

Media release

**Phoenix Mecano acquires majority stake in Asian production plant;
business volatile in Q4 2012**

Kloten/Stein am Rhein, 21 December 2012. The Phoenix Mecano Group, a leading technology company active in the fields of enclosures and industrial components, is to acquire an 80% stake in Bond Tact Ltd. The Hong Kong-based company, which specialises in the manufacture of electromechanical precision components and has a production facility in Dongguan, China, will produce tools, stamped and turned metal parts as well as plastic injection moulded components for the Phoenix Mecano Group's ELCOM/EMS division in the coming years. The purchase price in euro is in the low single-digit millions.

Phoenix Mecano may possibly fall short of the € 32-37 million operating result (EBIT) after special costs, as forecast in the media release of 27 September 2012. Weaker-than-expected performance in the fourth quarter of 2012, increasing business volatility in recent weeks and likely impairment losses at the upper end of the € 6-8 million range announced in September for the restructuring of the photovoltaic components business are responsible for this assessment, which was made by the Board of Directors at its meeting today. In view of its free cash flow, which remains excellent, and its equity ratio of over 60% of total assets, the Group will adhere to its continuity-oriented dividend policy.

More information will be available on 15 February 2013, when the Group publishes its provisional annual results for 2012.

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