



Media release
Heerbrugg, 2 December 2015

SFS rolls back some measures taken to counter Swiss franc's strength

Some of the measures taken in response to the surge in value of the Swiss franc will be lifted as of 1 January 2016. Paid annual leave will be reinstated to previous levels but the extended work week will remain in effect. SFS thanks its employees in Switzerland for their important contribution towards the strengthening of the company's competitive position and for their loyalty.

After assessing the current situation and consulting with the employee representatives committee, SFS decided to rescind some of the measures taken in March 2015 in response to the Swiss franc's overvaluation, effective as of 1 January 2016. Particular mention is made of the reinstatement of the full annual leave entitlement. All employees in Switzerland will be entitled to 6 weeks of annual leave again as of next year. Given the sustained high rate of capacity utilization in Switzerland, the 2-hour increase in the work week to 44 hours will remain in place throughout the first half of 2016. The hiring freeze in Switzerland and the 10% cut in salary for the Group Executive Board and the Board of Directors will likewise remain in force.

In response to the massive appreciation of the Swiss franc, SFS implemented a package of measures in the spring of 2015 to sharpen its competitive edge. The measures taken have had a growing impact as the year progressed and have helped to mitigate the exchange-rate-induced decline in the results of the Swiss operations. As the negative currency effects have not been fully offset, some of the measures taken will remain in place to further improve SFS's competitiveness.

The heightened focus on research and development and on the production of innovative products will also be maintained in Switzerland. Processes and applications are becoming more know-how intensive, more technically demanding and more capital intensive as a result. SFS aims to maintain its employment levels in Switzerland and to avoid any currency- or workload-related job cuts if at all possible.

The Board of Directors and the Group Executive Board thank all employees in Switzerland for their important contribution towards the strengthening of our competitiveness and for their loyalty in the face of this challenging currency situation.



About SFS Group

SFS Group is organised into three business segments Engineered Components, Fastening Systems und Distribution & Logistics which represent the three business models. In the **Engineered Components** segment, SFS partners with customers to develop and manufacture customer-specific precision formed components, fastening solutions and assemblies. The segment operates in the Automotive, Electronics and Industrial divisions and sells its products under the SFS intec and Unisteel brands. In the **Fastening Systems** segment, consisting of the Construction and the Riveting divisions, SFS develops, manufactures and markets application-specific mechanical fastening systems under the SFS intec (Construction) and GESIPA (Riveting) brands. In the **Distribution & Logistics** segment with the SFS unimarket brand, SFS is a leading provider of fasteners, tools and architectural hardware as well as innovative logistics solutions in Switzerland. SFS Group is a global player with manufacturing sites and distribution companies at 72 locations in 24 countries around the world. Sales in business year 2014 amounted to CHF 1.383 bn and the work force numbered approximately 8,300.

For further information visit www.sfs.biz

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