



PELIKAN HOLDING AG, Feusisberg

Press Release

Business in 2009

The Group's sales for 2009 had fallen to CHF 313.1 million (2008 restated: CHF 330.1 million), a direct result of economic downturn especially in Europe where most of the Group's operations are contained. Although certain European economies experienced slight growth in the last quarter of the year, the consumer spending traits remained conservative. In 2009, the Group has also consolidated the results of Pelikan Colombia S.A.S. The Group's performance in 2009 has produced an operating loss of CHF 2.9 million (2008 restated: CHF 1.8 million) and the consolidated net result for the year was a loss of CHF 8.4 million (2008 restated: CHF 7.2 million).

Important contracts

In January 2009, a 100% subsidiary of the Group, Pelikan France S.A.S, which was incorporated in December 2008, acquired the distribution business in France from Pelikan Hardcopy Production AG.

Also in January 2009, the Group via Pelikan Mexico S.A. de C.V. (formerly known as Productos Pelikan S.A. de C.V.) had acquired a 80.5% equity interest in Pelikan Colombia S.A.S. (formerly known as Indistri S.A representing 5,836,933,444 shares of Colombian Peso ("COP") 1 each for a total consideration of USD 4,250,000 (CHF 4,552,000). Prior to January 2009, Pelikan Holding AG has an interest of 19.5% of the shares in Pelikan Colombia. The principal activities of Pelikan Colombia are the manufacturing and distribution of office, schools and stationery supplies.

A long-term agreement concerning the distribution of gluing and correcting products under the Henkel brand "Pritt" in Germany, Austria and Switzerland ("DACH-countries") has been terminated effective September 2009. From 1st October 2009 Pelikan subsidiaries in these countries commenced distribution of a wide assortment of gluing and correcting products under Pelikan brand.

Sales

Sales by region

Germany	51.0%
Italy	6.3%
Switzerland	3.5%
Rest of Europe	19.1%
Latin-America	15.3%
Other countries	4.8%

In 2009, the Group had faced challenging times with downturn in economic situations particularly in our major European markets, namely, Germany, Italy and Spain and as a result the contributions of sales from all European markets to Group sales decreased to 80% from 82% in 2008. However, better performance was seen outside Europe, particularly in our Latin America region whereby a growth of 16% was registered.

Result

In million CHF	2009	(Restated) 2008
Loss before taxation	(4.6)	(2.8)

Operating results of Pelikan Group in 2009 indicated a loss of CHF 2.9 million (2008 restated: loss of CHF 1.8 million). The result from associated companies in Australia and Japan showed a after tax profit of CHF 1.4 million (2008 restated: CHF 1.9 million). Included in operating results are expenses for pensioners amounting to CHF 5.3 million (2008 restated: CHF 5.8 million). Pelikan Group incurred a net interest expense of CHF 4.3 million (2008 restated: CHF 4.6 million). Taxes (expense) amounted to CHF 3.8 million (2008 restated: CHF 4.4 million). The net loss for the year amounted to CHF 8.4 million (2008 restated: CHF 7.2 million).

At Pelikan Holding AG company level, the financial statements showed a net loss of CHF 7.4 million for the year (2008: net loss CHF 1.6 million).

Personnel

The Group's employees increased in 2009 mainly due to new acquisition.

Personnel	Dec. 31, 2009	Dec. 31, 2008	Dec. 31, 2007
Germany	483	493	511
Switzerland	16	26	26
Italy	41	39	41
Rest of Europe	97	149	131
Total Europe	637	707	709
Latin-America	657	448	446
Other countries	51	66	81
Total Group	1,345	1,221	1,236

Outlook

The state of the global economy is still fragile and a global economic recovery is expected to be slow. After the deep global recession, we expect a positive economic growth this year due to a wide range of supportive policy interventions to boost demand and reduce financial market risks. We expect the markets in Europe to stabilise this year, hence we aim to concentrate on strategies that maintain and grow market share in our existing markets with new products, distribution networks and fresh marketing concepts. We remain cautious with our investments as we expect demand to pick up gradually in Europe. At meantime, we also focus our efforts in expanding the business outside Europe i.e. in the markets of Latin America. Cost reduction and cost saving projects remain a high priority for the Group as we continue to consolidate and rationalize our operations.

We are positive that by aligning our strategies that respond to the current global economic situations, we are in a better position to improve our business processes and operations, and develop better fundamentals for the Group to face challenges ahead.

As measure for strengthening the liquidity of Pelikan Holding AG, the main shareholder, Pelikan International Corporation Berhad, has provided in 2010 loans to the Company in the amount of EUR 5.0 million.

KEY FIGURES ***Pelikan Group**

	Figures in CHF million				
	2009	2008	2007	2006	2005
Net sales	313.1	330.1	282.2	211.3	196.3
Operating results	(2.9)	(1.8)	9.1	12.6	4.9
(Loss)/profit before taxation	(4.6)	(2.8)	8.6	14.1	7.2
Net (loss)/profit	(8.4)	(7.2)	6.0	18.9	4.6
Non-current assets	90.2	87.5	106.9	74.9	64.3
Total equity excluding minorities	7.9	15.8	31.5	29.1	13.0
Provisions for pensions	75.9	79.0	91.3	93.1	93.3
Balance sheet total	240.7	241.6	278.3	203.8	180.5
Share of the balance sheet total in %					
Non-current assets	37.5%	36.2%	38.4%	36.7%	35.6%
Total equity excluding minorities	3.3%	6.5%	11.3%	14.3%	7.2%
Provisions for pensions	31.5%	32.7%	32.8%	45.7%	51.7%
Tangible and intangible assets					
Investments	6.6	6.6	8.9	8.9	6.0
Depreciation and amortization	12.2	12.7	10.1	5.2	6.7
Number of employees	1,345	1,221	1,236	979	910
Personnel expenses	78.6	78.0	69.2	60.2	57.2

Pelikan Holding AG

Result for the year	(7.4)	(1.6)	(1.5)	3.5	1.3
Dividend	-	-	-	-	-
Shareholders' equity	50.8	58.2	59.8	61.3	57.8

Key figures per share

Data per bearer share in CHF					
Nominal value each CHF65					
Earnings per share	(6.6)	(6.5)	2.3	11.2	2.2
Dividend per share in %	-	-	-	-	-
Share prices					
Highest	88	182	212	106	84
Lowest	43	65	115	69	25

* The presentation of results of Pelikan Group has been changed. Please refer to notes 30 and 31 in the notes to the consolidated financial statements of the Annual Report 2009.