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## Press Release

### **Bossard Holding AG announces details of the capital increase in connection with the acquisition of KVT-Fastening**

**Zug, March 12, 2013 - The Bossard Group, specialist in complex fastening solutions, acquired the KVT-Fastening division from KVT Group for about CHF 200 million in November 2012. In order to increase the equity ratio, which fell as a result of the acquisition, the board of Bossard Holding AG will propose an ordinary capital increase at today's Annual General Meeting. Shareholders' subscription rights will be secured. Bossard is announcing the conditions for the capital increase subject to approval by the Annual General Meeting. It is the intention to list the new bearer shares on the exchange on March 25, 2013. The new shares are fully entitled to dividend payments for the 2013 financial year.**

Shareholders will be allotted one subscription right for each share held as part of the planned **capital increase**. This ensures that if subscription rights are exercised, existing shareholders will not be diluted by the share issue. The allocation of subscription rights will be made after market close on March 13, 2013. 4 subscription rights entitle the respective holder to purchase one new share of the same class. A new bearer share can be purchased at the subscription price of CHF 100 and a new registered share at the subscription price of CHF 20. Therefore, the prices of new bearer shares and registered shares are proportional to their nominal values. The shareholder group, consisting of Kolin Holding AG and Bossard Unternehmensstiftung (company trust), has assured to exercise all subscription rights being allocated.

The capital increase is in keeping with Bossard's **cautious approach of financing**. CEO David Dean stressed: "We want to finance long-term investments by a healthy mix of debt and equity capital." The targeted equity ratio set by the company is 40 percent. Following the acquisition of KVT-Fastening, the equity ratio at year end had decreased to 13.3 percent, compared to 62.3 percent in the previous year, driven by the fact that the goodwill was entirely off-set against equity. The equity ratio will return to 35 percent as a result of the capital increase. Bossard's management is confident that the General Meeting will approve the planned capital increase.

Trading in subscription rights will take place on SIX Swiss Exchange from March 14 to 21, 2013. The subscription period will last from March 14 to 22, 2013, at 12:00 CET. On March 25, 2013, the new bearer shares will be listed on SIX Swiss Exchange. Delivery of the new shares, against payment of the subscription price, will take place on March 27, 2013. Zurich Cantonal Bank is the sole Lead Manager of the capital increase.

Net proceeds related to the capital increase and payable to the Company will be approximately CHF 80 million. In the context of the capital increase 665,000 new bearer shares and 675,000 new registered shares will be created. Following the capital increase, the share capital of Bossard Holding AG will amount to CHF 40 million, split into 3,325,000 bearer shares each with a nominal value of CHF 10.00, and 3,375,000 fully paid up registered shares, each with a nominal value of CHF 2.00. As announced in the invitation published on February 19, 2013, agenda item 3 of today's Annual General Meeting will be specified accordingly.

Management regards the KVT-Fastening acquisition as a **milestone in the corporation's development**. The acquisition, at cost of approximately CHF 200 million, has presented the Bossard Group with new strategic options and the possibility of additional sources of growth. The company acquired is highly regarded for its complex technical solutions in the area of fastening technology and recognized for its extensive brand representation. The acquisition has allowed the Bossard Group to acquire know-how in the areas of self-clinching fasteners, riveting technology and other niche areas. It is their intention to use this know-how in all key markets. It is also significant that KVT-Fastening provides Bossard with improved access to the German market. CEO David Dean regards this acquisition as a real benefit: "The KVT-Fastening business is very successful. This strengthens our own business and will have a positive impact on the course of our development."

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**Profile:**

Bossard is a leading supplier of intelligent solutions for industrial fastening technology. The company's complete portfolio for fasteners includes worldwide sales, technical consulting (engineering) and inventory management (logistics).

Its customers include local and multinational industrial companies who use Bossard's solutions to improve their productivity. Employing more than 1,800 people in over 60 locations around the world, the Group generated CHF 487 million in sales in 2012. Bossard is listed on the SIX Swiss Exchange.

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