

advaltech

ANNUAL REPORT 2010

ADDING VALUE THROUGH INNOVATION



SHARE STATISTICS AND PRICE TRENDS

Share statistics

Swiss security no. 896 792

Ticker symbols:

Telekurs ADVN

Bloomberg ADVN SW

	2010 ¹⁾	2009 ²⁾
Registered shares	730,000	730,000
EBIT per share (CHF)	2.21	-31.12
Net result per share (CHF)	-14.99	-36.39
Shareholders' equity per share (CHF)	116.10	144.37
Dividend per share (CHF)	0.00 ³⁾	0.00
Payout ratio	n.a.	n.a.
P/E ratio	n.a.	n.a.
Market prices (CHF)		
Low (02/10/10, 03/17/09)	186.00	97.00
High (12/07/10, 07/23/09)	350.00	295.00
December 31	347.00	213.00
Market capitalization (CHF millions)		
Low (02/10/10, 03/17/09)	135.78	70.81
High (12/07/10, 07/23/09)	255.50	215.35
December 31	253.31	155.49

1) according to Swiss GAAP FER

2) according to Swiss GAAP FER restated

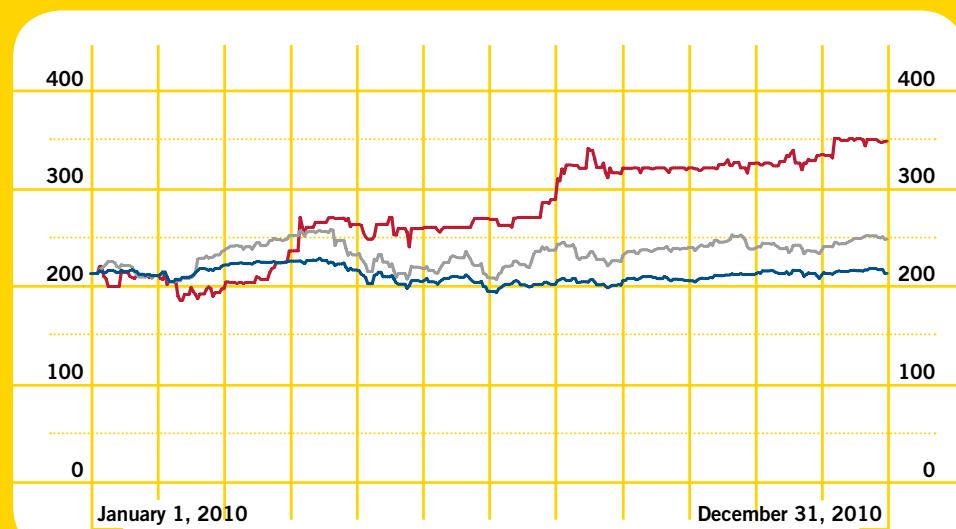
3) proposed by the Board of Directors

Price trends

January 1, 2010, to

December 31, 2010

(CHF)



- Swiss Performance Index
- Price of Adval Tech shares
- Swiss Machinery Industry index

KEY FIGURES OF THE ADVAL TECH GROUP

	2010 ¹⁾	2009 ²⁾	2008 ³⁾	2007 ³⁾	2006 ³⁾
Total income (CHF millions)					
Group	316.7	297.7	416.5	348.6	275.8
Change in %	6.4	-28.5	19.5	26.4	9.5
Per employee (CHF thousands)	124.8	110.0	136.3	273.0	245.1
Automotive Segment	157.0	134.1	206.7	210.3	159.4
Medical & Consumer Goods Segment	161.3	167.8	215.2	138.2	116.2
EBITDA (CHF millions)					
Operating earnings before depreciation	24.2	6.3	26.3	38.4	29.1
in % of total income	7.7	2.1	6.3	11.0	10.6
Automotive Segment	11.9	-3.2	13.2	19.6	18.7
Medical & Consumer Goods Segment	11.1	8.7	11.7	17.3	9.6
EBIT (CHF millions)					
Operating earnings	1.6	-22.7	-1.3	15.5	7.3
in % of total income	0.5	-7.6	-0.3	4.4	2.6
Net result (CHF millions)					
Net result for the year	-10.9	-26.6	-9.2	8.3	4.0
in % of total income	-3.5	-8.9	-2.2	2.4	1.4
Cash flow and capital expenditure (CHF millions)					
Cash flow from operations	11.3	7.2	19.9	18.5	29.8
Operative free cash flow	-1.6	-7.2	0.4	-3.6	15.9
Free cash flow	-5.5	-7.2	-58.5	-11.8	15.6
Capital expenditure	-12.4	-13.4	-26.1	-22.6	-14.0
Balance sheet figures (CHF millions)					
Total assets	278.0	299.3	409.8	327.4	291.6
Shareholders' equity	84.8	105.4	198.1	129.2	122.3
in % of total assets	30.5	35.2	48.3	39.5	41.9
Employees					
on December 31	2,470	2,573	2,838	1,379	1,121
Automotive Segment	782	810	877	862	612
Medical & Consumer Goods Segment	1,669	1,747	1,951	506	499
Market capitalization (CHF millions)					
on December 31	253.3	155.5	103.7	284.2	196.7
Selected key figures per share					
Earnings (CHF)	-14.99	-36.39	-15.30	16.48 ⁵⁾	7.91 ⁵⁾
Dividend (CHF)	0.00 ⁴⁾	0.00	0.00	5.08 ⁵⁾	4.35 ⁵⁾
Payout ratio (%)	n.a.	n.a.	n.a.	30.8	55.0
P/E ratio on December 31	n.a.	n.a.	n.a.	34.3	49.4

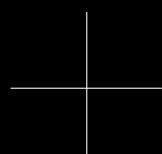
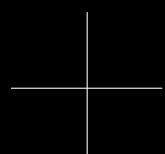
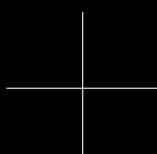
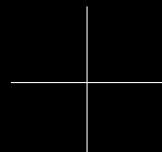
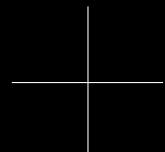
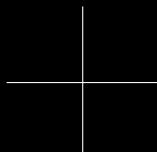
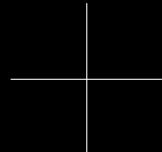
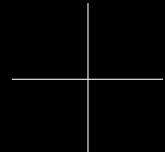
1) according to Swiss GAAP FER

2) according to Swiss GAAP FER restated

3) according to IFRS

4) proposed by the Board of Directors

5) adjusted



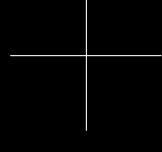
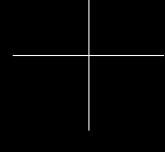
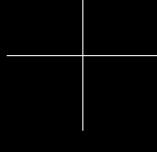
Responsible for the contents: Adval Tech Management Ltd, Niederwangen

Concept and copy: Zoebeli Communications AG, Bern

Design: Oliver Slappnig, Herrenschwanden

Photography: Croci & du Fresne, Worblaufen; Christoph Grünig, Biel

Printing: Ast & Fischer AG, Wabern



Report of the Board of Directors	4
Vision and mission	12
Figures by comparison	13
Organization	14
Automotive	17
Medical & Consumer Goods	23
Corporate development	29
Corporate governance	31
Consolidated financial statements	46
Adval Tech Holding Ltd	89
Addresses	98

With the full-page illustrations in this year's annual report we are continuing a series of photographic portraits of our manufacturing facilities. This year we are giving you an insight into Omni Manufacturing S.A. de C.V. in Querétaro, Mexico. The facility produces plastic serial components.



DEAR SHAREHOLDERS:

In 2010, we achieved the turnaround in operating earnings (EBIT). The improvement of some CHF 24 million is an important milestone on the road back to profitability. After bottoming out in the first quarter of 2009 our main sales markets have recovered steadily. This is true of the automotive component supply market in particular. Compared with the previous year, the group's total income was some 6% higher. Adjusted for the effects of plant closures, the improvement in total income was actually much stronger at some 12%. The action already initiated at an early stage to improve earnings came fully into effect in the past financial year.

Unfortunately, the positive impact of higher sales and action to improve earnings was offset to a significant extent by exchange rate trends. Whereas the average value of the euro was about CHF 1.51 in 2009, this declined to CHF 1.38 in 2010 (average in the first half of 2010: CHF 1.44; average in the second six months of 2010: CHF 1.33).

Total income of CHF 316.7 million reported by the Adval Tech Group was CHF 19.0 million or 6.4% higher than in the previous year. After adjustment for currency fluctuations – translating the annual financial statements of the foreign subsidiaries for 2009 at average exchange rates for 2010 – the improvement in total income would have been much higher (CHF 26.2 million or 8.8%) (translation difference).

Operating earnings before depreciation, interest and taxes (EBITDA) of CHF 24.2 million were clearly positive and almost four times the previous year's figure (CHF 6.3 million). EBITDA therefore almost regained the level achieved in 2008. The EBITDA margin improved from 2.1% to 7.7% (2008: 6.3%). After adjustment for currency fluctuations, the improvement in margins was a further 0.4 percentage points higher. Our plants in Switzerland suffered in particular from the impact of the strength of the Swiss franc, especially versus the euro: while the

cost of materials and services accrues mainly in the euro region and is thus hedged, the unfavorable currency trend affects value added in Switzerland, with personnel expenses as the largest item. This transaction difference prevented a further improvement in EBITDA of an estimated CHF 4.0 million compared with the previous year. Combining the translation and transaction differences, exchange rate trends cost us CHF 5.5 million, equivalent to 1.7 percentage points of EBITDA margin.

With operating earnings before interest and taxes (EBIT) of CHF 1.6 million we achieved the turnaround in 2010 (CHF -22.7 million in 2009). On the other hand, the net result of CHF -10.9 million was negative again in 2010 (CHF -26.6 million in 2009). A breakeven result would have been within reach in the absence of the currency effects referred to above.

The resolute implementation of the action already initiated at a very early stage to reduce costs made a significant contribution to the improvement in results. For example, personnel expenses declined by CHF 3.8 million to CHF 106.6 million in the year under review, despite higher total income. The number of employees was reduced again, from 2,573 full-time units at the end of 2009 to 2,470 at the end of 2010.

The trend in working capital was encouraging – showing a reduction of CHF 10+ million, despite the increase in output. As a proportion of total income it improved by more than 5 percentage points to 18+. The action taken in the past two years is bearing fruit and made a major contribution to securing liquidity. The Adval Tech Group invested a total of CHF 12.4 million in 2010, the majority of it in establishing our manufacturing platforms in Hungary (Automotive), China and Mexico (Medical). These preliminary steps provide the basis for targeted growth in our key markets within the framework of global projects.

Change in financial reporting from IFRS to Swiss GAAP FER

The registered shares of Adval Tech Holding Ltd have been traded in the Domestic Standard segment of the SIX Swiss Exchange since December 30, 2010, following the approval of our application for their transfer from the Main Standard segment under SIX Swiss Exchange regulations. The change in trading segment was related to the change in financial reporting standards from IFRS (International Financial Reporting Standards) to Swiss GAAP FER (Accounting and Reporting Recommendations). With the development of IFRS reporting standards their complexity had increased continually and the effort involved in preparing financial statements had grown significantly. For medium-sized companies like the Adval Tech Group utilization of the modular concept of Swiss GAAP FER entails acceptable effort. Swiss GAAP FER continues to ensure informative financial reporting providing a true and fair view of the company's financial position, results of operations and cash flows. The annual financial statements for 2010 have already been drawn up in conformity with the new reporting standards. In the context of this change we have also restated the 2009 financial accounts. In particular, this entailed posting some CHF 69 million of goodwill to shareholders' equity. As a result, the equity ratio declined by around 10 percentage points. With an equity ratio of 30.5% at the end of December 2010 the Adval Tech Group is still soundly financed.

Segment results

The recovery in sales markets had the greatest impact in the **Automotive Segment**. However, this was also where the unfavorable currency trend versus the Swiss franc affected us most severely. Total income reported by the segment for the year under review amounted to CHF 157.0 million, which was CHF 22.9 million or 17% higher than in the previous year (CHF 134.1 million). After adjustment for the effect of closing the Merenschwand facility, the

improvement actually amounted to 20%. EBITDA was clearly positive at CHF 11.9 million (CHF -3.2 million in 2009), resulting in an improvement in the EBITDA margin from -2.4% to 7.6%. Our Swiss plants and the Hungarian subsidiary made the largest contributions to the improvement in results. The negative currency effects (translation and transaction differences) prevented an additional improvement estimated at CHF 3.5 million. The sales trend in applications for airbags, ABS, fuel injection systems and automobile lamps was especially encouraging.

Total income of CHF 161.3 million in the **Medical & Consumer Goods Segment** was lower than the previous year's figure of CHF 167.8 million. This reduction reflects various developments. Our components business for the consumer goods industry, with production sites solely in Asia and Mexico, posted a 19.0% increase in sales. In local currency terms this actually represented a rise of 23.8%. Total income from the business with injection molds was some 8% lower due to the downsizing of our facility in Muri (Switzerland). The plants in Germany and China were unable to compensate fully for the steep decline in Switzerland. EBITDA of CHF 11.1 million reported by the Medical & Consumer Goods Segment was higher than in 2009 (CHF 8.7 million). The EBITDA margin widened from 5.2% to 6.9%. Improved results in moldmaking, especially at our Muri site, and in the business with components for the consumer goods market, contrasted with negative results from the medical business. Our efforts to establish a presence in China and Mexico, as well as reorganizing initiated at our Grenchen site in the second half of 2010, were especially significant here.

Strategy implementation

Starting out from our vision of being the preferred industrial partner for volume components produced in large numbers from metal and plastics using uniquely innovative technology, the Adval Tech



Group's strategy rests on three pillars: differentiation in adding value, focusing and globalization. We succeeded in making further progress in implementing our strategy in the past financial year.

The acquisition of an initial large order direct from an automobile manufacturer (OEM) is in line with our strategy of acting as a global technology and value-adding partner: Adval Tech is developing and manufacturing twelve components for the new generation of BMW's Series 1 and 3 models. The start of production in Hungary is scheduled for May 2011. A cooperation agreement with Anchor Manufacturing Group in Cleveland, Ohio (USA), and the formation of a subsidiary (Styner+Bienz US Inc.) in this context now also enable the Adval Tech Group to supply its customers in the automotive industry operating on a global scale from the US in a quality that is uniformly defined worldwide. Switzerland has proved to be an increasingly difficult manufacturing location for suppliers of plastic components to the automotive industry in recent years. In December 2009, it was therefore decided to close the site in stages by the summer of 2010. Existing orders were transferred to Hungary or better-suited competitors. This process was completed in August 2010.

The acquisition of the Omni Group in 2008 enabled us to achieve the important strategic target of a global presence with wholly owned distribution organizations and manufacturing facilities in Europe, Asia and America. Toward the end of 2009 we started to convert and expand our sites in Suzhou (China) and Querétaro (Mexico) with the goal of establishing a significant global position in the medical technology market. This ensures that we can supply our customers in Europe, Asia and America who operate on a global scale with products in uniformly defined quality.

In Suzhou we concluded the expansion of existing premises in 2010 with a clean room and the necessary associated infrastructure. The machines required for commencing operations at the new plant came largely from our own portfolio. In a

second stage we will be able to more than double manufacturing space without any major additional investment in construction.

All in all, establishing our market presence in China is taking longer than planned. The associated start-up costs were incurred in 2010 and charged to earnings. The timing for entering the market with our own manufacturing platform is nevertheless ideal, since pharmaceutical customers operating on a global scale are increasingly establishing production capacity in China. Establishing a market presence there is therefore our main priority in 2011.

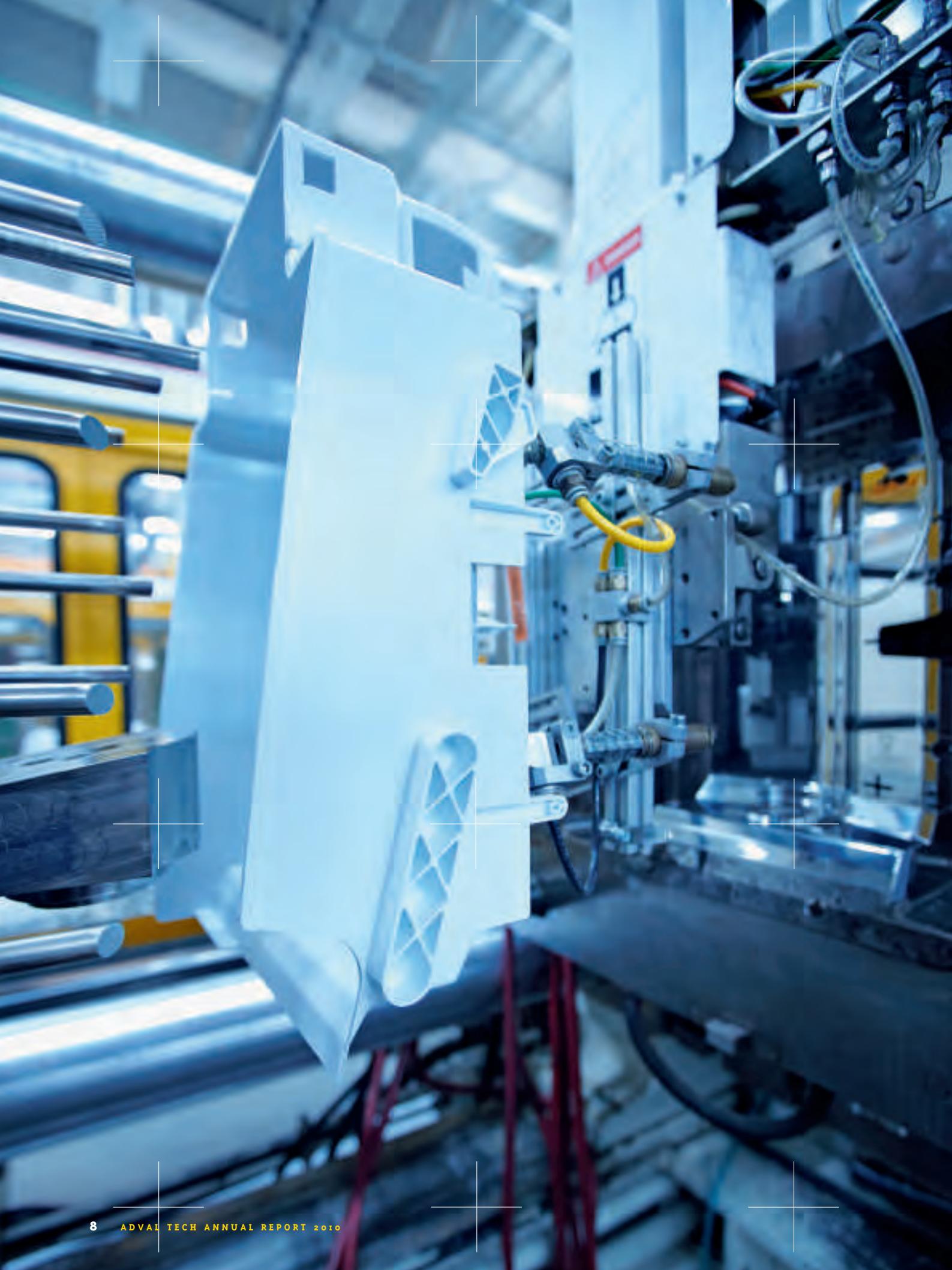
Adval Tech's nomination as preferred supplier for a global pharmaceutical supplier was the starting point for expanding our manufacturing plant in Mexico. We have incorporated a production cell with a clean room dedicated to medical technology within an existing building.

In the course of realigning our market and process portfolio we sold our Bodenweid plant in Bern-Bümpliz (Switzerland), which was engaged in sheet-metal housing production and non-tool-dependent, short-run sheet-metal processing, to Stoppani AG (Neuenegg, Switzerland) in December 2010.

Outlook

2011 will be another very challenging financial year. After the impact of the global financial crisis on the real economy had manifested itself with unprecedented rapidity in the autumn of 2008 and reached its climax in 2009, sales markets began to recover steadily as of the second half of 2009. On the other hand, the strong Swiss franc is weighing increasingly on our results. To compensate for the disadvantage suffered by Switzerland as a manufacturing location by innovation and enhanced efficiency is going to be more and more challenging. It is becoming increasingly difficult to justify replacement and expansion investment in Switzerland.

The recovery of sales markets has also improved the visibility of the trend in our business. However,



WALTER GRÜEBLER
CHAIRMAN OF THE BOARD



JEAN-CLAUDE PHILIPONA
CHIEF EXECUTIVE OFFICER

it would be premature to speak already of a lasting recovery. It is still difficult to make a reliable assessment of developments in our key markets. The action initiated at an early stage to improve results has enabled the breakeven point to be lowered substantially for the long term. This was behind the improvement in results achieved in 2010. Experience has shown that there are risks involved in implementing our global projects in the automotive and medical technology industries, and we therefore devote our full attention to it. With successful global projects we will ensure the long-term improvement of our results and complete the reference projects that are necessary in order to achieve above-average growth. The flexible adjustment of our structures and thus costs to market trends also takes high priority. If sales trends prove to be reasonably stable and the Swiss franc does not appreciate significantly again compared with the previous year, 2011 could see a return to profit.

Our goals are unattainable without motivated employees, striving with passion to put our strategy into practice. We again demanded a great deal of them in 2010 and continued to experience a high level of commitment in response. They have earned our gratitude for this. We also thank our business partners for the good cooperative relationship – and you, our shareholders, for your staying power and the confidence you show in us through your financial commitment.

Niederwangen, March 2011

Walter Grüebler, Chairman of the Board

Jean-Claude Philipona, Chief Executive Officer



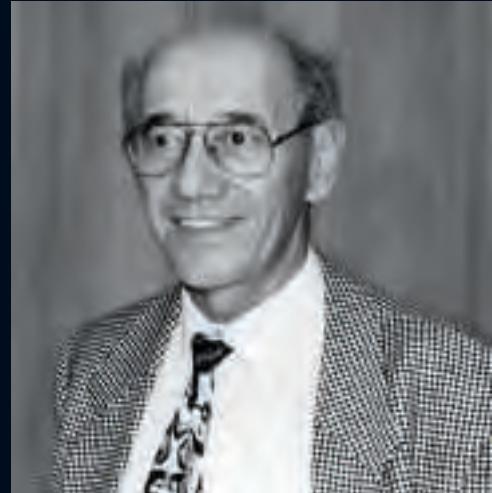
THE DEATH OF RUDOLF STYNER

In mid-November we received the sad news of the death of our long-time CEO and former Chairman of the Board of Directors Rudolf Styner, who passed away at the age of 85. Rudolf Styner led Styner+Bienz AG from 1968 to 1987 as the second generation of management. Under his leadership, the company grew from a medium-sized business with 200 employees into a group of companies employing more than 500 people.

Among Rudolf Styner's most extraordinary qualities were his immense creativity and feel for innovation. Throughout his life, Styner was a tinkerer – in the best sense of the word – and an inventor.

After completing an apprenticeship as a mechanic at Styner+Bienz AG, which was managed by his father, Fritz Styner, and Rudolf Bienz, Styner went on to earn a degree from the school for higher technical education (HTL). As a young engineer, he got a job with Paillard in French-speaking Switzerland, where he worked on further developing the famous Hermes typewriter. In the early 1950s, Styner rejoined Styner+Bienz, where he helped to make many new developments production-ready, including the cash register for Hasler AG.

However, Rudolf Styner was not only a skilled engineer, he also had an extraordinary ability to empathize with others. This quality always enabled him to attract highly capable employees and to convince them to work on new projects.



Styner continued to offer his vast technical knowledge and entrepreneurial commitment to the group even after withdrawing from operational business, serving as Chairman of the Board of Directors until 1997 and as a member of the Board of Directors until 2004. He was there when the company went public during this time and also helped to expand our company into what it is today, the Adval Tech Group. Styner maintained his ties to our company after his retirement from the Board of Directors as a shareholder. With the death of Rudolf Styner we have not only lost an excellent business partner but also a cherished and supportive friend.

The Board of Directors and Executive Board of Adval Tech Holding AG

ADDING VALUE THROUGH INNOVATION

Vision

To be the partner of choice for high-volume components in metal and plastic manufactured with unique, innovative technology solutions.

To make this vision come true, we will

- carefully select our customers from the automotive, medical and consumer goods markets to support our growth as a leading global supplier;
- be a “one-stop shop” for high-volume metal stamping and forming, plastic injection molding and the combination of both technologies;
- eliminate process inefficiencies and deliver performance through innovative in-tool assembly and automation;
- work together as one team, creating profitable growth.

We are not just another company but a place where you can belong, innovate, develop yourself, enjoy success and have fun.

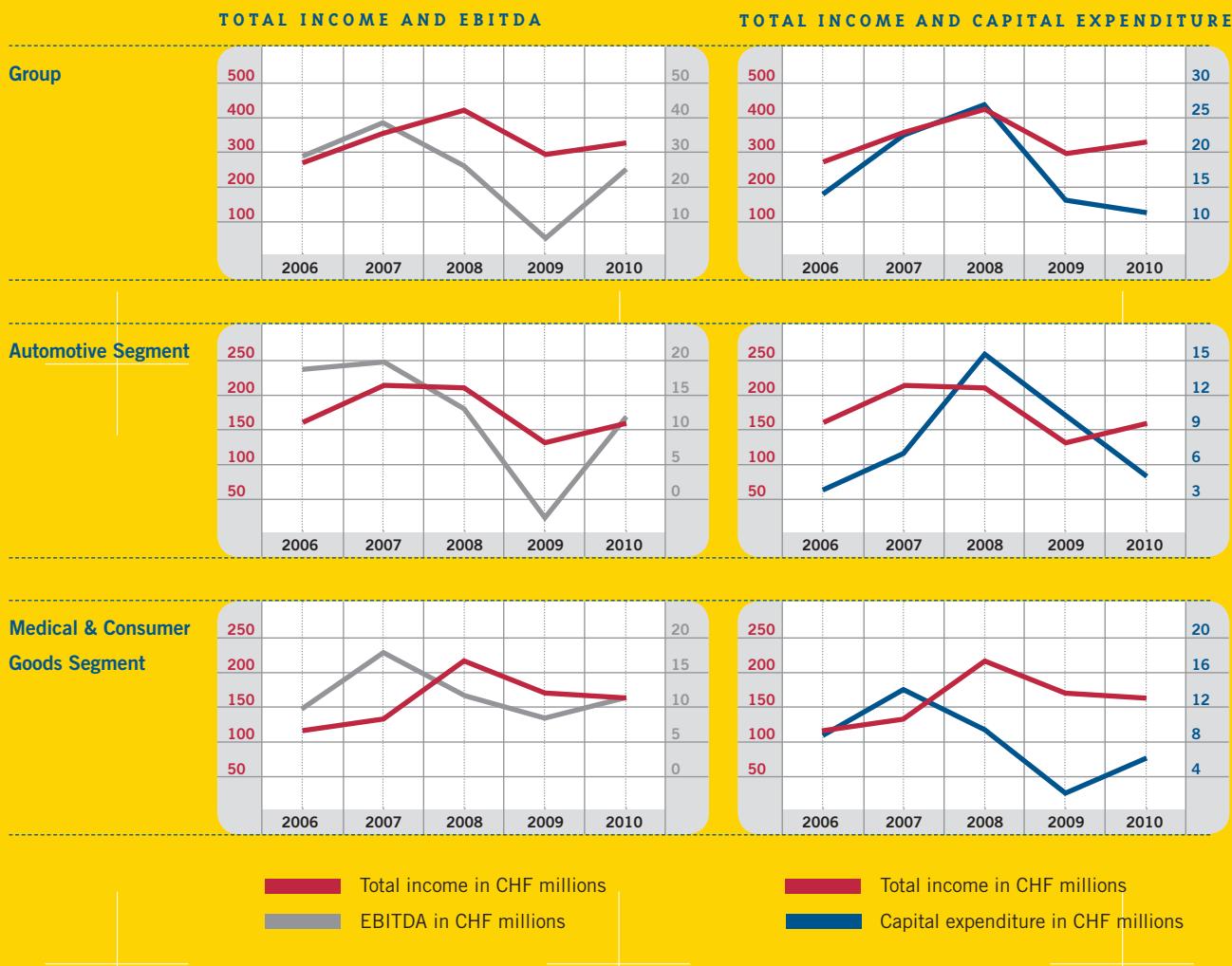
With us you can grow!

Mission

Adding value through innovation

- We are a global technology and process partner. Focused on complementary technologies of metal stamping and forming and plastic injection molding, we combine technologies into customer solutions, partnering where necessary with our supply chain.
- On time, on quality, on cost! We create value with components, subassemblies and systems that leverage our talent in the innovative design and precision engineering of tools and molds. For selected customers we create value with molds of outstanding technology, quality and performance.
- We offer our competencies for selected applications in the automotive, medical and consumer goods markets.
- We consistently perform, delivering Adval Tech quality and reinforcing our commitment to our customers through globally delivered solutions and services.

DEVELOPMENT OF TOTAL INCOME, EBITDA AND CAPITAL EXPENDITURE



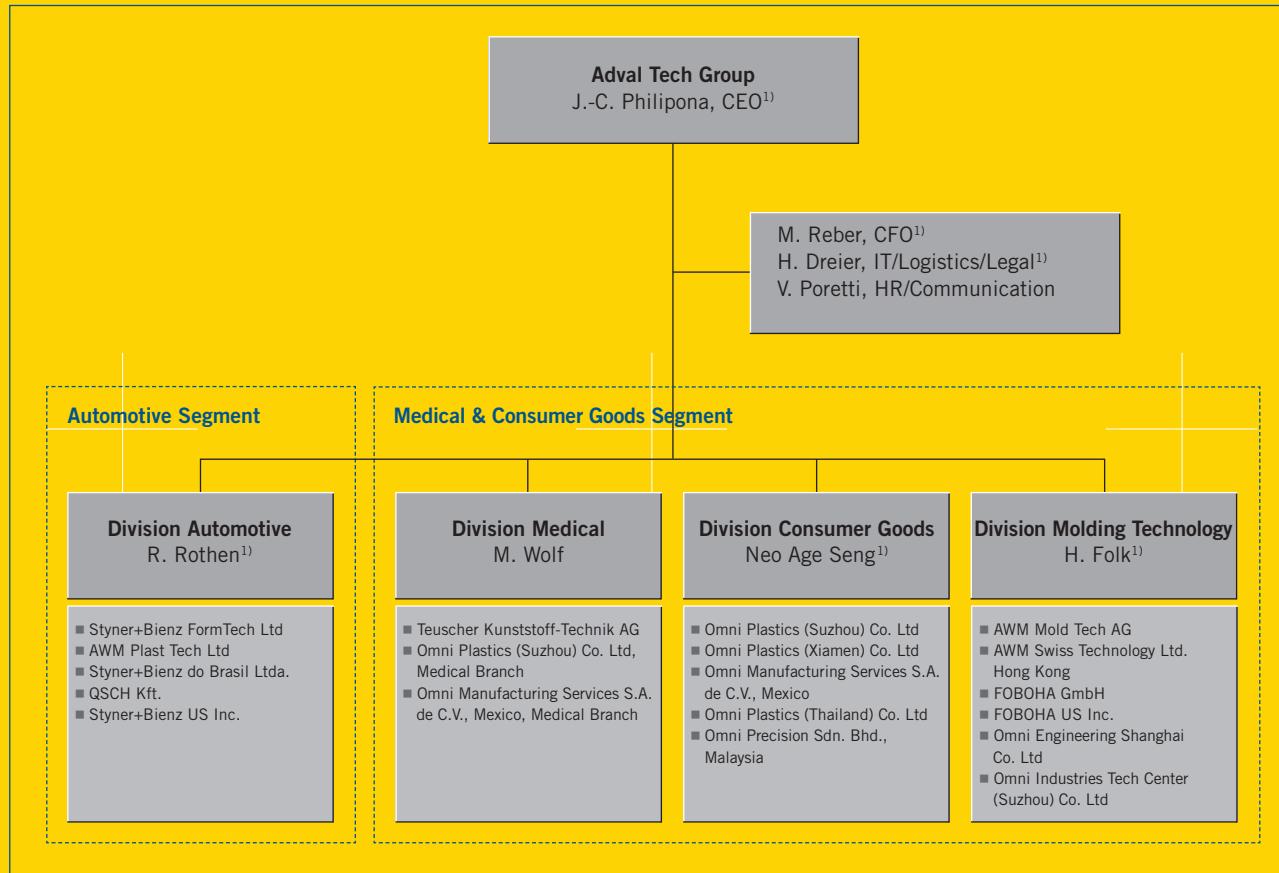
CHF millions	2006 ³⁾	2007 ³⁾	2008 ³⁾	2009 ²⁾	2010 ¹⁾
Total income	275.8	348.6	416.5	297.7	316.7
– Automotive Segment	159.4	210.3	206.7	134.1	157.0
– Medical & Consumer Goods Segment	116.2	138.2	215.2	167.8	161.3
EBITDA	29.1	38.4	26.3	6.3	24.2
– Automotive Segment	18.7	19.6	13.2	-3.2	11.9
– Medical & Consumer Goods Segment	9.6	17.3	11.7	8.7	11.1
Capital expenditure	14.0	22.6	26.1	13.4	12.4

1) according to Swiss GAAP FER

2) according to Swiss GAAP FER restated

3) according to IFRS

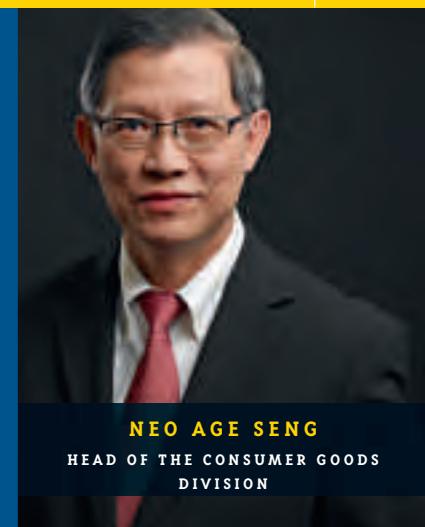
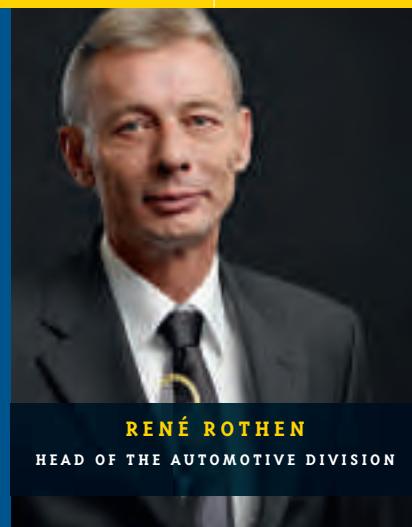
GROUP STRUCTURE



1) member of group management

as of January 1, 2011

GROUP MANAGEMENT



EXECUTIVE BODIES

Board of Directors

Walter Grüebler, Chairman
Michael Pieper, Vice Chairman
Leonardo Attanasio
Hans Dreier
Willy Michel
Roland Waibel

Audit Committee: Roland Waibel, Hans Dreier

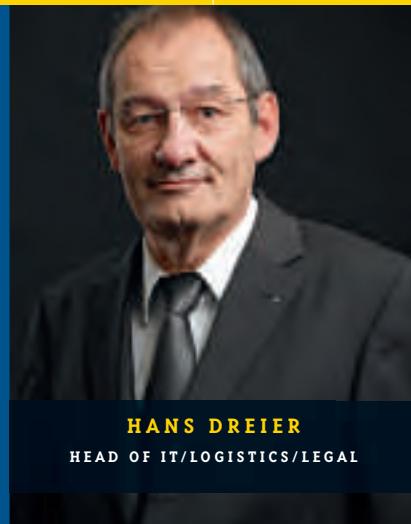
Nominations and Compensation Committee: Walter Grüebler, Michael Pieper

Group Management

Jean-Claude Philipona, Chief Executive Officer
René Rothen, Head of the Automotive Division
Neo Age Seng, Head of the Consumer Goods Division
Harald Folk, Head of the Molding Technology Division
Hans Dreier, Head of IT/Logistics/Legal
Markus Reber, Chief Financial Officer

Statutory Auditors

PricewaterhouseCoopers Ltd, Bern





SIGNIFICANT IMPROVEMENT IN SALES AND EARNINGS

The Adval Tech Group is one of the leading manufacturers of components, subassemblies and subsystems in selected market segments of the automotive industry. These markets made a particularly strong recovery in the year under review. The segment reported total income of CHF 157.0 million, which was CHF 22.9 million or 17% higher than the previous year's figure (CHF 134.1 million). Adjusted for the effect of closing the Merenschwand facility, the increase was as much as 20%. Adval Tech posted an improvement in the EBITDA margin in the Automotive Segment from -2.4% to 7.6% in 2010.

The segment's EBITDA rose from CHF -3.2 million in 2009 to CHF 11.9 million in 2010. The Swiss plants and the Hungarian subsidiary QSCH made the biggest contribution to the improvement in results. A further improvement in the segment's results estimated at CHF 3.5 million was prevented by adverse exchange rate movements.

Successful customer products

In addition to the positive overall market trend, several especially successful customer products also contributed to the substantial increase in sales by the Automotive Segment. The buildup of inventories in the first half of the year under review following massive destocking in 2009 also helped. The sales trend in applications for airbags, ABS, fuel injection systems and automobile lamps was especially encouraging.

The increase in the segment's sales of steering system components was less substantial, since some of the platforms for which Adval Tech supplies parts are currently being phased out. However, the resulting sluggishness of sales in Europe and the US was more than offset by unexpectedly strong exports by automobile manufacturers (OEMs) to China. The new projects that Adval Tech acquired in 2008, 2009 and 2010 will result in substantially higher sales in this market segment by 2012. The order

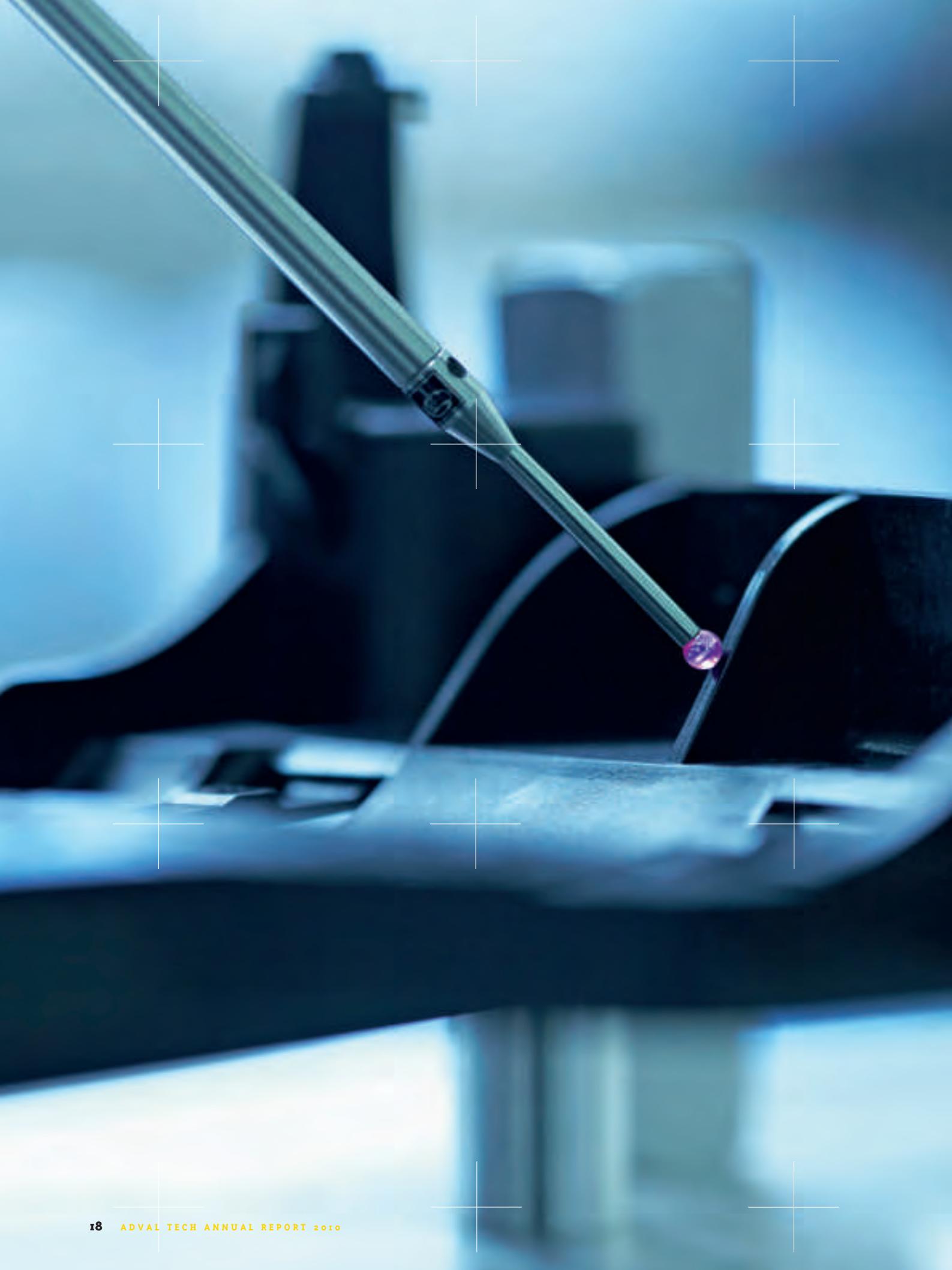
secured in the summer of 2010 to supply steering system components for the largest platform launched to date in Europe by the VW Group will make a major contribution here. In 2010, Adval Tech posted a 27% increase in total sales of components for the automotive industry compared with the previous year, after adjustment for currency movements.

Global project for BMW

Adval Tech has received an order from BMW for the development and manufacture of twelve components for the new generation of its Series 1 and 3 models. The components developed jointly with BMW will be produced in large numbers as of 2011. Project management is based in Muri (Switzerland) and most of the production molds are being manufactured in Haslach (Germany) and Suzhou (China). Adval Tech will supply the BMW assembly lines in Germany from its plant in Szekszárd, Hungary, and BMW's assembly lines in Asia and South Africa from its plant in Suzhou, China. The customer will thus be supplied entirely from a single source – due to Adval Tech's "one-stop shop" business model. Implementation of this challenging project is well advanced. The new production premises in Hungary have been built, molds and machinery are being optimized in advance of the expected commencement of volume manufacture in May 2011, and recruitment and training of new personnel on-site is largely completed. Initial preparatory work ahead of the start of production in China in 2012 is already in progress. This major project is thus on track.

US subsidiary

A cooperation agreement with Anchor Manufacturing Group in Cleveland, Ohio (USA), and the formation of a subsidiary (Styner+Bienz US Inc.) in this context now also enable the Adval Tech Group to supply its customers in the automotive industry operating on a global scale from the US in a quality that is uniformly defined worldwide. Anchor has the necessary infrastructure and has enabled



Adval Tech Styner+Bienz to launch a manufacturing platform of its own in the US with a "shop in the shop" solution – with little capital investment and limited risk. Deliveries will be made to customers by Adval Tech Styner+Bienz. Anchor is manufacturing components for Adval Tech Styner+Bienz US for an initial customer project. These are being assembled into a module on a production line transferred by Adval Tech together with the appropriate molds from Switzerland to the US in August 2010. In the context of this transfer the products and processes were also requalified with a production team from our US partner who had previously been trained in Switzerland. Adval Tech compensated for the necessary interruption in production by building up stocks in advance in Switzerland. Adval Tech successfully commenced volume deliveries from the US plant in October 2010. This very challenging transfer project was completed to the satisfaction of all parties involved with regard to target date, quality and cost.

Closure of the Merenschwand facility; sale of the Bodenweid plant

Switzerland has proved to be an increasingly difficult manufacturing location for suppliers of plastic components to the automotive industry in recent years. The long-term suitability of the plant in Merenschwand (Switzerland) was analyzed in detail in the context of realigning and focusing the product portfolio and the simultaneous loss of an important, long-term customer order. This revealed that it is unsuitable as a strategic manufacturing location for the automotive industry. It was therefore decided in December 2009 to close the facility in stages by the summer of 2010. Existing orders were transferred to Hungary or to better-suited competitors. Adval Tech completed this process in August 2010. The property in Merenschwand has now been put up for sale. Adval Tech has found socially acceptable solutions for all employees affected by the closure. Several people have accepted temporary new assignments in the Hungarian plant and can thus play an active role in the expansion of this manufacturing facility.

MARKET SEGMENTS AND SPHERES OF APPLICATION

Metal components

- Steering systems
- Braking systems (ABS)
- Lighting systems
- Fuel injection
- Seat mounting systems
- Passenger safety systems (airbags, collision sensors, safety belts, etc.)

Production platforms: Styner+Bienz Niedergang (Switzerland), Styner+Bienz Uetendorf (Switzerland), QSCH Szekszárd (Hungary), Styner+Bienz Curitiba (Brazil), Styner+Bienz Cleveland (USA); at the planning stage for the Omni sites in China, Thailand and Mexico

Plastic components

- Plastic components for air-conditioning systems and lighting
- Fuel tank filler necks, door handles, molded trim elements and cockpit applications
- Engine compartment and underfloor components
- Air/water separation and microfilter systems
- Air deflection and air guidance elements, throttle controls

Production platforms: QSCH Szekszárd (Hungary) and the Omni sites in China, Thailand and Mexico

A photograph of a forklift operator in a factory. The operator, wearing a blue hard hat and safety glasses, is seated in the cab of an orange forklift. The forklift's forks are raised, holding a large, dark blue metal sheet. The background shows industrial structures, including a red overhead crane and a large window. The image is framed by a white grid.

advaltech

In the course of realigning its market and process portfolio Adval Tech sold the Bodenweid plant in Bern-Bümpliz (Switzerland), which was engaged in sheet-metal housing production and non-tool-dependent, short-run sheet-metal processing, to Stoppani AG (Neuenegg, Switzerland) in December 2010. The solution chosen opens up excellent prospects for the employees concerned. The Adval Tech Group posted sales of some CHF 15 million in this business in 2010.

New customers in Brazil

Development at Styner+Bienz do Brasil has been encouraging. The company acquired new customers and has been named "Best Supplier" by one of them. Since ABS and airbags will become mandatory in newly registered automobiles in Brazil in years to come, new market opportunities are emerging for Styner+Bienz do Brasil: these components could be produced locally by the Brazilian automotive industry in future, and no longer be imported as they have been to date.

Innovations

Adval Tech completed a number of projects in the field of composite technology in the year under review. For example, the relevant plastic components for a taillamp produced in Hungary are now also manufactured and assembled in-house. Adval Tech has also invested in process development in traditional metal processing and added laser welding to its range of production processes. Adval Tech is also participating in promising development projects of automobile manufacturers; these involve replacing steel with lighter plastics.

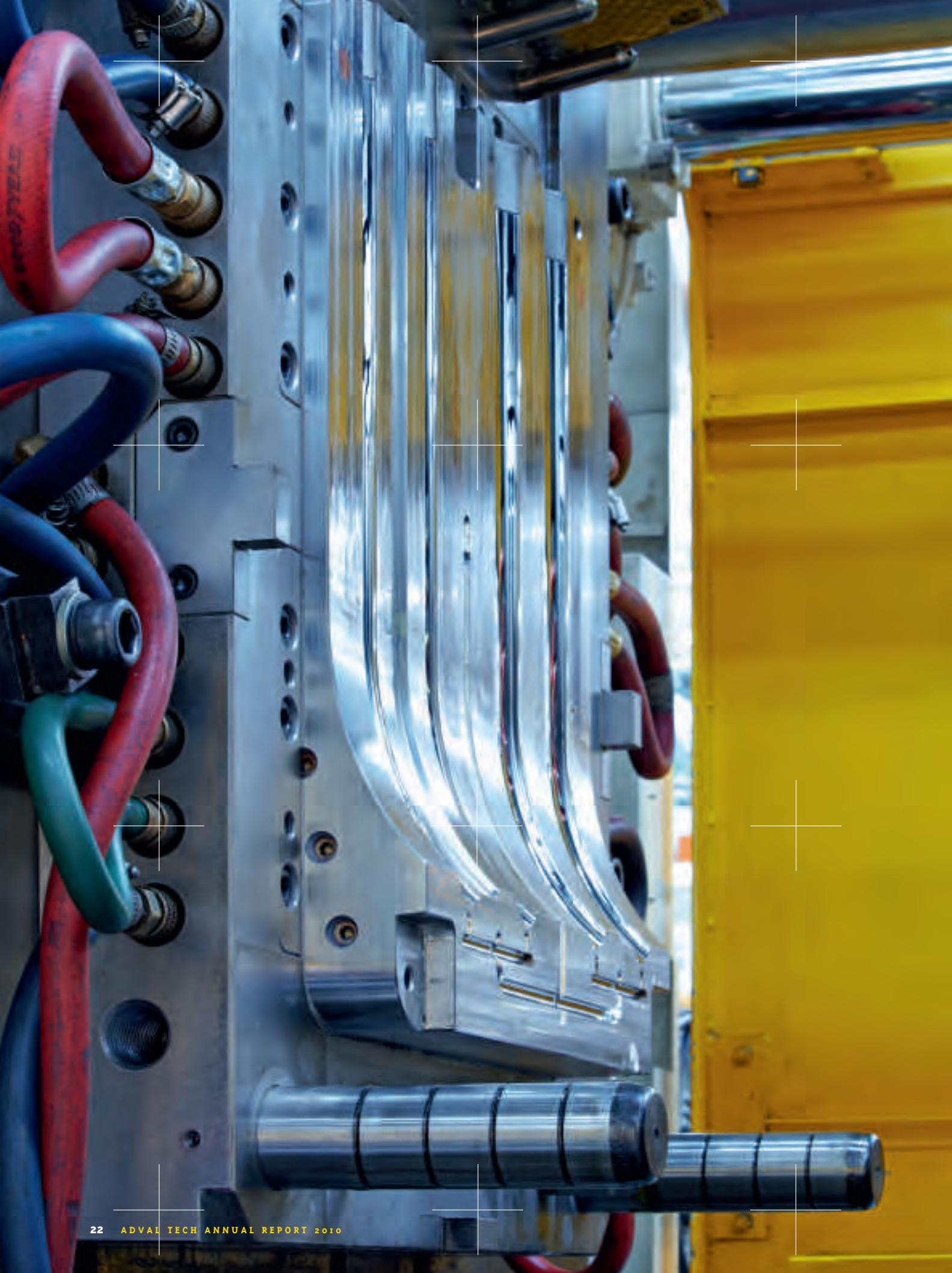
Outlook

Adval Tech expects the positive sales trend in the Automotive Segment to continue in 2011 and 2012. Automotive manufacturers have become much more aware of the company due to its successful entry into the market with plastic and composite components and its global scope with manufacturing capacity in all major markets. The manufacture of mass-market vehicles in China will continue to increase considerably. With its new manufacturing capacity in Suzhou, Adval Tech has laid the foundation for participating in this growth.

NEW SUBSIDIARY IN THE USA

With the formation of the new subsidiary Styner+Bienz US Inc., Adval Tech now also manufactures steering system components in the US, in a quality that is uniformly defined worldwide, in cooperation with Anchor Manufacturing Group in Cleveland, Ohio (US). Styner+Bienz prepared all the operating equipment for the manufacturing, assembly (picture) and quality assurance processes in Switzerland and tested it for production before transferring it to the USA.





SUCCESSFUL BUILDUP IN CHINA AND MEXICO; RESTRUCTURING IN SWITZERLAND

The various organizational units in the Medical & Consumer Goods Segment manufacture plastic components for the medical technology and consumer goods industries. The injection molds necessary for this are also developed and manufactured in this segment. In certain markets Adval Tech also manufactures injection molds for third parties. The segment's total income declined from CHF 167.8 million in the previous year to CHF 161.3 million in the year under review. EBITDA at the Medical & Consumer Goods Segment increased from CHF 8.7 million to CHF 11.1 million, and the EBITDA margin from 5.2% to 6.9%.

Results posted by the Medical & Consumer Goods Segment in 2010 reflected widely diverging trends. Improved earnings from moldmaking, especially at the Muri facility in Switzerland, and from the business with components for the consumer goods market, contrast with lower earnings in the Medical Division. Work on establishing a presence in China and Mexico, as well as a reorganization project launched at our site in Grenchen (Switzerland) in the second half of 2010 aimed at achieving considerably more efficient production flows, were especially significant in this context.

Medical Division

Many new products of the Medical Division's customers were less successful than expected in volume terms in the year under review, and this had a direct impact on sales by Adval Tech. Start-up problems of this kind are not untypical of the Medical Division's business, which is characterized by long lead times with 12 to 24 months usually elapsing between project acquisition and initial sales revenues. The delay in building up markets at the new locations in China and Mexico also prevented stronger growth.

In Suzhou (China) Adval Tech has expanded leased manufacturing premises and installed a clean room there to produce medical technology components. Most of the machinery for the first expansion phase has come from one of our manufacturing plants in China. If the market develops accordingly, Adval Tech will be able to more than double production space in a second phase without making major structural changes. A small team has already been recruited to launch operations and will start work with an initial volume order in the second quarter of 2011. The segment will produce disposable pipettes and reaction vessels in large numbers for the local market. Adval Tech acquired this initial order in China on the basis of a mold designed in Europe. The mold itself was produced in China, where Adval Tech also has production facilities. This enables us to offer our customers everything from a single source.

Following Adval Tech's nomination as preferred supplier for a global pharmaceutical sub-contractor, the division incorporated a production cell with a clean room dedicated to medical technology in existing premises in Mexico. Controlled environmental conditions are permanently maintained in this cell. It is designed for operation with five injection molding machines, and provision has been made for doubling capacity. Two machines are foreseen initially. Structural modifications were completed in December 2010, and the injection molding machines and peripheral equipment were delivered in January 2011. The start of volume production is planned for the beginning of the second quarter of 2011, following qualification of the products and processes. Production will be launched with molds transferred to Mexico by Adval Tech from its Swiss site. The Mexican facility will later take over production from European and US competitors and thus most probably grow rapidly in years to come.



In order to expand its Grenchen facility, the neighboring premises occupied on a long-term lease were adapted to Adval Tech's needs and successfully brought into operation. The new premises create the preconditions for adapting production logistics with a view to achieving more efficient workflows. Matthias Wolf assumed the position of Head of the Medical Division at the beginning of 2011 following the departure of Jwan Meier, the former head of the division and site manager. Site management has been assigned separately.

The division's goals for 2011 will include the efficient utilization of the global structure that has been successfully established, commencing volume manufacture of the various products developed in recent years and acquiring new projects.

Consumer Goods Division

The components business for the consumer goods markets, which Adval Tech pursues only at its sites in Asia and Mexico, grew by 19%, and even as much as some 24% in local currencies. The division secured many more orders in this sector than in the previous year, especially in the white goods business (refrigerators, washing machines, etc.). Here Adval Tech identified a shift in market share from American companies in Asia to their Korean competitors. This shift had no negative consequences for Adval Tech, as the loss of sales to American companies was more than offset by sales to other customers.

Adval Tech is responding to the trend toward higher-quality products which is becoming apparent in China. Producing these calls for qualified personnel and high-grade production equipment, and in particular productive molds. As the technological leader, Adval Tech is outstandingly well-equipped for this role. The division is also very well-positioned for the transfer orders which are important in the consumer goods market. These involve the transfer of entire production orders including molds to the sales markets as integrated packages.

MARKET SEGMENTS AND SPHERES OF APPLICATION

Components business

Consumer goods

- Home electronics
- Household appliances
- Office and communication equipment

Production plants: Omni Suzhou (China),
Omni Xiamen (China), Omni Rayong (Thailand),
Omni Johor Bahru (Malaysia), Omni Querétaro
(Mexico)

Medical technology

- Medical devices
- Diagnostic systems

Production plants: Teuscher Grenchen (Switzerland),
Omni Suzhou (China), Omni Querétaro (Mexico)

Moldmaking

High-performance molds for plastic components

- Food packaging
- Bottle closures
- Optical media
- Roll-on deodorant dispensers
- Shaving systems
- Toothpaste packaging
- Aerosol tops, etc.

Technologies: single-component standard molds, stack turning technology, multi-component technology, double cube system, in-mold-assembling, surface technology in the nano range

Production plants: FOBOHA Haslach (Germany),
AWM Muri (Switzerland), Omni Industries Tech
Center Suzhou and Omni Engineering Shanghai
(China)



Molding Technology Division

As expected, total income from the business with injection molds was lower (around -8%). The downsizing of the facility in Muri (AWM) resulted in a steep decline in sales. The plants in Germany (FOBOHA) and China (Omni) were unable to compensate fully for this reduction.

Following the downsizing of the Muri facility, the year under review had a difficult start, but **AWM** increased market output again in the course of the year with several new orders. AWM produced initial short-run molds and some pilot dies in the field of optical components. This was a first important step toward transferring specialized technologies and experience from the optical disc business to new spheres of application. In the thin-wall sector AWM implemented several molds for beakers and bowls using in-house engineering and patented modules. The focus for AWM in future will continue to be on high-end optical components as well as thin-wall and two-component packaging. AWM now produces molds and dies for closures only on the basis of customers' designs.

In the year under review **FOBOHA** acquired several new customers operating on a global scale in the consumer goods and pharmaceutical markets, and

at the same time received new orders from existing customers. The market for challenging multi-component molds is continuing to grow and the technology is penetrating new fields of application where the use of our in-house cube technology with integrated or downstream supplementary functions is especially rewarding. In the year under review FOBOHA applied for new patents in the field of cube technology with a view to protecting this core technology more effectively and comprehensively. FOBOHA pressed ahead with the largest die manufacturing project in the company's history in the year under review; this will be completed in 2011. It comprises 18 complete cube systems for manufacturing shampoo bottle closures for a global market leader in the consumer goods industry. An extensive mold setup project for BMW is also close to completion. These molds will be used in Adval Tech's manufacturing plants in Hungary and China.

In 2011, the Molding Technology Division aims to expand the markets for AWM and FOBOHA products in particular and integrate the two Chinese mold-making companies (Omni Industries Tech Center Suzhou and Omni Engineering Shanghai) into the division.

SAFE SELF-MEDICATION WITH DUOPEN

DuoPen provides patients who regularly have to inject themselves with a safe procedure for self-medication. Using DuoPen is self-explanatory and the system ensures a safe injection procedure. For the user, the process is absolutely reliable. Together with AWM Mold Tech AG, Teuscher Kunststoff-Technik AG is responsible for specification, manufacture and qualification of the tools and assembly devices for the production of DuoPen. Teuscher produces the plastic components and assembles them in Grenchen.





STRATEGY IMPLEMENTATION IN THE DIVISIONS

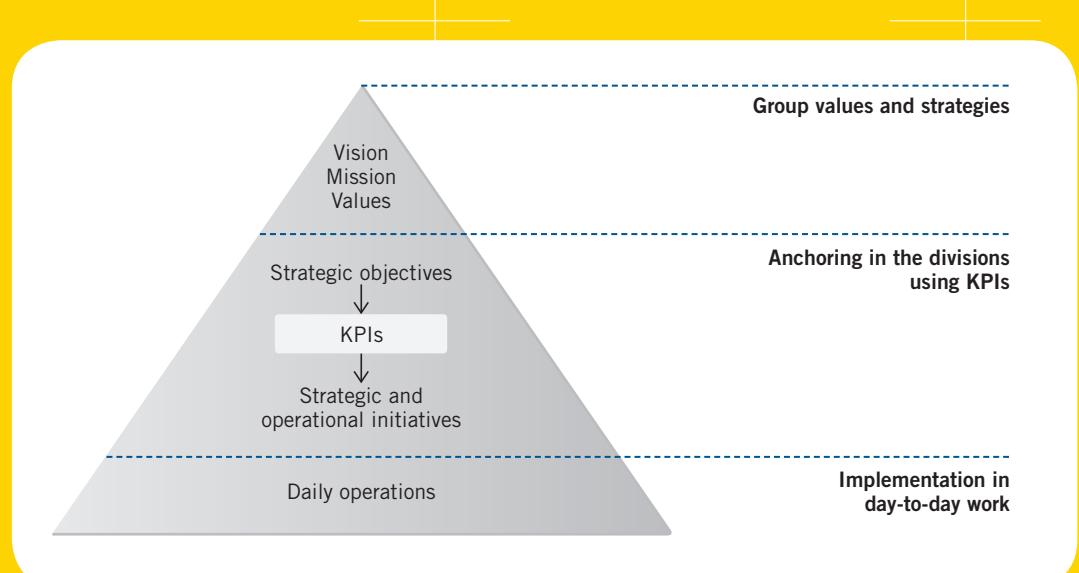
Once group management had outlined the vision, mission and values of Adval Tech in 2009 and communicated them internally under the heading "The Adval Tech Way", the focus in terms of corporate development in the year under review turned to anchoring the group strategy at all organizational levels of the divisions and implementing a corresponding management process.

As a globally active group with four divisions whose aim it is to be profitable and grow in their respective markets, Adval Tech is focused on ensuring that the individual business units are independent, flexible and can make the right decisions quickly. Group management therefore initiated a project intended to embed the strategy more firmly within the group and to make it more visible. The aim is for employees to be aware of the vision, mission and values of the Adval Tech Group in their day-to-day work. In addition, divisional management must be able to base their implementation on clearly defined success factors, known as key performance indicators.

To ensure a transfer of know-how within the group, the project is being implemented in one division at a time, with the Automotive Division assuming the pilot role in 2010.

In the course of several workshops, the project team determined how the vision, mission, values and group strategy can be translated into the divisional strategy and objectives. In doing so, the strategy was viewed from four different perspectives: a financial, customer, process and learning/growth standpoint. The key performance indicators apply equally to all divisions and allow clear goals and a focus to be defined in the implementation of the strategy. As a further step, the project team worked together with divisional management to outline the responsibilities for the strategy's implementation in business operations.

The corresponding measures will be realized in the Automotive Division in 2011. At the same time, preparations are being made for implementation in the other three divisions.





C O R P O R A T E G O V E R N A N C E

Our principles of corporate governance are based on the Articles of Incorporation and the regulations governing the organization and conduct of business. The following report conforms essentially to the structure specified by the SIX Swiss Exchange for such information.

Corporate structure and shareholders

Adval Tech Holding Ltd, incorporated in Niederwangen, Switzerland, is organized as a holding company under Swiss law and directly or indirectly owns all Adval Tech companies worldwide. For operational purposes the Adval Tech Group has been organized since April 1, 2009, in two segments – “Automotive” and “Medical & Consumer Goods.” In the Automotive Segment, which targets the automotive industry, the Adval Tech Group focuses on the components business. The Medical & Consumer Goods Segment incorporates the Medical, Consumer Goods and Molding Technology divisions. Services for the key medical and consumer goods markets are based on an integrated business model comprising both the development and manufacture of molds and the production of plastic components. At the same time, the separation into three divisions enables the medical and consumer goods sectors to maintain a market-specific focus and the molding technology sector to adopt a technology-oriented approach. The activities of the three divisions are closely coordinated under the direction of the CEO.

In the course of the ongoing focusing of the divisions comprising the Medical & Consumer Goods Segment on their respective core activities, the two moldmaking units in China have been integrated in management terms into the Molding Technology Division as of the beginning of 2011. In addition, the business of AWM Plastpack Ltd (Medical & Consumer Goods Segment), which specialized in the manufacture of packaging for optical discs, was transferred to the customer as of mid-2010. Following this transaction, the company was merged with AWM Mold Tech Ltd with retrospective effect as at January 1, 2010. Group management and group financing are conducted through Adval Tech Management Ltd and Adval Tech Holding Ltd. Business is conducted through the relevant group companies. The group structure as of January 1, 2011, is set out on page 14.

Adval Tech B registered shares were listed on the SIX Swiss Exchange as of June 4, 1998, under securities code number 896 792. All shares of Adval Tech Holding Ltd have been listed on the SIX Swiss Exchange since July 5, 2004, under the above securities code number. Their Telekurs ticker symbol is ADVN, their Bloomberg symbol ADVN SW, their ISIN number CH0008967926. The market capitalization of Adval Tech Holding Ltd on December 31, 2010, was CHF 253.31 million.

Adval Tech Management Ltd held a total of 2 shares, i.e. 0.0003% of the share capital of Adval Tech Holding Ltd on December 31, 2010; the remaining group companies hold no shares in Adval Tech Holding Ltd.

The following companies are included in the scope of consolidation on December 31, 2010:

Company	Registered office		Share capital		Equity holding
Adval Tech Holding Ltd	Niederwangen, Switzerland	TCHF	14,600		
Adval Tech Management Ltd	Niederwangen, Switzerland	TCHF	100	100%	
Styner+Bienz FormTech Ltd	Niederwangen, Switzerland	TCHF	3,050	100%	
Styner+Bienz do Brasil Ltda.	São José dos Pinhais PR, Brazil	TBRL	939	100%	
Styner+Bienz US Inc.	Cleveland, OH, USA	TUSD	1	100%	
QSCH Termelő és Kereskedelmi Kft.	Szekszárd, Hungary	TEUR	1,800	100%	
AWM Plast Tech Ltd	Merenschwand, Switzerland	TCHF	600	100%	
Teuscher Kunststoff-Technik AG	Grenchen, Switzerland	TCHF	2,000	100%	
Omni Investors Pte. Ltd	Singapore	TUSD	13,517	100%	
Omni Industries Holdings Pte. Ltd	Singapore	TUSD	56,885	100%	
Omni Plastics (Thailand) Co. Ltd	Rayong, Thailand	TTHB	40,000	100%	
Omni Plastics (Suzhou) Co. Ltd	Suzhou, China	TUSD	4,160	100%	
Omni Plastics (Xiamen) Co. Ltd	Xiamen, China	TUSD	3,100	100%	
Omni Precision Sdn. Bhd.	Johor Bahru, Malaysia	TUSD	505	100%	
Omni Plastics (Shanghai) Co. Ltd	Shanghai, China	TUSD	1,500	100%	
Omni Engineering Shanghai Co. Ltd	Shanghai, China	TUSD	2,800	100%	
Omni Industries Tech Centre (Suzhou) Co. Ltd	Suzhou, China	TUSD	3,500	100%	
Omni Manufacturing Services S.A. de C.V.	Querétaro, Mexico	TUSD	3,500	100%	
Omni HR Resource Services S.A. de C.V.	Querétaro, Mexico	TUSD	5	100%	
AWM Mold Tech AG	Muri (AG), Switzerland	TCHF	600	100%	
AWM Swiss Technology Ltd	Hong Kong, China	THKD	10	100%	
AWM Mold Tech Trading (Shanghai) Co. Ltd	Shanghai, China	TUSD	1	100%	
AWM Mold Service US Inc.	Beverly, MA, USA	TUSD	1	100%	
FOBOHA Holding GmbH	Haslach, Germany	TEUR	25	100%	
FOBOHA GmbH	Haslach, Germany	TEUR	512	100%	
FOBOHA US Inc.	Beverly, MA, USA	TUSD	1	100%	

The disclosures published in conformity with Article 20 of the Stock Exchange Act (BEHG) can be accessed on the Web site of the SIX Swiss Exchange via the following link: www.six-exchange-regulation.com/obligations/disclosure/major_shareholders_en.html, Company ADVAL. In 2010, no disclosures in conformity with Article 20 were published. Shareholders holding more than 3% of the registered share capital (as shown in the shareholders' register or according to the latest published disclosure report) recorded in the Commercial Register on December 31, 2010, are listed below.

- Dr. h.c. Willy Michel 23.7%
- Artemis Beteiligungen II AG¹⁾ 21.2%
- Heirs of Rudolf Styner 10.1%
- Hansruedi Bienz 7.5%
- Lombard Odier Darier Hentsch Fund Managers SA 6.9%
- Sarasin Investment Fonds AG 6.0%
- Einfache Gesellschaft Dreier²⁾ 3.5%

Beneficial owners:

1) Michael Pieper

2) Hans Dreier, Rudolf Dreier

There are no shareholders' pooling agreements and no capital or voting cross-holdings.

The overall structure of shareholdings at December 31, 2010, was as follows:

Number of shares	Shareholders
1 to 100	336
101 to 1,000	62
1,001 to 10,000	19
More than 10,000	7
Total	424

Capital structure

As of December 31, 2010, the capital stock of Adval Tech Holding amounted to CHF 14.6 million, divided into 730,000 registered shares with a par value of CHF 20 each. All the shares carry the same voting and dividend rights. The share capital is fully paid. With respect to restrictions on registration, reference is made to the section on stockholders' rights of co-determination (see pages 41 and 42).

As of December 31, 2010, there was no authorized or conditional capital, nor were any participation or dividend-right certificates, convertible bonds or options in issue.

The shareholders' register is maintained by SIX SAG AG, Baslerstrasse 90, 4600 Olten, on behalf of Adval Tech Holding Ltd.

Changes in the shareholders' equity of Adval Tech Holding Ltd are as follows:

in CHF	12/31/2010	12/31/2009	12/31/2008
Share capital	14,600,000	14,600,000	14,600,000
General reserves	9,500,000	102,600,105	102,600,105
Reserve for treasury stock	650	140,717	145,420
Open capital contribution reserve	97,424,589	0	0
<i>Legal reserves</i>	<i>106,925,239</i>	<i>102,740,822</i>	<i>102,745,525</i>
Free reserves	10,770,513	14,954,930	14,950,227
<i>Other reserves</i>	<i>10,770,513</i>	<i>14,954,930</i>	<i>14,950,227</i>
<i>Share capital and reserves</i>	<i>132,295,752</i>	<i>132,295,752</i>	<i>132,295,752</i>
Balance brought forward	31,386,543	40,762,511	41,599,067
Net profit for the year	-3,927,430	-9,375,968	-836,556
<i>Retained earnings</i>	<i>27,459,113</i>	<i>31,386,543</i>	<i>40,762,511</i>
Total shareholders' equity	159,754,865	163,682,295	173,058,263

There were no changes in capital in the years 2009 and 2010. The transfer from "General reserves" to the "Open capital contribution reserve" was made in connection with the amendment of legislation regarding direct federal taxes (DBG).

The following changes in capital took place in 2008: The annual general meeting held on April 24, 2008, adopted a motion to increase the share capital by issuing 365,000 registered shares with a par value of CHF 20 each. The issue price was CHF 275 per share. The newly issued shares were underwritten and offered to existing shareholders for purchase. Trading of the newly issued shares on the SIX Swiss Exchange commenced on May 7, 2008.

Board of Directors

The Board of Directors of Adval Tech Holding Ltd is composed of the following members:

- **Walter Grüebler** (Chairman), born 1942, Swiss; PhD (Econ.) St. Gall; member of the Executive Board of Alusuisse, Zurich (1990–1999), CEO of Sika AG, Baar (2000–2004), Chairman of Sika AG, Baar (since 2005); director since 1997, non-executive, term of office expires at the AGM for the 2011 fiscal year.
- **Michael Pieper** (Vice Chairman), born 1946, Swiss; MA (Econ.) St. Gall; owner and CEO of the Franke Artemis Group AG, Hergiswil (since 1989); director since 2004, non-executive, term of office expires at the AGM for the 2012 fiscal year.
- **Leonardo Attanasio**, born 1942, German; MBA; CEO of Johnson Controls GmbH, Burscheid, Germany (1996–2004), Chairman of the Su-

pervisory Board of Industriale Sud, Teramo, Italy (1997–2004), Supervisory Board of JC INSITU Beteiligungsgesellschaft mbH (until 2008), Grefrath, Germany, independent consultant (since 2006); director since 2005, non-executive, term of office expires at the AGM for the 2010 fiscal year.

- **Hans Dreier**, born 1953, Swiss; MBA FH; executive director since 1988, Head of IT/Logistics/ Legal at the Adval Tech Group, Niederwangen, term of office expires at the AGM for the 2011 fiscal year, further information on his professional career can be found under Executive management on page 39.
- **Willy Michel**, born 1947, Swiss; Dr. h.c.; CEO of Novo Nordisk Switzerland (1978–1984), co-founder, Chairman of the Board of Directors and CEO of Disetronic Ltd, Burgdorf (1984–2003), Chairman of the Board of Directors of Ypsomed Holding Ltd, Burgdorf (since 2003); director since 2007, non-executive, term of office expires at the AGM for the 2012 fiscal year.
- **Roland Waibel**, born 1958, Swiss; PhD; various executive positions at the Lonza Group, Basel, including Group Controller, CFO and Senior Vice President, Corporate Development (1989–2006), CFO of the Omya Group, Oftringen (since 2006); director since 2005, non-executive, term of office expires at the AGM for the 2010 fiscal year.

Michael Pieper and Willy Michel were re-elected individually for a further three-year term of office (until the AGM for the 2012 fiscal year) at the annual general meeting held on May 6, 2010.

Walter Grüebler is Chairman of the Board of Sika AG, Baar, and a director of the following companies: Nationale Suisse, Basel, and Petroplus Holdings AG, Zug. Furthermore he is a member of the Foundation Board of Trustees of the ETH Zurich Foundation.

Michael Pieper is a director of the following companies: Berenberg Bank (Switzerland) AG, Zurich, Hero AG, Lenzburg, Forbo Holding AG, Baar, and Rieter Holding AG, Winterthur.

Willy Michel is Chairman of the Board of Directors of Ypsomed Holding AG, Burgdorf, and Vice Chairman of the Board of Directors of BV Holding AG, Bern.

None of the non-executive members of the Board of Directors has also been employed by the Adval Tech Group in an operational or consultative capacity in the past three years. Otherwise the members of the Board of Directors as at December 31, 2010, are not members of any other executive and supervisory bodies of significant Swiss or foreign corporations, institutions and foundations under public or private law and also hold no important public offices.

Ypsomed AG in Burgdorf and Adval Tech Holding Ltd signed an agreement on strategic cooperation in moldmaking in June 2007. The objective of this cooperative venture is to combine the respective strengths and core competencies of Ypsomed and Adval Tech and exploit them for the economically efficient manufacture of high-quality products.

The Adval Tech Group's business relationships with directors and officers or parties related to them are detailed in Note 36 of the financial reports on page 86.

The Articles of Incorporation and the regulations governing the organization and conduct of business of Adval Tech Holding Ltd can be found on the Internet at <http://www.advaltech.com/en/group/corporate-governance/articles-of-incorporation-and-rules.html>.

In terms of the Articles of Incorporation of Adval Tech Holding Ltd, the Board of Directors has at least three members, who are elected for a three-year term of office. Re-election is permitted. The Articles of Incorporation include no provisions regarding an



age limit for directors. 70 has been stipulated as the age limit in the regulations governing the organization and conduct of business.

The Board of Directors constitutes itself. It appoints a Chairman and a Secretary, who does not have to be a director. The Board of Directors represents the highest decision-making authority in the company, subject to those matters on which, according to legal provisions, the shareholders must decide. It performs the following duties: specifying the framework of the mission statement, strategic focus and objectives as well as medium-term planning and the annual budget for group management; defining the group organization; appointing and dismissing the CEO and other members of group management; ensuring operational management of the group; drawing up the annual report; approving the budget and medium-term planning; preparing the annual general meeting. The Board of Directors executes the motions adopted by the annual general meeting and supervises the practical realization of the mission statement and the implementation of the strategy as well as the course of business. It also oversees finance and accounting matters, periodically conducts risk evaluations and approves the material transactions for which it is solely responsible according to the allocation of authority in effect. These include in particular corporate acquisitions or disposals, contracts regarding licenses and cooperation.

The Board of Directors can delegate the preparation, execution and supervision of its duties to committees or individual directors. It has formed an Audit Committee and a Nominations and Compensation Committee for this purpose. The duties and authority of the board committees are listed in paragraphs 5 and 6 of the regulations governing the organization.

The composition of the board committees is as follows: Audit Committee: Roland Waibel (Chairman), Hans Dreier. Nominations and Compensation Committee: Walter Grüebler (Chairman), Michael Pieper.

The duties, authority and responsibilities of the Board of Directors and the board committees are stipulated in the regulations governing the organization of Adval Tech Holding Ltd. The Board of Directors meets as often as business requires, but at least four times a year, with the Chairman presiding. Six meetings were held in 2010. Board meetings usually last half a working day.

The Audit Committee is responsible for reviewing the annual financial statements and other financial information. It discusses the results of audits with the external auditors, as well as reviews the internal control system, risk management and compliance with laws and directives. On the application of the CFO it approves the budget for auditing fees and assesses the independence of and the compatibility of auditing activities with other advisory mandates. The Audit Committee submits a proposal to the Board of Directors for the attention of the annual general meeting regarding the election of auditors. The CFO and, if necessary, the CEO usually attend the meetings in a consultative capacity. The Audit Committee usually acts in a preparatory capacity for the Board of Directors as a whole; decision-making powers lie with the Board of Directors as a whole. The Audit Committee meets as often as business requires, but at least twice a year. Three meetings were held in 2010. The CFO and CEO attended all three meetings in the year under review. The auditors attended three meetings in 2010. No other external advisers were called in. The meetings usually last two to four hours. The audit findings can be seen in the financial report on page 87 for the consolidated financial statements and page 97 for Adval Tech Holding Ltd.

The Nominations and Compensation Committee prepares personnel planning at board and group management level. This includes specifying the criteria for candidate searches and preparation of their selection as well as succession planning and talent development. It assesses the performance of group management for the attention of the Board of Directors and stipulates the remuneration of group

management. It also submits proposals for the compensation of the Board of Directors. The Nominations and Compensation Committee decides on the remuneration of group management. Other business, including remuneration of the Board of Directors, is decided upon by the Board of Directors as a whole in response to proposals by the Nominations and Compensation Committee. The Nominations and Compensation Committee meets as often as business requires, but at least once a year. The CEO usually attends its meetings in a consultative capacity. Two meetings were held in 2010. The CEO attended both meetings. The CEO took no part in discussions of his remuneration. The meetings usually last between one and two hours, and in 2010 no external consultants were called in.

The Board of Directors informs itself by means of a detailed monthly report in writing regarding the course of business in the group, the degree to which objectives have been achieved and the action foreseen for this purpose. The monthly report contains information on the current course of business in the major group companies and the group as a whole (key figures from the income statement and the balance sheet, information on capital expenditure, with additional comments), the status of important projects and major developments on the markets. The Board arranges to be informed as necessary about the progress of strategic projects. In addition to these written reports, the CEO, and if necessary other members of group management, attend the board meetings, at which open issues and further inquiries can be discussed or answered. Proposals and reports are submitted to the Board of Directors in writing in good time prior to the meeting. With the exception of the Head of the Consumer Goods Division, who attended two meetings, the CEO, the CFO and the Heads of the Automotive and Molding Technology divisions attended all meetings of the Board of Directors to report on the course of business and explain projects in 2010. The Board of Directors informs itself regularly, at least once a year, regarding the group's business risks and assesses these. The risk management process is described in

detail on page 95 of the financial report. The management of financial risks is described in detail in Note 3 on pages 56 and 57 of the financial report, cooperation with the auditors on pages 42 and 43 of this Corporate Governance Report.

The Board of Directors has delegated the management of the operating business with regard to achieving the strategic objectives and fulfilling the medium-term plans and budgets to group management, chaired by the CEO. Internal organization and the allocation of authority are set out in the Adval Tech Group's regulations governing the organization and conduct of business (<http://www.advaltech.com/en/group/corporate-governance/articles-of-incorporation-and-rules.html>).

In addition to the non-assignable duties stipulated by law, the Board of Directors has reserved for itself decision-making authority for the following transactions: acquisition and disposal of investment holdings, restructuring measures, granting sureties and guarantees, appointing and dismissing members of group management.

Executive management

The executive management team of the Adval Tech Group (group management) as of January 1, 2011:

- **Jean-Claude Philipona**, born 1953, Swiss; with Adval Tech since 1997; Chief Executive Officer; MA (Econ.). Career: executive management consultant, focusing on strategy, organization and controlling at PricewaterhouseCoopers in Bern and its predecessor organizations (1982–1989); CFO and member of executive management at Papierfabrik M-Real AG in Biberist and its predecessor organizations (1989–1997); joined the Adval Tech Group as CFO in anticipation of the IPO, CEO since January 1, 2001. Member of the executive committee of Swissmem, director of Crealogix Holding AG. The CEO headed the Medical Division in an interim capacity from the departure of the Head of Division at the end of

July 2010 until the arrival of the new Head of Division at the end of January 2011.

- **Hans Dreier**, born 1953, Swiss; with Adval Tech since 1982; Head of IT/Logistics/Legal; MBA FH. Career: project manager, then systems manager at Honeywell Bull, Düsseldorf, Germany (1980–1982); joined Styner+Bienz as Head of Information Technology, as of 1984 Head of Sales and Marketing, since 1997 member of group management in his current position. Member of the Board of Directors of Adval Tech Holding Ltd since 1988; see page 35.
- **Harald Folk**, born 1969, German; with Adval Tech since October 2009; Head of the Molding Technology Division; Certified Engineer (mechanical engineering), MBA (University of Michigan). Career: project manager, head of department and senior development engineer at Kostal of America in Novi, USA (1999–2003), Head of Development USA at Fischer Automotive System, Auburn Hills, USA (2003–2006), Head of Development North America at Dr. Schneider Automotive in Detroit, USA (2006–2008), until September 2009 General Manager and member of executive management at Läpple Formenbau GmbH in Möckmühl, Germany; joined Adval Tech on October 1, 2009, as Head of the Molding Technology Division.
- **Markus Reber**, born 1963, Swiss; with Adval Tech since 2002, Chief Financial Officer, Exec. MBA FH. Career: controller and CIO at ABB-MMD Robotics AG, Deitingen (1989–1992), Commercial Manager of ABB Fläkt AG, Lucerne (1993), Head of Finance and Administration in the Repair unit of Swisscom AG, Bern (1993–1997), Head of Finance and Controlling in the Service and Repair unit of Swisscom AG, Bern (1997–2000), Head of Finance and Central Services at the Feusi Bildungszentrum, Bern (2000–2002). Joined Adval Tech as Group Controller, CFO since January 1, 2007.

■ **René Rothen**, born 1959, Swiss, with Adval Tech since 2007, Head of the Automotive Division, Grad. Eng. HTL. Career: Head of Product Development, machine tool manufacturing at EWAG AG, Etziken (1983–1993), various executive positions at Saia-Burgess in Murten (1993–2006), including Head of Operations, Switzerland and Hungary, and finally also as CEO of a subsidiary in the US. Joined Adval Tech as Head of Division.

■ **Neo Age Seng**, born 1954, Singapore citizen; with Adval Tech since January 2008; Head of the Consumer Goods Division; Graduate Tool & Die Engineer of Singapore Polytechnics and certificate in Plastic Mold Design. Career: Tooling Engineer with HP Singapore (1987–1989); Principal Tooling Engineer with Apple Computer Singapore (1989–1991); Managing Director of Omni Mold Ltd and Tech Group Singapore (1996–2003); Chief Executive Officer of Tech Group Asia, Singapore (2003–2005); Chief Technology Officer of Sunningdale Tech Ltd (July 2005–January 2006); CEO of Omni Industries Holdings Pte Ltd (2006–2007). Joined Adval Tech as President of Omni Industries Holdings Pte Ltd.

Except where specifically mentioned in the above profiles, the members of group management are not members of any other executive and supervisory bodies of significant Swiss or foreign corporations, institutions and foundations under public or private law and also hold no important political offices.

There are no management contracts between Adval Tech Holding Ltd or any of its group companies and third parties.

Remuneration, equity holdings and loans

The Nominations and Compensation Committee proposes the remuneration of the Board of Directors and defines the compensation of group management. Remuneration is defined at the committee's absolute discretion. It reflects the function (Board of Directors: Chairman, Vice Chairman, Member;



committees: chairman, member; executive management: CEO, CFO, Head of Division, Head of IT/Logistics/Legal), qualification, professional experience and performance of the individual concerned.

The remuneration of the Board of Directors consists of a fixed fee (approx. 70% of total remuneration), an attendance fee (approx. 20% of total remuneration) and a lump sum to cover expenses (approx. 10% of total remuneration). The total remuneration of the members of the Board of Directors is disbursed in cash. The remuneration of the members of the Board of Directors is not linked to the company's targets.

The Chairman of the Board of Directors receives a fixed fee of CHF 60,000 for the 2010 financial year, the Vice Chairman and the other members a fixed annual fee of CHF 40,000. For the collaboration in a Committee a fixed fee of CHF 10,000 is paid for the 2010 financial year. Members of the board also receive a flat fee for each meeting attended. The corresponding total is listed on page 93 (see "Other remuneration").

The remuneration of the members of group management consists of a fixed component and a variable component. The fixed component consists of a basic salary, a lump sum to cover expenses and fringe benefits (company car). The basic salary is defined by the Nominations and Compensation Committee at the beginning of each financial year and is not adjusted again during the period under review. The variable component depends on business performance (operating earnings before depreciation, interest and taxes, approx. weighting 70%) and the achievement of individual targets (approx. weighting 30%). The variable component of the remuneration is limited to 130% of the fixed component.

The amount of the variable, performance-related component is defined annually by the Appointments and Compensation Committee after the achievement of targets has been assessed.

A part (no less than 20%, no more than 100%) of the variable remuneration of group management is disbursed in shares. The number of shares allotted is calculated on the basis of the average price of the registered shares in February of the year following the financial year. The cost of variable remuneration in cash and shares is posted on an accrual basis. The shares allotted as variable remuneration cannot be sold for five years. A total of 629 shares of Adval Tech Holding Ltd were allotted to group management in 2010 in this context for the 2009 financial year.

Contracts of employment with the members of group management include no agreements with regard to severance payments or long periods of notice. Terms of notice are from six to twelve months.

Further details of the remuneration and equity holdings of directors and officers are listed in accordance with Art. 663b^{bis} of the Swiss Code of Obligations in the appendix to the financial reports of Adval Tech Holding Ltd on pages 93 to 95 of the annual report.

Shareholders' rights of co-determination

Purchasers of registered shares are entered in the shareholders' register as shareholders with voting rights upon application, if they expressly state that they have acquired the registered shares in their own name and for their own account. As provided by Article 6 of the Articles of Incorporation of Adval Tech Holding Ltd dated May 6, 2010, purchasers of shares will not be registered with voting rights for more than 5% of the registered share capital recorded in the Commercial Register. This is subject to Art. 685d, para. 3, of the Swiss Code of Obligations. Groups of individuals who are associated with each other and act in concert to circumvent the registration restrictions are regarded as a single purchaser. The Board of Directors can permit exceptions. In 2006, the Board of Directors granted an exception in favor of Artemis Beteiligungen II AG, which acquired its holding from Franke Holding AG in the second

half of 2005. Beneficial ownership remained unaffected by this transaction. On January 30, 2007, the Board of Directors permitted an exception in favor of Willy Michel, which was granted in connection with a cooperation agreement. Furthermore, these voting restrictions do not apply to the shareholders who were registered with a holding of registered shares exceeding 5% of all share votes when the provisions of the Articles of Incorporation regarding voting restrictions were issued (Rudolf Styner and from November 11, 2010, the heirs of Rudolf Styner respectively, Hansruedi Bienz, Einfache Gesellschaft Dreier). The exceptions granted were confirmed by the Board of Directors with reference to the increase in share capital in May 2008. Repeal of the registration restrictions requires the approval of the annual general meeting by at least two-thirds of the shares voted. Fiduciary entries in the shareholders' register are only possible without voting rights. The Articles of Incorporation of Adval Tech Holding Ltd regarding quorum requirements conform to legal provisions (Art. 704, Swiss Code of Obligations).

Invitations to the annual general meeting are issued by publication in the Swiss Official Commercial Gazette no less than 20 days prior to the annual general meeting. Shareholders entered in the shareholders' register can also be invited in writing. Shareholders representing shares with a par value of not less than CHF 1 million can request the inclusion on the agenda of items for discussion. This request must be submitted to the Board of Directors up to 45 days prior to the annual general meeting with details of the item for discussion and the motion proposed. There are no regulations differing from the Swiss Code of Obligations regarding the convening of a general meeting. Shareholders who are entered with voting rights in the shareholders' register at least 14 days prior to the annual general meeting are entitled to vote at the meeting.

Shareholders who have sold shares prior to the annual general meeting are not entitled to vote in respect of the shares sold. The provisions of the Ar-

ticles of Incorporation governing attendance at the AGM comply with the Swiss Code of Obligations.

Change of control and defensive measures

The Articles of Incorporation of Adval Tech Holding Ltd include no provisions for "opting-out" or "opting-up" upon reaching the legal value threshold. The contracts of employment of directors and officers also include no clauses relating to change of control.

Auditors

PricewaterhouseCoopers AG in Bern, i.e. their legal predecessors Revisuisse PriceWaterhouse, were elected as statutory auditors for Adval Tech Holding Ltd and as group auditors in 1991. Hanspeter Gerber acts as lead auditor (since 2010). Auditors for Adval Tech Holding Ltd and the consolidated financial statements are elected for a term of office of one year. Audit fees invoiced by PricewaterhouseCoopers AG in 2010 totaled CHF 546,000. The following fees were also paid to PricewaterhouseCoopers AG in 2010:

	Fee in CHF
Tax consulting	132,000
Projects	59,000
Total additional fees	191,000

The auditors report their audit findings in writing to the Board of Directors and the Audit Committee at least twice a year. The significant findings and recommendations in the auditors' reports are discussed in detail with the Audit Committee and, when necessary, with the Board of Directors as a whole and group management. The auditors also attended three meetings of the Audit Committee in 2010 in order to explain the results of their audit. A detailed management report was drawn up by the auditors on each occasion to summarize the results of the interim audit and the audit of the annual financial statements; this served as the basis for explanations to the Audit Committee and the Board of Directors as a whole.

The Audit Committee reviews the audit concept annually and stipulates the audit schedule after consultation with the auditors and the Chairman of the Board of Directors, and defines the fee framework. The committee also periodically reviews the independence of the auditors (their personal independence and that of the auditing firm), the provision of the relevant resources by the auditors, practical recommendations for the implementation of the Swiss GAAP FER guidelines, their understanding of the business units and the company's specific business risks, cooperation with the Audit Committee and group management, and the compatibility of the audit mandate with any other consulting contracts. Consulting contracts awarded to the auditors for more than CHF 0.1 million per contract must be approved by the Audit Committee before being awarded. For the year under review, the Audit Committee and the Board of Directors as a whole have concluded that the independence of the auditors is fully guaranteed.

As regards rotation of the lead auditor, the Board of Directors complies with the legal requirements under the Swiss Code of Obligations, i.e. the lead auditor is replaced every seven years in the process of rotation.

Information policy

Adval Tech attaches great importance to pursuing an open information policy and maintaining contacts with investors, financial analysts, business journalists and other interested parties. CEO Jean-Claude Philipona and CFO Markus Reber are available to these target groups as the persons to contact directly.

Adval Tech publishes its results in an annual report and a semi-annual report, and also in press releases. A results press conference and a presentation to financial analysts are also held to explain the annual results. The annual and semi-annual reports can be accessed on the Adval Tech Group's Web site or can be ordered from the company in printed form.

The company's official publication medium is the Swiss Official Commercial Gazette (SOCG). Publications in connection with maintaining the listing of the registered shares on the SIX Swiss Exchange are made in conformity with the listing regulations of the SIX Swiss Exchange. This can be accessed at www.six-exchange-regulation.com/admission/listing_en.html.

Detailed information regarding disclosure reports can be accessed at www.six-exchange-regulation.com/publications/published_notifications/major_shareholders_en.html.

Important events are announced in compliance with the ad hoc publicity requirements of the SIX Swiss Exchange and made public (so-called push and pull system).

Information on transactions with the company's shares by the Board of Directors and group management are published regularly at www.six-exchange-regulation.com/obligations/management_transactions/notifications_en.html.

The press releases published by the company, the Articles of Incorporation and the regulations governing the organization and conduct of business of Adval Tech Holding Ltd can be accessed on the Internet at www.advaltech.com.

Direct link for press releases: <http://www.advaltech.com/en/group/news/press-releases.html>

Direct link for the Articles of Incorporation and regulations governing the organization: <http://www.advaltech.com/en/group/corporate-governance/articles-of-incorporation-and-rules.html>

Press releases published by Adval Tech can also be ordered for delivery free of charge and promptly via an e-mail distribution service on the Web site or via RSS Feed.

Direct link for registrations to receive ad hoc announcements: www.advaltech.com/en/advaltech/contact.html

Contact:

Jean-Claude Philipona
Chief Executive Officer

Markus Reber
Chief Financial Officer

Phone +41 31 980 84 44
www.advaltech.com

Agenda

General meeting of shareholders 2011:
Thursday, May 12, 2011, Bern

Announcement of semi-annual results:
Friday, August 26, 2011

**FINANCIAL REPORTS
OF THE ADVAL TECH GROUP
FOR 2010**

CONSOLIDATED BALANCE SHEET

CHF 1,000	Notes	12/31/2010	12/31/2009
Liquid assets	5	21,397	23,496
Trade accounts receivable	6	48,658	49,497
Other receivables	7, 36	14,135	9,136
Advance payments to suppliers		1,856	805
Inventories and work in progress	8	36,957	42,107
Tangible fixed assets held for sale	10	13,766	13,766
Prepaid expenses and accrued income	9	2,762	2,832
Total current assets		139,531	141,639
Tangible fixed assets	10	122,749	144,629
Financial assets	12	3,913	1,942
Intangible assets	13	6,578	4,717
Assets from employer's contribution reserves	27	2,805	3,013
Deferred tax assets	21	2,387	3,409
Total fixed assets		138,432	157,710
Total assets		277,963	299,349
Trade accounts payable	14	26,396	23,832
Short-term interest-bearing liabilities	15, 18	5,167	4,608
Other short-term liabilities	16, 36	16,671	19,464
Prepaid income and accrued expenses	19	16,770	15,847
Short-term provisions	20	1,714	2,980
Accrued current income taxes		2,446	1,007
Total short-term liabilities		69,164	67,738
Long-term interest-bearing liabilities	17, 18	117,372	113,572
Other long-term liabilities		707	193
Long-term provisions	20, 27	2,320	5,790
Deferred tax liabilities	21	3,648	6,663
Total long-term liabilities		124,047	126,218
Total liabilities		193,211	193,956
Share capital	22	14,600	14,600
Capital reserves		146,807	146,794
Treasury stock		-1	-141
Translation differences		-18,461	-8,657
Retained earnings / accumulated losses		-58,193	-47,203
Total shareholders' equity		84,752	105,393
Total liabilities and shareholders' equity		277,963	299,349

The attached explanatory notes are an integral part of the consolidated annual financial statements of the Adval Tech Group.

CONSOLIDATED INCOME STATEMENT

CHF 1,000	Notes	2010	2009
Net income from deliveries and services		252,826	236,165
Income from manufacturing orders (valued using the percentage-of-completion method)		47,527	62,558
Net turnover	23, 31	300,353	298,723
Change in inventories of semi-finished and finished goods		-987	-15,979
Own work capitalized		5,532	2,629
Other operating income	24	11,812	12,302
Total income	31	316,710	297,675
Cost of materials and services	25	-133,462	-123,974
Personnel expenses	26	-106,604	-110,393
Other operating expenses	28	-52,410	-56,966
Operating expenses		-292,476	-291,333
Operating earnings before depreciation (EBITDA)		24,234	6,342
Depreciation on tangible fixed assets	10	-21,747	-28,080
Depreciation on intangible assets	13	-872	-979
Depreciation		-22,619	-29,059
Operating earnings (EBIT)		1,615	-22,717
Financial income	29	6,323	5,531
Financial expenses	29	-18,044	-11,633
Net financial income		-11,721	-6,102
Net result before income taxes		-10,106	-28,819
Income taxes	30	-834	2,256
Net result		-10,940	-26,563

The attached explanatory notes are an integral part of the consolidated annual financial statements of the Adval Tech Group.

SHAREHOLDERS' EQUITY

CHF 1,000	Share capital	Capital reserves	Treasury stock	Translation differences	Ret. earnings acc. losses	Total share-holders' equity
At January 1, 2009	14,600	146,799	-145	-10,050	-20,640	130,564
Net result after taxes	0	0	0	0	-26,563	-26,563
Translation differences	0	0	0	1,393	0	1,393
Purchase/sale of treasury stock	0	-5	4	0	0	-1
At December 31, 2009	14,600	146,794	-141	-8,657	-47,203	105,393
Net result after taxes	0	0	0	0	-10,940	-10,940
Translation differences	0	0	0	-9,804	0	-9,804
Transfers	0	50	0	0	-50	0
Purchase/sale of treasury stock	0	-37	140	0	0	103
At December 31, 2010	14,600	146,807	-1	-18,461	-58,193	84,752

The attached explanatory notes are an integral part of the consolidated annual financial statements of the Adval Tech Group.

CONSOLIDATED CASH FLOW STATEMENT

CHF 1,000	Notes	2010	2009
Net result after taxes		-10,940	-26,563
Depreciation on tangible fixed assets	10	21,747	28,080
Impairment of financial assets / depreciation on intangible assets	13	872	979
Increase (+) / decrease (-) in long-term and short-term provisions		-4,492	1,494
Increase (+) / decrease (-) in provision for deferred taxes		-1,834	-3,047
Gain (-) / loss (+) on sales of tangible fixed assets		-912	-166
Other transactions with no impact on liquidity		1,153	-7,300
Cash provided by operating activities before change in net current assets		5,594	-6,523
Increase (-) / decrease (+) in receivables		-4,272	4,249
Increase (-) / decrease (+) in inventories		-782	21,056
Increase (-) / decrease (+) in prepaid expenses and accrued income		11	-228
Increase (+) / decrease (-) in short-term liabilities		10,761	-11,403
Cash provided by operating activities		11,312	7,151
Capital expenditure	10	-12,350	-13,401
Income from sales of tangible fixed assets		2,057	499
Investments in financial assets	12	-3,681	-1,909
Income from sales of financial assets	12	4,163	907
Investments in intangible assets	13	-3,082	-453
Income from sales of intangible assets	13	0	0
Net cash drain from acquisitions		-3,942	0
Cash used for investing activities		-16,835	-14,357
Free cash flow		-5,523	-7,206
Purchase (-) / sale (+) of treasury stock		-42	-1
Increase (+) / decrease (-) in short-term/long-term debt		4,992	-1,275
Cash provided by financing activities		4,950	-1,276
Translation differences		-1,526	149
Changes in liquid assets		-2,099	-8,333
Liquid assets on December 31		21,397	23,496
Liquid assets on January 1		23,496	31,829
Change in liquid assets		-2,099	-8,333

The attached explanatory notes are an integral part of the consolidated annual financial statements of the Adval Tech Group.

The item "Other changes with no impact on liquidity" includes primarily the price differences from the adoption of the net investment approach recognized in equity and the change in assets from employer's contribution reserves less the profit from a rental transaction involving production facilities that has no impact on liquidity.

The net outflow of funds from acquisitions arises from the payment of obligations for the second tranche of shares in Omni Investors Pte. Ltd in Singapore.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. CHANGE FROM IFRS TO SWISS GAAP FER

The Adval Tech Group changed its financial reporting standards from IFRS (International Financial Reporting Standards) to Swiss GAAP FER with effect from January 1, 2010. The balance sheet figures appearing in the financial report as of January 1, 2009, and for the 2009 financial year have been restated and are thus comparable. The change from IFRS to Swiss GAAP FER has the following material impact on the valuation and accounting methods described in the Adval Tech Group's consolidated financial statements for 2009:

- Under IFRS goodwill is regarded as an intangible asset with unlimited useful life and subject to an annual impairment test. In contrast to this, Swiss GAAP FER calls for goodwill to be capitalized and amortized over a period usually of 5 to 20 years using the straight-line method, or to be offset directly against retained earnings in shareholders' equity upon acquisition. In order to simplify comparisons of the net result with previous years, the Board of Directors has opted to offset the goodwill included from the acquisitions of Teuscher Kunststoff-Technik AG, QSCH Termelő és Kereskedelmi Kft. and Omni Investors Pte. Ltd against shareholders' equity upon acquisition. The residual values of the purchase price allocations to tangible and

intangible assets in connection with these acquisitions stated in the balance sheet at December 31, 2008, have been adopted without any changes. These will continue to be amortized as planned. See Note 13 for disclosure of the theoretical capitalization of goodwill.

- According to IFRS, the pension plans of the Adval Tech companies in Switzerland are deemed to be defined-benefit plans, so that an annual actuarial calculation of liabilities or assets applying a recognized international method is prescribed. In contrast, Swiss GAAP FER provides in principle for the financial statements of the pension funds to be used to calculate the surpluses or shortfalls. Employer's contribution reserves or comparable items are recorded as assets as long they fulfill the relevant conditions.
- Gains and losses on sales of company shares are stated in capital reserves under Swiss GAAP FER. The previous year's figures have been transferred accordingly in this connection.

The change from IFRS to Swiss GAAP FER has the following impact on shareholders' equity:

	Shareholders' equity under IFRS	Goodwill offset	Adjustments to payments to employees	Other adjustments and currency translation differences	Shareholders' equity under Swiss GAAP FER
12/31/2008	198,107	-69,341	2,371	573	130,564
12/31/2009	171,380	-68,258	2,977	-706	105,393

The change from IFRS to Swiss GAAP FER had the following impact on the net after-tax result:

	Net after-tax result under IFRS	Adjustments to payments to employees	Adjustments to deferred income taxes	Net result under Swiss GAAP FER
12/31/2009	-27,036	606	-133	-26,563

2. PRINCIPLES OF CONSOLIDATION AND VALUATION

2.1 Accounting principles

The consolidated financial statements are based on the financial statements drawn up by the individual group companies in accordance with uniform principles at balance sheet date.

They have been prepared in conformity with the full regulatory framework of Swiss GAAP FER, as issued by the Foundation for Accounting & Reporting Recommendation. The consolidated financial statements provide a true and fair view of the company's financial position, results of operations and cash flows.

The consolidated financial statements are based in principle on the lower of acquisition/manufacturing cost or market value. This excludes derivative financial instruments stated in the balance sheet at market value. Assets and liabilities are valued individually.

Preparing the consolidated financial statements in conformity with the applicable reporting standards calls for estimates and assumptions to be made which influence the figures stated for assets and liabilities as well as contingent claims and liabilities on balance sheet date and income and expenses in the period under review. Actual results can differ from these estimates. Items including substantial estimates are inventories (analysis of turnover, PoC method), tangible fixed assets (useful lives), intangible assets (useful lives, impairment calculations), provisions and deferred taxes (recognition for tax loss carryforwards).

2.2 Consolidation principles

Capital consolidation is performed according to the purchase method.

Subsidiaries and investment holdings are included in the scope of consolidation from the date of ac-

quisition, change of control or incorporation. On that date, assets and liabilities are valued at the principles of the Adval Tech Group based on Swiss GAAP FER. Transaction costs are added to the purchase price. Any positive difference between the purchase price and the shareholders' equity of the acquired company after revaluation (goodwill) is offset against the group's shareholders' equity on the date of acquisition. Any negative capital offsetting difference (negative goodwill) is added to shareholders' equity on the date of acquisition. Conditional future payments are included in the purchase price on the date of acquisition and regularly reappraised thereafter.

Companies are included in the consolidation according to the following **methods**:

- Companies in which Adval Tech Holding Ltd holds a direct or indirect voting interest of **more than 50%** and/or exercises management and control are fully consolidated. In such cases, assets and liabilities, expenses and income are included in full in the consolidated financial statements. If appropriate, minority interests of other shareholders in net assets and net profit are segregated and stated separately. In such cases the interests can optionally be stated in the balance sheet at fair value or as a proportion of the value of the net assets of the company acquired. Accounts receivable, accounts payable, income and expenses between group companies are mutually offset. Intragroup profits or losses on intercompany deliveries are eliminated via the income statement.
- Associated companies over which the group exercises significant influence, but neither controls nor manages, are included in the consolidated financial statements using the equity method. This is usually the case with investments in which Adval Tech holds an interest of **20% to 50%**. The share of profits and shareholders' equity attributable to the Adval Tech Group is then included.
- Investments over which Adval Tech exercises no significant influence, usually holding interests of

less than 20%, are included in the balance sheet at purchase prices less any value adjustment.

The companies included in the consolidation and the exchange rates applied are listed in explanatory note 4 to the consolidated financial statements.

2.3 Foreign currency translation

The consolidated financial statements are drawn up in Swiss francs (CHF), the reporting currency of the Adval Tech Group. The items included in the financial statements of the individual group companies are stated in the currency of the economic region in which the company primarily operates (functional currency).

The group applies the following principles in respect of foreign *currency translation*:

- The balance sheets of companies which do not prepare their financial statements in the group's reporting currency are translated at year-end exchange rates, their income statements at average rates for the year. The differences arising from translation are directly credited or debited to shareholders' equity.
- Gains or losses on currency transactions by the companies are posted to the income statement.
- Exchange rate differences arising on loans granted to group companies by the parent company for long-term financing of investments are posted directly to shareholders' equity if the loan was granted in the book currency of the lender or the borrower.

2.4 Derivative financial instruments

Derivative financial instruments are always stated at market value. Adjustments to market value are made via the income statement or in certain cases with no impact on income (hedge accounting).

2.5 Liquid assets

Liquid assets include cash, credit balances on postal and bank accounts as well as time deposits maturing within 90 days and marketable, short-term cash deposits as well as readily realizable se-

curities which can be converted into liquid funds at any time. Bank accounts with negative balances are included in short-term liabilities.

2.6 Receivables

This item includes trade accounts receivable and other short-term receivables. The latter also include time deposits maturing in more than 90 days up to one year and that portion of long-term assets maturing within one year. Receivables of more than CHF 10,000 are depreciated individually. The depreciation requirement is based on estimates, empirical evidence and the age structure of the receivables, bankruptcy filings already known of, legal proceedings as well as political effects. In the case of receivables amounting to less than CHF 10,000, which have been not depreciated individually, the credit risk is accounted for according to age classification.

2.7 Inventories and work in progress

Inventories and work in progress are stated at the lower of acquisition/manufacturing cost or realizable value. Costs are calculated using the weighted-average-price method. Manufacturing costs include direct personnel expenses and cost of materials as well as the relevant share of overheads. Discounts are regarded as reductions in the cost of acquisition. Inventory risks are identified by means of coverage analyses and individual observation, and provisions made accordingly. Long-term orders are stated according to the percentage-of-completion method. Income and costs are taken into account according to the degree of completion. The degree of completion is calculated by establishing the ratio of the costs incurred for the services rendered up to the relevant balance sheet date to the costs expected for the order as a whole.

Orders for which advance payments made by customers are less than the value of work in progress are included in the balance sheet as net assets in the work in progress item. If advance payments for an order are larger than the value of the work performed, the corresponding net liability is stated as advance payments by customers.

2.8 Assets held for sale

Long-term assets whose book value is realized essentially by their sale, usually within one year, rather than by further operational utilization, are stated separately as a short-term item in the consolidated balance sheet. They are stated at the lower of book value or disposal value less cost of disposal.

2.9 Tangible fixed assets

Tangible fixed assets are stated at cost less accrued depreciation, which is calculated using the straight-line method on the basis of estimated useful life. In the case of buildings we apply a useful life of 30 to 40 years. Interior finishing of the buildings and their equipment are amortized over 8 to 15 years. For plant and machinery we apply a useful life of 5 to 15 years, for especially long-lived machinery up to 25 years. For workshop, storage and office equipment included in "Other tangible fixed assets" and for vehicles and IT hardware and software we assume a useful life of 3 to 15 years. Leased fixed assets are amortized over the planned duration of the project. Repair and maintenance expenses are charged to income. Extensive equipment overhauls are only capitalized if they result in measurable capital appreciation in the form of higher performance or longer useful life. Interest expenses arising during the erection of the plant are debited to income.

2.10 Financial assets

Financial assets consist of investment holdings consolidated using the equity method, other investments, securities in the nature of long-term investments and long-term loans to third or related parties. They are valued at acquisition cost less any value adjustment. This also includes receivables under finance leases. The Adval Tech Group concludes finance lease agreements with its customers in the course of its operating business. These agreements are concluded for the tools, molds and equipment used for serial component manufacture. They are recognized at their net present value on the relevant reporting date less any impairment. Income

from accrued interest on receivables is recognized as interest income.

2.11 Intangible assets

Acquired patents, licenses and trademarks are valued at acquisition or manufacturing cost if their earnings potential can be reliably estimated and the other applicable criteria of Swiss GAAP FER 10 are fulfilled.

Research costs are recognized in the income statement. Expenditure on in-house development projects is capitalized at manufacturing cost or maximum realizable value of their benefits as development costs and amortized over their expected useful life, not exceeding ten years, if their earnings potential can be reliably estimated.

Other discernable intangible assets arising from acquisitions, such as customer relationships or orders in hand, are stated in the balance sheet at market value as "Other intangible assets". These are amortized over their expected useful life using the straight-line method. In the case of capitalized development costs this is 5 to 10 years. In the case of other intangible assets it is 4 to 10 years.

2.12 Leasing of capital goods

Capital goods financed by long-term leasing contracts (finance leases) are capitalized and amortized over their useful life. The corresponding leasing commitments are included under short-term or long-term liabilities.

2.13 Impairment of assets

If there is evidence of impairment of assets, their realizable value is estimated. Impairments are posted to income if the carrying value of an asset is higher than its realizable value; this is the higher of the net disposal value and the useful value of an asset, which corresponds to the net present value of the estimated future cash flow.

2.14 Short-term liabilities

Trade accounts payable, prepaid income as well as short- and long-term financial liabilities are valued at ongoing acquisition values.

Trade accounts payable and other liabilities are regarded as short-term if they mature in less than one year. This item also includes that portion of long-term liabilities that is due for repayment within one year.

2.15 Provisions

Warranties, risks, impending losses and restructuring costs are included in provisions. These provisions relate exclusively to transactions originating in the past. The size of the provisions reflects the probable future outflow of funds which can be reliably estimated. Provisions are stated at net present value if the related outflow of funds is expected to occur more than one year after balance sheet date. Net present values are adjusted via financial expenses.

2.16 Pensions / Payments to employees

Various pension plans exist within the group, governed by local conditions in the countries concerned. They are financed either by contributions to legally independent pension providers (foundations, insurers), by contributions to state pension schemes in the context of the legal framework in the country concerned or by the creation of reserves for pension liabilities. An annual assessment is made as to whether a financial benefit or a financial liability exists from the standpoint of the group. A corresponding sum is stated in the balance sheet. The expenses for the period correspond to the contributions by the employer and the change in financial benefit or financial liability.

Provisions are made for further benefit claims by employees, such as claims to long-service bonuses based on conditions of employment.

2.17 Shareholders' equity

The following distinctions are made in respect of reserves:

- The difference between shareholders' equity and the original cost of the investment holdings stated in the context of the uniform valuation of assets and liabilities on January 1, 1996, is posted to capital reserves. The initial change in reporting standards from commercial law to Swiss GAAP FER, combined with a revaluation of assets, was made on this date. The share premium arising from increases in share capital and from income from the purchase or sale of treasury stock are also included here.
- Retained earnings include all gains and losses generated by the group itself since January 1, 1996, and not distributed, together with goodwill offset against shareholders' equity.

2.18 Income recognition

Income is recognized when it is certain that the financial benefit associated with the transaction will accrue to the company and can be reliably estimated. Income from sales of goods is deemed to be realized when use and risk pass to the customer. Revenues arising from manufacturing orders valued using the percentage-of-completion method are included according to the progress of the work. The percentage of completion is calculated using the cost-to-complete method. Discounts granted are regarded as sales deductions.

Net turnover therefore comprises income from manufacturing orders (valued using the percentage-of-completion method) and net income from deliveries and services.

2.19 Income taxes

Current income taxes are calculated on the taxable profits of the individual companies in conformity with local tax legislation and allocated to the period in which they accrue.

Temporary valuation differences arise due to differing valuations of assets and liabilities in the individual financial statements for taxation purposes and the consolidated financial statements. Deferred income tax is calculated on all temporary valuation

differences at current or future tax rates, if these are foreseeable.

Accumulated losses which can be utilized for tax purposes are only stated as deferred tax assets if a tax benefit from an offset of the loss is probable.

2.20 Relationships with related parties

Relationships with related individuals and companies are recorded separately and disclosed if material. Individuals and companies having a special interest in the development of the Adval Tech Group and/or in a position to influence the business activities of the Adval Tech Group directly or indirectly are deemed to be related parties. In particular, major shareholders, group pension funds and members of the Board of Directors and group management are deemed to be related parties.

2.21 Share-based payment

A part (no less than 20%, no more than 100%) of the variable remuneration of group management and other members of supervisory staff is disbursed in shares. The number of shares allotted is calculated on the basis of the average price of the registered shares in February of the year following the financial year. The cost of variable remuneration in cash and shares is accrued as personnel expenses. The shares allotted as variable remuneration cannot be sold for five years.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risks

The Adval Tech Group is exposed to various financial risks in the context of its business activities, such as currency risks, interest rate risks, credit risks and liquidity risks. It seeks through systematic management to minimize any adverse effects of the related fluctuations on its financial results.

The group's financial risk management is conducted centrally by the Group Finance Department in close cooperation with the finance departments of

the segments and companies. For its financial risk management, the group occasionally utilizes derivative financial instruments.

3.2 Interest rate risk

There are no material interest-bearing assets, so income and cash flow from operations remain unaffected by changes in market interest rates.

The group utilizes mainly variable interest-bearing credits in Swiss francs for external financing; these entail a cash flow interest rate risk. Derivative financial instruments are utilized in some cases to hedge cash flow interest rate risks.

3.3 Credit risk

Credit risks can arise on liquid assets, credit balances with financial institutions and lending to customers. Liquid assets and credit balances with financial institutions are for the most part invested with banks having a credit rating of at least A+. Local banks are sometimes also used due to prevailing local conditions at subsidiaries.

Credit risks are minimized by continuous monitoring of overdue payments from counterparties and by verifying the creditworthiness of new business partners. Any necessary provisions are made or released continuously against income. These activities are primarily pursued at the local level. Due to the differences in business models and customer structures, no generally valid credit limits for the group as a whole are applied. Depending on transaction and customer, credit risks can be hedged by means of letters of credit or bank guarantees.

3.4 Currency risks

The Adval Tech Group is exposed to currency risks by virtue of its international activities. The currency risk is reduced primarily by direct balancing of payments flows in foreign currencies. Derivative financial instruments are utilized on a case-by-case basis to reduce exchange risks further. The utilization of these hedging instruments is coordinated centrally.

In principle, only risks arising from the operating activities are hedged.

3.5 Liquidity risk

The Adval Tech Group monitors the liquidity risk by means of prudent liquidity management. Available liquidity and compliance with financial covenants are continuously monitored at group level.

4. SCOPE OF CONSOLIDATION

The following companies are included in the consolidated financial statements:

Company	Registered office	Share capital	Equity holding
Adval Tech Holding Ltd	Niederwangen, Switzerland	TCHF 14,600	
Adval Tech Management Ltd	Niederwangen, Switzerland	TCHF 100	100%
Styner+Bienz FormTech Ltd	Niederwangen, Switzerland	TCHF 3,050	100%
Styner+Bienz do Brasil Ltda.	São José dos Pinhais PR, Brazil	TBRL 939	100%
Styner+Bienz US Inc.	Cleveland, OH, USA	TUSD 1	100%
QSCH Termelő és Kereskedelmi Kft.	Szekszárd, Hungary	TEUR 1,800	100%
AWM Plast Tech Ltd	Merenschwand, Switzerland	TCHF 600	100%
Teuscher Kunststoff-Technik AG	Grenchen, Switzerland	TCHF 2,000	100%
Omni Investors Pte. Ltd	Singapore	TUSD 13,517	100%
Omni Industries Holdings Pte. Ltd	Singapore	TUSD 56,885	100%
Omni Plastics (Thailand) Co. Ltd	Rayong, Thailand	TTHB 40,000	100%
Omni Plastics (Suzhou) Co. Ltd	Suzhou, China	TUSD 4,160	100%
Omni Plastics (Xiamen) Co. Ltd	Xiamen, China	TUSD 3,100	100%
Omni Precision Sdn. Bhd.	Johor Bahru, Malaysia	TUSD 505	100%
Omni Plastics (Shanghai) Co. Ltd	Shanghai, China	TUSD 1,500	100%
Omni Engineering Shanghai Co. Ltd	Shanghai, China	TUSD 2,800	100%
Omni Industries Tech Centre (Suzhou) Co. Ltd	Suzhou, China	TUSD 3,500	100%
Omni Manufacturing Services S.A. de C.V.	Querétaro, Mexico	TUSD 3,500	100%
Omni HR Resource Services S.A. de C.V.	Querétaro, Mexico	TUSD 5	100%
AWM Mold Tech AG	Muri (AG), Switzerland	TCHF 600	100%
AWM Swiss Technology Ltd	Hong Kong, China	THKD 10	100%
AWM Mold Tech Trading (Shanghai) Co. Ltd	Shanghai, China	TUSD 1	100%
AWM Mold Service US Inc.	Beverly, MA, USA	TUSD 1	100%
FOBOHA Holding GmbH	Haslach, Germany	TEUR 25	100%
FOBOHA GmbH	Haslach, Germany	TEUR 512	100%
FOBOHA US Inc.	Beverly, MA, USA	TUSD 1	100%

AWM Plastpack Ltd and AWM Mold Tech Ltd, both in Muri, Switzerland, were merged with effect from January 1, 2010. The new company trades under the name of AWM Mold Tech Ltd.

Styner+Bienz US Inc. in Cleveland, USA, was incorporated in mid-2010. The company assembles and supplies components for the automotive industry, primarily in the US as well as to China and Europe.

The share capital of QSCH Termelő és Kereskedelmi Kft. was increased by EUR 0.8 million in the year under review.

There were no other changes in the scope of consolidation. The scope of consolidation was unchanged in the previous year.

Exchange rates

The financial statements are based on the following exchange rates for foreign currencies:

	on Dec. 31, 2010	Average in 2010	on Dec. 31, 2009	Average in 2009
BRL	0.56470	0.59478	0.59850	0.54906
CNY	0.14206	0.15427	0.15202	0.15917
EUR	1.24680	1.38330	1.48770	1.51022
HKD	0.12090	0.13430	0.13390	0.14007
THB	0.03126	0.03311	0.03122	0.03184
USD	0.94080	1.04331	1.03800	1.08573

5. LIQUID ASSETS

Liquid assets include:

CHF 1,000	12/31/2010	12/31/2009
Cash	61	70
Postal account	48	196
Banks	20,490	22,553
Short-term time deposits	798	677
Liquid assets	21,397	23,496

6. TRADE ACCOUNTS RECEIVABLE

CHF 1,000	12/31/2010	12/31/2009
Total trade receivables (gross)	49,978	51,006
Provisions (allowance for doubtful receivables)	-1,320	-1,509
Total trade receivables (net)	48,658	49,497
of which trade receivables from third parties	47,980	48,865
of which trade receivables from related parties	678	632

CHF 10.1 million of receivables were overdue on balance sheet date (CHF 14.1 million in 2009), of which CHF 2.8 million by more than 30 days.

In the past three years loan losses have been in the region of 0.2% of total income.

Provisions on the receivables are as follows:

	CHF 1,000	2010	2009
Total on January 1	-1,509	-846	
Provisions made	-174	-833	
Utilized	10	77	
Released	310	91	
Currency translation differences	43	2	
Total on December 31	-1,320	-1,509	

7. OTHER RECEIVABLES

	CHF 1,000	12/31/2010	12/31/2009
Receivables from positive replacement values of derivative financial instruments	0	53	
Other short-term receivables	14,135	9,083	
Total other receivables	14,135	9,136	

The other short-term receivables originate from both segments. While other short-term receivables in the Medical & Consumer Goods Segment declined in the year under review, they increased in the Automotive Segment, resulting in an overall increase of CHF 4.4 million compared with the previous year. The majority of this increase was attributable to the sale of the Bodenweid production plant to Stoppani AG with effect from December 31, 2010. The other short-term receivables also include VAT assets, the portion of finance lease claims due within one year and credit balances with insurers.

8. INVENTORIES AND WORK IN PROGRESS

	CHF 1,000	12/31/2010	12/31/2009
Trading goods	1,964	885	
Raw material	6,461	7,552	
Semi-finished and finished goods	23,687	29,627	
Work in progress long-term orders	11,196	20,043	
Work in progress other orders	5,207	1,152	
Provisions	-11,558	-17,152	
Total inventories and work in progress	36,957	42,107	

The total inventories and work in progress includes CHF 2.2 million stated at net realizable value (CHF 4.2 million in 2009).

Long-term orders valued according to the PoC method are as follows:

CHF 1,000	12/31/2010		12/31/2009	
	Assets	Liabilities	Assets	Liabilities
Work in progress	16,187	-4,991	31,740	-11,697
Advance payments by customers	-4,991	13,366	-11,697	20,548
Net assets from work in progress	11,196	0	20,043	0
Net liabilities from work in progress	0	8,375	0	8,851

The manufacturing costs of orders valued using the percentage-of-completion method totaled CHF 14.2 million (CHF 19.1 million in 2009). The stated profit was CHF 1.8 million (CHF 3.7 million in 2009).

Advance payments by customers for work in progress on other orders have also been offset against inventories.

CHF 1,000	12/31/2010		12/31/2009	
	Assets	Liabilities	Assets	Liabilities
Work in progress	6,013	-806	1,279	-127
Advance payments by customers	-806	3,665	-127	628
Net assets from work in progress	5,207	0	1,152	0
Net liabilities from work in progress	0	2,859	0	501

Net liabilities arising from work in progress, both long-term and other orders, are stated in the balance sheet under "Other short-term liabilities."

9. PREPAID EXPENSES AND ACCRUED INCOME

Prepaid expenses and accrued income of CHF 2.8 million in the year under review were unchanged compared with the previous year. The increase in prepaid expenses and accrued income in the Medical & Consumer Goods Segment was offset by a slight reduction at the group management companies.

10. TANGIBLE FIXED ASSETS

The development of tangible fixed assets is shown in the following group summary:

CHF 1,000	Land	Buildings	Production equipment and machinery	Other tangible fixed assets	Leased equipment	Installations under construction	Total
Cost							
at January 1, 2009	6,322	107,796	192,408	47,632	5,532	3,319	363,008
Changes in the scope of consolidation							0
Capital expenditure in the year under review	0	1,201	12,457	2,275	953	-2,614	14,272
Disposals	0	-136	-5,488	-995	0	0	-6,619
Other changes	0	854	-403	-914	11	-237	-689
Change in acc. translation diff.	-1	-58	1,450	248	-21	42	1,660
at December 31, 2009	6,321	109,657	200,424	48,246	6,475	510	371,632
Changes in the scope of consolidation							0
Capital expenditure in the year under review	0	2,314	4,989	2,382	1,112	1,655	12,452
Disposals	0	-248	-23,454	-12,420	0	-14	-36,136
Other changes							0
Change in acc. translation diff.	-217	-3,367	-12,111	-2,086	-101	-385	-18,267
at December 31, 2010	6,104	108,356	169,848	36,122	7,486	1,766	329,681
Accumulated depreciation							
at January 1, 2009	0	-39,042	-115,061	-33,511	-5,184	315	-192,483
Changes in the scope of consolidation							0
Depreciation in the year under review	0	-4,693	-16,086	-5,067	-552	0	-26,398
Impairment provision	0	-1,682	0	0	0	0	-1,682
Impairment release							0
Disposals	0	136	5,347	803	0	0	6,286
Other changes	0	335	373	970	-1	37	1,714
Change in acc. translation diff.	0	27	-605	-133	22	15	-674
at December 31, 2009	0	-44,919	-126,032	-36,938	-5,715	367	-213,237
Changes in the scope of consolidation							0
Depreciation in the year under review	0	-3,993	-14,246	-3,137	-371	0	-21,747
Impairment provision							0
Impairment release							0
Disposals	0	170	18,266	11,627	0	0	30,063
Other changes	0	-1	0	1	0	0	0
Change in acc. translation diff.	0	1,124	8,792	1,578	76	185	11,755
at December 31, 2010	0	-47,619	-113,220	-26,869	-6,010	552	-193,166

CHF 1,000	Land	Buildings	Production equipment and machinery	Other tangible fixed assets	Leased equipment	Installations under construction	Total
Book values							
at January 1, 2009	6,322	68,754	77,346	14,121	348	3,634	170,525
at December 31, 2009	6,321	64,738	74,391	11,308	760	877	158,395
at December 31, 2010	6,104	60,737	56,627	9,253	1,476	2,318	136,515
Of which leased installations (finance leases)							
at January 1, 2009	0	0	1,032	261	0	0	1,293
at December 31, 2009	0	0	1,496	184	0	0	1,680
at December 31, 2010	0	0	748	0	0	0	748
Of which for disposal (book values)							
at January 1, 2009	0	0	0	0	0	0	0
at December 31, 2009	624	13,142	0	0	0	0	13,766
at December 31, 2010	624	13,142	0	0	0	0	13,766

The Adval Tech Group has no undeveloped real estate available.

A property in Muri and one in Merenschwand have been designated for sale, since they are no longer needed as a result of the restructuring programs completed in 2010. The sale process was initiated in the second half of 2009. In this context, value adjustments of CHF 1.7 million were made on the basis of appraisals of market value by external experts. The property disposals concern the Automotive and Medical & Consumer Goods segments. The book values of the tangible fixed assets designated for sale have been reclassified under current assets.

The leased machinery and equipment and other tangible fixed assets at the end of 2010 relate to manufacturing equipment at companies in the Automotive Segment.

Investments in the year under review include no assets acquired under financial leasing contracts which were not balanced by any direct cash outflow (CHF 0.9 million in 2009). However, on the basis of agreed terms of payment, CHF 0.1 million of the investment volume stated will not become cash-effective until 2011.

Orders totaling CHF 1.7 million were outstanding on December 31, 2010, for capital goods which had not yet been delivered or invoiced and were therefore not yet included in tangible fixed assets (CHF 0.8 million in 2009).

Retirements of fixed assets also include the values surrendered in connection with the sale of the Bodenweid plant (see also Note 7).

11. INCOME FROM LEASING TRANSACTIONS

Leasing contracts have been concluded with customers for dies and molds with which Adval Tech manufactures components. Rental payments are used to amortize the cost of the manufacturing equipment and in most cases depend on the number of components delivered. The rental income to be expected from these contracts in future is:

	CHF 1,000	12/31/2010	12/31/2009
within one year	189	114	
in two to five years	87	166	
after more than five years	0	4	
Total future rental income	276	284	

The increase in receivables from finance lease agreements is chiefly attributable to the Automotive Segment. In connection with the signing of an amortization agreement for an assembly unit that is classed as a finance lease, the corresponding value was reclassified from tangible fixed assets to financial assets. The reclassification was neutralized in the cash flow statement.

Credits from finance lease contracts stated at net present value are due for payment as follows:

	CHF 1,000	12/31/2010	12/31/2009
within one year	2,189	1,274	
in two to five years	3,364	1,191	
after more than five years	0	0	
Total future leasing income	5,553	2,465	

12. FINANCIAL ASSETS

The Adval Tech Group concludes finance lease agreements with its customers in the context of its operating business. These agreements are concluded for molds and dies used for volume component manufacture. Amortization payments usually depend on the number of components delivered per period, with a minimum amount agreed for all amortization payments.

The nominal value of these credits totals CHF 5.9 million (CHF 2.8 million in 2009). The amounts due for payment within one year are included in other short-term receivables.

	CHF 1,000	12/31/2010	12/31/2009
Receivables from finance lease contracts	3,364	1,191	
Other long-term receivables	524	635	
Long-term loans	25	116	
Total financial assets	3,913	1,942	

13. INTANGIBLE ASSETS

Intangible assets in 2010:

	CHF 1,000	Capitalized development costs	Others	Total
Cost				
at December 31, 2009		2,008	6,438	8,446
Changes in the scope of consolidation				0
Investments acquired in the year under review	486		4	490
Investments generated in-house in the year under review	2,592		0	2,592
Impairment provision				0
Impairment release				0
Disposals				0
Other changes				0
Change in accumulated translation difference	-49		-664	-713
at December 31, 2010		5,037	5,778	10,815
Accumulated depreciation				
at December 31, 2009		-1,282	-2,447	-3,729
Changes in the scope of consolidation				0
Depreciation in the year under review	-305		-567	-872
Impairment provision				0
Impairment release				0
Disposals				0
Other changes				0
Change in accumulated translation difference	49		315	364
at December 31, 2010		-1,538	-2,699	-4,237
Book values				
at December 31, 2009		726	3,991	4,717
at December 31, 2010	3,499		3,079	6,578

The other intangible assets mainly represent the value of the customer relationships gained through the acquisitions.

On December 31, 2010, no orders for capital goods were outstanding which had not yet been delivered or invoiced and were therefore not yet included in intangible assets (CHF 0.0 million in 2009).

Intangible assets in 2009:

	CHF 1,000	Capitalized development costs	Others	Total
Cost				
at December 31, 2008	1,808		6,099	7,907
Changes in the scope of consolidation				0
Investments acquired in the year under review	0		453	453
Investments generated in-house in the year under review	200		0	200
Impairment provision				0
Impairment release				0
Disposals				0
Other changes				0
Change in accumulated translation difference	0		-114	-114
at December 31, 2009	2,008		6,438	8,446
Accumulated depreciation				
at December 31, 2008	-865		-1,947	-2,812
Changes in the scope of consolidation				0
Depreciation in the year under review	-417		-562	-979
Impairment provision				0
Impairment release				0
Disposals				0
Other changes				0
Change in accumulated translation difference	0		62	62
at December 31, 2009	-1,282		-2,447	-3,729
Book values				
at December 31, 2008	943		4,152	5,095
at December 31, 2009	726		3,991	4,717

The goodwill arising from the acquisitions of Teuscher Kunststoff-Technik AG (June 1, 2005), QSCH Termelő és Kereskedelmi Kft. (May 1, 2007) and Omni Investors Pte. Ltd (January 16, 2008) was offset against shareholders' equity on the date of acquisition.

The historical cost of goodwill is shown in the following table:

CHF 1,000	12/31/2010	12/31/2009
Total at January 1	69,177	70,260
Additions	0	0
Disposals	0	0
Change in the cumulative currency difference	-5,839	-1,083
Total at December 31	63,338	69,177

If goodwill were amortized over ten years using the straight-line method rather than being offset, this would result in the following depreciation values for goodwill:

CHF 1,000	12/31/2010	12/31/2009
Total at January 1	-14,790	-8,984
Simulated depreciation	-6,901	-7,196
Reductions in value	0	0
Change in accumulated translation difference	1,269	1,389
Total at December 31	-20,421	-14,790

The theoretical net book value of the goodwill amounts to:

CHF 1,000	12/31/2010	12/31/2009
Total at December 31	42,917	54,387

The impact of theoretical capitalization and amortization of the goodwill on the income statement and shareholders' equity is shown below:

CHF 1,000	12/31/2010	12/31/2009
Net result	-10,940	-26,563
Simulated depreciation	-6,901	-7,196
Theoretical net result	-17,841	-33,759
Shareholders' equity	84,752	105,393
Theoretical value of goodwill	42,917	54,387
Theoretical shareholders' equity	127,669	159,780

14. TRADE ACCOUNTS PAYABLE

CHF 1,000	12/31/2010	12/31/2009
Trade accounts payable to third parties	26,376	23,750
Trade accounts payable to related parties	20	82
Total trade accounts payable	26,396	23,832

15. SHORT-TERM INTEREST-BEARING LIABILITIES

CHF 1,000	12/31/2010	12/31/2009
Banks	4,961	4,164
Related parties	0	149
Short-term leasing liabilities to third parties	206	295
Total short-term interest-bearing liabilities	5,167	4,608

The short-term bank loans are covered by total liquid assets of CHF 21.4 million (gross). They are mainly current account overdrafts at interest rates based on LIBOR or EURIBOR.

16. OTHER SHORT-TERM LIABILITIES

CHF 1,000	12/31/2010	12/31/2009
Advance payments by third parties	10,984	9,309
Advance payments by related parties	250	43
Other short-term liabilities to third parties	3,725	3,324
Other short-term liabilities to related parties	1,039	5,628
Liabilities arising from negative replacement values of derivative financial instruments	673	1,160
Total other short-term liabilities	16,671	19,464

Two contracts of sale were concluded on January 16, 2008, for the purchase of shares in Omni Investors Pte. Ltd, one for 85.7% (first tranche) and one for 14.3% (second tranche) of the shares. The purchase price for the first tranche was paid in January 2008. A compensation payment was made to Adval Tech in June 2008 on the basis of the Omni Group's final, normalized operating earnings in 2007. This compensation payment was deducted from the cost of acquisition. The purchase price for the second tranche depended on the Omni Group's normalized

operating earnings (EBITDA) for 2009, multiplied by a factor, and was due for payment in 2010.

As of December 31, 2009, this figure was included in other current liabilities to related parties. The payment is reported in the cash flow statement as a net outflow of funds from acquisitions.

17. LONG-TERM INTEREST-BEARING LIABILITIES

CHF 1,000	12/31/2010	12/31/2009
Long-term leasing liabilities to third parties	372	572
Long-term interest-bearing loans to third parties	117,000	113,000
Total long-term interest-bearing liabilities	117,372	113,572

The long-term interest-bearing liabilities are bank loans. They are based mainly on a revolving credit facility concluded with a banking consortium in January 2008 for up to CHF 135 million, with a term of five years. The relevant contract was revised in July 2008 following completion of the increase in share capital, in the third quarter of 2009 as well as in the fourth quarter of 2010. The revision is due to the change in the financial situation of the Adval Tech Group and the change in its reporting standards. The credit facility is dependent on compliance with key financial statistics (level of debt and interest cover, leverage ratio i.e., minimum EBITDA to be achieved in 2009 and 2010 and temporarily minimum available liquidity), all of which were complied with at the end of 2010. The amount of credit is continuously adjusted to current financial requirements in order to optimize financing costs.

18. LEASING LIABILITIES

Liabilities arising from leasing contracts are payable as follows:

CHF 1,000	12/31/2010	12/31/2009
Face value of liabilities arising from leasing contracts due		
within one year	222	321
in two to five years	386	597
in more than five years	0	0
<i>Total future payment commitments</i>	608	918
less proportionate interest on the payments	-30	-51
<i>Net present value of liabilities arising from finance leases</i>	578	867
of which short-term leasing liabilities	206	295
of which long-term leasing liabilities	372	572

19. PREPAID INCOME AND ACCRUED EXPENSES

CHF 1,000	12/31/2010	12/31/2009
Prepaid income	12,248	12,384
Unsettled accounts payable	4,522	3,463
Prepaid income	16,770	15,847

Prepaid income and accrued expenses include future payments for the following items: social security contributions and insurance premiums, accrued vacations and overtime, other non-interest-bearing values owed.

Unsettled accounts payable on balance sheet date include services received without receipt of the relevant invoice.

20. PROVISIONS

CHF 1,000	Warranty provisions	Payments to employees	Other provisions	Total
Long-term provisions at December 31, 2009	260	1,720	3,810	5,790
Short-term provisions at December 31, 2009	1,545	0	1,435	2,980
Total at December 31, 2009	1,805	1,720	5,245	8,770
Change in the scope of consolidation				0
Addition	37	36	93	166
Utilization	0	-124	-3,050	-3,174
Release of provisions no longer required	-584	0	-900	-1,484
Difference arising from currency translation	-120	-78	-68	-266
Cash value adjustments	0	22	0	22
Total at December 31, 2010	1,138	1,576	1,320	4,034
Long-term provisions at December 31, 2010	0	1,576	744	2,320
Short-term provisions at December 31, 2010	1,138	0	576	1,714
Total at December 31, 2010	1,138	1,576	1,320	4,034

"Other provisions" as of December 31, 2010, include CHF 0.2 million relating to restructuring costs at AWM Mold Tech Ltd (CHF 0.9 million in 2009). This item also includes CHF 0.4 million for provisions relating to the closure of the plant in Merenschwand (CHF 2.7 million in 2009). The provisions for restructuring and plant closure include the remaining expected costs of closure and clearance. The remaining amount of CHF 0.7 million is distributed among different items in the other companies. The "Other provisions" item at December 31, 2009, also includes CHF 0.3 million for a management bonus program at the Omni Group which existed prior to its initial consolidation and was disbursed in the first half of 2010.

In all cases the probability that risks for which provision had been made would materialize is estimated at greater than 50%.

The discount rate applied is 3%.

Provisions as at the end of the previous year were as follows:

CHF 1,000	Warranty provisions	Payments to employees	Other provisions	Total
Long-term provisions at December 31, 2008	109	1,840	1,680	3,629
Short-term provisions at December 31, 2008	2,107	0	1,500	3,607
Total at December 31, 2008	2,216	1,840	3,180	7,236
Change in the scope of consolidation				0
Addition	88	0	5,895	5,983
Utilization	-520	-107	-3,281	-3,908
Release of provisions no longer required	-6	-14	-561	-581
Difference arising from currency translation	27	1	12	40
Cash value adjustments				0
Total at December 31, 2009	1,805	1,720	5,245	8,770
Long-term provisions at December 31, 2009	260	1,720	3,810	5,790
Short-term provisions at December 31, 2009	1,545	0	1,435	2,980
Total at December 31, 2009	1,805	1,720	5,245	8,770

21. DEFERRED TAXES

Deferred income taxes are included in the balance sheet as follows:

CHF 1,000	12/31/2010	12/31/2009
Deferred tax liabilities	3,648	6,663
Deferred tax assets	2,387	3,409
Total	1,261	3,254

Deferred tax liabilities and assets have been included at the tax rates expected for each company. The average for the group in 2010 was -8% (8% in 2009).

The main factor responsible for the negative tax rate in the year under review was the fact that income tax has to be paid for the profitable group companies, whereas not all tax losses can be utilized for units operating at a loss.

Deferred tax assets and liabilities on individual balance sheet items were mutually offset within the individual tax subjects.

Deferred tax assets arising from losses carried forward have been included on the basis of forecasts by the relevant companies. They correspond to the tax loss carryforwards that can be utilized on the basis of these forecasts until they expire.

Deferred tax assets developed as follows:

CHF 1,000	2010	2009
Total at January 1	3,409	3,066
Change in the scope of consolidation	0	0
Creation	304	2,353
Utilization	-1,103	-2,055
Other adjustments	0	0
Translation difference	-223	45
Total at December 31	2,387	3,409

The balance relates primarily to capitalized tax loss carryforwards.

Provisions for deferred tax liabilities developed as follows:

CHF 1,000	2010	2009
Total at January 1	6,663	9,448
Change in the scope of consolidation	0	0
Addition	127	1,284
Release	-2,760	-4,044
Translation difference	-382	-25
Total at December 31	3,648	6,663

Deferred tax liabilities originate primarily from temporary differences in fixed and intangible assets.

Tax losses amounting to CHF 50.4 million existing on December 31, 2010 (CHF 44.2 million in 2009), have not yet been utilized and no deferred tax claim for them has been included in the balance sheet.

The expiration dates of unutilized tax loss carryforwards are as follows:

CHF 1,000	12/31/2010	12/31/2009
expiring in one year	4,353	679
expiring in two years	5,112	4,284
expiring in three years	4,793	4,579
expiring in four years	3,127	3,674
expiring in five years	6,126	1,665
expiring in more than five years	26,901	29,354
Total	50,412	44,235

22. STATEMENT OF SHARE CAPITAL

Share capital was as follows on December 31, 2010:

Registered shares	
at January 1, 2010	730,000
at December 31, 2010	730,000
	fully paid
Par value in CHF	20
Dividend restrictions	none
Voting restrictions	exist
Number of shares held by the Adval Tech Group on December 31	2

No shares were reserved for issue in respect of options or sales agreements in the year under review.

Purchasers of registered shares are entered in the shareholders' register as shareholders with voting rights upon application, if they expressly state that they have acquired the registered shares in their own name and for their own account. As provided by Article 7 of the Articles of Incorporation of Adval Tech Holding Ltd dated May 6, 2008, purchasers of shares in excess of 5% of the registered capital stock recorded in the Commercial Register will not be entered with voting rights. This is subject to Art. 685d, para. 3, of the Swiss Code of Obligations. Groups of individuals who are associated with each other and act in concert to circumvent the registration restrictions are regarded as a single purchaser. The Board of Directors can permit exceptions. In 2006, the Board of Directors granted an exception in favor of Artemis Beteiligungen II AG, which acquired its holding from Franke Holding AG in the second half of 2005. Beneficial ownership remained unaffected by this transaction. On January 30, 2007, the Board of Directors permitted an exception in favor of Willy Michel, which was granted in connection with a cooperation agreement.

Furthermore, these voting restrictions do not apply to the shareholders who were registered with a holding of registered shares exceeding 5% of all share votes when the provisions of the Articles of Incorporation regarding voting restrictions were issued (Rudolf Styner and from November 11, 2010, the heirs of Rudolf Styner respectively, Hansruedi Bierz, Einfache Gesellschaft Dreier).

The exceptions granted were confirmed by the Board of Directors with reference to the increase in share capital in May 2008. Fiduciary entries in the shareholders' register can only be made without voting rights. The Articles of Incorporation of Adval Tech Holding Ltd with regard to quorums conform to legal requirements.

Holdings of company shares have developed as follows:

	2010	2009
Holding at January 1	490	490
Purchases (shares)	175	40
Sales (shares)	-15	-40
Issued to employees (shares)	-648	0
Holding at December 31	2	490
Average purchase price (CHF)	267	220
Average selling price (CHF)	313	205
Average issue (CHF)	197	-

All company shares are held by Adval Tech Management Ltd.

A total of 648 shares were allotted to members of supervisory staff in the year under review as part of their variable remuneration in the context of existing remuneration arrangements. CHF 0.1 million was posted to personnel expenses in this connection.

Non-distributable reserves in the group's shareholders' equity amounted to CHF 10.0 million at the end of the year under review (CHF 11.5 million in 2009).

23. NET TURNOVER

	CHF 1,000	2010	2009
Net income from deliveries and services	254,208	237,680	
Income from manufacturing orders (valued using the percentage-of-completion method)	47,527	62,558	
Sales deductions	-1,382	-1,515	
Total net turnover	300,353	298,723	

Income from manufacturing orders (valued using the percentage-of-completion method) includes invoiced income from manufacturing orders valued using the percentage-of-completion method, adjusted for changes in the inventories of such orders. Net turnover from deliveries and services includes the other invoiced deliveries and services.

24. OTHER OPERATING INCOME

	CHF 1,000	2010	2009
Other operating income from third parties / related parties	10,803	12,084	
Gains from sales of tangible fixed assets	1,009	218	
Total other long-term liabilities	11,812	12,302	

Other operating income consists primarily of income from sales of scrap, income from letting premises and income from sales commissions. In the previous year this item also included the purchase price adjustment for the second tranche of shares in Omni Investors Pte. Ltd, which was posted to income.

25. COST OF MATERIALS AND SERVICES

Compared to the previous year, the cost of materials and services increased by CHF 9.5 million. As a proportion of total income it slightly increased by 0.5 percentage points to 42.1%. Cost of materials and services and utilization of outside services increased due to higher capacity utilization. The increased use of materials alone accounted for about two-thirds of the total change. While the proportion of material costs declined by 3.5 percentage points to 41.6% at the Automotive Segment, it increased to 42.5 % (+2.5 percentage points) at the Medical & Consumer Goods Segment.

26. PERSONNEL EXPENSES

The average number of employees declined by 167 to 2,538 in 2010 (2,705 in 2009). The number of employees totaled 2,470 at balance sheet date (2,573 in 2009).

27. PENSION LIABILITIES AND OTHER PAYMENTS TO EMPLOYEES

Employer's contribution reserves 2009:

CHF 1,000	Nominal value on 12/31/2009	Utilization waiver 12/31/2009	Balance 12/31/2009	Payment/ repayment 2009	Effect on personnel ex- penses 2009	Effect on financial result 2009
Pension funds excl. surplus/shortfall	3,013	0	3,013	0	-91	0

Employer's contribution reserves 2010:

CHF 1,000	Nominal value on 12/31/2010	Utilization waiver 12/31/2010	Balance 12/31/2010	Payment/ repayment 2010	Effect on personnel ex- penses 2010	Effect on financial result 2010
Pension funds excl. surplus/shortfall	2,805	0	2,805	0	-209	0

Personnel expenses in the year under review were debited with CHF 0.3 million to finance contributions, while CHF 0.1 million was credited from interest.

Financial benefit / financial obligations and pension expenses:

CHF 1,000	Surplus/ shortfall 12/31/2009	Financial share of the organization 12/31/2009	12/31/2008	Change vs. previous year, posted to income in financial year	Contributions accrued in the relevant period ¹⁾	Pension expenses in 2009
Pension fund of Adval Tech Holding Ltd excl. surplus/shortfall	0	0	0	0	3,963	3,872
Pension fund of Adval Tech Holding Ltd for supervisory staff excl. surplus/shortfall	0	0	0	0	304	304
Pension fund of Teuscher Kunststoff-Technik AG incl. surplus	491	0	0	0	162	162
Total	491	0	0	0	4,429	4,338

1) including result from employer's contribution reserves

CHF 1,000	Surplus/ shortfall 12/31/2010	Financial share of the organization 12/31/2010	12/31/2009	Change vs. previous year, posted to income in financial year	Contributions accrued in the relevant period ¹⁾	Pension expenses in 2010
Pension fund of Adval Tech Holding Ltd excl. surplus/shortfall	0	0	0	0	3,393	3,184
Pension fund of Adval Tech Holding Ltd for supervisory staff excl. surplus/shortfall	0	0	0	0	302	302
Pension fund of Teuscher Kunststoff-Technik AG incl. surplus	0	0	0	0	0	0
Total	0	0	0	0	3,695	3,486

1) including result from employer's contribution reserves

The above data are based on the financial statements of the pension funds at December 31, 2010 (or December 31, 2009).

Members of the pension fund of Teuscher Kunststoff-Technik AG were transferred to the pension fund of Adval Tech Holding Ltd on January 1, 2010. The surplus remaining after payments into required reserves was distributed among the members.

The pension fund of Adval Tech Holding Ltd is a legally independent foundation. It is subject to Swiss occupational pensions legislation. All employees of the Swiss group companies of the Adval Tech Group are members of this pension fund (as of January 1, 2010). Until January 1, 2010, all employees of the Swiss group companies with the exception of employees of Teuscher Kunststoff-Technik AG were members of the pension fund of Adval Tech Holding Ltd.

The employees of non-Swiss group companies are members of the applicable state pension schemes in the country concerned, governed by local legislation. As a consequence neither financial benefit nor financial obligations arise therefrom, other than the contribution payments posted as expenses.

The pension fund for supervisory staff of Adval Tech Holding Ltd was set up for members of supervisory staff. It is affiliated to a collective foundation of a major Swiss insurer. It is primarily a capital redemption insurance. Equal contributions are made by employees and employer.

A life insurance policy is in place for a former member of executive management at a foreign subsidiary that was acquired after he retired in 2002. The provisions for liabilities arising from this at the end of the year under review amount to CHF 0.4 million (CHF 0.5 million in 2009), and are included in the provisions for payments to employees. The redemption value of the policy at December 31, 2010, was CHF 0.5 million (CHF 0.6 million in 2009) and is capitalized in the "Other long-term receivables" item under "Financial assets."

28. OTHER OPERATING EXPENSES

	CHF 1,000	2010	2009
Maintenance, repair, replacements, operating materials	-15,880	-15,204	
Premises, energy	-14,866	-15,376	
Insurance, office and administration expenses	-7,192	-9,269	
Marketing, sales and distribution expenses	-13,352	-11,299	
Sundry operating expenses	-1,120	-5,818	
Total other operating expenses	-52,410	-56,966	

Sundry operating expenses were CHF 4.6 million (-8.1%) lower than in 2009. This was due primarily to the elimination of non-recurring restructuring expenses (other operating expenses) and to lower insurance and administration expenses. Marketing, sales and distribution expenses rose by CHF 2.0 million, primarily due to higher sales.

Sundry operating expenses include: capital taxes of CHF 0.1 million (CHF 0.3 million in 2009), losses of CHF 0.1 million on sales of tangible fixed assets (CHF 0.1 million in 2009).

29. FINANCIAL EXPENSES AND FINANCIAL INCOME

	CHF 1,000	2010	2009
Interest earned	1,339	525	
Currency gains	3,444	4,033	
Gains on derivative financial instruments	806	411	
Other financial income	734	562	
Total financial income	6,323	5,531	
Interest paid	-5,545	-4,511	
Bank charges and fees	-252	-243	
Currency losses	-10,934	-4,942	
Unrealized translation differences	-403	-1,138	
Losses on derivative financial instruments	-124	-4	
Other financial expenses	-786	-795	
Total financial expenses	-18,044	-11,633	
Financial result	-11,721	-6,102	

The high volatility of the euro and the US dollar, the most important foreign currencies for the group, and the strength of the Swiss franc severely depressed the group's financial result. Total currency losses of CHF 7.9 million were posted in the year under review (CHF 2.0 million in 2009).

30. TAXES

	CHF 1,000	2010	2009
Current income taxes	-2,647	-2,092	
Change in provision for deferred taxes	1,813	4,348	
Total tax expenses	-834	2,256	

31. SEGMENTAL REPORTING

The allocation of business activities to the group's two segments in 2010 is reflected in the following table:

CHF 1,000	Automotive Segment	Medical & Consumer Goods Segment	Other units, eliminations	Total
Net turnover from deliveries and services	140,938	111,888	0	252,826
Income from manufacturing orders (valued using the percentage-of-completion method)	3,947	43,580	0	47,527
Net turnover from third parties and related parties	144,885	155,468	0	300,353
Total income from third parties and related parties	156,305	159,891	514	316,710
Intragroup revenues	668	1,453	16,759	18,880
Total income	156,973	161,344	-1,607	316,710

Figures for 2009:

CHF 1,000	Automotive Segment	Medical & Consumer Goods Segment	Other units, eliminations	Total
Net turnover from deliveries and services	129,766	106,399	0	236,165
Income from manufacturing orders (valued using the percentage-of-completion method)	5,037	57,521	0	62,558
Net turnover from third parties and related parties	134,803	163,920	0	298,723
Total income from third parties and related parties	133,087	164,127	461	297,675
Intragroup revenues	997	3,667	17,667	22,331
Total income	134,084	167,794	-4,203	297,675

The operations of the two segments in 2010 and the group structure are explained in the annual report (page 17 and 23 ff.).

Income by region is as follows:

CHF 1,000	2010	2009	
Net turnover	300,353	100%	298,723
<i>Europe</i>	144,704	48%	173,145
– of which Switzerland	22,981	8%	29,120
– of which Germany	52,522	18%	72,502
– of which France	30,571	10%	28,982
<i>Asia</i>	65,898	22%	56,381
– of which China	31,565	11%	36,867
<i>North America</i>	32,471	11%	29,128
<i>Latin America</i>	56,515	19%	38,793
<i>Australia and Oceania</i>	443	0%	872
<i>Africa</i>	322	0%	404

Countries are allocated to regions in conformity with the allocation in Swiss National Bank statistics.

Net turnover in Switzerland includes CHF 3.1 million of turnover with related parties in the year under review (CHF 4.2 million in 2009).

32. PLEDGED ASSETS

CHF 1,000	12/31/2010	12/31/2009
Book value of pledged tangible fixed assets	40,756	41,000
Total pledged assets	40,756	41,000

The pledges listed serve as security for mortgages, other bank loans and credit lines.

Furthermore, it should be noted that balances at sight held with banks can be used to cover loans granted at the same time in accordance with the banks' general conditions of business.

33. FIRE INSURANCE VALUES

CHF 1,000	12/31/2010	12/31/2009
Real estate	118,297	118,050
Other tangible fixed assets	391,360	432,149

34. CONTINGENT AND FUTURE LIABILITIES

CHF 1,000	12/31/2010	12/31/2009
Contingent liabilities in favor of third parties	3,515	1,072
Liabilities arising from leases	18,104	16,786
Liabilities arising from operating leases	1,026	632

Contingent liabilities originate from guarantees issued as security for advance payments by customers, finance lease transactions and import duties. A cash outflow is deemed unlikely.

Payments deriving from operating leases fall due as follows: CHF 0.4 million (CHF 0.3 million in 2009) within one year, CHF 0.6 million (CHF 0.3 million in 2009) within two to five years.

Future rental payments fall due as follows: CHF 4.2 million (CHF 5.2 million in 2009) within one year, CHF 8.9 million (CHF 6.0 million in 2009) in two to five years, CHF 5.0 million (CHF 5.6 million in 2009) in more than five years.

35. FINANCIAL INSTRUMENTS

Market values are calculated on the basis of individual valuations of the open instruments on balance sheet date.

The following financial instruments for limiting financial risks existed on balance sheet date (contract values in 1,000 local currency (lc); replacement values in CHF 1,000):

Interest rate risks:

Instrument	Contract value lc 1,000	Replacement value CHF 1,000	
		positive	negative
Interest rate cap	35,000	0	0
Interest rate floor	35,000	0	231
Interest rate swap	15,000	0	203
Total		0	434

Interest rate caps are held in order to limit the risk of increases in interest rates. The hedges in place at the end of 2010 are valid until 2011 at the latest.

The figures for 2009 were as follows:

Instrument	Contract value lc 1,000	Replacement value CHF 1,000	
		positive	negative
Interest rate cap	65,000	2	0
Interest rate floor	35,000	0	637
Interest rate swap	15,000	0	523
Total		2	1,160

The figures for 2009 were as follows:

Currency	Instrument	Contract value lc 1,000	Replacement value CHF 1,000	
			positive	negative
EUR	SWAP	9,550	0	239
Total			0	239

The above-mentioned options and forward transactions serve to hedge payments in euros. They mature by the end of February 2011 at the latest.

At balance sheet date the sensitivity analysis of currency risks is as follows:

Currency	Instrument	Contract value lc 1,000	Replacement value CHF 1,000	
			positive	negative
USD	Forward transactions	2,500	15	0
EUR	Forward transactions	600	36	0
Total			51	0

The positive replacement values are included in the balance sheet under "Other receivables" (Note 7), the negative values under "Other short-term liabilities" (Note 16).

36. TRANSACTIONS WITH RELATED PARTIES

The following persons and companies were deemed to be related parties in the year under review:

- the pension fund of Adval Tech Holding Ltd
- the Franke Artemis Holding AG, Hergiswil, and its group companies
- the Ypsomed Holding AG, Burgdorf, and the companies of the Ypsomed Group
- the Finox AG, Burgdorf
- the members of the Board of Directors and group management
- the heirs of Rudolf Styner, Frauenkappelen; Hansruedi Bienz, Oberbottigen

The following business transactions were material in the year under review:

Turnover of CHF 3.1 million was made with related parties in the year under review (CHF 4.2 million in 2009). Volume parts and components to the value of CHF 2.5 million and molds to the value of CHF 0.6 million were invoiced in 2010.

Contributions of CHF 3.4 million (CHF 3.9 million in 2009) to the pension fund of Adval Tech Holding Ltd were posted as expenses.

Liabilities to related parties on balance sheet date amounted to CHF 1.3 million (CHF 5.7 million in 2009). In the previous year CHF 3.9 million related to the payment commitment arising from the purchase of the second tranche of shares in Omni Investors Pte. Ltd, Singapore, which was settled in the year under review. Contributions of CHF 1.1 million to the pension fund were also outstanding on balance sheet date (CHF 1.7 million in 2009).

The members of the Board of Directors and group management received fees and salaries totaling CHF 2.7 million (CHF 2.5 million in 2009) in the

year under review. No payments other than regular employer's contributions were made to the pension funds for members of the Board of Directors or group management.

37. EVENTS OCCURRING AFTER BALANCE SHEET DATE

No events that would adversely affect the information provided by the 2010 consolidated accounts have occurred since balance sheet date. The dividend proposed by the Board of Directors for the year 2010 is indicated on page 96.

38. RELEASE OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were released for publication by the Board of Directors of Adval Tech Holding Ltd and a motion for their approval was submitted to the annual general meeting of shareholders of Adval Tech Holding Ltd on March 22, 2011.



Report of the statutory auditor
to the general meeting of
Adval Tech Holding Ltd
Niederwangen

PricewaterhouseCoopers AG
Bahnhofplatz 10
P.O. Box
3001 Berne
Switzerland
Phone +41 58 792 75 00
Fax +41 58 792 75 10

Report of the statutory auditor on the consolidated financial statements

As statutory auditor, we have audited the consolidated financial statements of Adval Tech Holding AG, which comprise the balance sheet, income statement, statement of changes in equity, cash flow statement and notes (pages 46 to 86), for the year ended 31 December 2010.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Swiss GAAP FER and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements for the year ended 31 December 2010 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER and comply with Swiss law.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Hanspeter Gerber	Patrick Borter
Audit expert	Audit expert
Auditor in charge	

Berne, March 22, 2011

FINANCIAL REPORTS OF ADVAL TECH HOLDING LTD

1. BALANCE SHEET

CHF	12/31/2010	12/31/2009
Liquid assets	2,196,008	45,901
Receivables		
– from third parties	493	16,778
– from group companies	2,775,459	4,327,644
Prepaid expenses and accrued income	960,332	1,206,472
Total current assets	5,932,292	5,596,795
Investments in group companies	65,429,403	64,291,003
Loans to third parties	0	0
Loans to group companies	166,753,521	170,067,894
<i>Financial assets</i>	<i>232,182,924</i>	<i>234,358,897</i>
Organizational costs	1,572,892	2,359,338
<i>Intangible assets</i>	<i>1,572,892</i>	<i>2,359,338</i>
Total fixed assets	233,755,816	236,718,235
Total assets	239,688,108	242,315,030
Bank debt	3,694,250	2,260,930
Accounts payable	55,370	33,832
Other liabilities		
– to third parties	571,862	1,194,808
– to group companies	59,442	25,825
Accrued expenses	104,762	157,820
<i>Short-term liabilities</i>	<i>4,485,686</i>	<i>3,673,215</i>
Long-term liabilities	73,000,000	69,000,000
Long-term liabilities from group companies	0	3,170,000
Provisions	2,447,557	2,789,520
<i>Long-term liabilities</i>	<i>75,447,557</i>	<i>74,959,520</i>
Total liabilities	79,933,244	78,632,735
<i>Share capital</i>	<i>14,600,000</i>	<i>14,600,000</i>
General reserves	9,500,000	102,600,105
Reserve for treasury stock	650	140,717
Open capital contribution reserve	97,424,589	0
<i>Legal reserves</i>	<i>106,925,239</i>	<i>102,740,822</i>
Free reserves	10,770,513	14,954,930
<i>Other reserves</i>	<i>10,770,513</i>	<i>14,954,930</i>
<i>Share capital and reserves</i>	<i>132,295,752</i>	<i>132,295,752</i>
Balance brought forward	31,386,543	40,762,511
Net profit for the year	-3,927,430	-9,375,968
<i>Retained earnings</i>	<i>27,459,113</i>	<i>31,386,543</i>
Total shareholders' equity	159,754,865	163,682,295
Total liabilities and shareholders' equity	239,688,108	242,315,030

2. INCOME STATEMENT

CHF	2010	2009
Income from investments in group companies	2,502,245	3,400,000
Other income from third parties	5,453	5,876
Other income from group companies	619,663	665,303
Finance income from group companies	4,786,899	6,726,002
Finance income from third parties	1,020,721	640,612
Total operating earnings	8,934,981	11,437,793
Finance expenses, third parties	11,534,387	4,385,016
Financial expenses, related parties	0	0
Finance expenses, group companies	23,180	15,143,367
Business and administration expenses	518,398	469,070
Operating expenses	12,075,965	19,997,453
Amortization of intangible assets	786,446	786,446
Operating earnings before taxes	-3,927,430	-9,346,106
Taxes	0	29,862
Net result	-3,927,430	-9,375,968

3. APPENDIX

Accounting principles

The foregoing financial statements of Adval Tech Holding Ltd have been prepared in accordance with the accounting requirements stipulated by Swiss company law.

Treasury stock

	2010 Number of shares	2010 CHF	2009 CHF
Position at January 1	490	104,370	69,580
Purchases	175	46,715	8,819
Sales	15	4,699	13,521
Issued to employees	648	127,565	0
Value adjustment as at December 31		-18,130	39,492
Position at December 31	2	690	104,370

The treasury stock reported is held by Adval Tech Management Ltd.

Stock is issued as part of the variable remuneration to management. The stock is allocated on the basis of the share's average trading price in February 2010. The corresponding countervalue was recognized as a personnel expense of Adval Tech Management Ltd.

Investment holdings

The investment holdings of Adval Tech Holding Ltd on December 31, 2010:

Company		12/31/2010 Share capital 100%	Holding in %	12/31/2010 Book value CHF	12/31/2009 Book value CHF
Adval Tech Management Ltd, Niederwangen Management of subsidiaries	CHF	100,000	100	100,000	100,000
Styner+Bienz FormTech Ltd, Niederwangen Stamping and Forming Technology	CHF	3,050,000	100	11,250,000	11,250,000
Styner+Bienz US Inc., Cleveland, USA Stamping and Forming Technology	USD	1	100	0	0
Styner+Bienz do Brasil Ltda., São José dos Pinhais PR Stamping and Forming Technology	BRL USD	150,873 360,000	100 100	123,576 603,526	123,576 603,526
QSCH Termelő és Kereskedelmi Kft., Székszárd, Hungary Stamping and Forming Technology	EUR	1,800,000	100	11,172,746	10,034,346
AWM Plast Tech Ltd, Merenschwand Plastic components	CHF	600,000	100	6,400,000	6,400,000
AWM Mold Tech Ltd, Muri (AG) Injection Molding Technology	CHF	600,000	100	9,600,000	9,000,000
Teuscher Kunststoff-Technik AG, Grenchen Plastic components	CHF	2,000,000	100	10,436,257	10,436,257
AWM Swiss Technology Ltd, Hong Kong Service function in Asia	HKD	10,000	100	2,000	2,000
AWM Mold Service US Inc., Beverly, MA, USA Service function in America	USD	1	100	0	0
AWM Mold Tech Trading Co. Ltd, Shanghai Service function in Asia	USD	1	100	0	1
FOBOHA Holding GmbH, Haslach, Germany Holdings in companies	EUR	25,000	100	15,741,298	15,741,298

AWM Plastpack Ltd was merged at carrying values
with AWM Mold Tech Ltd on January 1, 2010.

Intangible assets

Intangible assets correspond to the residual value as of balance sheet date of costs in connection with the increase in share capital completed in May 2008. Intangible assets are amortized within five years.

Major shareholders

As of December 31, 2010, the following shareholders held more than 3% of the registered share capital recorded in the Commercial Register:

- Willy Michel 23.7%
- Artemis Beteiligungen II AG, Hergiswil 21.2%
- Heirs of Rudolf Styner 10.1%
- Hansruedi Bienz 7.5%
- Lombard Odier Darier Hentsch Fund Managers SA 6.9%
- Sarasin Investment Fonds AG 6.0%
- Einfache Gesellschaft Dreier 3.5%

Guarantees to third parties

As of December 31, 2010, Adval Tech Holding Ltd has issued guarantees to its bankers, to leasing companies and to customers in respect of a total of CHF 52,267,535. These serve to secure loans, credit lines and leasing transactions of subsidiaries of Adval Tech Holding Ltd.

Remuneration of the Board of Directors and group management

The following remuneration was paid to directors and officers in 2010:

in CHF	Function	Basic remuneration	Variable remuneration	Other remuneration	Total
Board of Directors (BD)					
Walter Grüebler	Chairman	70,000		12,000	82,000
Michael Pieper	Vice Chairman	50,000		9,000	59,000
Leonardo Attanasio	Director	40,000		9,000	49,000
Hans Dreier	Director	50,000		16,200	66,200
Willy Michel	Director	40,000		10,800	50,800
Roland Waibel	Director	50,000		14,400	64,400
Total Board of Directors		300,000	0	71,400	371,400
Group management (GM)*					
Total group management		1,853,164	449,600	0	2,302,764
of which highest-paid member (Jean-Claude Philipona, CEO)		439,213	231,917	0	671,130

* Group management consisted of six members as of December 31, 2010.

The Board of Directors is remunerated in cash only. As portion of the variable remuneration for the group management for the 2010 financial year CHF 119,756 will be paid in the form of shares of Adval Tech Holding Ltd.

2009:

in CHF	Function	Basic remuneration	Variable remuneration	Other remuneration	Total
Board of Directors (BD)					
Walter Grüebler	Chairman	70,000		12,000	82,000
Michael Pieper	Vice Chairman	50,000		10,800	60,800
Leonardo Attanasio	Director	40,000		8,000	48,000
Hans Dreier	Director	50,000		16,200	66,200
Willy Michel	Director	40,000		10,800	50,800
Josef Reissner*	Director	20,000		3,600	23,600
Roland Waibel	Director	50,000		17,000	67,000
Total Board of Directors		320,000	0	78,400	398,400
Group management (GM)**					
Total group management		1,698,789	325,600	35,000	2,059,389
of which highest-paid member (Jean-Claude Philipona, CEO)		439,213	170,000	0	609,213

* Payments were made to Josef Reissner as a member of the Board of Directors up to his retirement at the annual general meeting on May 14, 2009.

** Group management consisted of six members as of December 31, 2009. The remuneration listed above also includes payments to Thomas Meyer (until the end of March 2009) and Harald Folk (from the beginning of October 2009).

The Board of Directors was remunerated in cash only. Group management received their basic remuneration for the 2009 financial year in cash. In line with the regulations on compensation CHF 123,825 of their variable remuneration were paid in the form of shares of Adval Tech Holding Ltd.

No remuneration was paid in the year under review to former members of the Board of Directors or group management in connection with their previous functions after leaving office.

Equity holdings of the Board of Directors and group management in Adval Tech Holding Ltd

As of December 31, the individual members of the Board of Directors and group management (including closely associated persons) held the following numbers of shares in the company:

	Function	12/31/2010 (Number)	12/31/2009 (Number)
Walter Grüebler	Chairman of the Board	2,102	2,102
Michael Pieper	Vice Chairman of the Board	156,686	156,686
Leonardo Attanasio	Director	100	100
Hans Dreier	Director / Head IT/Logistics/Legal	12,964	12,776
Willy Michel	Director	172,674	171,420
Roland Waibel	Director	200	200
Jean-Claude Philipona	CEO	555	224
Markus Reber	CFO	98	50
René Rothen	Head of the Automotive Division	62	0

Risk management

Adval Tech Holding Ltd has a central risk appraisal system for both strategic and operating risks. All identified risks are evaluated (for risk of occurrence and extent of damage) and recorded in a risk inventory. This risk inventory provides the basis for detailed discussions held periodically by the Board of Directors and group management in order to verify that the risk inventory is up-to-date. Ongoing monitoring of the risk inventory is a management objective.

A risk appraisal is conducted for identified risks in the areas of accounting and financial reporting. The internal control system in the area of financial reporting ensures that appropriate checks are defined in order to reduce financial risks. Remaining risks are monitored.

**4. PROPOSAL BY THE BOARD OF DIRECTORS
FOR THE APPROPRIATION OF PROFIT**

At the disposal of the annual general meeting of shareholders		2010	2009
Balance brought forward	CHF	31,386,543	40,762,511
Net result for the year	CHF	-3,927,430	-9,375,968
Retained earnings	CHF	27,459,113	31,386,543
Proposal by the Board of Directors			
Dividend	CHF	0	0
Allocation to free reserves	CHF	0	0
Carried forward to new account	CHF	27,459,113	31,386,543
Retained earnings	CHF	27,459,113	31,386,543

PRICEWATERHOUSECOOPERS

Report of the statutory auditor
to the general meeting of
Adval Tech Holding Ltd
Niederwangen

PricewaterhouseCoopers AG
Bahnhofplatz 10
P.O. Box
3001 Berne
Switzerland
Phone +41 58 792 75 00
Fax +41 58 792 75 10

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the financial statements of Adval Tech Holding AG, which comprise the balance sheet, income statement and notes (pages 89 to 95), for the year ended 31 December 2010.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2010 comply with Swiss law and the company's articles of incorporation.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Hanspeter Gerber	Patrick Borter
Audit expert	Audit expert
Auditor in charge	

Berne, March 22, 2011

Adval Tech Holding AG
CH-3172 Niederwangen
Switzerland
Phone +41 31 980 84 44
Fax +41 31 980 82 60
info@advaltech.com

Adval Tech Management AG
CH-3172 Niederwangen
Switzerland
Phone +41 31 980 84 44
Fax +41 31 980 82 60
info@advaltech.com

STYNER+BIENZ
Styner+Bienz FormTech AG
CH-3172 Niederwangen
Switzerland
Phone +41 31 980 81 11
Fax +41 31 980 81 55
styner-bienz@advaltech.com

Styner+Bienz do Brasil Ltda.
Av. Rocha Pombo, 2561
Águas Belas – Aeroporto
BR-83010-620 São José
dos Pinhais PR
Brazil
Phone +55 41 3299-1700
Fax +55 41 3299-1703
styner-bienz.br@advaltech.com

Styner+Bienz US Inc.
12200 Brookpark Road
Cleveland, OH 44130
USA
Phone +1 216 362 1850
Fax +1 216 265 7833
styner-bienz@advaltech.com

QSCH
QSCH Kft.
Mátyás király u. 67
H-7100 Szekszárd
Hungary
Phone +36 74 512580
Fax +36 74 512587
qsch@advaltech.com

AWM

AWM Mold Tech AG
Pilatusring 2
CH-5630 Muri AG
Switzerland
Phone +41 56 675 44 44
Fax +41 56 675 44 42
awm@advaltech.com

AWM Plast Tech AG
Industrie Nord 1
CH-5634 Merenschwand
Switzerland
Phone +41 56 675 46 00
Fax +41 56 675 46 10

AWM Swiss Technology Ltd
Room 1701
Billion Trade Center
31 Hung To Road
Kwun Tong, Kowloon
Hong Kong
Phone +852 2670 6000
Fax +852 2670 1918
awm.hk@advaltech.com

FOBOHA

FOBOHA GmbH
Im Mühlegrün 8
D-77716 Haslach
Germany
Phone +49 78 32 798 0
Fax +49 78 32 798 988
foboha@advaltech.com

FOBOHA US Inc.
900 Cummings Center
Suite 219-U
Beverly, MA 01915, USA
foboha@advaltech.com

TEUSCHER

Teuscher Kunststoff-Technik AG
Niklaus-Wengi-Strasse 38
CH-2540 Grenchen
Switzerland
Phone +41 32 653 19 35
Fax +41 32 653 15 50
teuscher@advaltech.com

OMNI

Omni Industries Holdings Pte. Ltd
331, North Bridge Road
13-04/06 Odeon Towers
Singapore 188720
Phone +65 6557 7900
Fax +65 6337 4131
omni@advaltech.com

Omni Plastics (Suzhou) Co. Ltd
No. 158-58 Hua Shan Road
Fengqiao Industrial Park
Suzhou New District 215129
Jiangsu Province
P.R. China
Phone +86 512 6661 6556
Fax +86 512 6662 1252

Omni Plastics (Suzhou) Co. Ltd
Medical Branch Office
No. 99, Gangtian Industrial Square,
Unit 22, Songbei Road,
Suzhou Industrial Park
Jiangsu 215021
P.R. China
Phone +86 512 6956 7686
Fax +86 512 6956 7687

Omni Industries Tech Center
Co. Ltd
No. 158-56 Hua Shan Road
Fengqiao Industrial Park
Suzhou New District 215129
Jiangsu Province
P.R. China
Phone +86 512 6690 1756
Fax +86 512 6690 1759

Omni Engineering
(Shanghai) Co. Ltd
Plant 49-B
199 North Ri Ying Road
Waigaoqiao Free Trade Zone
Shanghai 200131
P.R. China

Phone +86 21 5046 0808
Fax +86 21 5048 1156

Omni Plastics (Xiamen) Co. Ltd

No. 33 Xiangxing Rd 1st
Xiangyu Free Trade Zone
Xiamen 361006
P.R. China
Phone +86 592 574 7060
Fax +86 592 574 7860

Omni Plastics (Thailand) Co. Ltd
64/65 Eastern Seaboard
Industrial Estate
Moo 4, Highway 331,
T. Pluakdaeng
A. Pluakdaeng, Rayong 21140
Thailand
Phone +66 38 656 051
Fax +66 38 656 050

Omni Precision Sdn. Bhd.
No. 9 Jalan Tampoi 7/4
81200 Johor Bahru
Johor, Malaysia
Phone +607 340 2100
Fax +607 334 3353

Omni Manufacturing Services S.A.
de C.V.
Av. La Noria 125
Parque Industrial Querétaro
Querétaro, C.P. 76220
Mexico

Phone +52 442 238 9200
Fax +52 442 238 9226

Omni Manufacturing Services S.A.
de C.V.
Medical Branch Office
Av. La Noria 125
Parque Industrial Querétaro
Querétaro, C.P. 76220
Mexico
Phone +52 442 238 9200
Fax +52 442 238 9226

www.advaltech.com

Forward-looking statements

The present annual report contains forward-looking statements in relation to the Adval Tech Group which are based on current assumptions and expectations. Unforeseeable events and developments could cause actual results to differ materially from those anticipated. Examples include: changes in the economic and legal environment, the outcome of legal disputes, exchange rate fluctuations, unexpected market behavior on the part of our competitors, negative publicity and the departure of management-level employees. The forward-looking statements are pure assumptions, made on the basis of information that is currently available.

This annual report is available in English and German. The original German-language version is binding.

