

Preliminary media release – May 26, 2003, 7:00 AM

Today, the technology group Mikron, active in the “Production Equipment” and “Components” market segments will provide information about 2002’s financial statement and the proposal to restructure the balance sheet.

Business year 2002, first quarter and outlook for 2003

Over CHF 100 million of extraordinary and non-recurring costs resulted in a loss of CHF 141.8 million. The equity ratio decreased to 1.4% while net liabilities improved slightly from CHF 356 million to CHF 322 million. Compared to last year’s adjusted figures, incoming orders remained at about the same level with CHF 442.6 million, and net revenue decreased by 15% to CHF 414.7 million.

The projected slight increase in sales and a positive operating result for 2003 have been confirmed by the first quarter’s results.

Balance sheet restructuring: Uncertainty comes to an end

Mikron has successfully concluded negotiations with lenders and a group of Swiss industrial investors about restructuring the balance sheet.

The Board of Directors’ proposal to the General Meeting on June 18, 2003, concerning restructuring of the balance sheet: To get rid of the balance sheet loss in part, the par value of a Mikron registered share is to be reduced from CHF 50.– to CHF –.10. With this, the prerequisites are met under which the Swiss investors are willing to inject CHF 100 million in new capital by subscribing to new shares at a price of CHF 8.65 per share.

At the same time, current lenders are willing to forego a substantial part of their claim and, additionally, grant a new, medium-term credit line, provided they are given option rights on registered shares at CHF –.10 per share. The increase in capital by the new investors or the current lenders will be performed without granting present shareholders subscription rights. However, in a second step, present shareholders will be offered one new share per existing old share at the identical issue price of CHF 8.65. Thereby, sound balance sheet proportions are reached.

Providing the shareholders approve, this will return the Mikron Group to a very sound financial basis. The period of uncertainty for customers, suppliers and employees has hereby come to an end.

Full information will be provided at today’s
balance sheet media conference, May 26, 2003, 9:00 AM,
in the Hotel Airport Hilton,
near Zurich airport.

Except for the historical information contained herein, the statements in this press release are forward-looking statements that involve risks and uncertainties.

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