

Franke and adval tech plan closer cooperation

Aarburg/Niederwangen, May 31, 2002. - Franke Holding Ltd., Aarburg, and adval tech Holding Ltd., Niederwangen, have signed a letter of intent to enter into closer cooperation. Specifically, their activities in the field of steering systems for the automotive industry are to be merged into a joint company by mid-2003.

Franke Holding Ltd. has already been linked with the adval tech Group for some years through a holding of 10% in its share capital. With the letter of intent signed a few days ago, Franke and adval tech aim to exploit potential synergies in the field of stamping and forming. The goal of the two parties is to sign a cooperation agreement by the end of this year. If this materializes, the activities of Franke and adval tech in the field of steering systems for the automotive industry will be merged. The intention is to establish a joint company for the development and production of automotive and industrial components by mid-2003. This would include the existing plants operated by adval tech subsidiary Styner+Bienz FormTech Ltd. in Uetendorf (Switzerland) and São José dos Pinhais (Brazil) as well as the plant operated by Franke subsidiary Lanz Industrietechnik Ltd. in Wolfwil (Switzerland).

Background information on the Franke Group

The Franke Group, whose holding company is based in Aarburg, Switzerland, is global market leader in its specialist fields of kitchen and beverage technology and catering systems. Its wholly-owned subsidiary Lanz Industrietechnik Ltd. (Franke Automotive) supplies high-precision stamped and formed products to the automotive, machinery and apparatus industries. Its core competences in stamping, forming and assembly (welding, riveting, forming assembly) are applied to the manufacture of complex parts and components in high volumes. Franke Automotive regards itself as a problem-solver in this field and provides development facilities as well as further treatment processes such as heat treatment, surface finishing and assembly, depending on customers' requirements.

Contact: Frank Herrmann, Corporate Development
Phone: +41 (0)62 787 3519; Fax +41 (0)62 787 3005.

Background information on the adval tech Group

The adval tech Group is a leading supplier of tools, subassemblies, systems and volume components in the technology sectors of stamping and forming (metals) and injection molding (plastics). It is a supplier and value-adding partner for companies in all industries where metal or plastics components are manufactured and used. The Stamping and Forming Division and the Injection Molding Division trade on the market under the names of Styner + Bienz and AWM, respectively. Their largest customers are in the automotive, information and communications technology, packaging and electronics industries.

Contact: Jean-Claude Philipona, Chief Executive Officer
Phone: +41 (0)31 980 8275; Fax +41 (0)31 980 8260.