

Dierikon, 20 March 2012

Media Release

Extremely successful 2011

Komax further increased its revenues, operating profit and Group profit after taxes in 2011. With an equity ratio of 68%, Komax is also on a very healthy financial footing. The Board of Directors and Group management are cautiously optimistic in their outlook for 2012. The Group is set to achieve another good result in 2012.

The year 2011 was an extraordinarily successful one for the Komax Group. We surpassed the previous year's already very good results once more and achieved new records in revenues as well as operating profit and Group profit after taxes. Revenues rose 9.2% to CHF 371.4 million. In local currencies the increase was higher still at 16.1%. Operating profit (EBIT) came to CHF 47.5 million. The previous year's EBIT margin saw a further increase of 4.2 percentage points to 12.8%, despite the –1.1 percentage point impact of currency effects. Group profit after taxes (EAT) rose 120.9% to CHF 39.3 million. Earnings per share also increased accordingly reaching CHF 11.68. Operating cash flow rose to CHF 54.9 million (+50.7%).

The Komax Group continued to stand on a very firm financial foundation in 2011. Shareholders' equity was CHF 247.0 million (2010: CHF 212.5 million), for an equity ratio of 68.3%. Net cash amounted to CHF 5.6 million.

Successful business units

Komax Wire saw further gains in demand for automation solutions in the year under review, especially on the part of customers in the automotive industry. The household appliance market was stable. In control cabinet production, a continuing move toward greater automation led to steady growth. In solar cables, by contrast, demand cooled noticeably during the year under review, due mainly to a cyclical contraction in the photovoltaic industry. Overall, the Wire business unit's net sales grew 12.0% to CHF 217.8 million, while EBIT was a strong CHF 57.1 million (+19.3%).

Although Komax Solar was affected by the challenges facing the photovoltaic industry, especially in the second half of the year, its net sales grew 11.8% in the year under review to CHF 70.8 million. Since the business unit invoices primarily in US dollars, local-currency growth was even higher. Following healthy operating income in the first half, deteriorating circumstances culminated in whole-year EBIT of CHF –3.4 million, a 42.0% improvement over the prior year.

Komax Medtech's main sales markets were vigorous for lengthy periods in 2011. Demand for self-medication devices and for inkjet printer cartridge assembly equipment was robust. Komax Medtech aimed for profitability over growth and increasingly focused on projects involving repeat business. Net sales reached CHF 83.8 million (2010: CHF 82.7 million). Following the previous year's operating loss, the business unit achieved a respectable EBIT of CHF 3.8 million for the year under review. The EBIT margin of 4.6% is within striking distance of the mid-term target of 5%.

Strengthening market position and organization

Komax strengthened its market position and enhanced its organizational efficiency once more in financial year 2011. The marketing and distribution structure of the different business units underwent expansion, especially in Asia. And we further optimized operating processes in

each of the business units. Komax Wire entered into closer collaboration with Germany's SLE quality engineering, in which it acquired a 30% stake. This is allowing Komax Wire to expand its product range by adding solutions for the increasingly important infotainment and quality control application areas. Komax Jinchen, a joint venture with a Chinese partner in which Komax holds a majority interest, commenced operations in May. The venture adds laminators to Komax Solar's product range and enables it to meet the needs of the Chinese market in particular.

Innovation

In all business units Komax systematically invested in innovations to optimize the existing product range or in new developments. In the 2011 financial year, the Group spent CHF 23.5 million on research and development and employed 134 people in R&D.

Outlook

Komax Group

Macroeconomic uncertainties continue to dominate economic developments and thus to impinge on the activities of our three business units. Visibility is poor and it is still generally difficult to predict how the situation will unfold.

Komax Wire, Komax Solar and Komax Medtech provide solutions and services for structural growth markets. Hence, the long-term prospects remain favorable. Moreover, Komax remains cautiously optimistic about 2012. From our current perspective, we expect that the Group will also achieve a sound result this year.

Komax Wire

The ever more extensive equipment installed in vehicles, new vehicle models and drive concepts, higher production volumes and the increasing automation of operating processes in all the application areas served by Komax Wire will continue to underpin the industry's investment in automation solutions for the production of wire harnesses.

Visibility in this area still only extends to around two to three months into the future. Taking into account all the information available, we expect Komax Wire's net sales for the first half of 2012 to be in the area of the previous year's figure.

Komax Solar

There is no doubt that solar will remain an attractive market in the longer term. However, 2012 will be a very difficult year for the entire industry. When the market will pick up again is unclear. Most analysts do not expect the next upturn before mid-2012, and possibly not until the end of the year. What is certain, on the other hand, is that the Chinese market will continue to play a leading role going forward.

Komax Solar will position itself in line with the prevailing conditions and prepare for the anticipated recovery. And with its well-established presence in the Chinese market, it is in an excellent position. According to our present knowledge, we anticipate a substantial deterioration in net sales and an operational loss in 2012.

Komax Medtech

Komax Medtech is finding that some customers are delaying investment decisions due to the ongoing uncertainties regarding developments in the world economy. Then again, a large number of customers have already announced projects that they plan to invest in as of the second half of 2012. Several of these projects are likely to generate repeat business. Komax Medtech is looking to build on the success of the previous year and achieve another positive operating result in 2012.

Higher dividend proposed

At the General Meeting, the Board of Directors will propose an increase in the distribution from the capital contribution reserves from CHF 2.00 to CHF 4.00 per share. This reflects confidence in future business performance and the strength of the company. The dividend yield on the date of the Board resolution was an attractive 4.8%. For natural persons in Switzerland who hold shares as part of their personal assets, this distribution from the capital contribution reserve will be tax-free.

Elections to the Board of Directors

The Board of Directors proposes the re-election of Leo Steiner and Hans Caspar von der Crone for a further three-year term of office. Leo Steiner and Hans Caspar von der Crone have been members of the Board of Directors since 1997; their current three-year terms of office end this year.

Furthermore the Board of Directors proposes the new election of Kurt Haerri to the Board of Directors as a new member for a three-year term of office. Kurt Haerri (born 1962) is Senior Vice President, Head Global High-Rise Business and leads the Top Range Division, a world-wide competence- and profit centre for high-rise elevators of Schindler Elevators Ltd. Kurt Haerri holds a degree as a Mechanical Engineer of the Lucerne University of Applied Sciences and graduated at the University of St. Gallen as an Executive MBA HSG. He has been working at Schindler since 1987, from 1996 to 2003 in China. Since 2006, Kurt Haerri is the President of the Swiss-Chinese Chamber of Commerce. In addition he is a lecturer at the Swiss Federal Technical Institute ETH Zurich.

The Board of Directors is confident that Kurt Haerri's extensive background in industry, his international outlook and profound understanding of Asia make him the ideal person to help shape Komax's future success as a Board member.

Financial calendar

Annual General Meeting	3 May 2012
Dividend payment	10 May 2012
Half-year results 2012	21 August 2012
First information on the year 2012	15 January 2013
Annual media conference/analysts' presentation 2012	19 March 2013
Annual General Meeting	3 May 2013

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The Komax Group is a leading manufacturer of wire processing machines, machines for the production of modules for the photovoltaics market and machine systems for the manufacture of inhalers and insulin delivery or injection systems. It employs a workforce of around 1100 people. Alongside production facilities in Switzerland, France, the United States, Malaysia and China, Komax also provides sales and service support via subsidiaries and independent agents in around 60 countries.

Appendix

Key figures of the Komax Group

Consolidated balance sheet	31.12.2011	31.12.2010	+/- in %
	TCHF	TCHF	
Total assets	361,448	318,698	13.4
Net cash	5,604	12,026	-53.4
Shareholders' equity ¹⁾ in % of total assets	246,994 68.3	212,523 66.7	16.2 --

Consolidated income statement	2011	2010	+/- in %
	TCHF	TCHF	
Revenues ²⁾	371,424	340,172	9.2
Operating cash flow (EBITD) in % of revenues	54,906 14.8	36,443 10.7	50.7 --
Operating profit / loss (EBIT) in % of revenues	47,536 12.8	29,110 8.6	63.3 --
Earnings after tax (EAT) in % of revenues	39,280 10.6	17,780 5.2	120.9 --
Free cash flow	-61	19,500	-100.3

Research & development in % of revenues	23,526 6.3	20,511 6.0	14.7 --
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Information by segment	Wire	Solar	Medtech
2011	TCHF	TCHF	TCHF
Order intake	232,319	63,742	84 371
Net sales	217,792	70,791	83 778
EBIT	57,073	-3,439	3 840
2010			
Order intake	211,083	72,092	73 827
Net sales	194,455	63,306	82 691
EBIT	47,840	-5,932	-4 434

	2011	2010	+/- in %
Headcount 31.12.	1,140	1,023	11.4
Revenues per employee ³⁾ in TCHF	343	333	3.0

¹⁾ Equity attributable to equity holders of the parent company.

²⁾ Revenues: Net sales + other operating income.

³⁾ Calculated on the basis of average headcount.

Key share data	2011	2010
Share capital 31.12. in TCHF	340	340
Number of shares 31.12.	3,400,880	3,400,880
Par value per share in CHF	0.10	0.10
Market capitalization 31.12. in TCHF	233,811	346,890
Basic earnings per share in CHF	11.68	5.31
P/E (price earnings ratio) 31.12.	5.9	19.5

You can obtain further information on our website www.komaxgroup.com. The complete annual report can be downloaded at:

<http://www.komaxgroup.com/home/company/investors-holding/ann-report-holding.htm>