

Swatch Group: Decisions taken by the Swatch Group shareholders at the Ordinary Assembly General Meeting of Wednesday, May 12, 2010 at the Exhibition Center of Basel in Basel, Switzerland

Biel/Bienne, May 12, 2010 – At its today's Ordinary Assembly General Meeting, the shareholders of the Swatch Group Ltd. approved the proposals submitted by the Board of Directors with a large majority (1803 present shareholders representing 70.4% of the voting rights). The proposals concerned:

1. 2009 Annual Report

Proposal: After reviewing the reports of the Statutory auditors, the Board of Directors recommends that the General Meeting approves the 2009 Annual Report (Annual Report, Financial Statements and Consolidated Financial Statements).

2. Discharge of the Board of Directors

Proposal: The Board of Directors recommends that the General Meeting shall discharge all members of the Board of Directors for the financial year 2009.

3. Resolution for the Appropriation of the Net Income

Proposal: The Board of Directors recommends that the General Meeting appropriates the 2009 profit of CHF 466'318'860.25 resulting from the balance sheet (net income as of 31.12.2009 of CHF 432'821'927.52 plus balance brought forward from the previous year of CHF 33'496'932.73) as follows:

• Dividend on share capital of CHF 125'210'250.00	
CHF 0.80 per registered share with a par value of CHF 0.45	CHF 99'236'000.00
CHF 4.00 per bearer share with a par value of CHF 2.25	CHF 123'360'000.00
• Allocation to special reserve	CHF 230'000'000.00
• Net income brought forward	CHF 13'722'860.25
Total	CHF 466'318'860.25

NB: The Group intends not to pay a dividend to the subsidiaries of which it is a 100% owner.

4. Election to the Board of Directors

Proposal: The Board of Directors recommends to the General Meeting to re-elect the following members: Mmes. Esther Grether and Dr.h.c. Nayla Hayek, Messrs. Dr. Peter Gross, Dr.h.c. Nicolas G. Hayek, Prof. Dr.h.c. Claude Nicollier, Johann Niklaus Schneider-Ammann and Ernst Tanner for another three-year period and to name as new members to the Board of Directors for the same period Messrs. Georges Nicolas Hayek, since 2003 Chief Executive Officer of The Swatch Group Ltd and Dr. Jean-Pierre Roth, since 1996 member of and from 2001 until the end of 2009 Chairman of the Governing Board of the Swiss National Bank.

5. Nomination of the Statutory Auditors

Proposal: The Board of Directors recommends that the General Meeting appoints PricewaterhouseCoopers Ltd for another period of one year as Statutory Auditors.

6. Adaptation of article 8 paragraph 4 of the Statutes

Proposal: The Board of Directors recommends the adaptation of the Statutes as follows:

Old text: Registered shares for which no documentary evidence exists, including the rights pertaining thereto, may only be disposed of by assignment. The assignment shall be valid only if it is duly notified to the company. Undocumented shares and the resulting rights shall be transferred with the participation of the bank at which the shareholder causes books to be kept in respect of such shares. They may also be pledged only in favour of said bank, in which case a report to the company shall not be necessary. The provisions of Art. 9 shall likewise apply in relation to the transfer of non-documented registered shares.

New text: Registered shares for which no documentary evidence exists, including the rights pertaining thereto, may only be disposed of by assignment, **respectively in accordance with the provisions of the Federal Act on Book-Entry Securities (BESA)**. The assignment shall be valid only if it is duly notified to the company. Undocumented shares and the resulting rights shall be transferred with the participation of the bank at which the shareholder causes books to be kept in respect of such shares. They may also be pledged only in favour of said bank, in which case a report to the company shall not be necessary. The provisions of Art. 9 shall likewise apply in relation to the transfer of non-documented registered shares.

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