

Dornach, 22 April 2010

2009 gross sales reaches CHF 191.7 million – Order entries in 2010 off to a good start – Noticeable signs of economic recovery – Continuing development of technical capacity

In 2009 Swissmetal generated consolidated gross sales of CHF 191.7 million. This represents a decrease of 41% as compared to the previous year and was primarily the result of the global economic downturn. Despite concerted efforts to bridge the financial gap by comprehensively reducing working hours, introducing a far-reaching austerity program and freezing investments, the resulting gap could not be effectively closed. The 2009 financial year ended with a loss of CHF 28.5 million (EAT).

Faced with a difficult liquidity position Swissmetal undertook additional steps in 2009 to further improve net working capital. By continuing to optimize inventory, consistently following up open customer invoices and introducing additional measures liquidity outflows were limited to CHF 2.5 million.

Swissmetal implemented a number of restatements, applicable to the previous year, in its 2009 annual financial statements. This included restating the inventory valuation method to pure LIFO (Last in, First out), which showed the greatest result of CHF 5.8 million.

Since the beginning of the year order entry for Swissmetal products has improved in nearly all market segments, indicating an optimistic trend for the course of the year. Compared to the fourth quarter of 2009 the order entries for the first quarter of year have risen by 44% based on the metal spread.

In spite of the economic situation, investments made in Research & Development as well as in Swissmetal Design Solutions AG show great promise. Based on the current situation and due to improvements in the cost structure, increased innovative capacity and noticeable signs of an economic recovery it is expected that a stronger Swissmetal will emerge from this crisis.

Swissmetal produces and sells worldwide high-quality special products made of copper and copper alloys which are mainly used in the electronics, telecommunications, air travel, petroleum, automobile, stationery and watch/clock industries and in the architectural sector. In financial year 2009, Swissmetal achieved gross sales of CHF 191.7 million. As at end of March 2010, the company had 647 full time-employees. Swissmetal, with its registered office in Dornach (Switzerland) is quoted on the SIX Swiss Exchange as Swissmetal Holding Ltd.

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