

## **Media Conference, October 26, 2005, Suzhou Georg Fischer in China**

### **Corporation**

Georg Fischer's first investment in China dates back to 1993 when it launched a joint venture to create Agie, today known as Beijing Agie Charmilles Industrial Electronics Co., Ltd. which develops and produces electric discharge machines for use in the tool and mold manufacturing industry. Today the company has 18 companies including nine production facilities in Suzhou, Shanghai, Beijing, Changchun, Dujiangyan (Sichuan Province), Zhuozhou (Hebei Province) and Shenzhen.

China and the Asia markets are increasingly important for Georg Fischer with all three business divisions (automotive, machine tools and piping systems) represented in the Region. In 2004, sales in Asia increased by 34% in local currency. Georg Fischer intends to continue growing in Asia and in the medium term plans to achieve 20% of its sales in the region, with China accounting for more than half of this figure.

Encouraging growth rates in China have gone hand in hand with a steady increase in the workforce to reach over 1,300 employees in 2005 through investment in people and the provision of high-quality training. Earlier this year, Georg Fischer elected Zhang Zhiqiang to its Board of Directors making him the first Chinese citizen to be named a Director of a European public company.

Georg Fischer is already well established in China. It aims to build China up into a pivotal base for research and development, production and to utilize common resources efficiently and position the Georg Fischer brand effectively. The three business divisions operations in China generated over US\$ 150 million in sales worldwide during 2004. As of January 1, 2006, Georg Fischer Corporation will support its Chinese subsidiaries from a Corporate China Headquarters in Shanghai, led by the Delegate of the CEO for China, Mr. Daniel Fink.

### **GF Automotive**

China is becoming increasingly important for the entire (automotive) industry, both as a sales market and as a manufacturing location. GF Automotive is systematically increasing its manufacturing capacity in the region so that it is better able to supply regional and global markets from there. The new Suzhou plant in China will double manufacturing capacity in Asia. It is one of GF Automotive's 13 plants in Germany, Austria and China.

### **GF Piping Systems**

GF Piping Systems' first Chinese enterprise was a joint venture founded in 1997 under the name Georg Fischer Piping Systems Ltd, Shanghai in Pudong as a manufacturing and distribution company. The company manufactures pipes and fittings products in plastic materials for a wide

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range of applications for the building and engineering sector. New recently developed products are also exported to other countries in Asia including Japan. In 2000, Georg Fischer bought into a group of joint venture companies today known as the Chinaust Group, whose establishment goes back to 1987. The Chinaust group is market leader in gas distribution systems and offers speciality plastic pipes as well as components for the automotive industry.

Companies within Georg Fischer Piping Systems in China include:

Georg Fischer Piping Systems Ltd, Shanghai, and Georg Fischer Piping Systems (Trading) Ltd., Shanghai  
Chinaust Plastics Corp., Ltd, Zhouzhou  
Hebei Chinaust Automotive Plastics Corp., Ltd, Zhuozhou  
Chinaust Plastics (Shenzhen) Co., Ltd., Shenzhen  
Chinaust Plastics (Sichuan) Corp., Ltd., Dujiangyan City  
Changchun Chinaust Automobile Parts Co. Ltd., Changchun  
Shanghai Chinaust Plastics Co., Ltd., Shanghai

### **GF Machine Tools**

In 2004, GF Machine Tools increased its production capacity and strengthened its sales and distribution network in China. Part of this expansion included the opening of its expanded manufacturing capacity in Beijing early in 2005 which will increase production by 40% to 1000 machines. China has become the largest market for machine tools and continues to expand its prominent position.

GF Machine Tools intends to maintain its position as the leading system provider in Europe and the USA and assume a leading role in Asia.

Companies within GF Machine Tools in China include:

Beijing Agie Charmilles Industrial Electronics Co., Ltd., Beijing  
Beijing Agie Charmilles Technology & Service Ltd., Beijing  
Agie Charmilles China (HK) Ltd, Hongkong  
Agie Charmilles China (Tianjin) Ltd., Beijing  
Agie Charmilles China (Shanghai) Ltd., Shanghai  
Agie Charmilles China (Shenzhen) Ltd., Shenzhen