



Press Release

STI | Hartchrom and Forster Precision Steel Tubes respond to global drop in demand

Shorter hours to be introduced in the coming year

Arbon, Switzerland, 12 December 2008. – STI | Hartchrom and Forster Precision Steel Tubes, both subsidiaries of AFG Arbonia-Forster-Holding AG, have responded to the global drop in demand that is currently affecting the automobile and machine-making industries. As suppliers to these key industries, the two subsidiaries have seen drops in incoming orders of between 35 and 40 percent since November, i.e. when compared to incoming orders booked during the first three quarters of 2008. This drop in incoming orders and a prevailing uncertainty with respect to the development of the automobile and machine-making industries in the foreseeable future have led the managers of STI | Hartchrom and Forster Precision Steel Tubes to introduce work reductions of around 30% from 1 January 2009. The shorter hours will apply to a total of around 300 employees, a figure corresponding to around 5% of the Group's overall workforce.

AFG Arbonia-Forster-Holding AG: a leading construction industry supplier

With headquarters in Arbon, Switzerland, AFG Arbonia-Forster-Holding AG is a leading integrated provider of building supplies. The company is listed on the SWX Swiss Exchange. The business is organised into the five divisions heating technology and sanitary ware, kitchens and refrigeration, windows and doors, steel technology and surface technology. Production sites are located in Switzerland, Germany, France, USA, Czech Republic, England, China and Slovakia. AFG is present throughout the world with around 50 wholly-owned production and sales subsidiaries as well agents and partners in over 70 countries. The brands Arbonia, Kermi, Prolux, Asco Swiss, Aqualux, Forster Kitchens, Forster Refrigeration, Piatti, Miele Kitchens, EgoKiefer, RWD Schlatter, Slovaktual, Forster Precision Steel Tubes, Forster Profile Systems und STI | Hartchrom form the backbone of the company. With these brands AFG Arbonia-Forster Holding AG has built a strong market position in Switzerland and Germany. It is pursuing a strategy of rapid growth in new markets in Eastern Europe and Russia as well as in the Middle and Far East. In the 2007 financial year AFG Arbonia-Forster Holding AG generated turnover of CHF 1,471.5 million with a workforce of around 6,000 people and EBIT earnings of CHF 95.5 million.



AFG
Arbonia-Forster-Holding AG

Contact:

AFG Arbonia-Forster-Holding AG

Dr. Edgar Oehler
Chairman of the Board of Directors and CEO
Amriswilerstrasse 50
CH-9320 Arbon, Switzerland
Tel.: +41 71 447 45 50
Fax: +41 71 447 45 89
E-mail: edgar.oehler@afg.ch
www.afg.ch