

Press Release

The Franke Group Grows On

The globally active Swiss enterprise Franke, with headquarters in Aarburg, Switzerland, moves into the new year again on a course of expansion. Recently, two very important acquisitions were successfully completed: Kama Coffee Machines and Service AG in Worb, Switzerland on November 1st, 2001 and on December 1st, 2001 the majority share acquisition of the Danish sink manufacturer, A/S Panda Stal, located in Aarhus, Denmark.

Because of strategic market considerations, Franke wants to strengthen its fast growing international Coffee Machine business. Therefore, after-sales-service is to see further development along with production and sales representation. With the acquisition of the Kama Coffee Machines & Service AG, this activity now has its own service support in Switzerland, which ensures speedy response times for repairs. The new company has achieved sales of CHF 2.6 Million in the last year and at present has approximately 13 employees who have been integrated into the Group. At the same time, important internal structural adjustments were implemented within the Coffee Machine Activity: It was established, without a change in the registered place of business, as its own corporation under the name Franke Coffee Machines AG on January 1st, 2002 after existing as a profit center under Franke AG Aarburg.

Already for years, Franke's largest division, Kitchen Systems, has had its own subsidiaries represented and

successfully established in the markets of Norway, Sweden and Finland. Until recently, Franke had very little representation in the Danish market. With the acquisition of A/S Panda Stal, the second largest sink manufacturer in Denmark, an important location gap in Northern Europe can now be closed. Thus, nothing more opposes the strategic development of the present market position in this region; also the typical Danish under-mount sinks ideally complete the product assortment. With over 20 employees, this new production company of Franke achieved, over the past year, total sales of EURO 3 Million.

The Franke Group today is globally active with 62 companies in 32 countries and approximately 5,500 employees worldwide. In addition to the Kitchen Systems division (sinks, fixtures and fittings, ovens, cooking hobs, extractor hoods, etc.), Franke is also successful in the Contract Group division (producer/service provider for quick service restaurant chains) and Beverage Containers (drink tanks for the beer and soft drink industry, containers for the chemical and pharmaceutical industry). All three are global leaders in their fields.

Information:

Gabriele Hepp
Corporate Communications
CH - 4663 Aarburg
Switzerland
Direct Phone: ++41 62 787 3291
Direct Fax: ++41 62 787 3037
Email: gabriele.hepp@franke.com