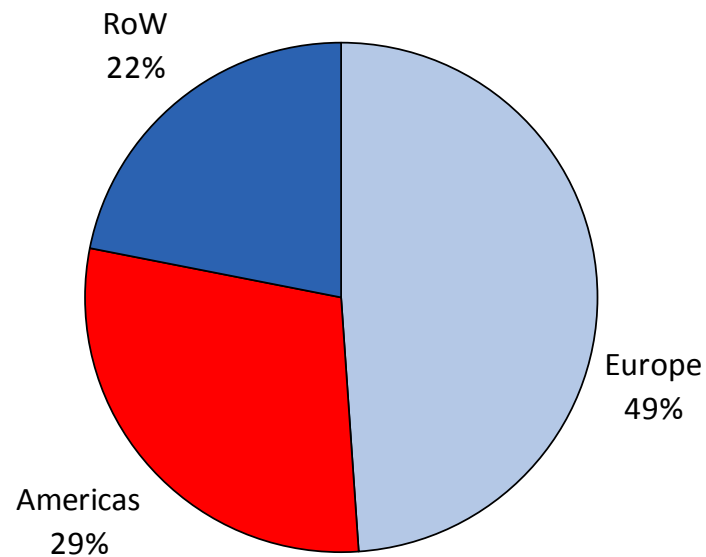
Broad Product Range and Market-leading Brands

Applications
Brands
Products

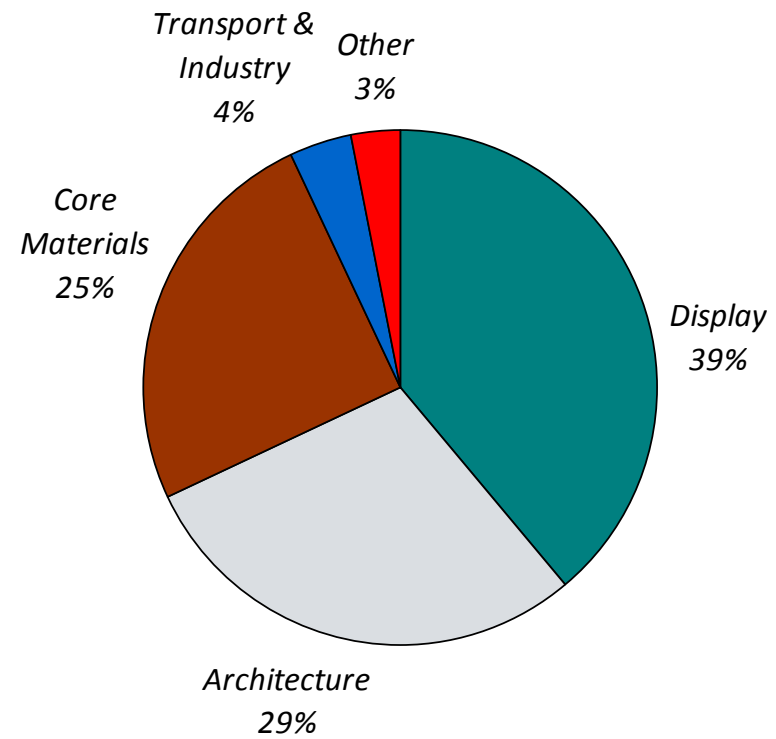
Core Materials	Architecture	Display
		
<p>AIREX[®] KITKORE[™] BALTEK[®]</p>	<p>ALUCOBOND[®] ALUCORE</p>	<p>FOREX[®] DIBOND[®] GATOR[™] FOAM-X^{NEW} KAPA[®] FOME-COR[®] SINTRA[®] HYLITE[®]</p>
<p><u>Structural Core Materials</u> Engineering Foams and Balsa</p>	<p><u>Sandwich Panels</u> Aluminum skins and various core materials</p>	<p><u>Sandwich Panels</u> Metal, paper and plastic skins and foamed core materials</p>

Revenue Breakdown 2011

by Geography



by Market Segment



Broad Range of Structural Core Materials

- Engineering Foams (PVC, PET)
- Balsa Products



Solutions for Mass Transportation

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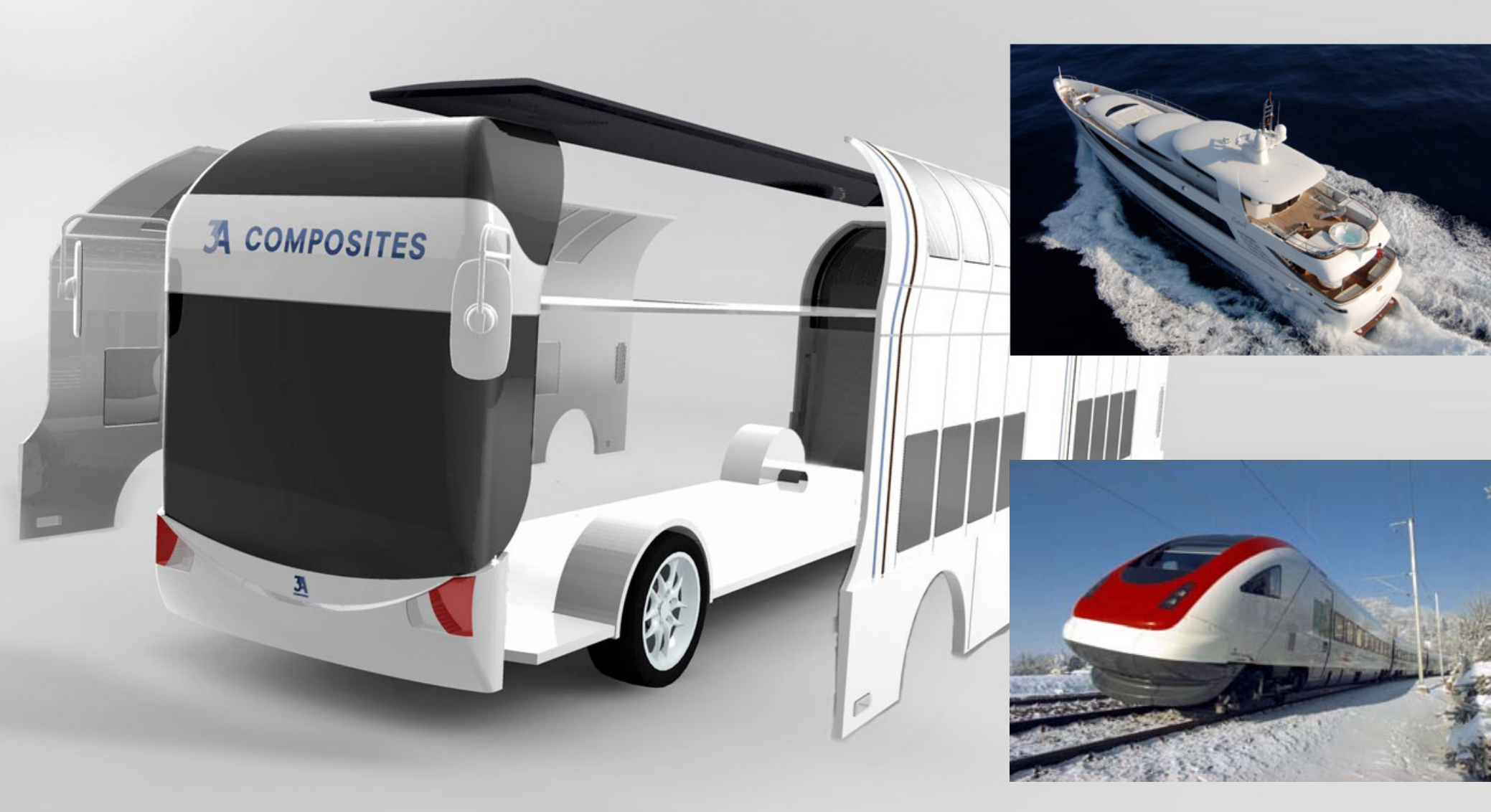


Integrated Sandwich Solutions

- Aluminium Skins,
Multifunctional Alu Profiles
- Engineering Foam Core
- Integrated Floor Heating System



Solutions for Mass Transportation and Marine

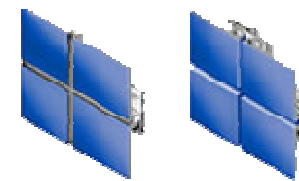


Broad Range of Comp. Sheets and Panels

- Shop Fitting
- Digital Printing
- CID Applications
- Signage
- Foto Mounting
- POS/POP Applications



Ventilated Façade Solutions, exterior & interior cladding, CID Applications based on Alucobond Sandwich Panels



Successful Projects using Alucobond (1)

Concert & Congress Hall | Uppsala, Sweden



German National Library
Germany



Le torri di Jesolo
Venice, Italy



Successful Projects using Alucobond (2)



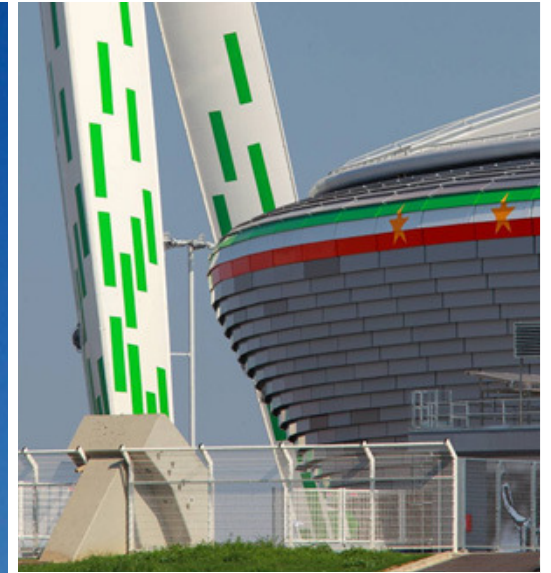
Successful Projects using Alucobond (3)

ONIX | Lille, France



Successful Projects using Alucobond (4)

Stadio delle Alpi, Juventus Football Club | Turin, Italy



Key Strategy Changes in Progress

Core Materials / Wind

- Secure leading positions in Balsa (ECU/PNG)
- Strengthen market pos. in China (local "JV")
- Expand presence in US (new site in "wind belt")
- Invest in future markets (Brazil, India)
- Push innovations (low resin absorption, new structural foams)

Architecture / Display

- Change from production to radical marketing/ sales orient. (e.g. Architecture centric approach)
- Invest in growth markets in Asia
- Focus on innovation and total solutions (e.g. FR products, decorative fassades)
- Dual branding (high end vs. standard prod.)

Increasing Participation in High-Growth Economies

Assets in North America

- ◆ 4 sites
- 450 Employees

Assets In Europe

- ◇ Headquarters in Sins and Singen
- ◆ 5 Sites
- 650 Employees

High Point, NC
Glasgow & Benton, KY
Statesville, NC

Osnabrück, GER
Singen
Sins, Altenrhein, Neuhausen, CH

Manta
Quevedo
Guayaquil

Mumbai
Khopoli

Changzhou
Xiamen
Shanghai

Sao Paulo

Singapore

Assets in South America

- ◆ 3 sites
- ◇ Sales office
- 8'500 ha plantations in Ecuador
- 1'000 Employees

Assets in China and India

- ◆ 5 Sites
- ◇ Headquarters in Singapore
- 400 Employees

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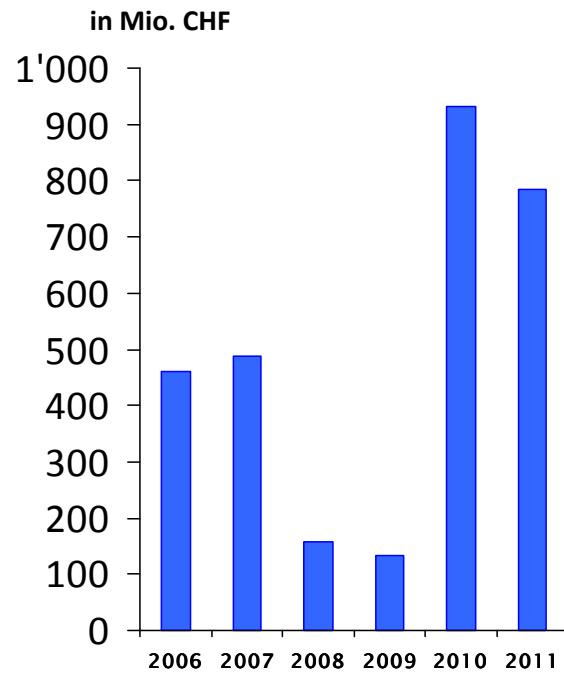
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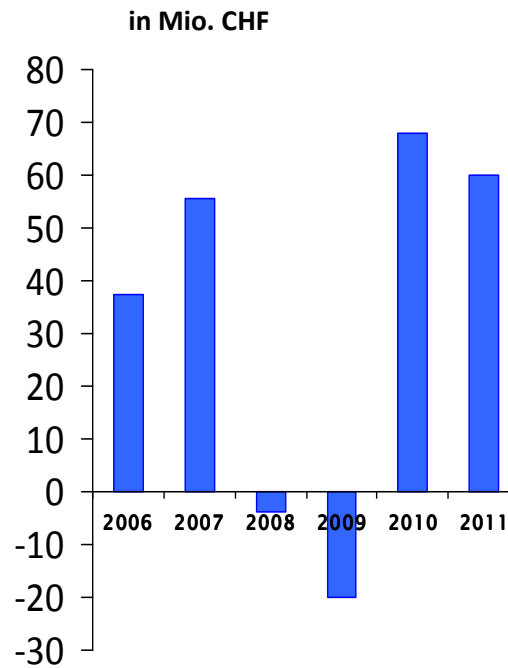


Group Performance

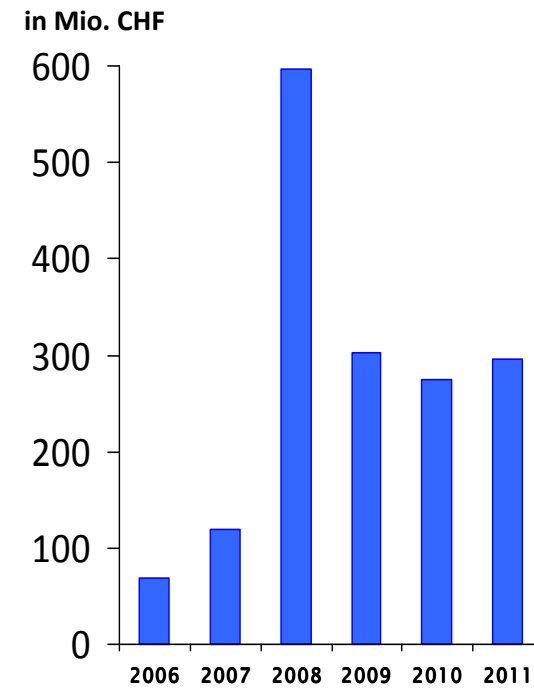
Revenues



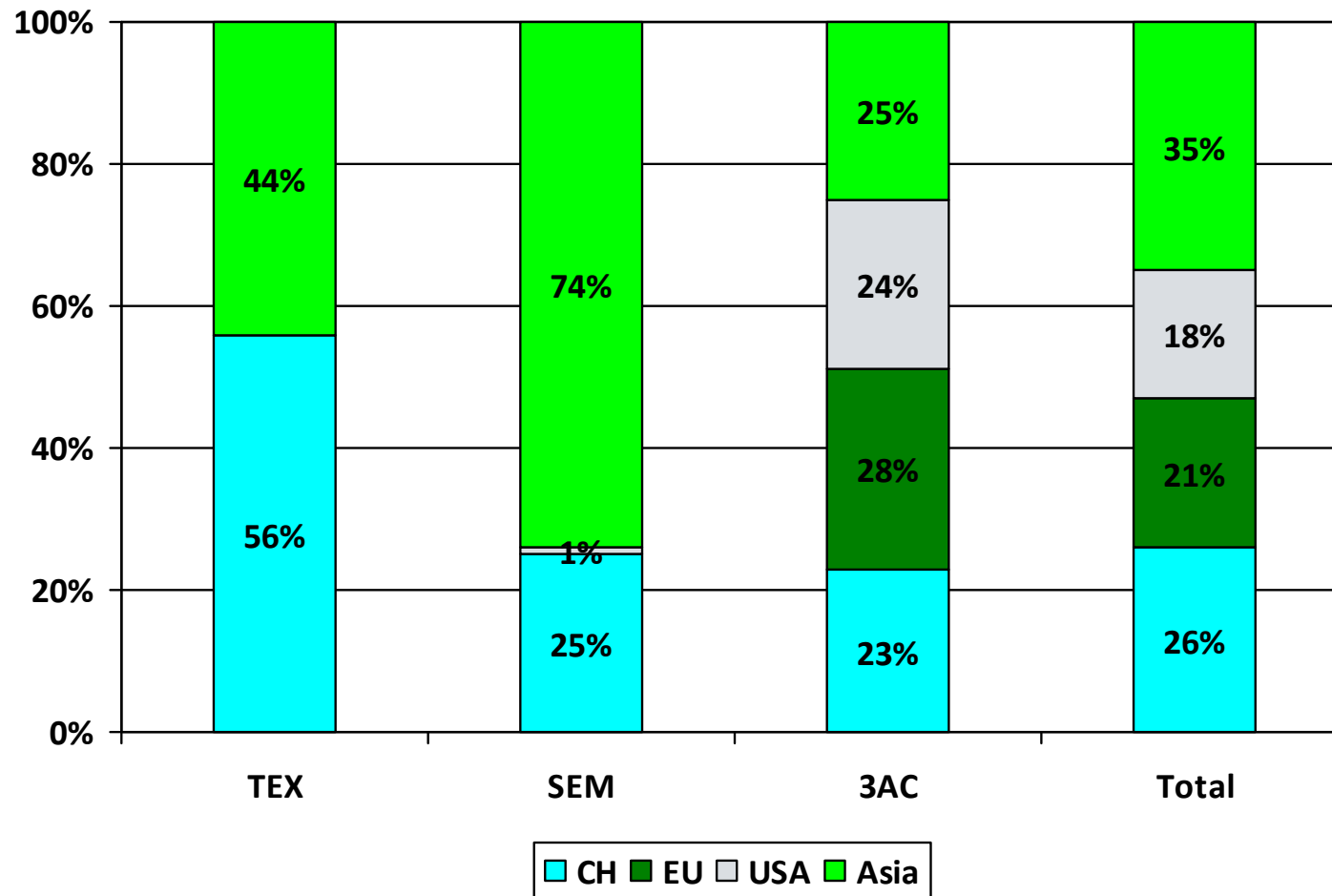
Operating Earnings



Cash



Employees per Region YE 2011 (excl. Ecuador)



■ SSM Textile Machinery

- H1/12 at about H2/11 level
- Asia remains dominant - moderate recovery in India and China
- Positive impact expected from innovations and acquisition of Giudici

■ Ismecca Semiconductor

- Slow start, upturn from Q2/12 onwards expected
- LED continue to grow
- Positive impact from restructuring measures

■ 3A Composites

- Wind business in China remains flat in H1/12. Pressure on margins continues
- Trend of increasing raw material prices stopped - positive impact on margins
- Display business in US closely following economic cycles
- Solid outlook for global architecture and European business activities in H1
- Benefits from cost trimming

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