



Press release

AFG pressing ahead with reorientation and focus on sanitary equipment

Rationalisation of the Heating Technology and Sanitary Equipment Division through the sale of UK company Aqualux

Arbon, 21 May 2012 - AFG Arbonia-Forster-Holding AG, one of the leading suppliers of the European construction industry, is selling its UK subsidiary Aqualux to the Dutch Fetim Group as of 21 May 2012.

With the sale of Aqualux, AFG is taking a further step in the on-going rationalisation of its business portfolio. The Heating Technology and Sanitary Equipment Division, to which Aqualux belonged, will continue to concentrate its sanitary equipment business on a three-level market development strategy via retailers and installers. The focus here is on the quality products of the multi-award-winning Kermi brand, which has a high reputation and market profile in Germany and in other European core markets. The basis for stronger internationalisation of the brand is being further developed. For instance, the shower enclosure business will also be established in the domestic Swiss market in the near future under the Kermi brand.

Aqualux is based in Wednesbury, UK and employs a workforce of around 120. The company manufactures and markets shower enclosures and bath screens. The Amsterdam-based Fetim Group is a leading product supplier for the flooring, home furnishing and sanitary equipment markets. The company is active in more than 40 countries.

The parties have agreed to maintain confidentiality regarding the sale price. Although the sale will result in a cash inflow, the transaction however gives a translation-related currency loss in the region of CHF 10 million. The AFG Group result to 30 June 2012 will therefore be negative.

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This press release and further information on AFG can also be found on our website at www.afg.ch.

AFG

The AFG is a leading building supply group offering cutting-edge technology, innovative solutions and services and a proven international track record. The company has its head office in Arbon, in the canton of Thurgau (Switzerland), and is quoted on the Swiss Stock Exchange (SIX). It has about 50 production and distribution companies and is active worldwide, with offices and partners in over 70 countries.

The five divisions making up AFG reflect the Group's activities: Heating Technology and Sanitary Equipment, Kitchens and Refrigeration Technology, Windows and Doors, Steel Technology and Surface Technology. Production facilities are located in Switzerland, Germany, England, France, the Czech Republic, Slovakia, the USA and China. In its domestic markets, Switzerland and Germany, AFG holds a leading market position. The Group is aiming at opening up new markets and expanding its international activities.