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Strategic expansion

Schleuniger Group acquires PAWO

The Schleuniger Group, based in Thun, Switzerland, a worldwide leading supplier of wire processing machines, has acquired PAWO Systems AG, headquartered in Unterägeri, Switzerland. PAWO has a staff of about 100 employees with sales of 25 mio CHF. For PAWO, this step means an early succession for the current ownership. For Schleuniger, it is a strategic development which will further enhance their position in the market. The purchase price will not be disclosed.

Thun, May 29, 2008 – The formal closing is scheduled for July 1, 2008. Like Schleuniger, PAWO develops and produces precision, niche oriented machines for the global wire processing market. PAWO specializes in machines for the automatic assembly of loose parts to wires, especially automatic and semi automatic installation of weather seals. This kind of technology is used traditionally by the automotive industry. However, many new industries are now considering seal applications for general purpose applications in order to prevent the intrusion of splash water and humidity into connectors. Through this specialization, PAWO is acknowledged as a leading global provider of such products. In addition, PAWO offers shuttle and conventional transfer-machines used to solve complex wire processing, assembly and quality testing. In the wire processing industry, PAWO has an excellent reputation and is known for its high-quality products and solving complex problems for the global wire harness manufacturers.

PAWO also owns 100% of PAWO Inc. in El Paso, Texas (USA) as well as the PAWO Representative Office in Shanghai (China). With nearly 100 employees, PAWO has total sales of 25 Mio CHF with a good EBIT in line with the industry.

With the sale of PAWO Systems AG to the Schleuniger Group, the company's founder Paul Woecke (61) settles his succession early and does this together with a long-term industry partner. The Schleuniger Group, which recently was taken over by the METALL ZUG GROUP in the context of a solution for succession, expands its market position with regard to the automotive industry and thus consequently continues its strategy on which it embarked four years ago.

PAWO will retain and further develop its business at the same location and with the same company name. The channels of distribution, which are already more or less identical with the ones Schleuniger uses, will merge.

PAWO – a success story

In 1980, Paul Woecke established PAWO AG in Baar, Switzerland. At the beginning, the company produced crimping presses and developed products and equipment for seal assembly. In 2000, the company moved to its own premises in Unterägeri. One year later, PAWO Inc. in El Paso (USA) was launched. By taking over Megomat Transfer Systems AG in 2004, Paul Woecke ventured into the customer-specific project work. This business, which was difficult in the beginning, was put onto a new and promising platform by introducing an innovative shuttle system and was integrated into PAWO Systems AG. Today PAWO with its technologically leading high-quality products presents itself as optimally primed for the future.

Paul Woecke has planned his succession for some time. "Schleuniger and PAWO have known each other for many years and our ideals and ambitions match. With good conscience, I put my life's work into the hands of PAWO's own and Schleuniger's management teams. I am confident I have found a reliable and future-oriented solution with Schleuniger" Paul Woecke stated.

About the Schleuniger Group

The Schleuniger Group is one of the world's leading manufacturers of wire processing machines. Schleuniger is specialized in high-precision stripping and crimping technology for all kinds of wire. Its products are used by several thousand customers in numerous sectors all over the world. Schleuniger has production sites in Switzerland and Germany as well as sales companies in Germany, USA, Canada, Mexico, Japan, Slovakia and China and is present in 40 additional countries through long-term distribution partners. 415 employees work for the Schleuniger Group (PAWO excl.), more than half of them in Switzerland, and consolidated sales in 2007 was 108 Mio CHF.

At the beginning of 2008, Schleuniger became the ‘Wire Processing’ business unit of the METALL ZUG GROUP. The Holding company METALL ZUG AG is listed in the Local Caps segment of SWX Swiss Exchange (registered shares type B, security number 3982108, SWX ticker symbol METN). The business units Household Appliances (with Swiss market leader V-ZUG AG, SIBIR Haushalttechnik AG and Gehrig Group AG), Infection Control (Belimed Group) and Real Estate (MZ-Immobilien AG, Parkhotel Zug AG and ZEW Immobilien AG) also belong to the METALL ZUG GROUP.

For further information *please contact Martin Strehl, CEO of the Schleuniger Group, at +41 33 334 03 33 or +41 79 250 39 54 or Paul Woecke, current owner and Chairman of PAWO at +41 41 754 53 53 or +41 76 510 11 22.*