

Swatch Group Ltd.: Consolidation of company structures and major investments by Blancpain, Frédéric Piguet SA, François Golay SA and Valdar SA

Biel/Bienne, May 11, 2010 - Further to the significant expansion of the Blancpain brand and consequently the company's increasing requirements for components for movements, together with the need to adapt organization structures and rationalize operational activities, the Executive Group Management Board of Swatch Group recently took the following decisions during its last meeting:

Frédéric Piguet SA based in Sentier will be integrated into Blancpain which has its headquarters in Paudex/Le Brassus. This company has been producing movements and components for Blancpain timepieces for many years.

With immediate effect this entity will now be officially known as the Manufacture Blancpain. Frédéric Piguet SA is a company of the Swatch Group with a workforce of 481 employees. By virtue of this merger the prestigious watchmaking brand Blancpain will now complete its verticalization as a Manufacture.

Furthermore, Valdar SA a company whose headquarters are in L'Orient, will be taken over by François Golay SA, which is based in Brassus. Since 1914 Valdar SA has been producing micro-mechanical components which conform to the stringent regulations set by the watchmaking industry; François Golay SA is also a company specializing in the manufacture of components of exceptionally high quality for supply to luxury watchmaking companies. The integration of Valdar SA into François Golay SA will ensure the centralization of the production, assembly and high-end finishing processes into one legal production unit in the Vallée de Joux.

All employees at Frédéric Piguet SA and Valdar SA will be maintained and taken over by Blancpain and François Golay, both of which are companies of the Swatch Group; thus guaranteeing optimal synergies for development, including the concentration of major assets for capital investment and expenditure required for continued growth and progression.

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