

MEDIA RELEASE

Partial sale of Franke Metal Construction to Senn AG secures jobs for entire Metal Construction staff

Aarburg, Switzerland, 10 September 2003 – Proceedings initiated in May 2003 to close the Aarburg-based Metal Construction profit center result in a partial sale of the profit center to Senn AG of Oftringen. Efforts to secure jobs either inside or outside the Franke Group for the profit center's 35 employees prove successful.

Franke will close its Metal Construction profit center (a division of Franke Industrie AG) as of the end of October 2003. The Oftringen-based Senn AG will take over a major part of the Metal Construction division's operations as of 1 November 2003. In addition to 10 employees, the takeover encompasses technical know-how, the machine park and the product line.

The takeover will allow the Oftringen-based Senn AG, which already has experience in the area of stainless steel, to convert its stainless steel product line into an independent business unit and to effectively expand its already broad range of services, extending from steel and metal construction to sheet metal processing, emergency power generators, cranes and heavy equipment transport vehicles.

Efforts made during the last several months to secure the continued employment of all 35 employees affected by the Metal Construction division's closure have proven success-

ful – with the employees being placed either at Senn AG, at other companies within the Franke Group or at external companies. Franke regards the completion of the closure/takeover proceedings as an extremely positive development for all parties involved.

*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, whose holding company is domiciled in Aarburg, Switzerland, has some 5,600 employees around the world, and is firmly established with 69 subsidiaries in 35 countries. The two divisions **Franke Kitchen Systems** (sinks, taps, cooking hobs, ovens, canopies etc. and washroom and sanitary systems) and **Franke Foodservice Systems** (formerly Contract Group - products and services for quick service restaurants) are the global market leaders in their business sectors, exporting to over 100 countries. The activities of the Franke Group also include **Franke Coffee Systems** (fully-automatic, professional and semi-professional coffee machines), the technology field and Beverage Containers. In the fiscal year 2002 the Franke Group generated consolidated sales of CHF 1,591.2 million and CHF 722.7 million in the first half of 2003.*

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