

## Successful conclusion to stock buy-back program

Gurit-Heberlein had an extremely successful year in 2000. With consolidated net sales increasing by 5.2% to CHF 732 million, the ordinary operating result for the year rose by 27.8% to CHF 58.6 million. The Annual General Meeting will be asked to approve a major increase in the dividend to 24%. Following the sale of its Automotive operations on 31 December 2000, Gurit-Heberlein began the new financial year as a company specializing very clearly in high-tech synthetics. Health Care and Industrial Applications operations will be further expanded. The stock buy-back program was successfully completed.

*Wattwil, 15 May 2001.* In the year 2000 the Group posted consolidated net sales of CHF 732 million (previous year CHF 696 million) and an EBIT from ordinary operations of CHF 127.2 million (previous year CHF 108.7 million), making it the most successful year in the Group's history. The two divisions specializing in technologically advanced synthetics applications, Industrial Applications and Health Care, both showed a clear improvement in sales and results compared with the previous year. The automotive activities of the Gurit-Essex joint venture are reflected fully in the consolidated sales figures for the last time.

Excluding Gurit-Essex, i.e. taking the new company as it stands today, Gurit-Heberlein sales would have amounted to CHF 295.3 million. Compared with the corresponding figures for last year, this amounts to an increase of 13.5% and the operating result would have stood at CHF 42.9 million. On the basis of this figure, Gurit-Heberlein is expecting current-year sales to increase by around 20% to CHF 378.5 million.

## Breaking into new high-volume growth markets

The Industrial Applications Division further consolidated its international importance. The takeover of Enka tecnica GmbH with effect from 1 October 2000 strengthened its leading global position in fibre technologies (air interlacing and air texturizing). The extremely high precision of the spinnerets manufactured by Enka tecnica, have a crucial bearing on the quality of chemical fibres. The IMS Group, traditionally a supplier to the winter sports article industry, has put its extensive know-how in advanced composites to use in other areas. Last year, for the first time ever, a significant contribution to turnover resulted from sales to a manufacturer of large vanes for wind-powered generators. Gurit Composites activities took a further step forward following the successful conclusion to negotiations regarding the acquisition of Stesalit AG (Switzerland) from the German Rütgers Group. Stesalit joined the Gurit-Heberlein Group with effect from 1 January 2001 and together with the IMS Group will give the

company an excellent position in the Advanced Composites market, a future high-growth area. Stesalit currently sells the bulk of its production of these advanced materials to customers in the aircraft sectors and is the single-source supplier for individual components used by Airbus Industries.

### Successful Health Care Division

The difficult scenario that confronted the Health Care Division in the North American dental market last year has reverted to normal. Following mergers between US dental trading companies and the ensuing reduction in stocks, sales volumes are back to their usual levels. As a result of increased market share and export successes, capacity in both the dental and medicinal sectors were utilized fully. During the year under review Gurit-Heberlein also managed to finalize an important cooperation agreement with the German-owned Dräger medicinal group.

Sale of Gurit-Essex leaves significant mark on extraordinary income  
The USD 385.55 million price tag agreed for the sale of the Group's interest in the Gurit-Essex joint venture to its previous partner, Dow Chemical, is far in excess of the usual figures for comparable transactions in the automobile industry. After deduction of transaction costs and tax, this operation yields Gurit-Heberlein around CHF 634.8 million. If the shareholders' equity portion of Gurit-Essex (CHF 118.3 million) is counted, the extraordinary result is CHF 516.5 million before tax. Overall, the Gurit-Heberlein Group posted a profit, excluding third-party interests, of CHF 495.7 million. Gurit-Heberlein will use a part of these funds to expedite expansion of other high-earning Group companies or acquisitions. Funds not earmarked for such purposes were used for a stock buy-back program. After the repurchase of 20% of outstanding stock, shareholders' equity of CHF 44.148 million now consists of 393 480 bearer shares at par CHF 100 and 240 000 registered shares at par CHF 20.

The Board of Directors will ask the Annual General Meeting to approve a clear increase in the dividend to 24% (previous year 18%).

Gurit-Heberlein Group	2000	1999	Change in %
Net sales	731.9	695.6	+15.2%
EBIT	127.2	108.7	+17.1+
Group result (incl. 3rd party intr.)	95.4	85.1	+12.1+
Result for fiscal year (excl. 3rd party intr.)	58.6	45.8	+27.8+
Extraordinary effects	437.2	-58.3	
Result for fiscal year (incl. E.o. effects)	495.7	-12.5	