



Media Release

Date
October 25, 2006

Department
Corporate Communications / Investor Relations

SIG share is worth more than CHF 350

- **Strong business performance leads to 32% increase of net profit in 2006**
- **First time publication of detailed business plan metrics**
- **Attractive business platform and compelling business plan will create further value**
- **Significant opportunities in growth regions outside Europe, further expansion into huge food market and expected break-through of new barrier technology for plastic bottles supported by dedicated cost management**
- **Update on auction process: indicative offers received from interested industrial and financial parties; opening data room for due diligence**

Following the pre-announcement made on September 25, 2006 by FERD, the owner of Elopak, and CVC Capital Partners, SIG shareholders will soon be presented with a formal tender offer from this bidding group that will substantially undervalue SIG. SIG's Board of Directors has advised shareholders in its letter of September to reject this offer as the price is deemed inadequate. SIG is today providing its shareholders with information supporting an intrinsic value of the company in excess of CHF 350 per share, the level which FERD and CVC indicated might be their maximum offer for the Company.

SIG publishes today its business plan through to 2009 and the key figures for the future value drivers until 2014. SIG also announces that following a strong business performance this year, it is further revising upward its guidance for the full year 2006 and expects now a net profit of EUR 62 million, 32% above last year's result.

The auction process undertaken by the Board of Directors is now well under way and the company has received preliminary indications of interests from industrial and financial parties. Selected parties have been invited to undertake due diligence, which will begin shortly. The publication of FERD/CVC's offer is expected by November 6. In this case, counter offers can be filed up until December 12.



Lambert Leisewitz, Chairman of the Board of Directors of SIG Holding, said: "The management team has successfully repositioned the Company, establishing an efficient and focused platform ideally positioned to take advantage of global growth opportunities in beverage and food packaging. Today, we have published our business plan enabling shareholders to understand the board's confidence in SIG's prospects. The strong financial performance in 2006, together with our business plan, excellent growth opportunities and our attractive business model demonstrate the true, strategic value of SIG."

Continuous strong business trends lead to higher expectations for full year 2006

SIG Group	FY05	HY06	FY06E	Previous guidance
EUR				
Net sales				
SIG Combibloc	1,097	586	1,210	
<i>Growth (%)</i>	2	10.2	10.3	7-9
SIG Beverages	125	63	145	
<i>Growth (%)</i>	-5.8	16.7	15.3	15-20
Total sales	1,207	646	1,347	
Annual growth (%)	1.9	12.0	11.6	
EBITDA				
SIG Combibloc, before restructuring	186	104	221	
<i>EBITDA-margin (%), before restructuring</i>	16.9	17.7	18.3	
SIG Beverages	5	2	4	
<i>EBITDA-margin (%)</i>	4.1	2.4	2.5	
Total EBITDA before restructuring¹	180	103	217	
EBITDA margin (%), before restructuring¹	14.9	15.9	16.1	
EBIT				
SIG Combibloc, before restructuring	95	55	121	111
<i>EBIT-margin (%), before restructuring</i>	8.7	9.4	10.0	>9
SIG Beverages	1	0	1	0
<i>EBIT-margin (%)</i>	0.6	0.0	0.5	
Total EBIT before restructuring¹	76	50	109	
EBIT margin (%), before restructuring (%).¹	6.3	7.8	8.1	
NET PROFIT				
	47	20	62	ca. 50
Annual Growth (%)	<i>n.a.</i>		32	

¹ Including Services/Corporate

Ideally positioned to create further value

SIG has further solidified its position as the number two player in the aseptic carton packaging industry. Parallel to the substantial strengthening of the cardboard business, the company successfully repositioned its plastics bottle business to focus on the Value Added Bottling-segment. Building on the strong position of the Company, SIG is expanding geographically into high-growth markets, into new market segments and developing leading technology to further drive future growth. Expansion of SIG Combibloc into growth areas such as the Middle East, South East Asia and China has proven to be successful with the high double-digit growth rates achieved over the past years. Despite their significant cost in the near-term (combined EBIT loss of EUR 20 million in 2006), SIG believes these investments will underpin its superior growth prospects.

Future Value Drivers – China and South America

China, a 19 billion aseptic carton units market, is growing annually by 22% from 2005 to 2009. SIG is focused on expanding its market share in China significantly and is aiming to achieve sales of EUR 178 million in 2009 and EUR 296 million in 2014 (2005: EUR 36 million). On an EBIT level, break-even is being expected in 2007, significantly earlier than anticipated. The proven approach to geographic growth is now being applied to the new growth region of South America, a market expanding by roughly 3-5% per year with an annual volume of 9 billion units, equaling in size the German market. SIG Combibloc South America is expected to deliver sales of EUR 48 million in 2009 and sales of EUR 90 million in 2014. Break-even on an EBIT level is expected in 2010. In both markets, China and South America, SIG will achieve margins on a European level, in China as early as 2009. In South East Asia, margins have almost reached that level this year.

Future Value Driver – retort food

Beyond expansion into new geographic markets, SIG is also focused on expanding its business in the retortable food segment. The Company is leveraging its well-established position within the aseptic food market to tap the EUR 11 billion, 105 billion unit retortable food market. SIG expects to grow its retortable food business to EUR 24 million in sales in 2009 and EUR 243 million in 2014. Break-even on an EBIT level is expected in 2011. Like in aseptic food, margin levels of this new food segment are expected to be higher than in the beverage segment.

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Future Value Driver – Plasmax

Plasmax, the plasma barrier coating solution, is expected to grow very rapidly from an anticipated EUR 52 million in 2009 to EUR 190 million in 2014. Break-even on an EBIT level is expected in 2010. Due to the attractive bottle-fee business model, Plasmax is expected to achieve margins similar to the carton business.

Growth initiatives supported by dedicated cost management

SIG continues to optimize its cost structure. In the second half of 2006 a new initiative has been started to significantly reduce product costs. By 2009, SIG expects to save up to EUR 57 million per annum with this program, including projects such as evaluating new compounds, reduction of raw material and process optimization. The streamlining of the European production network, a program initiated late last year, is delivering cost savings of EUR 10 million in the second half of this year. Total savings are now expected to reach EUR 21 million, compared to EUR 17 million previously planned. The full impact of this program will be visible in 2007.

SIG will deliver significant value to the shareholder in the coming years

- Sales growth: 2006, 2008 and 2009: CAGR of above 11%; 2007 flat due to one-off decline in German NCSD hard discount market; 2009-2014 CAGR of ca. 8%
- EBITDA: 18-19% long term sustainable margin as from 2007; 17% higher than analyst consensus in 2008 with EUR 275 million (equals a margin of 18.5%)
- EBIT: SIG long term sustainable margin in excess of 9.5%; SIG Combibloc margin to stay above 10%
- Capex: Ca. EUR 152 million per annum through 2009
- ROCE: To increase from 14.8% in 2005 to 25.5% in 2009

Please find additional information and the analyst/press presentation under www.sig.biz



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Notes to the Analysts and Investors:

**SIG will host a live presentation in English for Analysts and Investors today in Zurich
Wednesday, October 25, 2006 at 10:00 a.m. CET time.**

Airport Conference Center
8058 Zurich - Airport

The live Analyst and Investor presentation will also be available via conference call and webcast at:
Dial-In number:

+41 (0) 22 592 7453 (Switzerland)

+49 (0) 69 5007 1308 (Germany)

+44 (0) 20 7806 1957 (UK)

www.sig.biz

A replay of the conference call will be available for five days from Wednesday, October 25, 2006.
To listen to the recording, please dial the replay number below.

Replay number:

+41 (0) 1 800 9657 (Switzerland)

+49 (0) 69 22222 0418 (Germany)

+44 (0) 20 7806 1970 (UK)

+1 718 354 1112 (USA Toll Free)

Code: 2466969 #

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SIG is a global provider of packaging solutions. Its product range includes the manufacture of cartons for beverages and food products, as well as machinery for the aseptic and non-aseptic filling of packages (SIG Combibloc division). In the PET sector, equipment for the production, coating and filling of plastic bottles completes the product spectrum (SIG Beverages division). In 2005, the approximately 4,800 employees generated annual net sales (continuing business) of EUR 1.2 billion. The company has its registered office in Neuhausen am Rheinfall (Switzerland) and the SIG share is listed on the Swiss Exchange SWX (SIGN, security no. 1202249).

Cautionary statement regarding forward-looking statements

This communication contains statements that constitute "forward-looking statements". In this communication, such forward-looking statements include, without limitation, statements relating to our financial condition, results of operations and business and certain of our strategic plans and objectives. Because these forward-looking statements are subject to risks and uncertainties, actual future results may differ materially from those expressed in or implied by the statements. Many of these risks and uncertainties relate to factors which are beyond SIG's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behavior of other market participants, the actions of governmental regulators and other risk factors detailed in SIG's past and future filings and reports filed with the SWX Swiss Exchange and the U.S. Securities and Exchange Commission and posted on our websites. Readers are cautioned not to put undue reliance on forward-looking statements, which speak only of the date of this communication. SIG disclaims any intention or obligation to update and revise any forward-looking statements, whether as a result of new information, future events or otherwise.