

Neuchâtel, July 23<sup>th</sup>, 2007

## Mid-Year Report June 2007 for Metalor Technologies International SA

Metalor closed the first half of 2007 with another good result. Revenues were CHF 150.8 Mio. or 4% higher than the previous year. All divisions were profitable and the consolidated Operating Profit (EBIT) was CHF 23.2 Mio. or 8% above the first half of 2006. The equity ratio of the company is 67%. The company achieved a total net profit of CHF 21.4 Mio. for the half year.

- The **Refining Division** has performed well during the period. Sales and operating profit exceeded the previous year. Further market share was gained in North America and scrap receipts in Switzerland were strong. Metalor's global presence was enhanced with the acquisition of the refinery and gold and silver business of Johnson Matthey PLC in Hong Kong.
- The **Advanced Coatings Division** sales were on a par with the previous year with improved profitability. Shortfalls in sales in Asia were offset by a strong European decorative and industrial market and record silver powder sales in the USA.
- The **Watch & Jewelry Division** sales have been negatively affected by some client internalization and profits reduced by a one-time inventory correction. Sales for luxury products grew strongly from the previous period. Order levels for the second half of the year could be at similar levels to the previous period.
- The **Electrotechnics Division** maintained a consistent on time delivery performance and was rewarded with a strong increase in sales for the first six months. Market share was gained in Europe with key customers. The new assembly facility in China has received its first orders and further green-field expansion is planned during 2008.

We expect precious metal prices to remain high with some volatility for the balance of the year and the economic climate of the markets we serve looks positive for the next months.



Scott Morrison  
CEO



Fredy Hiltmann  
CFO

**Key figures First Half-Year 2007/2006**

(Value in CHF Mio.)

	<b>30.06.2007</b>	<b>30.06.2006</b>
<b>Net sales</b> (excluding Precious Metals)	<b>150.8</b>	<b>145.3</b>
<b>EBIT</b>	<b>23.2</b>	<b>21.4</b>
<b>Net Profit</b>	<b>21.4</b>	<b>25.5</b>
<b>Employees</b> (Full time equivalent)	<b>1'299</b>	<b>1'171</b>