

SWISSMETAL

Half-year Media Conference
13 August 2010

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Agenda

- Business 2010
- Half-year Report 2010
- Outlook
- Questions & Answers

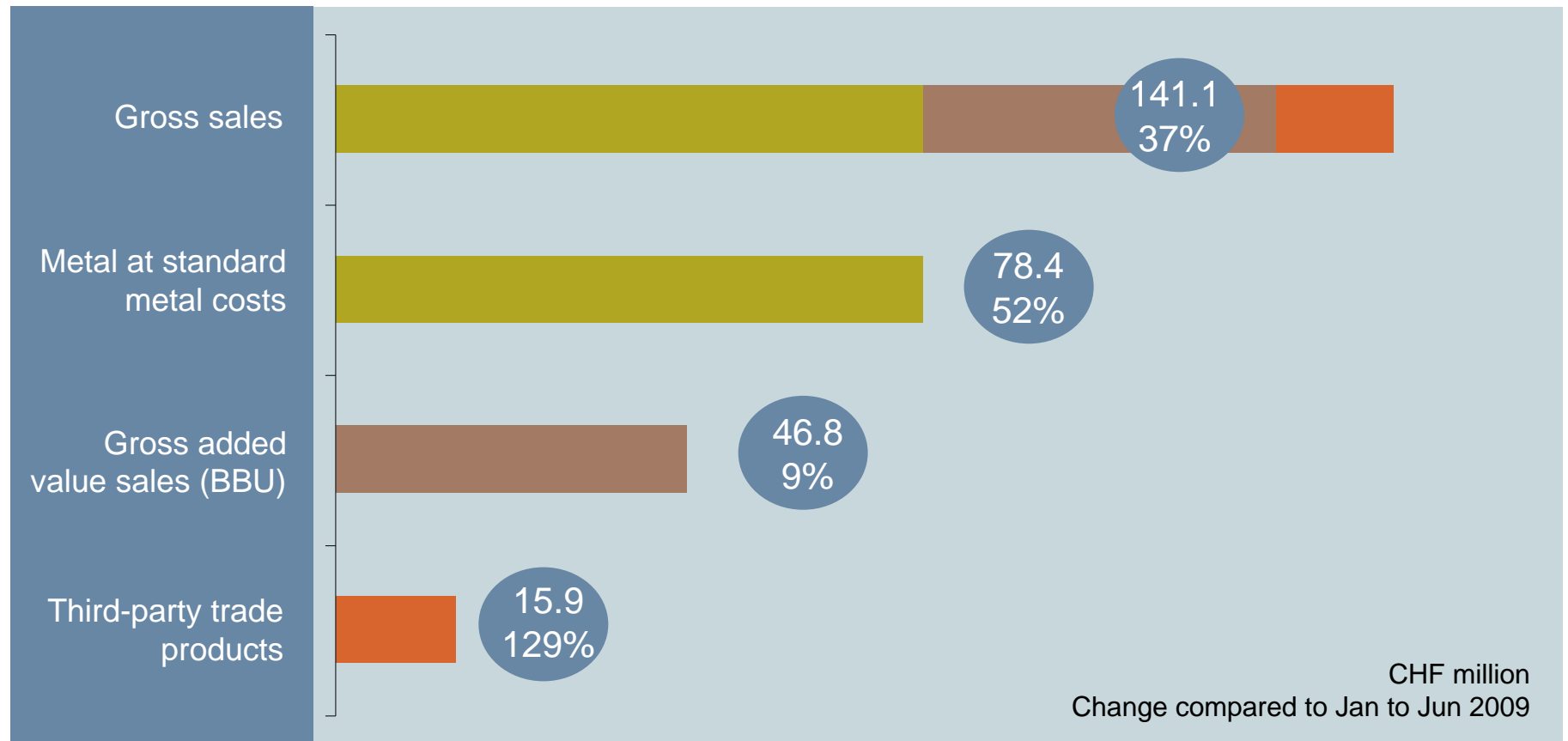
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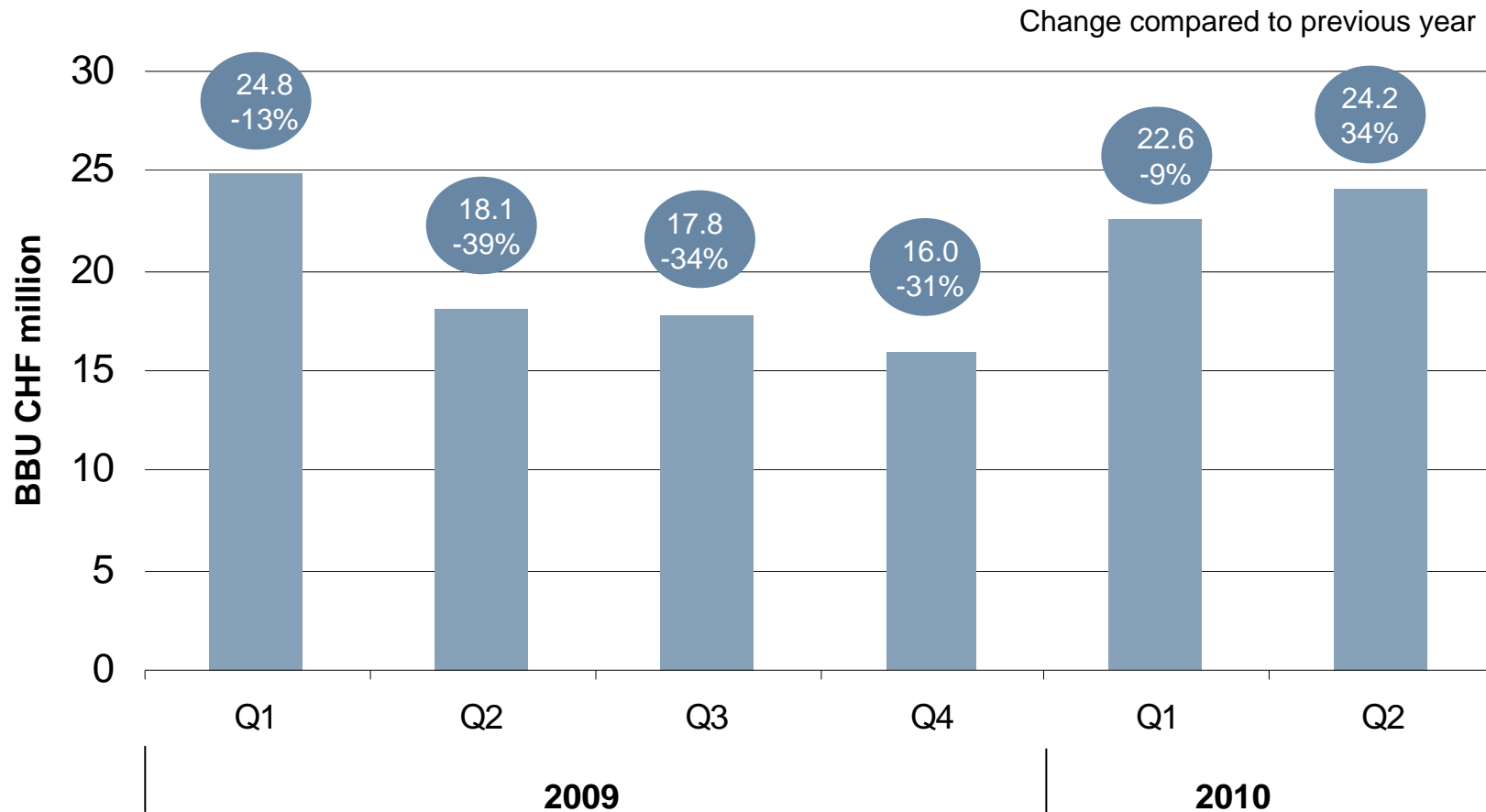
Half-year 2010: Increasing business activity

- Sales increased by 37%
- EBITDA before metal valuation impact of CHF 2.4 million
- Strong increase in order entry by 59% compared to previous year
- Negative impact on operating result due to weak EUR
- Metal valuation impact due to LIFO method of CHF -6.1 million

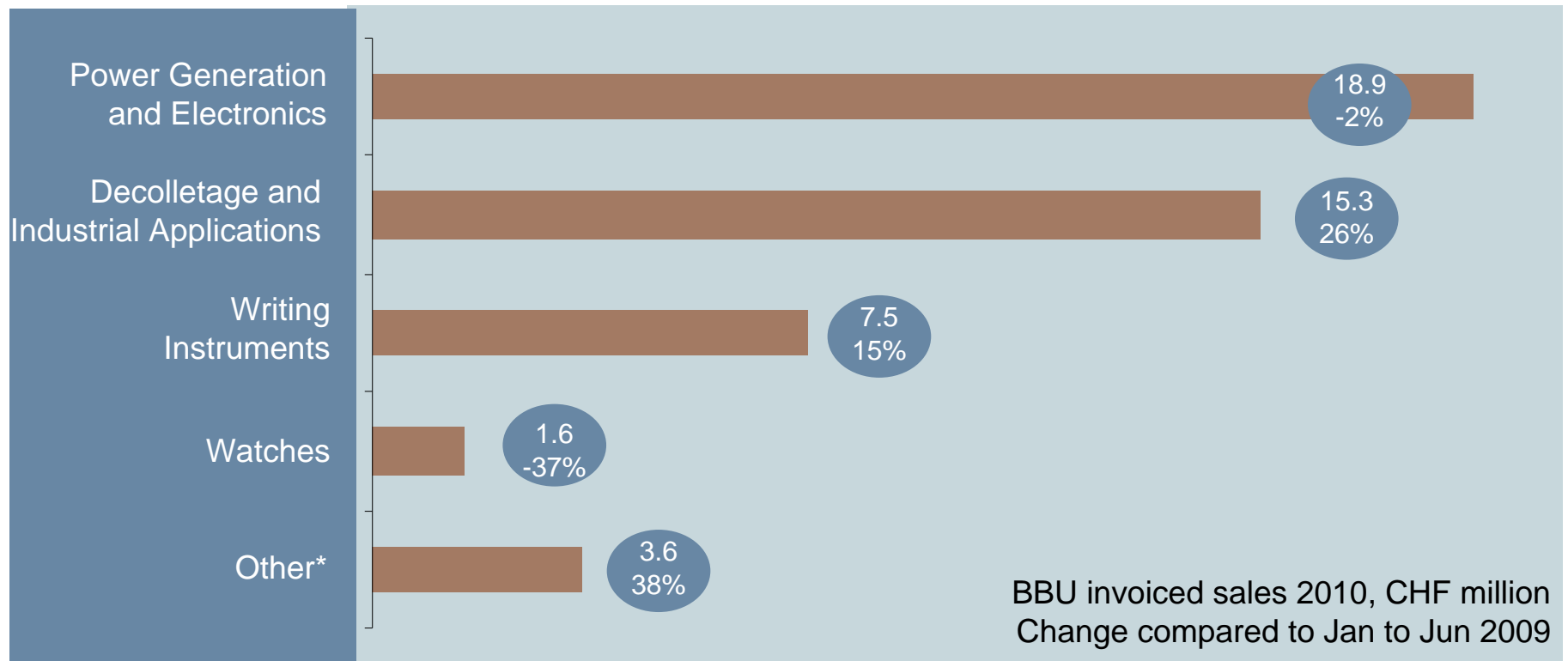
Gross sales increased by 37% to CHF 141.1 million



Major increase versus prior year in second quarter

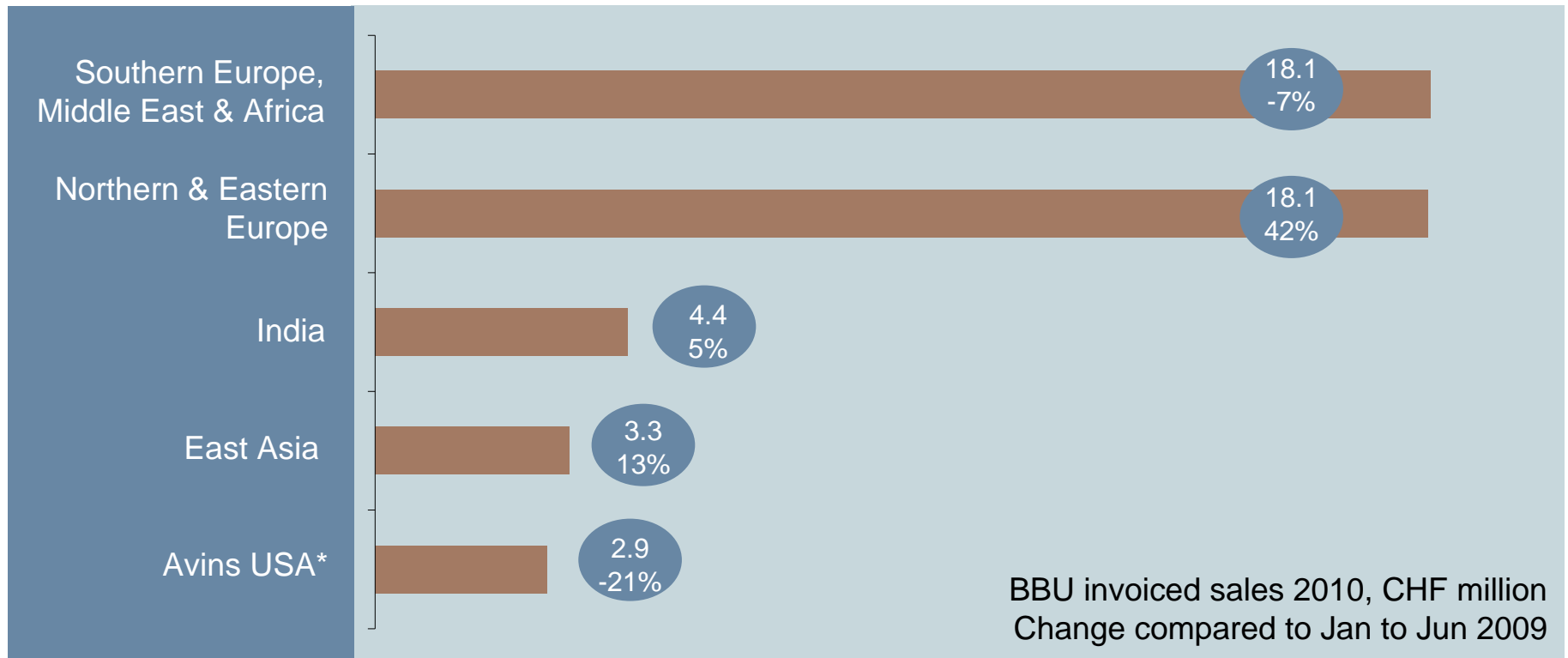


Substantial increase in Decolletage and Industrial Applications



*contains Transportation, Designed Energy and Architecture; without third-party trade products

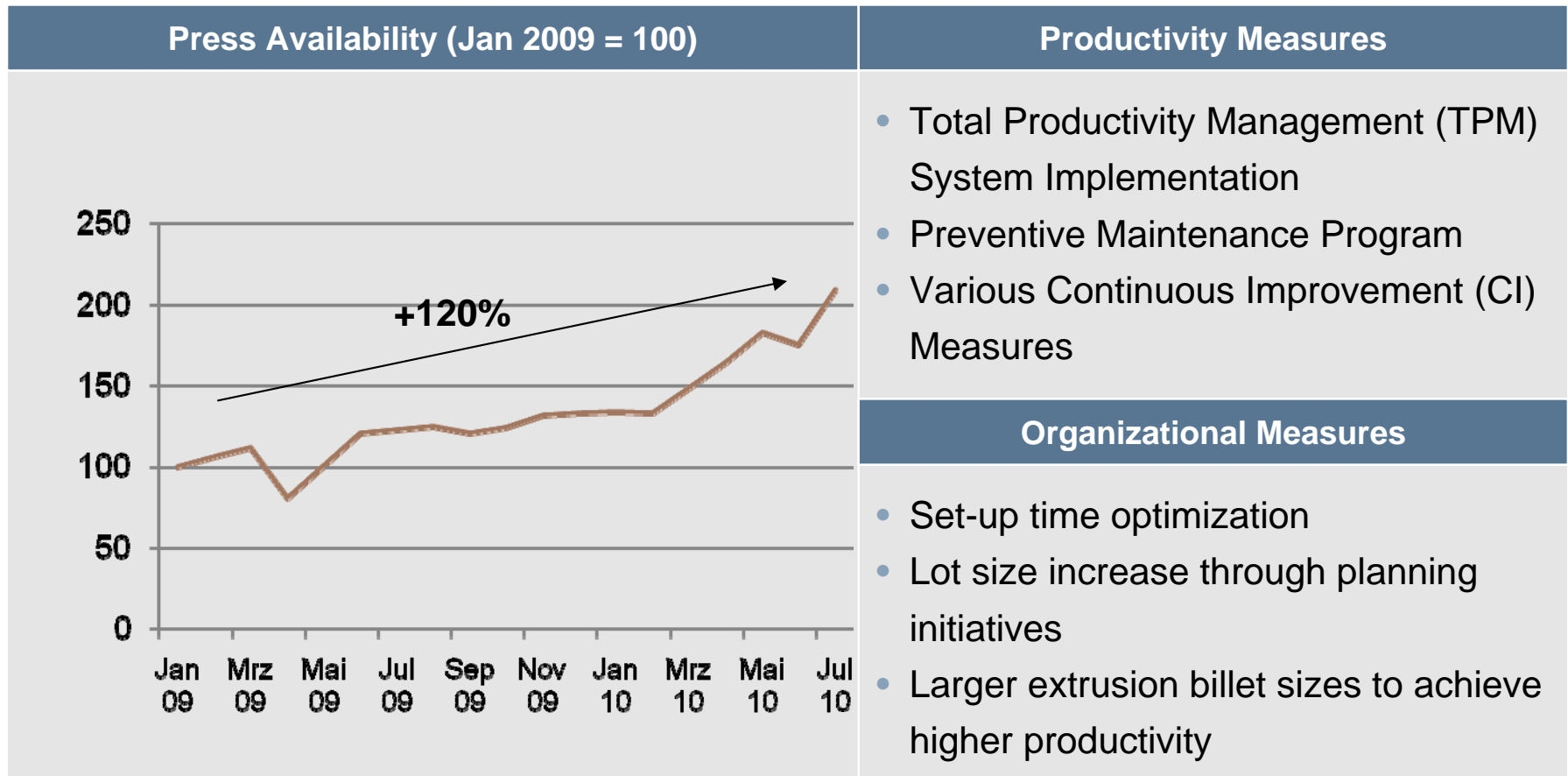
Major increase in Northern & Eastern Europe



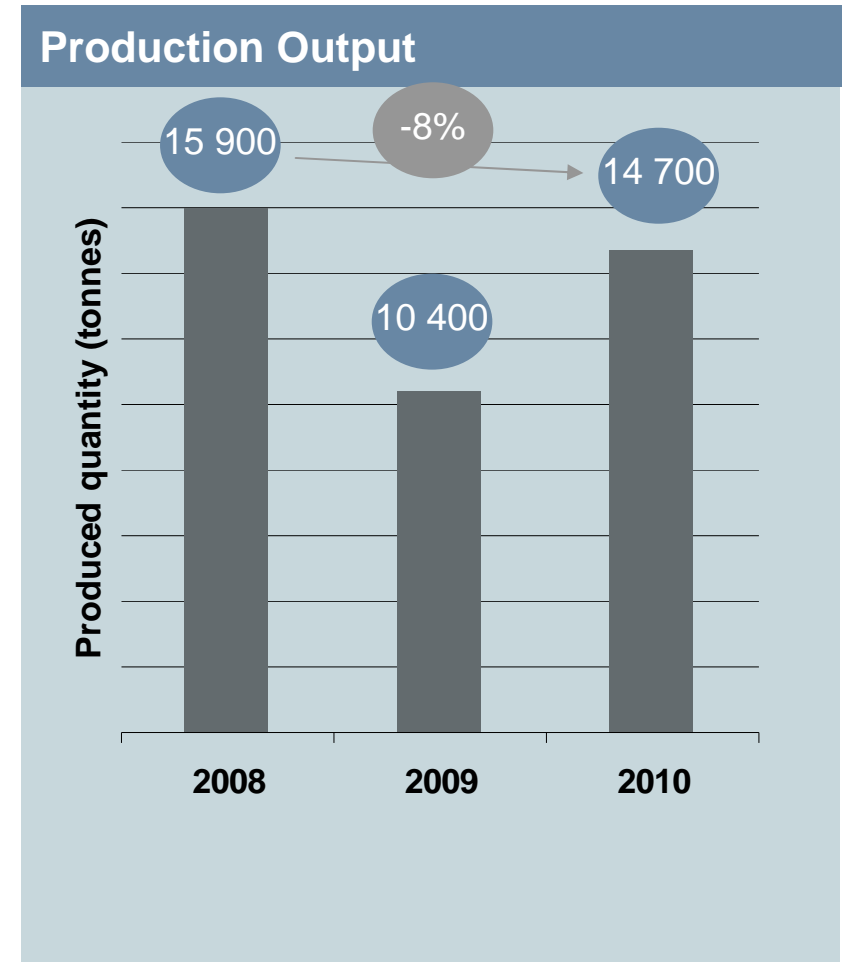
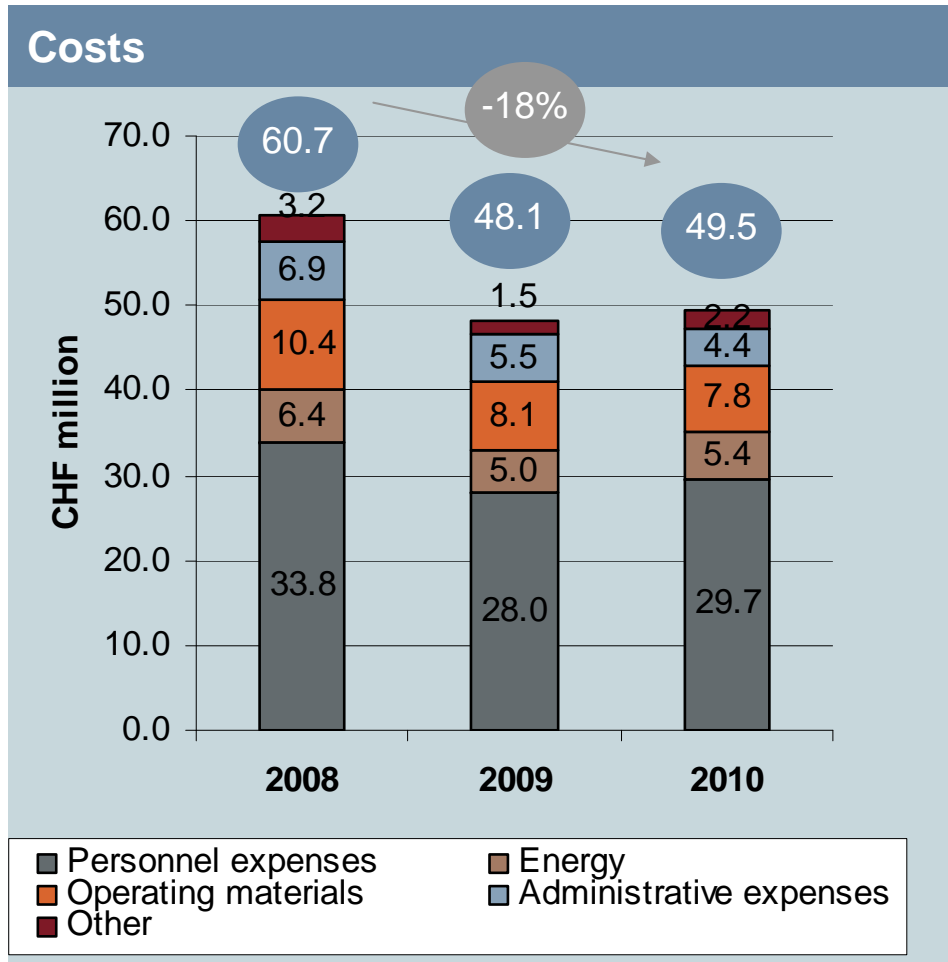
*without third-party trade products

BBU invoiced sales 2010, CHF million
Change compared to Jan to Jun 2009

Substantially increased productivity



Cost structure could be improved during first half-year 2010



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First half-year 2010: Operational improvements

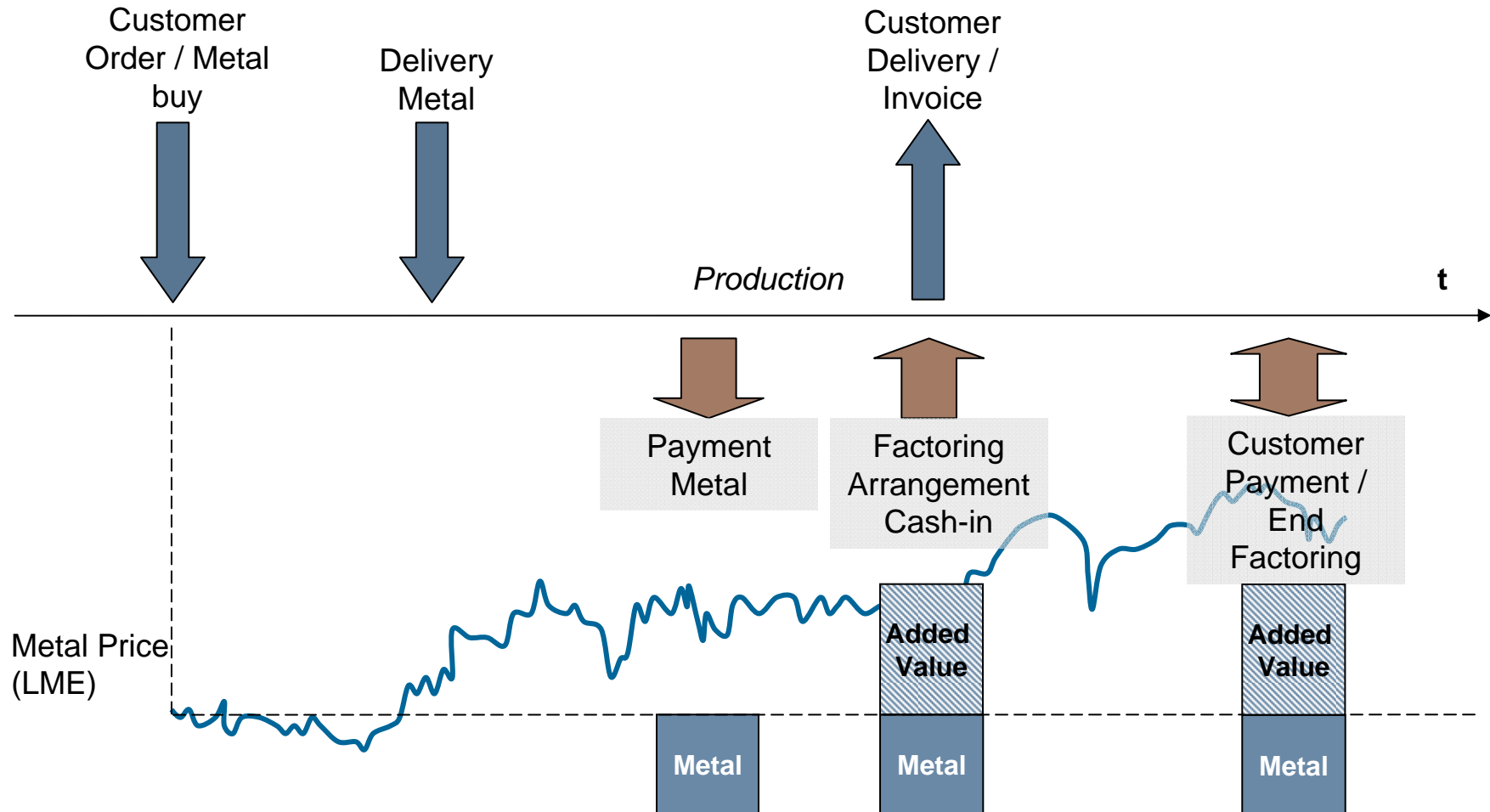
CHF million	2010	2009	Change	Change in %
Gross sales	141.1	103.0	38.1	37
Metal valuation impact	-6.1	-2.1	-4.0	2
EBITDA before metal valuation impact	2.4	-0.7	3.1	n.a.
EBIT before metal valuation impact	-3.6	-7.0	3.4	48
EBIT*	-9.8	-9.1	-0.6	-7
EAT	-9.6	-7.2	-2.4	-33
Equity ratio**	45%	52%	-7%pt	n.a.
Net debt**	48.2	37.6	-10.5	-28
Free cash flow	-2.9	6.7	-9.6	n.a.
Cash and cash equivalents**	7.1	5.7	1.4	25

*after metal valuation impact; **as at 30 June 2010 and as at 31 December 2009 respectively

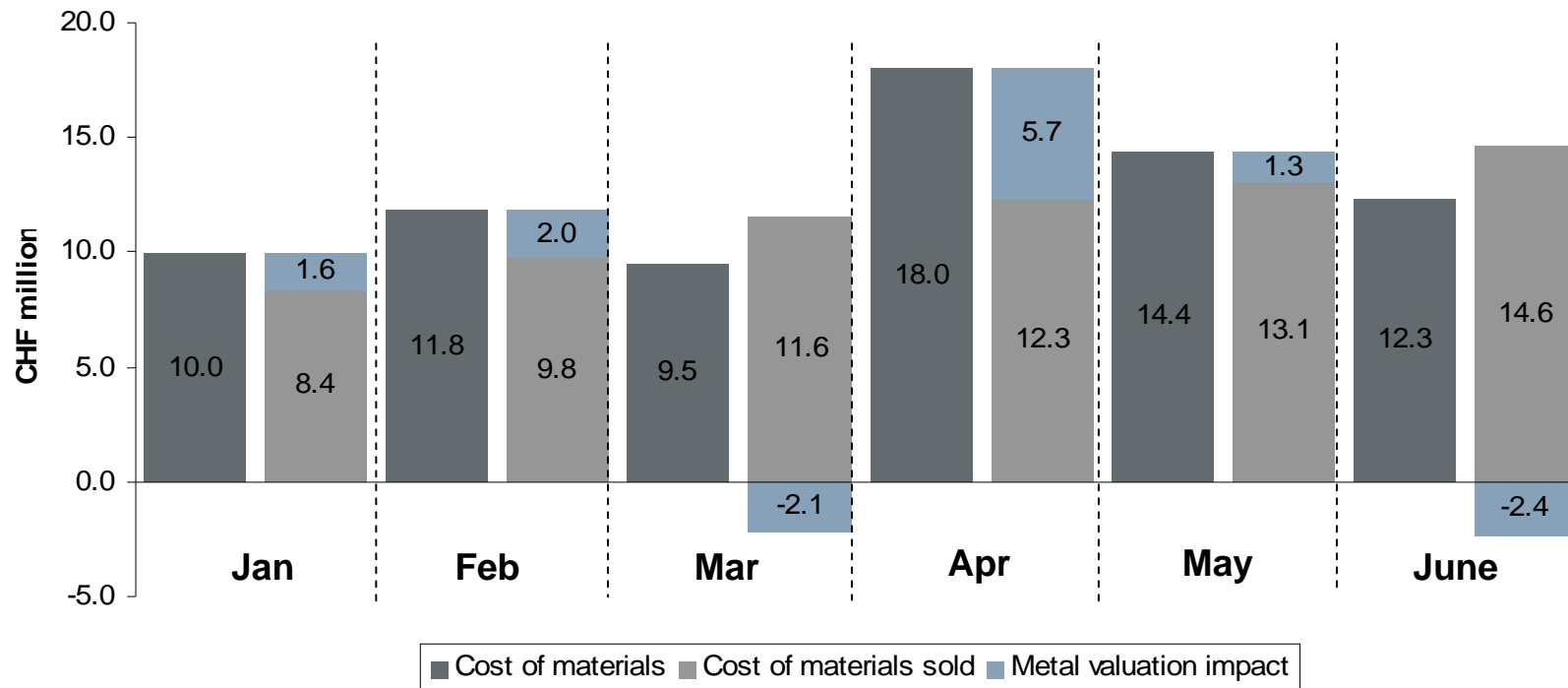
Copper price (3 months)



Metal price exposure hedged by fixing metal price at the time of order intake



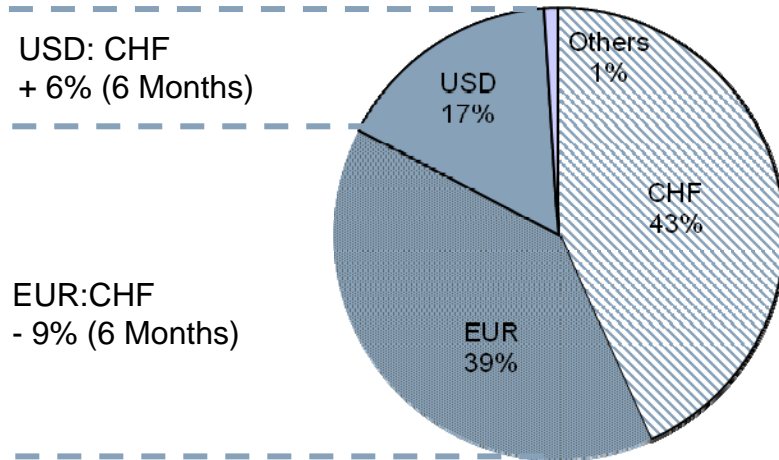
The LIFO metal valuation method has a major impact on profitability



Metal valuation impact, Jan-Jun cumulative: CHF 6.1 million

Currency Risk

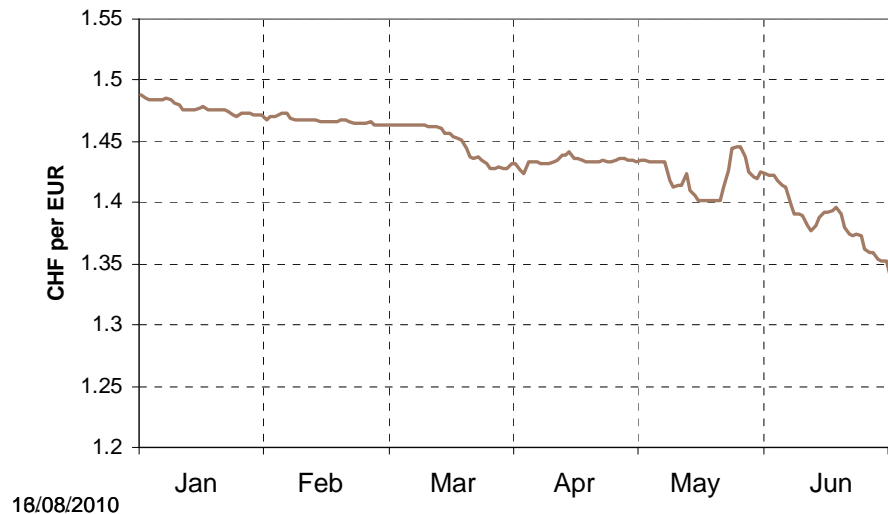
Gross Sales by Currency, Swiss Sites YTD 2010



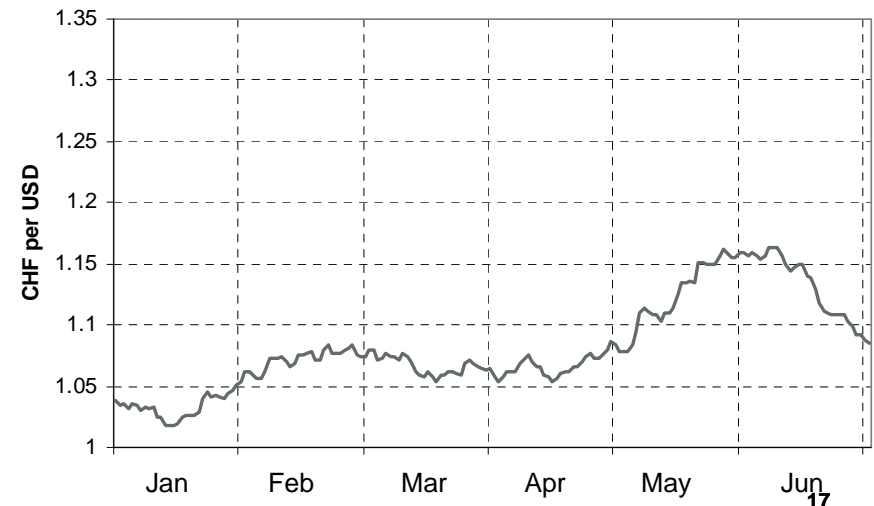
Impact Act vs. Bud

- Negative impact on EUR
 - Positive impact on USD
- ➔ Combined negative impact on top line of about CHF 1.3 million

EUR Development 2010



USD Development 2010

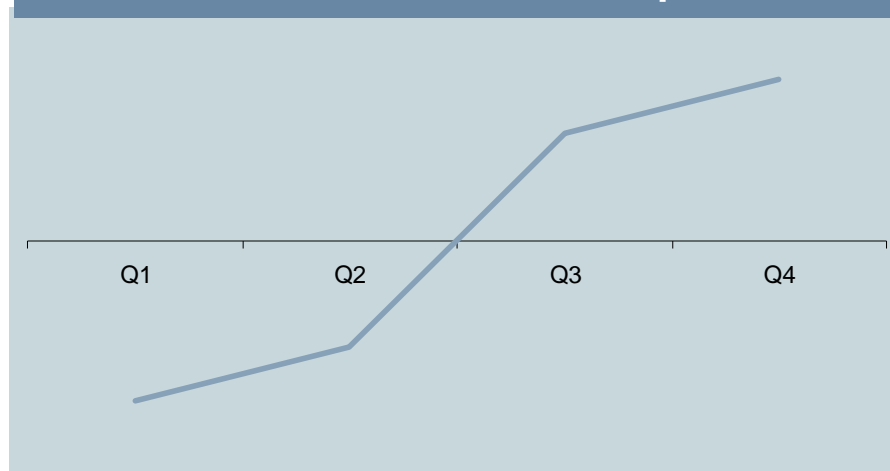


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Swissmetal strengthens on both sales and costs

EBIT before metal valuation impact

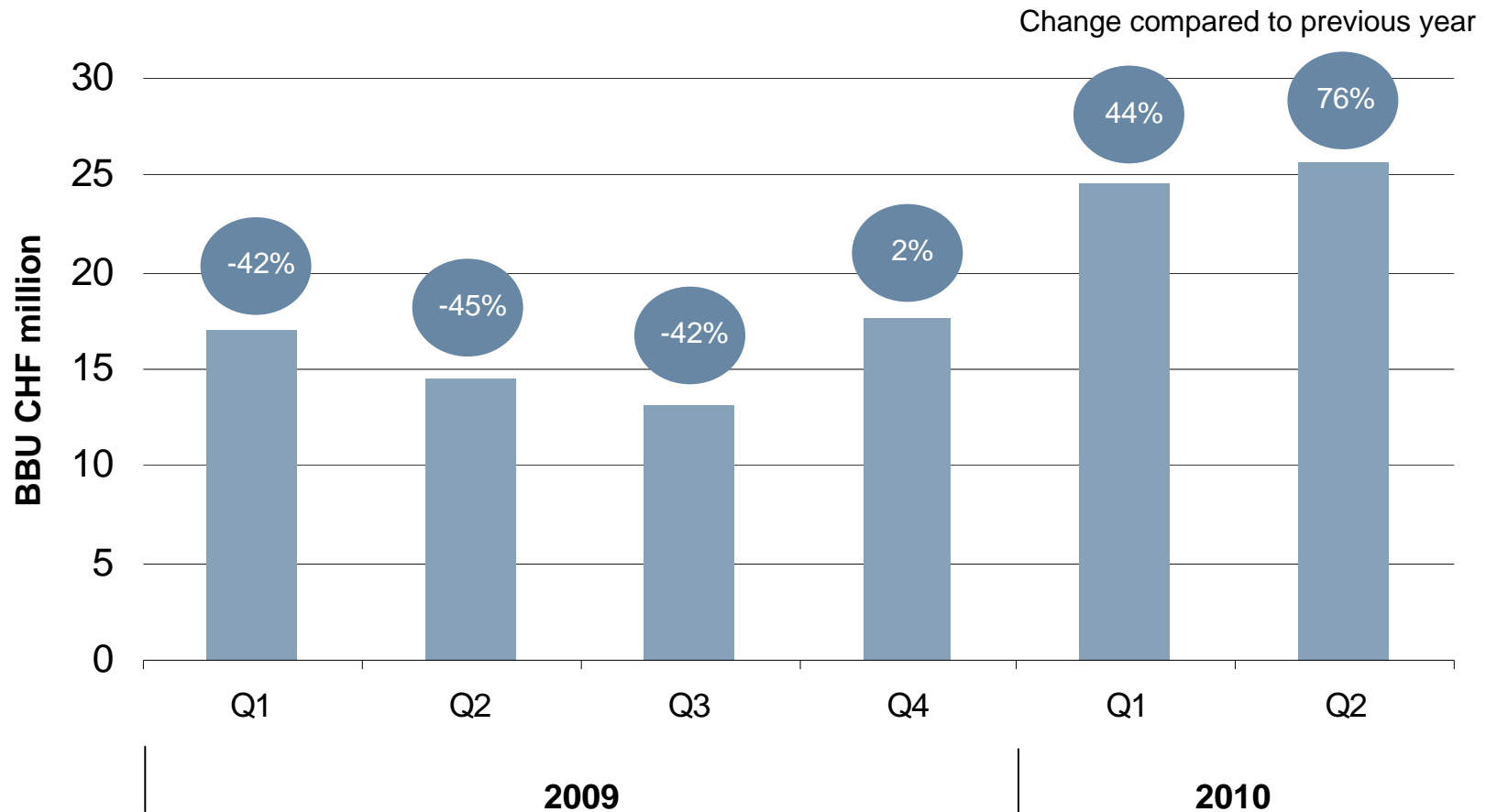


Coming from from a huge loss in 2009 we will improve quarter by quarter.

Measures being implemented

- Further sales increase
(2nd HY > 1st HY)
- Further cost reduction through operational excellence in production (e.g. scrap avoidance and yield improvement)
- Refinancing of existing credit lines
- Cash Management

Due to the high order entry Swissmetal remains optimistic



Expectation

- Gross sales in the range of CHF 260 to 280 million (+10%)
- BBU improvement between 20% and 30 % compared to previous year
- Operating profit*: black zero

* before metal valuation impact

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