Analyst and Media Conference on FY 2007 Results

March 31, 2008

Safe harbour statement

Before we may start with the presentations, we need to remind you that the information made available in this conference may include forward-looking statements that reflect the intentions, beliefs or current expectations and projections of Gurit Holding AG about the future results of operations, financial condition, liquidity, performance and similar circumstances. Such statements are made on the basis of assumptions and expectations which may prove to be erroneous, although Gurit Holding AG believes them to be reasonable at this time.
Agenda

- **Business review, Innovations**  R. Hadorn, CEO
- Financial Results 2007  M. Knuesli, CFO
- Update on Gurit’s measures for profitable growth and Outlook 2008  R. Hadorn, CEO
- Q&A

Wind Energy

Wind Energy market opportunity

- **Strong Mega-trend**
  - 2008: Wind accounts for est. 1.2% (243 TWh) of electricity generation
  - 2020: Wind accounts for est. 9.4% (1912 TWh) of electricity generation
- Total market growing at 17% p.a. for materials (Note: < KW growth)
- Blade materials market in 2008 worth CHF 1.8 billion
- Strong market position
  - 17% overall market share in 2007
  - dominant in prepreg
  - present in all technologies with comprehensive product range
- Technology choice: Growing demand for prepreg technology
- Growth readiness: Gurit has growth capacity installed and qualified for 2008

**Strong technology and market position in a strongly growing market**
Wind Energy

Gurit supplies material for all blade production technologies

- polyester infusion
- epoxy infusion
- wood carbon infusion
- epoxy prepreg

Market size: CHF 1.8 billion

27%

- Gel coat
  - foam
  - Infusion resin
  - adhesives

5%

- Infusion resin
- Adhesives
- Gel coat

27%

- prepreg
- foam
- adhesives
- gelcoat

2008 Wind priorities

- Innovations for Wind Energy customers
- Re-establish business profitability
- Raise cost competitiveness further
- Leverage global presence for growth in 2008/9
Transportation

Transportation business position

Materials for Aircraft Interiors
- Market size approaching CHF 200 million p.a.
- Growth rate 10% p.a.
- Gurit 2007 market share >25%; >50% at Airbus
- Specialties include:
  - Ultra-light unidirectional materials for floors
  - Air-tight materials for air-ducts
- Contractually secured business for next 4 years

Advanced composites in Rail
- Market size up to CHF 400 million p.a.
- Growth rate 11% p.a.
- Gurit: recent entry

Carbon fiber class A Car Body Parts
- Tier-1 supplier
- Market size CHF 150 to 500 million p.a.
- Growth rate 5 to 10% p.a.
- Gurit: recent entry

2008 Transportation priorities

Aerospace
- Maintain leading position in aircraft interiors in Europe
- Increasing supplies for secondary structures for next generation of planes

Rail
- Seize opportunities in rail (predominantly Asia)

Automotive
- Exploit competitive advantage as tier-1 supplier of carbon prepreg car body parts production in scalable business
Marine with overall solid business

• Composite material market >CHF 1.3 billion
• Overall market growth at 2-4%, with some regions and sectors experiencing much higher growth prospects in Gurit's top-end markets
• Overall Gurit 2007 market share 6%,
  – >40% in high-performance boats
  – 11% in the superyacht segment
• Gurit plans to grow strongly above market in 2008 in its top-end, one-off and production boat markets

2008 Marine priorities

• Number 1 engineering and materials partner for performance yachts
• Grow market share in superyacht sector
• Leverage competencies into high-end production boat segment
• Take to market key production boat technologies for surface finish, tooling and adhesives
Product Innovations

Wind Energy
- SparPreg – Lower void content
- WE91LE – lower curing time and temperature

Marine
- Ampreg 21, Spabond 540, Tooling Paste 70-1
- Fire retardant: Ampreg 21 FR, ST70 FR

Transportation
Aerospace: New materials generation:
- Modified Benzoxazine PB1000
- Airbus 380 Flooring, Automated carbon tape laying

Automotive: Total technology solution
- Carbon Composite Body Panels
- Tier 1 Manufacturing Capability

Wind Energy: SparPreg

Developed for structural applications
- Unidirectional reinforcement
- High laminate thickness, Low void content
- Fast efficient processing (no debulking)
- Complimentary to SPRINT multiaxial range
- Reduced Cost of Quality for the customer

Std WE Prepreg
Void Content: 6-10%

SparPreg
Void Content: 1-2%
Wind Energy: WE91_{LE}

Developed for all wind energy prepreg products
- Reduced cure cycle times
- Lower tooling thermal specification requirements
- Improvement in customers ROA

Marine – Product innovations

**Ampreg 21**
- New low viscosity laminating system
- Optimised for large structures and heavy fabrics
- Excellent H&S and mechanical performance

**Spabond 540PB and 540LV**
- Adhesive for production boats
- Modified epoxy enables PE structure bonding
- Long open times and high strength durable bonds

**Tpaste 70-1**
- Second generation tooling paste
- Excellent CNC machining performance
- Good toughness and adhesion properties
- Unique seamless repair paste
Marine – Fire Retardant Products

Ampreg 21 FR
- Wet laminating fire retardant system
- Optimised for large structures
- Retains good handling characteristics
- Good mechanical performance
- UL94 Class 0

SPRINT® ST70 FR
- Hot melt fire retardant system
- High quality low void content laminate
- Excellent mechanical performance
- BS476 parts 6&7 Class 0

Transportation – New generation aerospace materials

PB1000 – Modified Benzoxazine
- No free phenol and formaldehyde, fulfils AP2091
- Non-volatile curing, 140°C / 45min, 160°C / 15min
- Outstanding surface quality
- Excellent FST and Heat Release behaviour
- Improved mechanical properties

EP137/CR527 – Carbon Flooring for A380
- Designed for automated lay-up
- Available at 80gsm, 100gsm, 120gsm
- Low smoke, highly toughened, self extinguishing
- Excellent adhesion to core materials
Transportation –
Automotive Total Technology Solution

Materials
- SPRINT CBS
- Surfacing Film Technology

Design
- SPRINT CBS designed to replicate steel stiffness
- Templating, preforming and fibre simulation

Processing
- Nickel tooling for durability and surface finish
- Materials formulation and tooling design for fast part manufacture
- B side flexible tooling: surface quality fast bagging

Prototyping
- ALBOS project to demonstrate technology

Transportation –
Automotive Manufacturing Capability

- Material Kitting
- Tools and moulding
- CNC Machining preparation
- Bonding and Priming
- CMM
- Class A inspection

- Ultrasonic CNC
- Nickel Tooling, B-side intensifiers
- 5-axis for flash removal and bonding
- 3M adhesives, DuPont primers
- coordinate measurement machine
- 1000 lux
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Gurit Group accounts
Group P&L in CHF million

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>448.8</td>
<td>381.3</td>
</tr>
<tr>
<td>Contribution Margin 1</td>
<td>161.4</td>
<td>162.4</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(165.5)</td>
<td>(145.3)</td>
</tr>
<tr>
<td>EBIT before sundry operating result</td>
<td>(11.0)</td>
<td>24.6</td>
</tr>
<tr>
<td>Sundry operating result</td>
<td>14.5</td>
<td>2.9</td>
</tr>
<tr>
<td>EBIT</td>
<td>3.5</td>
<td>27.5</td>
</tr>
<tr>
<td>Financial income and expense</td>
<td>(2.9)</td>
<td>(1.7)</td>
</tr>
<tr>
<td>Taxes</td>
<td>0.4</td>
<td>(7.2)</td>
</tr>
<tr>
<td>NET RESULT</td>
<td>1.0</td>
<td>18.6</td>
</tr>
</tbody>
</table>

- Net sales in line with unaudited Net sales figures of MCHF 448 published on January 17.
- Contribution margin 1 stable compared to 2006 despite the volume increase, mainly due to start up costs, price erosion and production variances (see Ebit bridge).
- Operating expense heavily impacted by the set up of new plants and capacity.
- Sundry operating result mainly due to gains on sale of real-estate in Switzerland.
- EBIT of MCHF 3.5 slightly higher than the expectation published on January 17, mainly due to slightly higher real estate gains.
- Higher interest charges as a result of higher net debt of MCHF 20.
• Inventory still at high levels, but improved by MCHF 6 compared to June 2007
• Accounts receivable days decreased despite growing volume, but are still at 61 days. There is potential for further reduction which will be pursued by the management
• The decrease in other short term assets is due for MCHF 8.3 to the sale of Medisize shares.
• The Increase in Tangible Fixed assets is mainly due to investments in China (MCHF 15.3), Canada (MCHF 15.3), UK (MCHF 5.5) and Spain (MCHF 2.9)
• The Change in Goodwill is due to the currency impact.
• Other long term assets include 6.7 MCHF deferred tax assets, to a large extent coming from the in 2007 loss making Canadian operations

<table>
<thead>
<tr>
<th>Consolidated Assets in CHF million</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>42.3</td>
<td>35.6</td>
</tr>
<tr>
<td>Inventory</td>
<td>57.4</td>
<td>45.5</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>74.9</td>
<td>80.6</td>
</tr>
<tr>
<td>Other short term assets</td>
<td>10.2</td>
<td>19.4</td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>130.1</td>
<td>115.2</td>
</tr>
<tr>
<td>Goodwill</td>
<td>158.8</td>
<td>167.7</td>
</tr>
<tr>
<td>Other long term assets</td>
<td>14.3</td>
<td>8.8</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>488.0</strong></td>
<td><strong>472.8</strong></td>
</tr>
</tbody>
</table>

• Increase in short and long term debt of MCHF 28 mainly due to financing of Canada and China expansions
• Deferred tax liabilities relate primarily to Gurit Holding
• The decrease in provisions are primarily the result of payments made to a customer which were provide for in 2006. Remaining provisions are to a large extent pension fund related.
• The decrease of MCHF 2.8 in equity is due to a negative MCHF 10 currency translation impact (of which MCHF 8.0 on Goodwill) and the dividend payment of MCHF 5.9, compensated by additional MCHF 12.1 proceeds from sale of own shares and the net result

<table>
<thead>
<tr>
<th>Consolidated Liabilities and Equity in CHF million</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short term bank loans</td>
<td>48.6</td>
<td>36.5</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>44.5</td>
<td>47.9</td>
</tr>
<tr>
<td>Other short term liabilities</td>
<td>23.1</td>
<td>24.4</td>
</tr>
<tr>
<td>Long term loans</td>
<td>39.4</td>
<td>23.6</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>16.3</td>
<td>16.8</td>
</tr>
<tr>
<td>Provisions</td>
<td>7.1</td>
<td>11.8</td>
</tr>
<tr>
<td>Equity</td>
<td>309.0</td>
<td>311.8</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND EQUITY</strong></td>
<td><strong>488.0</strong></td>
<td><strong>472.8</strong></td>
</tr>
</tbody>
</table>
Non cash items mainly include the gain on sales of fixed assets
Other cash flow from operating activities include MCHF 8 cash inflow relating to the sale of the Medisize shares, compensated by MCHF 12 cash absorbed by the increase of inventory and MCHF 11.4 absorbed through lower accounts payable and provisions
Investments have mainly been made in Canada (15.3), China (13.9), UK (5.5) and Spain (2.9)
Proceeds from sale of fixed assets originate for MCHF 21.3 from real estate sales in Switzerland and France
Financing was primarily taken up in Canada and China in order to finance Investments
Holding AG P&L in CHF million

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Licence income intercompany</td>
<td>1.1</td>
<td>-</td>
</tr>
<tr>
<td>Other income</td>
<td>0.4</td>
<td>1.7</td>
</tr>
<tr>
<td>Financial expenses</td>
<td>(1.6)</td>
<td>(0.7)</td>
</tr>
<tr>
<td>Administrative costs</td>
<td>(1.3)</td>
<td>(0.8)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>(1.4)</td>
</tr>
<tr>
<td>Taxes</td>
<td>(0.9)</td>
<td>(0.1)</td>
</tr>
<tr>
<td><strong>NET RESULT</strong></td>
<td>15.2</td>
<td>7.4</td>
</tr>
</tbody>
</table>

- The result of the Holding company is mainly due to Group internal income (Licence income and interest from Group companies) and the gain on the sale of own shares. This income is not result effective in the Consolidated accounts because it is either eliminated or reported as an equity movement, which explains the important difference between Holding accounts net result and the Consolidated net result.
- Financial expenses include MCHF 1.2 exchange loss, mainly on intercompany loans and receivables.

Holding AG Assets in CHF million

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>7.8</td>
<td>10.5</td>
</tr>
<tr>
<td>Securities</td>
<td>0.2</td>
<td>8.5</td>
</tr>
<tr>
<td>Intercompany loans and receivables</td>
<td>81.9</td>
<td>57.7</td>
</tr>
<tr>
<td>Investments in subsidiaries</td>
<td>43.0</td>
<td>38.3</td>
</tr>
<tr>
<td>Other assets (mainly own shares)</td>
<td>1.9</td>
<td>6.3</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>134.8</td>
<td>121.3</td>
</tr>
</tbody>
</table>

- Decrease of securities due to the sale of Medisize shares and decrease of other assets due to the sale of own shares
- Intercompany balances increased mainly due to additional loans to the UK as well as loans to Canada and China
- Investments in subsidiaries increased due to additional investment in China.
Holding AG Liabilities in CHF million

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank loans</td>
<td>3.0</td>
<td>9.0</td>
</tr>
<tr>
<td>Loans from subsidiaries</td>
<td>10.3</td>
<td>-</td>
</tr>
<tr>
<td>Provisions and accruals</td>
<td>4.5</td>
<td>4.0</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>0.5</td>
<td>0.9</td>
</tr>
<tr>
<td>Equity</td>
<td>116.5</td>
<td>107.4</td>
</tr>
<tr>
<td>TOTAL LIABILITIES AND EQUITY</td>
<td>134.8</td>
<td>121.3</td>
</tr>
</tbody>
</table>

- Loans from subsidiaries relate to cash deposits
- Equity is before appropriation of dividend

Dividend recommendation in CHF thousand

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share capital</td>
<td>23'400</td>
<td>23'400</td>
</tr>
<tr>
<td>Available Net profit</td>
<td>47'303</td>
<td>38'233</td>
</tr>
<tr>
<td>Proposed dividend</td>
<td>3'042</td>
<td>6'084</td>
</tr>
<tr>
<td>Dividend in % of Share capital</td>
<td>13%</td>
<td>26%</td>
</tr>
</tbody>
</table>

Gurit Board of Directors proposes to the Annual General Meeting to pay a dividend of 13% reflecting the difficult year 2007 and the positive business outlook for 2008
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Solid business start into 2008

- January and February **commercially well on track**
- Execution of improvement action plan **is well on track**
- **Markets going strong** and backing Gurit's business for the period of the internal improvement process 2008/2009
- **Launch of several new products** at JEC trade show starting tomorrow April 1, 2008
Measures for profitable growth in 2008

**Leadership and Organization measures**

- Business process re-engineering project started to increase efficiency and robustness of business processes (*First phase completed: Purchasing*)
- Search for new General Manager Wind (*Ongoing*) and Controller Wind (*Hired*)
- All Gurit employees participate on EVA of YoY improvement as a common goal
- Market unit full P&L and NWC reporting *implemented and improvement cycles started* for 2008 – significantly increased transparency
Measures for profitable growth in 2008

"Quick Fixes" initiated in 2007 and planned for 2008

• Closing of Gurit (Ittigen) to completed in March 2008 (30 employees; loss avoidance of CHF 1 million in 2008)
• Adjustments in Newport/UK due to lower volumes completed
• Adjustments in Magog/CAN due to delayed qualification and efficiency improvements completed, now higher demand available and thus ramping-up.
• Successful re-negotiation of onerous contract clauses with customers completed, further opportunities in 2008 for 2009

Measures for profitable growth in 2008

Sales & Marketing - General

• Demand in all 3 market areas remains strong – Additional contract won in China, bidding for business growth 2009 in Europe, China and US
• Overall price increase effect 2008/2007 is at CHF 5 million – Implemented
• Differentiation through IP – SPRINT patent stronghold
• Important product launches at JEC
Measures for profitable growth in 2008

Sales & Marketing measures – Wind Energy

• Volumes and pricing for all major accounts are negotiated for 2008 – completed, further potential 2009
• Promising leads with key accounts to better balance sales pattern in 2008/2009
• Two new accounts opened 2008 with potential forward
• Need to shift more business from annual to longer-term, more appropriate contracts – In discussion for existing business, covering issue for new business.
• Price competition significant – Continuous cost improvement and innovative products to respond

Measures for profitable growth in 2008

Sales & Marketing measures – Transportation/Marine

• Transportation
  – Increasing build-rates in all target markets as planned
    • Aerospace: Airbus A380, other Airbus planes
    • Rail: EMU High-speed trains
    • Automotive: Aston Martin DBS
• Marine
  – Price increases completed effective 1.1.2008
  – New Production boat technology ready for market
  – Very strong start into 2008
Measures for profitable growth in 2008

**Operations improvements**

- Qualification of new Wind Energy production sites – **Completed and now ramping-up**
- Lean operations and materials management potentials – **Implementing best practices 2008/2009**
- Systematic and operational KPI monthly reporting – **Implemented, now in CIP mode to deliver steady improvements 2008/2009**
- Implement ERP systems and strengthen systems calibration – **In execution 2008**
- Reduction of stock levels in all factories – **Progress visible**
- Reduction of scrap-rates; higher production yields – **Progress visible, needs 2008/2009 to get to full traction**

Potentials for profitability increase beyond 2008

- Growth from current and new accounts
- New product launches
- Higher performance from operations
- Further improved commercial contract terms
- Better results due to Winter Sports re-sizing
- Procurement cost reductions
Outlook and Guidance

• Gurit is little dependent on short- to mid-term economic trends
• 2008 volume expectation is heavily based on agreed and signed contracts
• Good volume visibility in most of our target industries

➢ 2008: Net revenue growth 7-10%*
  EBIT margin ca. 4%

➢ 2010: Net Revenue growth target >10%*
  EBIT margin 8-10%*

*Higher revenue growth achievable with new leads

2008 EBIT improvement of approximately CHF 30 million

Overall improvement approximately CHF 30 million

Normalized EBIT 2007 excl. R.E. 4% of net sales

Restructuring/Impairment
Operations
Sales/Marketing
Organis./SG&A
Volume

EBIT 2007 3.5
EBIT 2008 estimate 20

Overall improvement approximately CHF 30 million
Communication schedule

- Selected one-on-ones today
- Further road show activity in April
- Q1 sales figures in April 2008
- HY results September 9, 2008
- Q3 sales figures in October 2008
- Road show activity after HY results

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