

Shareholder Information 1/2008

Gränichen, Switzerland, January 22, 2008

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 443 million ¹ for fiscal 2007 (EUR 427 million in 2006), an increase of just under 4 percent ². With exchange rates at the prior year's level, the increase would have been 5 percent.

Sales development in the various countries differed. The U.K., the United States, the Netherlands, Belgium, Sweden, Switzerland and various East European countries contributed to the disclosed growth. There was a decline in demand in all the other countries – including France, Germany and Italy, the Group's three largest markets in terms of sales. This unfavorable development was particularly noticeable in Spain and Italy.

Given the expanded consolidation matrix, radiator sales surpassed the prior year's record result.

With its comfort ventilation systems the Group reached an earnings plus of 20 percent. Two-thirds of this increase is attributable to organic growth. The products and services collectively called comfort ventilation systems contributed just under one-sixth of the Group's total sales.

The increase in sales compared to the prior year is fully attributable to the expanded consolidation matrix. Had the consolidation matrix remained unchanged, total sales would have been down 2 percent.

As announced earlier, the Group will not reach the prior year's profit level despite sales growth. The main reasons for this are pressure on prices and margins, as well as declining demand – which led to lower capacity utilization in the second half of the year; additionally, the Group incurred higher costs for sales, consulting and development.

Thus management confirms its earlier estimate, which anticipated a drop in consolidated net income for 2007 of up to 15 percent against the 2006 result of EUR 29.9 million ³.

¹ not audited

² indicative: with consolidation in Swiss francs, the disclosed sales growth would have been in the region of 8 percent

³ including third-party interest

Dates to note

Press release on results for 2007	April 4, 2008 (before 07.00)
Publication of annual report 2007 on website	April 4, 2008 (before 07.00)
Press conference on financial statements 2007	April 4, 2008 in Zurich (10.30)
Meeting for financial analysts	April 4, 2008 in Zurich (13.00)
General Meeting of Shareholders	May 28, 2008 in Suhr, Aargau

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Company profile

Zehnder Group provides a healthy indoor climate. It develops, manufactures and sells radiators and comfort ventilation systems. The products are marketed under various well-established brands. Zehnder Group is a market leader in the sectors in which it is active.

Zehnder Group's main sales area is Europe. It also has operations in China and North America. Its products are manufactured in modern facilities in Europe and overseas. Zehnder Group has some 3,000 employees worldwide.

Its bearer shares (valor 235 293) are listed on the Swiss Exchange SWX. The unlisted registered shares are held by members of the Zehnder family and persons closely associated with them.

Zehnder Group – a synonym for beautiful heat and comfort®