

Sales growth over budget after 9 months

- Higher sales expected for full year
- Higher raw material costs put margins under certain pressure
- Gurit to set up sales office in India
- US law suit should result in higher carbon supplies for Gurit

Gurit (SWX Swiss Exchange: GUR), a leading supplier of advanced composite materials, achieved CHF 280 million in sales, topping its own budget for the first nine months. For the full year 2006, the company expects sales to exceed guidance. Gurit is setting up a subsidiary in India to better serve this important market. A lawsuit being heard in November in the USA should lead to higher carbon supplies for Gurit.

Wattwil, November 2, 2006. Gurit, a worldwide leading producer of high-performance advanced composite materials, has surpassed its own sales budget in the first nine months: With sales of CHF 280 million at the end of September, Gurit is on course to generate more than the CHF 365 million in sales indicated earlier in the year. The positive sales development is largely supported by shipments to the *Wind Energy* industry. In the first nine months, Gurit achieved sales of CHF 134 million in this market area. Also contributing to this result were increased sales in the market areas of *Marine, Sport and Civil Engineering* where sales of CHF 93 million were recorded up to September 30, 2006. Performance in the *Transportation* business was stable and accounted for CHF 46 million in sales for the first nine months. Production delays announced by Airbus for the new A380 have led Gurit to estimate sales in the Aerospace business to increase only marginally in this and the following year.

The projects to further extend the works in Canada (prepreg and structural foam), the creation of a centre of competence for extruded winter sport materials in Bern/Ittigen (Switzerland), and the phasing-out of the Innsbruck (Austria) and Perrignier (France) plants, are all running on schedule.

In China, the new Gurit subsidiary has successfully been incorporated, important licenses have been granted and construction work for the new production site is set to begin imminently. Based in Tianjin, a city where important wind energy and transportation customers are located, the new factory is planned to begin production of materials in 2007.

Gurit is currently setting up a sales subsidiary in India to support the rapidly developing wind energy market in the region. All projections for this area show over-proportional growth rates in this specific field in the years to come.

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Raw material costs have risen considerably over the last 12 months. However, prices for composite materials have hardly increased so far. Since late summer, important raw materials such as epoxy resin and glass fibre have experienced massive price increases due to higher oil prices and rising demand. These cost increases can no longer be compensated for by productivity gains and put margins under certain pressure. The impact on EBIT largely depends on how fast new sales prices can be administered throughout the Group. Gurit has already informed customers about necessary sales price increases by November 1. Gurit continues to target CHF 27 million in EBIT for the full year.

Gurit subsidiary Structural Polymer Group Ltd. has sued Zoltek Corporation (NASDAQ: ZOLT) for breach of an exclusive requirements contract and for monetary damages. Under a ten-year contract between the parties entered into in 2000, Zoltek promised to supply Structural Polymer Group and its affiliate SP Systems (now known as Gurit UK) with large filament count carbon fibers. In the lawsuit, Gurit complains of Zoltek's repeated failure to meet SP Group's requirements. Gurit is confident its affiliates will prevail in the lawsuit. Zoltek has filed a counterclaim.

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On Gurit: The companies of Gurit Holding AG, Wattwil/Switzerland, are specialised on the development and manufacture of high-end composite materials featuring bespoke physical and chemical characteristics. The comprehensive product range comprises fibre reinforced prepregs, structural foam, gel coats, adhesives, resins and consumables as well as certain finished parts. Gurit supplies growth markets in Wind Energy, Transportation (Aerospace, Automotive, Rail) and Marine/Sports/Civil Engineering. The international Group has production sites and offices in Switzerland, Germany, the UK, Canada, Spain, Austria, France as well as Australia, New Zealand and the USA.

