

MEDIA RELEASE**Franke shuts down Metal Construction profit center at end of 2003**

Aarburg, Switzerland, May 6, 2003 - Franke Industrie AG, Aarburg, intends to shut down the metal construction profit center, which currently employs 33 people, at the latest by the end of 2003. The legally required consultation proceedings were started as of May 5, 2003.

Franke Industrie AG consists of three profit centers: Industrial Engineering, Tool Manufacturing and Metal Construction. The Metal Construction business has been losing market share for years, with losses constantly increasing. This negative development, situated in an even more difficult environment during the last months, continued to worsen.

Nevertheless, the outlook for transferring the majority of the concerned employees to other Franke companies in Aarburg or within the Franke Group is good. A special "task force" has been established for that purpose.

Franke is a global provider of products, services and custom solutions for a wide range of applications in the household food preparation and catering sectors. The Franke Group, headquartered in Aarburg, Switzerland, is firmly established with 69 subsidiaries in 34 countries and has approximately 5,600 employees. The divisions Kitchen Systems (sinks, taps, cooking hobs, extractor hoods, etc. and washroom and sanitary equipment) and Contract Group (production of equipment for quick service restaurants) are both global market leaders in their respective segments, with exports to over 100 countries. Further activities of the Franke Group

consist of a wide product assortment ranging from Coffee Machines (production of fully automated coffee machines) to Technology (Industrial Engineering and Tool Manufacturing) and beverage containers. Franke Group consolidated sales reached CHF 1,591.2 million in 2002.

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