



Annual Report 2006

Information for shareholders

Symbol: `sign` | Valor: 1202249 | Stock market: `swx` | Nominal value: 6 | Currency: CHF

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Shareholder Letter

Dear Shareholders

SIG is at a turning point in its corporate history. As you know, the British private equity company CVC Capital Partners Group Sàrl (“CVC”) and FERD S.A. (“FERD”) approached us last fall with the intention of taking over SIG and merging the company with the Norwegian packaging group Elopak, a subsidiary of FERD. In the subsequent bidding process, initiated by the SIG Board of Directors, the New Zealand Rank Group also submitted an offer to the SIG shareholders. At the time of this Annual Report going to print, it is not yet decided whether SIG will change hands and, if so, who the new owners will be. In their reports of February 9, 2007 the Board of Directors set out the advantages and disadvantages of merging with the one or other bidder. Since then, nothing has changed fundamentally, particularly as the antitrust issues relating to the offer submitted by CVC/FERD have not yet been clarified. A decision by the EU authorities is expected by May 15, 2007 at the latest.

I would like to recapitulate why the Board of Directors decided to lead SIG into a new future. Founded a good 150 years ago at Neuhausen Rhine Falls, SIG can look back on a long and successful corporate history. Whereas at the turn of the millennium SIG was still a broadly diversified conglomerate, the company has in recent years focused increasingly on packaging solutions, whereby certain business units and acquisitions made within this strategy did not fully deliver the expected results. In 2004, therefore, the current Board of Directors decided to align SIG on premium solutions in the PET business and on carton packaging. This even sharper focus is now generating the expected successes, as is shown by the highly satisfactory figures for the 2006 business year.

With this concentration on profitable business activities and the streamlining of organisational structures introduced in 2004, interest in acquiring the promisingly positioned and dynamically developing SIG grew accordingly. As a result, SIG received various non-binding enquiries from interested parties over the past three years. The Board of Directors assessed these enquiries carefully, but invariably came to the conclusion that a takeover of SIG would not bring the group and its shareholders the degree of added value that would justify giving up its independence.

Last fall, CVC/FERD declared their intention of taking over SIG and announced that they intended to go public if the SIG

Board of Directors did not allow them to conduct exclusive due diligence. The seriousness of that intention and the low price indication led the Board of Directors to ascertain the true value of SIG through a public auction and granting due diligence to various interested parties. Furthermore, the Board of Directors decided to disclose the business plans for 2006-2014. This process has led to SIG shareholders now having a clear idea of what their company is worth. They also now have the necessary information for taking a decision on the future of SIG, be it a sale or the continued independence should none of the offers reflect the true value of SIG.

For both the company and its employees, it is a tremendous advantage that, at this pivotal point in its history, SIG is in excellent shape. Since having achieved in 2005 already the best profit level since 2000, SIG improved its performance again significantly in 2006: net profit grew by 53% to EUR 66 million (2005: EUR 43 million). Not only were we able to increase net sales by 12% during the past business year, but profitability also improved markedly. Both gains were achieved despite substantial investments in new markets and products. Moreover, this satisfactory course of business allows us again in 2007 to propose to the General Meeting the distribution of a dividend amounting to CHF 5.– per registered share. The Board of Directors reserves the right to revert to its proposal should this appear necessary or pertinent in the context of the pending takeover offers. In particular, the Board reserves the right to withdraw the dividend proposal, or to submit a proposal whereby the dividend will only be paid out if no public purchase offer has been completed by a given date.

These positive figures are evidence that the course set in 2004 was the correct one. With its two divisions SIG Combibloc and SIG Beverages, the group possesses a pair of strong pillars, each of which has excellent growth potentials thanks to their innovative products. Geographically, SIG is also well positioned with a strong presence in the growth markets of Asia. It is precisely these SIG strengths that were decisive in leading both CVC/FERD and the Rank Group to submit their bids.

I wish to take this opportunity to thank our customers for their loyalty and confidence. A very special word of thanks goes to our employees. For them in particular, the events of the past year were anything but easy. In spring there was the uncertainty relating to the General Assembly, while the final quarter was marked by the question of whether SIG would change ownership and if so, who it would be and at what price. Added to this were the capacity adjustments in Europe in order to remain competitive in this market in the longer term. I cannot express my appreciation of our

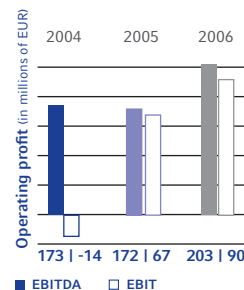
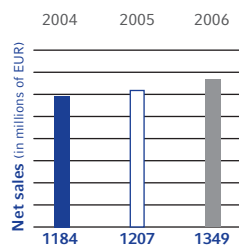
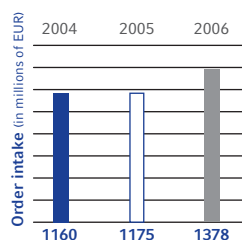
employees too highly; despite the difficult conditions of 2006, they turned in an outstanding performance. I am convinced that in the event of a change in ownership, this will hold them in good stead.

Dear Shareholders, I would have preferred in this Annual Report to have been able to clearly map out the path of a new future for SIG. In the interests of the shareholders, the company, the employees and customers, it is the aim of the Board of Directors to clarify the ownership question as quickly as possible so that SIG can once again concentrate fully on its operational business activities and continue to pursue its course of success.



Lambert Leisewitz
Chairman of the Board of Directors

SIG Group Continuing*



Group Report

SIG Group

Double-digit growth in net sales +12%

Strong increase in profit +53%

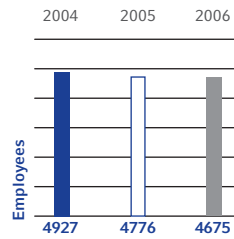
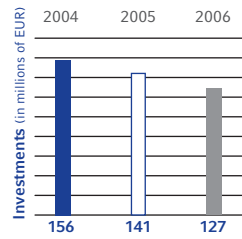
Operational success result of determined strategy implementation

SIG can look back on a successful business year 2006. The group grew faster than the market and, at the same time, succeeded in disproportionately increasing its net profit. This success can be attributed primarily to the determined implementation of the fully unfolding growth strategy. Moreover, SIG has capitalized on the globally positive economic environment. In the year under report, the Group's net sales grew by 12% to reach EUR 1 349 million (2005: EUR 1 207 million). Thus, the rate of growth of the first half (+12%) continued unabated. Despite further price increases for raw materials and continued price pressures, operating profit (EBIT) rose significantly thanks to the successful implementation of the cost reduction initiatives: prior to one-time items, it climbed by 42% to EUR 108 million (2005: EUR 76 million). Including one-time items, EBIT grew by 34% to EUR 90 million (2005: EUR 67 million). Net profit also developed reassuringly, increasing by 53% to EUR 66 million (2005: EUR 43 million). Overall, this past business year validated the ambitious targets for 2006, announced during the media and analysts conference of last October. That strong growth trend is likely to continue in the coming years. Only 2007 may be less dynamic in terms of net sales as the long-awaited partial substitution of cartons by PET in Germany's juice market will probably become more discernible in the course of the ongoing business year. EBIT and net profit are expected to again increase. This outlook applies to SIG as an independent company and does not take into account any possible impact of a potential sale of the company.

Both SIG divisions contributed to the significant upswing in net sales. SIG Combibloc again gained substantial strength in the strategic markets outside of Europe – in addition to Southeast Asia, it was primarily China that continued this dynamic trend. In Europe, the division reported solid growth. In certain regions such as Russia, increases in net sales reached the double-digit mark. In Germany, the division's main market, the partial substitution of carton packages by PET in the juice sector has been less rapid than expected. At the same time, it was possible to successfully expand in the increasingly important milk business. Hence, the overall performance of SIG Combibloc in the German market was stronger

than originally expected. Moreover, in the food segment, which has also been designated a key market, the division succeeded in expanding further and gaining market shares.

The SIG Beverages division was also in excellent shape. Strong increases in net sales are primarily the result of the growing impact of the value added bottling strategy. Traditional business activities with SIG Corpoplast reached record levels in 2006. The new positioning as "Bottles & Shapes" specialist, combined with strong demand from Eastern Europe and Germany, established the groundwork for this success. Moreover, the two still young products SIG Asbofill and SIG Plasmox made major



*2004/2005: SIG Combibloc, SIG Beverages (excl. Discontinuing Business), Corporate/Services, Eliminations

progress in 2006. Whereas SIG Plasmix proved itself for the first time under industrial mass production conditions, SIG Asbofill achieved market breakthrough in 2006, establishing itself as one of the leading providers of aseptic filling technology for plastic bottles.

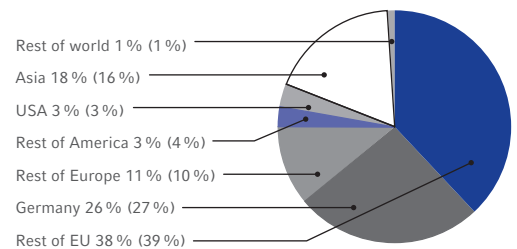
This positive course of business was also reflected at operating profit level (EBIT). In addition to growth in volumes, it was also the savings from the cost reduction initiatives that contributed to improved results at SIG Combibloc. This, in turn, allowed SIG to respond to the once again substantially higher cost of raw materials and the unrelenting price pressures in the market for beverage and food packaging systems.

Despite the one-off costs relating to capacity adjustments in Europe (EUR 15 million) and the ongoing takeover process (EUR 9 million), a corporate profit of EUR 66 million, the best result since 2000, was achieved. A part of those one-off costs was compensated by activating no more used provisions (EUR 6 million). Also impacting positively on profitability was the implemented optimization of the Group's tax structure, through which the tax rate was reduced to below the 30% mark.

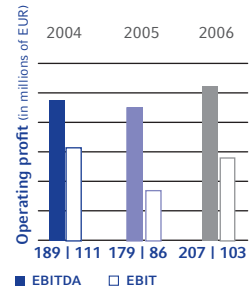
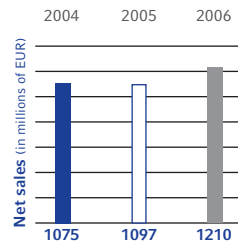
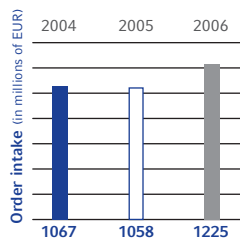
Notwithstanding continued and significant investments in the growth of the company (at lower depreciations) and the release of provisions for the cost reduction programs, the free cash flow could be maintained at a high level of EUR 73 million (2005: EUR 77 million). This can also be attributed to the active management of net current assets which, despite increased net sales, were reduced by another EUR 18 million. Thanks to the higher cash flow and despite cash outflow resulting from the

Net sales 2006 (2005) by regions

SIG Group Continuing



SIG Combibloc



nominal value reduction (CHF 4.– per share), as well as the share buyback program*, net financial liabilities fell sharply by 53% to EUR 30 million (2005: EUR 64 million).

With the sale of Cantec (suppliers of can making machinery) at the end of September 2006, the initiative of focusing on the market for beverage and food cartons (SIG Combibloc) and high-end systems for plastic bottles (SIG Beverages), finally reached its successful conclusion.

SIG Combibloc

Second major customer in China secures growth

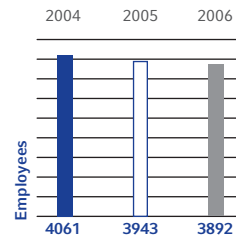
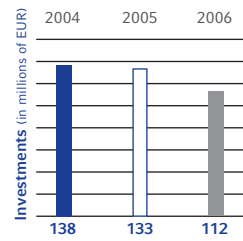
Thanks to the determined expansion into the strategic growth markets outside of Europe and the successful penetration of the food products segment, the SIG Combibloc division reported continued strong growth in net sales of 10% to EUR 1 210 million (2005: EUR 1 097 million). China continues to boom and reported an 81% increase in net sales to EUR 65 million (2005: EUR 36 million). SIG was able to further intensify its cooperation with Yili and Mengniu, the two biggest milk producers in China, thereby more broadly securing its future growth base. Against this backdrop, the production capacities at the Suzhou plant near Shanghai will be extended further. The related expansion phases, already announced last October, and involving a total investment package of EUR 57 million, will be completed by 2009.

Work on further equipping the plant in Thailand also began in 2006. This production facility in Rayong primarily supplies the markets of Southeast Asia, which continue to expand. Overall, this region grew by 36% to EUR 113 million (2005: EUR 83 million). Above all, it was the Vietnamese and Thai markets that demonstrated exceptionally dynamic growth. Expansion into the South American market is also proceeding to plan. If the necessary sales volumes are achieved, construction of a plant in Brazil can commence within the next 12 to 18 months. The Middle East/Africa region also reported robust growth of 11%, achieving net sales of EUR 49 million (2005: EUR 44 million).

Milk business stimulates stagnating German market

In Europe, it was Eastern Europe and Russia in particular, but also a number of Northern European markets that developed healthily. All in all, Europe achieved net growth of around 6%. This increase can also be attributed to the absence of the expected weakening of the German market. Against the projections, it was possible to hold net sales in Germany at EUR 314 million (2005: EUR 316 million), even though the partial substitution of carton by PET in the juice sector slowly began to take effect in the second half. In order to retain its position in the German market, SIG focused its market activities increasingly on the milk segment. This strategy bore fruit in 2006 already: in an otherwise stagnating market, net sales in this segment grew by 4%.

* Following the announcement of the CVC/FERD takeover offer, the share buyback program, originally valued at up to CHF 100 million, was stopped in September 2006 on legal grounds; a total of 178 100 shares valued at CHF 50 364 525.– was bought back. At the time of launching the buyback program, the intention was to propose to the General Meeting 2007 the cancellation of the bought back shares through a capital reduction. In view of the ongoing takeover process, however, the Board of Directors reserves the right not to submit this motion to the General Meeting 2007.



Expansion into food market progressing smoothly

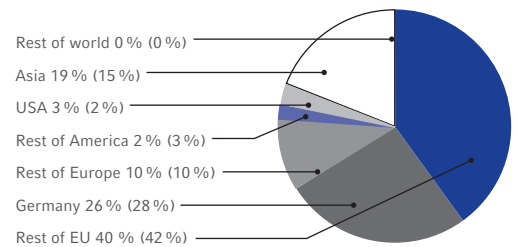
In addition to its strengthened expansion into the markets outside of Europe, SIG Combibloc systematically penetrated the food products business. The technology for aseptically filling soups and sauces into carton packages is well established: this sector grew in 2006 by 6% to EUR 84 million (2005: EUR 79 million). In both North America and in Europe, new customers were won, or existing projects further expanded. With the support of even more intensive marketing activities, this segment is likely to experience double-digit growth in the coming years.

Moreover, SIG Combibloc has developed technology that allows food products containing large chunks, e.g. vegetables or fruit, to be filled successfully. The first two pilot lines were installed 2006 in Germany and Italy; market roll-out of the initial products is scheduled within the course of the second quarter 2007.

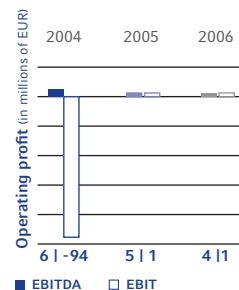
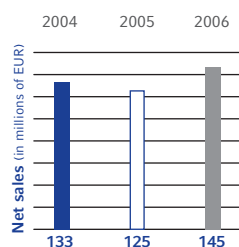
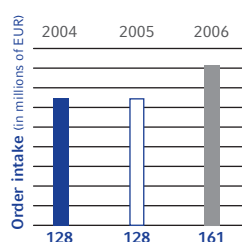
The operating profit of SIG Combibloc prior to restructuring and auction process costs rose by 25% to EUR 119 million (2005: EUR 95 million). With an EBIT margin of 9.8%, the division already came very close to the double-digit figure targeted for the current business year. Above all, it was the cost reduction programs, currently being successfully implemented, that contributed to this promising result. These cost reduction initiatives became necessary to counter the impact of continued price increases for raw materials and continuing price pressures in the markets.

Net sales 2006 (2005) by regions

SIG Combibloc



SIG Beverages*



SIG Beverages

SIG Corpoplast with record year

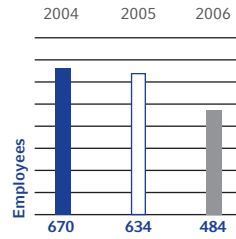
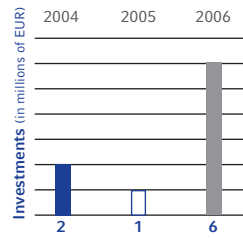
SIG Beverages also reported an excellent year: net sales grew by 29% to EUR 129 million (2005: EUR 100 million (excl. Cantec); incl. Cantec: 2006 EUR 145 million, 2005 EUR 125 million). This trend can be attributed on the one hand to strong growth at SIG Corpoplast. On the other hand, markedly higher demand for aseptic filling machines from SIG Asbofill made a significant contribution to this satisfying development. SIG Corpoplast successfully positioned itself in the market as a “Bottles & Shapes” specialist. This business unit not only supplies top-end stretch blow molding machines, but also offers a comprehensive portfolio of consulting and technological services dedicated to the production of plastic bottles. Despite ongoing price pressures, SIG Corpoplast was able to maintain its EBIT margin at around 6%, which is comparatively high for its industry. The division SIG Beverages again generated the financial resources that were also needed last year for building up SIG Asbofill and SIG Plasmax.

SIG Asbofill established in the market

SIG Asbofill achieved breakthrough at the Drinktec show in the fall of 2005, taking numerous new orders. In 2006, that robust demand for the innovative aseptic linear fillers for plastic bottles continued, growing the net sales of this business to some EUR 20 million. The strong growth of SIG Asbofill should continue in 2007.

SIG Plasmax coats PET bottles for increasing number of market segments

Since 2005, two SIG Plasmax lines have been successfully producing coated PET bottles for edible oils in Japan. 2006 Eckes-Granini, Europe’s largest producer of juice-based drinks, could be won as a customer. The Eckes-Granini installation is coating an entire range of bottles in many shapes and sizes destined for the Swiss market. The customer is highly satisfied with the equipment. Further units were placed with Rexam and a major American corporation. These PLASMAX machines are coating PET bottles for, inter alia, the beer, wine and alcopops markets. Last year, a long-term trial conducted by the independent institute “Versuchs- und Lehranstalt für Brauerei” in Berlin confirmed the outstanding barrier properties of the PLASMAX coating for beer filled in PET bottles.



*2004/2005:
excl. Discontinuing Business

Outlook

Double-digit growth from 2008 onwards; current year less dynamic

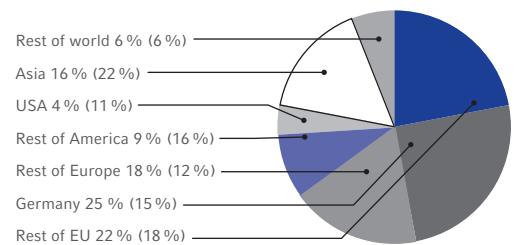
As both SIG Combibloc and SIG Beverages can demonstrate excellent longer-term growth perspectives, double-digit growth rates – as already disclosed last October in the business plan – are again being targeted for 2008 and the subsequent business years. Only in 2007 is SIG's development liable to be somewhat less dynamic as the long-awaited partial substitution of cartons by PET in Germany's juice market, stemming from already-installed PET filling lines, will probably become more strongly discernible, despite the indisputable ecological advantages offered by the carton package.

Despite the – temporary – weakness of business in Germany and the forced expansion of the PLASMAX activities that will incur additional costs, the already effective cost reduction measures and the continuing optimization of the tax structure, the group's EBIT and net profit 2007 will again increase.

This outlook applies to SIG as an independent company and does not take into account any impact of a potential sale of the company.

Net sales 2006 (2005) by regions

SIG Beverages



SIG practices Corporate Governance based on the principles and directives of the Swiss Code of Best Practice of *economiesuisse* (Swiss Business Federation). Its key elements are anchored in the Articles of Association of the SIG Holding Ltd. and the Organizational Regulations of the SIG Group. In the year under report, the Board of Directors again addressed the subject of "Corporate Governance" regularly and delivered resolutions on various reforms and improvements.

The following section sets out the information required to be published pursuant to the directive of the Swiss Stock Exchange on Corporate Governance. All required information is disclosed. In contrast to the rest of the Annual Report figures, which are presented in euros, value items are given in Swiss francs as these relate primarily to the SIG Holding Ltd., the financial statements of which are made in Swiss francs. Where considered pertinent, references are made to other sections of this Annual Report and/or other publicly accessible sources.

1.1 **Group structure**

The SIG Group is structured into the two sectors SIG Combibloc and SIG Beverages. The detailed operational structure of the Group is shown in the following organigram.

The SIG Holding Ltd. (parent company of the SIG Group) is the only listed company within the scope of consolidation. The company has its registered office in Neuhausen am Rheinfall, Switzerland; the SIG share (SIG N, security number 1202249, ISIN CH0012022494) is listed on the Swiss Stock Exchange. At 12/31/2006, market capitalization stood at CHF 2.65 billion. With the exception of the SIG Finanz AG (Group Treasury), none of the Group companies hold SIG shares. The shareholding of SIG Finanz AG is disclosed on page 57 of the Financial Report. Further details on the SIG share are given on pages 35 and 57 of the Financial Report.

Information on the non-listed companies is given in the overview on pages 68 and 69 of the Financial Report.

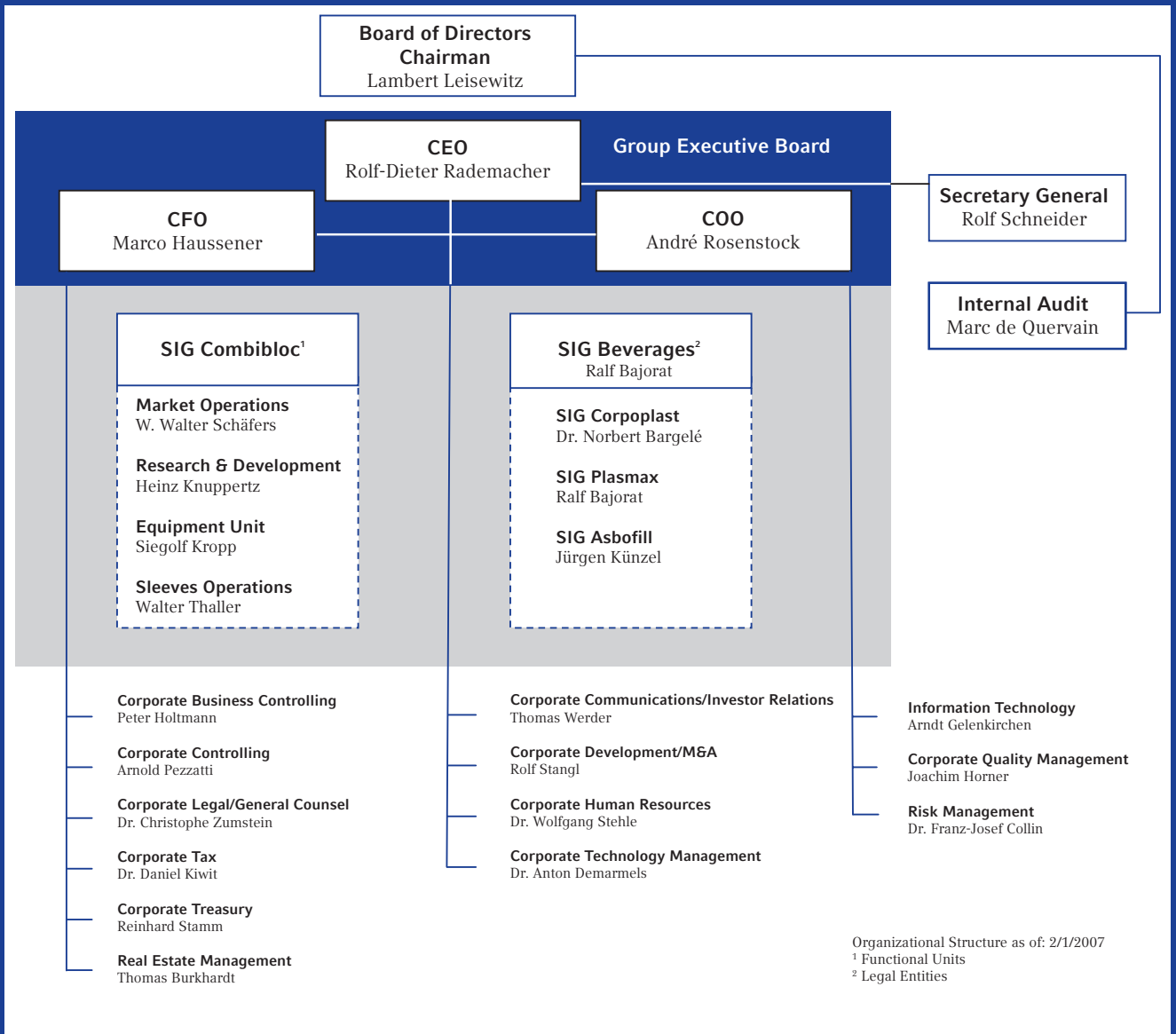
1.2 **Significant shareholders**

The following shareholders hold a stake per 12/31/2006 exceeding 5 percent of the total share capital of the SIG Holding Ltd.:

Shareholder	No. of SIG shares	Stake	Date reported
Tweedy, Browne Company LLC New York, USA	374 522	5.76 %	8/15/2001
Cheyne Special Situations Fund L.P. and Cheyne Value Fund Grand Cayman, Cayman Island	572 387	8.81 %	10/9/2006
Oyster Rock Ltd. (FERD/CVC), Jersey, Channel Islands	689 982	10.62 %	12/29/2006

1.3 **Cross-shareholdings**

There are no cross-shareholdings with other companies.



Information on capital structure is largely disclosed in the Articles of Association of the SIG Holding Ltd. and in the financial report, section annual statements of the SIG Holding Ltd. The Articles of Association can be accessed through the Internet (www.sig.biz), under Investor Relations, Corporate Governance. With regard to the individual articles, please note the following:

2.1/2.2 Capital/Authorized and conditional capital in particular

See Articles of Association, Art. 3 (ordinary capital).

The ordinary share capital of the SIG Holding Ltd. amounts to CHF 39 000 000.– (Note: The General Meeting of 3/30/2006 resolved to reduce the share capital from CHF 65 000 000.– hitherto by CHF 26 000 000.– to CHF 39 000 000.– by reducing the nominal share value per share of CHF 10.– by CHF 4.– to CHF 6.– and to apply the sum of the reduction to pay out the shareholders). There is no approved or conditional capital. (Note: The General Meeting 3/30/2006 resolved to delete Art. 3b of the Articles of Association that regulated the creation of conditional capital up to a maximum of CHF 6 000 000.–).

2.3 Changes of capital within the last three years

See Financial Report, 5-year overview of SIG Holding Ltd., page 61.

2.4/2.5 Shares and participation certificates/Bonus certificates

The share capital is divided into 6 500 000 registered shares, each with a nominal value of CHF 6.–. All registered shares are paid-in and entitled to dividend. Regarding voting rights, please refer to the explanations given under item 6.1 of this section “Corporate Governance”. SIG Holding Ltd. has issued neither participation certificates nor bonus certificates.

2.6 Limitations on transferability and nominee registrations

See Articles of Association, Art. 6 and Art. 15.

The limitations on registration are in accordance with those covering exercising of voting rights (see details under item 6.1 of this section “Corporate Governance”). In the year under review, the Board of Directors did not grant any exceptions to the limitations on registrations. The pre-conditions for waiving statutory requirements on limitations on registrations are equivalent to those governing the exercise of voting rights (see explanations under item 6.1 of this section “Corporate Governance”).

2.7 Convertible bonds and options

SIG Holding Ltd. has no convertible bonds and no options outstanding.

3.1/3.2 **Members of the Board of Directors/Other activities and functions**

On 12/31/2006, the Board of Directors of the SIG Holding Ltd. comprised a total of eight members. The General Meeting of 3/30/2006 newly elected Heinrich Fischer, Götz-Michael Müller and Rudolf Wehrli to the Board. On the same date, Martin Huber retired from that body. Particulars and information on other activities and interests of the individual members of the Board are listed in the following:

Lambert Leisewitz

Chairman of the Board of Directors
Business School Graduate, German, born 1949
Non-Executive Member

Professional background (milestones):

- since 2002 Managing Partner of ways to market consulting company, Bremen, DE
- 2001 – 2002 Chairman of the Board, Mineralbrunnen, Überkingen-Teinach AG, Bad Überkingen, DE
- 1994 – 2001 Chairman of the Executive Board, Apollinaris & Schweppes GmbH & Co., Hamburg, DE
- 1986 – 1994 Managing Director of two German companies in the beverages and food products industries

Other significant activities and functions:

- Member of Supervisory Board, Laurens Spethmann Holding Aktiengesellschaft & Co., Seevetal, DE
- Member of Advisory Board, Beverages Group Wüllner, Bielefeld, DE
- Member of Supervisory Board, Bremische Volksbank eG, Bremen, DE

Robert Lombardini

Vice Chairman of the Board of Directors
P. Eng. ETH, Swiss, born 1949
Non-Executive Member

Professional background (milestones):

- since 2004 Chairman of the Board of Directors, Axpo Holding Ltd., Baden, CH
- 1999 – 2003 President and Chief Executive Officer, Dätwyler Holding Inc., Altdorf, CH
- 1995 – 1998 Head of Division Cables and Systems, Dätwyler Group, Altdorf, CH
- 1988 – 1994 Head of Business Unit Columbus Systems, as from 1991 Member of the Executive Board, Motor Columbus AG, Baden, CH
- 1982 – 1988 Head of Research and Development and Member of the Executive Board, AGIE SA, Losone, CH

Other significant activities and functions:

- Chairman of the Board of Directors, Kistler Holding AG, Winterthur, CH
- Member of the Board of Directors, Metalor Technologies SA, Neuchâtel, CH
- Member of the Board of Directors, Sécheron SA, Geneva, CH

Heinrich Fischer

P. Eng. ETH, lic. oec. publ., Swiss, born 1950

Non-Executive Member

Professional background (milestones):

- since 1996 CEO of Saurer AG, Arbon, CH, from 1998 also Delegate of the Board of Directors
- 1990 – 1996 Head Corporate Development and Member of the Executive Board, Oerlikon-Bührle Holding AG, Zurich, CH
- 1980 – 1990 Staff Director Technology and Head of Business Unit Coating Equipment Balzers AG, Balzers, FL

Other significant activities and functions:

- Member of the Board of Directors, Schweiter AG, Horgen, CH

Peter J. Hauser

Dipl. Betriebsökonom KSZ, Swiss, born 1948

Non-Executive Member

Professional background (milestones):

- since 2003 Chairman of the Board of Directors, Gallus Holding Ltd., St. Gallen, CH
- 1993 – 2002 CEO and Delegate of the Board of Directors, Gallus Holding Ltd., St. Gallen, CH
- 1986 – 1992 Various management functions at Hilti AG, Schaan, FL, such as Head of Division and Member of the extended Group Executive Board
- 1978 – 1985 Various management functions at SIG Schweizerische Industrie Gesellschaft, Neuhausen am Rheinfl, CH, from 1983 Head of Small Arms Business Unit

Other significant activities and functions:

- Chairman of the Board of Directors, Heidelberg Switzerland AG, Berne, CH
- Member of the Board of Directors, Model AG, Weinfelden, CH
- Member of the Board of Directors, Albatros Holding AG, Winkel, CH
- Member of the Management Committee of the Institute of Marketing and Retailing, University of St. Gallen, St. Gallen, CH
- President of the Management Committee of the Institute of Technology Management, University of St. Gallen, St. Gallen, CH

Thomas Hübner

Dipl. Hotelier SHV, Swiss, born 1958
Non-Executive Member

Professional background (milestones):

since 3/2002 CEO, Metro Cash & Carry International GmbH, Düsseldorf, DE
2001 – 2002 COO Eastern Europe & Russia, Metro Cash & Carry International GmbH,
Düsseldorf, DE
1998 – 2000 Chairman of Management Board, Wholesaling, Bon Appetit Group AG,
Moosseedorf, CH
1996 – 1997 Chairman of Executive Management, Prodega AG, Moosseedorf, CH
1988 – 1996 Various management positions with McDonald's International

Other significant activities and functions:

- none

Götz-Michael Müller

Business School Graduate, German, born 1948
Non-Executive Member

Professional background (milestones):

since 2006 Independent Management Consultant
2001 – 2005 Managing Director, Coca-Cola GmbH, Berlin, DE
1997 – 2001 Managing Director, Sales and Marketing, Brauerei Beck & Co., Bremen, DE
1984 – 1996 Various management functions at Kraft Foods and Kraft Jacobs Suchard,
Bremen, DE, finally as Executive Vice President and Area Director

Other significant activities and functions:

- Member of the Advisory Board Deutsche Bank, Bremen, DE
- Member of the Advisory Board of Soldan Holding + Bonbon-
spezialitäten GmbH, Nuremberg, DE
- Member of the Wissenschaftliche Gesellschaft für Marketing und
Unternehmungsführung, Münster, DE

David Schnell

Industrial Economist, Swiss, born 1947
Non-Executive Member

Professional background (milestones):

since 2002 Independent Management Consultant
1997 – 2002 CFO and Member of the Group Executive Board, Swisscom AG, Berne, CH
1985 – 1997 CFO and Member of the Group Executive Board, ELCO Looser
Holding Ltd., Zurich, CH, from 1995 also COO and Member of the
Board of Directors

Other significant activities and functions:

- Vice Chairman of the Board of Directors, Elma Electronic AG, Wetzikon, CH
- Member of the Board of Directors, Kuoni Reisen Holding AG, Zurich, CH
- Member of the Board of Directors, Kuoni und Hugentobler-Stiftung, Zurich, CH
- Member of the Board of Directors, AlpTransit Gotthard AG, Lucerne, CH

Rudolf Wehrli

Dr. theol., Dr. phil., Swiss, born 1949

Non-Executive Member

Professional background (milestones).

2000 – 2006	CEO Gurit-Heberlein AG, Wattwil, CH
1995 – 2000	Head of Division, Medical Technology and Technical Materials, and Member of Group Executive Board, from 1998 COO Gurit-Heberlein AG, Wattwil, CH
1985 – 1995	Various management functions at Silent Gliss Group, Gümligen, CH, inter alia, Head of German subsidiary
1984 – 1985	Member of Executive Board in Department Special Financing Switzerland, Schweizerische Kreditanstalt, Zurich, CH
1979 – 1983	Management Consultant, McKinsey & Company, Inc., Zurich, CH

Other significant activities and functions:

- Chairman of the Board of Directors, Benninger AG, Uzwil, CH
- Chairman of the Board of Directors, SF-Chem AG, Pratteln, CH
- Member of the Board of Directors, Gurit Holding AG, Wattwil, CH
- Member of the Board of Directors, Medisize Holding AG, Wattwil, CH
- Member of the Board of Directors, Berner Kantonalbank, Berne, CH
- Member of the Board of Directors, Kambly SA, Trubschachen, CH
- Member of the Board of Directors, BioMedCredit AG, Muri (BE), CH
- President of Swiss Society of Chemical Industries, Zurich, CH
- Member of the Committee of the Board of Directors of economiesuisse, Zurich, CH

Independence of non-executive members

None of the Board members has exercised an operational activity on behalf of the SIG Group in the three business years preceding the year under review.

Neither they nor the companies they represent have any significant business relationships with the SIG Group.

3.3 Cross-involvement

There is no cross-membership by Board Members on the Boards of other quoted companies.

3.4 Elections and terms of office

In accordance with the Articles of Association, the Board of Directors is composed of a minimum of five and a maximum of nine members. They are elected by individual vote by the General Meeting for a term of three years. The terms of office are staggered. Members whose terms of office have expired are eligible for re-election immediately. Should the mandate of a Board Member end before expiration of his or her term of office, the newly elected member shall serve for the remaining term of office of the predecessor. Members of the Board will resign no later than the date of the Ordinary General Meeting in the calendar year in which they reach the age of 70.

The following table shows the dates of first election to the Board of Directors and the remaining terms of office:

	First election to BoD	Term of office expires
Lambert Leisewitz, Chairman	2002	2008
Robert Lombardini, Vice Chairman	2005	2007
Heinrich Fischer	2006	2009
Peter J. Hauser	2005	2009
Thomas Hübner	2004	2007
Götz-Michael Müller	2006	2009
David Schnell	2002	2008
Rudolf Wehrli	2006	2009

3.5 Internal organizational structure

The Board of Directors is the highest executive body of the Group. It is empowered to take decisions regarding all matters that are not reserved by law or the Articles of Association for the General Meeting, or which it has not assigned to other bodies by means of regulations or resolutions.

The Board of Directors assumes the following primary responsibilities:

- Strategic direction and management of the SIG Group
- Defining the management organization
- Organization of accounting, financial controlling and financial planning
- Supervision of business activities and of those persons entrusted with management functions
- Appointment and dismissal of members of the Group Executive Board
- Succession planning for senior management levels
- Drawing up the Annual Report, preparing the General Meeting and executing its resolutions

To support it, the Board of Directors has formed three permanent committees, namely the Audit Committee, the Nomination Committee and the Compensation Committee (Note: in the year under report, the hitherto Nomination & Compensation Committee was divided into a Nomination Committee and a Compensation Committee). Specific subjects and time-limited projects can be assigned to ad hoc committees. The Board of Directors has also delegated the operational management of business to the Group Executive Board, which is chaired by the CEO. The Chairman presides over the Board of Directors. If he is prevented from exercising his functions, these are transferred to the Vice Chairman.

Work methods of the Board of Directors

Each year, the Board of Directors convenes at 6 ordinary meetings, usually lasting one or two days. Extraordinary meetings can be called as required. Additional meetings can be proposed by any Board Member or the CEO by stating the reasons to the Chairman. In 2006, a total of 15 meetings were held.

The agenda of each ordinary meeting focuses on a specific subject in the sectors of strategy, finance or human resources. The Chairman, in conjunction with the CEO and the Secretary to the Board, sets out the agenda for each meeting. Any Board Member can propose the inclusion of an item in the agenda.

Meetings are called in writing by the Chairman of the Board or the Secretary to the Board. As a rule, invitations, including the detailed agenda and supporting documentation, are sent to all participants one week prior to the meeting. Provided no member raises an objection, the Board can discuss urgent matters not already included in the agenda.

As standard procedure, the members of the Group Executive Board attend meetings of the Board of Directors. In order for the Board of Directors to obtain sufficient information for reaching decisions, other employees or third persons can be called to the meetings.

The Board of Directors adopts resolutions and performs elections with the majority of members present at the meeting. Resolutions can only be adopted when the majority of the Board Members are present. In the event of a tied vote, the Chairman holds the casting vote. Resolutions can also be adopted through video or telephone conferencing, or by circular letter, provided no member demands verbal discussion at a meeting. Resolutions adopted by circulation require the approval of the absolute majority of the members of the Board of Directors.

Individual Members are obliged to abstain from voting if business is being discussed which affects their own interests or those of individuals or legal entities closely linked to them. Such business is subject to the principle of transactions contracted under third-party conditions.

Each Member of the Board of Directors receives a full copy of the minutes of meeting; other participants receive an extract containing those agenda items and resolutions that are relevant to them.

Composition/Work methods of the Board of Directors' committees

The tasks and scopes of responsibility of the three permanent Board of Directors' committees (Audit Committee, Nomination Committee and Compensation Committee) are described in detail in the Organizational Regulations of the SIG Group. Primarily, these bodies have assessment, consultant and supervisory functions. In specific individual cases, they also have decision-making competencies.

Each year, the Board of Directors appoints the chairmen and the other members of the three Board of Directors' committees. At the end of 2006, the composition of the committees was as shown below:

	Audit Committee	Nomin. Committee	Compens. Committee
Lambert Leisewitz, Chairman		C	
Robert Lombardini, Vice Chairman	M	M	
Heinrich Fischer			M
Peter J. Hauser			C
Thomas Hübner		M	
Götz-Michael Müller			M
David Schnell	C		
Rudolf Wehrli	M		

C = Chairman, M = Member

The Board of Directors' committees meet periodically, or as required. Those provisions governing the Board of Directors' meetings, resolutions and abstentions also apply for the committees' regulations. Copies of the minutes of meeting are distributed to all meeting participants and to all members of the Board of Directors. Additionally, at the next board meeting, the committee chairmen report verbally to the Board of Directors on matters discussed and, when necessary, submit corresponding proposals to that body.

Specific details on the individual committees are given in the following:

Audit Committee

The Audit Committee shall be composed of a minimum of three non-executive, independent members of the Board of Directors. Members are considered independent when they have never sat on the Group Executive Board, or have not belonged to it for at least three years, and have no or only insignificant business connections with the company. All members shall have adequate financial management and accounting expertise, either as a result of their qualifications or through their professional experience.

As a rule, the CEO, COO and CFO, a representative of the Internal Audit and a representative of the Statutory External Auditors also attend the meetings. In 2006, the Audit Committee held 4 meetings.

The Audit Committee is entrusted with the following primary responsibilities:

- Review of the Annual Report, the annual and interim financial statements as well as the auditing reports and management letters of the SIG Group and the SIG Holding Ltd., submitting proposals to the Board of Directors
- Ensuring of compliance with set accounting standards within the Group
- Selection of the External Statutory Auditors and Group Auditors to be proposed to the General Meeting, submitting corresponding proposals to the Board of Directors
- Approval of the strategic audit plan
- Review and monitoring of the performance, independence and compensation of the External Statutory Auditors
- Assessment and discussion of the reports of the Internal Audit
- Monitoring the performance of the Internal Audit
- Periodic review of the guidelines issued on ad hoc publicity and prevention of insider dealings
- Periodic review of the organization of Assurance and Risk Management
- Assessment of key tax issues
- Review of the financial statements as well as the auditing reports and management letters of SIG Holding Ltd. foundations

Nomination Committee

The Nomination Committee is constituted by three non-executive, independent members of the Board of Directors. Members are considered independent when they have never sat on the Group Executive Board, or have not belonged to it for at least three years, and have no or only insignificant business connections with the company. As a rule, the CEO and the Head of Corporate Human Resources also attend the meetings. In 2006, the Nomination Committee held 3 meetings.

The Nomination Committee is entrusted with the following primary responsibilities:

- Periodic review of the composition of the Board of Directors
- Selection of qualified candidates to sit on the Board of Directors, submitting corresponding proposals to the Board of Directors
- Assessing succession planning for the CEO and the other members of the Group Executive Board
- Succession planning for selected other functions
- Selection of qualified candidates to occupy Group Executive Board positions, submitting corresponding proposals to the Board of Directors

Compensation Committee

The Compensation Committee is constituted by three non-executive, independent members of the Board of Directors. Members are considered independent when they have never sat on the Group Executive Board, or have not belonged to it for at least three years, and have no or only insignificant business connections with the company. As a rule, the CEO and the Head of Corporate Human Resources also attend the meetings. In 2006, the Compensation Committee held 4 meetings.

The Compensation Committee is entrusted with the following primary responsibilities:

- Periodic review of the compensation system and total remuneration of the Board of Directors, submitting proposals to the Board of Directors
- Determination of the yearly compensation payments to the individual members of the Board of Directors
- Periodic review of the Management Compensation Policy within the Group, submitting proposals to the Board of Directors
- Review of the annual total compensation (Annual Base Salary, Annual Bonus, Long-Term Incentive) of the CEO, submitting proposals to the Board of Directors
- Determination of the annual total compensation (Annual Base Salary, Annual Bonus, Long-Term Incentive) of the other members of the Group Executive Board
- Determination of the retirement conditions of the CEO and the other members of the Group Executive Board
- Approval of loan agreements between the company and members of the Board of Directors or members of the Group Executive Board

3.6 Definition of areas of responsibility

The definition of areas of responsibility between the Board of Directors and the Group Executive Board is laid down in the Organizational Regulations of the SIG Group. This document describes the general responsibilities of the individual bodies, while the Diagram of Functions defines in detail which body has the power of decision in which area of business (see also Internet www.sig.biz under Investor Relations, Corporate Governance).

In addition to the decisions which, pursuant to Art.716a CO, are defined as its irrevocable and nontransferable duties, the Board of Directors also reserves for itself the right to approve important subjects relating to the implementation of strategies, plus key organizational, financial and personnel affairs within the operational sector.

The Organizational Regulations are reviewed periodically by the Board of Directors and amended to meet new requirements.

3.7 Information and control instruments vis-à-vis the Group Executive Board

The Board of Directors is integrated at appropriate hierarchical level into the entire Management Information System of the SIG Group. Monthly, it receives a written reporting comprising income statement, balance sheet, cash flow statement, key figures and detailed explanations on the Group as a whole as well as on each segment. Reported figures are compared against those of the previous year and the current budget. Three times a year (at the closing of each quarter), the Board of Directors receives an equally detailed end-of-year forecast, which allows fulfillment of budget to be reviewed. Further, and within the framework of the annual strategy review meeting, the Board of Directors receives the qualitative strategy objectives and the results of the three-year medium-term planning. Two meetings are dedicated to reviewing the entirety of Risk Management (processes/procedures, top-priority risks).

Over and above this documentation, the Group Executive Board reports verbally on the trading performance at each meeting of the Board of Directors. In special cases, the CEO immediately briefs the Board of Directors on the specific matter in written and/or verbal form. Also, outside of meetings, any member of the Board has the right to demand from any member of the Group Executive Board information about business matters within the latter's scope of responsibility. The Chairman of the Board of Directors also maintains regular contacts and holds regular discussions with the CEO and is informed by him about all business matters and aspects that are of fundamental significance or have far-reaching implications.

These Board of Directors' control instruments are complemented by the activities of the Internal Audit. Reports prepared by them on conducted audits are submitted to the members of the Audit Committee in addition to the responsible managers. Furthermore, the Internal Audit regularly briefs both the Audit Committee and the Group Executive Board on important audit findings and submits recommendations for improvement.

Section 4 **Group Executive Board**

The CEO heads the Group operationally in cooperation with the other members of the Group Executive Board. He is responsible for the development, implementation and achievement of the business objectives of the Group. The Group Executive Board actively supports the CEO in managing the Group. It is concerned with those business activities that are of significant importance to the entire Group.

The Group Executive Board is entrusted with the following primary responsibilities:

- Developing and implementing the overall strategy and achieving the overall budget
- Developing and implementing the structures and systems required to manage the Group
- Optimal utilization of existing resources within the Group
- Exploitation of available synergy potentials within the Group
- Promotion of cross-segment cooperation and communication within the Group
- Preparation and discussion of subjects and business matters that fall within the scope of responsibility of the superior authorities

4.1/4.2 Members of the Group Executive Board/Other activities and functions

The Group Executive Board comprises three members, namely the Chief Executive Officer (CEO), the Chief Operating Officer (COO) and the Chief Financial Officer (CFO).

Particulars and information on other activities and functions of the individual members of the Group Executive Board are given in the following:

Rolf-Dieter Rademacher

CEO

Business School Graduate, German, born 1948

Professional background (milestones):

- since 6/2004 CEO, SIG Group, Neuhausen am Rheinfall, CH
- 2000 – 2004 Head SIG Combibloc division and Member of the Group Executive Board, SIG Group, Neuhausen am Rheinfall, CH
- 1994 – 2000 Head Liquid Processing Division, GEA AG, Bochum, DE
- 1990 – 1994 Managing Director, Riniker AG, Rapperswil, CH

Other significant activities and functions:

- Member of the Executive Board, Swissmem, Zurich, CH

André Rosenstock

COO

BSc Business Administration, German, born 1960

Professional background (milestones):

- since 9/2004 COO and Member of the Group Executive Board, SIG Group, Neuhausen am Rheinfall, CH
- 2000 – 2004 CFO, SIG Combibloc Division, Neuhausen am Rheinfall, CH
- 1997 – 2000 Head Corporate Controlling, SIG Combibloc International GmbH, Linnich, DE
- 1986 – 1997 Various management and controlling functions, Felten & Guillaume Group, Nordenham, DE

Other significant activities and functions:

- none

Marco Haussener

CFO

B.A. Econ., Swiss, born 1957

Professional background (milestones):

- since 1/2001 CFO and Member of the Group Executive Board, SIG Group, Neuhausen am Rheinfall, CH
- 2000 Head Mergers & Acquisitions, SIG Group, Neuhausen am Rheinfall, CH
- 1997 – 1999 CFO and Member of the Executive Board, Elektrowatt Engineering Ltd., Zurich, CH
- 1995 – 1996 Group Controller, Elektrowatt Ltd., Zurich, CH
- 1991 – 1995 Head Finance and Controlling and Member of the Executive Board, Ascom Radiocom AG, Mägenwil, CH

Other significant activities and functions:

- Member of the Executive Committee of "Verein Schweizerischer Unternehmen in Deutschland" (VSUD)

4.3 Management contracts

There are no management contracts with legal entities or individuals outside of the SIG Group.

Section 5 Compensations, shareholdings and loans

5.1 Content and method of determining the compensation and of the shareholding programs

SIG remunerates the members of its Board of Directors and Group Executive Board on the principle of performance and profitability. The structure of the remuneration package is market-oriented and, in addition to a fixed base salary, contains a substantial portion of performance-linked compensation elements.

The activities of the Chairman of the Board of Directors, the Vice Chairman and the ordinary members of the Board are compensated by an honorarium that comprises a fixed Annual Base Fee paid out in cash, plus a performance-related Long-Term Incentive (LTI) in the form of conditional rights to receive SIG shares. Activities on a Board of Directors' committee are compensated by a lump sum paid out in cash. For the Chairman of the Board, activities performed on committees are included in the Annual Base Fee and, consequently, are not compensated separately. Members of the Board of Directors can be assigned special mandates as required. In such cases, compensation is paid in cash.

The CEO, the other members of the Group Executive Board and the senior management down to the level of, and including, heads of Strategic Business Units receive, in addition to a fixed Annual Base Salary (ABS), a profit-linked Annual Bonus and a performance-oriented Long-Term Incentive (LTI).

The level of bonus depends at least to 80 percent on achieving the task relevant financial metrics and to 20 percent on meeting personal performance targets. The Annual Bonus is paid out after closing of the business year, whereby achievement of objectives is determined mathematically within narrow band widths.

The level of the so-called target bonus, which is paid out when all set objectives are achieved, is to be set generally at between 40 and 50 percent of the fixed Annual Base Salary for members of the Group Executive Board. When targets are not met, the bonus is zero. In the event that the targets are significantly exceeded, the bonus can be increased to maximum double the target bonus.

Whereas the Bonus Plan addresses short-term increase in performance, the LTI plan (Long-Term Incentive plan) is directed towards the sustained value increase of SIG. Each year, the members of the Board of Directors and the eligible senior managers of the Group, numbering around 45, are awarded a number of conditional rights to receive SIG shares. Whether and to what extent shares can be allotted under this plan, depends on the performance of the SIG share price. At the end of a given three-year performance period, the participants are entitled to receive a number of shares, equal to the basic award, provided the SIG share performance on the Swiss Stock Exchange over the defined three-year period was at least equal to that of the Swiss Performance Index (SPI). If the SIG share underperforms 10 percent or more against the SPI, then the conditional rights to receive shares expire without indemnification. Should, however, the SIG share outperform the SPI by 10 percent or more during the defined three-year period, then a maximum of double the basic award may be received. Interpolation between the performance points “SPI +10 percent” and “SPI –10 percent” is linear.

In general, the performance-linked elements for members of the Group Executive Board, tied to achieving clearly defined targets, shall amount to a minimum of 35 to 40 percent of the total remuneration.

The base fees and elements of the above compensation system are reviewed periodically by the Compensation Committee and, as necessary, redefined by the Board of Directors. At the end of the year, the level of annual lump sum compensation for the individual members of the Board of Directors in the following year is approved by the Compensation Committee, based on the compensation regulations for the Board of Directors. At the end of a business year, the level of annual compensation for the CEO in the following business year is set by the Board of Directors, based on the proposal of the Compensation Committee. The level of annual compensation for the other members of the Group Executive Board in the following business year is set at the end of a business year by the Compensation Committee, based on the proposal of the CEO.

5.2 Compensations for acting members of governing bodies

The total of all compensations for acting members of the Board of Directors and the Group Executive Board in the year under review amounted to:

- a) for the members of the Group Executive Board,
a total of CHF 2.61 million,
- b) for the members of the Board of Directors, a total of CHF 1.39 million.

No severance compensations were paid to members of the Board of Directors or the Group Executive Board who gave up their functions in a governing body during the year under review:

5.3 Compensations for former members of governing bodies

The total of all compensations for former members of the Board of Directors and the members of the Group Executive Board in the year under review amounted to:

- a) for former members of the Group Executive Board a total of
CHF 0.15 million,
- b) for former members of the Board of Directors, a total of
CHF 0 million.

5.4 Share allotment in the year under review

In the year under review, the following numbers of shares of the SIG Holding Ltd. were allotted through the LTI plan:

- a) for the members of the Group Executive Board, a total of 1 864 shares,
- b) for the members of the Board of Directors, a total of 659 shares.

5.5 Share ownership

At the time of the disclosure deadline, the number of SIG shares held by the following parties was:

- a) by the members of the Group Executive Board, and parties closely linked to them, a total of 1 942 shares,
- b) by the members of the Board of Directors and parties closely linked to them, a total of 1 958 shares.

5.6 Options

At the time of the disclosure deadline neither the members of the Board of Directors nor the Group Executive Board, nor parties closely linked to them, held options to SIG shares from participation schemes.

5.7 Additional honorariums and remunerations

In the year under review, honorariums or remunerations of CHF 0.05 million were paid to members of the Board of Directors or to members of the Group Executive Board, as well as to parties closely linked to them.

5.8 Loans granted to governing bodies

No member of the Board of Directors or the Group Executive Board, or parties closely linked to them, has any loans, advances or credits outstanding to the SIG Holding Ltd., or its subsidiary companies.

5.9 Highest total compensation

In the year under review, the highest compensation conferred on a member of the Board of Directors amounted to CHF 0.51 million in cash and an allotment of 186 shares through the LTI plan.

Section 6 Shareholders' participation rights

The shareholders' participation rights are described in detail in the Articles of Association of the SIG Holding Ltd. These Articles of Association can be accessed through the Internet (www.sig.biz) under Investor Relations, Corporate Governance.

With regard to the individual articles, please note the following:

6.1 Voting rights restrictions and representation

See Articles of Association Art. 6, Art. 13 and Art. 15, parag. (1)

In principle, each registered share is entitled to one vote. However, no individual or legal entity may, directly or indirectly, consolidate with voting rights more than 5 percent of the registered share capital recorded in the Commercial Register. Those associated through capital, voting power, joint management or in any other way, or joining for the acquisition of shares, shall be regarded as one person.

In the year under review, the Board of Directors did not make any exceptions to restrictions on voting rights.

The general lifting of statutory requirements on restriction of voting rights requires the agreement of at least two-thirds of the votes and nominal share values represented at the General Meeting, plus together one-quarter of all issued shares.

Each shareholder may transfer the exercising of his voting rights to another shareholder by written power of attorney.

6.2 Statutory quorums

See Articles of Association, Art. 15, parag. (1)

6.3 Convocation of General Meeting of shareholders

See Articles of Association, Art. 10

There are no statutory rules that deviate from the applicable law.

6.4 Agenda

See Articles of Association, Art. 11, parag. (3)

6.5 Registrations in the share register

See Articles of Association, Art. 6, parag. (8)

Section 7 Changes of control and defense measures

7.1 Duty to make an offer

There are no clauses in the articles on opting out or opting up.

7.2 Clauses on changes of control

In the event of a change of control, those shares that have been reserved under the LTI plan (see item 5.1 of this section “Corporate Governance”) for selected individuals in case performance criteria are met, will vest to the Members of the Board of Directors and the entitled senior management executives.

There are agreements in the employment contracts of the members of the Group Executive Board and individual senior executives providing for the event that, as a result of a takeover of a controlling interest in SIG Holding Ltd. by a third party, the employer unilaterally terminates the employment contract. Under such agreements the discharged employees are entitled to compensation payments amounting to one and one-half of their respective annual target compensation (excluding the Long-Term Incentive).

8.1 Duration of the mandate and term of office of the head auditor

Since 1956, PricewaterhouseCoopers Ltd., Basel (formerly their predecessors), are the Statutory Auditors of the SIG Holding Ltd., and since 1992 the Group Auditors of the SIG Group. The Head Auditor, Mr. Daniel Suter, has held responsibility for both audit mandates since 2003.

8.2/8.3 Auditing honorarium/Additional honorariums

In the year under review, PricewaterhouseCoopers Ltd. charged the SIG Group the following amounts:

- a) CHF 0.77 million for services related to auditing the annual financial statements of the SIG Holding Ltd., the financial statements of its Group companies and the consolidated financial statements of the SIG Group (item 8.2). This sum is equivalent to 30 percent of the total audit honorariums paid to auditing companies.
- b) CHF 0.11 million for other services in the sectors of operational tax advice and management consultancy (item 8.3).

8.4 Supervisory and control instruments vis-à-vis the auditors

Both the external and internal auditors attend all meetings of the Audit Committee. Each year there are 3 meetings during which the annual financial statements, the half-year financial statements and the hard close (financial statements as per 10/31) are discussed. The Management Letter of the external auditors is the basis for discussions on the annual financial statements and the hard close.

Once a year, the Audit Committee reviews the performance, independence and remuneration of the external auditors, and submits a proposal to the Board of Directors on which auditing company should be nominated for election at the General Meeting. On an annual basis, the Audit Committee also reviews the scope of external auditing (incl. portion of non-audit activities), the audit plans and the relevant procedures, and discusses the corresponding audit results with the external auditors.

9.1 Principles/Dates

SIG pursues an open, active and transparent information policy with all parties involved. Each year, it publishes an Annual Report and a Half-Year Statement.

The statutory publication organ is the Swiss Official Gazette of Commerce (SOGC). When important events occur, shareholders are informed separately by means of Shareholder Letters.

At least twice a year, there are dedicated conferences for the media and financial analysts in connection with presenting the annual and half-year financial statements.

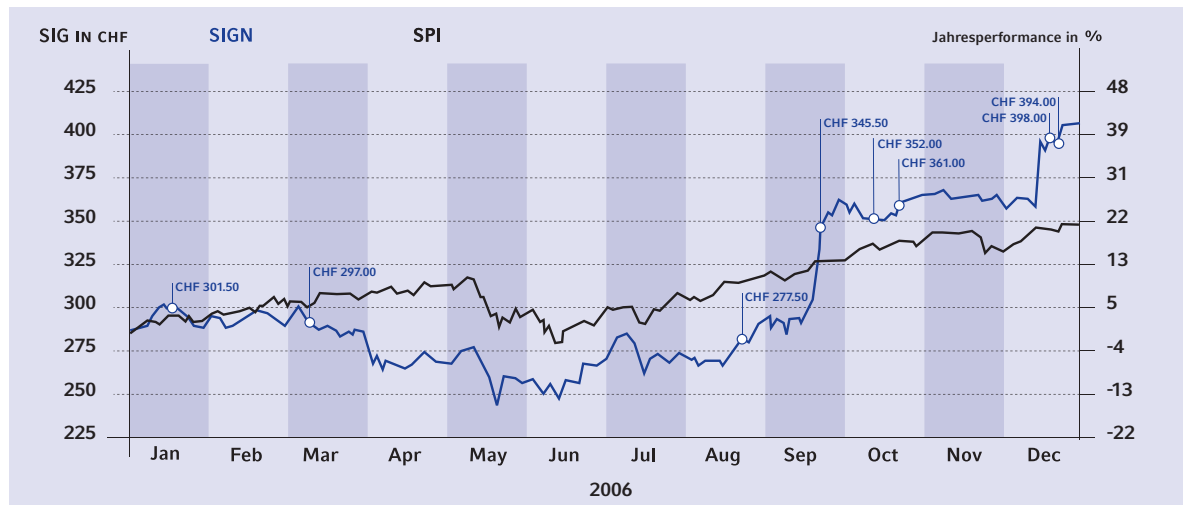
Further details can be found in the Internet under www.sig.biz. This site covers the sections “Investor Relations” and “Media” providing all relevant data for shareholders. All SIG press releases can be obtained by registering under “Media”.

9.2 Disclosure regulations/Prevention of insider dealings

Price-sensitive facts are published by SIG in accordance with the regulations of the Swiss Stock Exchange on ad hoc publicity. For this purpose, detailed internal guidelines exist. Parallel to this measure, a share dealing code is in force, which sets out appropriate directives aimed at preventing insider dealings. An internal Clearing Office is tasked with implementing and monitoring adherence to these two guidelines.

Financial Report 2006

Share price development and key events 2006

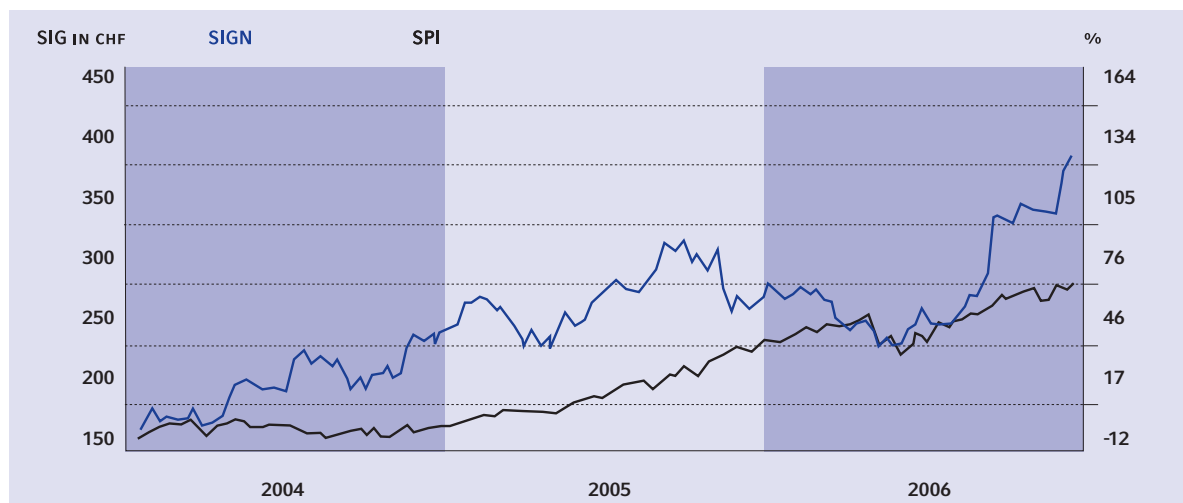


- o **1/16/2006**
SIG initiates share buy back program
- o **3/7/2006**
Publication of Annual Report 2005
- o **8/22/2006**
Publication of Half-Year Statement 2006
- o **9/24/2006**
Takeover offer (CHF 325.– to 350.– per share) from CVC/FERD
SIG Board of Directors rejects offer
- o **10/12/2006**
Successful project with Mengniu, one of China's largest dairies,
leads to further major contract
- o **10/25/2006**
Media/financial analysts conference:
publication of detailed business plan
- o **12/19/2006**
Announcement by RANK Group that it will submit a purchase offer
for all remaining shares (CHF 370.– per share)
- o **12/22/2006**
Increased offer from CVC/FERD (CHF 400.– per share)

SIG Registered

Stock market:	SWX	Beginning of year:	289.8	Performance in 2006	Annual high:	410.0
Currency:	CHF	End of year:	407.0	absolute in CHF:	Date annual high:	12/28/2006
Valor:	1202249			in %:	Annual low:	234.0
					Date annual low:	05/22/2006

Share price development 2004 – 2006



Financial overview

SIG Group in EUR million

	SIG Group ¹		
	2006	2005	
Order intake	1 378	1 175	17%
Net sales	1 349	1 207	12%
Operating profit before depreciation & amortization (EBITDA)	203	172	18%
Operating profit (EBIT)	90	67	34%
Profit / loss	66	43	53%
Cash flow from operating activities	175	209	-14%
Cash flow from investing activities	-102	-132	19%
Free cash flow ²	73	77	-5%
Cash flow from financing activities	-148	115	-229%
Investments in tangible & intangible fixed assets	127	141	-10%
Balance sheet total	1 141	1 203	-5%
Equity attributable to shareholders	451	423	7%
Average capital employed (CE) ³	489	508	-4%
Return on capital employed (ROCE) ⁴	18.4%	13.2%	n.a.
Net operating profit after tax (NOPAT) ⁵	65	50	30%
SIG Value Added (SVA) ⁶	28	12	133%
Number of employees (FTE) at year-end ⁷	4 675	4 776	-2%

¹2005: SIG Combibloc, SIG Beverages (without Discontinuing Business), Corporate/Services, Eliminations

²Cash flow from operating activities + cash flow from investing activities

³Equity + net financial liabilities, average: (year-end value previous year + year-end value current year) / 2

⁴EBIT in % of average capital employed

⁵(EBIT + income from financial assets) × (1-t), tax rate (t) = 30%

⁶NOPAT - (WACC × average capital employed), WACC = 7.5%

⁷2006: Thereof 200 apprentices

SIG Holding Ltd. in CHF million

	2006	2005	
Net profit	26	26	0%
Gross dividend ¹	32.5	0.0	n.a.
Reduction in par value	0.0	26.0	n.a.
Information per registered share (in CHF)			
Nominal value	6	10	
Gross dividend ¹	5.00	0.00	
Reduction in par value	0.00	4.00	
Stock market prices			
high	410	341	
low	234	241	
Tax value at year-end	407.0	287.0	

¹2006: Motion to the Annual General Meeting. The Board of Directors reserves the right to revert to its motion should this appear necessary or pertinent in the context of the currently pending takeover offers for the Group's shares. In particular, the Board of Directors reserves the right to withdraw the dividend motion, or to submit a motion whereby the dividend will only be paid out if no public purchase offer has been completed by a given date.

SIG Group

Consolidated income statement January-December in EUR million

	Notes	SIG Group	
		2006	2005
Net sales		1 349	1 207
Income from associated companies		- 1	- 4
Other operating income		39	44
Operating income		1 387	1 247
Own work capitalized		52	77
Changes in inventories of finished goods & WIP		1	- 9
Raw materials, supplies and services		-702	-627
Personnel costs	22	-264	-264
Other operating expenses	23	-271	-252
Operating profit / loss before depreciation & amortization (EBITDA)		203	172
Depreciation of property, plant & equipment	3	-89	-80
Amortization of intangible assets (without goodwill)	4	-24	-25
Operating profit / loss (EBIT)		90	67
Financial income	24	9	8
Financial expense	25	-13	-10
Debt waivers		0	-4
Financial profit / loss		-4	-6
Profit on divestments	30	7	5
Profit / loss before tax (EBT)		93	66
Income tax expenses	26	-27	-23
Profit / loss continuing		66	43
Profit / loss discontinuing		0	4
Profit / loss		66	47
thereof:			
Profit or loss attributable to minorities		0	0
Profit or loss attributable to equity holders		66	47
Outstanding shares (average of the year)		6 378 249	6 448 784
Diluted earnings per share in EUR		10.3	7.3
Basic earnings per share in EUR		10.3	7.3
Diluted earnings per share (discontinuing) in EUR		0.0	0.6
Basic earnings per share (discontinuing) in EUR		0.0	0.6

The notes on pages 44 to 58 are an integral part of these consolidated financial statements.

SIG Group

Consolidated balance sheet as at December 31 in EUR million

	Notes	SIG Group	
		2006	2005
Assets			
Investment properties		43	41
Land and buildings		101	91
Machines, plants and other		195	168
Leased assets (Lessor)		73	62
Plants under construction		19	65
Non-current assets held for sale		1	0
Total property, plant and equipment	3	432	427
Goodwill		13	19
Rights to supply		66	67
Others		9	8
Total intangible assets	4	88	94
Interests in associated companies	5	11	12
Other financial interests		4	2
Long-term receivables		29	34
Long-term loans		0	1
Total financial assets		44	49
Deferred tax assets	15	28	26
Total non-current assets		592	596
Inventories	6	149	151
Trade receivables	7	102	94
Other receivables	8	63	56
Other financial assets	9	14	14
Cash and cash equivalents		221	292
Total current assets		549	607
Total assets continuing		1 141	1 203
Total assets discontinuing		0	17
Total assets		1 141	1 220
Equity and liabilities			
Share capital (6 500 000 registered shares with a nominal value of 6.- [previous year 10.-] CHF each)		24	40
Additional paid in capital		159	159
Retained earnings		286	239
Currency differences		-18	-15
Equity attributable to shareholders		451	423
Minority interests		0	0
Total equity		451	423
Deferred tax liabilities	15	35	22
Long-term provisions	10, 16	127	129
Long-term financial liabilities	12	162	263
Total long-term liabilities		324	414
Short-term financial liabilities	12	103	111
Advance payments by customer		16	22
Trade payables		84	57
Short-term provisions	13, 16	33	51
Accruals for contractual obligations to complete		63	63
Current tax liabilities		14	16
Other short-term liabilities	14	53	46
Total short-term liabilities		366	366
Total liabilities		690	780
Total equity and liabilities continuing		1 141	1 203
Total equity and liabilities discontinuing		0	17
Total equity and liabilities		1 141	1 220

The notes on pages 44 to 58 are an integral part of these consolidated financial statements.

SIG Group

Consolidated cash flow statement January-December in EUR million

	Notes	SIG Group	
		2006	2005
Cash flow from operating activities			
Profit / loss		66	43
Adjustments for:			
Depreciation & amortization of property, plant & equipment (+)	3, 4	113	105
Profit from sale of securities and financial assets (-)	24	-1	0
Profit from sale of property plant & equipment (-)		-2	-3
Profit from sale of consolidated companies (-)	30	-7	-5
Result from associated companies (+/-)		1	4
Exchange rate profit (-) / loss (+) from financing activities		-3	-5
Write down of financial assets and securities (+)		0	1
Income tax expense (+)		16	27
Net interest expense (+)		11	13
Other non-cash-related positions (+/-)		-3	3
Increase (+) / decrease (-) of net deferred taxes		11	-2
Increase (+) / decrease (-) of provisions		-14	22
Increase (-) / decrease (+) in net current assets (excluding securities, cash and cash equivalents, excluding tax and interest accruals)		24	50
Interest paid		-18	-17
Income tax paid		-19	-27
Total		175	209
Cash flow from investing activities			
Purchase of property, plant and equipment (-)	3	-102	-110
Sale of property, plant and equipment (+)		6	8
Purchase (-) / sale (+) of intangible assets	4	-25	-28
Acquisition of consolidated companies (net of cash) (-)	30	0	-1
Disposal of consolidated companies (net of cash) (+)	30	7	-4
Acquisition (-) / disposal (+) of non-consolidated companies		-1	-1
Dividends received from associated companies (+)		0	0
Increase (-) / decrease (+) in loans		5	-1
Purchase (-) / sale (+) of securities		1	1
Interest received		7	4
Total		-102	-132
Free cash flow		73	77
Cash flow from financing activities			
Dividends paid (-) to equity holders		0	-4
Dividends paid (-) / received (+) from consolidated companies		0	4
Purchase (-) / sale (+) of own shares		-30	2
Capital increases (+/-) consolidated companies		-16	-4
Increase (+) / decrease (-) in borrowings		-102	117
Total		-148	115
Currency translation differences on cash and cash equivalents		4	-3
Changes in cash and cash equivalents		-71	189
Cash and cash equivalents at beginning of period		292	103
Cash and cash equivalents at end of period		221	292
Additional information discontinued operations¹			
Cash flow from operating activities		0	-6
Cash flow from investing activities		0	-11
Cash flow from financing activities		0	12

¹SIG Beverages Discontinuing Business (SIG Simonazzi, SIG Alfa, SIG Manzini, SIG Comaco)

The notes on pages 44 to 58 are an integral part of these consolidated financial statements.

SIG Group

Changes in equity in EUR million

Changes in equity

	Share capital	Additional paid in capital	Retained earnings	Currency differences	Equity attributable to shareholders	Minority interests	Total equity
As at 1/1/2005	40	159	202	-34	367	1	368
Cash flow hedges			0		0		0
Currency translation differences				19	19	-1	18
Net income / expense recognized directly in equity	40	159	202	- 15	386	0	386
Profit / loss of the period			47		47	0	47
Total recognized income and expense	40	159	249	- 15	433	0	433
Management Participation plan			2		2	0	2
Dividend payments ¹			-4		-4	0	-4
Reduction of the nominal value	0				0	0	0
Purchase / sale of own shares	0	0	2		2	0	2
As at 12/31/2005	40	159	249	-15	433	0	433
As at 1/1/2006	40	159	249	-15	433	0	433
Cash flow hedges			0		0		0
Currency translation differences				-3	-3	0	-3
Net income / expense recognized directly in equity	40	159	249	- 18	430	0	430
Profit / loss of the period			66		66	0	66
Total recognized income and expense	40	159	315	- 18	496	0	496
Management Participation plan			- 1		- 1		- 1
Dividend payments ¹			0		0	0	0
Reduction of the nominal value	- 16				- 16	0	- 16
Purchase / sale of own shares	0	0	- 28		- 28	0	- 28
As at 12/31/2006	24	159	286	-18	451	0	451

¹Dividend per share see page 61

The notes on pages 44 to 58 are an integral part of these consolidated financial statements.

Own shares transactions

	2006	2005
Number of registered shares		
Owned as at 1/1	43 326	65 699
Purchases	24 200	6 050
Purchases share buy back program second trading	178 100	n.a.
Sales / delivery to management	- 43 288	- 28 423
Total as at 12/31	202 338	43 326
of which reserved for management participation plan (see note 27)	20 662	29 018

SIG Group

Notes to the consolidated financial statements in EUR million

Information by countries and regions

	Net sales third		Number of employees ¹		Number of employees (in %)	
	2006	2005	2006	2005	2006	2005
Germany	351	328	2 847	3 023	61%	63%
Spain	109	108	39	44	1%	1%
Italy	32	32	22	17	0%	0%
Rest of EU	368	329	526	653	11%	14%
EU	860	797	3 434	3 737	73%	78%
Switzerland	14	18	251	248	5%	5%
Rest of Europe	138	108	76	57	2%	1%
Europe	1 012	923	3 761	4 042	80%	84%
USA	40	38	47	34	1%	1%
Rest of America	35	48	66	61	1%	1%
America	75	86	113	95	2%	2%
Asia	249	191	801	639	18%	14%
Rest of World	13	7	0	0	0%	0%
Total	1 349	1 207	4 675	4 776	100%	100%

	Assets		Investments in tangible & intangible fixed assets		Depreciation / amortization	
	2006	2005	2006	2005	2006	2005
Europe	870	952	72	82	80	77
America	55	55	10	8	3	4
Asia	216	196	45	51	30	24
Rest of World	0	0	0	0	0	0
Total	1 141	1 203	127	141	113	105

Information by segments

	Number of employees ¹		Number of employees (in %)		Total research & development costs		Investments in PP&E and intangible assets	
	2006	2005	2006	2005	2006	2005	2006	2005
SIG Combibloc	3 892	3 943	83%	83%	47	39	112	133
SIG Beverages	484	634	10%	13%	8	7	6	1
Corporate/Services	299	199	7%	4%	2	0	9	7
Eliminations	0	0	0%	0%	0	0	0	0
SIG Group	4 675	4 776	100%	100%	57	46	127	141
SIG Group (% of net sales)					4.2%	3.8%	9.4%	11.7%

Segment Discontinuing (discontinuing and sold operations)

	Net sales		Profit before tax		Income tax expenses	
	2006	2005	2006	2005	2006	2005
SIG Beverages Discontinuing Business ²	0	244	0	10	0	-6
Total Discontinuing	0	244	0	10	0	-6

¹2006: Thereof 200 apprentices

²SIG Simonazzi, SIG Alfa, SIG Manzini, SIG Comaco

The notes on pages 44 to 58 are an integral part of these consolidated financial statements.

SIG Group

Notes to the consolidated financial statements in EUR million

Segment information	Continuing operations			
	SIG Combibloc		SIG Beverages	
	2006	2005	2006	2005
Income statement¹				
Net sales third	1 204	1 094	145	118
Net sales between segments ²	6	3	0	7
Net sales	1 210	1 097	145	125
Income from associated companies	0	- 3	- 1	- 1
Other operating income	17	20	5	10
Operating income	1 227	1 114	149	134
Own work capitalized	49	77	3	0
Changes in inventories of finished goods & WIP	- 4	- 7	5	- 2
Raw materials, supplies and services	- 627	- 587	- 81	- 55
Personnel costs	- 195	- 202	- 39	- 43
Other operating expenses	- 246	- 220	- 34	- 30
Operational financial income from third parties	3	4	1	1
Operating profit / loss before depreciation & amortization (EBITDA)	207	179	4	5
Depreciation of property, plant & equipment	- 82	- 72	- 2	- 2
Amortization of intangible assets (without goodwill)	- 22	- 21	- 1	- 2
Operating profit / loss (EBIT)	103	86	1	1
Balance sheet¹				
Goodwill	0	0	13	19
Interests in associated companies	11	12	0	0
Long-term loans between segments ³	0	0	0	0
Other non-current assets ³	464	470	25	22
Deferred tax assets	3	4	1	1
Total non-current assets	478	486	39	42
Short-term loans between segments ³	30	15	17	24
Other current assets	309	298	55	56
Total current assets	339	313	72	80
Total assets	817	799	111	122
Equity incl. minority interests	311	272	31	45
Deferred tax liabilities	14	12	4	3
Financial liabilities	262	305	15	14
Other liabilities	230	210	61	60
Total liabilities	506	527	80	77
Total equity and liabilities	817	799	111	122
Additional information				
Net current assets	82	99	3	7
Average capital employed (CE) ⁴	551	535	32	40
Return on capital employed (ROCE) ⁵	19%	16%	3%	2%

¹Allocation according to the reported IFRS values of the assigned companies (management consolidation structure).

²Internal transfer prices are at fair values

³The high values in the segment «Corporate/Services» are the result of the intercompany financing, as well as the carrying amounts of the investments in the holding companies. These values are offset in the column «Eliminations».

⁴Equity + net financial liabilities, average: (previous year-end value + current year-end value) / 2

⁵EBIT in % of average capital employed

Continuing operations						Discontinued operations ⁷	
Corporate/Services		Eliminations		SIG Group ⁶		2006	2005
2006	2005	2006	2005	2006	2005	2006	2005
0	0	0	0	1 349	1 212	0	239
0	0	- 6	- 15	0	- 5	0	5
0	0	- 6	- 15	1 349	1 207	0	244
0	0	0	0	- 1	- 4	0	0
64	55	- 47	- 41	39	44	0	2
64	55	- 53	- 56	1 387	1 247	0	246
0	0	0	0	52	77	0	0
0	0	0	0	1	- 9	0	10
0	0	6	15	- 702	- 627	0	- 155
- 30	- 19	0	0	- 264	- 264	0	- 59
- 37	- 43	46	41	- 271	- 252	0	- 32
0	0	- 4	- 5	0	0	0	0
- 3	- 7	- 5	- 5	203	172	0	10
- 5	- 6	0	0	- 89	- 80	0	0
- 1	- 2	0	0	- 24	- 25	0	0
- 9	- 15	- 5	- 5	90	67	0	10
0	0	0	0	13	19	0	0
0	0	0	0	11	12	0	0
36	46	- 36	- 46	0	0	0	0
621	664	- 570	- 617	540	539	0	0
23	19	1	2	28	26	0	0
680	729	- 605	- 661	592	596	0	0
257	291	- 304	- 336	0	- 6	0	6
252	303	- 67	- 44	549	613	0	11
509	594	- 371	- 380	549	607	0	17
1 189	1 323	- 976	-1 041	1 141	1 203	0	17
716	730	- 607	- 624	451	423	0	10
16	6	1	1	35	22	0	0
328	438	- 340	- 383	265	374	0	4
129	149	- 30	- 35	390	384	0	3
473	593	- 369	- 417	690	780	0	7
1 189	1 323	- 976	-1 041	1 141	1 203	0	17
1	- 5	- 1	- 1	85	100	0	3
197	154	- 291	- 221	489	508	n.a.	14
-5%	-10%	n.a.	n.a.	18%	13%	n.a.	n.a.

⁶SIG Combibloc, SIG Beverages (without Discontinuing Business), Corporate/Services, Eliminations

⁷SIG Beverages Discontinuing Business (SIG Simonazzi, SIG Alfa, SIG Manzini, SIG Comaco)

The notes on pages 44 to 58 are an integral part of these consolidated financial statements.

SIG Group

Notes to the consolidated financial statements

Strategic focus

With the divestment of SIG Cantec, the strategic focus on the beverage carton business (SIG Combibloc) and the sector of «Value Added Bottling» for plastic packaging (Beverages) is completed.

In the overview "Segment Information" the part of the 2005 sold division Beverages is shown as "discontinued operations".

To make the figures comparable all SIG Group figures are figures from "continued operations". Previous year's figures are adapted accordingly.

Accounting principles

Basis of preparation

The financial statements of SIG Group have been prepared in accordance with International Financial Reporting Standards (IFRS). The consolidated financial statements are prepared using uniform accounting policies for all group companies.

Interpretations and amendments to published standards effective in 2006:

The following amendments and interpretations to standards are mandatory for the SIG Group's accounting periods beginning on or after January 1, 2006:

- IAS 19 (Amendment), Employee Benefits.

The SIG Group does not change the accounting policy adopted for recognition of actuarial gains and losses and does not participate in any multi-employer plans. Adoption of this amendment impacted only the format and extent of disclosures presented in the accounts.

Management assessed the relevance of these amendments and interpretations with respect to the SIG Group's operations and concluded that they are not relevant to the SIG Group.

Standards, interpretations and amendments to published standards that are not yet effective:

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the SIG Group's accounting periods beginning on or after January 1, 2007 or later.

The SIG Group does not intend to adopt these changes earlier.

For the SIG Group the following standards and amendments will be relevant:

- IFRS 7, Financial Instruments: Disclosures and Amendments to IAS 1 - Presentation of Financial Statements: Capital Disclosures (effective from January 1, 2007).

IFRS 7 introduces new disclosures to improve the information about exposure to risks arising from financial instruments. The SIG Group is currently assessing the impact of IFRS 7 and the amendment to IAS 1. The main additional disclosures will be the sensitivity analysis to market risk and the capital disclosures. The SIG Group will apply the standard from annual periods beginning January 1, 2007.

- IFRS 8, Operating Segments replaces IAS 14 Segment Reporting (effective from January 1, 2009).

The standard requires segment data based on the information of the internal decision-makers. The SIG Group has not yet finished the analysis. Hence, the impact cannot be described yet.

Presentation currency

The financial statements of SIG Group are presented in EUR, the major trading currency of SIG Group. The figures are translated from the functional currency CHF into EUR according to the procedures described in IAS 21.

Consolidation methods

SIG Holding Ltd. and all subsidiaries over which the SIG Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights are fully consolidated. The purchase method of accounting is used to account for the acquisition of subsidiaries. Intercompany transactions, balances and unrealised gains on transactions between SIG Group companies are eliminated.

The equity method of accounting is used for associated companies and joint-ventures over which the SIG Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments with a shareholding of less than 20% are reported as other financial interests.

Subsidiaries are fully consolidated from the date on which control is transferred to the SIG Group. They are de-consolidated from the date that control ceases.

Scope of consolidation

Changes to the scope of consolidation to the previous year are presented in note 1. The consolidated companies are listed on pages 68 and 69.

Capital consolidation

Upon initial consolidation of a company, its identifiable assets, liabilities and contingent liabilities are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the SIG Group's share of net assets acquired is recorded as goodwill with indefinite useful life. Goodwill is tested annually for impairment and carried at costs less accumulated impairment losses. Goodwill is allocated to cash-generating units for the purpose of impairment testing. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Foreign currency translation

Items included in the financial statements of each SIG Group company are measured using the currency of the primary economic environment in which the entity operates (functional currency).

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Resulting currency gains or losses are recognized in the income statement, except when deferred in equity as qualifying cash flow hedges.

The results and financial position of all the SIG Group entities that have a functional currency different from the presentation currency of the SIG Group are translated into the presentation currency as follows:

Balance sheet items at the closing rate, income statement and cash flows at the average rate. All resulting exchange differences are recognized in equity. Unrealized gains and losses from long-term loans to subsidiaries with equity character are neutralized in the equity.

SIG Group

Notes to the consolidated financial statements

Principles of valuation

The consolidated financial statements have been prepared under the historical cost convention or, if lower, net realizable values, except for financial positions including derivatives that are valued at market value.

Property, plant and equipment

Land is booked at purchase cost; the other tangible fixed assets at purchase or manufacturing cost less accumulated depreciation. Depreciation is calculated based on useful life using the straight-line method. The estimated useful life is normally 25 to 30 years for factory buildings and 30 to 40 years for office buildings. Machines and installations are depreciated over 3 to 12 years. Government grants are offset against the asset's book value and thereby distributed over the useful life in the form of lower depreciation. Leases of property, plant & equipment that classify as financial lease are capitalized and depreciated over the estimated useful life. Properties which are predominantly rented to third parties are reported as investment properties at acquisition or production cost less accumulated depreciation. The fair value is reported separately. Non-current assets held for sale are measured at fair value.

Intangible assets

Goodwill: see capital consolidation. The other intangible assets include acquired patents, licenses and similar rights. Patents and licenses are amortized over a maximum period of 5 years on a straight-line basis. The rights to deliver packaging materials are capitalized and amortized using the straight-line method over the expected useful life of up to 6 years.

Research and development

Research costs are charged directly to the income statement. Development costs are recognized as intangible assets if the recognition criteria of IAS 38 are fulfilled.

Interests in associated companies

These interests are shown in the balance sheet with the proportionate equity and in the income statement with the proportionate net profit.

Financial assets

Financial assets are recognized at trade date and valued at market or fair value. Profits and losses arising from changes in market or fair value are recognized in profit or loss during the period.

Inventories

Inventories are measured at the lower of purchase or production cost and net realizable value. The cost of inventories is determined by using the average cost formula. Slow-moving inventories are adjusted in value, and obsolete goods are depreciated. Inventories also include advance payments to suppliers. Manufacturing orders are valued in line with the completed contract method. Advance payments from customers are disclosed as liabilities.

Receivables

Receivables are recognized at cost less allowance for bad debt risks.

Other financial assets (Securities)

Securities are valued at fair value and comprise marketable shares as well as fixed income investments with a maturity of more than 90 days. Changes in fair value are recognized in the income statement.

Derivatives

Derivatives are measured at fair value. Changes in fair value are recognized in the income statement with exception of derivatives that qualify as cash flow hedges; these are recognized in equity.

Cash and cash equivalents

Cash and cash equivalents are recognized at market value and comprise cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within short-term financial liabilities.

Equity

Own shares (treasury shares) which are purchased or held by a SIG Group company are deducted from equity until the shares are disposed of. Gains and losses from own shares transactions as well as dividends from own shares are recognized in the equity.

Provisions

Provisions are recognized when the SIG Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Taxes

Provisions are made for all tax obligations at the balance sheet date, regardless of their payment date. In addition, liabilities are recognized for deferred taxes at the current or at the enacted local tax rate on the difference between the values in the consolidated balance sheet and the values in the tax balance sheets of the individual companies. Deferred withholding taxes are only recognized if the retained profits are not reserved for the growth of the SIG Group company concerned. Tax-relevant losses carried forward are capitalized only to the extent that it is probable that taxable profit will be available in the near future against which the tax assets can be utilized.

Pension plans and other long-term commitments for employees:

Pension obligations under defined benefit plans:
The pension obligations and all major defined benefit plans are determined annually by independent insurance experts. The actuarial costs less the employees' contributions are shown in the income statement as personnel expenditures. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions greater than 10% of the value of plan assets or 10% of the defined benefit obligation are charged or credited to income over the employees' expected average remaining working lives.
Other long-term benefits:
If the SIG Group companies assume long-term benefits such as the costs of medical care for retirees and / or their family members, the costs of

SIG Group

Notes to the consolidated financial statements

those benefits are determined actuarially and accordingly provisions are recognized over the period of service of the employees concerned.

Revenue recognition

Revenue comprises the invoiced value for the sale of goods and services net of value-added taxes, rebates and discounts. Revenue is recognized when significant risks and rewards of ownership of the goods or services are transferred to the buyer.

Impairment of assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Impairment losses are immediately recognized in the income statement.

Segment reporting

Segments are major business lines which provide products or services that are different from those of other segments.

The main segments are:

- Combibloc: Carton Packaging and
- Beverages: Plastic Packaging.

Financial risk management

The SIG Group accounting guidelines regulate all affiliates' management regarding liquidity as well as the procurement of short-term and long-term financing. In order to optimize the SIG Group's financing requirements, the management of non-operating liquidity as well as long-term SIG Group financing is centralized. Short-term financing is taken up decentralized but managed centrally. This ensures cost-efficient financing and optimized liquidity levels based on the Group's overall payment obligation.

Foreign exchange risks

The SIG Group is active worldwide and thus exposed to exchange rate fluctuations which affect the value of SIG Group assets and income reported in EUR. Transaction risks (purchases and sales in foreign currencies) are hedged in consideration of netting possibilities in the SIG Group, and remaining risks are hedged with derivatives. Translation risks (translation of reported figures of affiliates in foreign currency) are not hedged. These amounts are recorded as currency translation differences in the equity of the SIG Group.

Interest rate risks

Interest rate risks result from changes in interest rates which could negatively affect the equity or income of the SIG Group. The management of long-term interest rate risks is carried out centrally. The most significant portion of the SIG Group's long-term financing is set at fixed interest rates, thereby minimizing the effects of interest rate fluctuations on SIG Group income. Local, short-term interest rate risks are in general not hedged by the SIG Group companies.

Credit risks

Credit risks arise from the possibility that the counterparty to a transaction is unable or unwilling to fulfil its obligations and that the SIG Group thereby suffers financial damage. Trade receivables are subject to a policy of active risk management focusing on the assessment of country risk, credit availability, ongoing credit evaluation and account monitoring procedures. The exposure of other financial assets to credit risk is controlled by setting a policy for limiting credit exposures to high-quality counterparties and periodic reviews.

Liquidity risks

SIG Group companies need to have sufficient available cash to meet their obligations. Subject to SIG Group guidelines, the affiliates are responsible for their own cash management (special credit lines are used for short-term liquidity fluctuations). The SIG Group maintains sufficient reserves of cash and readily realizable marketable securities to meet its liquidity requirements at all times.

Judgements made by Management and estimation uncertainties

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that might have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Goodwill:

The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates (Note 4).

If the estimated EBITA margin at December 31, 2007 had been 10% lower than management's estimates at December 31, 2006, the SIG Group would not need to reduce the carrying value of goodwill.

If the estimated sales growth rate at December 31, 2007 had been 10% lower than estimated at December 31, 2006, the carrying value of goodwill would not need to be reduced.

SIG Group

Notes to the consolidated financial statements in EUR million

1. Changes in scope of consolidation

2006

Disposals

9/29/2006	SIG Cantec GmbH & Co. KG, Essen, DE
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2005

Disposals

7/31/2005	SIG Manzini S.p.A., Parma (PR), IT
7/31/2005	SIG Comaco S.p.A., Montecchio Emiliar (RE), IT
9/2/2005	SIG Holding Italia S.p.A., Parma (PR), IT, comprising:
	- SIG Simonazzi S.p.A., Parma (PR), IT
	- SIG Simonazzi Blowform S.p.A., Noceto (PR), IT
	- SIG Simonazzi (Russia) O.o.o., Moskau, RU
	- SIG Simonazzi Germany GmbH, Hamburg, DE
	- SIG Simonazzi Ibérica S.A., Barcelona, ES
	- SIG Alfa S.p.A., Mantova (MN), IT
9/2/2005	SIG Beverages Ltd., Hatfield, GB (Simonazzi Business)

2. Exchange rates

The consolidated financial statements are presented in EUR, as this is the major trading currency of the Group.

	1 CHF		1 USD		1 GBP		100 THB	
	2006	2005	2006	2005	2006	2005	2006	2005
Average rate (income & cash flow statements)	0.64	0.65	0.80	0.80	1.47	1.46	2.10	2.00
Closing rate (balance sheet)	0.62	0.64	0.76	0.85	1.49	1.46	2.14	2.06

SIG Group

Notes to the consolidated financial statements in EUR million

3. Property, plant and equipment

	Investment properties	Land and buildings	Machines, plants and other	Leased assets (Lessor)	Plants under construction	Non-current assets held for sale	2006	2005
Purchase costs								
At the beginning of the year	103	161	559	238	67	0	1 128	1 143
Changes in the scope of consolidation	0	0	-3	0	0	0	-3	-105
Additions	6	4	40	34	18	0	102	111
Disposals	0	0	-26	-20	-4	0	-50	-42
Transfers	2	8	38	7	-59	4	0	0
Currency differences	-2	-1	-2	1	-1	0	-5	21
As at year-end	109	172	606	260	21	4	1 172	1 128
Accumulated depreciation (-)								
At the beginning of the year	-62	-70	-391	-176	-2	0	-701	-699
Changes in the scope of consolidation	0	0	2	0	0	0	2	55
Additions ¹	-3	-5	-50	-29	-2	0	-89	-80
Disposals	0	0	27	18	2	0	47	31
Transfers	-2	2	3	0	0	-3	0	0
Currency differences	1	2	-2	0	0	0	1	-8
As at year-end	-66	-71	-411	-187	-2	-3	-740	-701
Net book values on January 1	41	91	168	62	65	0	427	444
Net book values on December 31	43	101	195	73	19	1	432	427
Fire insurance value of property, plant and equipment							1 270	1 252
Commitments for the acquisition of property, plant and equipment							5	11
¹ includes:								
Impairment losses recognized in profit or loss during the period (-)							-7	-2
Reversals of impairment losses recognized in profit or loss during the period (+)							0	0
Fair value of investment properties ²							83	82
Rental income from investment properties							9	9
Direct operating expenses (including repairs & maintenance) from investment properties							-8	-7

²Fair value of investment properties (mainly industrial real estates) is determined by the Group based on discounted future net cash flow calculations.

SIG Group

Notes to the consolidated financial statements in EUR million

4. Intangible assets

	Goodwill	Rights to supply	Other	2006	2005
Purchase costs					
At the beginning of the year	19	112	27	158	452
Changes in the scope of consolidation	-6	0	1	-5	-10
Additions	0	23	2	25	32
Disposals	0	-14	0	-14	-43
Transfers	0	0	0	0	-280
Currency differences	0	-4	0	-4	7
As at year-end	13	117	30	160	158
Accumulated amortization (-)					
At the beginning of the year	0	-45	-19	-64	-362
Changes in the scope of consolidation	0	0	0	0	7
Additions ¹	0	-22	-2	-24	-25
Disposals	0	14	0	14	39
Transfers	0	0	0	0	280
Currency differences	0	2	0	2	-3
As at year-end	0	-51	-21	-72	-64
Net book values on January 1	19	67	8	94	90
Net book values on December 31	13	66	9	88	94
¹ includes:					
Impairment losses recognized in profit or loss during the period (-)				0	0
Reversals of impairment losses recognized in profit or loss during the period (+)				0	0

Goodwill is currently the only asset that has an indefinite useful life and is therefore not subject to amortization but is tested for impairment annually, and whenever there is an indication that the intangible asset may be impaired. Goodwill is allocated to cash generating units (CGU) for the purpose of impairment testing. The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a 3-year period. Cash flows beyond the 3-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business under review.

Key assumptions used for value-in-use calculations for the goodwill Beverages (CGU Corpoplast and CGU Moldtec):

EBITA margin ¹	5.5%
Growth rate ²	1.5%
Discount rate (pre-tax)	11.1%

¹Budgeted EBITA margin based on past performance and expectations for the market development.

²Weighted average growth rate used to extrapolate cash flows beyond the budget period.

SIG Group

Notes to the consolidated financial statements in EUR million

5. Interests in associated companies

	Assets	Liabilities	Revenues	Profit / loss	Interest held %
Name	2005				
Schott SIG Barrier Technologies GmbH, Mainz, DE	2	1	1	- 2	50
SIG Combibloc Obeikan Company Ltd., Riyadh, SA	56	52	6	- 5	50
SIG Combibloc Obeikan FZCO, Dubai, AE	71	53	62	- 1	50
Total	129	106	69	- 8	
Name	2006				
Schott SIG Barrier Technologies GmbH, Mainz, DE *	0	0	1	- 1	50
SIG Combibloc Obeikan Company Ltd., Riyadh, SA	59	57	27	0	50
SIG Combibloc Obeikan FZCO, Dubai, AE	72	55	72	1	50
Total	131	112	100	0	

* since September shareholding of 100% and fully consolidated

	2006	2005
Interests in associated companies	11	12

6. Inventories

	2006	2005
Raw material & manufacturing supplies	39	37
Work in progress and semi-finished goods	45	46
Finished goods and merchandise	60	64
Advance payments to suppliers	5	4
Inventories	149	151
Carrying amount of inventories carried at net realizable value	0	0
Expenses in the period for inventory write-down to net realizable value	0	0
Reversal of inventory write-down that is recognized as income in the period	0	0

7. Trade receivables

	2006	2005
Trade receivables, gross	114	107
less allowance for bad debt	-12	-13
Trade receivables	102	94

8. Other receivables

	2006	2005
Prepaid expenses and accrued income third parties	16	4
Receivables from associated companies	3	2
Current tax assets	4	2
Others	40	48
Other receivables	63	56

9. Other financial assets

	2006	2005
Stocks	3	4
Interest-bearing securities	11	10
Securities	14	14

10. Long-term provisions

	2006	2005
Provisions for staff pension plans:		
for defined benefit plans	56	56
for defined contribution plans	5	5
Other long-term provisions	66	68
Long-term provisions	127	129

SIG Group

Notes to the consolidated financial statements in EUR million

11. Staff pension plans

In addition to the legally specified social security plans, several independent staff pension plans exist in the Group, mainly held in separate funds. Where this is not the case, appropriate provisions are recognized in the balance sheet for pension benefits including employment termination indemnities. The majority of the employees is insured under defined benefit pension plans. The future obligations (and corresponding values) of the pension plans, qualified as defined benefit plans according to IAS 19, have been determined for all significant cases and assessed by independent experts. The assets of these pension plans are valued at fair value.

Balance sheet information

	2006	2005
Funded assets of independent pension plans at fair value	466	465
Present value of funded pension obligations to existing and retired staff	-366	-376
Surplus (+) / deficit (-) on reporting date	100	89
Asset capping according to IAS 19 §58B	-99	-87
Not recognized actuarial gains (-) / losses (+)	12	15
Present value of unfunded pension obligations to existing and retired staff	-63	-66
Total pension liabilities	-50	-49
Disclosed in the consolidated balance sheet as net assets (incl. In long-term receivables)	6	7
Disclosed in the consolidated balance sheet as provision for staff pension plans	-56	-56

For the defined benefit plans, the pension obligations were determined based on the following assumed average rates:

	2006	2005
Discount rate	4.1%	3.9%
Rate of salary increases	2.0%	1.5%
Rate of pension adjustments	1.3%	1.2%
Return on assets	4.3%	4.8%

Income statement information

	2006	2005
Increase in pension obligations	-4	-6
Interest on pension obligations	-15	-18
Expected return on assets	19	22
Profit / losses on curtailment and settlements	1	-2
Employees' contributions	1	1
Asset capping according to IAS 19 §58B	-14	-16
Actuarial gains / losses of current year	7	11
Total pension fund costs	-5	-8

Changes in the present value of the defined benefit obligation

	2006	2005
At the beginning of the year	442	472
Exchange differences on foreign plans	-12	0
Increase in pension obligations	4	6
Curtailment and effects of change in plan assumptions	-3	-23
Interest on pension obligations	15	18
Employees' contributions	0	3
Actuarial gains / losses	16	17
Benefits paid	-30	-41
Curtailements and settlements	-2	-10
As at year-end	430	442

SIG Group

Notes to the consolidated financial statements in EUR million

Changes in the fair value of plan assets

	2006	2005
At the beginning of the year	465	464
Exchange differences on foreign plans	-15	0
Expected return on assets	20	21
Actuarial gains / losses	22	21
Contributions by employees	1	5
Benefits paid	-26	-36
Assets distributed on settlements	-1	-10
As at year-end	466	465

Expected returns on equity, bonds and funds reflect long-term real rates of return experienced in the respective markets
Income on real estate is based on rental contracts.

The major categories of plan assets

	2006	2005
Cash and cash equivalents	33	41
Shares (of which SIG Holding Ltd.: 38 millions, previous year 49 millions)	162	142
Bonds	152	169
Loan to employer	1	1
Investment funds	0	0
Real estates (of which own used: 7 millions, previous year 7 millions)	118	112
Insurance policies	0	0
Total plan assets	466	465

	2006	2005
Effective return on assets	43	43
Expected contributions in the next year*	0	0

* Employer contributions were paid by pension fund reserve.

4 year overview on defined benefit plans

	2006	2005	2004	2003
Funded assets of independent pension plans at fair value	466	465	466	629
Present value of funded pension obligations to existing and retired staff	-366	-376	-389	-550
Surplus (+) / deficit (-) on reporting date	100	89	77	79
Present value of unfunded pension obligations to existing and retired staff	-63	-66	-83	-100
Differences between expected and actual return on plan assets	22	21	10	-
Actuarial adjustments on plan liabilities	-16	-17	-5	-

Post employment medical benefits:

The only post-employment medical benefits scheme for some retired employees exists in SIG Holding USA Ltd.
As the present value of the unfunded obligation is immaterial and amounts to less than EUR 0.5 million no further details are disclosed.

SIG Group

Notes to the consolidated financial statements in EUR million

12. Interest-bearing liabilities

	2006	2005
4.625% bond 2000-2007 (CHF 150 million) (*in 2006 reclassified to other short-term financial liabilities)	0	96
4.375% bond 2002-2008 (CHF 100 million)	62	64
2.125% bond 2006-2011 (CHF 150 million)	92	95
Bonds issued of SIG Holding Ltd.	154	255
Fair value of the bonds issued	155	262
Bank loans	7	7
Other loans	1	1
Other long-term financial liabilities	8	8
Long-term financial liabilities	162	263
Bank credits	8	17
Other short-term financial liabilities*	95	94
Short-term financial liabilities	103	111
* 2006: including short-term due 4.625% bond, 2005: including short-term due 3.250% bond		
Total interest-bearing liabilities	265	374
Currency breakdown		
CHF	249	348
EUR	1	1
USD	0	0
Other	15	25
Total interest-bearing liabilities	265	374

Breakdown by maturities & interest rate (at balance sheet date)	2006	2005	2006	2005
under 1 year	4.8%	3.6%	103	111
1 to 5 years	3.5%	4.8%	162	168
over 5 years	n.a.	2.3%	0	95
Total interest-bearing liabilities	4.0%	3.6%	265	374

13. Short-term provisions

	2006	2005
Provisions for restructuring	4	18
Provisions for warranties	29	33
Short-term provisions	33	51

14. Other short-term liabilities

	2006	2005
Social security payables (incl. payables for pension plans)	1	5
Accrued liabilities	7	11
Others	45	30
Other short-term liabilities	53	46

SIG Group

Notes to the consolidated financial statements in EUR million

15. Deferred tax assets and liabilities

	Net	Net
	2006	2005
At the beginning of the year	-4	-6
Changes in the scope of consolidation	0	2
Changes recognized in profit & loss	11	1
Currency differences	0	-1
As at year-end	7	-4

	Deferred tax assets	Deferred tax liabilities	Net	Net
			2006	2005
Rights to supply	0	9	9	13
Property, plant and equipment	11	13	2	6
Other non current assets	1	3	2	-1
Inventories	3	2	-1	-3
Receivables	2	0	-2	-1
Other current assets	0	0	0	0
Total assets	17	27	10	14
Provisions	6	11	5	-6
Financial liabilities	0	0	0	0
Other liabilities	0	3	3	2
Total liabilities	6	14	8	-4
Total	23	41	18	10
Balancing	-6	-6	0	0
Recognition of deferred tax assets on tax losses carried forward	19		-19	-19
Unrecognized deferred tax assets on temporary differences	-8		8	5
Deferred tax assets / liabilities	28	35	7	-4

16. Provisions

	Provisions for warranties	Provisions for restructuring	Provisions for staff pension plans	Other long-term provisions	Net	Net
					2006	2005
At the beginning of the year	33	18	61	68	180	196
Changes in the scope of consolidation	-1	0	-2	-1	-4	-37
Increase	23	3	4	8	38	80
Use	-16	-8	-2	-9	-35	-54
Release	-8	-9	0	0	-17	-6
Currency differences	-2	0		0	-2	1
As at year-end	29	4	61	66	160	180
of which long term			61	66	127	129
of which short term	29	4			33	51

The other long-term provisions are mainly due to the considering of the contract risks from the sale of the Business SIG Simonazzi, which could lead to an outflow during the next 2-5 years.

SIG Group

Notes to the consolidated financial statements in EUR million

17. Financial instruments

Financial derivatives held at year-end consist primarily of foreign currency derivatives. The use of derivatives is in line with the Group principles. Contracts are concluded only with first-class institutions and have a time to maturity of less than 1 year.

	Positive replacement value		Negative replacement value		Contract value or nominal value	
	2006	2005	2006	2005	2006	2005
Foreign currency derivatives	1	0	0	-1	119	88
Interest rate derivatives	0	0	0	0	0	0
Total	1	0	0	-1	119	88

Currency breakdown	Forward purchases - contract value		Forward sales - contract value		Other foreign currency derivatives		Total contract value or nominal value	
	2006	2005	2006	2005	2006	2005	2006	2005
CHF	12	0	0	0	0	0	12	0
EUR	38	49	0	1	0	0	38	50
USD	22	3	47	33	0	0	69	36
GBP	0	0	0	0	0	0	0	0
Other	0	0	0	2	0	0	0	2
Total	72	52	47	36	0	0	119	88

18. Mortgaged assets

	2006	2005
Land and buildings	0	0
Other	0	0
Mortgaged assets at net book value	0	0

19. Operating lease

Minimum lease payments:	2006	2005
under 1 year	6	7
1 to 5 years	10	17
over 5 years	4	8
Total	20	32

20. Contingent liabilities / assets

	2006	2005
Contingent liabilities	64	47
Contingent assets	0	0

The contingent liabilities arise from the discounting of bills of exchange as well as guarantees to third parties from ordinary business operations. In addition there exist agreements with the management and some involved consultants to pay an incentive if the takeover will be successful. This amount is dependent on the bid price. The maximum amount is around EUR 9 millions.

SIG Group

Notes to the consolidated financial statements in EUR million

21. Other issues

Filling machines may be replaced or taken back by SIG Combibloc due to changes in customer demands or technical progress. These machines are usually refurbished and resold. Returned machines are recognized in inventories. The related financial risks are evaluated annually (Net Present Value of future lease income) and, if necessary, covered by provisions. Currently there are no provisions required. The potential obligation to take back filling machines exposes the Group to a risk of a potential cash outflow of maximum EUR 115 million as of 12/31/2006 (year-end 2005: EUR 108 million).

22. Personnel costs

	2006	2005
Wages and salaries	217	218
Social security expenses	47	46
Personnel costs	264	264

23. Other operating expenses

	2006	2005
Special costs of sales	73	66
Advertising, representation and travel costs	28	26
Maintenance, energy and rental costs	54	53
Costs of design and testing	10	7
Legal and consultancy costs	13	14
Value adjustments and losses on receivables	2	1
Other sales expenses	32	21
Other administrative expenses	52	61
Other	7	3
Other operating expenses	271	252

24. Financial income

	2006	2005
Income from financial fixed assets	3	4
Income from securities, cash and cash equivalents	5	4
Profits from sale of financial assets and securities	1	0
Financial income	9	8

25. Financial expense

	2006	2005
Interest expense	16	15
Cost (net) of exchange rate differences	- 3	- 5
Financial expense	13	10

SIG Group

Notes to the consolidated financial statements in EUR million

26. Income tax expense

	2006	2005
Current tax	16	22
Deferred tax	11	1
Income tax expenses	27	23

Relation of income taxes to EBT	2006	2005	2006	2005
Theoretical taxes at the local average applicable tax rates	20%	24%	19	16
Tax effect in the determination of taxable income through:				
- non-deductible expenses (+) or revenue taxed at reduced rates (-)	-9%	-8%	-8	-5
- tax refunds (-) respectively surtaxes (+)	13%	5%	12	3
- tax rate modifications (+/-)	0%	0%	0	0
- more (-) respectively less (+) recognition of tax losses compared to previous year	-6%	0%	-6	0
- adding of actual, not recognized losses (+) or deducting of not recognized prior year losses carried forward (-)	11%	14%	10	9
Taxes at effective average tax rate	29%	35%	27	23
Not recognized tax losses which most probably cannot be offset with future tax profits			164	202

27. Management participation plan

In accordance with the management participation plan (LTI), the top management receives (since 2002) conditional rights to SIG registered shares as a long-term incentive. The number of allocated shares depends on the performance of the SIG share price over a three-year period compared to the Swiss Performance Index (SPI). If the SIG share overperforms the Index by 10% or more, 2 shares per entitlement are delivered. If the Index overperforms the SIG share by 10% or more, no shares are delivered. In between there is a linear interpolation. A total of 20 662 shares are reserved in SIG Finanz Ltd. for the management participation plans. Should any takeover take place (see note 33), the conditional rights will get swapped immediately into shares (1:1).

Status of the management participation plans:

Year of plan	Maximum number of shares to be delivered ¹	2006	2005
2003			1
2004	7 520	1	1
2005	6 688	1	0
2006	6 454	0	
Amount recognized in balance sheet for share grant plans in EUR million²		2	2

¹The maximum number of shares to be delivered is subject to annual changes due to staff fluctuations and divested businesses.

²According to IFRS 2 recognized in equity.

SIG Group

Notes to the consolidated financial statements in EUR million

28. Transactions with related parties

Transactions	2006	2005
Sales of goods and services to associated companies	49	44
Purchases of goods and services from associated companies	1	0
Receivables from associated companies	3	2
Payables to associated companies	1	2

Transactions with associated companies are at fair value. As in the previous year, no major business transactions were carried out with other related parties.

Key management compensation (Executive Committee and Board of Directors)

	2006	2005
Salaries and other short-term employee benefits	3	3
Termination benefits	0	0
Post-employment benefits	0	1
Other long-term benefits	0	0
Share-based payments	0	0

29. Government grants

	2006	2005
Government grants for investments are deducted from the carrying amount of assets. Accordingly, the reduced depreciation amounted to	1	1
Grants directly booked to income statement (not for fixed assets)	0	0
Total impact from government grants	1	1

30. Acquisitions / disposals of consolidated companies

	Acquisitions		Disposals	
	2006	2005	2006	2005
Cash and cash equivalents	0	0	-10	-20
Goodwill ¹	0	0	-6	0
Other current assets	0	0	-9	-177
Property, plant and equipment and other non-current assets	1	2	-1	-49
Provisions	0	0	4	37
Financial liabilities	0	0	0	57
Other liabilities	-1	0	12	160
Purchased / sold net assets	0	2	-10	8
less cash and cash equivalents	0	0	10	20
Subtotal	0	2	0	28
Goodwill	0	0	n.a.	n.a.
Profit (-) on divestments	n.a.	n.a.	-7	-5
Decrease (+) / increase (-) of funds	0	2	-7	23

31. Impact of the acquisition and disposal of activities

	Acquisitions		Disposals	
	2006	2005	2006	2005
On net sales	0	0	-9	-366
On operating profit (EBIT)	0	0	-1	-10

32. Events after balance sheet date

The financial statements were authorized for issue on February 23, 2007 by the Board of Directors.

No events are known which might have a significant influence on the annual financial statements.

33. Other important information

For the attention of the shareholders of SIG, the Board of Directors issued on February 9, 2007 reports on the takeover offers of Romanshorn S.A. (controlled by "CVC/FERD") and the Rank Group Ltd. ("RANK") in fulfillment of the legal requirement. In respect of the offer of RANK the Board of Directors recommends the shareholders to reject the offer in consequence of a too low price. In respect of the offer of CVC/FERD the Board of Directors refrained from issuing a recommendation either in favor of or against the CVC/FERD offer as the ultimate execution of the transaction cannot be predicted with sufficient certainty. The offer periods for the shareholders of SIG end March 29, 2007 for the offer of RANK as well as for the offer of CVC/FERD. Should the takeover take place by either one of the parties, the incentive programs for the management and the involved advisers would become effective as disclosed in note 20.

SIG Group

Report of the Group Auditors on the consolidated financial statements

Report of the Group Auditors to the Annual General Meeting of SIG Holding AG, Neuhausen am Rheinfall

As auditors of the group, we have audited the consolidated financial statements (income statement, balance sheet, statement of changes in equity, statement of cash flows and notes) as presented on pages 37 to 58 of SIG Holding Ltd. for the year ended December 31, 2006.

These consolidated financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with Swiss Auditing Standards and with the International Standards on Auditing, which require that an audit be planned and performed to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the consolidated financial statements. We have also assessed the accounting principles used, significant estimates made and the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the financial position, the results of operations and the cash flows in accordance with the International Financial Reporting Standards (IFRS) and comply with Swiss law.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

D. Suter B. Haid
Auditor in charge

Basel, February 23, 2007

SIG Group

5-year overview 2002 - 2006 in EUR million

	2006	2005	2004	2003	2002
Order intake	1 378	1 408	1 631	1 860	1 873
Net sales	1 349	1 451	1 694	1 896	1 877
Operating profit before depreciation & amortization (EBITDA)	203	182	181	173	212
Operating profit before goodwill amortization (EBITA)	90	77	82	48	97
Operating profit (EBIT)	90	77	- 118	16	62
Profit / loss	66	47	- 166	- 20	10
Profit or loss attributable to equity holders	66	47	- 166	- 20	10
Pay-out ratio	31%	n.a.	n.a.	n.a.	43%
Depreciation & amortization	113	105	299	157	150
Investments in property, plant and equipment & intangible assets	127	143	165	180	158
Cash flow from operating activities	175	207	142	164	190
Cash flow from investing activities	-102	-147	-119	-132	-101
Free cash flow ¹	73	60	23	32	89
Cash flow from financing activities	-148	127	-40	-31	-56
Non-current assets	592	596	630	843	870
as % of balance sheet total	52%	49%	50%	51%	49%
Property, plant and equipment	432	427	444	445	474
Goodwill	13	19	19	234	267
Current assets	549	624	633	810	908
as % of balance sheet total	48%	51%	50%	49%	51%
Cash, cash equivalents and other financial assets	235	314	127	141	154
Balance sheet total	1 141	1 220	1 263	1 653	1 778
Total equity	451	433	368	546	586
as % of balance sheet total	40%	35%	29%	33%	33%
Total long-term liabilities	324	415	428	444	492
as % of balance sheet total	28%	34%	34%	27%	28%
Total short-term liabilities	366	372	467	663	700
as % of balance sheet total	32%	31%	37%	40%	39%
Equity attributable to shareholders	451	433	367	546	586
Total interest-bearing liabilities	265	378	307	373	433
Net financial liabilities	30	64	180	232	279
Gearing ²	7%	15%	49%	42%	48%
Return on sales	5%	3%	-10%	-1%	1%
Return on equity	15%	11%	-45%	-4%	2%
Average capital employed (CE) ³	489	522	663	822	901
Return on capital employed (ROCE) ⁴	18%	15%	12%	6%	11%
SIG Value Added (SVA) ⁵	28	18	9	-25	2
Number of employees (full time equivalents)	4 675	4 776	6 671	9 014	9 402
in Switzerland	251	248	260	1 429	1 472
in EU	3 434	3 737	5 358	5 966	6 091

¹Cash flow from operating activities + cash flow from investing activities

²Net financial liabilities (financial liabilities after deduction of cash, cash equivalents and securities) as % of equity including minority interests

³Equity + net financial liabilities, average = (previous year-end value + current year-end value) / 2

⁴EBITA in % of average capital employed

⁵NOPAT - (WACC x average capital employed), WACC = 7.5% ; NOPAT = (EBITA + income from financial assets) x (1-t), tax rate (t) = 30%

SIG Holding Ltd.

5-year overview 2002-2006

		2006	2005	2004	2003	2002
Balance sheet total	in millions of CHF	1 086	1 239	1 070	1 064	1 058
Share capital	in millions of CHF	39	65	65	65	65
Statutory reserves	in millions of CHF	310	262	270	260	260
Free reserves	in millions of CHF	164	186	177	178	167
Available earnings	in millions of CHF	31	31	11	22	25
Net profit	in millions of CHF	26	26	6	13	19
Gross dividends	in millions of CHF	32.5 ¹⁾	0.0	6.5	6.5	6.5
Reduction in par value	in millions of CHF	n.a.	26	n.a.	n.a.	n.a.
Share information						
Nominal value	CHF	6	10	10	10	10
Shares issued		6 500 000	6 500 000	6 500 000	6 500 000	6 500 000
Shares entitled to dividends		6 500 000	6 500 000	6 500 000	6 500 000	6 500 000
Shares owned by Group		202 338	43 326	65 699	37 709	47 911
of which reserved for management participation plan (Long-Term Incentive)		20 662	29 018	50 300	37 000	18 500
Earnings per share	CHF	16.5	11.2	- 39.3	- 4.8	2.3
Shareholders' equity per share	CHF	115	104	89	131	131
Gross dividend per share	CHF	5.0 ¹⁾	0.0	1.0	1.0	1.0
Reduction in par value	CHF	n.a.	4.0	n.a.	n.a.	n.a.
Stock market prices						
High	CHF	410	341	265	196	212
Low	CHF	234	241	167	107	147
Year-end	CHF	407	287	260	171	149

1) Motion to the Annual General Meeting. The Board of Directors reserves the right to revert to its motion should this appear necessary or pertinent in the context of the currently pending takeover offers for the Group's shares. In particular, the Board of Directors reserves the right to withdraw the dividend motion, or to submit a motion whereby the dividend will only be paid out if no public purchase offer has been completed by a given date.

SIG Holding Ltd.

Income statement January-December in CHF

	Notes	2006	2005
Income			
Income from investments and loans to subsidiaries	2	63 000 000	55 800 000
Financial income from third parties		1 710 476	406 345
Gain from sale of fixed assets		649 682	179 590
Other income	3	23 091 498	18 709 386
Total		88 451 656	75 095 321
Expenses			
Personnel costs	4	16 705 941	12 913 640
Administrative expenses and taxes	5	28 455 808	17 334 032
Financial expenses		17 298 953	17 869 036
Extraordinary expenses		179 776	553 153
Total		62 640 478	48 669 861
Net profit			
Profit for the financial year		25 811 178	26 425 460

SIG Holding Ltd.

Balance sheet as at December 31 in CHF

	Notes	2006	2005
Assets			
Fixed assets			
Investments	6	717 519 464	543 974 264
Loans to subsidiaries	7	189 360 979	432 143 178
Property		1 916 149	1 926 467
Total		908 796 592	978 043 909
Current assets			
Receivables from subsidiaries		3 294 611	2 250 981
Other receivables		4 178 859	4 047 881
Accrued income		19 036	11 514
Securities	8	50 364 899	0
Cash and cash equivalents	9	119 922 000	255 068 312
Total		177 779 405	261 378 688
Total assets		1 086 575 997	1 239 422 597
Shareholders' equity and liabilities			
Shareholders' equity (before appropriation of available earnings)			
Share capital	10	39 000 000	65 000 000
General reserves		253 082 055	253 082 055
Reserves for own shares		56 589 342	8 907 632
Statutory reserves		309 671 397	261 989 687
Free reserves		163 912 946	185 594 656
Brought forward from previous year		5 303 192	4 877 732
Net profit		25 811 178	26 425 460
Available earnings		31 114 370	31 303 192
Total		543 698 713	543 887 535
Liabilities			
Bond issues	11	400 000 000	550 000 000
Liabilities to subsidiaries		537 729	1 389 493
Other liabilities		1 834 203	2 753 049
Accrued liabilities		5 970 698	9 377 530
Provisions	12	134 534 654	132 014 990
Total		542 877 284	695 535 062
Total shareholders' equity and liabilities		1 086 575 997	1 239 422 597

SIG Holding Ltd.

Notes to the annual financial statement

1. Accounting principles

The Group companies, whose results are consolidated in the Group financial statements, are owned directly or indirectly by SIG Holding Ltd. Legally, the SIG shareholders have an interest in SIG Holding Ltd., whose balance sheet and income statement are provided on the preceding pages.

Economically, the consolidated figures shown in the Group accounts are relevant for the SIG shareholders.

The SIG Holding Ltd. balance sheet and income statement are therefore merely additional information to the consolidated financial statements.

Except for the following comments, there are no facts requiring publication under the stipulation of Paragraph 663b of the Swiss Federal Code of Obligations.

2. Income from investments and loans to subsidiaries

In the year under review, dividend income and interest from loans granted increased by CHF 7.2 million compared to the previous year.

3. Other income

The value for services rented by the group management and other administration-related services was increased compared to the previous year by CHF 4.4 million (from CHF 18.7 million to CHF 23.1 million).

4. Personnel costs

The increase compared to 2005 is mainly caused by a slightly higher average headcount, higher costs for bonuses and share grant.

5. Administrative expenses and taxes

The increase by round CHF 11 million is mainly caused by consultant costs in connection with the takeover transaction, launched Sept. 25, 2006 and costs for strategic projects.

6. Investments

Investments are valued on the basis of acquisition cost less any necessary value adjustments. The major interests held directly or indirectly by SIG Holding Ltd. are listed on page 68 and 69. A capital injection by one of our subsidiaries caused the increase.

7. Loans to subsidiaries

Loans to subsidiaries are granted long-term. In 2006 a restructuring measure caused also some refinancing (see also note 6).

8. Securities

In the year under review in line with the share buy back program there were bought 178 100 SIG shares with a purchase value of CHF 50.4 Million over the second trading line.

9. Cash and cash equivalents

CHF 150 million were appropriated to repay the bond due in April 2006 and CHF 50.4 million to finance the share buyback program. Offsetting cash drain were cash inflows from repayment of loans.

10. Shareholders' equity

The share capital consists of 6 500 000 registered shares with a nominal value of CHF 6.- each. In the year under review the nominal value per SIG share was reduced from CHF 10.- to CHF 6.- each.

As at 12/31/2006, there were 6 500 000 registered shares entitled to dividends. The reserve for own shares is adequately endowed. The free reserves were reduced to CHF 163.9 million following the allocation of CHF 26 million from available earnings and the allocation of CHF 47.7 million for reserve for own shares.

Remarks regarding share buy back see note 8.

Acquisition, disposal and the number of the company's own shares, including transactions with subsidiaries, amount to (expressed in terms of registered shares at CHF 6.- nominal value):

	Average price CHF	Number of registered shares	
		2006	2005
Owned as at 1/1	287	43 326	65 699
Purchases at market price	256	24 200	6 050
Purchases share buy back program second trading line at market price	283	178 100	n.a.
Sale / delivery to management at market price (-)	295	- 43 288	- 28 423
Total as at 12/31	407	202 338	43 326
of which reserved for management participation plan (Long-Term Incentive)		20 662	29 018

11. Bond issues

Interest rate	Type of bond	Duration in years	2006	2005
3.250%	bond 1998-2006	8	0	150 000 000
4.625%	bond 2000-2007	7	150 000 000	150 000 000
4.375%	bond 2002-2008	6	100 000 000	100 000 000
2.125%	bond 2005-2011	6	150 000 000	150 000 000
Total			400 000 000	550 000 000

The bond due was repaid on April 21, 2006.

12. Provisions

In addition to provisions for taxes, this item primarily contains provisions for exchange rate and credit risks related to loans to subsidiaries.

13. Contingent liabilities

	2006	2005
Guarantees and pledges in favor of banks or subsidiaries amount to	0	0
Other contingent liabilities	14 750 000	0

There exist an agreements with the management and some involved consultants to pay an incentive if the takeover will be successful. This amount is dependent on the bid price. The maximum amount is CHF 14.75 millions.

14. Fire insurance value of fixed assets

	2006	2005
Fire insurance value of property, plant and equipment	3 317 000	4 671 000

15. Events after balance sheet date

No events are known which might have a significant influence on the annual financial statements.

16. Other important information

For the attention of the shareholders of SIG, the Board of Directors issued on February 9, 2007 reports on the takeover offers of Romanshorn S.A. (controlled by "CVC/FERD") and the Rank Group Ltd. ("RANK") in fulfillment of the legal requirement. In respect of the offer of RANK the Board of Directors recommends the shareholders to reject the offer in consequence of a too low price. In respect of the offer of CVC/FERD the Board of Directors refrained from issuing a recommendation either in favor of or against the CVC/FERD offer as the ultimate execution of the transaction cannot be predicted with sufficient certainty. The offer periods for the shareholders of SIG end March 29, 2007 for the offer of RANK as well as for the offer of CVC/FERD. Should the takeover take place by either one of the parties, the incentive programs for the management and the involved advisers would become effective as disclosed in note 13.

SIG Holding Ltd.

Proposal by the Board of Directors for the appropriation of available earnings in CHF

	2006	2005
Net profit	25 811 178	26 425 460
Balance brought forward from previous year	5 303 192	4 877 732
Available earnings at the disposal of the Annual General Meeting	31 114 370	31 303 192
Withdrawal from free reserve	1 500 000	
Total available earnings including part of free reserve	32 614 370	
The Board of Directors proposes:		
In the case that at transmission date of the invitation to the Annual General Meeting no takeover transaction has taken place:		
Payment of a gross dividend of CHF 5.00 per registered share*	32 500 000	0
Allocation to free reserves	0	26 000 000
Carried forward to new account	114 370	5 303 192

* Previous year: reduction in par value by CHF 4.00 per registered share

Upon approval of the proposal for the financial year 2006 the corresponding dividend is:

CHF 5.00 gross per registered share or, after deduction of the Swiss Federal Withholding Tax at rate of 35%, CHF 3.25 net.

The Board of Directors reserves the right to revert to its motion should this appear necessary or pertinent in the context of the currently pending takeover offers for the Group's shares. In particular, the Board of Directors reserves the right to withdraw the dividend motion, or to submit a motion whereby the dividend will only be paid out if no public purchase offer has been completed by a given date.

SIG Holding Ltd.

Report of the Auditors to the annual financial statement

Report of the Statutory Auditors to the General Meeting of SIG Holding Ltd., Neuhausen Rhine Falls

As statutory auditors, we have audited the accounting records and the financial statements (income statement, balance sheet and notes as presented on pages 62 to 66) of SIG Holding Ltd. for the year ended December 31, 2006.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with Swiss Auditing Standards, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records and financial statements and the proposed appropriation of available earnings comply with Swiss law and the company's Articles of Incorporation.

We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

D. Suter B. Haid
Auditor in charge

Basel, February 23, 2007

Group Companies

	Stake (in %)	Capital in millions (local currency)	Research and Development	Sales and Service	Production	Financing and Services	Segment	Employees	Net Sales in eur million
Argentina									
SIG Tecnologia para Plásticos (Argentina) S.A., AR-C1070AAG Buenos Aires	100	ARS 0,1		*			SIG Beverages	5	0,2
SIG Combibloc Argentina S.R.L., AR-B1609JUA Buenos Aires	100	ARS 1,13		*			SIG Combibloc	3	0,1
Austria									
SIG Austria Holding GmbH, AT-5760 Saalfelden	100	EUR 1,0				*	Corporate	0	0,0
SIG Combibloc GmbH, AT-5760 Saalfelden	100	EUR 0,035				*	SIG Combibloc	0	0,0
SIG Combibloc GmbH & Co. KG, AT-5760 Saalfelden	100	EUR 4,5		*	*		SIG Combibloc	358	287,2
Brazil									
SIG Beverages Brasil Ltda., BR-04551-065 São Paulo	100	BRL 109,327		*			SIG Beverages	14	2,9
SIG Combibloc do Brasil Ltda., BR-04551-065 São Paulo	100	BRL 57,043		*			SIG Combibloc	22	5,4
Chile									
SIG Combibloc Chile Limitada, CL-Las Condas - Santiago de Chile	100	CLP 125,0		*			SIG Combibloc	2	2,5
China									
SIG Combibloc (Suzhou) Co. Ltd., CN-Suzhou 215126	100	CNY 248,305		*	*		SIG Combibloc	292	60,6
SIG Combibloc Limited, Hong Kong	100	HKD 432,12		*			SIG Combibloc	0	5,7
SIG Combibloc Packaging Technology Services Co. Ltd., CN-Shanghai 200040	100	USD 0,25		*			SIG Combibloc	0	0,0
SIG Corpoplast Trading (Shanghai) Co., Ltd., CN-Shanghai 200040	100	RMB 1,5		*			SIG Beverages	10	0,1
Czech Republic									
SIG Combibloc s.r.o., CZ-50311 Hradec Králové	100	CZK 19,34		*			SIG Combibloc	11	1,1
France									
SIG Combibloc S.à.r.l., FR-92604 Asnières Cedex	100	EUR 0,031		*			SIG Combibloc	48	10,6
Germany									
SIG Asbofill GmbH, DE-41468 Neuss	100	EUR 1,0	*	*			SIG Beverages	27	19,3
SIG Combibloc GmbH, DE-52441 Linnich	100	EUR 2,0		*	*		SIG Combibloc	1'815	786,0
SIG Combibloc Holding GmbH, DE-79761 Waldshut-Tiengen	100	EUR 5,2				*	Corporate	0	0,0
SIG Combibloc Systems GmbH, DE-41468 Neuss	100	EUR 1,0	*		*		SIG Combibloc	397	151,6
SIG Combibloc Vermögensverwaltungs-GmbH & Co.KG, DE-52441 Linnich	100	EUR 30,7				*	SIG Combibloc	0	0,0
SIG Combibloc Zerspanungstechnik GmbH, DE-52074 Aachen	100	EUR 0,256				*	SIG Combibloc	43	16,3
SIG Corpoplast GmbH & Co. KG, DE-22145 Hamburg	100	EUR 12,8	*	*	*		SIG Beverages	251	105,8
SIG Euro Holding AG & Co. KG aA, DE-79761 Waldshut-Tiengen	100	EUR 10,0				*	Corporate	3	0,0
SIG International Services GmbH, DE-52441 Linnich	100	EUR 1,0				*	Services	96	0,0
SIG Information Technology GmbH, DE-52441 Linnich	100	EUR 0,5				*	Services	95	0,0
SIG Moldtec GmbH & Co. KG, DE-45143 Essen	100	EUR 2,0				*	SIG Beverages	111	14,2
SIG Plasmax GmbH, DE-22145 Hamburg	100	EUR 25,0	*	*	*		SIG Beverages	30	2,1
SIG Plastics Holding GmbH, DE-79761 Waldshut-Tiengen	100	EUR 5,0				*	Corporate	0	0,0
SIG Vietnam Beteiligungs GmbH, DE-79761 Waldshut-Tiengen	100	EUR 0,025				*	Combibloc	0	0,0
Great Britain									
Crystal Insurance Comp. Ltd., GB-St. Peter Port, Guernsey GY14HY- C.I.	100	CHF 2,5				*	Corporate	0	0,0
SIG Asset Holding Ltd., GB-St. Peter Port, Guernsey GY14HY- C.I.	100	EUR 0,543				*	Corporate	0	0,0
SIG Combibloc Ltd., GB-Houghton-le-Spring, Tyne and Wear, DH4 6JN	100	GBP 1,50		*			SIG Combibloc	53	60,4
SIG Corpoplast (UK) Ltd., GB-Houghton-le-Spring, Tyne and Wear, DH4 6JN	100	GBP 0,05		*			SIG Beverages	4	0,6
SIG Holdings UK Ltd., GB-Houghton-le-Spring, Tyne and Wear, DH4 6JN	100	GBP 1,0				*	Corporate	0	0,0
Hungary									
SIG Combibloc KFT, HU-6000 Kecskemét	100	HUF 84,3		*			SIG Combibloc	7	0,9
Italy									
SIG Combibloc S.r.l., IT-20121 Milan	100	EUR 0,1		*			SIG Combibloc	19	3,4
Kingdom of Saudia Arabia									
SIG Combibloc Obeikan Company Limited, KSA-11452 Riyadh ¹⁾	50	SAR 34,0			*		SIG Combibloc	109	26,9

	State (in %)	Capital in millions (local currency)	Research and Development	Sales and Service	Production	Financing and Services	Segment	Employees	Net Sales in eur million
Korea									
SIG Combibloc Korea Co., Ltd. KR-Seoul 135-964	100	KRW 260,0		*			SIG Combibloc	10	1,0
Mexico									
SIG Combibloc México S.A. de C.V., mx-México, D.F.	100	MXN 1,0		*			SIG Combibloc	15	8,2
Netherlands									
SIG Combibloc B.V., NL-7554 TV Hengelo (O)	100	EUR 0,04		*			SIG Combibloc	22	4,7
Poland									
SIG Combibloc Sp.z.o.o., PL-02-803 Warsaw	100	PLN 5,909		*			SIG Combibloc	33	4,2
Portugal									
SIG Combibloc, Unipessoal, Lda., PR-1600-100 Lisboa	100	EUR 0,005		*			SIG Combibloc	0	0,0
Romania									
SIG Combibloc S.R.L., RO-014281 Bucharest	100	RON 0,007		*			SIG Combibloc	4	0,2
Russia									
SIG Combibloc, RU-119048 Moscow	100	RUR 5,0		*			SIG Combibloc	49	3,2
Spain									
SIG Tecnología para Plásticos (Espanã) S.L., ES-08025 Barcelona	100	EUR 0,225		*			SIG Beverages	4	0,4
SIG Combibloc S.A., ES-28108 Alcobendas (Madrid)	100	EUR 0,331		*			SIG Combibloc	35	9,8
Switzerland									
SIG allCap AG, CH-8212 Neuhausen am Rheinfall	100	CHF 7,0	*	*	*		SIG Combibloc	128	86,9
SIG Combibloc (Schweiz) AG, CH-8212 Neuhausen am Rheinfall	100	CHF 0,3		*			SIG Combibloc	12	2,1
SIG Finanz AG, CH-8212 Neuhausen am Rheinfall	100	CHF 35,0				*	Corporate	0	0,0
SIG Holding AG, CH-8212 Neuhausen am Rheinfall	100	CHF 39,0				*	Corporate	57	0,0
SIG Schweizerische Industrie-Gesellschaft, CH-8212 Neuhausen am Rheinfall	100	CHF 12,7				*	Services	47	0,0
SIG Technology AG, CH-8212 Neuhausen am Rheinfall	100	CHF 3,0	*			*	Corporate	0	0,0
SIG Reinag AG, CH-8212 Neuhausen am Rheinfall	100	CHF 1,0				*	Corporate	0	0,0
SIG Combibloc International AG, CH-8212 Neuhausen am Rheinfall	100	CHF 0,4				*	SIG Combibloc	5	0,0
Taiwan									
SIG Combibloc Taiwan Ltd., TW-Taipei, Taiwan R.O.C.	100	NTD 15,0		*			SIG Combibloc	33	2,4
Thailand									
SIG Beverages Asia Pacific Pty. Ltd., TH-Bangkok	100	THB 6,0		*			SIG Beverages	22	2,0
SIG Combibloc Ltd., TH-Rayong 21140	100	THB 3070,7		*	*		SIG Combibloc	420	147,3
Turkey									
SIG Combibloc Paketleme ve Ticaret Ltd. Şti., TR-34742 Kozyatađı, Istanbul	100	TRY 0,17		*			SIG Combibloc	4	0,5
USA									
SIG Beverages North America Inc., US-Hillsborough, NJ 08844	100	USD 0,001		*			SIG Beverages	10	5,8
SIG Combibloc Inc., US-Chester, PA 19013	100	USD 27,0		*			SIG Combibloc	38	44,1
SIG Holding USA Inc., US-Chester, PA 19013	100	USD 0,001				*	Corporate	0	0,0
United Arab Emirates									
SIG Combibloc Obeikan FZCO, UAE-Dubai Airport Free Zone ¹⁾	50	AED 98,518		*			SIG Combibloc	102	72,3
Viet Nam									
SIG Vietnam Ltd., VN-Ho Chi Minh City	100	VDN 1,980		*			SIG Combibloc	14	0,5

¹⁾ Registered by the Equity Method

This list does not reflect the legal structure of the SIG Group.

Addresses

Argentina

SIG Combibloc Argentina S.R.L.

Thames 91-1° Of. 4
AR-B1609JUA – Buenos Aires
T +54 11 473 53 571
F +54 11 473 53 571
César Carro

SIG Tecnologia para Plásticos (Argentina) S.A.

Piedras 383-5° Piso (Frente)
AR-C1070AAG – Buenos Aires
T +54 11 4 343 03 68
F +54 11 4 343 10 80
Jorge Esteban Oleskow

Austria

SIG Combibloc GmbH & Co. KG

Industriestrasse 3
AT-5760 Saalfelden
T +43 6582 79 90
F +43 6582 79 92 70
DI Walter Thaller

Brazil

SIG Beverages Brasil Ltda.

Millenium Office Building
Av. Chedid Jafet, 222, cj.42 Torre B
BR-04551-065 – São Paulo
T +55 11 21 07 67 44
F +55 11 21 07 67 45
Felix Colas

SIG Combibloc do Brasil Ltda.

Millenium Office Building
Av. Chedid Jafet, 222, cj.42 Torre B
BR-04551-065 – São Paulo
T +55 11 21 07 67 44
F +55 11 21 07 67 45
Ricardo Lança Rodriguez

Canada

SIG Beverages North America Inc.

Representative Office Canada
7895 Tranmere Drive, Unit 11
CA-Mississauga, Ontario L5S 1V9
T +1 905 670 9611
F +1 905 670 9599
Peter K. Andrich

SIG Combibloc

Representative Office Canada
2425 Matheson Blvd. East - Suite 881
CA-Mississauga, ON L4W 5K4
T +1 905 361 2825
F +1 905 361 2610
Markus Brettschneider

Chile

SIG Combibloc Chile Limitada

Augusto Leguía Norte, 100 - Of. 309
CL-Las Condas - Santiago de Chile
T +56 2 431 09 55
F +56 2 435 06 75
Ricardo Lança Rodriguez

China

SIG Combibloc (Suzhou) Co. Ltd.

399, Xinlong Street,
Suzhou Industrial Park,
Jiangsu Province
CN – Suzhou 215 126
T +86 51 26 28 33 111
F +86 51 26 28 33 222
Markus Boehm

SIG Combibloc (Suzhou) Co. Ltd.

Representative Office Beijing
RM802, CITIC Building 19, Jianguomenwai
Dajie, Chaoyang District
CN – Beijing 100004
T +86 10 65 30 18 60
F +86 10 65 08 90 49
Markus Boehm

SIG Combibloc (Suzhou) Co. Ltd.

Representative Office Shanghai
19F, Shanghai Universal Mansion,
172 Yu Yuan Road
CN – Shanghai 200040
T +86 21 62 48 08 85
F +86 21 62 49 95 41
Markus Boehm

SIG Combibloc Packaging Technology Services

(Shanghai) Co. Ltd.
Room 662,
Tai Gu Road No. 88, Shanghai
Waigaoqiao Free Trade Zone, Shanghai
CN – Shanghai 200040
T +86 21 62 48 08 85
F +86 21 62 49 95 41
Markus Boehm

SIG Corpoplast Trading (Shanghai) Co. Ltd.

Room 1901, Universal Mansion,
No. 172 Yuyuan Road, Jing'an District
CN – Shanghai 200040
T +86 21 62 48 95 95
F +86 21 62 48 13 88
Hans Hsu

Czech Republic

SIG Combibloc s.r.o.

Cihlářská 661
CZ-50311 Hradec Králové
T +42 495 80 07 11
F +42 495 43 62 70
Thomas Binder

France

SIG Combibloc S.à.r.l.

1, rue d'Anjou
FR-92604 Asnières Cedex
T +33 1 41 11 42 42
F +33 1 41 11 42 40
Volker Paulzen

Germany

SIG Asbofill GmbH

Jagenbergstrasse 1
DE-41468 Neuss
T +49 2131 318 0
F +49 2131 318 630
Jürgen Künzel

SIG Beverages Germany GmbH

Helenenstrasse 149
DE-45143 Essen
T +49 201 633 00
F +49 201 633 12 53
Ralf Bajorat

SIG Combibloc GmbH

Rurstrasse 58
DE-52441 Linnich
T +49 2462 79 0
F +49 2462 79 2519
Werner-Walter Schäfers

SIG Combibloc Systems GmbH

Maschinenbau
Jagenbergstrasse 1
DE-41468 Neuss
T +49 2131 318 0
F +49 2131 318 144
Siegolf Kropp

SIG Combibloc Systems GmbH

R & D
Rurstrasse 58
DE-52441 Linnich
T +49 2462 79 0
F +49 2462 79 2519
Heinz Knuppertz

SIG Combibloc Zerspanungstechnik GmbH

Waikmühlenstrasse 4-10
DE-52074 Aachen
T +49 241 93 05 04 0
F +49 241 13 06 4
Hermann-Josef Bucker

SIG Corpoplast GmbH & Co. KG

Meiendorfer Strasse 203
DE-22145 Hamburg
T +49 40 67 90 70
F +49 40 67 90 72 70
Dr. Norbert Bargelé

SIG Euro Holding AG & Co. KG aA

Weilheimer Strasse 5
DE-79761 Waldshut-Tiengen
T +49 7741 6 44 55
F +49 7741 20 28
Joachim Frommherz

SIG International Services GmbH

Rurstrasse 58
DE-52441 Linnich
T +49 2462 79 0
F +49 2462 79 2519
Dr. Franz-Josef Collin

SIG Information Technology GmbH

Rurstrasse 58
DE-52441 Linnich
T +49 2462 79 0
F +49 2462 79 2519
Arndt Gelenkirchen

SIG Moldtec GmbH & Co. KG

Helenenstrasse 149
DE-45143 Essen
T +49 201 633 00
F +49 201 627 321
Otto Krumeich

SIG Plasmox GmbH

Meiendorfer Strasse 203
DE-22145 Hamburg
T +49 40 679 07 0
F +49 49 679 07 100
Ralf Bajorat

Great Britain

SIG Combibloc Ltd.

Blackthorn Way
GB-Houghton-le-Spring,
Tyne and Wear, DH4 6JN
T +44 191 387 80 00
F +44 191 385 47 13
Jens Neidhardt

SIG Corpoplast (UK) Ltd.

Blackthorn Way
GB-Houghton-le-Spring,
Tyne and Wear, DH4 6JN
T +44 191 387 80 00
F +44 191 385 47 13
Stuart J. Davidson

Hungary

SIG Combibloc KFT

Árpád krt. 4
HU-6000 Kecskemét
T +36 76 48 70 41
F +36 76 48 70 45
Tamás Rubóczky

India

SIG Beverage Machinery and Systems

(India) Pvt. Ltd.
D-9, Gulmohar Park, Ground Floor
IN – New Delhi - 110049
T +91 115 174 13 10
F +91 115 174 13 11
Parminder Dadhwal

Indonesia

SIG Combibloc Ltd.

Representative Office Indonesia
Ariobimo Sentral Bldg 5th Floor
JI HR Rasuna Said Blok X-2 No. 5
ID-12950 Jakarta
T +62 2 1521 27 56
F +62 2 1521 27 26
Karl Eagle

Italy

SIG Combibloc S.r.l.
Via Varese, 18
IT-20121 Milan
T +39 0229 01 40 30
F +39 0229 01 74 62
Alberto Ghirlanda

SIG Corpoplast GmbH & Co. KG
Representative Office Italy
Via Libertà, nr. 8/A
IT-43040 Collecchio (Parma)
T +39 0521 80 59 63
F +39 0521 80 34 24
Massimo Pavani

Kingdom of Saudi-Arabia

SIG Combibloc Obeikan Company Limited
P.O. Box 6672
KSA-11452 Riyadh
T +966 1 265 11 44
F +966 1 265 02 72
Abdallah A. Al-Obeikan

Korea

SIG Combibloc Korea Co., Ltd.
2nd Floor, Dongsung Building 229-11
Poi-Dong, KangNam-Gu
KR-Seoul 135-964
T +82 2 2057 90 57
F +82 2 2057 29 57
Karl Eagle

Mexico

SIG Combibloc México SA de C.V.
Av. Ejercito Nacional No. 418
Piso 10 oficina 1 & 2 Col.
Chapultepec Morales
MX-México, D.F. 11570
T +52 55 5255 24 87
F +52 55 5255 25 18
Eduardo Gatica Villasante

Netherlands

SIG Combibloc B.V.
Benelux und Scandinavia
Amarilstraat 11
NL-7554 TV Hengelo (O)
T +31 74 2 55 44 55
F +31 74 2 55 44 00
Jeroen Wiggers

Poland

SIG Combibloc Sp.z.o.o.
ul. Bekasow 63/65
PL-02-803 Warsaw
T +48 22 644 17 02
F +48 22 644 92 28
Jerzy Gorczyński

Romania

SIG Combibloc S.R.L.
Str. Av. Alex. Serbanescu Nr. 38,
Bl. 19B, Sc. 2, Ap. 23, Sector 1
RO-014281 Bucharest
T +40 21 232 18 21
F +40 21 232 18 61
Ovidiu-Constantin Ghircociu

Russia

SIG Combibloc
ul. Usacheva 33, Block 2, 2nd Floor
RU-119048 Moscow
T +7 495 933 02 70
F +7 495 933 02 71
Alexei Muzychkin

SIG Corpoplast GmbH & Co. KG
Representative Office Russia
Boshaya Tulsкая,
10 Building 9, 5th Floor, Office 9515
RU-115191 Moscow
T +7 495 543 94 05
F +7 495 543 94 07
Branislav Brkic

Spain

SIG Combibloc S.A.
C/. Valportillo II, n° 14 2a-planta
ES-28108 Alcobendas (Madrid)
T +34 91 484 13 30
F +34 91 661 75 54
Achim Lubbe

SIG Tecnología para Plásticos (Espanã) S.L.
c/ Provenza 385. 4° 6
ES-08025 Barcelona
T +34 93 208 20 05
F +34 93 208 20 06
Joan Pujol

Switzerland

**Berufsbildungszentrum SIG
Georg Fischer AG**
Industrieplatz
CH-8212 Neuhausen am Rheinfall
T +41 52 674 69 42
F +41 52 674 64 30
Thomas Maag

SIG allCap AG
Industrieplatz
CH-8212 Neuhausen am Rheinfall
T +41 52 674 76 11
F +41 52 674 65 85
Ralph M. Hinderichs

SIG Combibloc (Schweiz) AG
Laufengasse 18
CH-8212 Neuhausen am Rheinfall
T +41 52 674 82 60
F +41 52 674 82 50
Martin P. Leuzinger

SIG Finanz AG
Laufengasse 18
CH-8212 Neuhausen am Rheinfall
T +41 52 674 61 11
F +41 52 674 65 56
Marco Haussener

SIG Holding Ltd.
Laufengasse 18
CH-8212 Neuhausen am Rheinfall
T +41 52 674 61 11
F +41 52 674 65 56
Rolf-Dieter Rademacher

SIG Schweizerische Industrie-Gesellschaft
Industrieplatz
CH-8212 Neuhausen am Rheinfall
T +41 52 674 70 00
F +41 52 674 65 45
Thomas Burkhardt

Taiwan

SIG Combibloc Taiwan Ltd.
4F-3, #37, Zhongyang S. Rd.,
Sec. 2, Beitou District 11270
TW-Taipei, Taiwan R.O.C.
T +88 62 28 97 60 00
F +88 62 28 97 66 55
Karl Eagle

Thailand

SIG Beverages Asia Pacific Pty. Ltd.
No. 591, United Business Center II,
Floor 16, Room 1603 Soi Sukhumvit 33,
Sukhumvit Road
Kwaeng Klongton Nue Khet Wattana
TH-Bangkok, Metropolis
T +66 2 662 32 65 14
F +66 2 662 32 64
Rolf Trippler

SIG Combibloc Ltd.
Head Office
Eastern Seaboard Industrial Estate
33 Moo 4, Highway No. 331, Amphur Pluakdaeng
TH-Rayong 21140
T +66 8 38 95 41 00
F +66 8 38 95 41 03
Karl Eagle

SIG Combibloc Ltd.
Representative Office Bangkok
22nd Floor,
UBC II Building 591 soi; Sukhumvit 33,
Klongton-Nua
TH-Bangkok, 10110
T +66 8 22 59 99 54
F +66 8 22 59 99 62
Karl Eagle

Turkey

SIG Combibloc Paketleme ve Ticaret Ltd. Şti.
E-5 Üzeri, Kaya Sultan Sokak,
Sarnem Plaza No: 99/A Kat.2
TR-34742 Kozyatağı, Istanbul
T +90 216 464 23 32
F +90 216 464 23 35
Ali Suat Öz

United Arab Emirates

SIG Combibloc Obeikan FZCO
P.O. Box 54335
AE-Dubai Airport Free Zone
T +97 14 299 62 62
F +97 14 299 62 63
Abdallah A.Al-Obeikan

USA

SIG Beverages North America Inc.
1 Harvard Way
US-Hillsborough, NJ 08844
T +1 908 253 96 00
F +1 908 252 93 52
Dr. Norbert Bargelè

SIG Combibloc Inc.
2501 Seaport Drive;
River Front Suite 100
US-Chester, PA 19013
T +1 610 546 4200
F +1 614 546 4201
Markus Brettschneider

Viet Nam

SIG Vietnam Ltd.
Broadway Office Park - Unit 202-Bldg.A,
100 Nguyen Luong Bang Blvd.,
Tan Phu Ward, District 7
VN-Ho Chi Minh City
T +84 8 4135 158
F +84 8 4135 160
Dirk Maehr

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SIG Holding Ltd.

CH-8212 Neuhausen am Rheinfall

Tel. +41 52 674 61 11

Fax +41 52 674 65 56

www.sig.biz

**Corporate Communications &
Investor Relations**

Thomas Werder

Tel. +41 52 674 63 06

Fax +41 52 674 65 56

thomas.werder@sig.biz