SCHWEITER TECHNOLOGIES

Media release

Figures for 2010

Good operating results in all divisions – High cash holding – Intact outlook for 2011

Horgen, March 11, 2011 – In 2010, new orders amounted to CHF 960.9 million (2009: 175.2). Net revenues reached CHF 932.1 million (2009: 129.9). All divisions posted good operating results. Both SSM Textile Machinery and Ismeca Semiconductor benefited from a significant improvement in the state of the industry. Both divisions ended the year as a whole with a high level of income. The composite materials business of 3A Composites, which was consolidated for 12 months for the first time, posted a solid result despite sluggish conditions in the industry and higher raw material prices.

The Group's consolidated EBITDA totaled CHF 99.9 million (2009: -16.2). Net income came to CHF 51.0 million (2009: -20.4). A low tax charge partially compensated for exchange rate losses.

At the end of 2010, the Group reported liquidity totaling CHF 275 million and approximately 5% treasury stocks. The equity ratio stood at more than 70%. A withholding tax-exempt repayment of reserves from capital contributions of CHF 10.00 per bearer share will be proposed at the Annual General Meeting on May 12, 2011.

Schweiter Technologies is holding its annual results press conference today at the Hotel Marriott, Neumühlequai 42, in Zurich, beginning 11.00 a.m.

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Key figures

Schweiter Technologies Group (in CHF millions)	**Total 2010**	**Total 2009**	**Change**
Orders received	960.9	175.2	+448%
Net revenues	932.1	129.9	+618%
EBITDA	99.9	-16.2	-
EBIT	67.4	-20.4	-
Net income	51.0	-20.4	-
Information by division (in CHF million)			
SSM Textile Machinery			
Orders received	90.4	47.9	89%
Net revenues	85.9	37.3	130%
EBITDA	13.3	-6.9	-
EBIT	12.9	-7.3	-
Ismeca Semiconductor			
Orders received	136.4	54.2	152%
Net revenues	126.3	45.9	175%
EBITDA	20.8	-7.1	-
EBIT	19.8	-8.2	-
3A Composites		1)	
Orders received	734.1	73.1	-
Net revenues	719.5	46.2	-
EBITDA	66.0	-0.9	-
EBIT	34.8	-3.6	-

1) Figures for 1 month (December 2009)

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SSM Textile Machinery

2010 saw a marked recovery compared with the previous year. At CHF 85.9 million, net revenues more than doubled compared with the previous year. The operating result reached CHF 12.9 million after a loss of CHF -7.3 million the previous year.

2010 saw a steady continuation of the recovery in the market environment which had begun toward the end of 2009. In Asia in particular individual markets, such as China, Taiwan and Bangladesh improved faster than expected, while the upturn in India only started in the second half of the year. The almost two-year long investment backlog led to high pent-up demand which benefited SSM considerably. Overall, the textile heavyweights China, India and Bangladesh contributed around 50% to total revenues.

In Europe, Turkey recovered only slowly, while further attractive new markets were opened in eastern Europe, although still of secondary significance in absolute terms.

Systematic investment in product innovations with a view to the ITMA in Barcelona continued, as did further moves to relocate capacity to our own plant in China. Three complete product lines, accounting for roughly one third of total sales are now being manufactured entirely in China.

Ismeca Semiconductor

2010 also witnessed a strong recovery in the semiconductor industry. Net revenues of CHF 126.3 million showed a nearly threefold increase compared with the previous year (CHF 45.9 million). At CHF 19.8 million, EBIT improved markedly after the previous year's loss of CHF -8.2 million.

Asia enjoyed strong growth, accounting for more than 90% of revenues. In addition to China, the expansion of our leading positions in Taiwan and the Philippines also contributed to the high revenues.

Steadily continuing investment in innovation and the focus on systematic key account management led to timely launches of new products tailored to market needs. Ismeca currently offers the broadest range of functions and services in the semiconductor back-end market.

In 2010 we also entered into a strategic alliance with a test equipment manufacturer which met with a very positive market reception.

More than 70% of production has now been relocated to Malaysia and the division has a further site in Suzhou, China, resulting in substantial improvements in margins and less dependence on the US dollar. In future too, the parent company in La Chaux-de-Fonds will continue to concentrate on innovation and special machines.

3A Composites

The composite materials business 3A Composites, which was taken over from the Rio Tinto Group at the end of 2009, was consolidated for 12 months for the first time and posted a solid result despite overall subdued conditions in the industry and higher raw material prices. In the second half of the year in particular, these factors depressed the operating margin and can only be offset with price increases and productivity improvements after a certain time lag. Net revenues increased by around 8% (+15% after currency adjustment) to CHF 720 million on an EBITDA margin of 9.2%.

In the wind power segment, there were positive developments in the Chinese market, where 3A Composites' position among local OEMs remains as strong as ever. In Europe and the US, the market fell short of expectations.

The marine market, which declined sharply during the course of the financial crisis, showed no significant recovery during the year under review and stagnated at a low level.

In the display business, the markets in the US and Europe recovered in the first half of the year, mainly as sales partners replenished inventories. The recovery did not continue in the second half of the year.

As expected, demand in the cyclical architectural wall coatings market was subdued. Architecture in Asia showed gratifying growth at a low level.

In connection with the expansion of our product range, a new display production facility was commissioned in India for the manufacture of composite panels for digital printing applications. Investment in the production of new types of composite panels, destined mainly for the European display market, also continued, as did technological developments for fire-resistant cladding panels. These investments will be completed in 2011 and improve our competitive position in the target markets in question.

To strengthen profitability, a core materials processing site in the US was closed and the balsa wood operations were relocated to Ecuador.

Various measures designed to streamline structures and increase efficiency were implemented which will have a positive impact on profitability from mid-2011 onward.

Outlook

Textile Machinery and Semiconductors began the new year with well-filled order books. Even if the cycle has peaked, 2011 should be a good year. In the case of Composites, 2011 shows no signs of any great swings in market conditions, either upward or downward. On the one hand, cost savings and efficiency gains are having a positive impact on the result, while on the other hand profitability is being impaired by continuing rises in raw materials prices (oil, aluminum) and currency effects. Furthermore, the costs of initiated restructuring projects will depress the 2011 result by CHF 5 to 10 million.

The Group's balance sheet shows equity of CHF 639 million (73%). The cash position amounts to CHF 275 million, and in addition approximately 5% treasury stock is being held.

The main strategic focus is on channeling the available liquidity into investments which create shareholder value.