

Media Release

Starrag Group with a solid performance in Q1 2012

- **Order intake with CHF 96 million by 33 % over previous year**
- **Sales revenue reached CHF 98 million (+16 %), currency and acquisition adjusted +10 % compared to prior year's period**
- **Operating profit EBIT increased from CHF 4.3 million to CHF 5.0 million**
- **Net income of CHF 2.8 million or CHF 0.81 per share**

Continuing significant organic growth

In contrast to the weak first quarter 2011, the quarterly fluctuating order intake rose in the first three months of 2012 acquisition and currency adjusted by CHF 17.8 million or 21.6 %. Mainly Europe and Asia and the market segment industry contributed significantly to this positive development.

Sales revenue increased from CHF 83.8 million by 16.3 % to CHF 97.5 million (currency and acquisition adjusted +10.2 %), compared to prior year's period. The order backlog slightly decreased to CHF 235 million compared to 31 December 2011 (currency adjusted +0.1 %).

Increase of operating profit in a difficult environment

In the first quarter 2012, Starrag Group achieved an operating profit EBIT of CHF 5.0 million, i.e. 16.3 % more than in the previous year (CHF 4.3 million). With this, an EBIT margin of 5.1 % could be maintained. Net income increased less than operating profit EBIT as the financial result of CHF -0.9 million was below prior year period's financial result of CHF 1.2 million. This is due to one-time currency gains recorded in the first quarter of 2011.

Solid balance sheet enables continued investment into the future

Total assets of CHF 325 million as per 31 March 2012 compared to CHF 326 million at the end of 2011 remained nearly unchanged. Net cash stood at CHF 34.0 million at the end of March 2012 and the equity ratio continued solid with 54.9 %.

In the reporting period, Starrag Group invested CHF 2.6 million into future growth. Further to optimizing the production in the European factories and to the construction of a new plant in Bangalore/India, Starrag Group continues to invest significantly in the development of new and improved products. In 2012, three new products will be introduced into the market utilizing the large group-wide technology know-how.

Outlook unchanged

For 2012 Starrag Group confirms the previously communicated outlook. Based on a high order backlog of CHF 235 million, assuming a stable economy, an increase of sales revenue, order intake and earnings in 2012 is expected.

Company profile Starrag Group

Starrag Group is a global technology leader in manufacturing high-precision machining tool for milling turning, boring and grinding of mid-sized to large workpieces of metallic and composite materials. Principal customers are internationally active companies in the aerospace, energy, transport and industrial engineering sectors. In addition to its portfolio of machine tools, Starrag Group provides integrated technology and maintenance services that significantly enhance customer productivity.

Starrag Group products are marketed under the following strategic brands: Berthiez, Dörries, Droop+Rein, Heckert, Scharmann, SIP, Starrag, TTL, WMW. Headquartered in Rorschach/Switzerland, the Starrag Group operates manufacturing plants in Switzerland, Germany, France, the UK and India and has established a network of sales and services subsidiaries in numerous other countries.

Starrag Group is listed on the SIX Swiss Exchange (STGN).

Rorschacherberg, 4 May 2012

Starrag Group Holding AG

Key Figures Starraq Group

in million CHF	31.03.2012	31.03.2011	31.12.2011
Order Intake	96.0	72.3	348.3
Order Backlog	235.2	243.0	237.5
Sales Revenue	97.5	83.8	354.4
Operating profit EBIT	5.0	4.3	19.1
EBIT as percentage of sales revenue	5.1 %	5.1 %	5.4 %
Net income	2.8	2.9	10.9
Earnings per share in CHF	0.81	1.15	3.52
Cash flow from operating activities	-0.1	-4.8	37.0
Capital expenditures	2.6	69.7	73.8
Total assets	325.5	341.3	326.6
Net cash	34.0	-48.5	37.0
Shareholders' equity	178.6	114.8	176.6
Equity ratio	54.9 %	33.6 %	54.1 %
Return on equity (ROE)	6.3 %	10.6 %	7.1 %
Headcount	1'413	1'412	1'420

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Forthcoming events

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| • Half-year report 2012 | 27 July 2012 |
| • Interim information third quarter 2012 | 2 November 2012 |
| • Preliminary information on annual results | 25 January 2013 |
| • Key figures 2012 / Annual report | 8 March 2013 |
| • Media and analysts conference in Zurich | 8 March 2013 |
| • Annual general meeting | 12 April 2013 |
| • Interim information first quarter 2013 | 6 May 2013 |

The economic projections and predictions contained in this information relate to future facts. Such projections and predictions are subject to risks uncertainties and changes which cannot be foreseen and which are beyond the control of the issuer. The Starrag Group is therefore not in a position to make any representations as to the accuracy of economic projections and predictions or their impact on the financial situation of Starrag Group or the market in the securities of Starrag Group.