

Press release

## **Swatch Group: Sale of Microcomponents automotive business activities to Juken Technology**

Biel/Bienne, December 21, 2009 - The Swatch Group Ltd., which is headquartered in Biel/Bienne (Switzerland), signed an agreement with Juken Technology for the sale of the stepping motor production activities for the automotive industry of Microcomponents Ltd., a company of The Swatch Group Ltd., to the Singapore-based company. The transfer of assets will take place by the end of February 2010.

The sale includes all machines used by Microcomponents Ltd. for the production of these motors in Switzerland and in Zhuhai (China), as well as finished and half-finished products owned by Microcomponents Ltd. The roughly 90 employees working for Microcomponents in Zhuhai will all be transferred to Juken Technology under the same employment conditions and most of the 14 staff members in Switzerland will also be transferred under the same conditions. A solution has either already been found or will be found within the Swatch Group for the remaining 5 employees in Switzerland.

Microcomponents makes stepping motors for the auto industry (cockpit indicators for speed, RPM, gas level, etc.). The Swatch Group has decided to sell this division as part of refocusing on its core business. For its part, Juken Technology, a long-standing business partner of Microcomponents Ltd. that has been active in this area for more than twenty years, sees potential synergies with its existing business in the production of stepping motors.

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