

Press release

The Swatch Group Ltd.: Sale of Michel AG to Ferton Holding SA Delémont and acquisition of the watch component division of Burri SA in Moutier

Biel/Bienne, 11 July 2008 – The Swatch Group Ltd. is selling its company Michel Präzisionstechnik AG in Grenchen, active in the sector of automotive components, to Ferton Holding SA in Delémont. In return The Swatch Group Ltd. is acquiring for part of the purchasing sum, the watch components division of Burri SA. Burri SA, a company of Ferton Holding SA, has been supplying components to various Swatch Group companies for many years.

The watch components division of Michel AG had already been integrated into ETA AG and Mecco AG. The acquisition of the watch division (watch components) of Burri SA essentially comprises the entire personnel (72 qualified employees) as well as various machines and the factory buildings in Moutier. The Michel AG Company with all its 166 employees will continue its activities in Grenchen under the management of Ferton Holding SA. The MedTech sector of Burri SA will be integrated into Michel AG in Grenchen.

The Swatch Group Ltd. separates from the automotive components sector of Michel AG in the course of the capacity expansion in its watch sector and with a view to focusing its activities on its core business. With the additional employees and the greater manufacturing space, The Swatch Group Ltd. will be able to expand its production capacities. The new shareholders of Michel AG intend on their part to concentrate their activities on the automotive sector and medical technologies.

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