

SWISSMETAL®

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Media Conference

First Half Year Results 2006

August 22, 2006



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Key Messages

- Very satisfying result in a good economic environment in our industry

- Two acquisitions
 - Production Site Busch-Jaeger (Lüdenscheid/Germany)
 - Distribution Company Avins (New Jersey/USA)

- Situation in Reconvilier is improving, but not yet satisfactory

- Strong improvement in inter-site collaboration and integration

- Gross sales up 53% (CHF 157.6 million)
- Gross added value sales up 13% (CHF 63.1 million)
 - Positive development in watch and construction industries, electrical appliances, lock systems
 - Decline in writing instruments, connectors and turned parts due to unlawful 30 day strike at Reconvilier
- EBIT up 129% (CHF 6.4 million)
 - Reconvilier constantly picking up
 - One-off expenses (positive: sale of metal stock, negative: strike-related expenses)
- Balance sheet total up 30% (CHF 212.3 million)
 - Including newly acquired Busch-Jaeger Metallwerk GmbH
 - Increasing metal prices
- Market value of the total inventory is CHF 125.3 million, being more than two times the book value (CHF 60.4 million)
- Operating cash flow up 15% (CHF 11.8 million)

Half Year Results 2006

Income Statement

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CHF 000	2006*	2005	Change	Change in %
Gross sales	157,632	102,846	54,786	53
Gross added value sales**	63,059	55,702	7,357	13
Gross margin	68,517	57,785	10,732	19
EBITDA	13,343	9,053	4,290	47
Depreciation	-6,898	-6,233	-665	-11
EBIT	6,445	2,820	3,625	129
EAT	3,124	2,541	583	23

* The figures for Busch-Jaeger Metallwerk GmbH are included for February to June 2006.

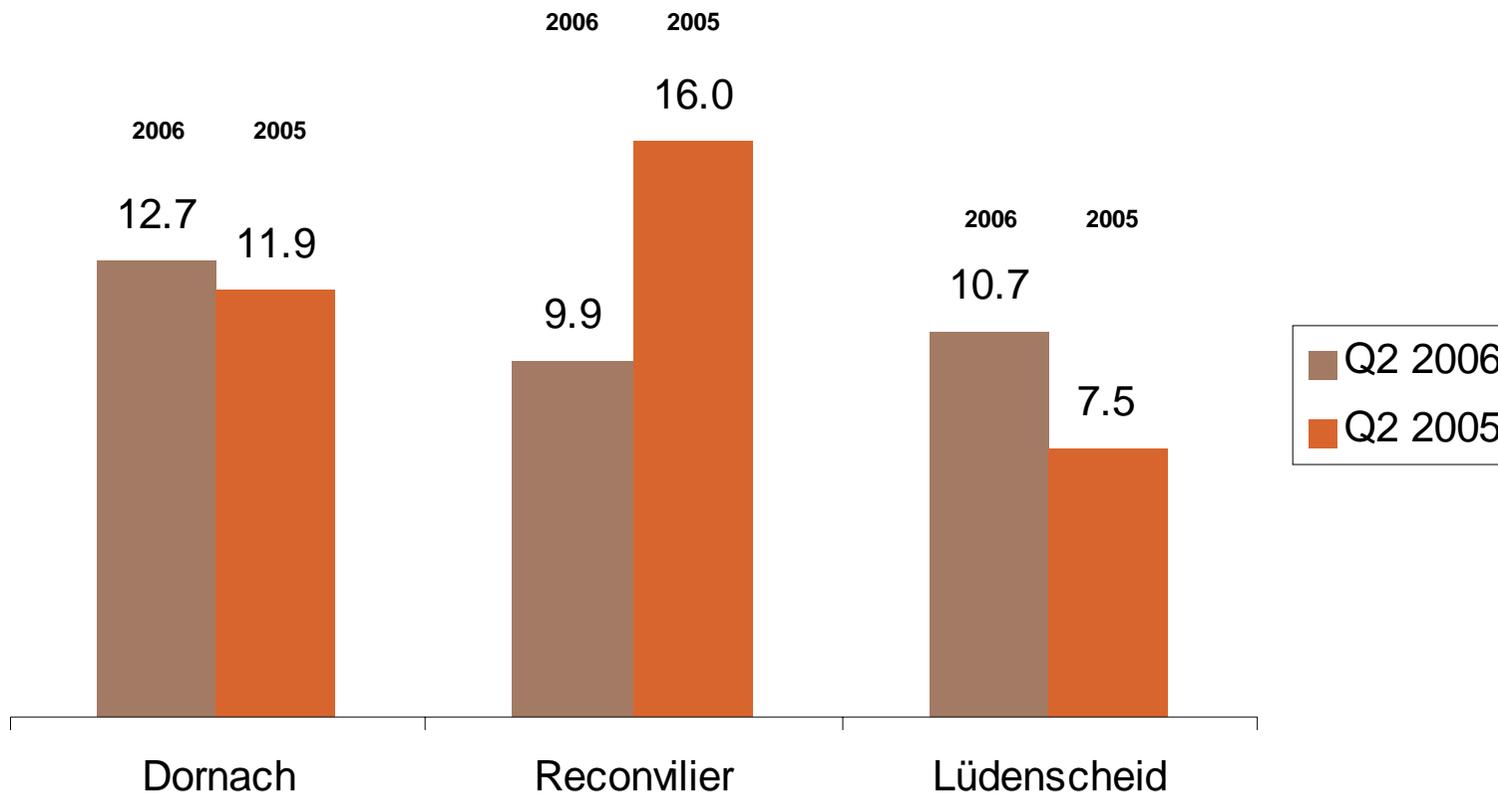
** 2006 figure is not exactly comparable to 2005 as the figure for Busch-Jaeger Metallwerk GmbH that is included, is not based on the same calculation. The harmonization is still in progress.

Half Year Results 2006

Gross Added Value Invoiced Sales - Second Quarter

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[CHF million]

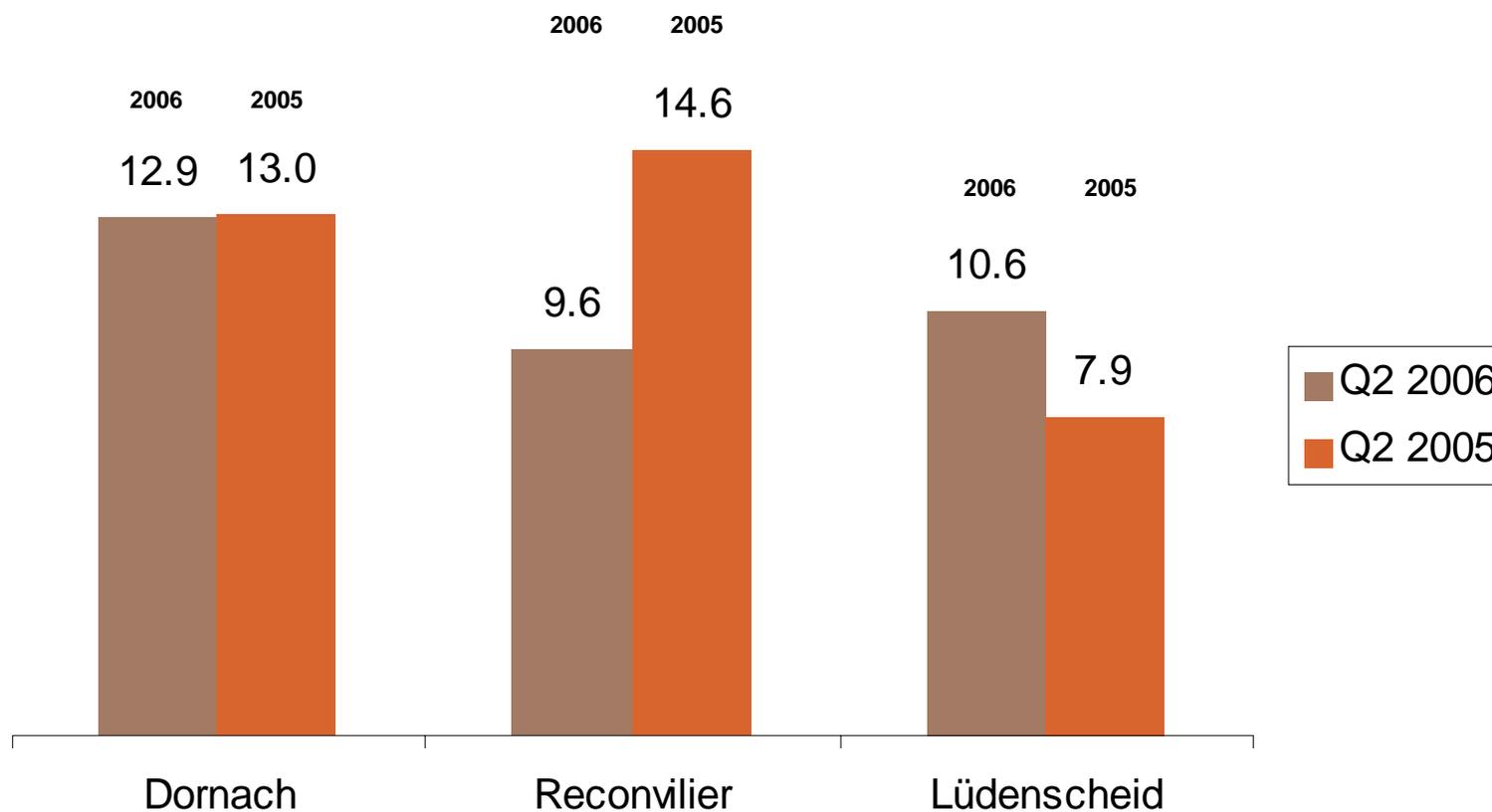


Half Year Results 2006

Gross Added Value Sales Order Entry - Second Quarter



[CHF million]

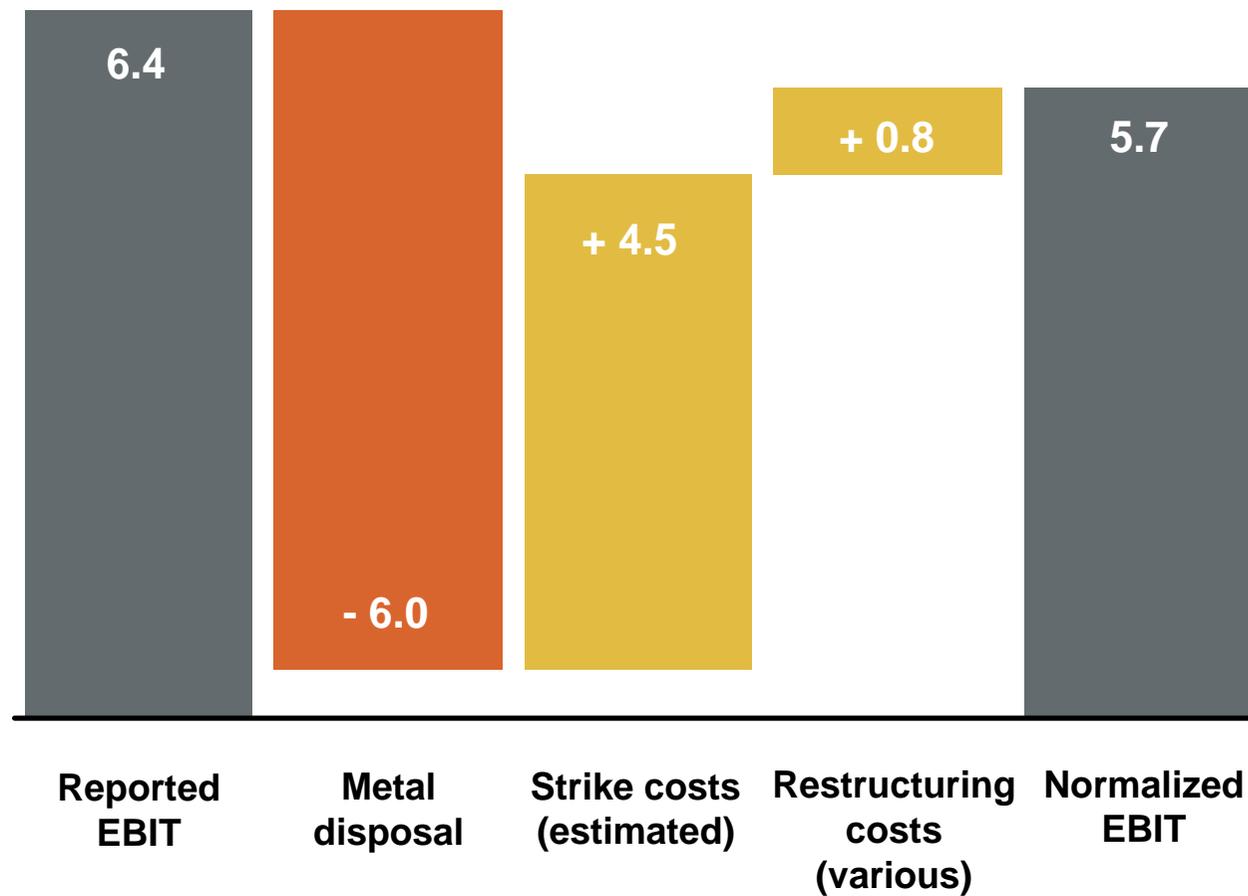


Half Year Results 2006

Normalized EBIT

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[CHF million]



Half Year Results 2006

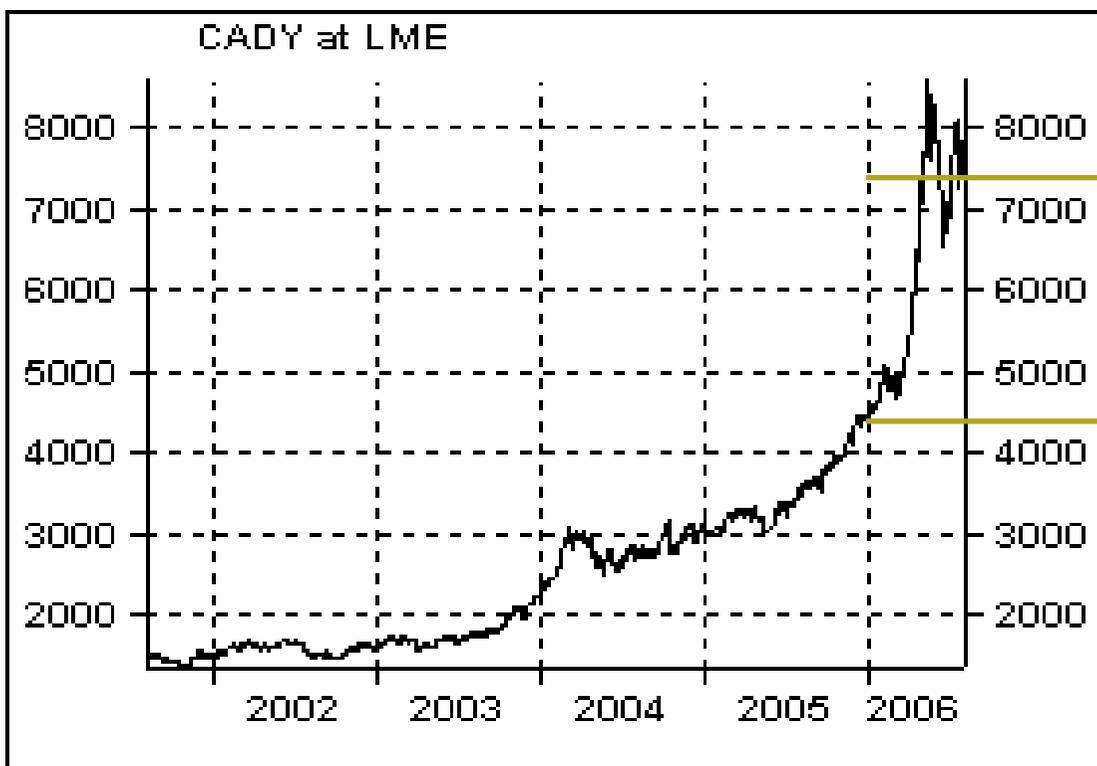
Balance Sheet

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CHF 000	30.06.2006*	31.12.2005	Change	Change in %
Current assets	128,268	94,835	33,433	35
Fixed assets	84,055	67,953	16,102	24
Total assets	212,323	162,788	49,535	30
Short-term liabilities	63,352	22,867	40,485	177
Long-term liabilities	23,118	16,513	6,605	40
Total liabilities	86,470	39,380	47,090	120
Share capital	58,910	58,910	0	0
Reserves	66,943	64,407	2,536	4
Minority interests	0	91	-91	-100
Total shareholders' equity	125,853	123,408	2,445	2
Total liabilities and shareholders' equity	212,323	162,788	49,535	30

* The figures for Busch-Jaeger Metallwerk GmbH are included.

Copper 3 months USD/tonne



67.6%

Date	USD	Increase
31.12.2004	3,154	71.1%
30.12.2005	4,433	100.0%
12.05.2006	8,590	193.8%
30.06.2006	7,431	167.6%

Half Year Results 2006

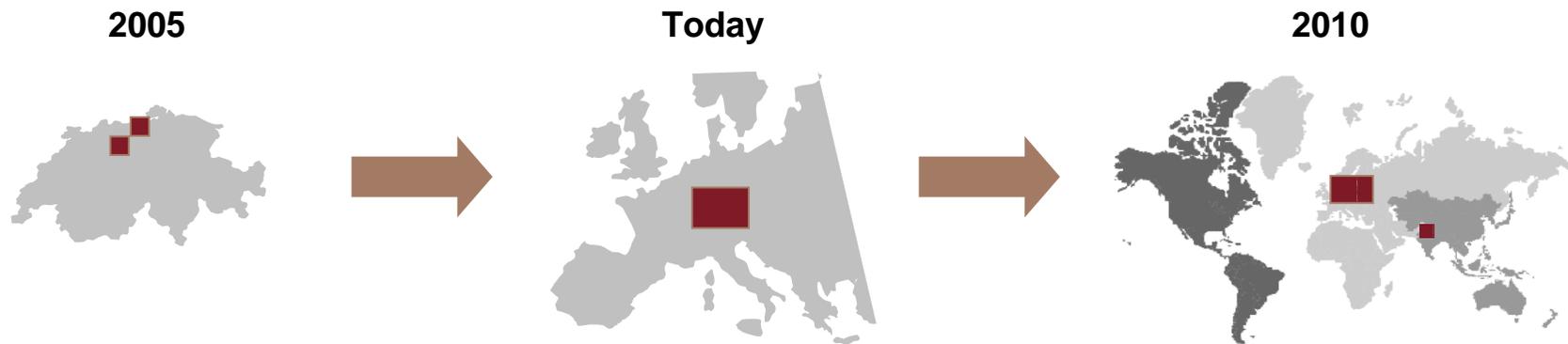
Cash Flow Statement

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CHF 000	2006*	2005	Change	Change in %
Cash flow from operating activities before change in net current assets	8,437	8,986	-549	-6
Change in net current assets	3,343	1,223	2,120	173
Cash flow from operating activities	11,780	10,209	1,571	15
Cash flow from investing activities	-16,133	-4,358	-11,775	-270
Free cash flow	-4,353	5,851	-10,204	-
Cash flow from financing activities	2,541	130	2,411	1,855
Net change in cash and cash equivalents	-1,794	5,986	-7,780	-
Cash and cash equivalents as at 1 January	13,721	9,307	4,414	47
Cash and cash equivalents as at 30 June	11,927	15,293	-3,366	-22

* The figures for Busch-Jaeger Metallwerk GmbH are included for February to June 2006.

Swissmetal progresses with the realization of its long-term vision remarkably

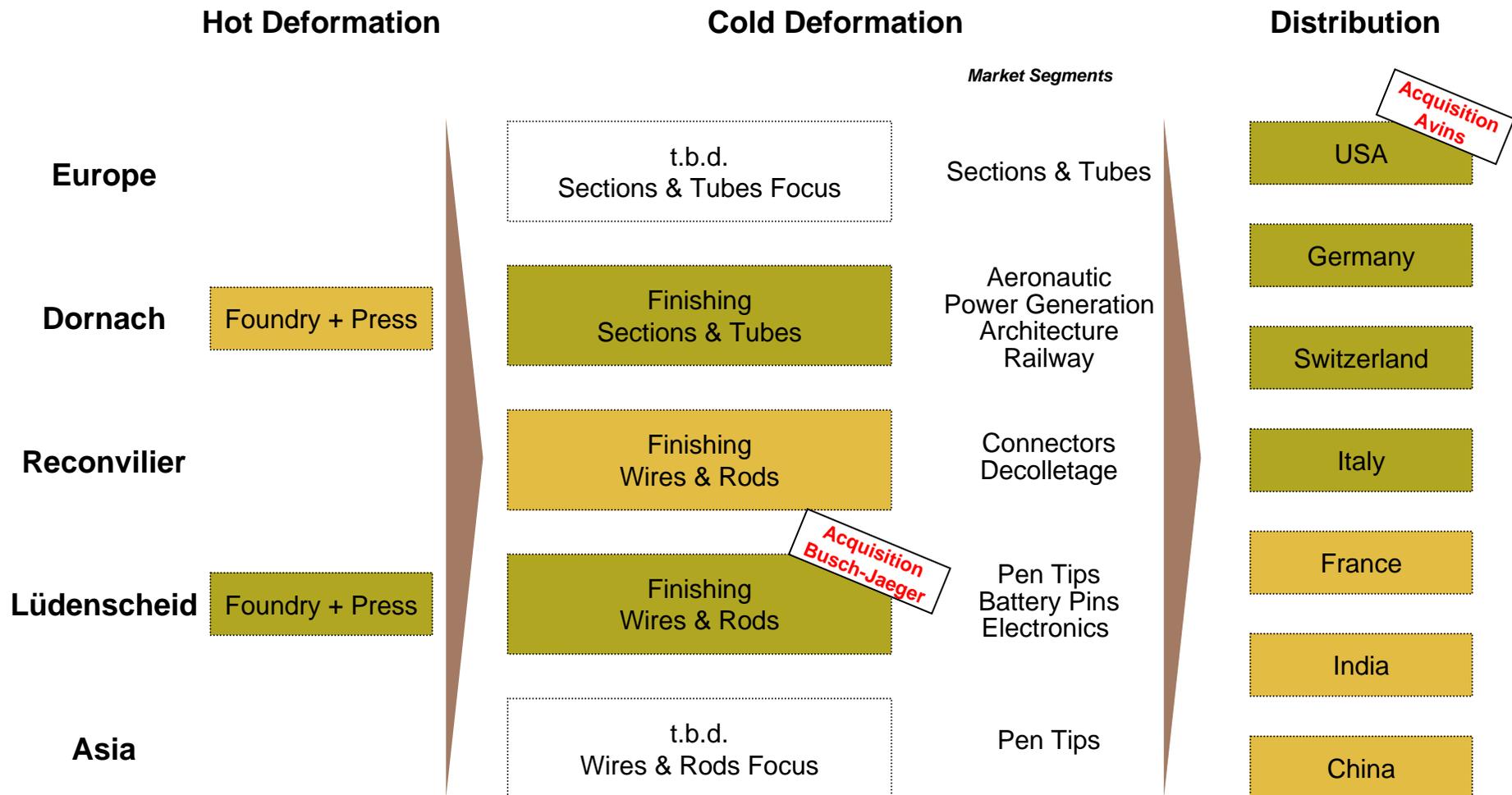


- CHF 100 Mio. BBU
- 2 vertically integrated sites in Switzerland, 60 km apart
- 25-30'000 tons of finished products
- 750 employees

- Approx. CHF 135 Mio. BBU
- 3 vertically integrated sites in Central Europe (Switzerland, Germany); acquisition of Avins (sales distribution) in the US
- Approx. 40'000 tons of finished products
- Approx. 900 employees

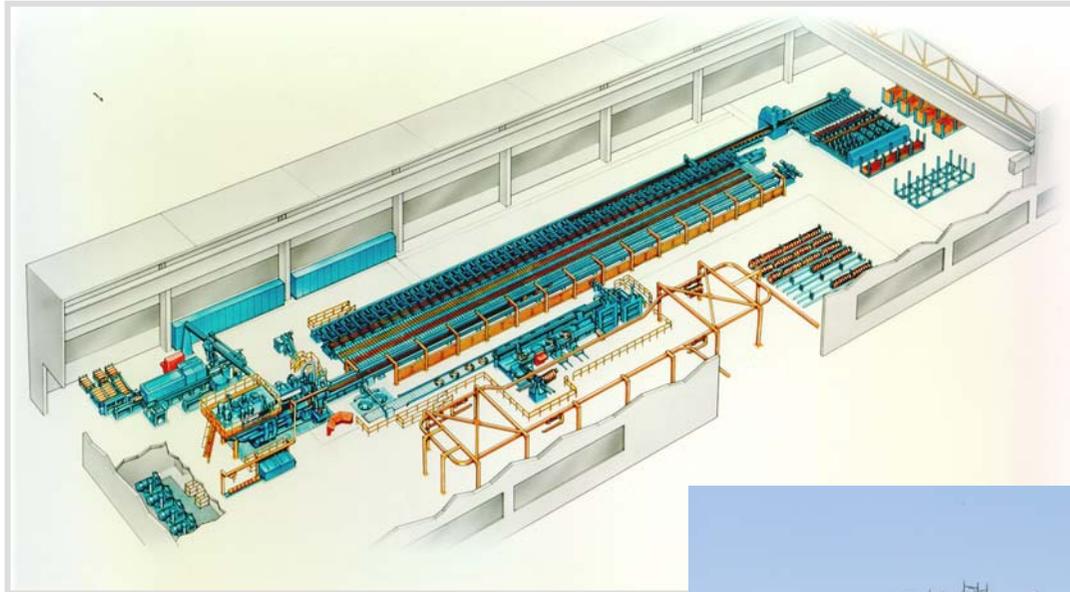
- Approx. CHF 300 Mio. BBU
- Approx. 4-5 production plants, of which at least one in Asia
- Intense collaboration between the plants (industrial synergies)
- Approx. 70'000 tons of finished products

The acquisitions of Busch-Jaeger und Avins support the realization of the industrial concept



New Extrusion Press in Switzerland

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**Arrival Date:
End of 2006**

**First planned
regular production :
Mid 2007**



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Questions & Answers

