

Shareholder Information 1/2007

Gränichen, Switzerland, January 26, 2007

Ladies and Gentlemen

It gives us great pleasure to inform you on sales development in the past business year.

Zehnder Group, with international operations in the indoor climate sector (radiators and comfort ventilation systems), reported total sales of EUR 426 million¹ for fiscal 2006 (EUR 384 million in 2005), an increase of 11 percent.

This sales growth was above expectations, and may well be partially attributable to the mild weather conditions prevailing up to the end of the year.

Sales growth in 2006 was broadly based and, with the exception of France, all countries and product groups contributed. Italy, the U.K., the United States, China and the Iberian Peninsula reported above-average growth rates as did several smaller markets such as Austria, Poland and Russia. For the first time in ten years sales revenues were up in Germany which, together with France and Italy, is one of the Group's three largest markets. Conversely, development of sales revenues in the Benelux countries was sluggish. In Switzerland as well as in Germany there was an above-average increase in sales of comfort ventilation systems.

In terms of volume, sales growth was particularly strong for the aluminum radiator product group and for overhead heating and cooling systems.

Of total growth, 9 percentage points are attributable to internal growth. The companies acquired in 2006 contributed a further 2 percentage points.

In mid year management had assumed that the very good prior year's result (net profit in 2005: EUR 28.1 million²) would not be reached because of cost-related temporary pressure on margins for aluminum radiators. Fortunately the forecast decline in earnings for aluminum radiators was balanced out by higher earnings for other product groups. Thus management can revise its profit forecast for 2006 upwards, and is assuming that net profit will at least be at the same level as in 2005.

¹ provisional

² incl. third-party interest

Since January 2005 the company has on several occasions published information on the planned restructuring measures to be implemented at its French production plant in Vaux. After a long period of inadequate capacity utilization it was decided to adjust personnel numbers by a maximum of 20 percent, and to do this in line with social compatibility considerations. For political reasons, the unions and employee representatives unduly delayed the implementation of these measures. In December 2006, as a result of pressure brought to bear by the plant's workforce, the unions and employee representatives called off their 18-month-old policy of applying delaying tactics. Thus the reorganization measures can now be implemented.

Dates to note

Press release on results for 2006	April 20, 2007 (before 07.00)
Publication of Annual Report 2006 on website	April 20, 2007 (before 07.00)
Press conference on Annual Report 2006	April 20, 2007 in Zurich (10.30)
Meeting for financial analysts	April 20, 2007 in Zurich (13.00)
General Meeting of Shareholders	May 30, 2007 in Suhr, Aargau

For further information please contact

Paul Aeschimann
Member of the Executive Committee
Head of Finance and Controlling
Zehnder Group AG, 5722 Gränichen, Switzerland
Phone: +41 62 855 15 02 Fax: +41 62 855 15 15
paul.aeschimann@zehndergroup.com

You'll find this and other interesting information about Zehnder Group on the Internet. Come and visit us at www.zehndergroup.com.

This document is published in German, French and English. The German version is binding.

Company profile

Zehnder Group focuses on providing a healthy indoor climate.

Zehnder Group develops, manufactures and sells radiators and comfort ventilation systems. The products are marketed under various well-established brands. Zehnder Group figures among the market leaders in the sectors in which it is active.

Its main sales area is Europe. Additionally, Zehnder Group has operations in China and North America. Its products are manufactured in modern facilities in Europe and overseas. Zehnder Group has more than 2,900 employees worldwide.