



Media Release

Improved Order Backlog at StarragHeckert

StarragHeckert achieved an increase in sales revenue to 36.5 million CHF in first quarter 2005 (+3.7% compared to 2004). EBIT (earnings before interest and taxes) was still slightly negative (-0.2 million CHF compared to -3.5 Million in first quarter 2004). Net Result amounted to -0.6 million CHF.

Quarterly order intake, which are subject to large fluctuations, were 51.8 million CHF, which is an improvement of 25.4 million CHF compared to the (unusually low) first quarter 2004. Bookings were positively influenced by two large project orders for power generation in Asia. Consequently, no trend indications or conclusions for the subsequent order intake 2005 can be drawn. Order Backlog per 31.3.2005 increased to 68.3 million CHF (52.7 million CHF per 31.3.2004).

A prognosis for the current year is still difficult to be made and is influenced by the material cost development. Cost increases are expected, when long term supply agreements, concluded in 2003 and 2004 are up for renewal. The restructuring program is rigorously executed and will generate significant cost savings in the second half 2005. 2006 at the latest, we expect a positive development unless an economic downturn wipes out the results of the efficiency improvement.

The annual general meeting approved the annual report and the financial statements 2004 and reelected the current members of the board of directors: Mr Walter Fust, Mr Eduard Stürm, Dr. Leo Wehrli and Dr. Hanspeter Geiser for a new three-year-term.

As replacement for Dr. Franz Betschon, Mr Valentin Vogt (year of birth 1960) was elected as new Board member. Since 2002, Mr Vogt has been CEO and Executive Member of the Board of Burckhardt Compression AG. After tenure as CFO and Head of Administration in the USA, Mr Vogt held various positions at Sulzer AG, first as Division Controller and then as Head of the Coating Process Automation Division. He was then promoted to join the Executive Board of Sulzer AG and took over responsibility for the Sulzer Burckhardt division. In 2002, he initiated the management buy-out of the division. Mr Vogt has an MBA from St. Gallen University, Switzerland.

StarragHeckert is a globally active machine tool group with its holding head office in Rorschacherberg (Switzerland) and production sites in Rorschacherberg and Chemnitz (Saxony, Germany), as well as distribution subsidiaries and offices in all its key sales markets. The company manufactures milling centers and flexible machining systems for the aerospace, automotive and other industries. It also supplies technology packages (software, processes, tools, etc.) for its customers. StarragHeckert's shares are listed on the SWX Swiss Exchange.

Rorschacherberg, 30 May 2005

StarragHeckert Holding AG

Key Figures

	in million CHF	31.03.2005	31.03.2004	31.12.2004
Order Intake		51.8	26.4	160.0
Order Backlog		68.3	36.7	52.7
Sales Revenue		36.5	35.2	151.9
Segment Sales Revenue Chemnitz		19.8	21.9	95.3
Segment Sales Revenue Rorschacherberg		18.0	13.6	62.2
Earnings before Special Items, Interest, Tax, Depreciation and Amortization (EBITDA)		1.3	-1.8	-5.7
Earnings before Special Items, Interest and Tax (EBIT)		-0.2	-3.5	-13.0
Result after Tax		-0.6	-2.2	-22.9
Capital Expenditure		0.4	0.6	3.3
Total Assets		135.1	153.5	136.4
Shareholders' Equity		48.1	70.0	48.4
Net Debt		39.8	42.6	40.8
Staff count		630	697	676

Further Information

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| • Preliminary information on half-year results 2005 | July 22, 2005 |
| • Half-year results 2005 | August 19, 2005 |
| • Preliminary information on 3rd quarter 2005 | November 11, 2005 |
| • Preliminary information on annual results 2005 | January 24, 2006 |
| • Key figures financial year 2005 | March 10, 2006 |
| • Media and analysts conference on annual results | April 7, 2006 |
| • Annual general meeting | May 13, 2006 |

Disclaimer

This media release contains forward-looking information which is subject to certain risks and uncertainties. The actual results may differ substantially from these estimates.