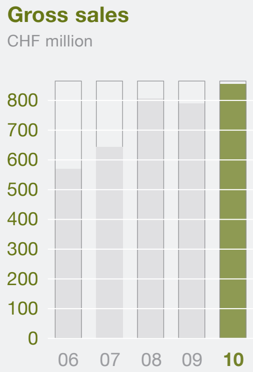
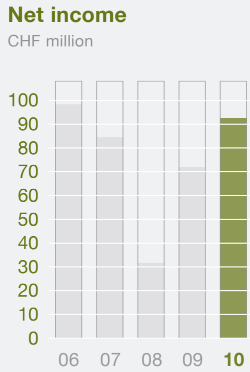
METALL ZUG GROUP

Annual Report 2010

METALL ZUG GROUP

Key figures at a glance





METALL ZUG GROUP

in CHF million	**2010**	2009	2008	2007	2006 [1]
Gross sales	**852.3**	790.2	808.6	641.5	576.1
Revenue from real estate operations	**45.9**	36.4	35.5	33.4	31.6
Operating income (EBIT)	**105.4**	61.8	90.5	94.2	94.2
Net income	**92.3**	71.7	31.8	84.6	98.4
Cash flow	**140.2**	120.0	66.8	114.3	119.3
in % of sales	**16.5**	15.2	8.3	17.8	20.7
Total assets	**1 253**	1 153	987	1 060	997
Current assets	**684**	636	577	738	719
in % of total assets	**55**	55	58	70	72
Fixed assets	**569**	517	410	322	280
in % of total assets	**45**	45	42	30	28
Total liabilities	**436**	412	285	249	228
in % of total assets	**35**	36	29	24	23
Shareholders' equity	**818**	740	701	811	771
in % of total assets	**65**	64	71	76	77
Investments	**106.5**	160.1	99.6	76.1	33.2
Employees	**3 045**	3 016	2 966	2 251	2 021

METALL ZUG AG

in CHF million	**2010**	2009	2008	2007	2006
Total assets	**530.7**	498.3	450.7	426.4	382.9
Total liabilities	**208.0**	180.9	133.9	108.6	66.3
Shareholders' equity	**322.7**	317.4	316.8	317.8	316.6
Net income	**25.0**	20.4	19.0	21.5	20.2
Dividend in %	**220** [2]	180	180	180	180

1 The 2006 balance sheet was restated in order to comply with Swiss GAAP FER 2007.

2 According to the proposal of the board of directors

Household appliances

	2010	2009	%
Sales in CHF m	**562.2**	522.6	+ 7.6
Employees	**1 516**	1 498	+ 1.2

Infection control

	2010	2009	%
Sales in CHF m	**195.6**	186.1	+ 5.1
Employees	**991**	967	+ 2.5

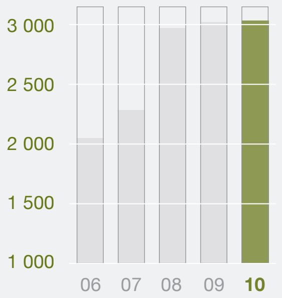
Wire processing

	2010	2009	%
Sales in CHF m	**98.1**	85.7	+ 14.5
Employees	**404**	446	– 9.4

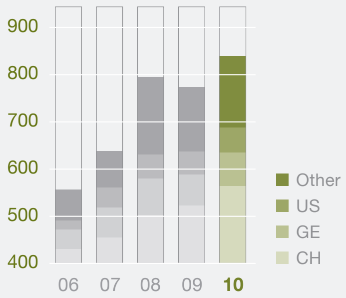
Real estate

	2010	2009	%
Revenue in CHF million	**45.9**	36.4	+ 26.1
Employees	**130**	102	+ 27.5

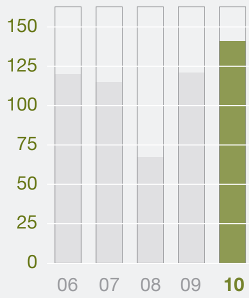
Employees



Net sales (by country)
CHF million



Cash flow
CHF million



The METALL ZUG GROUP posted growth in all business units in the year under review and was able to increase **gross sales** by 7.9% to CHF 852.3 million (previous year: CHF 790.2 million). Excluding acquisition and currency effects, the growth in sales amounted to 9.0%.

Despite this growth, **sales deductions** at CHF 20.2 million were virtually unchanged on the previous year (CHF 20.1 million). This is the result of lower losses on trade receivables in particular.

Net sales achieved **abroad** increased from 32.5% of gross sales in 2009 to 33.0% in 2010, and amounted to CHF 274.8 million (previous year: CHF 250.6 million).

As a result of the sales growth in particular, expenditure on **research and development** declined from 7.5% of sales in 2009 to 6.8% in the reporting year. However, the absolute figure remained virtually constant at CHF 58.1 million (previous year: CHF 59.2 million).

The companies of the METALL ZUG GROUP spent 3.2% of sales volume on **marketing activities**, a slight increase on the previous year (3.0%).

At CHF 105.4 million, **operating income (EBIT)** enjoyed a 70.5% increase on the previous year's value of CHF 61.8 million. The strongest increase was posted by the wire processing business unit, which has bounced back from the crisis more quickly than expected.

Detailed **performance figures for the individual business units** are provided in the financial report on pages 54 and 55. The proportion of sales accounted for by the household appliances business unit fell to 66.5% (previous year: 95.0%) while that of the real estate business unit fell to 15.5 % (previous year: 19.1%). The contribution of the infection control business unit to operating income rose slightly to 7.4% (previous year: 7.1%) while that of the wire processing business unit rose to 10.6% (previous year: –21.2%).

Due to less favorable market developments, exchange rate losses and financing costs for the expansion of the real estate business unit, the **financial result** of CHF 1.3 million was significantly lower than in the previous year (CHF 22.7 million).

In the year under review, **non-operating income** of CHF 0.9 million was generated from the sale of two properties (previous year: no non-operating income or expenditure).

As a consequence of the higher pre-tax result, **tax expenditure** increased from CHF 12.8 million in 2009 to CHF 15.4 million, a rise of 20.6%. In relation to income before taxes, however, the tax burden fell to 14.3% due to lower tax rates and the use of tax loss carry forwards (previous year: 15.1%).

Thanks to the group's strong operating result and despite a weaker financial result, the group's **net income** increased by around 28.6% to CHF 92.3 million (previous year: CHF 71.7 million).

Due to the stronger net income figure in particular, group **cash flow** in the reporting year rose to CHF 140.2 million, an increase of 16.8% on the previous year's figure of CHF 120.0 million.

Despite further debt-financed investment in the real estate business unit, the **equity ratio** rose slightly to 65% (previous year: 64%).

At CHF 106.5 million, **investments** in the year under review were once again significantly above their long-term average (previous year: CHF 160.1 million). This figure includes the above-mentioned investments in the real estate business unit of CHF 48.6 million (previous year: CHF 104.5 million).

Headcount increased slightly to 3 045 (previous year: 3 016). Of this figure, 2 239 employees were employed in Switzerland (previous year: 2 222) and 806 abroad (previous year: 794).

METALL ZUG GROUP

Annual Report 2010

About the METALL ZUG GROUP

The METALL ZUG GROUP employs a staff of about 3 000. The holding company METALL ZUG AG is listed in the Domestic Standard of SIX Swiss Exchange in Zurich (registered shares of type B: securities number 3982108, ticker symbol METN). In addition to the Swiss market leader V-ZUG AG, the household appliances business unit comprises SIBIRGroup AG and Gehrig Group AG. The Belimed Group (infection control business unit), the Schleuniger Group (wire processing business unit), MZ-Immobilien AG, Hotelbusiness Zug AG and ZEW Immobilien AG (real estate business unit) are other members of the METALL ZUG GROUP.

Table of contents

Against the background of a global economic recovery, the METALL ZUG GROUP completed the 2010 business year with a good result. Compared to the previous year, gross sales rose by 7.9% to CHF 852.3 million. At CHF 105.4 million, the group's operating income was 70.5% higher than in 2009. This positive outcome is thanks to the innovative products with which the METALL ZUG GROUP has been able to further expand its already strong market position. The financial result for the year under review came in at CHF 1.3 million, and the group's net income rose by 28.6% to CHF 92.3 million.

Household appliances: On a stable growth course

In 2010, V-ZUG AG achieved record sales of CHF 480.9 million. The strong growth of 8.9% over the previous year is mainly due to the economic upturn and innovation. Particular mention may be made of the new generation of washing machines and laundry dryers for single-family and multi-family houses. The new "FutureLine" range of kitchen appliances introduced the previous year also proved to be a top seller. V-ZUG AG was also able to achieve slight foreign sales growth thanks to higher figures for ZUG brand appliances. Entry into Far East markets is planned for 2011.

SIBIRGroup AG saw 2010 sales decline slightly to CHF 48.7 million due to streamlining of its product range. The company was able to optimize its cost structure and inventory control and successfully introduce its new brand presence. Despite price pressure from low-cost foreign suppliers, Gehrig Group AG was able to lift sales by 4.0% to CHF 47.0 million.

Infection control: Double-digit growth rates in Chinese and German markets

In 2010, the Belimed Group raised its sales by 5.1% to CHF 195.6 million. New orders amounted to CHF 219.5 million. The group's operating income rose by 76.5% to CHF 7.8 million. Developments in the Chinese and German markets, which saw double digit growth rates, are very gratifying. Integration of Sanamij B.V. and BHT Service, which were acquired the preceding year, was successfully completed. The Belimed Group also took two strategic decisions which set the course for the future. Firstly, production capacity in Slovenia is being expanded and secondly, Belimed sold its silo heating business to the German KTI-Plersch Group as part of the process of focusing on its core infection control business.

Report of the chairman of the board of directors

Wire processing: New record sales in China

After the crisis in 2009, the Schleuniger Group returned to growth last year. Sales revenue totaled CHF 98.1 million, which translates into growth of 14.5%, while orders rose by 38.5% to CHF 101.2 million. The group doubled its sales volume in China compared to 2009. In the light of this strong growth, structures in China were expanded with new sites in Shanghai and Yentai. The fully automatic crimping machine business achieved the greatest growth in product sales, virtually tripling both sales and orders. The Schleuniger Group also completely implemented its new functional, group-wide structure during 2010.

Real estate: Significant increase in revenue

MZ-Immobilien AG increased rental income by 23.8% to CHF 33.1 million. This positive development was aided by the consistently high occupancy level of rented properties, the acquisition of a further stake in the Metalli shopping mall and the integration of new real estate properties. 2010 saw the start of construction for the new Suurstoffi district in Rotkreuz, which offers both apartments and commercial areas. The former Parkhotel Zug AG, which has been renamed Hotel-business Zug AG since October, saw sales rise by a good 40% to CHF 17.3 million thanks to the integration of the City Garden Hotel and the Serviced City Apartments.

Proposals to the general meeting

Thanks to the positive business performance over the past year and confidence that this trend is ongoing, the board of directors is proposing to the general meeting of shareholders that the dividend be increased by 22% to CHF 24.8 million, i.e. CHF 5.50 per type A registered share and CHF 55.00 per type B registered share.

Ms Marga Gyger is being proposed to the general meeting of shareholders for election as an additional member of the board of directors. Marga Gyger was CEO of the Franke Group's Coffee Systems division until 2009, since when she has been leading various projects for the Franke Artemis Group as a corporate consultant.

Acknowledgements

The METALL ZUG GROUP has achieved a very gratifying result. We would particularly like to thank our staff who, with their skills, achievements and commitment, have made a substantial contribution to this success. We would also like to thank our customers for their loyalty and continuing interest in our products, and our suppliers for their reliability and support. Last but not least, I would like to thank our shareholders for the trust they place in the board of directors. They give our company the support that we need even in times of economic success and which spurs us on to even greater heights in the future.

Dormann

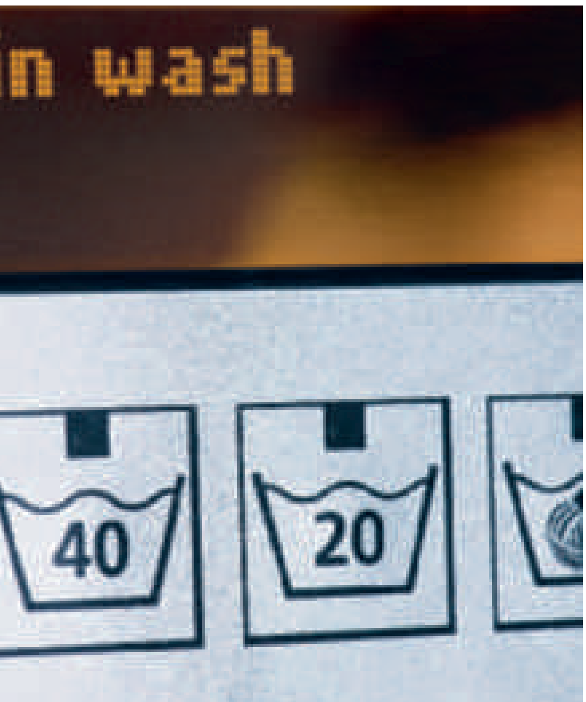
Jürgen Dormann
Chairman of the board of directors

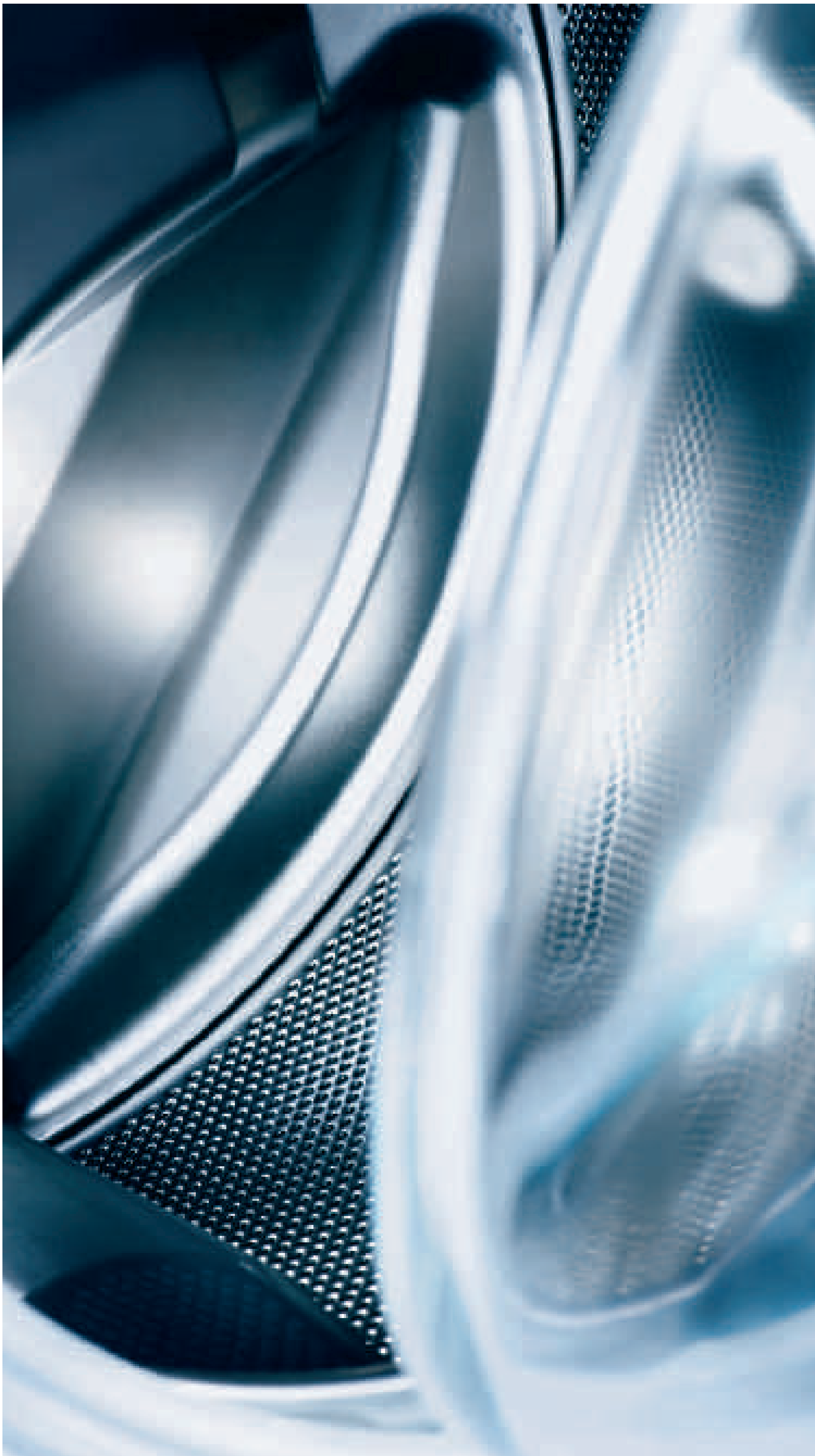
The Adora SLQ Washing Machine

– Partial load automatic energy saving setting – reduces energy and water consumption
– Zero watt stand-by energy-saving function
– World-exclusive steam anti-crease setting – uses steam to remove creases so well that ironing is frequently unnecessary
– World-exclusive Vibration Absorbing System (VAS) – actively counteracts unbalanced loads for silent, low-vibration centrifuging
– World-exclusive WetClean setting – fine mist showering action for your most delicate textiles
– World-exclusive anti-mite setting and skin protection programmes for allergy sufferers
– World-exclusive swivelling operating panel and “tip and go” operation for convenient operation and simple programme selection
– Gentle-cycle Special Care laundry drum with a microstructure that has almost 14 000 specially formed openings – for unmatched rinsing and gentle care for your washing
– Unsurpassed variety of programmes

Showroom

Showroom


wash
40
20



Household appliances business unit

The economic upturn in 2010 meant that V-ZUG AG was able to achieve record sales. Despite increasing price competition from foreign companies, it was able to assert its position as market leader with innovative products.

The household appliances business unit comprises V-ZUG AG and its subsidiaries SIBIRGroup AG and Gehrig Group AG. The undisputed market leader in Switzerland, this business unit develops, manufactures and distributes high-quality kitchen and laundry appliances for private and commercial customers. The Swiss construction industry, which has a certain degree of influence on the market for household appliances, had a much better 2010 than had been forecast, experiencing another rise in demand for rental and ownership apartments. Growth in the economy as well as an influx of highly trained immigrant workers from abroad, low stocks of empty apartments and persistently low interest rates have further increased the attractiveness of investing in real estate. The number of newly built apartments in 2010 was at 40 696. Sales in the overall Swiss market for household appliances rose by 5 to 6% in Switzerland.

V-ZUG AG achieves record result

Under improved economic circumstances, V-ZUG AG achieved record sales of CHF 480.9 million, amounting to an increase of 8.9% over the previous year. These figures do not include the revenue generated by subsidiaries. V-ZUG AG gained considerable market share in Switzerland.

This positive trend is also due to innovative products. Laundry appliances deserve particular mention, as a new generation of washing machines and laundry dryers for single-family houses (Adora) and multi-family houses (Unimatic) met with an enthusiastic reception. Specific product benefits such as a steam care cycle (to replace ironing), WetClean, low power consumption, ease of use etc. proved persuasive right across the range. V-ZUG AG was again able to assert its leading market position with cutting-edge appliances such as its energy-saving heat pump dryers. As a result, employee numbers grew by 2.0% from 1 200 to 1 225.

Innovations in V-ZUG AG kitchen appliances

The new FutureLine kitchen range introduced in 2009 were the top selling kitchen appliances. The clear design language, the seamless range that covers every need from a basic stove to a high-tech oven, and a high level of features and innovation met with an enthusiastic customer response. V-ZUG AG is the undisputed market leader in steam ovens. The new CombiSteam XSL complements the existing range, providing a model with a larger cooking chamber, and was the first of a new range of appliances with a height of 45 cm. Further models are planned for 2011, which will enable V-ZUG AG to give a boost to exports and to its exclusive kitchen products.

Difficult export climate for V-ZUG AG

Development of foreign business was at best sluggish. Although V-ZUG AG was indeed able to increase sales slightly in 2010 compared to the previous year, it became apparent that selling appliances under a third party brand is not without risks. A decline in this class of sales was offset by higher sales of ZUG branded appliances. 2011 will see V-ZUG AG intensifying its efforts in existing markets and entering the Far Eastern markets.

Outlook

A drop in the number of new-build apartments may mean that overall demand for household appliances will hardly grow in 2011. There is also unlikely to be a perceptible improvement in international markets due to the uncertainty surrounding the financial and debt crisis. As a result, competition in these markets is likely to become even more cut-throat. However, V-ZUG AG is confident that it will be able to strengthen its leading market position, primarily through groundbreaking innovations unveiled at the beginning of 2011 and through strong investment activities at home and abroad (customer care, research and development, and increases in productivity).

SIBIRGroup AG optimizes costs and result

SIBIRGroup AG finished 2010 with sales of CHF 48.7 million, a slight decline on the previous year. The main reason for this stagnation is that SIBIRGroup AG dropped several unprofitable areas of activity in the second half of 2009, which did not have an impact on sales until 2010. On the other hand, this move helped to optimize cost structures and, despite lower sales volumes, it was possible to bring about a further improvement in the result. At year-end, SIBIRGroup AG had 121 employees.

Improved logistics at SIBIRGroup AG

The acquisitions made by SIBIRGroup AG in recent years have allowed it to adopt a new business direction and position. In particular, brand-neutral maintenance services for household appliances were further consolidated in 2010. By concentrating on maintenance services, replacing A brands and providing targeted training, SIBIRGroup AG was able to significantly improve the level of knowledge among its back-office staff and service technicians. As a result, the spare parts inventory was also reduced and the equipment carried in maintenance service vehicles adapted. SIBIRGroup AG has also outsourced overall inventory control to a single logistics partner, which has complete responsibility for incoming and outgoing movements of appliances and transport to customers. SIBIRGroup AG also further optimized its purchasing policy and streamlined its range with the result that stock levels and overall logistics costs have been reduced.

Efficient property management relations department at SIBIRGroup AG

The Escolino laundry room dryer managed to maintain its market position again in 2010. SIBIRGroup AG has set up a property management relations department to ensure sustainable growth not only with these appliances, but also with washing machines and tumble dryers. The aim is primarily to develop close relationships with institutional real estate professionals and to use these relationships to further SIBIRGroup's brand-neutral maintenance business.

Good garbage container business for SIBIRGroup AG

SIBIRGroup AG has been operating in the garbage container business under the SIBIRrecycling brand since early 2009. The Swiss-manufactured steel garbage containers are extremely durable and face severe competition from imported products from Eastern Europe and low-price plastic garbage containers. Nevertheless, SIBIRGroup AG was able to increase unit sales of steel garbage containers by more than 8% in 2010 and so effectively maintain its position against the foreign competition.

Sales up at SIBIRtherm

SIBIRGroup AG has been manufacturing oil-fired hot air furnaces which are primarily used in older buildings and holiday apartments for more than 60 years. It also sells a wide range of wood-, oil- and pellet-fired furnaces from other manufacturers. While in-house production fell slightly, SIBIRtherm's targeted marketing campaigns increased sales of third-party products by nearly 10%.

Growth at Gehrig Group AG

In Switzerland, Gehrig Group AG is synonymous with high-quality kitchen and nursing care equipment. The group employs 161 people. It retained its strong market position in 2010 thanks to various innovations. The excellent price-performance ratio, high quality and reliability of the group's products were greatly valued by customers. The "Swiss Made" quality mark continued to be a strong selling point. Stronger pressure on prices, primarily from foreign low-cost suppliers, and ever greater price sensitivity among customers were evident, however. Nevertheless, in the 2010 business year, Gehrig Group AG increased sales by 4.0% to CHF 47.0 million.

Household appliances business unit

The range of thermal appliances presented at the IGEHO 2009 trade fair was successfully launched in 2010 and achieved very good sales results overall.

Positive development in the nursing care sector of Gehrig Group AG

The nursing care sector performed well in 2010, with sales growing 50% on the previous year to CHF 3.2 million. Gehrig Group AG succeeded in convincing various major hospitals of the benefits of its bedpan washer systems and services. A complete new range of nursing care baths, patient lifting aids and handholds for hospital and home use was premiered at the IFAS 2010 healthcare trade fair. The high levels of interest held out considerable promise.

Gehrig Group AG's efficient customer service

Gehrig Group AG's customer service carried out over 42 000 jobs in 2010, generating sales of CHF 17.8 million. One major area of activity in 2010 was the training of service technicians. Introduction of the tablet PC system, which enables more efficient working, was successfully completed in September.

Interview

For Helvetia Insurances, real estate is a long-term investment vehicle. This explains the high priority given by the company to high-grade, durable home furnishings. For many years now, Kurt Baumann, Head of Real Estate Portfolio Management at Helvetia Insurances, has placed his trust in V-ZUG appliances.

Kurt Baumann, what tasks does your department handle?

Kurt Baumann:
At Helvetia, property management operations are split between two divisions: Facility Management and Real Estate Portfolio Management. The main responsibilities of the Real Estate Portfolio Management unit include strategic planning, project development and procurement, together with the design and implementation of new-build and renovation projects. I'm also responsible for developing our business relationships with those construction-sector designers and contractors that are insured with Helvetia.

What demands do you place on your properties?

Kurt Baumann:
Real estate is a cornerstone of Helvetia's investment strategy. Our policy in Switzerland is to engage in direct property investment. We implement our own construction projects, and the resulting buildings are then owned and managed by Helvetia. Real estate is a stable-value investment that generates a steady flow of income. And that exactly meets the interests of our insured customers, whose money we are investing.

What do today's tenants expect?

Kurt Baumann:
Centrality and easy accessibility are essential for any property, whether home or workplace. A further key requirement is energy-efficient design, which at the same time helps to cut utility costs. Nowadays, people are also demanding a higher standard of interior fittings and furnishings: stackable washer driers are increasingly becoming the norm in apartments.

What role do V-ZUG appliances play in this regard?

Kurt Baumann:
High-grade products are a major priority for Helvetia. Tenants also appreciate high-quality apartments and furnishings. V-ZUG delivers this quality. On top of this, reliable delivery is crucial whenever occupied properties are being renovated. As owner, we are obliged to honor tight deadlines and delayed equipment deliveries are something we simply cannot afford. Nor would these be acceptable to our tenants. Here, V-ZUG AG is a partner we can depend on.

How have tenants responded to V-ZUG appliances?

Kurt Baumann:
V-ZUG AG enjoys a very good reputation among tenants as a high-quality Swiss manufacturer of kitchen and laundry appliances. Of course, this also helps us to rent out our properties in the first place. Design appeal, technical innovation and a comprehensive customer service are further key benefits.

Which appliance is your personal favorite?

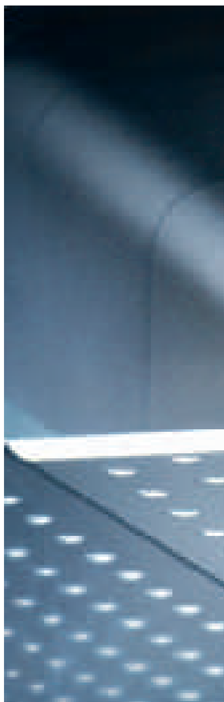
Kurt Baumann:
I don't have a personal favorite. What I do appreciate, though, is labor-saving innovation: products that simplify work and save time.

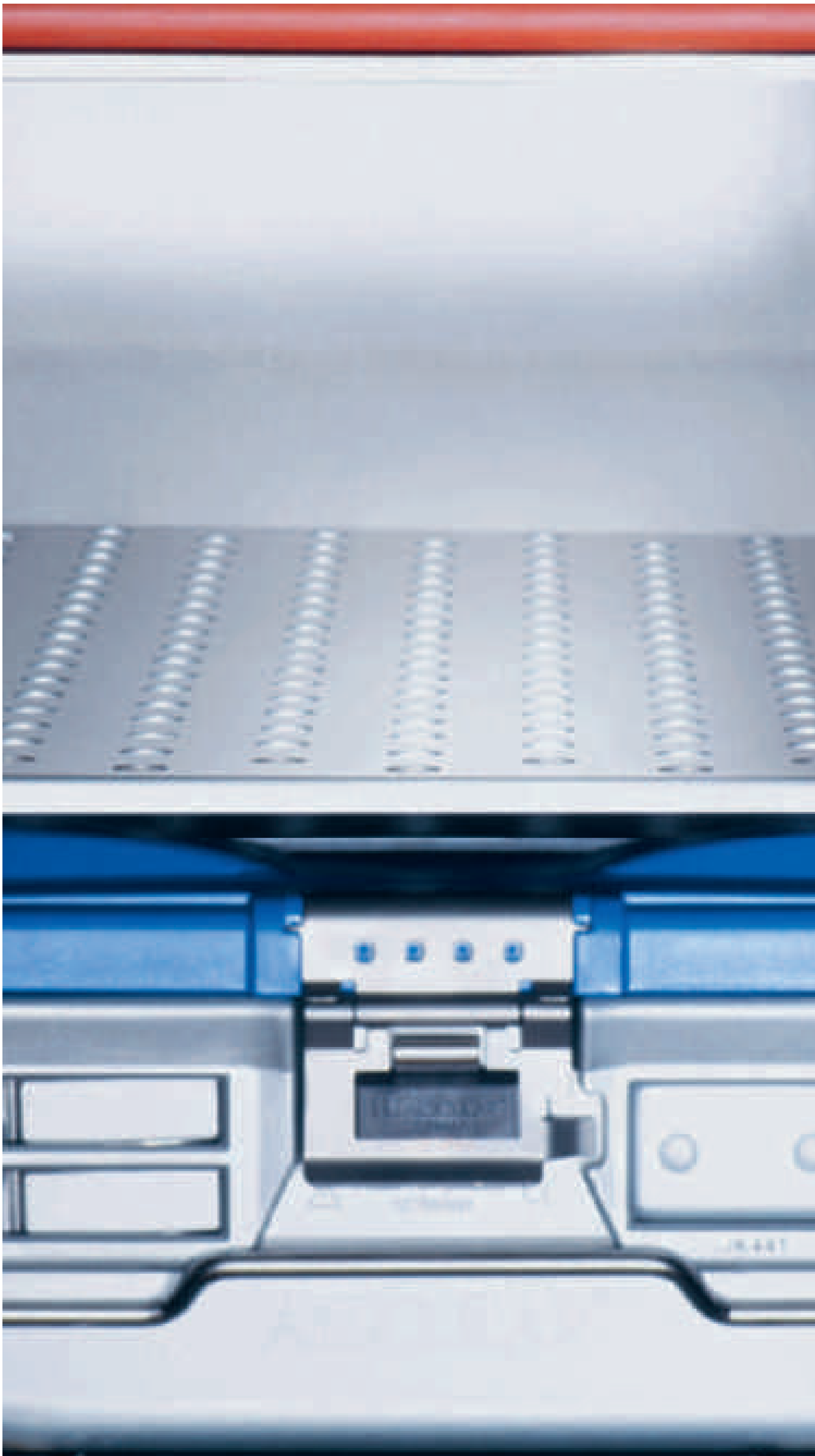
Compact steam sterilizers VAPOFIX 336 and VAPOFIX 339

– Safe and efficient sterilization with smallest footprint in clinics, OR and CSSD
– Easy handling – new, harmonized Belimed user interface
– Transparent – patented process status display
– Ergonomic loading – automatic door operation with foot pedal
– Fast and easy installation, self-contained air compressor
– Solid silicon door sealing – up to 6 times longer lifetime than others

Showroom

Showroom





Infection control business unit

The Belimed Group was on a strong growth course in 2010. Record figures were achieved in both the pharmaceutical and medical sectors. With the achievement of various strategic milestones, the course is now securely set for the future.

The Belimed Group is a leading global supplier of innovative cleaning, disinfection and sterilization solutions for medical, pharmaceutical and laboratory applications. Belimed has some 1 000 employees in a total of 11 countries and is represented by a global network of sales subsidiaries and authorized partners in more than 30 countries. Against a background of global economic recovery, the group returned to growth in the 2010 business year after a slight decline in 2009. In terms of sales and new orders, the group even bettered its record year of 2008, as sales rose by 5.1% to CHF 195.6 million. Adjusted for exchange rates and acquisitions, growth amounted to 7.8%. Despite a substantially stronger Swiss franc, new orders also grew, rising 12.4% to CHF 219.5 million. Earnings also improved considerably, but did suffer significantly from the strength of the Swiss franc because the cost base is mainly located in Switzerland.

Growth in the pharmaceutical and medical sectors

Thanks to the large backlog of orders for pharmaceutical installations from the previous year and record levels of orders, Belimed achieved an appreciable increase in sales to the pharmaceutical sector. The medical sector also made an impressive recovery after the previous year's decline, reaching a new record high. This result was achieved thanks to record levels of orders and despite a relatively slim order book at the beginning of the year. This strong growth contrasted with a pronounced decline in other products, which is mainly attributable to the sale of the silo heating business in May 2010 and the dropping of a specialty business operated exclusively in Hungary.

China, Germany and the USA on the up

From a regional viewpoint, there has been strong improvement in Asia/Pacific, particularly China, and in Germany. Belimed achieved double-digit growth rates in these markets. The USA accounted for a considerable proportion of the excellent result in the medical sector as funding was again made available for existing projects that had been logjammed in 2008 and 2009 due to the financial crisis. The high-quality systems were also very positively received by US customers, as a result of which Belimed gained market share and doubled new orders in the medical sector. Globally, incoming orders in the pharmaceutical sector grew by 6% over the previous year's record level. The USA, Asia/Pacific region and Swiss home market accounted for most of the growth thanks to vigorous activity in the pharmaceuticals market there.

Setting a strategic course for the future

In May 2010, Belimed sold its silo heating business to the German KTI-Plersch Group. This move makes it possible to focus all resources even more closely on the core infection control business. For the business which has been sold, new synergies in terms of distribution and products are opening up in this group of companies which specializes in the concrete industry. Integration of the companies or businesses acquired in the previous year (Sanamij B.V. in the Netherlands and BHT Service in Germany) was successfully completed. In the Netherlands, Sanamij B.V. was merged with the existing Belimed subsidiary. The smaller building was sold and the staff brought together at a single location in Rotterdam. Service technicians from BHT's German network were fully integrated into Belimed's workforce.

In the first quarter of 2010, a decision was also taken to expand production capacity in Slovenia. A larger factory with ultramodern production facilities will be built on a new plot of land at the current Grosuplje site, thereby setting the stage for growth in Slovenia.

Interview

Mark Duro is Manager of the Central Sterile Supply Department at New England Baptist Hospital (NEBH). Located in Boston, Massachusetts, the hospital is a leading orthopedic center. It is also the official team hospital of the US's most successful basketball team, the legendary Boston Celtics. The hospital sets great value on a very high quality standard within its Sterile Processing Department (SPD). Last year it increased the capacity of its SPD. Belimed is proud to have been chosen to build the new construction.

Mark Duro, why did you have to increase the capacity of your SPD?

Mark Duro:
We had to increase capacity to ensure the proper, effective cleaning of orthopedic surgical sets/trays in a timely manner to better service our Operating Room. In our previous facility the technology was old and there was simply not enough equipment to process the 400–700 surgical sets that pass through the department on a given day.

What were your requirements for the new equipment?

Mark Duro:
The requirements were quite simple. We needed equipment that could handle large volumes of surgical trays. Most orthopedic instrument trays are large and heavy by nature, so we wanted to help our staff by automating as much of the work as possible. A major issue in the field of surgical instrument processing is turnaround time. Turnaround time begins when a soiled set is sent to the department and ends when it has been completely processed and is sterile and ready for reuse. In our old facility the average turnaround time was about five hours. There were many contributing factors, including a lack of processing equipment, manual interfacing with equipment, overloading of equipment and the complex cleaning needs of orthopedic instruments.

Have you been faced with special challenges during the project?

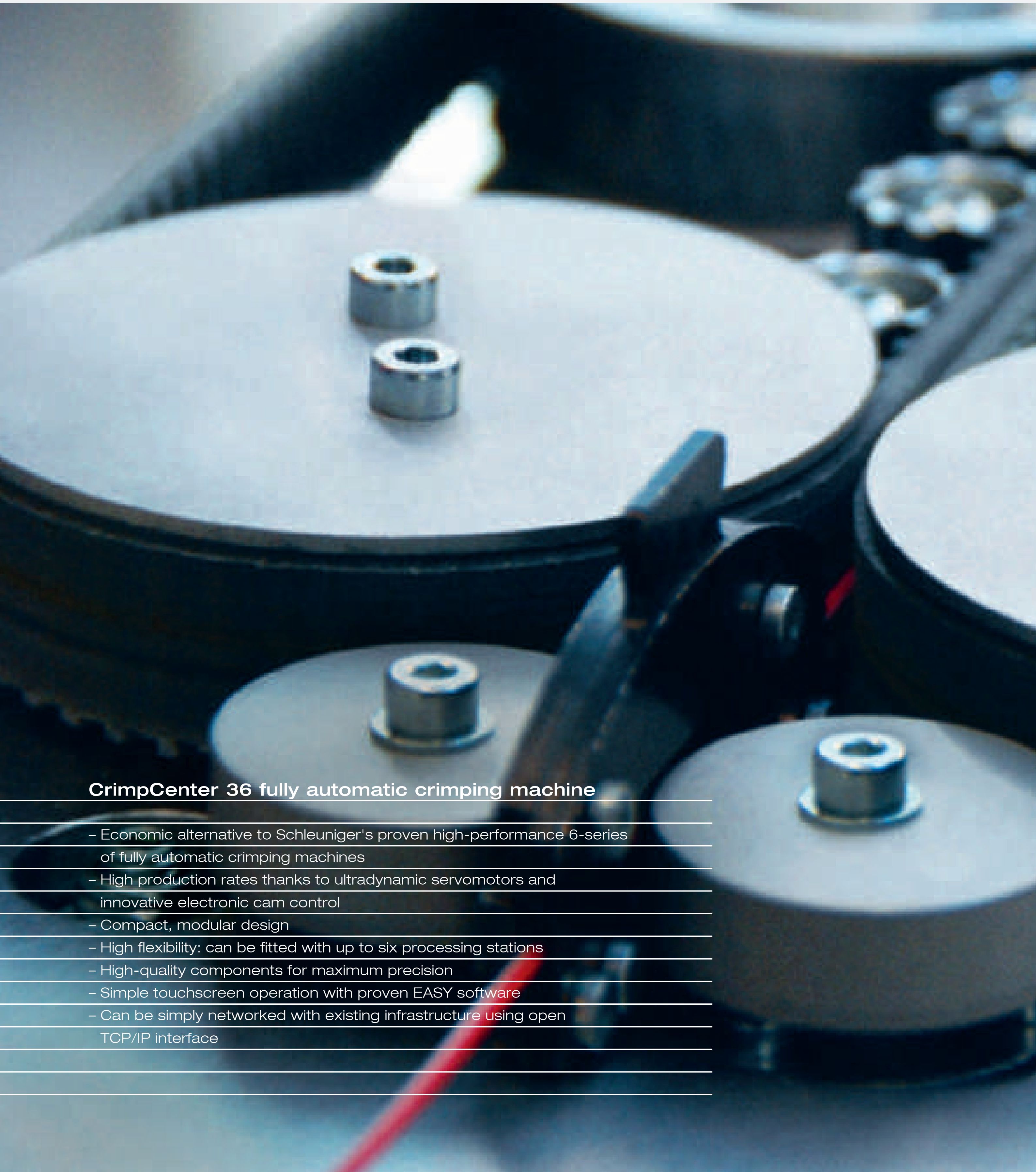
Mark Duro:
I started at NEBH in the middle of the design process. My biggest challenge was evaluating the current plans and persuading Planning and Administration to consider automation and to work with a brand that was unknown to anyone at our facility. I have worked with Belimed in the past, as have others in the Boston area, but it was a new and unknown brand at NEBH. NEBH trusted my judgment and we redesigned the entire plan.

Why did you choose Belimed as your new partner?

Mark Duro:
Belimed came to us and we worked as a team right from the start. Belimed provided us with different design concepts and, as we were trying to be best in class, Belimed was able to show us the benefits of automating our process. I had worked with Belimed at my previous facility and the relationship we had with Sales and Customer service were stellar. I was aware of the other manufacturers in the area, and between the level of service and the other manufacturers' inability to meet our processing needs, it was clear that Belimed was the way forward.

The new infrastructure is now up and running. Which are its biggest advantages?

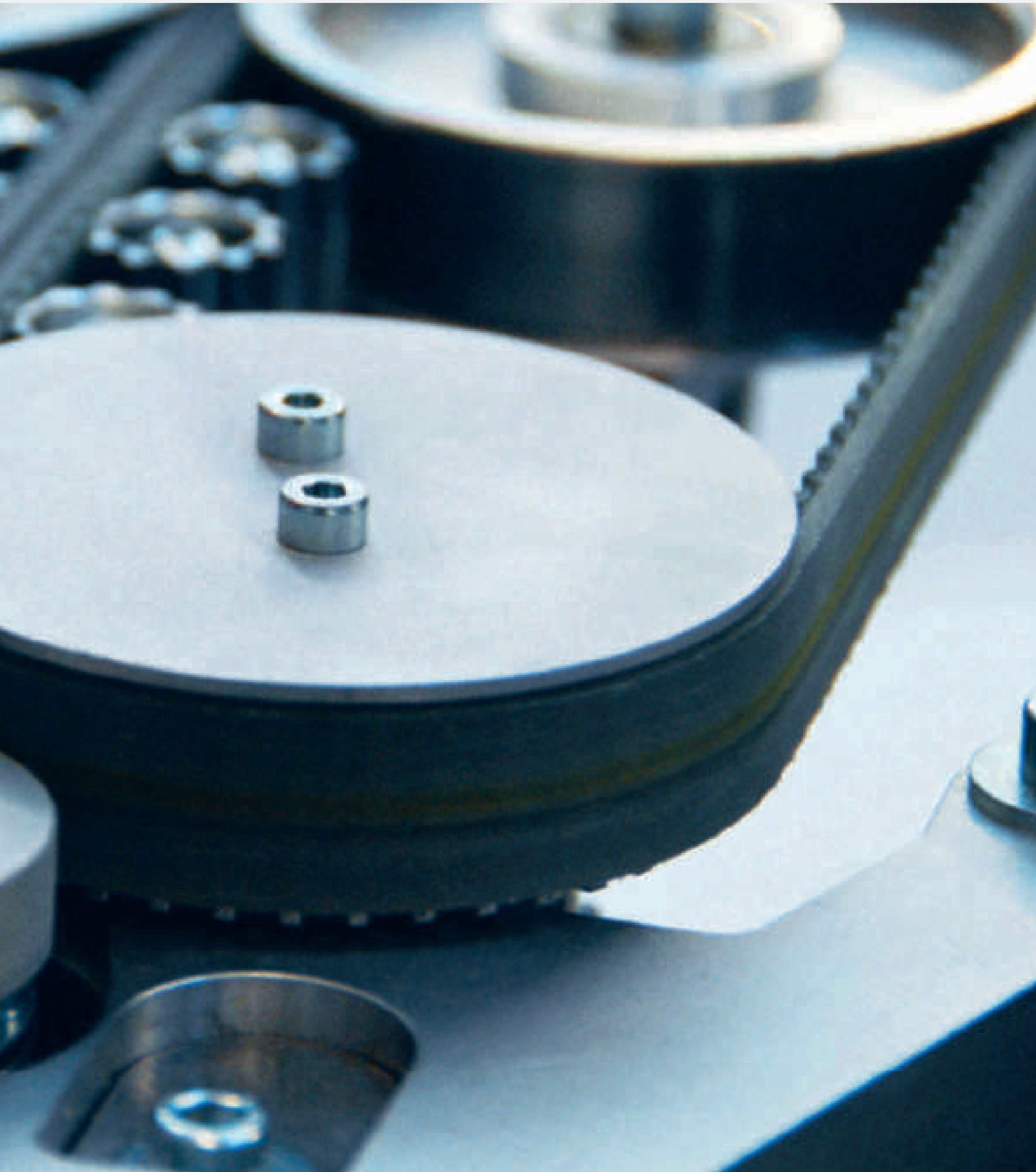
Mark Duro:
The biggest advantages we have now are our perfect workflow, automated process and the functionality of our equipment, which far exceeds expectations. In our old facility there was too much manual interaction with washers and sterilizers. For example there might have been 10 steps at which technicians had to interface with a washer, now there are just two. The same applies to the sterilizers. Furthermore, it is great to see sterilizers unloading as soon as the cycle has completed – it is commonplace for facilities with hinged-door sterilizers to crack open the door and add additional dry time. And finally, the washer design and spray arm configurations give us more headroom to accommodate larger-height trays. In short, Belimed gives us flexibility that you can't get with anyone else!



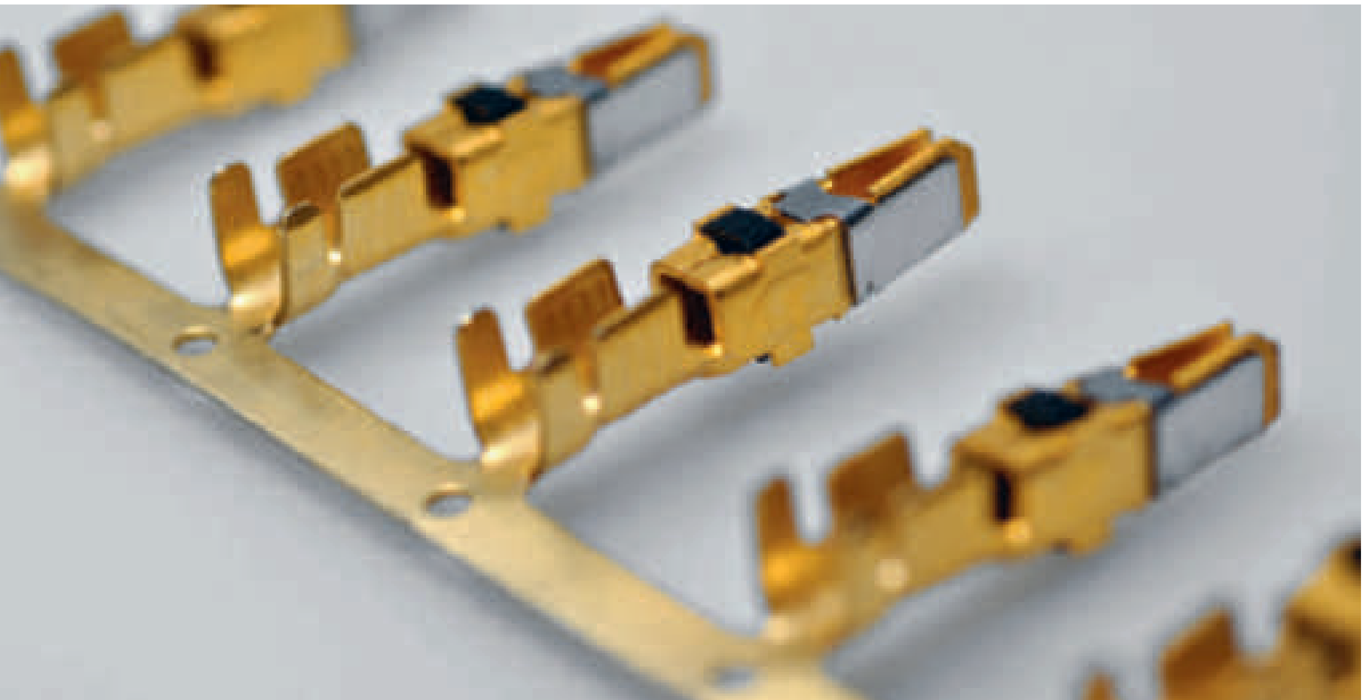
CrimpCenter 36 fully automatic crimping machine

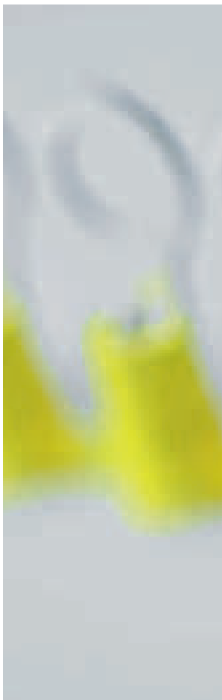
- Economic alternative to Schleuniger's proven high-performance 6-series of fully automatic crimping machines
- High production rates thanks to ultradynamic servomotors and innovative electronic cam control
- Compact, modular design
- High flexibility: can be fitted with up to six processing stations
- High-quality components for maximum precision
- Simple touchscreen operation with proven EASY software
- Can be simply networked with existing infrastructure using open TCP/IP interface

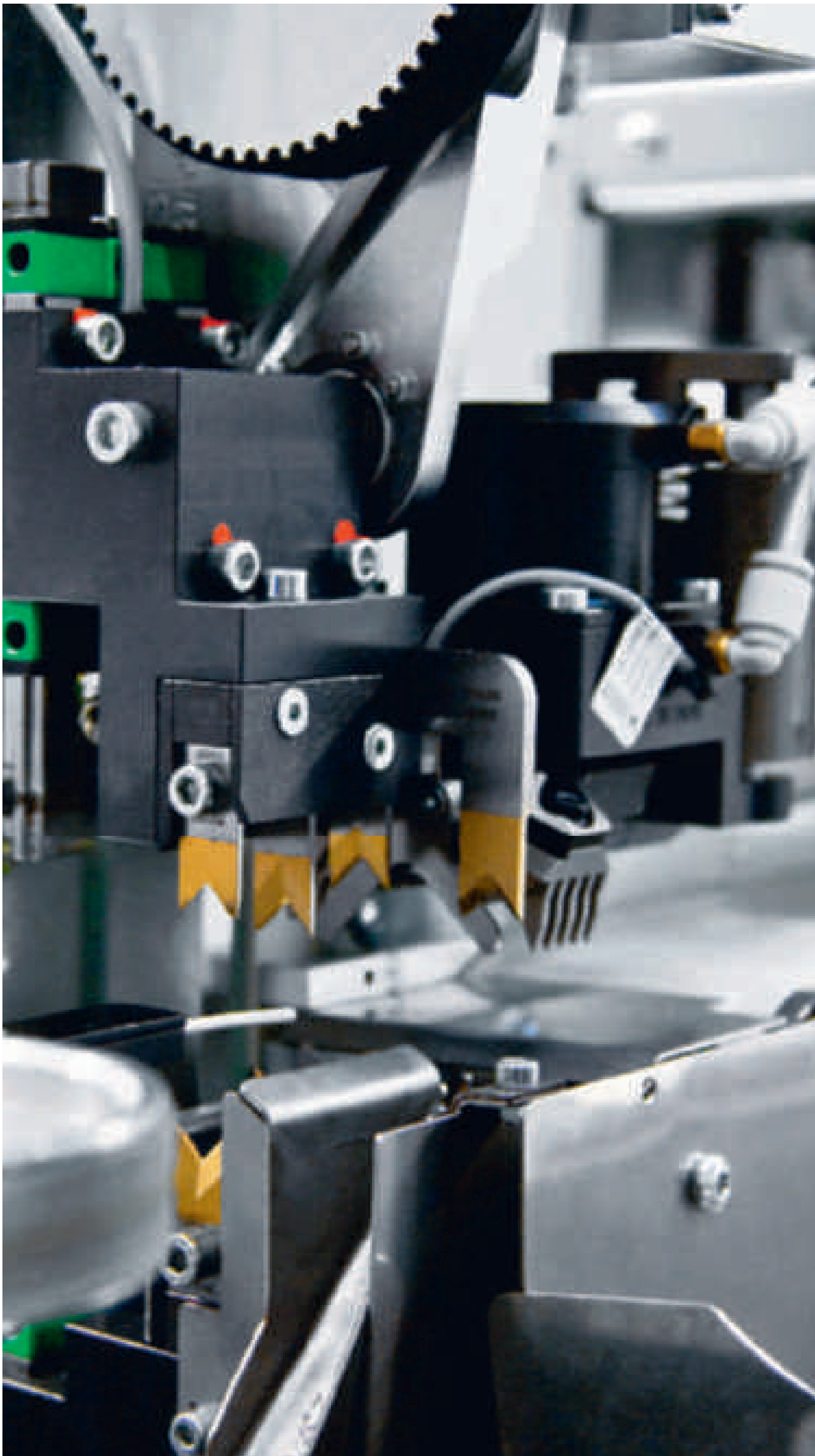
Showroom



Showroom







Wire processing business unit

In 2010, the Schleuniger Group recovered from the previous year's global financial and automotive crisis, making substantial progress in all sales regions and product segments.

The Schleuniger Group is a world-leading manufacturer of high-precision wire processing machinery. The group employs some 400 people and has a global presence. After a sharp decline in sales in 2009, the ongoing investment that had nevertheless been made in innovation and market development paid off in 2010, and the substance and overall direction of the group were not eroded. Thanks to its comprehensive product portfolio, the Schleuniger Group was able to take full advantage of the upturn. Greatest growth was achieved in China and in the fully automatic crimping machine business.

Sharp rise in sales

In 2010, the Schleuniger Group generated sales of CHF 98.1 million, equivalent to a rise of 14.5% over the previous year. The group won orders worth CHF 101.2 million, amounting to growth of 38.5% (previous year: CHF 73.0 million). Without the weak US dollar and euro, the increase would have been even greater on an annual comparison. A strong first half, which saw the markets catching up after the crisis in 2009, was followed by an almost equally successful second half, in which orders surged towards the end of the year to pass the CHF 100 million mark.

Sustained strong growth in China

The strong growth achieved in the strategically important Chinese market was particularly gratifying. After a record result in the 2009 business year, the Schleuniger Group continued to make progress in China by doubling its sales figures. New orders were also at record levels. This growth is primarily due to huge demand for modern, high-quality fully automatic crimping machines for the automotive supply industry. Customers are becoming increasingly quality conscious when it comes to semi-automatic and fully automatic benchtop machines too, and this trend is driving sales of high-precision cutting and stripping systems. In the light of this strong growth in China, the Schleuniger Group is developing its local structures accordingly. For instance, in 2010, the group moved into new premises in Shanghai and another service center was opened in Yentai.

Greater market share in fully automatic crimping machines

In 2010, fully automatic crimping machines saw the greatest growth in business. The Schleuniger Group achieved greatly improved results here and almost tripled both its sales and orders. This is thanks to strong market growth in China, a good global market presence, the Schleuniger Group's own service and sales companies and selected, highly professional representatives. In product terms, CrimpCenter 36, which was launched in mid 2009, is a major success story. It combines maximum productivity and flexibility with cost-efficiency.

Tenders at record levels for project business

The projects business saw record levels of tenders. The driving factors here include increasing miniaturization, the availability of capital on favorable terms, an ongoing rise in quality requirements, and, even in ostensibly "low wage" countries, constantly rising wage costs and indirect labor costs, combined with high recruitment, training and development costs as a consequence of high labor turnover rates.

Solid basis for future growth

The Schleuniger Group is in a good starting position for 2011. The products introduced during 2010, such as PowerStrip 9550, will generate additional sales and allow the group to expand its market share. Market signals are leading the Schleuniger Group to anticipate sales growth and, the group is cautiously optimistic overall.

Interview

Fernando Cadilhe is the Yazaki Group's Global Purchasing Commodity Manager – Capital Equipment. The group's core product – automotive wire harnesses – commands a top share of the global market. In its mission statement Yazaki says that it aims to deliver consistent quality at the lowest possible cost from each of its factories worldwide. The Schleuniger Group is therefore very proud to supply its machines to the Yazaki Group.

Fernando Cadilhe, could you please explain what wire harnesses are used for in the automotive industry?

Fernando Cadilhe:
Automotive wire harnesses can have a number of purposes and can be used for example in the ignition system, battery, air conditioning or on-board communications. Applications include power windows, horn relay and connector, dimmer switch connector, power door locks, headlight circuit breaker, ignition switch connectors, engine fan, radio battery, wipers and many more. Harnesses are usually customized for a particular car model and there are many variations, depending on which options are offered or chosen by the buyer of the car.

What specific requirements do your wire harnesses have to meet?

Fernando Cadilhe:
To support our client's global automotive vehicle manufacturing operations, our wire harnesses have to meet consistently high quality and time to market schedules. Our harnesses are produced at over 110 manufacturing locations around the world, so you can imagine the wide range of vendors and brands of production equipment that we use. Furthermore, wire processing requirements have become more diversified as environmental awareness has increased. For example, hybrid cars need different wire types or dimensions, and wire materials have been changed to save weight.

How do you recruit your partners?

Fernando Cadilhe:
To meet the customer requirements placed on us as manufacturers, I successfully established the global Committee of Standardization and Evaluation of Equipment (COSEE) teams some years ago to perform global benchmarks of machines, suppliers and/or processes. Aligning the many diverse ideas contributed by manufacturing engineers from many regions and cultures on certain machines, suppliers and/or processes proved to be a real challenge. In the meantime the teams are working very efficiently. To reflect our cooperation with vendors, we have also established a Partners in Excellence program to which Schleuniger belongs.

How did your collaboration with the Schleuniger Group come about?

Fernando Cadilhe:
Schleuniger was already a global player in the wire processing business in the 1990s. In fact they were not only the sole manufacturer of programmable machines for stripping coaxial cables, they also had products such as automatic cut-strip and semi-automatic stripping machines with attractive USP's. At that time we also had other vendors supplying similar equipment to us (except machines for stripping coaxial cable). The choice of which manufacturers to buy from was usually made locally. Over time selected Schleuniger brand products were put on our global equipment list by our COSEE teams.

Has the Schleuniger Group met your expectations?

Fernando Cadilhe:
Absolutely, that's why Schleuniger has become a member of our Partners in Excellence program and come out top in a number of our COSEE global benchmarks. One example of this was when the PowerStrip 9500 and MegaStrip 9600 took first place in their respective categories in the Cut & Strip BM4 benchmark. The winners and a number of runners-up in Yazaki benchmarks are added to our Yazaki Standard Equipment Catalogue and only these brands and models can be purchased by Yazaki plants worldwide. In late 2010, Schleuniger took most of the top positions in our Desktop Manual Stripping BM16 global benchmark. Yazaki's success depends partly on it having excellent suppliers. In short, Schleuniger has proven to be one such supplier over the years.

Real estate business unit

MZ-Immobilien AG (MZI) increased its rental income by 23.8% over the business year. This positive development is due to consistently high occupancy levels and the substantial investments made in recent years.

MZ-Immobilien AG manages more than 3 000 rental properties. These include wholly-owned properties such as Parkhotel Zug, and a majority stake in the Metalli shopping mall in a prime location in Zug. With the Metalli district in Zug and Suurstoffi district in Risch-Rotkreuz, MZ-Immobilien AG has a widely diversified real estate portfolio with a market value of around CHF 700 million.

Significant increase in revenue

Last year, MZ-Immobilien AG generated CHF 33.1 million in rental income, 23.8% more than in the previous year. This growth was greatly assisted by the integration of the properties acquired and projects developed in 2009, the acquisition of a further stake in the Metalli shopping mall in early 2010 and the consistently high occupancy level of rented properties. Investments in development projects came to around CHF 45 million in 2010.

The new Suurstoffi district

In the immediate vicinity of Rotkreuz rail station, MZ-Immobilien AG is developing an integrated district with apartments and commercial areas on the site of the former oxygen plant. Construction began in summer 2010, while a successful start has been made to marketing the first stage comprising 230 apartments and approx. 13 000 m² of service areas. Particular attention is being paid to sustainable development of the district. For instance, heat generation and building services will be entirely CO_2-free.

Hotelbusiness Zug AG on expansion course

The former Parkhotel Zug AG, which has been renamed Hotelbusiness Zug AG since October 2010, can look back at a very successful business year. Integration of the City Garden Hotel and Serviced City Apartments increased sales revenue by almost 40% to CHF 17.3 million. 2010 was once again dominated by significant preparatory work for further expansion steps. The ground floor of Parkhotel Zug is being remodeled over the winter of 2010–2011 to offer guests a high-quality, attractive space.

Activities in the Metalli Zug Congress Center were integrated into Parkhotel Zug and, for larger occasions, into the Theater Casino Zug, which was acquired in January 2011. A further 30 Serviced City Apartments came into operation in the first quarter of 2011. Factoring in the shared-use areas of Theater Casino Zug, Hotelbusiness Zug AG is the clear market leader and top full-service provider in Zug for hotel and restaurant/banqueting services, serviced apartments, and meetings and conferences.

Ongoing sales growth in 2011

Activities are focusing on the planned continuation of investment in the two major development areas in Zug and Risch-Rotkreuz. The first occupants will be able to move into their apartments in the Suurstoffi district in late December 2011. Two further sites from the existing development plan are entering the construction readiness phase, while a third site is being made ready for construction approval. In late 2010, MZ-Immobilien AG submitted a planning application for a 2 800 m² office space expansion in the Metalli shopping mall on the basis of the revised development plan. Further attractivity-enhancing expansions of retail areas are currently under examination. Despite a demanding operating environment MZ-Immobilien AG anticipates moderate growth in sales at a very largely full occupancy.

Suurstoffi

Investment strategy

Last year the infection control business unit sold its silo heating business to focus more strongly on its core business.

The METALL ZUG GROUP is a conglomerate of various industrial companies and service providers. The Group's household appliances, infection control, wire processing and real estate business units give it a balanced, well-rounded portfolio that is in line with its financial capacities. Despite the challenging economic environment of recent years, METALL ZUG AG is in very sound financial shape. The Group is therefore still amenable to further acquisitions. METALL ZUG AG has empowered its four business units to initiate attractive acquisition transactions themselves provided they also bear the resulting costs. METALL ZUG AG focuses increasingly on its role as a strategic management holding company.

Long-term strategic investments

The METALL ZUG GROUP has developed a long-term investment strategy to ensure that investment funds are used wisely. This strategy defines the following conditions for acquisitions: The industrial and real estate sectors are the primary targets for investments. METALL ZUG AG usually aims to take a controlling interest or make a full acquisition, so as to be able to actively and efficiently support the acquired company in addressing strategic challenges. In addition, METALL ZUG AG pursues a long-term investment strategy and focuses on a form of business development that is geared towards sustainability. Preferably, potential acquisition targets are international companies that are headquartered in Switzerland or in the neighboring countries and hold a good to leading market position in their segment or market niche. They should also have sustainable earning power and a qualified management team and share the values represented by the METALL ZUG GROUP.

Belimed increases focus on its core business

The Belimed Group sold its silo heating product segment to the German KTI-Plersch Group at the end of May 2010. The sale marks its exit from silo heating and cooling systems for use in concrete manufacturing, a business that accounted for some 3% of the Belimed Group's sales in 2009. Pruning its product range in this way will enable Belimed to focus even more strongly on its core business of being a systems provider for infection control. The KTI-Plersch Group is retaining the entire workforce.

Social and environmental policy

The center of Risch-Rotkreuz, a municipality in the Canton of Zug, will be extended in the next few years by an attractive new quarter. The large "Suurstoffi" development will house both apartments and spacious office units. MZ-Immobilien AG is giving top priority to sustainable development throughout the design and construction process.

MZ-Immobilien AG is committed to sustainability in both its strategic and operational business activities. This commitment is enshrined in a resource-conserving investment policy, backed up by concepts and components with a high future viability. In pursuing this policy, MZ-Immobilien AG focuses on centrally located properties and a high-density use of the individual sites. Furthermore, its strategy of combining residential and commercial properties guarantees a good mix of users. In this way, MZ-Immobilien AG helps to promote environmentally compatible mobility and create major benefits for society. The company also ensures that all design and construction contracts are awarded to local and regional firms.

"Suurstoffi"

The large-scale "Suurstoffi" development, located near Rotkreuz station and due for completion by 2018, epitomizes MZ-Immobilien AG's business philosophy. The mixed-use project on the approximately 100 000 m^2 site combines working, residential and recreational facilities. The new district will accommodate around 1 000 residents as well as some 2 500 workplaces. Featuring children's playgrounds, restaurants, cafes and shops, the park-like surrounds will become a new meeting point for young and old.

The sustainability concept gives due consideration to the core issues of energy, emissions, materials, products and biodiversity.

On-site energy production

The thermal energy requirement will essentially be met by heat recovery and a seasonal storage system for surplus summer heat. This heat will be captured by an energy network, stored in the ground using a large borehole heat exchanger system (the first stage of which will consist of 220 exchangers in 150 meter boreholes) and reclaimed during the winter months for hot water and space heating. The district's photovoltaic systems will provide sufficient power annually to cover the energy needs of the mechanical and electrical equipment. The adopted concept will make the new quarter completely self-sufficient in terms of energy: it will require no external heat supply and its entire electricity demand, balanced out over the year, will be generated on site.

Largely emission-free operation

The mechanical and electrical equipment will produce absolutely no CO_2 or other emissions (fine dust, combustion gases, etc.). Furthermore, the district will be largely free of traffic noise: there will only be footpaths and cycleways, and all motorized traffic will be routed along the site perimeter or below ground. The outside lighting will satisfy the most stringent safety requirements and minimize background light pollution. Despite the district's proximity to the railroad, urban development measures will be taken to eliminate most of the train noise.

Energy-efficient equipment

All appliances and products installed in the district, including tenant improvements, will be extremely energy-efficient (household appliances with A+ rating or better).

Wide variety

The external landscaping features a lush and varied selection of plants, appropriate to the location and reflecting the changing seasons.

When the project is completed (with all lots developed), over 50% of the total floorspace in MZ-Immobilien AG's portfolio will be using renewable, CO_2-free energy sources. Apart from its green credentials, the district's most persuasive asset will be its enticing and contemporary blend of working, home and leisure-time environments.

Reporting – METALL ZUG AG

METALL ZUG AG is the holding company in charge of the METALL ZUG GROUP. Basically, METALL ZUG AG has the role of a strategic management holding company. Managerial responsibility is distributed in a decentralized manner.

According to METALL ZUG AG's statutory accounting, net income amounts to CHF 25.0 million in the reporting year and is thus above the previous year's value of CHF 20.4 million. The somewhat lower dividend income of CHF 57.8 million (previous year: CHF 58.4 million) and slight drop in the financial result have been more than offset by reduced reserve allocations.

The stock and bond markets performed slightly less well in the reporting year than in 2009. Furthermore, the strong rise in the value of the Swiss franc compared to the euro and US dollar cut into returns from foreign currency investments. The commercial net financial result therefore declined from CHF 11.5 million in 2009 to CHF 9.5 million in the reporting year.

Thanks to the METALL ZUG GROUP's good result for the reporting year and confidence that this trend is ongoing, the board of directors is proposing to the general meeting of shareholders that the dividend be increased by 22.2% to CHF 5.50 gross per registered share of type A and CHF 55.00 gross per registered share of type B. Provided that the general meeting of shareholders approves this proposal, a total amount of CHF 24.8 million – or about 27% of the consolidated net income – will be paid to shareholders, whereas no dividend is to be paid for treasury shares.

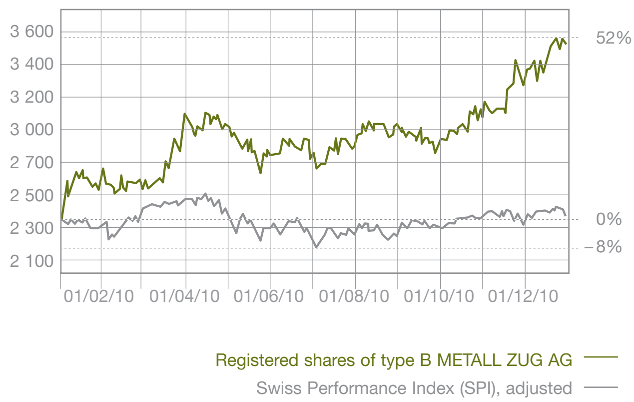
Net income

in CHF million	**2010**	2009
	25.0	**20.4**

Dividend income

in CHF million	**2010**	2009
V-ZUG AG	55.0	55.0
MZ-Immobilien AG	2.3	2.3
ZEW Immobilien AG	0.5	1.1
Total	**57.8**	**58.4**

Performance of registered shares of type B



Upcoming events

6 May 2011
General meeting of shareholders

13 May 2011
Payment of dividend

29 August 2011
Publication of half-year results

Information for investors

Number of shares

		2010	2009	2008	2007[1]	2006[1]
Registered shares of type A	par value CHF 2.50	**1 948 640**	1 948 640	1 948 640	1 948 640	1 948 640
Registered shares of type B	par value CHF 25.00	**255 136**	255 136	255 136	255 136	255 136

Figures per registered share of type A

in CHF	2010	2009	2008	2007	2006
Net income	**20.50**	15.94	7.07	18.79	21.86
Cash flow	**31.16**	26.67	14.84	25.39	26.50
Shareholders' equity	**181.67**	164.52	155.83	180.11	170.91
Dividend	**5.50**[2]	4.50	4.50	4.50	4.50

Figures per registered share of type B

in CHF		2010	2009	2008	2007	2006
Net income		**205.01**	159.36	70.74	187.91	218.64
Cash flow		**311.64**	266.71	148.43	253.93	265.02
Shareholders' equity		**1 816.70**	1 645.17	1 558.33	1 801.14	1 709.11
Dividend		**55.00**[2]	45.00	45.00	45.00	45.00
Stock market price	Maximum	**3 599**	2 560	3 650	4 005	2 850
	Minimum	**2 350**	1 465	1 635	2 720	2 061
	At year-end	**3 535**	2 490	2 050	3 700	2 800

Total market capitalization[3]

in CHF million	At year-end	**1 591**	1 121	923	1 665	1 260

1 The figures were converted to reflect the simplified capital structure implemented in May 2008.

2 Proposal of the board of directors.

3 Conversion of registered shares of type A on the basis of the year-end rate applicable to registered shares of type B

Corporate bodies

From left to right:
Heinz M. Buhofer, Calvin Grieder,
Jürgen Dormann, Martin Wipfli, Dr. Peter Terwiesch

Board of directors

Name, nationality	Year of birth	Function	First election	End of election period
Heinz Buhofer, CH	1927	Honorary chairman	–	–
Jürgen Dormann, DE	1940	Chairman of the board of directors since 2008 (non-executive)	2008	2011
Heinz M. Buhofer, CH	1956	Vice-chairman of the board of directors since 2002 (non-executive)	1997	2011
Calvin Grieder, CH & USA	1955	Member of the board of directors (non-executive)	2006	2011
Dr. Peter Terwiesch, DE & CH	1966	Member of the board of directors (non-executive)	2010	2011
Martin Wipfli, CH	1963	Member of the board of directors (non-executive)	2010	2011

Senior management

Name, nationality	Year of birth	Function	From
Stephan Wintsch, CH	1966	Managing director	2008

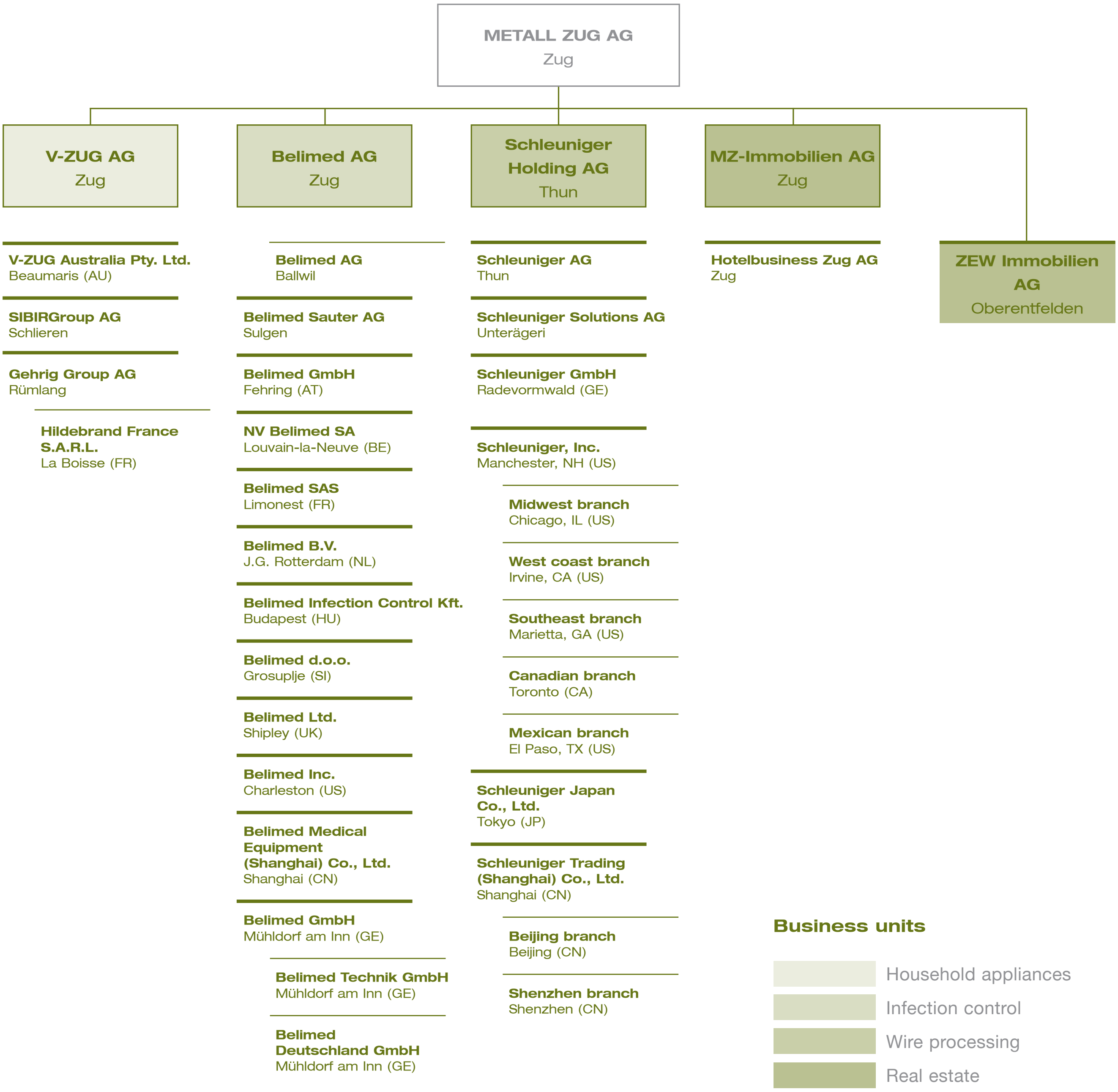
Auditors

Auditors	Duration of the mandate	Lead auditor	Term of office of the lead auditor
Ernst & Young AG, Zug	Since 2006	Edgar Christen	Since 2006

Group structure

METALL ZUG AG

Operational organization of the METALL ZUG GROUP (on 31 December 2010)



Corporate governance

All information in this corporate governance section refers to the situation as on 31 December 2010, or to the year under review (2010) respectively, unless stated otherwise. No essential changes occurred between 31 December 2010 and the submission deadline for the annual report.

To aid orientation, the order and numbering of chapters are in line with those of the "Directive on information relating to corporate governance" issued by SIX Swiss Exchange.

1 Group structure and shareholders

1.1 Group structure

The operational group structure is illustrated on page 35 of this annual report. The management organization of the METALL ZUG GROUP is based on decentralized responsibility.

More detailed information on Zug-based METALL ZUG AG is available on page 32ff. of this annual report. The index regarding the scope of consolidation is described in the financial report on page 53.

1.2 Significant shareholders

All the significant shareholders who are known to METALL ZUG AG are listed in the financial report on page 63 (see "Significant shareholders"). Heinz and Elisabeth Buhofer as well as Heinz M. Buhofer own a total of 67.4% of the voting rights together with the Buhofer Trust, a fixed-interest trust according to the law of Liechtenstein. By means of the Buhofer Trust, Annelies Häcki Buhofer, Philipp Buhofer and Martin Buhofer indirectly have a participating interest in METALL ZUG AG. Other than these, there are no mutual agreements between shareholders who are subject to registration.

1.3 Cross-shareholdings

The METALL ZUG GROUP has not entered into any cross-shareholdings with other companies in terms of share capital or voting rights.

2 Capital structure

2.1 Capital

The shareholders' equity structure is described in the financial report on page 63 (see "Significant Shareholders").

2.2 Authorized and conditional capital

METALL ZUG AG does not have any authorized or conditional capital.

2.3 Changes in shareholders' equity

Information on the changes in equity in the last two reporting years is listed in the financial report on page 49 (see "Changes in shareholders' equity"). Information on the changes in equity in 2008 can be found on page 49 of the annual report 2009 (see "Changes in shareholders' equity").

2.4 Shares and participation certificates

Detailed information on the shares of METALL ZUG AG (number of shares, type and par value) is available in the financial report on page 63 (see "Shares issued").

Shares

The registered shares of type A are not quoted. The registered shares of type B are quoted on the Domestic Standard segment of SIX Swiss Exchange, Zurich (securities number: 3982108, ISIN CH0039821084).

Participation certificates

METALL ZUG AG has not issued any participation certificates.

2.5 Profit sharing certificates

METALL ZUG AG has not issued any profit-sharing certificates.

2.6 Limitations on transferability and nominee registrations

In relation to the company, only those registered in the share register are recognized as registered shareholders or beneficiaries. The transfer of shares of type A is subject to approval by the board of directors in each instance. Approval can be denied for important reasons. These include:

- To keep away buyers who operate a business that competes with the purpose of the company, who have a participating interest in such a business or who are employed by such a business;
- To ensure that the company remains independent based on the voting-rights-related control of the group of current registered shareholders. Usually, spouses and descendants of the current circle of shareholders must be admitted;

– To acquire or to hold shares on behalf of third parties or in the interests of third parties.

Approval can be denied without giving reasons, provided that the board of directors acquires the shares (for the account of the company, specific shareholders or third parties) at their actual value at the time when the request was submitted. METALL ZUG AG does not provide registration of nominees.

2.7 Convertible bonds and warrants / options
METALL ZUG AG does not have any outstanding convertible bonds or warrants / options.

3 Board of directors

3.1 Members of the board of directors
The board of directors consists of five members. An overview of the members, providing information on nationality, age, function, first election and term of office, is available on page 34.

The board of directors comprises non-executive members only. Except for Heinz M. Buhofer, who was managing director until May 2008 in addition to his function as vice-chairman of the board of directors, the members of the board of directors did not belong to the senior management of METALL ZUG AG nor to the senior management of an affiliated company for the last three business years, and they do not have any significant business connections with METALL ZUG AG or the METALL ZUG GROUP.

Honorary chairman Heinz Buhofer is entitled to participate in the meetings of the board of directors without the right to vote. In the reporting year, he did not make use of this entitlement.

3.2 Other activities and vested interests

Jürgen Dormann

Education
Master of economics, University of Heidelberg

Professional background
CEO of ABB AG, Zurich, 2002–2004, and chairman of the board of directors, 2001–2007; chairman of the executive board of Aventis SA, Strasbourg, 1999–2002, and Hoechst AG, Frankfurt on the Main, 1994–1999

Previous activities for the METALL ZUG GROUP
None

Activities in governing and supervisory bodies
Chairman of the board of directors of Sulzer AG, Winterthur, and V-ZUG AG, Zug; member of the board of directors of BG Group plc, London; chairman of the ETH Zurich Foundation, Zurich

Heinz M. Buhofer

Education
Master of economics (lic. oec.), University of St. Gall

Professional background
Managing director of METALL ZUG AG, 2002–2008

Previous activities for the METALL ZUG GROUP
Various operational functions at MZ-Immobilien AG, Zug, 1984–1997

Activities in governing and supervisory bodies
Chairman of the board of directors of MZ-Immobilien AG, Zug; member of various boards of directors of the METALL ZUG GROUP; member of the board of directors of Wasserwerke Zug AG, Zug, and HMZ Beteiligungen AG, Au (SG); member of the board of trustees of the Ernst Göhner Foundation, Zug

Calvin Grieder

Education
Master in process engineering (Dipl. Ing.), Swiss Federal Institute of Technology (ETH), Zurich

Professional background
CEO of Bühler AG, Uzwil, since 2001

Previous activities for the METALL ZUG GROUP
None

Activities in governing and supervisory bodies
Chairman of the board of directors of Schleuniger Holding AG, Thun and Belimed AG, Zug; member of the board of directors of Bühler AG, Uzwil, and Model-Holding AG, Weinfelden

Corporate governance

Peter Terwiesch

Education
Doctorate in technical sciences (electrical engineering), Swiss Federal Institute of Technology (ETH), Zurich

Professional background
Chief Technology Officer of ABB Group, Zurich, since 2005; previously Head of ABB Automation GmbH Germany, 2003–2005; Head of the Industrial Division of ABB Switzerland, 2001–2002 and Head of ABB Corporate Research Limited, Switzerland 1999–2001

Previous activities for the METALL ZUG GROUP
None

Activities in governing and supervisory bodies
Member of the board of directors of V-ZUG AG, Zug, and of various companies within the ABB Group, member of the Market Strategy Board of the IEC (International Electrotechnical Commission)

Martin Wipfli

Education
Attorney, University of Berne

Professional background
Managing Partner of Baryon AG, Zurich, since 1998

Previous activities for the METALL ZUG GROUP
None

Activities in governing and supervisory bodies
Chairman of the board of directors of Elma Electronic AG, Wetzikon, nebag ag, Zurich, and HMZ Beteiligungen AG, Au (SG); member of the board of directors of Schleuniger Holding AG, Thun, Belimed AG, Zug, Kardex AG, Zurich, and other non-listed companies

None of the members of the board of directors has a permanent management or advisory function for an important interest group, nor an official function or political post.

3.3 Cross-involvement

As at 31 December 2010, no mutual memberships in the board of directors of METALL ZUG AG and in the board of directors of any other quoted company existed.

3.4 Elections and terms of office

Members of the board of directors are elected by the general meeting of shareholders for a period of one year. They may be re-elected at any time, but retire when attaining the age of 70, i.e. on the day of the subsequent general meeting of shareholders, without further involvement. This does not apply to members of the board of directors who have been involved with the METALL ZUG GROUP for less than six years at that time. They may be elected for up to nine years.

3.5 Internal organizational structure

According to the law, the board of directors holds the highest decision-making power and specifies, among other things, the organizational, financial-planning-related and accounting-related directives that METALL ZUG AG and the METALL ZUG GROUP undertake to comply with. Decisions are made by the entire board of directors with the assistance of the following three committees: the audit committee, the staff committee, and the strategy committee.

METALL ZUG AG does not assume operational management tasks as a corporate group. The board of directors and the senior management or the managing director of the individual subsidiaries bear the primary responsibility for the management of the respective business and for the achievement of objectives. In its role as a strategic management holding company, METALL ZUG AG exerts influence on the strategic direction of the individual subsidiaries, allocates financial resources and directs the staffing of top executive positions. The board of directors of METALL ZUG AG has devolved the day-to-day management of METALL ZUG AG to METALL ZUG AG's senior management.

In the year under review, the board of directors met four times. These meetings typically last half a day. The agenda items for the meetings of the board of directors are specified by the chairman and prepared by the senior management. Every member of the board of directors and every member of the senior management is entitled to request the summoning of a meeting, upon specification of the meeting's purpose. Ten days prior to a meeting of the board of directors, the members of the board of directors will receive documentation that allows them to prepare for the discussion of the agenda items.

Audit committee

The audit committee meets four times a year. It makes an independent assessment of the quality of the annual financial statements and discusses these with the senior management and the external auditors. The audit committee proposes to the board of directors whether the financial statements may be recommended for submission to the general meeting of shareholders. The audit committee nominates the internal auditors, designs the organization of the internal audit department and assigns tasks to them. The audit committee sets up the audit plan, defines the audit scope for internal and external auditing and evaluates the cooperation between internal and external auditors and their effectiveness. It assesses the efficiency of the internal control system, taking into account risk management, and evaluates compliance with laws, regulations and accounting standards as well as adherence to internal rules and directives. It also assesses the external auditors' performance and their remuneration. The audit committee ensures that the external auditors are independent and assesses the compatibility of their auditing function with any advisory mandates. The audit committee comprises the following members: Martin Wipfli, chairman, and Heinz M. Buhofer. The members of the senior management and the internal and external auditors also participate in the meetings of the audit committee.

Staff committee

The staff committee met three times in the reporting year. It develops the principles of corporate governance which are then submitted to the board of directors for approval. This also includes periodic revision of the composition and size of the board of directors and its committees and of the board of directors of each subsidiary. In addition, the staff committee proposes to the board of directors qualified candidates for the various bodies and also submits proposals to the board of directors regarding the compensation of the board of directors and of the senior management. The staff committee comprises the following members: Jürgen Dormann, chairman, and Heinz M. Buhofer.

Strategy committee

The strategy committee met six times in the reporting year. It supervises the further development of the industrial business units of the METALL ZUG GROUP with the aim of sustainably increasing the value of the group. It draws up strategies for the METALL ZUG GROUP or for its individual business units which are then submitted to the board of directors, and reviews alternatives with a view to assuring and improving the technological, commercial and financial future of the business units. By contrast, the decision-making authority for strategic projects and transactions lies with the entire board of directors, which is provided with information on the activities of the strategy committee on a regular basis. The strategy committee comprises the following members: Heinz M. Buhofer, chairman, Peter Terwiesch and Martin Wipfli. The members of the senior management of METALL ZUG AG and occasionally members of the boards of directors and senior management of the individual business units likewise participate in meetings of the strategy committee.

3.6 Definition of areas of responsibility

The board of directors has established organizational regulations regarding the distribution of areas of responsibility between the senior management and the board of directors. These can be found at www.metallzug.ch. In principle, the senior management's mandate is comprehensive. Even if an area of responsibility lies with the board of directors, the senior management is expected to take intellectual initiatives and to deal with emerging business opportunities until they are ready for a decision.

3.7 Information and control instruments vis-à-vis the senior management

The METALL ZUG GROUP's management information system is organized as follows: The subsidiaries' individual statements (income statement, balance sheet and statement of cash flows) are produced semi-annually. Depending on the size and the risks of the business, individual statements may also be produced either monthly or quarterly. The results are consolidated for each business unit and for the METALL ZUG GROUP and compared to the previous year's period and the budget. The achievability of budgets, which are integrated into rolling medium-term plans, is reviewed several times a year on the basis of extrapolations. The managing director or the head of each business unit submits a written report on the progress of budget achievement to the board of directors of the respective company as well as to the chairman of the board of directors of METALL ZUG AG and to the senior management of METALL ZUG AG. The entire board of directors of METALL ZUG AG receives the key figures on a monthly basis, and is informed at its meetings about the course of business by the senior management and the chairman of the board of directors.

Corporate governance

The internal auditors conducted four audits in the reporting year. The results of each audit are discussed in detail with the corresponding companies and business units, and the key measures are agreed. The chairman of the board of directors, members of the audit committee, the senior management, and other line managers of the head of the audited unit receive a copy of each audit report. In addition, the reports and the main measures agreed are discussed by the audit committee. The internal auditors are administratively subordinate to the managing director, but for specialist purposes report to the chairman of the audit committee.

In addition, the board of directors has set in place a comprehensive system for monitoring and managing the risks associated with the company's activity. This process involves risk identification, risk analysis, risk management and risk reporting. The business unit heads are responsible for monitoring and managing their risks at an operational level. In all business units, certain individuals are assigned responsibility for substantial individual risks. These individuals are responsible for taking concrete measures to manage these risks and for monitoring their implementation. On behalf of the audit committee, the senior management draws up a risk report for the entire board of directors at regular intervals.

4 Senior management

4.1 Members of the senior management

Information on the nationality, the age and the function of the members of the senior management is available on page 34.

4.2 Other activities and vested interests

Stephan Wintsch

Education
MBA, University of Rochester (NY)

Professional background
METALL ZUG AG: managing director since 2008, CFO / Head of Corporate Services, 2004–2008; previously Group Controller, Siemens Building Technologies, Zurich/Zug, 2000–2004; Division Controller, Balzers & Leybold Instrumentation, Balzers (Liechtenstein), 1997–2000; assistant to the CEO, AO Foundation, Davos / Synthes AG, Chur, 1991–1997

Activities in governing and supervisory bodies
Member of the board of directors of Gehrig Group AG, Rümlang, ZEW Immobilien AG, Oberentfelden, HMZ Beteiligungen AG, Au (SG), Transmission Technology Holding AG, Zug, and vonRoll infratec (Holding) AG, Zug

None of the members of the senior management has a permanent management or advisory function for an important interest group, nor an official function or political post.

4.3 Management contracts

METALL ZUG AG has not concluded any management contracts with third parties.

5 Compensations, shareholdings and loans

Information on the procedure for determining the compensation of the board of directors and the senior management and on the compensation amounts paid to the board of directors and the senior management is available on page 75ff. of the notes to the annual financial statements of METALL ZUG AG.

6 Shareholders' participation

6.1 Voting rights and representation restrictions

All shareholders may attend the general meeting of shareholders in person to exercise their rights or act at the general meeting of shareholders through written proxy to a duly authorized person, the portfolio representative, the representative officer, or the independent representative.

6.2 Statutory quorums

In addition to the instances stated in article 704 of the Swiss Code of Obligations (OR), resolutions on

- the conversion of registered shares into bearer shares (and vice versa);
- the restriction of the transferability of registered shares and the easing or cancellation of such restriction;
- the disbandment of the group with liquidation

require the approval of at least two-thirds of the voting shares represented and the absolute majority of the share par value represented. In all other instances, the general meeting of shareholders of METALL ZUG AG shall adopt resolutions and hold elections by the majority of voting shares cast, irrespective of the number of shareholders present and of the number of voting shares represented.

6.3 Convocation of the general meeting of shareholders

The general meeting of shareholders is convened in accordance with statutory provisions.

6.4 Agenda

In principle, the agenda is set up in compliance with the legal provisions. Shareholders representing shares with a par value of at least one million Swiss francs may request in writing, and upon specification of the motion, inclusion of an item in the agenda within 40 days prior to the general meeting unless the group sets a different deadline by means of publication. The written request must be accompanied by a statement issued by a bank, confirming that the shares are deposited until after the general meeting.

6.5 Inscriptions into the share register

Registered shareholders who are listed in the share register as shareholders with the right to vote on the day when the invitation to the general meeting of shareholders is published in the Swiss Official Gazette of Commerce (SOGC), i.e. usually about 20 days prior to the date of the meeting, directly receive the invitation to the general meeting. From this day to the day of the general meeting of shareholders, no inscriptions into the share register will be made.

7 Changes of control and defense measures

7.1 Duty to make an offer, opting out

The duty to make a public offer to purchase according to articles 32 and 52 of the Swiss stock exchange and securities trading act (BEHG) is removed within the meaning of article 53 BEHG.

7.2 Clauses on changes of control

In the event of a change of control, METALL ZUG AG is not obliged to make any additional payments, neither for the benefit of the members of the board of directors, nor for the benefit of members of the senior management or any other executives.

8 Auditors

8.1 Duration of the mandate and term of office of the lead auditor

An overview regarding the auditors of the annual financial statements of METALL ZUG AG and of the consolidated financial statements of the METALL ZUG GROUP, including information on the lead auditor, the lead auditor's term of office, and the duration of the auditing mandate, is available on page 34.

8.2 Auditing fees

In the year under review, the independent auditors, in particular Ernst & Young, charged METALL ZUG AG, or the METALL ZUG GROUP respectively, total fees of approximately CHF 781 000 for services related to the audit of the annual financial statements of METALL ZUG AG and its subsidiaries, as well as for services related to the audit of the consolidated financial statements of the METALL ZUG GROUP.

8.3 Additional fees

The independent auditors, in particular Ernst & Young, charged METALL ZUG AG, or the METALL ZUG GROUP respectively, additional fees of approximately CHF 100 000: CHF 41 000 for audit-related additional services, CHF 59 000 for tax consulting services.

8.4 Informational instruments pertaining to the external audit

The audit committee assesses the performance, the remuneration and the independence of the auditors on an annual basis and reports to the board of directors. The board of directors makes proposals to the general meeting of shareholders regarding the election of the auditor and monitors compliance with the rotation modus for the lead auditors (seven-year period). On an annual basis, the audit committee and the senior management jointly review the external auditing scope as well as the general conditions for any additional assignments. The audit committee also discusses the results of the audit with the external auditors.

9 Information policy

METALL ZUG AG and the METALL ZUG GROUP pursue a transparent information policy toward the public and toward financial markets. Media releases are issued if an important event occurs. METALL ZUG AG and the METALL ZUG GROUP publish their figures semi-annually by means of the half-yearly report and the annual report. The current media releases, important dates as well as general information about METALL ZUG AG or the METALL ZUG GROUP can be viewed at www.metallzug.ch.

METALL ZUG GROUP

Consolidated financial statements 2010

Consolidated income statement

in CHF thousands	Notes	2010	2009
Gross sales		852 270	790 198
Sales deductions		– 20 181	– 20 065
Net sales	1	**832 089**	**770 133**
Changes in inventories		– 3 833	9 796
Other operating revenue	1	53 169	43 247
Operating revenue		**881 425**	**823 176**
Cost of materials	2	– 310 809	– 312 987
Personnel expenses	3	– 298 579	– 298 912
Depreciation	12	– 47 572	– 42 931
Other operating expenses	4	– 119 055	– 106 532
Operating expenses		**– 776 015**	**– 761 362**
Operating income (EBIT)	1	**105 410**	**61 814**
Financial income	6	23 653	40 521
Financial expenses	6	– 21 796	– 14 099
Associated companies	6, 12	– 566	– 3 761
Financial result		**1 291**	**22 661**
Non-operating result	7	**947**	**0**
Income before taxes		**107 648**	**84 475**
Taxes	8	– 15 395	– 12 761
Net income		**92 253**	**71 714**

Details on the individual items are available in the notes to the consolidated financial statements from page 54 onward.

Consolidated balance sheet

Assets **in CHF thousands**	**Notes**	**12/31/2010**	**12/31/2009**
Cash and cash equivalents		162 036	104 737
Securities	9	242 329	234 765
Trade receivables	10	108 286	113 922
Other receivables		21 384	22 944
Inventories	11	144 468	152 584
Prepaid expenses		5 812	7 164
Current assets		**684 315**	**636 116**
Tangible assets			
Land	12	8 228	8 228
Land and buildings	12	417 554	373 431
Plant and equipment	12	68 579	70 750
Prepayments and assets under construction	12	593	3
Other tangible assets	12	29 047	24 440
Financial assets			
Employer's contribution reserves	12, 23	8 044	7 826
Associated companies	12	8 225	8 889
Other financial assets	12	17 168	16 065
Intangible assets			
Software	12	11 291	6 889
Other intangible assets	12	100	184
Fixed assets		**568 829**	**516 705**
Total assets		**1 253 144**	**1 152 821**

Details on the individual items are available in the notes to the consolidated financial statements from page 57 onward.

Liabilities and shareholders' equity in CHF thousands	Notes	12/31/2010	12/31/2009
Current financial liabilities		8 089	8 009
Trade payables		47 735	56 703
Other current liabilities	11, 13	58 990	78 022
Accrued expenses		50 875	51 871
Current provisions	15	28 303	26 170
Current liabilities		**193 992**	**220 775**
Long-term financial liabilities	14	178 987	127 009
Other long-term liabilities		4 915	5 164
Long-term provisions	15	57 735	59 548
Non-current liabilities		**241 637**	**191 721**
Total liabilities		**435 629**	**412 496**
Share capital	17	11 250	11 250
Capital reserves		342 170	342 170
Treasury shares	17	– 17 019	– 30 619
Retained earnings	17	481 114	417 524
Shareholders' equity		**817 515**	**740 325**
Total liabilities and shareholders' equity		**1 253 144**	**1 152 821**

Details on the individual items are available in the notes to the consolidated financial statements from page 57 onward.

Consolidated statement of cash flows

in CHF thousands	2010	2009
Net income	92 253	71 714
Income from sale of tangible assets	– 947	0
Depreciation	47 572	42 931
Associated companies	566	3 761
Value adjustments of financial assets	– 1 302	1 607
Net changes in provisions	2 096	8
Cash flow	**140 238**	**120 021**
Change in securities	– 7 564	– 18 561
Change in trade receivables	5 886	– 3 501
Change in other receivables and prepaid expenses	2 972	1 930
Change in inventories	8 326	1 231
Change in trade payables	– 9 058	1 784
Change in other current liabilities and accrued expenses	– 6 294	5 751
Cash flow from operating activities	**134 506**	**108 655**
Investments in tangible assets	– 97 773	– 150 960
Investments in financial assets	– 1 938	– 4 153
Investments in intangible assets	– 6 810	– 5 016
Divestments / acquisitions net of cash acquired	– 10	– 13 586
Reimbursement of purchase price for earlier acquisition	0	3 300
Disposals of tangible assets	2 183	3 249
Disposals of financial assets	967	381
Disposals of intangible assets	0	19
Cash flow from investing activities	**– 103 381**	**– 166 766**
Change in long-term financial liabilities	51 506	114 146
Purchase of treasury shares	0	– 2 383
Dividend	– 19 740	– 19 745
Cash flow from financing activities	**31 766**	**92 018**
Currency translation effects	**– 5 672**	**– 613**
Change in "Net cash and cash equivalents"	**57 219**	**33 294**

Information on the composition of "Net cash and cash equivalents" is available on page 67.

The deferred purchase price payment of TCHF 13 600 made in the year under review to the seller of Schleuniger Holding AG (see Note 17, page 63) had no effect on the cash flow. In the previous year there were no non-cash investment and financing activities.

Changes in shareholders' equity

in CHF thousands	Share capital	Capital reserves	Treasury shares	Retained earnings	Total
Balance on 01/01/2009	**11 250**	**342 170**	**– 28 236**	**376 065**	**701 249**
Dividend				– 19 745	– 19 745
Purchase of treasury shares			– 2 383		– 2 383
Goodwill from acquisitions				– 6 862	– 6 862
Associated companies				– 3 060	– 3 060
Currency translation effects				– 588	– 588
Net income				71 714	71 714
Balance on 12/31/2009	**11 250**	**342 170**	**– 30 619**	**417 524**	**740 325**
Balance on 01/01/2010	**11 250**	**342 170**	**– 30 619**	**417 524**	**740 325**
Dividend				– 19 740	– 19 740
Disposal of treasury shares			13 600		13 600
Purchase price adjustment from acquisitions				283	283
Associated companies				– 98	– 98
Currency translation effects				– 9 108	– 9 108
Net income				92 253	92 253
Balance on 12/31/2010	**11 250**	**342 170**	**– 17 019**	**481 114**	**817 515**

See note 17 (page 63) for more detailed information on the purchase/disposal of treasury shares, note 22 (page 65) for more detailed information on acquisitions, and note 12 (page 60) for more detailed information on associated companies.

Notes to the consolidated financial statements

General

The consolidated financial statements of the METALL ZUG GROUP comply with the Swiss GAAP FER financial reporting standard as a whole and are prepared on the basis of historical cost. The revised Swiss GAAP FER standards (2010/2011 edition) were applied for the first time for the 2010 reporting period. The METALL ZUG GROUP was not required to change the accounting or valuation principles. The application of the revised standard FER 23 – Provisions – led to a change in the presentation of previous year's values in the table of provisions. The business year that forms the basis for the consolidated financial statements is equivalent to the calendar year.

The board of directors released the consolidated financial statements for publication on 18 March 2011.

Scope of consolidation

The group owns more than 50% of the votes and of the capital of all consolidated subsidiaries. The full consolidation method is applied, i.e. assets and liabilities as well as expenses and revenue are consolidated at 100%. The share of minority shareholders in net income and shareholders' equity is reported separately. Associated companies in which the METALL ZUG GROUP holds direct or indirect participations of 20% to 50% are consolidated according to the equity accounting method (proportional equity). Participations below 20% are not consolidated. Real estate property is included in the consolidated financial statements on the basis of the applicable ownership share.

At the time of the initial consolidation, the assets and liabilities of the consolidated companies or the acquired businesses are shown in the balance sheet in accordance with uniform group principles (see note 22 on page 65). The excess of the acquisition price over the revalued net assets of the acquired company or the acquired business share is defined as goodwill. This goodwill is offset against retained earnings without affecting net income. The impact of a theoretical capitalization is presented in the notes to the consolidated financial statements (see fixed assets table on page 57 et seq.). The useful life, which is usually 3 to 5 years and up to 20 years in exceptional cases, is determined at the time of the acquisition.

Principles of consolidation

Consolidation method

Capital consolidation is performed to show the equity of the entire group. In this context, the purchase method is applied.

Currency translation

With regard to currency translation for consolidation purposes, the annual financial statements of the foreign group companies are translated into Swiss francs according to the current rate method. The exchange rate at the end of the year is applied to assets and liabilities while the average exchange rate during the period under review is used for income statements. Equity is converted on the basis of historical exchange rates, and the resulting exchange rate effects are offset gainst retained earnings without affecting net income.

Exchange rates into CHF

Income statement (average rate)		2010	2009
1	EUR	1.3833	1.5102
1	USD	1.0433	1.0857
1	GBP	1.6112	1.6958
100	CNY	15.4270	15.9170
100	JPY	1.1890	1.1610

Balance sheet (exchange rate on 12/31)		2010	2009
1	EUR	1.2468	1.4877
1	USD	0.9408	1.0380
1	GBP	1.4554	1.6533
100	CNY	14.2700	15.2300
100	JPY	1.1540	1.1254

Intercompany transactions

Intercompany receivables, payables and transactions are eliminated for fully consolidated companies. Depreciation and value adjustments for intercompany receivables and participations are reversed. The individual group companies' intercompany profits on inventories and tangible assets are assessed and also eliminated.

Principles of valuation

Securities

Listed securities and portfolios managed by third parties are valued at stock market prices at the balance sheet date. Unlisted securities are shown in the balance sheet at acquisition cost less impairment.

Trade receivables

In addition to specific value adjustments, general value adjustments of up to 2% for domestic receivables and up to 5% for foreign receivables are made.

Inventories

With regard to inventories, purchased goods are shown in the balance sheet at acquisition cost, predominantly according to the standard cost method, or at market value, if lower. Self-produced goods are valued at production costs including indirect production costs, or at market value, if lower. In addition to specific value adjustments, general value adjustments of up to 10% for general valuation risks are made according to past experience.

Tangible assets

Tangible assets are valued at historical cost or at production costs less straight-line depreciation according to the following table. If required from an economic point of view, impairments are recorded to reflect the decrease in value.

Depreciation and amortization table

	Years
Industrial, commercial, hotel and office buildings	33–50
Residential buildings	50–66
Plant and equipment	5–12
Special tools	3–5
Vehicles	5–10
Other tangible assets	2–8
Software licenses	2–5
Other intangible assets	2–20

Financial assets

Financial assets are reported at their nominal value less value adjustments. Associated companies are consolidated according to the equity accounting method (proportional equity). The associated companies' proportional result is recorded and shown in the result for the period. Adjustments to the equity of associated companies are recorded in shareholders' equity and do not affect net income.

Intangible assets

Acquired intangible assets are recognized in the balance sheet if they are to bring measurable benefits to the company over several years. They are valued at historical cost less straight-line amortization according to the above depreciation table. Self-developed intangible assets are not recognized in the balance sheet.

Liabilities

Liabilities are valued at their nominal value.

Notes to the consolidated financial statements

Employee benefits

The group provides pension plans for the majority of its personnel in compliance with the respective country-specific legal provisions. The most important companies are located in Switzerland, where pension schemes are organized through independent foundations or insured pension plans. These plans cover the economic consequences of old age, death or disability. Most pension plans are financed through the employer's and the employee's contributions. Pension contributions are calculated as a percentage of the insured salary. In Germany, seniority-related pension contributions are established on the basis of actuarial calculations. These pension contributions are partially re-insured.

Changes in employer's contribution reserves as well as any economic impact of overcoverage or undercoverage of pension schemes on the group are recorded as personnel expenses.

Income taxes

Current income taxes are calculated at the prevailing tax rates on the basis of the expected fiscal annual income as per commercial law and according to the respective tax assessment rules. They are included in accrued expenses.

Deferred taxes

Deferred taxes are calculated on the differences between the tax balance sheet and the group companies' balance sheet prepared for consolidation purposes, insofar as these deviations affect income tax. The individual group companies' current or expected tax rates are applied to calculate deferred taxes. Tax loss carry forwards that can be used for tax purposes are neither capitalized nor offset against the provisions for deferred taxes.

Provisions

Provisions are set up for recognizable risks and also include deferred taxes. They are structured according to their maturity, i.e. a distinction is made between current provisions with an expected cash outflow within the next 12 months, and long-term provisions with an expected cash flow after more than one year. Provisions for guarantees are calculated on the basis of historical data (average of actual costs in recent years).

Contingent liabilities

Contingent liabilities are assessed according to the probability and the scope of future unilateral performance and costs, and are disclosed in the notes.

List of material investments (as of 12/31/2010)

Company	Domicile	Currency	Share capital	Participation rate
V-ZUG AG	Zug	CHF	1 900 000	100%
V-ZUG Australia Pty. Ltd.	Beaumaris VIC (AU)	AUD	100	100 %
SIBIRGroup AG	Schlieren	CHF	500 000	100%
Gehrig Group AG	Rümlang	CHF	2 000 000	100%
Hildebrand France S.a.r.l.	La Boisse (FR)	EUR	426 720	100%
Belimed AG	Zug	CHF	6 500 000	100%
Belimed Sauter AG	Sulgen	CHF	350 000	100%
Belimed GmbH	Mühldorf am Inn (GE)	EUR	6 135 550	100%
Belimed Technik GmbH	Mühldorf am Inn (GE)	EUR	25 000	100%
Belimed Deutschland GmbH	Mühldorf am Inn (GE)	EUR	25 000	100%
Belimed d.o.o.	Grosuplje (SI)	EUR	28 000	100%
Belimed GmbH	Fehring (AT)	EUR	180 000	100%
Belimed B.V.	J.G. Rotterdam (NL)	EUR	18 151	100%
Belimed Infection Control Kft.	Budapest (HU)	HUF	3 000 000	100%
NV Belimed SA	Louvain-la-Neuve (BE)	EUR	198 315	100%
Belimed SAS	Limonest (FR)	EUR	1 650 000	100%
Belimed Ltd.	Shipley (UK)	GBP	200 000	100%
Belimed Inc.	Charleston (US)	USD	6 000 000	100%
Belimed Medical Equipment (Shanghai) Co., Ltd.	Shanghai (CN)	CNY	4 223 000	100%
Schleuniger Holding AG	Thun	CHF	2 500 000	100%
Schleuniger AG	Thun	CHF	150 000	100%
Schleuniger Solutions AG	Unterägeri	CHF	250 000	100%
Schleuniger GmbH	Radevormwald (GE)	EUR	1 025 000	100%
Schleuniger Inc.	Manchester (US)	USD	200 000	100%
Schleuniger Japan Co., Ltd.	Tokyo (JP)	JPY	100 000 000	100%
Schleuniger Trading (Shanghai) Co., Ltd.	Shanghai (CN)	CNY	5 294 000	100%
MZ-Immobilien AG	Zug	CHF	1 500 000	100%
Hotelbusiness Zug AG	Zug	CHF	1 000 000	100%
ZEW Immobilien AG	Oberentfelden	CHF	101 250	100%
Schlatter Holding AG	Schlieren	CHF	17 575 020	26.18%

On 1 January 2010 the Dutch company Sanamij B.V. merged with the Dutch company Belimed B.V., which transferred its domicile from A.D. Beneden-Leeuwen to J.G. Rotterdam. The Hungarian company Sanamij Budapest Kft. was renamed Belimed Infection Control Kft. and since 1 January 2010 has been a direct subsidiary of Belimed AG (previously a subsidiary of Belimed B.V.). On 1 January 2010, Schleuniger GmbH domiciled in Heimsheim (GE) merged with Schleuniger Automation GmbH in Radevormwald (GE), with the combined company then renamed Schleuniger GmbH. On 1 January 2010, Schleuniger s.r.o. in Slovakia was sold to the local management. On 30 September 2010, Parkhotel Zug AG was renamed Hotelbusiness Zug AG. All other investments are unchanged compared to the previous year.

Notes to the consolidated financial statements

1 Segment information

The economic activity of METALL ZUG GROUP comprises the following four business units:

– Household appliances	Appliances for kitchen and laundry as well as for the hotel industry, incl. other products a)
– Infection control	Equipment for medical institutions, pharmaceutical institutions and laboratories, incl. other products a)
– Wire pocessing	Wire processing equipment
– Real estate	Non-operating properties, incl. hotels

By business unit	Net sales to third parties		Operating income (EBIT)		Net assets invested b)	
in CHF thousands	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
Household appliances	544 879	507 292	70 103	58 739	213 571	201 655
Infection control	190 288	180 395	7 783	4 410	103 892	101 840
Wire processing	96 922	82 446	11 199	– 13 116	59 357	64 015
Real estate	c)	c)	16 325	11 781	282 416	215 318
Total	**832 089**	**770 133**	**105 410**	**61 814**	**659 236**	**582 828**

	EBIT as % of net sales		Contribution to operating income (EBIT)		EBIT as % of net assets invested	
in percent	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
Household appliances	12.9%	11.6%	66.5%	95.0%	32.8%	29.1%
Infection control	4.1%	2.4%	7.4%	7.1%	7.5%	4.3%
Wire processing	11.6%	– 15.9%	10.6%	– 21.2%	18.9%	– 20.5%
Real estate	c)	c)	15.5%	19.1%	5.8%	5.5% d)
Total			**100.0%**	**100.0%**	**16.0%**	**10.6%**

a) Other products of the household appliances and infection control business units comprise containers, surface technology and special products. Both in the reporting year and in the previous year these other products contributed less than 1% of net sales.

b) Average current assets and average fixed assets, excl. cash and cash equivalents and securities, minus interest-free liabilities.

c) Real estate and hotel net sales of TCHF 45 933 (previous year: TCHF 36 438) are reported as other operating revenue and not as sales. The total operating margin has no informative value for the real estate sector.

d) Real estate property is valued at historical costs. Accounting on the basis of market values would result in considerably lower margin-related key figures.

By country in CHF thousands	Household appliances	Infection control	Wire processing	2010 Total	2009 Total
Switzerland	538 141	17 082	2 067	557 290	519 545
Germany	2 362	52 471	15 345	70 178	67 577
France	136	11 715	4 851	16 702	17 373
Other European countries	2 235	46 374	19 385	67 994	72 380
US	117	37 634	14 355	52 106	49 214
Other Americas	0	907	10 970	11 877	8 735
Asia/Pacific	1 781	23 812	27 941	53 534	30 875
Other	107	293	2 008	2 408	4 434
Total 2010	**544 879**	**190 288**	**96 922**	**832 089**	
Total 2009	**507 292**	**180 395**	**82 446**		**770 133**

2 Cost of materials

In the year under review, the cost of materials fell by 0.7% to TCHF 310 809 (previous year: TCHF 312 987). This effect, which runs counter to the increase in sales, is primarily the result of the strong Swiss franc. While raw material prices increased only slightly compared to the previous year, the euro and US dollar exchange rates had a favorable effect on purchase prices in the household appliances area in particular. Cash discounts on goods purchased are posted as cost reductions.

3 Personnel expenses

in CHF thousands	2010	2009
Wages and salaries	– 234 818	– 239 716
Pension contributions	– 15 873	– 15 837
Other personnel expenses	– 47 888	– 43 359
Total personnel expenses	**– 298 579**	**– 298 912**

Headcount rose in the reporting year by 29 (previous year: 50) to 3 045 (previous year 3 016). As a result of the sale of Schleuniger s.r.o., Slovakia, 7 employees left the company in the reporting year, whereas in the previous year 52 employees joined METALL ZUG GROUP through acquisitions. Due to favorable exchange rates, particularly with respect to the salaries paid in euros or US dollars, personnel expenses remained more or less at the level of the previous year, despite a slightly increased headcount.

4 Other operating expenses

in CHF thousands	2010	2009
Marketing / sales promotion	– 27 242	– 24 021
Change in provisions	– 1 702	– 698
Maintenance and repair	– 16 613	– 16 562
Administrative expenses	– 35 243	– 30 528
Other costs	– 38 255	– 34 723
Total other operating expenses	**– 119 055**	**– 106 532**

In relation to total sales, other operating expenses rose slightly compared to the previous year from 13.5% to 14.0%. In absolute terms, in addition to the sales-related rise in administrative expenses in the industrial business units, other operating expenses increased in the expanding real estate business unit by a total of CHF 1.7 million.

Notes to the consolidated financial statements

5 Research and development

Expenses for research and development are included in the operating expenses and relate to personnel costs (wages, salaries and social insurances), cost of materials, overhead costs and external labor. Whereas research and development expenses amounted to 7.5% of total sales in the previous year with its lower sales, they declined to around 6.8% in 2010 in keeping with the rise in sales. As in previous years, these expenses of TCHF 58 138 (previous year: TCHF 59 191) were directly charged to the income statement.

6 Financial result

in CHF thousands	2010	2009
Interest income	553	483
Income from securities	20 838	36 499
Income from financial assets	4	73
Foreign exchange gains	2 258	3 466
Total financial income	**23 653**	**40 521**
Interest expenses	– 5 095	– 1 252
Losses on securities	– 7 217	– 8 175
Other financial expenses	– 349	– 984
Foreign exchange losses	– 9 135	– 3 688
Total financial expenses	**– 21 796**	**– 14 099**
Associated companies	**– 566**	**– 3 761**
Net financial result	**1 291**	**22 661**

The net financial result was significantly lower than in the previous year as a result of unfavorable stock market developments, exchange rate losses, and the financing costs of the expansion of the real estate business unit.

7 Non-operating income

In the reporting year, MZ-Immobilien AG sold a residential property for which it realized a profit of TCHF 677. Belimed B.V. in the Netherlands sold its operating property at its former location and realized a profit of TCHF 270. In the previous year there were no business transactions that were classified as non-operating transactions.

8 Taxes

Expenditure

in CHF thousands	2010	2009
Current income taxes	– 15 800	– 13 292
Deferred income taxes	405	531
Total	**– 15 395**	**– 12 761**

Liabilities

in CHF thousands	2010	2009
Current income taxes	15 678	13 398
Deferred income taxes	34 401	34 813
Total	**50 079**	**48 211**

Potential tax reductions resulting from loss carry forwards and temporary differences amount to TCHF 19 486 (previous year: TCHF 21 601). The decline in potential tax reductions by TCHF 2 115 is attributable to the use of loss carry forwards – primarily in the wire processing business unit – and to lower foreign exchange rates. Potential tax reductions are not shown in the balance sheet as it is not certain that they will be realized. Tax expenses amount to 14.3% of income before taxes (previous year: 15.1%).

The average tax rate for deferred income taxes amounts to 14.5% (previous year: 15.4%).

9 Securities

in CHF thousands	2010	%	2009	%
Fixed-income investments up to 12 months	11 549	4.8	10 675	4.5
Fixed-income securities over 12 months	96 441	39.8	105 561	45.0
Shares and similar investments	134 339	55.4	118 529	50.5
Total securities	**242 329**	**100.0**	**234 765**	**100.0**

Most securities are managed by third parties in portfolios.

10 Trade receivables

in CHF thousands	2010	2009
Gross trade receivables	112 773	118 685
Provisions for doubtful debts	– 4 487	– 4 763
Total trade receivables	**108 286**	**113 922**

11 Inventories

in CHF thousands	2010	2009
Raw materials	33 520	33 943
Trade goods	56 424	56 959
Semifinished and finished products	94 037	103 036
Advance payments to suppliers	2 849	1 017
Specific value adjustments	– 34 521	– 34 974
General value adjustments	– 7 841	– 7 397
Total inventories	**144 468**	**152 584**

In the previous year, semifinished and finished products also included real estate properties available for sale with a value of TCHF 213. These properties were sold in the reporting year. Advance payments from customers are not offset against inventories; they are reported as other current liabilities and amount to TCHF 22 130 (previous year: TCHF 28 308).

12 Fixed assets table

in CHF thousands	Land	Land & buildings	Plant & equipment	Prepayments & assets under construction	Other tangible assets	**Total tangible assets**
Net book values on 01/01/2009	8 228	280 872	54 331	369	24 306	368 106
Acquisition costs						
Balance on 01/01/2009	8 228	451 468	148 719	369	71 676	680 460
Changes in scope of consolidation		1 600	92		82	1 774
Additions		106 796	33 909	550	9 705	150 960
Disposals		– 2 870	– 15 883		– 4 129	– 22 882
Reclassifications			916	– 916		0
Currency translation effects		– 61	53		– 19	– 27
Balance on 12/31/2009	**8 228**	**556 933**	**167 806**	**3**	**77 315**	**810 285**

Notes to the consolidated financial statements

Accumulated depreciation **in CHF thousands**	Land	Land & buildings	Plant & equipment	Prepayments & assets under construction	Other tangible assets	**Total tangible assets**
Balance on 01/01/2009	0	– 170 596	– 94 388	0	– 47 370	– 312 354
Depreciation current year		– 13 815	– 17 488		– 9 428	– 40 731
Disposals		894	14 846		3 893	19 633
Currency translation effects		15	– 26		30	19
Balance on 12/31/2009	**0**	**– 183 502**	**– 97 056**	**0**	**– 52 875**	**– 333 433**
Net book values on 12/31/2009	**8 228**	**373 431**	**70 750**	**3**	**24 440**	**476 852**
Of which land 01/01/2009	8 228	21 852				30 080
Of which land 12/31/2009	8 228	45 149				53 377
Insurance values 01/01/2009		580 581	174 634		85 067	840 282
Insurance values 12/31/2009		691 704	197 981		84 871	974 556

	Financial assets	**Intangible assets**	**Total fixed assets**
Net book values on 01/01/2009	37 436	4 275	409 817
Acquisition costs			
Balance on 01/01/2009	37 510	11 933	729 903
Changes in scope of consolidation			1 774
Additions	4 153	5 016	160 129
Disposals	– 381	– 24	– 23 287
Associated companies	– 6 821		– 6 821
Reclassifications			0
Currency translation effects		38	11
Balance on 12/31/2009	**34 461**	**16 963**	**861 709**
Accumulated depreciation			
Balance on 01/01/2009	– 74	– 7 658	– 320 086
Depreciation current year		– 2 200	– 42 931
Impairment	– 1 607		– 1 607
Disposals		5	19 638
Currency translation effects		– 37	– 18
Balance on 12/31/2009	**– 1 681**	**– 9 890**	**– 345 004**
Net book values on 12/31/2009	**32 780**	**7 073***	**516 705**

in CHF thousands	Land	Land & buildings	Plant & equipment	Prepayments & assets under construction	Other tangible assets	**Total tangible assets**
Net book values on 01/01/2010	8 228	373 431	70 750	3	24 440	476 852
Acquisition costs						
Balance on 01/01/2010	8 228	556 933	167 806	3	77 315	810 285
Changes in scope of consolidation		– 36	– 32	– 3	– 68	– 139
Additions		63 533	17 920	593	15 727	97 773
Disposals		– 958	– 8 883		– 6 059	– 15 900
Currency translation effects		– 3 300	– 1 809		– 1 415	– 6 524
Balance on 12/31/2010	**8 228**	**616 172**	**175 002**	**593**	**85 500**	**885 495**
Accumulated depreciation						
Balance on 01/01/2010	0	– 183 502	– 97 056	0	– 52 875	– 333 433
Changes in scope of consolidation		10	18		58	86
Depreciation current year		– 16 349	– 18 490		– 10 291	– 45 130
Disposals		599	8 304		5 761	14 664
Currency translation effects		624	801		894	2 319
Balance on 12/31/2010	**0**	**– 198 618**	**– 106 423**	**0**	**– 56 453**	**– 361 494**
Net book values on 12/31/2010	**8 228**	**417 554**	**68 579**	**593**	**29 047**	**524 001**
Of which land 01/01/2010	8 228	45 149				53 377
Of which land 12/31/2010	8 228	46 714				54 942
Insurance values 01/01/2010		691 704	197 981		84 871	974 556
Insurance values 12/31/2010		705 226	207 140		113 165	1 025 531

Tangible assets kept as investment properties include land and buildings of the real estate business unit and are valued at TCHF 251 441 (previous year: TCHF 225 558), whereby the properties used for operational purposes by MZ-Immobilien AG and Hotelbusiness Zug AG are for the first time no longer contained in this figure, as the hotel business is viewed as an independent branch of business within the real estate business unit ever since the development of the City Garden Hotel and the Serviced City Apartments, and since the lease of the Theater Casino Zug restaurant. In this respect, the properties used by the hotel business are classified as operating properties. This classification also impacts on the assessment of fair values, which according to the provisions of Swiss GAAP FER 18.14 may only be applied to properties held as investment properties. The fair values of the properties held for investment purposes amount to TCHF 591 222 (previous year: TCHF 549 943). Had these fair values been recognized in the balance sheet, the operating result of the real estate business unit would have been TCHF 15 392 higher (previous year: TCHF 14 728). This information is based on the annual fair value assessment performed by an independent real estate expert as of 31 December. The fair value assessment on 31 December 2010 was prepared by Wüest & Partner AG using the DCF (discounted cash flow) method. For the DCF valuation as per 31 December 2010, discount rates of 4.65% on average (previous year: 4.71%) were applied, with a range from 4.1% to 5.3% (previous year: 4.3% to 5.3%). The values established using the same assumptions for all land and buildings of the real estate business unit – i.e. including the properties used for operational purposes by MZ-Immobilien AG and Hotelbusiness Zug AG – amount to TCHF 696 523 as at 31 December 2010 (previous year: TCHF 643 380).

Notes to the consolidated financial statements

in CHF thousands	Financial assets	Intangible assets	Total fixed assets
Net book values on 01/01/2010	32 780	7 073	516 705
Acquisition costs			
Balance on 01/01/2010	34 461	16 963	861 709
Changes in scope of consolidation			– 139
Additions	1 938	6 810	106 521
Disposals	– 967		– 16 867
Associated companies	– 664		– 664
Currency translation effects	– 943	– 222	– 7 689
Balance on 12/31/2010	**33 825**	**23 551**	**942 871**
Accumulated depreciation			
Balance on 01/01/2010	– 1 681	– 9 890	– 345 004
Changes in scope of consolidation			86
Depreciation current year		– 2 442	– 47 572
Impairment	1 302		1 302
Disposals			14 664
Currency translation effects	– 9	172	2 482
Balance on 12/31/2010	**– 388**	**– 12 160**	**– 374 042**
Net book values on 12/31/2010	**33 437**	**11 391***	**568 829**

* Of which TCHF 11 291 software (previous year: TCHF 6 889).

Financial assets include employer's contribution reserves of TCHF 8 044 (previous year: TCHF 7 826), non-consolidated investments of TCHF 17 168 (previous year: TCHF 16 065) and investments in associated companies of TCHF 8 225 (previous year: TCHF 8 889). The associated companies figure includes the retroactive adjustment of the Schlatter Group's shareholders' equity amounting to TCHF 98 (not affecting net income), an income-relevant supplementary posting of the proportional loss of TCHF 655 for the 2009 business year, and the estimated proportional gain for the 2010 business year of TCH 89, which was also booked to the income statement. This latter figure was calculated on the basis of Schlatter Holding AG's published data available during the preparation of the financial statements and analysts' estimates for the 2010 business year. Any deviations from actual values will be recorded in the subsequent period. The market value of the shares of the associated company Schlatter Holding AG on 31 December 2010 is TCHF 19 098 (previous year: TCHF 15 724). A value adjustment of TCH 1 607 on a private equity fund made the previous year was partially reversed in the 2010 business year thanks to a positive value development of TCHF 1 302.

Goodwill is directly offset against retained earnings. In the 2010 business year, a credit of TCHF 283 was posted due to subsequent purchase price adjustments (previous year: debit net of purchase price adjustment TCHF 6 862). The accumulated acquisition values amount to TCHF 137 862 (previous year: TCHF 138 145). The theoretical capitalization of goodwill in the previous year would have resulted in an impairment of TCHF 2 014 in the household appliances business unit. Overall, the capitalization and theoretical amortization of goodwill over an average useful life of 3 to 5 years would have resulted in an additional amortization of TCHF 35 781 (previous year: TCHF 41 045). After deduction of a theoretical amortization and reduced earn-out payments or purchase price reductions and impairments, the goodwill that can theoretically be capitalized has a residual value of TCHF 9 609 (previous year: TCHF 45 673).

13 Pension liabilities

Pension liabilities amount to TCHF 1 456 (previous year: TCHF 1 521). They are recorded as other current liabilities.

14 Long-term financial liabilities

Long-term financial liabilities are structured as follows, according to maturity and type of coverage:

in CHF thousands			**2010**	**2009**
Residual term	Pledged	Blank	Total	Total
up to 1 year	4 807	2 699	7 506	16 613
up to 3 years	9 888	6 179	16 067	8 239
up to 5 years	3 312	1 602	4 914	1 157
over 5 years	150 500		150 500	101 000
Total 2010	168 507*	10 480	**178 987**	
Total 2009	114 401	12 608		**127 009**

* Of which no variable mortgages in the reporting year (previous year: TCHF 4 027).

The real estate investments made in the reporting year were largely financed with debt. This resulted in an increase in long-term financial liabilities of TCHF 50 000. As collateral for current and long-term financial liabilities of TCHF 187 076 (previous year: TCHF 135 018), assets with a book value of TCHF 205 174 have been encumbered (previous year: TCHF 188 639).

The long-term financial labilities with a maturity of up to 1 year are expected to be refinanced on a long-term basis.

Notes to the consolidated financial statements

15 Provisions

in CHF thousands	Deferred taxes	Guarantees	Pension	Restructuring	Other	Total
Provisions						
Balance on 01/01/2009	**35 344**	**39 006**	**7 176**	**0**	**3 595**	**85 121**
Additions	1 691	22 467	783	957	1 707	27 605
Utilization	– 2 222	– 18 763	– 628		– 592	– 22 205
Release		– 4 641	– 1		– 750	– 5 392
Changes in scope of consolidation		140			485	625
Currency translation effects		– 18	– 4		– 14	– 36
Balance on 12/31/2009	**34 813**	**38 191**	**7 326**	**957**	**4 431**	**85 718**
Of which current provisions		22 616	947	957	1 650	26 170
Balance on 01/01/2010	**34 813**	**38 191**	**7 326**	**957**	**4 431**	**85 718**
Additions	809	26 270	75	500	3 445	31 099
Utilization	– 1 214	– 20 220	– 985	– 311	– 1 946	– 24 676
Release		– 2 387	– 5		– 1 937	– 4 329
Changes in scope of consolidation					– 3	– 3
Currency translation effects	– 7	– 595	– 602	– 59	– 508	– 1 771
Balance on 12/31/2010	**34 401**	**41 259**	**5 809**	**1 087**	**3 482**	**86 038**
Of which current provisions		25 443	647	1 087	1 126	28 303

Provisions for guarantees are calculated on the basis of historical data (average of actual costs in recent years).

16 Significant shareholders

As of 31 December, 2010, the following shareholders owned more than 3% of total voting rights (2 203 776 votes):

	Registered shares of type A	Registered shares of type B	Votes	Votes previous year
Heinz and Elisabeth Buhofer as well as Heinz M. Buhofer*	1 482 920	1 857	67.4%	67.4%
Ursula Stöckli	328 000	17 006	15.7%	15.7%
Werner O. Weber, indirectly through Wemaco Invest AG	81 920	41 600	5.6%	5.6%

* and Annelies Häcki Buhofer, Philipp Buhofer and Martin Buhofer, if acting in mutual agreement

17 Shares

Shares issued

1 948 640	registered shares of type A at a par value of CHF 2.50 each	Securities no. 209 262	CHF	4 871 600
255 136	registered shares of type B at a par value of CHF 25.00 each	Securities no. 3 982 108	CHF	6 378 400
2 203 776	**votes**	**Share capital**	**CHF**	**11 250 000**

No equity instruments were issued in the year under review, nor in the previous year. Undistributable, statutory or legal reserves amount to TCHF 12 699 (previous year: TCHF 12 348).

On 7 May 2010, METALL ZUG AG settled the outstanding purchase price amount of TCHF 13 600 for the acquisition of Schleuniger Holding AG by delivering 3 538 registered shares of type B (previous year: purchase of 1 337 registered shares of type B at an average market price of CHF 1 779). As of 31 December 2010, METALL ZUG AG holds 18 400 of its own registered shares of type A and 5 950 of its own registered shares of type B (previous year: 18 400 registered shares of type A and 9 488 registered shares of type B).

.

Notes to the consolidated financial statements

18 Transactions with related parties

Some years ago, one of the group companies allowed its pension fund to construct buildings under leasehold on the group company's land. The resulting claim towards the pension fund for leasehold interest in 2010 is unchanged on the previous year at TCHF 36.

Information on the procedure for determining the compensation of the board of directors and senior management and on the compensation amounts paid to them is available on page 75 et seq. of the notes to the annual financial statements of METALL ZUG AG.

19 Leasing liabilities

The liabilities from operating leasing that are not shown in the balance sheet are structured as follows, according to maturity:

in CHF thousands	2010	2009
up to 1 year	747	1 146
up to 3 years	670	1 102
over 3 years	65	182
Total	**1 482**	**2 430**

20 Derivative financial instruments

Within the securities portfolios managed by third parties, limited investments in derivative financial instruments are allowed. These derivative financial instruments are held for trading purposes and are recorded at market values.

Contract values in CHF thousands	2010	2009
Currency forward contracts	3 821	8 881
Share options / index options	2 122	5 498
Other derivative instruments	0	0
Total contract values	**5 943**	**14 379**

Market values in CHF thousands	2010	2009
Currency forward contracts	101	– 28
Share options / index options	0	– 34
Other derivative instruments	0	0
Total market values	**101**	**– 62**

The following financial instruments are kept for hedging purposes. Therefore, like the underlying transaction (future cash flow), these instruments are not recognized in the balance sheet.

Contract values in CHF thousands	2010	2009
Currency forward contracts	2 886	14 418
Share options / index options	0	0
Other derivative instruments	0	0
Total contract values	**2 886**	**14 418**

Market values in CHF thousands	2010	2009
Currency forward contracts	116	26
Share options / index options	0	0
Other derivative instruments	0	0
Total market values	**116**	**26**

21 Contingent liabilities / other off-balance sheet obligations

Trade receivables from foreign subsidiaries worth TCHF 10 274 (previous year: TCHF 12 278) served as collateral for credit lines. Fixed-term deposits and securities that are pledged as collateral amount to TCHF 20 619 (previous year: TCHF 22 893).

In addition to purchase commitments – primarily from general contracting agreements and constructing activities – of TCHF 727 (previous year: TCHF 6 967) there are also a number of long-term rental contracts amounting to TCHF 14 953 (previous year: TCHF 16 175).

MZ-Immobilien AG is the majority owner of Miteigentümerschaft Metalli, Zug. For this reason, joint liability may apply in relations with third parties.

In relation to the construction and operation of the City Garden Hotel, MZ-Immobilien AG accepted a restoration obligation with a value of TCHF 490. This comes into effect in 2025 at the earliest, and then only if the land on which the hotel was built has to be vacated for construction of the access road to the Zug city tunnel.

Metall Zug AG made investment commitments to two private equity funds amounting to a total of TCHF 12 444 (previous year: TCHF 12 444), of which TCHF 8 928 was paid by the end of 2010 (previous year: TCHF 7 831).

22 Acquisition and sale of consolidated subsidiaries

As per 1 January 2010 Schleuniger s.r.o. in Slovakia was sold to the local management at book values with the following assets and liabilities.

in CHF thousands	Schleuniger s.r.o
Current assets	636
Fixed assets	53
Current liabilities	– 337
Non-current liabilities	– 226
Net assets	**126**

In the 2009 business year, the following assets and liabilities were acquired through the acquisitions of Sanamij Group (Sanamij B.V., Netherlands and Sanamij Budapest Kft., Hungary) and the service business of BHT Hygienetechnik GmbH, Germany, with the acquisition date in both cases being 1 July 2009:

in CHF thousands	Service business of BHT	Sanamij Group
Current assets	724	6 118
Fixed assets	12	1 767
Current liabilities	0	– 4 879
Non-current liabilities	0	– 244
Net assets	**736**	**2 762**

Goodwill paid in connection with the previous year's transactions amounted to a net total of TCHF 10 607. Goodwill was offset against retained earnings at the acquisition date (see "Changes in shareholders' equity", page 49).

Notes to the consolidated financial statements

23 Employee benefits

The most important companies providing pension plans are located in Switzerland, where pension schemes are organized through independent foundations or insured pension plans according to the Swiss pension law (BVG). Patronage funds are also in place. The purpose of these funds is to provide ex gratia contributions to current and former employees to assist with the economic consequences of old age, disability, death and distressed circumstances.

Employer's contribution reserves (ECR)

in CHF thousands	Nominal value 12/31/10	Renounced use 12/31/10	Balance sheet 12/31/10	Additions as of 2010	Balance sheet 12/31/09	Result from ECR or similar items in personnel expenses 2010	2009
Patronage funds/ pension schemes	7 254		7 254		7 043	211	271
Pension plans without surplus/deficit							
Pension plans with surplus	790		790		783	7	8
Pension plans with deficit							
Total	**8 044**	**0**	**8 044**	**0**	**7 826**	**218**	**279**

Economic benefits / economic liabilities and pension expenses

in CHF thousands	Surplus / deficit according to pension plans 12/31/10	Economical part of the organization 12/31/10	12/31/09	Change or impact on net income in business year	Contributions for the period	Pension expenses in personnel expenses 2010	2009
Patronage funds/ pension schemes	12 358				– 183	– 183	– 362
Pension plans without surplus/deficit*					– 13 533	– 13 533	– 13 008
Pension plans with surplus*	431				– 558	– 558	– 1 152
Pension plans with deficit*	– 3 393	– 2 465	– 2 913	– 26	– 1 791	– 1 817	– 1 594
Total	**9 396**	**– 2 465**	**– 2 913**	**– 26**	**– 16 065**	**– 16 091**	**– 16 116**

* Includes payments to pension schemes that bear pension risks themselves in the amount of TCHF 15 137 (previous year: TCHF 15 001) and payments to pension schemes that do not bear risks themselves in the amount of TCHF 772 (previous year: TCHF 753).

Most pension plans are financed through the employer's and the employee's contributions. Pension contributions are calculated as a percentage of the insured salary.

Patronage funds can provide ex gratia contributions to current and former employees to assist with the economic consequences of old age, disability, death and distressed circumstances. It is not the companies intention to obtain an economic benefit from the uncommitted resources of these patronage funds in the foreseeable future. This does not apply to employer's contribution reserves.

Composition of pension expenses

in CHF thousands	2010	2009
Pension contributions at the company's expense	– 16 065	– 16 090
Contributions to pension plans from employer's contribution reserves	0	0
Total contributions*	**– 16 065**	**– 16 090**
Change in ECR due to asset development, value adjustments, discounting, interest payments, etc.	218	279
Contributions and changes in employer's contribution reserves	**– 15 847**	**– 15 811**
Change in economic benefits for the company from surplus	0	0
Change in economic liabilities for the company from deficit	– 26	– 26
Total change in economic impact of surplus / deficit	**– 26**	**– 26**
Staff pension expenses in personnel expenses	**– 15 873**	**– 15 837**

* No extraordinary contributions were agreed upon or paid in the reporting year or in the previous year.

24 Changes in "Net cash and cash equivalents"

The statement of cash flows is based on "Net cash and cash equivalents", which is composed as follows:

in CHF thousands	2010	2009
Cash and cash equivalents	162 036	104 737
Current financial liabilities	– 8 089	– 8 009
Total "Net cash and cash equivalents"	**153 947**	**96 728**
Changes from the previous year	57 219	33 294

25 Risk assessment

Information on the execution of a risk assessment is available in the notes to the annual financial statements of METALL ZUG AG (page 75).

26 Events after the balance sheet date

No events requiring disclosure took place after the balance sheet date.

Auditor's report

ERNST & YOUNG

Ernst & Young Ltd
Bundesplatz 1
CH-6304 Zug

Phone +41 58 286 75 55
Fax +41 58 286 75 50
www.ey.com/ch

To the General Meeting of

METALL ZUG AG, Zug

Zug, 18 March 2011

Report of the statutory auditor on the consolidated financial statements

As statutory auditor, we have audited the consolidated financial statements presented on page 45 to 67 of METALL ZUG AG, which comprise the income statement, balance sheet, statement of cash flows, changes in shareholders' equity and notes for the year ended 31 December 2010.

Board of Directors' responsibility
The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Swiss GAAP FER and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements for the year ended 31 December 2010 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER and comply with Swiss law.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 Code of Obligations (CO) and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

Edgar Christen	Andreas Blank
Licensed audit expert	Licensed audit expert
(Auditor in charge)	

METALL ZUG AG

124th annual financial statements 2010

Income statement

Revenue in CHF	2010	2009
Dividend income	57 750 000	58 350 000
Income from interest and securities	20 111 088	36 369 082
Other revenue	1 171 400	1 121 000
Total revenue	**79 032 488**	**95 840 082**

Expenses in CHF	2010	2009
Interest and securities expenses	– 10 656 969	– 24 824 253
Personnel expenses	– 1 841 060	– 1 650 201
Other expenses	– 736 642	– 946 968
Depreciation	– 5 075	– 5 075
Increase of provisions	– 40 000 000	– 47 000 000
Taxes	– 785 372	– 1 037 006
Total expenses	**– 54 025 118**	**– 75 463 503**
Net income	**25 007 370**	**20 376 579**

Balance sheet

Assets in CHF	12/31/2010	12/31/2009
Cash and cash equivalents	62 614 787	17 140 158
Securities	214 172 243	220 244 140
Accounts receivable third parties	817 479	686 871
Intercompany accounts receivable	527 573	0
Prepaid expenses	593	838 209
Current assets	**278 132 675**	**238 909 378**
Tangible assets	10 150	15 225
Intercompany loans	59 000 000	65 700 000
Investments	164 205 138	164 205 138
Financial assets	29 366 454	29 483 190
Fixed assets	**252 581 742**	**259 403 553**
Total assets	**530 714 417**	**498 312 931**

Liabilities in CHF	12/31/2010	12/31/2009
Accounts payable third parties	1 201 303	13 986 965
Intercompany accounts payable	11 747	17 223
Accrued expenses	316 000	357 205
Current liabilities	**1 529 050**	**14 361 393**
Provisions	206 517 880	166 551 180
Non-current liabilities	**206 517 880**	**166 551 180**
Total liabilities	**208 046 930**	**180 912 573**
Share capital	11 250 000	11 250 000
Legal reserves	5 625 000	5 625 000
Reserves for treasury shares	16 980 576	30 580 576
Free reserves	261 483 946	247 883 947
Retained earnings		
Retained earnings carried forward	2 320 595	1 684 256
Net income	25 007 370	20 376 579
Shareholders' equity	**322 667 487**	**317 400 358**
Total liabilities and shareholders' equity	**530 714 417**	**498 312 931**

Notes to the annual financial statements

1 Investments

Detailed information on the investments of METALL ZUG AG as of 31 December 2010 is available on page 53.

2 Significant shareholders

See notes to the consolidated financial statements, page 63.

Share ownership by current members of the corporate bodies	as of 12/31/2010		as of 12/31/2009	
	Registered shares of type A	Registered shares of type B	Registered shares of type A	Registered shares of type B
Jürgen Dormann, chairman of the board of directors	0	1 364	0	1 364
Heinz M. Buhofer, vice-chairman of the board of directors	493 160 [1]	184	493 160 [1]	184
Calvin Grieder, member of the board of directors	0	0	0	0
Dr. Peter Terwiesch, member of the board of directors	0	0	[2]	[2]
Martin Wipfli, member of the board of directors	0	266	[2]	[2]
Günter F. Kelm, member of the board of directors until the 2010 general meeting	0	16	0	16
Stephan Wintsch, managing director	0	10	0	40

1 For the most part held through the Buhofer Trust

2 Member of the board of directors since the 2010 general meeting

3 Pension liabilities

As of 31 December 2010, liabilities towards pension schemes amount to TCHF 159 (previous year: TCHF 152).

4 Pledged assets

No assets were pledged as at the end of the reporting year (previous year: securities worth TCHF 3 900 pledged as collateral).

5 Treasury shares

On 7 May 2010, METALL ZUG AG settled the still outstanding purchase price amount of TCHF 13 600 for the acquisition of Schleuniger Holding AG by delivering 3 538 registered shares of type B (previous year: purchase of 1 337 registered shares of type B at an average market price of CHF 1 779). As of 31 December 2010, METALL ZUG AG holds 18 400 of its own registered shares of type A and 5 950 of its own registered shares of type B (previous year: 18 400 registered shares of type A and 9 488 registered shares of type B).

6 Information on the execution of a risk assessment

Risk assessment and risk control within the METALL ZUG GROUP are based on a standardized four-stage risk management process which includes the following steps:

1 Identification of risks: Every three years, an extensive group-wide risk survey is conducted. In the scope of this survey, all business risks are compiled and documented on the basis of standard criteria. The identified risks are updated on an annual basis until the next extensive survey.

2 Risk analysis: The top executives of the respective business units evaluate the risks identified in step 1 with a view to their probability of occurrence and their impact. When assessing the impact of a risk, the financial impact as well as the effect on reputation is considered.

3 Risk control: The individual business units assign so-called risk managers to each business risk or risk category, who define specific measures and monitor the implementation of these measures.

4 Risk reporting: The board of directors of METALL ZUG AG receives a consolidated risk report on an annual basis.

7 Compensation

The members of the board of directors receive fixed compensation for their activities as well as a lump-sum reimbursement of business expenses which is determined periodically by the entire board of directors at the request of the staff committee. They are entitled to additional fixed compensation for offices held in subsidiaries. These are included in the following compensation table. At the request of the staff committee, the board of directors approves compensation of the members of the senior management according to their respective functions and in line with the market. Fixed compensation comprises the monthly salary, the year-end salary and a lump-sum reimbursement of business expenses. Due to the decentralized operational distribution of responsibilities, the senior management's total remuneration does not contain any variable components. The employment contracts of the senior management do not provide for any severance payments or unusually long periods of notice. METALL ZUG AG does not have any participation or option programs, and no shares were assigned to members of the board of directors, members of the senior management or associated persons. Neither loans nor credits were granted to members of the board of directors or to members of the senior management. The two payments to former members of the corporate bodies are primarily internal retirement arrangements (self-insurance). Heinz Buhofer did not have any pension scheme when leaving the METALL ZUG GROUP, so he was awarded a retirement pension. Payments are made according to the scheme (with periodical indexation) defined before he left the group in 1997 and are covered by the provision set up at that time. Subject to a time limit, a retirement pension was agreed with Rino Rossi to improve his pension benefits and with a view to compensating him for tasks that he fulfilled at subsidiaries after retirement. The payments agreed upon with Rino Rossi ended during the previous year.

Compensations for the business year in CHF	Compen-sations net	Social contri-butions*	2010 Total	Compen-sations net	Social contri-butions*	2009 Total
Jürgen Dormann, chairman of the board of directors, non-executive	550 000	55 110	**605 110**	500 000	49 001	**549 001**
Heinz M. Buhofer, vice-chairman of the board of directors, non-executive	435 183	112 376	**547 559**	393 190	102 047	**495 237**
Calvin Grieder, member of the board of directors, non-executive	290 160	35 204	**325 364**	115 376	14 263	**129 639**
Dr. Peter Terwiesch, member of the board of directors since the 2010 general meeting, non-executive	125 000	15 498	**140 498**			
Martin Wipfli, member of the board of directors since the 2010 general meeting, non-executive	144 500		**144 500**			
Günter F. Kelm, member of the board of directors until the 2010 general meeting, non-executive	93 000	7 207	**100 207**	292 000	23 625	**315 625**
Werner O. Weber, member of the board of directors until the 2009 general meeting of shareholders, non-executive			**0**	35 000	3 250	**38 250**
Total board of directors	**1 637 843**	**225 395**	**1 863 238**	**1 335 566**	**192 186**	**1 527 752**
Stephan Wintsch, managing director	349 379	138 862	**488 241**	331 022	135 848	**466 870**
Total senior management	**349 379**	**138 862**	**488 241**	**331 022**	**135 848**	**466 870**
Heinz Buhofer, former chairman of the board of directors and CEO	333 000		**333 000**	333 000		**333 000**
Rino Rossi, former chairman of the board of directors and CEO			**0**	71 940	6 121	**78 061**
Total former members	**333 000**	**0**	**333 000**	**404 940**	**6 121**	**411 061**

* Employer's and employee's contributions to pension schemes, AHV (old-age and survivors' insurance), IV (disability insurance), health insurance and accident insurance

Proposal for the appropriation of available earnings

in CHF	12/31/2010	12/31/2009
Retained earnings carried forward	2 320 595	1 684 256
Net income	25 007 370	20 376 579
Retained earnings	**27 327 965**	**22 060 835**
Dividend, 220 % (previous year:180 %) of share capital	24 750 000	20 250 000
minus dividend on treasury shares*	– 428 450	– 509 760
Retained earnings to be carried forward	**3 006 415**	**2 320 595**

* No dividend is paid on treasury shares. The amount to be paid is therefore likely to be reduced by CHF 428 450 (previous year: CHF 509 760).

Subject to the general meeting of shareholders' approval of the board of directors' proposal, the dividend will be paid on Friday, 13 May 2011, as follows (payment date):

For each registered share of type A	CHF 5.50 gross	or	CHF 3.58 net
For each registered share of type B	CHF 55.00 gross	or	CHF 35.75 net

In addition, the board of directors proposes to the general meeting of shareholders that CHF 13 000 052 be taken from free reserves and assigned to capital contribution reserves.

Auditor's report

ERNST & YOUNG

Ernst & Young Ltd
Bundesplatz 1
CH-6304 Zug

Phone +41 58 286 75 55
Fax +41 58 286 75 50
www.ey.com/ch

To the General Meeting of

METALL ZUG AG, Zug

Zug, 18 March 2011

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the financial statements of METALL ZUG AG on page 72 to 76, which comprise the income statement, balance sheet and notes for the year ended 31 December 2010.

Board of Directors' responsibility
The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements for the year ended 31 December 2010 comply with Swiss law and the company's articles of incorporation.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 Code of Obligations (CO) and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Edgar Christen
Licensed audit expert
(Auditor in charge)

Andreas Blank
Licensed audit expert

Addresses

Holding

METALL ZUG AG
Industriestrasse 66
PO box 59
CH-6301 Zug
Phone +41 41 748 10 20
Fax +41 41 748 10 29
info@metallzug.ch
www.metallzug.ch

Household appliances business unit

V-ZUG AG
Industriestrasse 66
CH-6301 Zug
Phone +41 41 767 67 67
Fax +41 41 767 61 67
info@vzug.ch, www.vzug.ch

V-ZUG Australia Pty. Ltd.
22, Hornby Street
AU-Beaumaris VIC 3193
Phone +61 7 3209 6822
Fax +61 7 3806 0822
vzug@vzug.com.au, www.vzug.com

SIBIRGroup AG
Bernstrasse 60
CH-8952 Schlieren
Phone +41 44 755 73 00
Fax +41 44 755 73 01
info@sibir.ch, www.sibir.ch

Gehrig Group AG
Bäulerwisenstrasse 1
CH-8152 Glattbrugg
Phone +41 43 211 56 56
Fax +41 43 211 56 99
info@gehriggroup.ch
www.gehriggroup.ch

Hildebrand France S.a.r.l.
1191, Route Nationale
FR-01120 La Boisse
Phone +33 472 250 759
Fax +33 472 250 773
service.commercial@hildebrand.fr
www.hildebrand.fr

Infection control business unit

Belimed AG
Headquarters
Industriestrasse 12
CH-6300 Zug
Phone +41 41 768 96 00
Fax +41 41 768 96 10
info@belimed.com
www.belimed.com

Belimed AG
Production site
Dorfstrasse 4
CH-6275 Ballwil
Phone +41 41 449 78 88
Fax +41 41 449 78 89
info@belimed.ch

NV Belimed SA
Rue de Clairvaux 8
BE-1348 Louvain-la-Neuve
Phone +32 10 42 02 40
Fax +32 10 42 02 49
info@belimed.be

Belimed SAS
Parc GVIO
330 Allée des Hêtres, Hall E
FR-69760 Limonest
Phone +33 4 37 41 63 03
Fax +33 4 37 41 63 04
info.pharma@belimed.fr

Belimed SAS
ZAC Saumaty Séon
19 rue Gaston Castel
FR-13016 Marseille
Phone +33 4 96 15 22 10
Fax +33 4 96 15 22 19
info.sud@belimed.fr

Belimed SAS
Parc Espale
1, av. Pierre Pflimlin
FR-68390 Sausheim
Phone +33 3 89 63 65 40
Fax +33 3 89 63 65 41
info@belimed.fr

Belimed GmbH
Grüne Lagune 1
AT-8350 Fehring
Phone +43 3155 40699 0
Fax +43 3155 40699 10
info@belimed.at

Belimed Inc.
2284 Clements Ferry Road
US-Charleston, SC 29492
Phone +1 843 216 7424
Fax +1 843 216 7707
info@belimed.us

Belimed GmbH
Head office
Edisonstrasse 7a
DE-84453 Mühldorf am Inn
Phone +49 8631 98 96 0
Fax +49 8631 98 96 300
info@belimed.de

Addresses

Belimed Technik GmbH
Edisonstrasse 7a
DE-84453 Mühldorf am Inn
Phone +49 8631 98 96 0
Fax +49 8631 98 96 300
info@belimed.de

Belimed Deutschland GmbH
Edisonstrasse 7a
DE-84453 Mühldorf am Inn
Phone +49 8631 98 96 0
Fax +49 8631 98 96 300
info@belimed.de

Belimed Deutschland GmbH
West branch
Emil-Hoffmann-Strasse 27
DE-50996 Köln
Phone +49 2236 9642 0
Fax +49 2236 9642 200
info.west@belimed.de

Belimed Infection Control Kft.
Gyergyóutca 5
HU-1026 Budapest
Phone +36 1 318 86 97
Fax +36 1 318 87 75
info@belimed.hu

Belimed d.o.o.
Kosovelova cesta 2
SI-1290 Grosuplje
Phone +386 1 786 60 10
Fax +386 1 786 60 11
info@belimed.si

Belimed Sauter AG
Zelgstrasse 8
CH-8583 Sulgen
Phone +41 71 644 85 00
Fax +41 71 644 86 00
info@belimed-sauter.ch

Belimed B.V.
Vlambloem 65
NL-3068 JG Rotterdam
Phone +31 10 286 17 50
Fax +31 10 456 56 97
info@belimed.nl

Belimed Ltd.
Unit 4, New buildings Place
Dragons Green Rd, Shipley (Horsham)
UK-West Sussex, RH13 8GQ
Phone +44 1403 738 811
Fax +44 1403 730 830
info@belimed.co.uk

Belimed Medical Equipment (Shanghai) Co., Ltd.
CaiLun Road 780, 5th floor, Room H
ZhangJiang Hi-Tech Park
CN-201203 Pudong, Shanghai
Phone +86 21 513 709 98
Fax +86 21 513 709 96
info@belimed.cn

Wire processing business unit

Schleuniger Holding AG
Bierigutstrasse 9
CH-3608 Thun
Phone +41 33 334 03 33
Fax +41 33 334 03 34
info@schleuniger.ch
www.schleuniger.com

Schleuniger AG
Swiss headquarters
Bierigutstrasse 9
CH-3608 Thun
Phone +41 33 334 03 33
Fax +41 33 334 03 34
info@schleuniger.ch

Schleuniger Solutions AG
Gewerbestrasse 14
CH-6314 Unterägeri
Phone +41 41 754 53 53
Fax +41 41 754 53 50
sales@schleuniger.com
www.schleuniger.ch

Schleuniger GmbH
Raiffeisenstrasse 14
DE-42477 Radevormwald
Phone +49 21 959 29 0
Fax +49 21 959 29 105
info@schleuniger.de

Schleuniger, Inc.
North American headquarters & Eastern branch
87 Colin Drive
US-Manchester, NH 03103
Phone +1 603 668 8117
Fax +1 603 668 8119
sales@schleuniger.com

Schleuniger, Inc.
Midwest branch
119 Sangra Court, Unit 2
US-Streamwood, IL 60107
Phone +1 847 368 0632
Fax +1 630 372 2355
sales@schleuniger.com

Schleuniger, Inc.
West coast branch
18218 McDurmott East, Suite F
US-Irvine, CA 92614
Phone +1 949 757 1835
Fax +1 603 218 6900
sales@schleuniger.com

Schleuniger, Inc.
Southeast branch
PMB 70
2900 Delk Road Ste. 700
US-Marietta, GA 30067
Phone +1 603 621 2608
Fax +1 603 218 6900
sales@schleuniger.com

Schleuniger, Inc.
Mexican branch
1370-B Pullman Dr, Suite A
US-El Paso, TX 79936
Phone +1 915 856 8868
Fax +1 915 856 7825
sales@schleuniger.com

Schleuniger, Inc.
Canadian branch
1492 Wallace Road, Unit 4
CA-Oakville, Ontario L6L 2Y2
Phone +1 905 827 1166
Fax +1 905 827 4103
sales@schleuniger.com

Schleuniger Trading
(Shanghai) Co., Ltd.
Rm 108, BH Center
7755 Zhongchun Rd, Min Hang District
CN-Shanghai, 201101
Phone +86 21 6252 6677
Fax +86 21 6240 8655
sales@schleuniger.com.cn

Schleuniger Trading
(Shanghai) Co., Ltd.
Warehouse in Shanghai FTZ
D3-1, 78 Jiatai Rd.
Waigaoqiao Free Trade Zone
CN-Shanghai, 200131
Phone +86 21 5868 0089
Fax +86 21 5868 0089
sales@schleuniger.com.cn

Schleuniger Trading
(Shanghai) Co., Ltd.
Beijing branch
Rm B10E,
Oriental Kenzo Office Building
48 Dong Zhi Men Wai Street
Dong Cheng District
CN-Beijing 100027
Phone +86 10 6801 9360
Fax +86 10 6801 7321
sales@schleuniger.com.cn

Schleuniger Trading
(Shanghai) Co., Ltd.
Shenzhen branch
Room 1813 City Professional Hub
ShenNan Avenue, FuTian
CN-Shenzhen 518040
Phone +86 755 3398 1860
Fax +86 755 3398 1861
sales@schleuniger.com.cn

Schleuniger Japan Co., Ltd.
4-5-8, Tokai, Ota-ku
JP-Tokyo 143-0001
Phone +81 3 5755 8041
Fax +81 3 5755 8045
sales@schleuniger.co.jp

Real estate business unit

MZ-Immobilien AG
Industriestrasse 12
CH-6304 Zug
Phone +41 41 729 10 10
Fax +41 41 729 10 29
info@mzi.ch
www.mzi.ch

Hotelbusiness Zug AG
Industriestrasse 14
CH-6304 Zug
Phone +41 41 727 48 48
Fax +41 41 727 48 49
info@hotelbusinesszug.ch
www.hotelbusinesszug.ch

ZEW Immobilien AG
c/o METALL ZUG AG
Industriestrasse 66
CH-6301 Zug
Phone +41 41 748 10 20
Fax +41 41 748 10 29

Publishing information

Editor
METALL ZUG AG
Industriestrasse 66
CH-6301 Zug

Overall concept and implementation
Knobel Corporate Communications AG, Steinhausen

Design concept
Hug & Dorfmüller design group, Lucerne

Composition & printing
Victor Hotz AG, Steinhausen

Photos
Fotostudio Christian Ammann, Zurich

Edition
German: 2 800 copies
English: 700 copies

The annual report is published in German and English. In the event of a discrepancy between the two versions, the German print version shall prevail.

myclimate neutral Printed Matter
No. 01-11-808717 – www.myclimate.org
© myclimate – The Climate Protection Partnership

www.myclimate.org

Climate-neutral printing. The CO_2 emissions of 3.61 tons arising during printing are compensated for by international projects conducted by myclimate.org.

FSC www.fsc.org
MIX From responsible sources
FSC® C009672

Product group comprising exemplary forestry and other controlled sources.

Printed on chlorine-free paper.

Group companies

V-ZUG AG

V-ZUG AG is the most important company of the METALL ZUG GROUP. The Swiss market leader develops, manufactures and sells high-quality kitchen and laundry appliances. In the industry, V-ZUG AG is well-known for its innovations: the company spares no effort to make its appliances more useful, more powerful, more environmentally-friendly, and at the same time easier to install.

SIBIRGroup AG

SIBIRGroup AG in Schlieren is a full-range supplier of kitchen and laundry appliances throughout Switzerland. SIBIR is an important partner for real estate professionals for all brands of household appliances with subsidiaries and service centers in all regions of Switzerland.

Gehrig Group AG

Gehrig Group AG provides dishwashers and thermal appliances for hotels and restaurants. The group's core competencies are food processing, water processing and hygiene. Gehrig is the Swiss market leader for professional dishwasher solutions.

Belimed Group

The Belimed Group is a professional full-range provider of infection control equipment. The group's cleaning, disinfection and sterilization solutions are used in medicine, in pharmaceutical institutions and in laboratories.

Schleuniger Group

Schleuniger is among the leading machine manufacturers specializing in high-precision wire processing. Ranging from semi-automatic benchtop machines to fully automatic processing lines, Schleuniger offers a wide selection of innovative solutions for stripping, cutting, crimping and marking all types of wire.

MZ-Immobilien AG, Hotelbusiness Zug AG and ZEW Immobilien AG

MZ-Immobilien AG, which has gathered extensive know-how through managing the Metalli shopping mall, provides third parties with building and facility management services for large-scale residential and commercial properties. All in all, MZ-Immobilien AG is in charge of more than 3 000 properties. Hotelbusiness Zug AG is the market leader in Zug in the fields of hotels, catering and meetings/conferences. ZEW Immobilien AG owns an industrial property in Oberentfelden.