COMPETENCE IN METALS AND PLASTICS

advaltech

ANNUAL REPORT 2000

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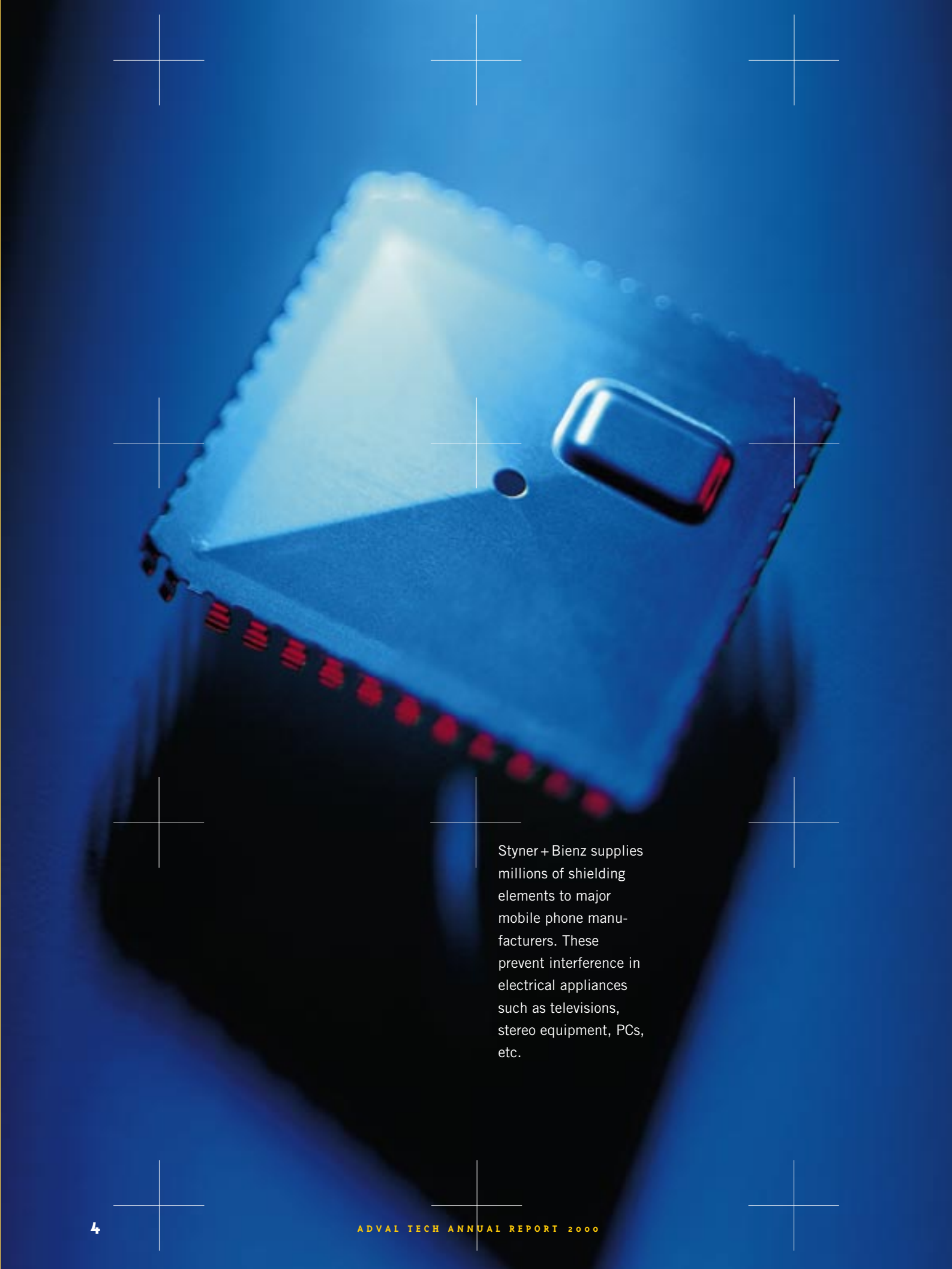


Styner + Bienz supplies millions of shielding elements to major mobile phone manufacturers. These prevent interference in electrical appliances such as televisions, stereo equipment, PCs, etc.

KEY FIGURES OF THE ADVAL TECH GROUP

	2000	1999	1998	1997	1996
Total income (CHF millions)					
Group	209.573	165.460	167.724	140.225	124.971
change in %	+26.7	–1.3	+19.6	+12.2	+17.2
per employee (CHF thousands)	266.802	212.947	229.131	213.270	208.807
EBITDA (CHF millions)					
Operating earnings before depreciation	41.9	22.7	25.3	22.4	21.7
in % of total income	20.0	13.7	15.1	16.0	17.4
EBIT (CHF millions)					
Operating earnings	27.2	11.4	17.4	15.1	14.4
change in %	+138.3	–34.4	+15.2	+4.9	+29.8
in % of total income	13.0	6.9	10.4	10.7	11.5
Net profit (CHF millions)					
Net profit for the year	19.0	8.4	12.1	12.1	10.7
in % of total income	9.1	5.1	7.2	8.6	8.6
Cash flow and capital expenditure (CHF millions)					
Cash flow from operations	45.0	22.8	25.4	22.8	21.7
Free cash flow	–14.1	–10.5	–13.4	–4.2	+4.5
Capital expenditure	32.0	21.3	23.4	22.3	14.5
Balance sheet figures (CHF millions)					
Total assets	222.0	186.9	164.8	132.0	117.1
Shareholders' equity	109.9	94.3	89.9	72.9	60.4
in % of total assets	49.5	50.5	54.6	55.2	51.6
Employees					
on December 31	795	776	778	686	629
Market capitalization (CHF millions)					
on December 31	202.7	140.4	99.4	n.a.	n.a.
Selected key figures per share					
Earnings (CHF)	54.36	23.90	34.70	34.43[1)]	30.68[1)]
Dividend (CHF)	12.00[2)]	10.00	10.00	2.86[1)]	2.86[1)]
Payout ratio in %	22.1	41.8	28.8	8.3	9.3
P/E ratio in % on December 31	10.7	16.8	8.2	n.a.	n.a.

1) Adjusted on the basis of the new capital structure after IPO
2) Proposed by the Board of Directors

DEAR SHAREHOLDERS,

We are pleased to be able to present to you an excellent set of consolidated results for the financial year 2000. In comparison with the previous year total income rose by 27% to CHF 209.6 million, net profit by 127% to CHF 19.0 million and operating earnings by as much as 138% to CHF 27.2 million. The adval tech Group thus exceeded by a wide margin its target for the year – by resuming progress from the level achieved with the good results reported in 1998, and recorded by far the best results in its history.

Both divisions contributed in their different ways to these record results. Operating earnings were generated almost in their entirety by the Injection Molding Division (AWM). By contrast, the Stamping and Forming Division (Styner + Bienz) had to content itself with achieving its minimum objective of positive EBIT – amounting to CHF 0.6 million – after recording negative EBIT in 1999.

AWM's EBIT margin in 2000 was an impressive 23%. The division is succeeding admirably in implementing its strategy of focusing on core competences and key markets, and exploiting emerging market opportunities rapidly and systematically. AWM has more than doubled turnover within five years, at the same time continuously improving operating earnings. The division made a timely response to the worldwide boom in demand for optical disc (OD) molds in the year 2000 by massively expanding capacity and by means of outsourcing. The outcome was a market share of more than 40% of OD molds delivered, thus positioning itself very favourably in the interesting service business.

While the OD market has stabilized somewhat in the current year following its period of vigorous growth, this offers AWM the opportunity to devote appropriate capacity to other interesting moldmaking projects and also to gain access to these markets. The division has already made a successful entry into the food packaging sector. It is manufacturing molds for producing ice cream packaging for a market leader in the food industry. Highly sophisticated, trend-setting multi-component technology is being used in this application. In the Volume Parts Manufacturing Business Unit AWM has also succeeded in securing a number of interesting contracts in the field of multi-component technology.

In the year under review AWM invested more than CHF 15 million in the automation of volume parts manufacturing, the modernization of its machinery range, the expansion of premises and the acquisition of land for a new production plant. AWM aims in this way to eliminate capacity bottlenecks and create the prerequisites for further growth.

The results reported by the Stamping and Forming Division were still not satisfactory. Following the "dip" in results in the previous year, the division was at least able to report a positive EBIT figure. In the Volume Parts Manufacturing Business Unit the action initiated and the personnel changes made in 1999 had a very positive impact on sales and productivity. Advance capital spending in earlier years also paid off in the year under review. Styner + Bienz has established itself in new market segments in both telecommunications and the automotive industry with innovative technical solutions. Commencing in summer 2001, Styner + Bienz will manufacture steering column components in Curitiba, Brazil, the centre of the South American automotive industry.

The new management team appointed in the Tool and Special Machinery Manufacturing Business Unit in May 2000 made major changes in course. The steps taken depressed results in 2000, but the first positive effects are already becoming apparent in the current year. New and further developments by Styner + Bienz in the

special machinery manufacturing sector will also have a positive impact in the medium term. For example, in the field of aerosol can tops, market leader Styner + Bienz has developed a new generation of production lines which will boost output by 60% and at the same time enable material savings to be made. These new lines are due to come on to the market in 2001.

Share price performance was very encouraging in 2000, with a rise of 44%, from CHF 401 to CHF 579. The steep price rise started at the beginning of September, after the announcement of the half-year results and the encouraging forecast for full-year results. Our open and active information policy and intensive cultivation of investor relations met with a good response, and public awareness of our group has also been significantly improved as a result.

The year 2000 was an exceptional one for the adval tech Group in a number of respects, mainly due to the explosive growth in certain sectors of its operations. In light of the general economic trend it would therefore be unrealistic to expect a further improvement on these record results in 2001. We expect total income to be between CHF 200 and 210 million in 2001, with net profit between CHF 14 and 18 million.

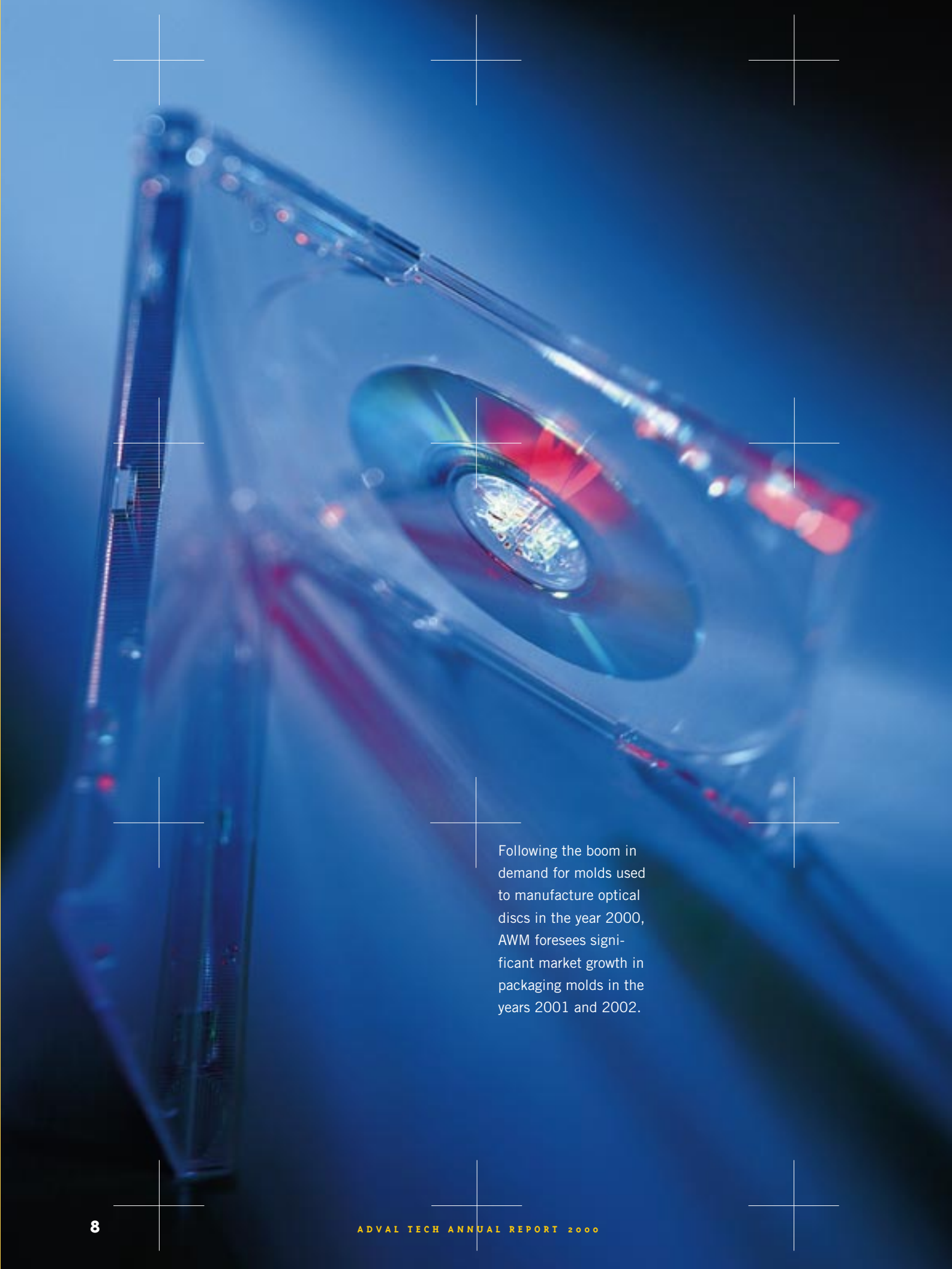
The year 2000 was not only the end of a century – it also heralded the end of an era for Styner + Bienz and thus for the adval tech Group: Hansruedi Bienz handed over his responsibilities as Chief Executive Officer to Jean-Claude Philipona. Hansruedi Bienz had been CEO for almost ten years, during which the group continued to develop rapidly. One highlight was certainly the successful IPO in 1998. We want to take this opportunity of expressing our thanks to Hansruedi Bienz – also on behalf of our shareholders and employees – for his tireless efforts and for his forward-looking corporate policies, without which the adval tech Group would not exist in its present form. We wish him all the best for his well-earned retirement.

Our personal thanks go also to our employees for all their efforts during the past year, to our business partners for productive cooperation, and especially also to you – our shareholders – for the confidence you have shown us through your financial commitment.

Niederwangen, March 2001

JEAN-CLAUDE PHILIPONA
CHIEF EXECUTIVE OFFICER

HERBERT THÖNEN
CHAIRMAN OF THE BOARD



Following the boom in demand for molds used to manufacture optical discs in the year 2000, AWM foresees significant market growth in packaging molds in the years 2001 and 2002.

ADDING VALUE

Adding value for customers in technically challenging fields of activity; that's what adval tech stands for.

The adval tech Group is a leading supplier of tools, special machinery, subassemblies, systems, and volume components in the technology sectors of stamping and forming (metals) and injection molding (plastics). The group sees itself as a supplier and value-adding partner for companies in all industries where metal or plastic components are manufactured or used. With innovative and technically sophisticated approaches, the adval tech Group enables its customers to make continuous improvements to their products and processes. The Stamping and Forming and Injection Molding divisions trade on the market under the names of Styner + Bienz and AWM respectively. The adval tech Group has very good development prospects in the fields of activity covered by its core competences.

The adval tech Group has very good development prospects in the fields of activity covered by its core competences.

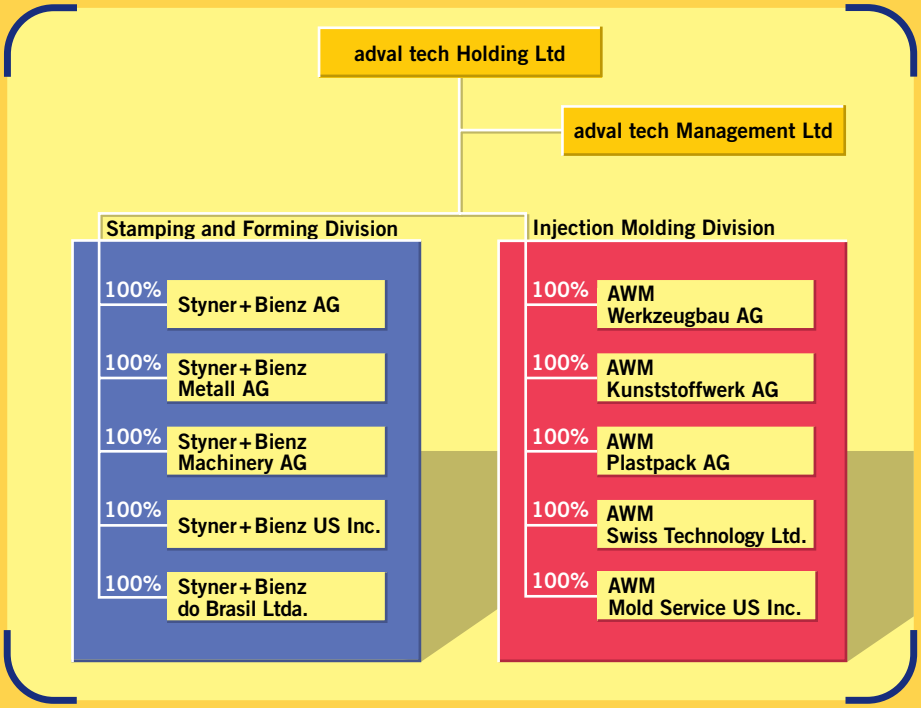
Stamping and forming technology

Styner + Bienz's strengths include the ability not only to identify and analyse stamping and forming problems, but also to develop comprehensive, integrated solutions to them; from the development of suitable processes and tools, through drawing up and implementing turnkey production systems, to high-precision cost-effective manufacturing of volume components. In volume parts manufacturing, Styner + Bienz develops intelligent systems and subassemblies together with its customers. In the process it provides its customers with support in the fields of component design, forming technology and product development. Styner + Bienz also covers the entire logistics chain in CNC technology for smaller production volumes, from the development stage through to just-in-time delivery. In tool and special machinery manufacturing, Styner + Bienz has set new technological standards with its development of the "Transfer plus"-process; material and cost savings help its demanding customers worldwide to achieve higher productivity.

Plastic injection molding technology

AWM is a global leader in the development and manufacture of molds for producing optical discs (ODs) and OD packaging. AWM focuses on superlative quality as well as the interchangeability and rapid availability of its products. As a result, any downtime at its customers' plants can be reduced to an absolute minimum. AWM is also at the leading edge in the field of composite parts, where different plastics featuring different properties (e.g. hardness or colour) are combined. Current priorities also include bottle closures, coil shells, spray can tops, smart cards, multipoint connectors and food packaging. The relatively new sector of plastics technology offers excellent growth opportunities due to the continuous emergence of new areas of application and materials. AWM has all the prerequisites for participating in growth markets with new developments. In addition to the necessary core competences, these also include appropriate flexibility and rapid response.

GROUP STRUCTURE



GROUP MANAGEMENT

JEAN-CLAUDE PHILIPONA

CHIEF EXECUTIVE OFFICER

EXECUTIVE BODIES

Board of Directors
Herbert Thönen, Chairman
Hansruedi Bienz, Vice Chairman
Rudolf Styner
Hans Dreier
Dr. Walter Grüebler
Prof. Dr. Josef Reissner

Group Management
Jean-Claude Philipona, Chief Executive Officer
Fritz Gaukel, Head of the Stamping and Forming Division
Josef Krummenacher, Head of the Injection Molding Division
Hans Dreier, Head of Marketing and Logistics

Statutory auditors
PricewaterhouseCoopers, Berne

Group auditors
PricewaterhouseCoopers, Berne

Stamping and Forming Division
Fritz Gaukel, Head of Division
Joachim Kaufmann, Head of Volume Parts Manufacturing
Christoph Rennhard, Head of Tool and Special Machinery Manufacturing
Rudolf Lüthi, Head of Technology
Markus Thomma, Head of Engineering
Lorenz Jaggi, Head of Finance, Controlling and Services
Otto Marti, Head of Marketing
Kurt Kappeler, Head of Styner + Bienz do Brasil Ltda.

Injection Molding Division
Josef Krummenacher, Head of Division
Thomas Meyer, Head of Finance, Controlling and Services
Thomas Eberhard, Head of Sales and Marketing
Bruno Müller, Plant Manager Moldmaking
Markus Gabriel, Head of OD Technology
Daniel Schüpbach, Head of Sales Plastic Parts
Martin Osterode, Head of AWM Mold Service US Inc.
Roy Clements, Head of AWM Swiss Technology Ltd.

FRITZ GAUKEL
HEAD OF THE STAMPING AND FORMING DIVISION

JOSEF KRUMMENACHER
HEAD OF THE INJECTION MOLDING DIVISION

HANS DREIER
HEAD OF MARKETING AND LOGISTICS

The further development of transfer technology by Styner + Bienz enables these electron-beam guns to be produced much more efficiently and inexpensively. They are the core element of display screens of all kinds.

SIGNIFICANT IMPROVEMENT OVER THE PREVIOUS YEAR

The Stamping and Forming Division recorded an increase both in total income and in operating earnings (EBIT) compared with the previous year. However, the results were still not satisfactory. While the Volume Parts Manufacturing Business Unit achieved a turnaround and exceeded expectations, the results of Tool and Special Machinery Manufacturing operations for the year 2000 were disappointing. Nevertheless, there are also signs of a positive trend here: results in the second half of the year were substantially better than in the first six months.

The general business environment in 2000 was slightly better than in the previous year. However, distinct signs of a revival in the market for tools and stamped components only became apparent towards mid-year. Inadequate capacity utilization in the first four months depressed the results reported by the Stamping and Forming Division.

Styner + Bienz is focusing more closely on core activities.

The division is progressively implementing its strategy as an innovative value-adding partner with the capability to fulfil high standards. This entails focusing more closely on core activities and core competences, and thus also confining Styner + Bienz more clearly to defined key markets. Initial steps in this direction were completed in the year 2000: the disposal of certain conventional stamping operations in conjunction with concentration on advanced components in medium to large unit volumes; the expansion of the business in the field of non-tool-dependent CNC technology and the evaluation of competent suppliers in conventional toolmaking. This is creating space for new production lines and process optimization in core activities.

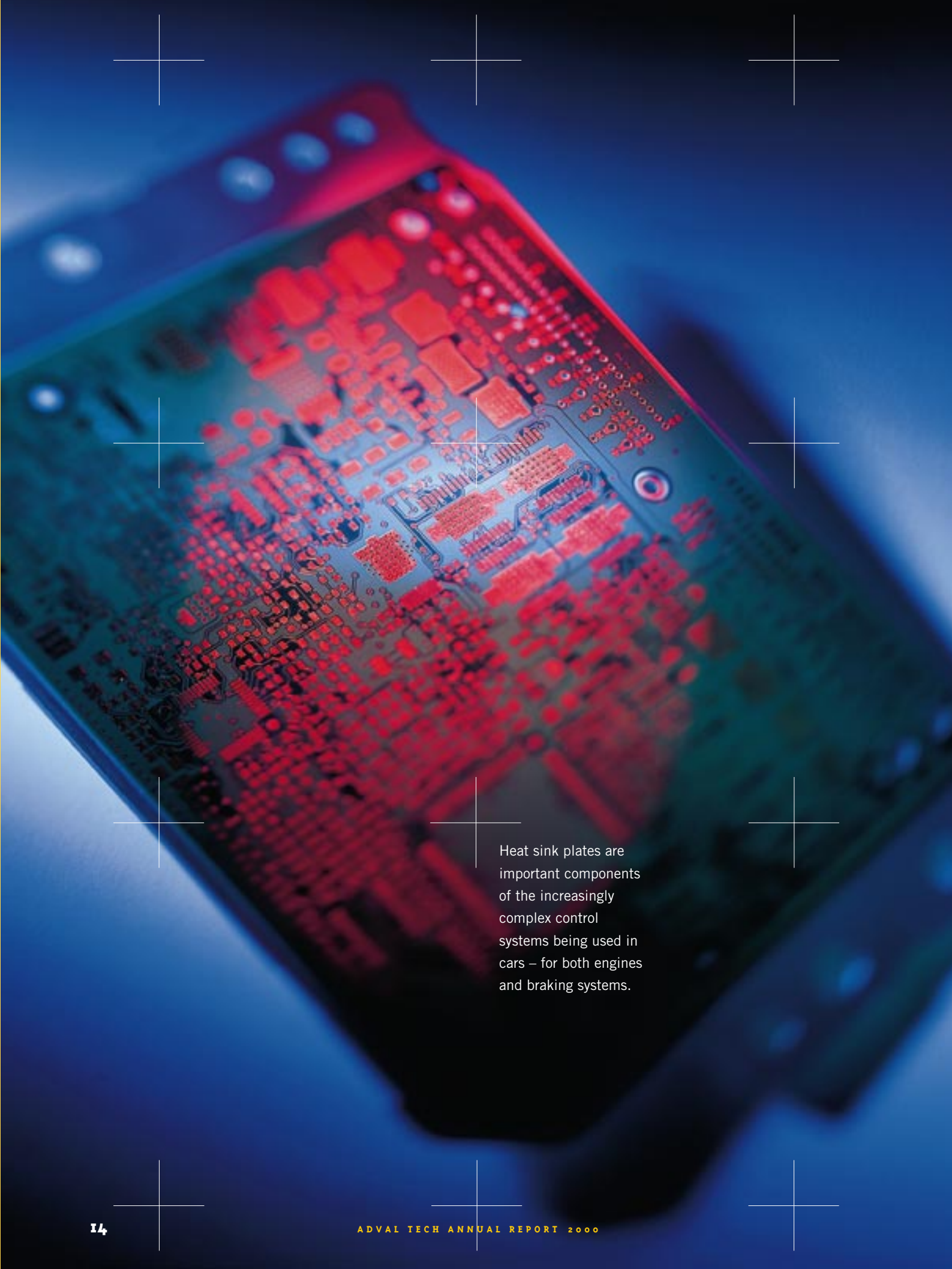
THREE QUESTIONS ADDRESSED TO FRITZ GAUKEL

HEAD OF THE STAMPING AND FORMING DIVISION

By discontinuing certain conventional production operations in Niederwangen you have created space for new production lines and process optimization. What does this mean in detail? We can focus more systematically on our strengths: manufacturing high-quality components and systems in medium to very large unit volumes. The space which has become available in Niederwangen is enabling the Volume Parts Manufacturing business unit to grow further in the core automotive and telecoms sectors, and at the same time optimize production lines and processes.

How important is e-commerce in your markets? E-commerce offers excellent opportunities for speeding up in-house and external processes along the entire value-added chain, as well as making them more cost-effective and optimizing them generally. However, e-commerce also means that large companies or even sector-related cooperative ventures with so-called "purchasing portals" invite tenders for their orders via the Internet. This is revolutionizing procurement activities. We are currently engaged in creating the necessary conditions in our division to be prepared for this in good time.

How do you manage to find appropriately qualified, skilled personnel on the parched labour market? This is also extremely difficult for us at present. Name awareness and the very interesting jobs we offer mean that we can fill some of our specialist vacancies after expensive and patient search efforts – in some cases also abroad. In addition to this, we also support moves by employees from trade to industrial occupations, and we offer unskilled employees vocational training opportunities. With 40 apprenticeship places we also attach considerable importance to maintaining exemplary apprenticeship training facilities.



Heat sink plates are important components of the increasingly complex control systems being used in cars – for both engines and braking systems.

Volume Parts Manufacturing

The Volume Parts Manufacturing Business Unit reported significantly improved results in all profit centres. This was achieved in spite of consisting pressure on prices and huge price rises for some raw materials. The action initiated and the personnel changes made in 1999 resulted in considerably more vigorous and systematic sales activities and striking improvements in productivity. This was reflected in sharply higher levels of capacity utilization and a steep rise in value added relative to personnel expenses. The advance capital spending in the past also paid off. For example, turnover in components for steering columns increased by 50% to CHF 10.5 million. In the ABS components business, market penetration improved considerably with the acquisition of further supply contracts. In the field of mobile telephone shielding, Styner+Bienz has been awarded a number of large orders due to its high flexibility and short lead times, thus reaching a strategic milestone.

Strategic milestone reached in mobile telephone shielding.

With the conclusion of a cooperation agreement with Krupp Presta, a major direct systems supplier to the automotive industry, final preparations were made in October for launching production operations in São José dos Pinhais near Curitiba, Brazil. Curitiba is regarded as the centre of the South American automotive industry: Volkswagen and Renault alone are investing some USD 2.5 billion there at present. Production will commence in stages from July 2001 onwards. Styner + Bienz aims to employ a workforce of 15 to 20 in Curitiba in the medium term.

Tool and Special Machinery Manufacturing

The results of the Tool and Special Machinery Manufacturing Business Unit were severely depressed by disappointing demand for special machinery and by cost overruns on various large projects. These cost overruns were due to underestimates of development risks in earlier years. The new management team appointed in May 2000 immediately made major changes, critically examined and reappraised contracts which had not yet been completed, reorganized and simplified management structures and procedures in the unit, and focused development and sales activities on core competences and key markets. At the same time they have consistently implemented new risk analysis tools (Project Engineering 2000).

The steps already taken have depressed results in 2000. The first positive effects will already become apparent in the course of 2001.

Technological developments

Market leader Styner + Bienz made an interesting further development in production lines for aerosol can tops. The new lines will boost output by 60% compared with existing lines. Parallel with this, Styner + Bienz is developing a system which will enable thinner material to be used: the same material as is used for the can bases. The resulting customer benefits will therefore be three-fold: substantially higher output, material savings of up to 20% and considerably simplified procurement logistics. After completion of the development work, marketing of these revolutionary production lines will get underway in the course of 2001.

In the electronics industry the trend towards high-quality materials is continuing. The opportunities for material-saving transfer technology, which is dominated by Styner + Bienz, are therefore good. Other trends include closer tolerances, larger unit volumes and general miniaturization. Styner + Bienz is taking these trends into account with further developments in transfer technology.

In the course of cooperation with various universities and industrial partners over many years, Styner + Bienz has achieved significant improvements in lubricants and tool surfaces. In future, it will be possible to replace environmentally polluting lubricants containing chlorine to a large extent. At the same time the service life of tools used in mass production, which are subjected to severe stresses, will be improved.

Recruiting new personnel is difficult and expensive

As a result of the action initiated in 1999, personnel numbers declined from 538 to 503. The necessary structural changes in the division resulted in a high rate of personnel turnover. The necessary recruitment of new, appropriately qualified personnel is difficult and expensive in the current labour market situation. Together with the necessary wage adjustments, this entailed sharply higher per capita personnel costs.

Performance data and employees (in CHF millions)
Stamping and Forming Division

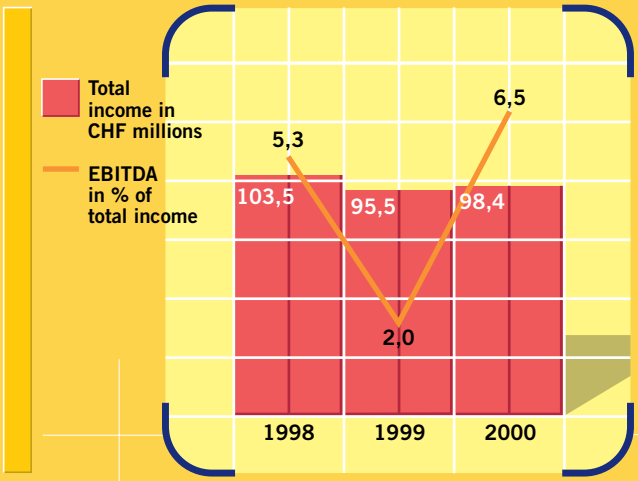
	2000	1999	1998
Total income	98.4	95.5	103.5
Op. earnings EBITDA	6.4	1.9	5.5
Op. earnings EBIT	0.6	–2.9	2.1
Capital expenditure	16.4	13.9	13.0
Employees	503	538	560

ELECTRON-BEAM GUNS IN KOREA – JUST ONE EXAMPLE OF HOW STYNER+BIENZ AD

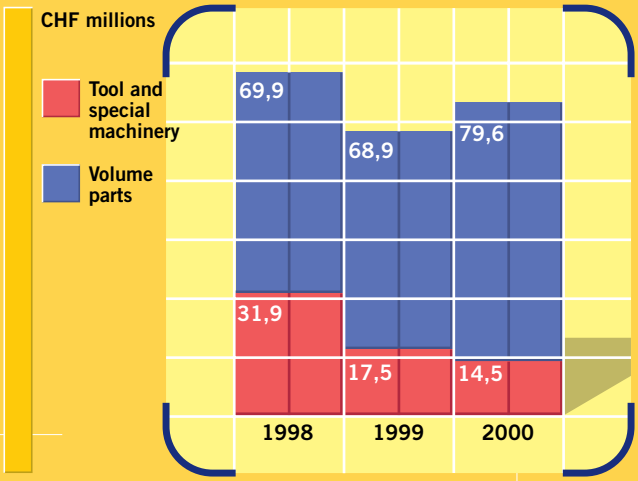
The Korean Samsung Group is a market leader in electronic appliances and is a world-renowned manufacturer of TV sets and monitors. The actual core element of these appliances is the electron-beam gun. This generates three beams with the primary colours of red, blue and yellow. The desired image is produced on the monitor by bundling and deflecting these beams. Since larger and larger screens are being called for and the metal components of the electron-beam guns have to be as accurate as possible to produce a clearly defined image, the relevant quality standards are also rising continuously.

styner bienz

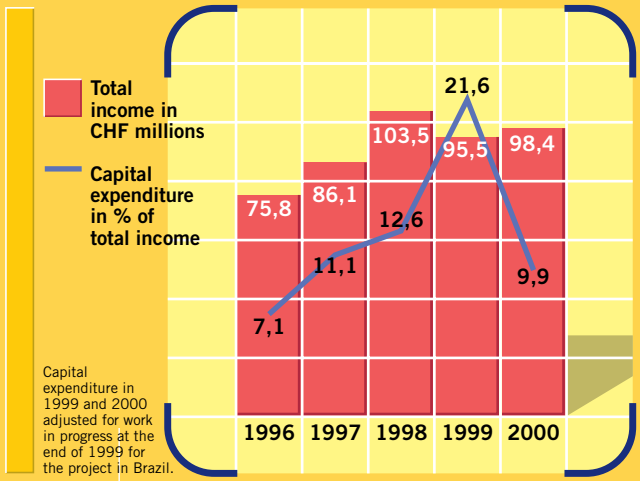
TOTAL INCOME AND EBITDA



GROSS TURNOVER BY BUSINESS UNIT

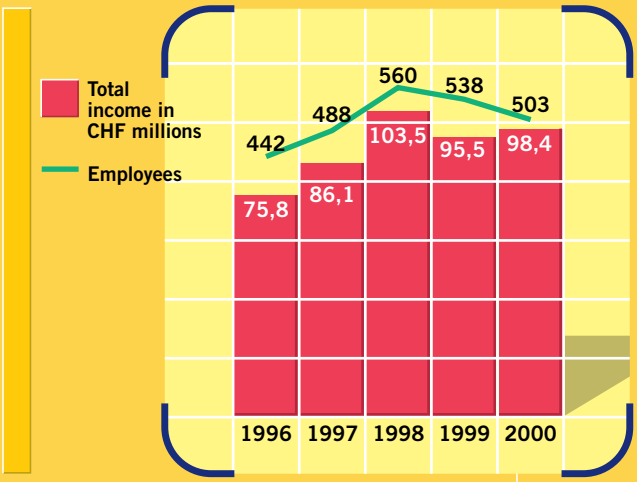


TOTAL INCOME AND CAPITAL EXPENDITURE



Capital expenditure in 1999 and 2000 adjusted for work in progress at the end of 1999 for the project in Brazil.

TOTAL INCOME AND EMPLOYEES



DS VALUE FOR ITS CUSTOMERS

This represents an opportunity for Styner + Bienz: with the new Styner + Bienz production lines, Samsung can stamp and form metal components in a tolerance range of 0.001 millimetres, at much higher output levels in round-the-clock operation. An important side effect for Samsung: maintenance costs for the production lines have been reduced by more than 50%. The value added by Styner + Bienz is correspondingly high.

Electron-beam gun

Molds are the core element of costly production lines. Every stoppage has drastic consequences. That is why quality pays off. AWM is also a world market leader in molds for manufacturing DVD packaging.

ALL-TIME RECORD RESULTS

The Injection Molding Division achieved record results in the year under review, surpassing the previous year's good figures by a wide margin. Total income was some 60% higher than in 1999, while EBIT improved by as much as 87%. All sectors of AWM's activities contributed to the pleasing trend. The exceptional growth rates were mainly due to the performance of moldmaking operations for optical discs (ODs).

Total income at AWM in the year 2000 broke the CHF 100 million barrier, thus adding a further, impressive chapter to its success story to date. In the space of five years the division has more than doubled turnover and continuously improved operating earnings. The EBIT margin of 23% for the year 2000 impressively documents this achievement. The systematic focus on core competences and key markets is an essential element in this success story.

AWM molds, which are designed for superlative quality, are the core element of costly production lines. Every stoppage on such lines has drastic consequences. AWM therefore attaches great importance to the availability of its molds and the interchangeability of mold components, as well as customer training and on-site service. AWM is also engaged in an ongoing investment programme, in production installations and premises (CHF 32.8 million between 1998 and 2000), as well as in technological development and in its personnel.

AWM added a further, impressive chapter to its success story.

Stabilization of the OD market offers new opportunities

In the year under review the world market for optical disc molds experienced a full-scale boom. There were two reasons why AWM was able to benefit from this to such an extent: the focus on core competences already referred to above and the massive expansion in capacity.

THREE QUESTIONS ADDRESSED TO JOSEF KRUMMENACHER

HEAD OF THE INJECTION MOLDING DIVISION

We have learned through the media that several large manufacturers of production lines for compact discs suffered financial setbacks last year. What effect did this have on AWM? Despite these setbacks we achieved record results last year. We were helped in this by the fact that we occupy leading positions worldwide in all formats by virtue of our high-quality products. In 2001 we foresee lower sales of OD molds, but on the other hand growing sales in the spare parts and service business. We can smooth out extreme fluctuations on the market via the amount of work we outsource. As regards our in-house capacity, we are assuming a very good level of utilization due to new projects in other markets.

AWM has moved into the technology of multi-component injection molding. What development opportunities do you see in this field? The opportunities in this sector are very good. Multi-component injection molding is another step away from costly manual labour towards lower-cost automation. We already have considerable experience in this technology and are also able to use it in so-called stack injection molds. These molds feature very high output.

How did you manage to expand your workforce by over 50 qualified employees with the labour market as parched as it is? We offer our employees attractive workplaces and provide a modern range of machinery. These are important prerequisites for achieving outstanding performance and good salary levels. Furthermore, we offer an attractive range of basic and further training; employees can get on at AWM.

AWM also has an excellent reputation worldwide for manufacturing precision components in large volumes. This illustration shows a flange with a water filter for a boiler.

Exemplary outsourcing with the highest quality standards is an important basis for this. More than 30% of value added was outsourced to suppliers in moldmaking operations in the year 2000. AWM secured a market share of more than 40% in OD molds in the year under review.

Following the period of explosive growth, the OD market has stabilized somewhat. Further trends are difficult to assess, and vary for the different formats (CD, CD-R, DVD, etc.). While the DVD (Digital Versatile Disc) and CD-R (Compact Disc Rewriteable) sectors are rather sluggish at present, new demand has emerged, for example, for molds used in manufacturing CD-ROM Cards. Due to its leading position in all formats worldwide and because AWM is ready to react rapidly to short-term changes, the outlook for 2001 is good – especially for the second half of the year. However, AWM does not expect record sales of OD molds to be repeated this year. AWM was able to increase sales of CD box molds, and significant market growth can be expected in the years 2001 and 2002 due to the time lag in demand for packaging.

Due to its leading position in all formats worldwide, the outlook for 2001 is good.

However, the stabilization of the market in the OD sector offers the Injection Molding Division the opportunity to devote the appropriate capacity to existing and new projects and also to gain access to these markets. AWM intends to launch various new developments in the years to come with the object of participating in growth markets and broadening its base. Its successful entry into the food packaging sector is one example of this: AWM manufactures molds for producing thin-walled ice cream containers for a market leader in the food industry. The multi-component technology used for this purpose is very sophisticated.

AWM's substantial investment in development and engineering in the attractive market for bottle closure molds paid off in the year under review. Since 1998 AWM has also been producing molds for manufacturing spray can components; the Injection Molding Division foresees further growth in this sector.

Expanding capacity in the Volume Parts Manufacturing Business Unit

In the Volume Parts Manufacturing Business Unit AWM has succeeded in securing a number of interesting contracts in the field of multi-component technology. Capacity expansion enabled AWM to produce more CD boxes than in the previous year. All in all, this business unit also exceeded the previous year's results and achieved the targets set for it.

Capital expenditure and plans for expansion

Capital spending by the Injection Molding Division totalled some CHF 15.6 million in the year under review. This corresponds to an increase of CHF 8.6 million compared with the previous year. The main investment projects in 2000 were:

- expansion of premises for OD engineering and the plastics component plant
- acquisition of land for a new building in Muri
- expansion and automation of volume parts manufacturing operations
- expansion and modernization of machinery used in moldmaking operations

The rapid pace of growth and the excellent opportunities still offered by the market call for organizational and logistic adjustments. AWM will eliminate capacity bottlenecks and adapt the layout of production installations to the new requirements. Capital spending in 2001 is therefore focused on a new building in the immediate vicinity of the existing production plant in Muri (investment volume of some

CHF 14 million). Further investments in rationalization and expansion are planned in the moldmaking business unit and in volume parts manufacturing.

Personnel

The impressive expansion of the Moldmaking Business Unit would not have been possible without the high flexibility of personnel and without their willingness to work overtime when the market requires AWM products. AWM also succeeded in increasing its total workforce from 233 to 285 employees, despite the parched labour market. In order to ensure recruitment of specialist personnel in the longer term, AWM has for many years attached very great importance to apprenticeship training. The Injection Molding Division will increase the number of apprentices in training from 40 to about 60 in the next few years.

AWM service companies in Hong Kong and the USA

The more AWM molds are in use worldwide, the more rapidly the service and spare parts operations develop. The success of the service company in Hong Kong demonstrates this fact. This company again exceeded its targets and expanded its workforce to 5 employees at the end of 2000. At the beginning of 2001 a service company also commenced operations in the USA (AWM Mold Service US Inc. in Beverly, Massachusetts). This unit initially consists of a two-strong team, providing services for American customers of AWM in the fields of spare parts, servicing, commissioning and training.

Performance data and employees (in CHF millions)
Injection Molding Division

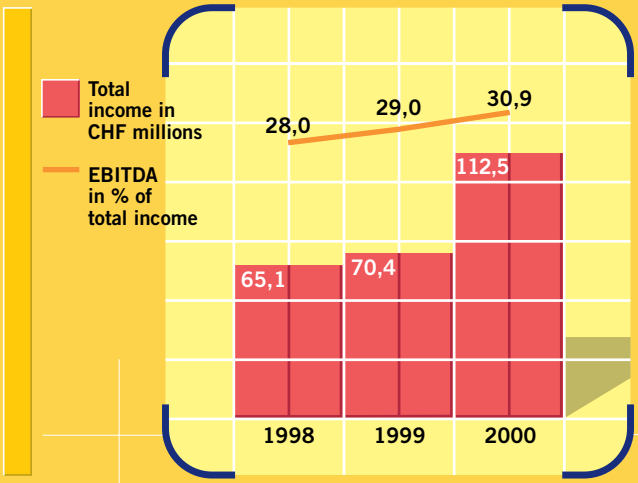
	2000	1999	1998
Total income	112.5	70.4	65.1
Op. earnings EBITDA	34.8	20.4	18.2
Op. earnings EBIT	26.0	13.9	13.8
Capital expenditure	15.6	7.0	10.2
Employees	285	233	213

ICE CREAM TUB LID – JUST ONE EXAMPLE OF HOW AWM ADDS VALUE FOR ITS CUST

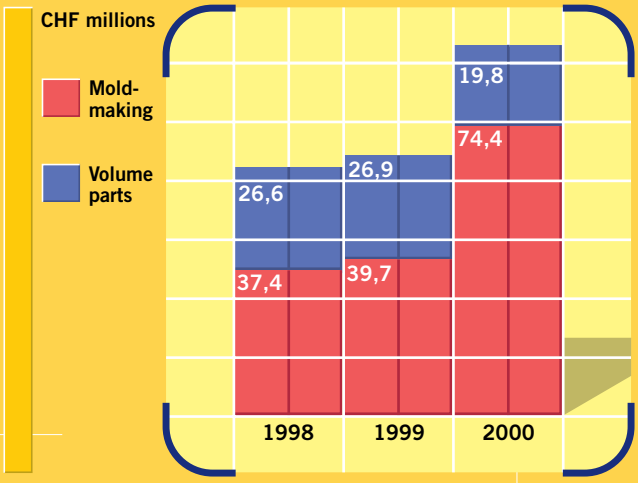
Food packaging performs a wide variety of functions. Primarily, it has to protect the product, but it should also be practical, attractive in shape and, last but not least, promote sales. This is especially true in the case of ice cream packaging. To date the lids of ice cream tubs have been made from plain or transparent polypropylene with a label attached.

A market leader in food packaging was looking for a way of producing more modern packages with a coloured border, a clear window providing the best possible view of the product, and an injected label. AWM knew the answer: using multi-component injection molding technology,

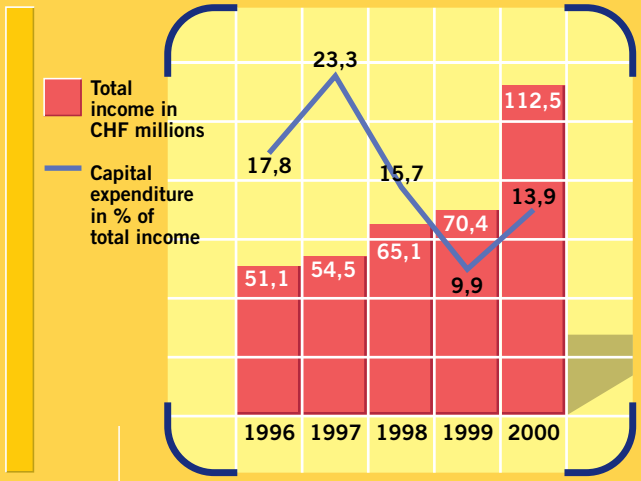
TOTAL INCOME AND EBITDA



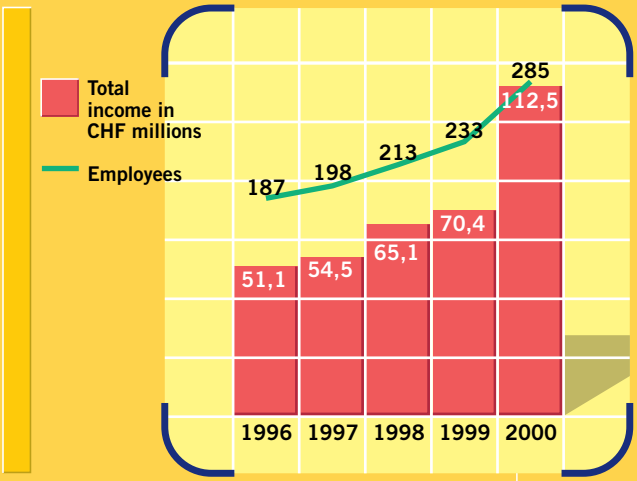
GROSS TURNOVER BY BUSINESS UNIT



TOTAL INCOME AND CAPITAL EXPENDITURE



TOTAL INCOME AND EMPLOYEES



TOMERS

AWM developed a multi-level mold and had it ready to come to market in a very short time. With it the Injection Molding Division has made a very successful entry into the field of so-called thin-walled food packaging.

Ice cream tub lid

Tool components from Styner + Bienz feature extremely high precision and are designed for long service lives. These are the crucial preconditions for controlled-process tools and mass production of a consistently high standard.

INFORMATION FOR INVESTORS

In the first half of 2000 the price of adval tech shares was still under the influence of the unsatisfactory 1999 results. It then advanced rapidly in the second half of the year following the announcement of the excellent half-year results. At year-end it stood at CHF 579, 44% higher than its opening level. The group's intensified activities in the field of Investor Relations met with a good response from analysts and the media. The resulting research and press coverage increased public awareness of the adval tech Group. The prospects that the encouraging price trend will continue are good. The strategic objective of the adval tech Group is, and will continue to be, the sustained creation of value for customers, employees and shareholders.

The prospects that the encouraging price trend will continue are good.

adval tech shares

- On December 31, 2000, the share capital of adval tech Holding Ltd amounted to CHF 7.0 million, divided into 350 000 registered shares with a par value of CHF 20 each. This total consists of 150 000 unlisted A registered shares and 200 000 listed B registered shares. All registered shares have equal rights.
- Pursuant to Article 7 of the Articles of Association of adval tech Holding Ltd dated May 25, 1998, no purchaser of shares will be registered with voting rights amounting to more than 5% of the registered share capital entered in the Commercial Register. This is subject to Article 685d, para. 3, of the Swiss Code of Obligations.
- There is no authorized or conditional share capital.
- B registered shares of adval tech have been listed on the Swiss Stock Exchange since June 4, 1998, under securities code No. 896 792. Their Telekurs ticker symbol is ADVN, their Bloomberg symbol ADVN SW.
- The shareholders' register is maintained by SEGA Aktienregister AG (SAG), Baslerstrasse 100, CH-4600 Olten, on behalf of adval tech Holding Ltd.

Shareholders

On December 31, 2000, the following shareholders held more than 5% of the registered share capital recorded in the Commercial Register:

- Ruedi Styner 25.6%
- Hansruedi Bienz 19.6%
- Einfache Gesellschaft Dreier 8.8%
- Franke Holding AG, Aarburg 10.0%

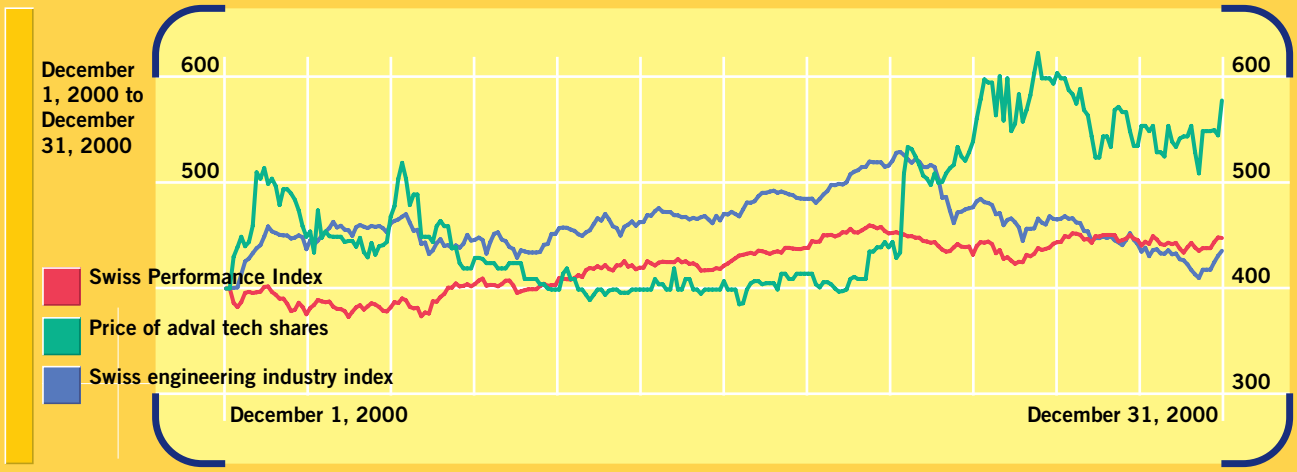
The overall shareholding structure at December 31, 2000, was as follows:

Number of shares	Number of shareholders
1 to 50	498
51 to 100	99
101 to 1000	75
1001 to 5000	13
More than 5000	5
Total	**690**

Open information policy

The company's open information policy and its cultivation of contacts with financial analysts, business journalists and other interest parties continued to prove its worth in 2000. The thoroughly revised Website (www.advaltech.com) launched in the first half of the year created a new information platform for all groups with a legitimate interest, including in particular those circles interested in financial information. In the field of investor relations it provides continuously updated insights into the latest developments, share price

PRICE TRENDS



data, shareholder structure, etc. All texts of press releases and publications can also be retrieved at any time. Developments in both divisions are also communicated continuously and in detail via the Internet. "Invest" magazine, published by "Finanz und Wirtschaft", has rated the adval tech Website as one of the ten best by market-listed companies in Switzerland.

The annual and interim reports will continue to be further important cornerstones of adval tech's information policy. Contact Jean-Claude Philipona, Chief Executive Officer, and Peter Arnold, Group Controller, for further information.

The annual general meeting of adval tech Holding Ltd will be held in Berne on June 14, 2001.

The report on the first half of 2001 will be published at the beginning of September.

Share statistics 2000

A registered shares	Number	150 000
B registered shares	Number	200 000
Total registered shares	**Number**	**350 000**
EBIT per share	CHF	77.62
Net profit per share	CHF	54.36
Shareholders' equity per share	CHF	314.12
Dividend per share (proposed by the Board)	CHF	12.00
Payout ratio	%	22.1
P/E ratio		10.7
Market prices		
High (10.24)	CHF	624
Low (7.6)	CHF	386
December 31, 2000	CHF	579
Market capitalization		
High (10.24)	CHF millions	218.40
Low (7.6)	CHF millions	135.10
December 31, 2000	CHF millions	202.65