

REPORT ON THE FOURTH QUARTER 2010

MONTANA
TECH COMPONENTS

MONTANA

TECH COMPONENTS



MONTANA

AEROSPACE & INDUSTRIAL
COMPONENTS

Development and manufacture of high quality aluminium profiles and components for the aerospace industry and other industries



MONTANA

METAL TECH

Special machinery for product identification in the metallurgical sector



MONTANA

VARTA MICRO POWER

Niche player in the market for button cell batteries and rechargeable and non-rechargeable batteries for OEMs



Dear Shareholders,
Dear Ladies and Gentlemen,

The fiscal year 2010 was predominantly marked by a positive trend of the economic environment. At the same time however, negative influences to the worldwide economic recovery appeared continuously. After the dramatic global recession in the year 2009, the current macroeconomic situation has improved significantly, but still continued to be a challenge.

During the year 2010 the MTC Group successfully managed to use its improved competitive position which can be explained by restructuring measures, cost saving effects and optimisations of the value chain set in the past.

A good market positioning and the manifold implemented measures enabled the MTC Group to record increased sales figures and to achieve the turnover level of 2008 again. The pleasant development reflects in positive profitability figures as well with an EBITDA margin of 12.8% and an EBIT margin of 7.9% being achieved in the fiscal year 2010. Both key financials represent historical best figures in the still short corporate life even though it needs to be said that some extraordinary effects favoured this development.

Although the upward trend of the economic development seems to have flattened at last, the current level is continuously satisfying. Nevertheless it is still difficult to deduce a real trend reversal and a sustainable and material economic recovery on a global basis from the current positive business indicators. Leading signs and some sources of irritation are currently noticed in this respect.

The environment on the sales markets has improved in all four quarters 2010 however this might be partially led by catch-up effects from the previous year mainly in the first two quarters 2010. The basic conditions for order intake are still difficult on a price level after the significant reduction of world wide production capacities in 2009. In most Group areas nonetheless the development on a volume level proved to be satisfying.

The MTC Group significantly increased net sales in the fiscal year 2010 compared to the previous year and regained the € 350 million sales threshold of 2008. In comparison to the prior year, sales increased by 15% thanks to a favourable sales performance of the biggest two divisions Aerospace & Industrial Components and Varta Micro Power.

The Aerospace & Industrial Components division succeeded in raising their net sales significantly (whereas the business unit Industrial Components contributed most), the Varta Micro Power division

registered rising sales as well due to increasing demand in the OEM business unit. In the Metal Tech division sales were as expected below the previous year, however, the results improved compared to 2009 due to strong fourth quarter earnings.

In respect of the plant in Romania (UAC Europe S.R.L.) the certification process with Airbus was concluded in significant areas, a fast close of the remaining certification is planned as an ongoing process. However compared to the original business plan the completion faces a backlog of a few months. The certification process will be carried forward continuously. Thanks to the completion of the plant the sales increased in the second half of the year, nevertheless the sales volume did not reach the budgeted level yet. Further sales growth is expected for 2011 due to the now available production capacity. Simultaneously, the construction of a cast house was started.

The MTC Group focuses on opportunities on the sales markets and aims to ensure not only an increasing order intake but also a healthy price level in the course of order acceptance. Moreover, the Group counts further on consistent liquidity management and improved working capital structures in respect of increasing production and sales volumes and their resulting effects.

According to recent estimates for the year 2011, an increase of the gross domestic products can be expected in the most important customer countries of the Group, but in some economies a considerable slow-down of growth is already visible. Nonetheless, after an upward trend MTC Group's order intake stabilized at a satisfactory level in the last couple of months.

In spring 2011 Montana Tech Components AG intends to finalise a capital increase in the amount of € 48 million to refinance the convertible bond which will be due in August 2011 and to realise strategic investment possibilities.

The offer of exchange shares to the minority shareholders of the Alu Menziken Group was implemented in several steps in 2009 and 2010. In July 2010 the MTC Group achieved the 100% ownership of the Alu Menziken Group.

In the 2nd quarter 2010 the MTC Group improved its company structure in the Aerospace & Industrial Components division by merging a couple of companies in Switzerland and the USA. By doing so the Group managed to simplify its consolidation structure and enabled cost savings in the operating business.

The outlook for the global economic development in the upcoming months remains slightly uncertain, although we perceive some sort of normalisation of the macroeconomic situation. From a current point of view the bottom of industrial capacity usage seems to be passed through, however the possibility of a double dip still cannot be denied completely.

From an operational point of view, Montana Tech Components AG expects the challenging situation to continue for fiscal year 2011, but faces it with confidence. In the first quarter of 2011 stable or increasing order intakes were recorded in all divisions. From today's point of view it is expected that the sales and earnings of the year 2011 will surpass 2010 figures.

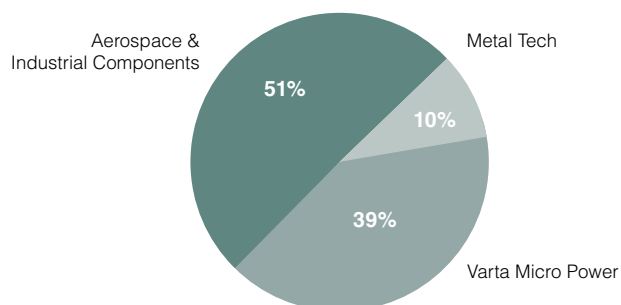
Strategic chances in line with the medium and long term focus of the Group – in terms of organic growth as well as acquisition projects – are continuously evaluated.

Key financials of MTC Group

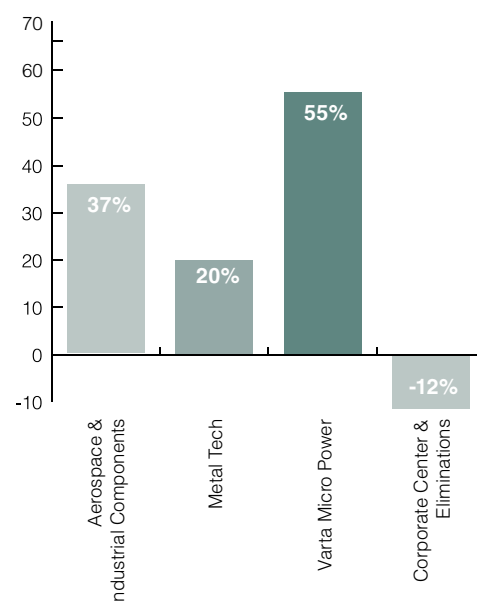
(in T€) audited according to IFRS	MTC Group		Aerospace & Industrial Components		Metal Tech		Varta Micro Power	
	1-12/2009	1-12/2010	1-12/2009	1-12/2010	1-12/2009	1-12/2010	1-12/2009	1-12/2010
Net sales	304.359	351.081	134.863	178.600	44.290	36.541	125.206	135.939
EBITDA	31.856	44.955	12.416	20.441	5.335	6.364	14.456	21.129
% of net sales	10,5%	12,8%	9,2%	11,4%	12,0%	17,4%	11,5%	15,5%
EBIT	13.619	27.860	2.927	10.213	4.418	5.451	6.733	15.292
% of net sales	4,5%	7,9%	2,2%	5,7%	10,0%	14,9%	5,4%	11,2%
EBT	8.722	12.843	-4.002	671	3.195	4.512	4.628	11.504
Net income for the period	4.575	10.744	-7.688	-2.366	2.377	3.405	5.070	13.675
Employees	2.570	2.699	956	1.106	185	159	1.418	1.425

(in T€) audited according to IFRS	MTC Group							
	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010
Net sales	85.131	74.731	71.871	72.626	82.230	88.331	92.391	88.129
EBITDA	9.856	7.891	6.076	8.033	9.257	14.754	12.119	8.825
EBIT	5.931	4.014	1.390	2.284	5.019	10.368	8.019	4.454
EBT	4.821	-393	-2.734	7.028	2.902	8.770	2.336	-1.165
Net income for the period	2.594	-2.032	-3.503	7.516	1.623	7.040	219	1.862
Employees	2.687	2.590	2.580	2.570	2.597	2.664	2.671	2.699

NET SALES PER DIVISION 1-12/2010



EBIT PER DIVISION 1-12/2010



Financial review

INTRODUCTION

In the current reporting period a merger of the companies Alu Menziken Management AG, Alu Menziken Immobilien AG, Alu Menziken Extrusion AG and Alisol AG with Alu Menziken Holding AG (of the Aerospace & Industrial Components division) with retrospective effect as of January 1, 2010 took place. Alu Menziken Holding AG was renamed Alu Menziken Extrusion AG in the course of the merger. Walzmühle Immobilien AG was liquidated in December 2010.

With effect as of June 30, 2010 Savest Corp. merged with its parent company MTC US Corp.

Since the end of 2009 the research projects of the subsidiary VARTA Microbattery GmbH in cooperation with Volkswagen and the Graz University of Technology (VARTA Micro Innovation GmbH) have been classified and treated as a joint venture and an associated company respectively.

INCOME STATEMENT

General Information

MTC Group's consolidated balance sheet, consolidated income statement and consolidated cash flow statement for the fourth quarter of 2010 are listed in shortened versions on page 10 and 11 of this report.

Consolidated net sales of the MTC Group in 2010 amounted to T€ 351,081 (2009: T€ 304,359). This represents an increase of 15% compared to the same period of the previous year which resulted mainly from higher sales of products in the Aerospace & Industrial Components and the Varta Micro Power divisions. Solely the Metal Tech division had to register a sales decrease in comparison to 2009.

Since invoicing is primarily done in local currency, the development of the U.S. Dollar and the Swiss Franc has no significant effect on the operating business of the companies. The development of the U.S. Dollar and the Swiss Franc, however, leads to positive or negative impacts on the competitive position in certain markets and

when the translation from the functional currency to the reporting currency (Euro) is performed.

The change in finished and unfinished goods is positive because the increase in demand mainly in the Aerospace & Industrial Components and Varta Micro Power divisions needs to be covered with a higher minimum volume of finished and unfinished goods. The Group nonetheless continues its action in order to guarantee an efficient working capital management.

The other operating income is higher compared to the previous year and includes – apart from ordinary positions – a revaluation of property, plant and equipment and income from the valuation of know-how in respect of the contribution into the joint venture with Volkswagen (Varta Micro Power division).

Cost of materials, supplies and services increased by almost 34% from T€ 116,490 in 2009 to T€ 156,410 in 2010. This trend is attributable to rising purchasing volumes and to the development of inventories.

After various human resource measures which caused the decline in personnel expenses in 2009 and still in the first quarter of 2010, a rise in personnel is now recorded in the Aerospace & Industrial Components and Varta Micro Power divisions again. In the Metal Tech division a stabilisation of headcount is expected after the implementation of human resource measures which were necessary due to the decline in demand. All together, the personnel expenses stand 6% above the level of the same period of the previous year.

Other operating expenses increased by T€ 7,065 to T€ 61,587 in comparison to the previous year. The rise is mainly caused by the increase of energy costs, freight-out costs and customs duties as well as maintenance expenses which are directly linked to the increased production and the increased sales volumes. In the course of the ramp-up of production of UAC Europe S.R.L. additional expenses occurred too.

EBITDA amounted to T€ 44,955 (2009: T€ 31,856) which corresponds to an EBITDA margin of 12.8% (2009: 10.5%).

Furthermore, EBIT for the fiscal year 2010 was T€ 27,860 (2009: T€ 13,619), representing an EBIT margin of 7.9% (2009: 4.5%).

Due to the financing structure of the MTC Group, the balance of interest income and interest expense remains clearly negative. Compared to 2009 net interest expense decreased significantly by T€ 1,004 to T€ 8,648. This trend can be explained by reduced financing positions and decreased interest rates. Other financial result includes foreign currency exchange gains of T€ 552 and foreign currency exchange losses of T€ 3,453 which result from the negative development of the foreign exchange rates Swiss franc and US dollar to Euro and Swiss franc to US dollar respectively.

The recognition of the exchange offer to the minority shareholders of Alu Menziken Holding AG led to a gain from the purchase of minority shares in the amount of T€ 700 (2009: T€ 7,840) according to IFRS 3.

During the extended periods of exchange 21,501 shares have been underwritten in addition to 169,166 shares already tendered during the ordinary period of exchange until December 7, 2009. The remaining 233 shares in the ownership of minority shareholders have been purchased by the MTC Group. The difference resulting from the acquisition of the minority shares in terms of the lately exchanged and purchased shares are recognised in the equity of the Group according to the new requirements of IAS 27 (revised).

In the past reporting periods different results of the Group companies in diverse tax jurisdictions caused a high income tax burden. A major improvement of the tax rate was however achieved in 2010. The tax expense for 2010 amounts to T€ 2,099. Compared to the same period of the previous year the tax rate improved significantly and stands now at 16%. In particular, non capitalised deductible tax losses brought forward from previous years as well as the capitalisation of significant tax losses brought forward influenced the tax rate in a positive way.

Non-deductible interest expenses had a negative impact on the tax rate of the Group in the previous years. In the past fiscal year, however, steps concerning the improvement of this situation were taken so that no negative tax effect occurred.

Divisional Information

Major sales contributor of the Group was again the Aerospace & Industrial Components division with T€ 178,600 (51%). The Varta Micro Power division contributed with T€ 135,939 (39%) and the Metal Tech division with T€ 36,541 (10%). Net sales in both the Aerospace & Industrial Components division and the Varta Micro Power division are clearly higher than in the previous year. Only the Metal Tech division recorded as expected a sales decline compared to 2009.

Sales of aerospace products in 2010 were higher than in 2009. Responsible for this positive trend are both the start of business in Romania and the sales contribution in the US. In addition, sales of industrial components products gave a clear sign of recovery. In total, the rise in sales in the division amounted to 32% compared to the previous year.

The Metal Tech division had to report a significant decline in sales (17%) compared to the previous year. In contrary, the Varta Micro Power division managed to raise their sales level by 9% from 2009.

In 2010, the Varta Micro Power division was again the major contributor to the Group's EBIT with T€ 15,292 (2010: T€ 6,733). The divisional EBIT margin amounts to 11.2% (2009: 5.4%). The improvement of the EBIT margin is due to a more favourable product and margin mix and due to increased demand in the OEM business. In addition, extraordinary effects such as the revaluation of property, plant and equipment and the valuation of know-how in respect of the contribution into the joint venture with Volkswagen in the amount of approx. € 3 million had a positive impact.

The EBIT of the Aerospace & Industrial Components division was T€ 10,213 (2009: T€ 2,927), representing a tremendous rise of 249%. The geographical area USA performed at the level of the previous year. A negative impact was the start-up loss from UAC Europe S.R.L which however clearly decreased in the second half of the year. The result of the geographical area Switzerland was negative in the current period due to the increasing strength of the Swiss Franc and due to an unsatisfying level of sales prices, nonetheless results improved in comparison to 2009.

FINANCIAL REVIEW

The Metal Tech division contributed T€ 5,451 (2009: T€ 4,418) to the EBIT of the Group. The EBIT margin increased by 4.9 percentage points compared to the previous year and stands now at 14.9%. Thanks to value added measures implemented last year the division managed to achieve a better EBIT despite of the decreased order volume.

Finally, EBIT in the Corporate Center and eliminations resulted in a consolidated amount of T€ -3,096 (2009: T€ -459). Mainly responsible for this deterioration are project-related costs, increased personnel expenses and a new compensation system for the supervisory board.

BALANCE SHEET AND FINANCIAL POSITION

Compared to year-end 2009, the equity ratio was strengthened slightly to 37% (December 31, 2009: 34%). Apart from the net profit, exchange rate differences had a positive impact. In the contrary, other comprehensive income and adjustment of minority shares had a negative impact on the Group equity. As of December 31, 2010 Group equity amounts to T€ 152,210 (December 31, 2009: T€ 124,126).

Responsible for the increase of property, plant and equipment were exchange rate effects as well as the above described revaluation of property, plant and equipment in the Varta Micro Power division. Starting with the fourth quarter of 2010, capital expenditure within the Group increased again.

Inventories increased significantly compared to year-end 2009 and now amount to T€ 70,309, partially caused by exchange rate effects as well as due to the current purchasing policy described above. Stock increases in real terms are recorded in particular in the Aerospace & Industrial Components division and Varta Micro Power division due to the upswing in demand. Trade receivables increased by T€ 8,871 compared to year-end 2009.

Cash and cash equivalents amounted to T€ 30,566 and were considerably below their level at the balance sheet date 2009 (T€ 39,035).

Decrease was mainly due to the decrease of cash flow from operating activities. Further substantial cash outflows were particularly caused by financing activities – mainly due to scheduled and non-scheduled redemptions in the Varta Micro Power division.

Regarding the development of liabilities to financial institutions, it should be noted that an increase of bank loans is caused by financing the project in Romania in the Aerospace & Industrial Components division. On the other hand, a shrinking use of working capital lines (in the Varta Micro Power division in particular) and annuity repayments took place, the total effect was a decrease in the amount of T€ 15,319 already taken into account the effects of exchange rate differences and interest accruals.

As of December 31, 2010, net debt in a narrow sense¹⁾ is T€ 52,061 (net gearing in a narrow sense is 34% in relation to total equity). Net debt in a wide sense²⁾ is T€ 99,152 (net gearing in a wide sense is thus 65% in relation to total equity). Both financial ratios improved significantly compared to year-end 2009.

Trade payables and advances received increased by T€ 12,874 compared to December 31, 2009, which can mainly be explained by increased purchases during the past couple of months and exchange rate differences.

CASH FLOW DEVELOPMENT

Cash flow from operating activities amounted to T€ 28,270 in 2010 compared to T€ 34,210 in 2009. This decrease was mainly due to the build-up of inventories and receivables caused by the improved order intake and production levels.

The cash flow from investing activities changed from T€ -24,163 in the prior year to T€ -14,009. This decrease can be attributed to the now almost completed investing need in the plant in Romania which caused substantial cash outflows in the years 2008 and 2009 in the Aerospace and Industrial Components division. Secondly, the general retention concerning capital expenditure continued for the most part of 2010.

1) Net debt in a narrow sense – Liabilities to financial institutions minus liquid funds

2) Net debt in a wide sense – Financial liabilities (including convertible bond) minus liquid funds

Cash flow from financing activities was T€ -25,503. This cash flow results from the refund of formerly paid fees for capital increases in the amount of T€ 206, from payments received by the increase of bank loans in the Aerospace & Industrial Components division (solely by UAC Europe S.R.L.) amounting to T€ 3,453 and in the Metal Tech division in the amount of T€ 600 respectively. On the other hand repayments of financial liabilities in the amount of T€ 23,397, interest payments in the amount of T€ 5,691 and payments for financial leasing in the amount of T€ 675 have been made.

DEVELOPMENT IN THE FOURTH QUARTER

In the 4th quarter sales of the MTC Group amounted to T€ 88,129 (Q4 2009: 72,626). Thereby, the Aerospace & Industrial Components division contributed T€ 47,079 (53%), the Metal Tech division T€ 11,154 (13%) and the Varta Micro Power division T€ 29,896 (34%).

EBIT for the fourth quarter was T€ 4,454 (Q4 2009: T€ 2,284), whereby the Aerospace & Industrial Components division contributed T€ 1,391 (Q4 2009: T€ -382), the Metal Tech division T€ 2,790 (Q4 2009: T€ 1,592) and the Varta Micro Power division T€ 1,818 (Q4 2009: T€ 984) respectively. Finally, EBIT in the Corporate Center and eliminations amounted to T€ -1,545 (Q4 2009: T€ 90).

EVENTS AFTER THE BALANCE SHEET DATE

On the occasion of the extraordinary general meeting of Montana Tech Components AG held on February 18, 2011 an ordinary and a conditional capital increase were decided.

Furthermore, additional agreements with related parties were concluded after the balance sheet date.

OUTLOOK

The order situation within the MTC Group develops still positively; this trend has even strengthened recently. However, according to our estimates it is still too early to deduct a sustainable and stable recovery of the world economy from these signals. In particular, the forecast ability for the time beyond the upcoming quarters continues to be limited.

For the full year 2011 an increase in sales as well as a further increase in results compared to the previous year are expected. Improving results from the industrial components business, the successive increase of the production in Romania and an increase in the profitability in the geographical aerospace-segment US will contribute to the rise of operating results.

The lately completed plant in Romania will be further extended. The construction of a billet casting house is already in progress and an extension of the product line is in examination.



CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2010

ASSETS (in T€) audited according to IFRS	DEC. 31, 2009	DEC. 31, 2010
Intangible assets	78.673	83.604
Property, plant and equipment	132.808	145.448
Joint ventures and associated companies	161	8.199
Other non-current assets and receivables	11.902	17.261
Non-current assets	223.544	254.512
Inventories	56.224	70.309
Trade receivables	37.210	46.081
Other current assets and receivables	8.469	9.490
Cash and cash equivalents	39.035	30.566
Current assets	140.938	156.446
TOTAL ASSETS	364.482	410.958

LIABILITIES AND SHAREHOLDERS' EQUITY (in T€) audited according to IFRS	DEC. 31, 2009	DEC. 31, 2010
Shareholders' equity MTC AG	119.138	152.210
Minority interests	4.988	0
Shareholders' equity	124.126	152.210
Liabilities to financial institutions	77.151	49.854
Other non-current financial liabilities	32.234	6.068
Deferred tax liabilities	21.346	22.917
Post employment benefits and other employee benefits	14.205	16.885
Other non-current liabilities and provisions	5.844	12.057
Non-current liabilities	150.780	107.781
Liabilities to financial institutions	20.795	32.773
Other current financial liabilities	10.057	41.023
Provisions	15.881	13.912
Trade payables and advances received	18.687	31.561
Accruals	14.145	17.523
Other current liabilities	10.011	14.175
Current liabilities	89.576	150.967
TOTAL LIABILITIES	240.356	258.748
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	364.482	410.958

CONSOLIDATED INCOME STATEMENT AS OF DECEMBER 31, 2010

(in T€) audited according to IFRS	1-12/2009	1-12/2010
Net sales	304.359	351.081
Change in finished and unfinished goods	-10.614	7.755
Other operating income	12.012	13.122
Cost of materials, supplies and services	-116.490	-156.410
Personnel expenses	-102.889	-109.006
Depreciation and amortisation	-18.237	-17.095
Other operating expenses	-54.522	-61.587
Operating result	13.619	27.860
Interest income and expenses	-9.652	-8.648
Other financial result - net	-3.020	-6.009
Gain from purchase of minority shares	7.840	700
Net result from investments in associated companies	-65	-1.060
Income before tax	8.722	12.843
Income tax expense	-4.147	-2.099
NET INCOME FOR THE PERIOD	4.575	10.744
Thereof:		
Shareholders' MTC AG	9.278	10.733
Minority interests	-4.703	11
Net income for the period	4.575	10.744

CONSOLIDATED CASH FLOW STATEMENT AS OF DECEMBER 31, 2010 (short form)

(in T€) audited according to IFRS	1-12/2009	1-12/2010
Cash flow from operating activities	34.210	28.270
Cash flow from investing activities	-24.163	-14.009
Cash flow from financing activities	-1.272	-25.503
Net change in cash and cash equivalents	8.775	-11.242
Cash and cash equivalents as of January 1	30.343	39.035
Effect of exchange rate changes	-83	2.773
Cash and cash equivalents as of December 31	39.035	30.566

Divisional Presentation



MONTANA
AEROSPACE & INDUSTRIAL
COMPONENTS

AEROSPACE AND INDUSTRIAL COMPONENTS

The Aerospace & Industrial Components division managed to raise their sales by 32% compared to the previous year, both business units aerospace and industrial components have contributed to this positive development. The industrial components business recorded a substantial increase in sales after the financial crisis in 2009. In addition, the aerospace business recorded a sales increase compared to the previous year as well, this was also achieved due to the beginning production of the Romanian company.

The new plant in Romania (UAC Europe S.R.L.) recorded a positive EBIT for the first time in the 4th quarter 2010.

In the industrial components area competitiveness could be gained back step by step, however the price level of orders has not returned to a satisfying level so far. The lasting strength of the Swiss Franc had an additional negative impact.

In summary, the order situation of both business units gives ground for satisfaction.

Aerospace

The aerospace business faced a rise in demand compared to the previous year. The temporary weakness of the market in late 2009 and beginning of 2010 seems to have found an end based on the recent announcements regarding the increase of production intended by leading aircraft manufacturers, a recovery in demand for the upcoming quarters and according to our current judgement even beyond is therefore expected. The build rates of the most important aircraft manufacturers are the most significant factor for sales and profitability of this business unit.

After the successful production start of the plant in Romania, the construction of a billet cast house was started to extend the manufacturing capacity. Furthermore, it is planned to step into the component manufacturing in the near future. In the US locations, dependent on capacity usage the presses will gradually be converted from direct to indirect technology (either by revamp or by new acquisition). This will result in an expected productivity increase of up to 25%. Furthermore, in the short term an investment in a second heavy press in the US as well as in the medium term the extension of production into new business areas will be examined. This shall strengthen the strategic focus of this business unit.

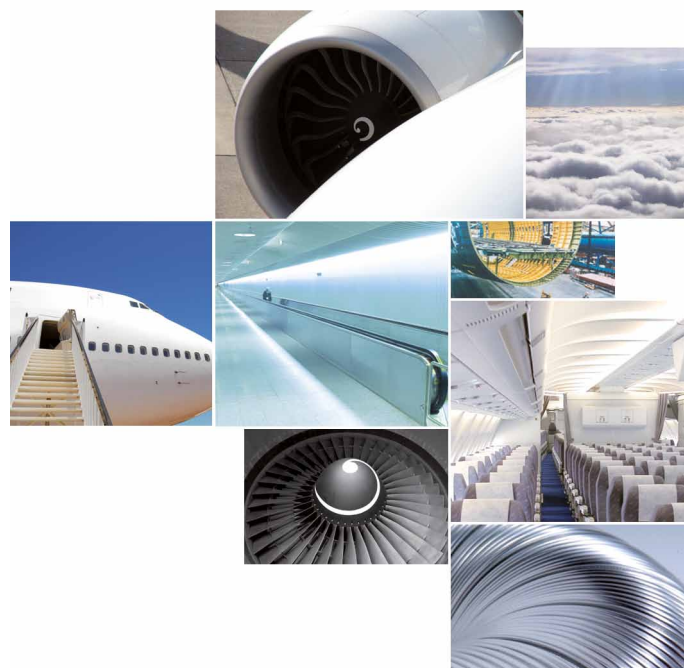
Industrial Components

The capacity utilisation was increased significantly in 2010. Back in 2009 the capacity usage was only 9,400 tonnes and therefore below 50% of the installed capacity. At year end 2010 the output was approx. 17,000 tonnes and led to a capacity utilisation of almost 85%.

With improved sales strategies and the human resource measures initiated in Switzerland in the course of 2009, the company had already registered signs of regained profitability in the first two quarters 2010. However, in the 3rd and 4th quarter 2010 a fall in profitability was realised again due to the exchange rate development of the Swiss Franc which led to a price increase of the products in comparison to the Euro and due to a poor price level of several orders.

Medium to long term, aluminium components are expected to continue their successful development in virtually all industrial sectors. Additionally, the focus on six strategic business areas for the business unit Industrial Components will show further positive results.

(in T€) audited according to IFRS	1-12/2009	1-12/2010
Net sales	134,863	178,600
EBITDA	12,416	20,441
EBIT	2,927	10,213





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In fiscal year 2010 the Metal Tech division had to register the expected decrease in sales compared to the previous year. Incoming orders for both, new machines as well as „Life Cycle Business“, has currently stabilised at a lower level. Nonetheless, chances for additional business have emerged recently due to a stimulation of the order market. Due to the above described economic circumstances the sales were indeed below the figures of the previous year, but as the restructuring and rationalisation measures had a positive impact the division was able to generate better results in 2010.

The optimisation of the value chain decided in 2009 is now completely implemented between the two sites. The assembling activities are now bundled in Regau, Austria, whereas the site in Stenløse, Denmark, focuses on engineering and delivery of core components as well as on sales and service activities.

(in T€) audited according to IFRS	1-12/2009	1-12/2010
Net sales	44,290	36,541
EBITDA	5,335	6,364
EBIT	4,418	5,451





MONTANA
VARTA MICRO POWER

VARTA MICRO POWER

In the fiscal year 2010 sales were clearly above last year's level (+9%). The EBIT margin increased to 11.2% due to an improved product mix, a rise in OEM sales and the successfully completed restructuring programme. In 2009 the EBIT margin was 5.4%. Because of this development Varta Micro Power was again the division which contributed the highest share to the operating results of the MTC Group.

The relevant government grants for the joint venture with Volkswagen were approved in the beginning of the 2nd quarter 2010. The full operational start was subsequently carried out. The intention of this research co-operation is to develop modern systems of traction batteries for EV / HEV applications.

With the operational start of the joint venture in the 2nd quarter 2010 a separate position for joint ventures and associated companies is recognised in the balance sheet (T€ 8,199 as of December 31, 2010).

Additionally, VARTA Microbattery GmbH joined a research company with Graz University of Technology by acquiring a minority share of 19% in the year 2009. Further fund raisings for this project were carried out in 2010. First instalments of relevant grants have also been confirmed so far.

(in T€) audited according to IFRS	1-12/2009	1-12/2010
Net sales	125,206	135,939
EBITDA	14,456	21,129
EBIT	6,733	15,292



Information about the Company

FINANCIAL CALENDAR 2011/2012

June 1, 2011	Report on the 1 st quarter of 2011
June 22, 2011	Annual General Meeting of Montana Tech Components AG
August 29, 2011	Report on the 2 nd quarter of 2011
November 28, 2011	Report on the 3 rd quarter of 2011
April 13, 2012	Report on the 4 th quarter of 2011

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IMPRESSUM

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