



PELIKAN HOLDING AG, Feusisberg

Press Release

Business in 2008

Sales for 2008 amounted to CHF 330.1 million (2007: CHF 282.2 million), representing a growth of 17.0% as compared to the previous year. The growth were mainly attributable to the full year consolidation of new subsidiaries acquired in 2007 such as German Hardcopy AG and Pelikan Argentina S.A. as well as the acquisition of hardcopy businesses of Pelikan Hardcopy Holding AG group's sales entities by Pelikan Holding AG's subsidiaries in the years 2007 and 2008.

In 2008, the Group was faced with rising input cost which was mainly caused by the increase in oil prices. Although the oil prices had eased during the second half of the year, the reduction in our input cost did not follow through in 2008. In addition, the global financial crisis spurred by the US subprime issue had prolonged and affected a lot of economies worldwide. This has caused negative consumer sentiments and weighed down demand especially in Europe.

Amidst the tough operating environment in 2008, the Group managed to achieve an operating profit of CHF 2.5 million (2007: CHF 13.4 million). However, the consolidated net result for the year was a loss of CHF 11.4 million (2007: profit of CHF 3.9 million).

Important contracts

In May 2008, Pelikan Holding AG completed the acquisition of 100% equity interest in Goldcup D 3135 AB, a non-operating company incorporated in Sweden,, which had subsequently changed its name to Pelikan Nordic AB. This company has commenced distribution in Scandinavia from June 2008.

In June 2008, Gunther Wagner Pelikan Maatschappij B. V., a 100% subsidiary of Pelikan Holding AG, took over the distribution of Hardcopy and PBS products in Netherlands from Pelikan Hardcopy International AG. Gunther Wagner Pelikan Maatschappij B. V. later changed its name to Pelikan Nederland B.V.

The non-consolidated Joint Venture with Faber Castell in Austria was terminated by contract dated 24th September 2008. At the same time, Pelikan Austria Gesellschaft m.b.H., a 100% subsidiary of Pelikan Holding AG, absorbed the business of Pelikan Hardcopy Ges.m.b.H in Austria to distribute Hardcopy and PBS products in Austria.

In December 2008, Pelikan Holding AG acquired 100% interest in a newly incorporated subsidiary, Pelikan France SAS, which is the Group's distribution company in France.

Sales

Sales by region

Germany	53.7%
Italy	8.3%
Switzerland	5.2%
Rest of Europe	14.8%
Latin-America	12.5%
Other countries	5.5%

The Group continued to focus its attention to develop the markets outside Europe to reduce dependence on the maturing European markets which represents 82.0 % of the Group's sales in 2008. The business in Latin America grew by 9.4% despite operating in severe currency depreciation situation in 2008.

Result

In million CHF	2008	2007
(Loss)/profit before taxation	(4.1)	9.0

Operating results of Pelikan Group amounted to CHF 2.5 million in 2008 (2007: CHF 13.4 million). The result from associated in Australia, Japan and Colombia showed a after tax profit of CHF 1.9 million (2007: CHF 2.5 million). Pelikan Group incurred a net interest expense of CHF 4.3 million (2007: CHF 2.7 million), while expenses for pensioners came to CHF 4.3 million (2007: CHF 4.3 million). Taxes (expense) amounted to CHF 4.4 million (2007: CHF 2.5 million). The net loss for the year amounted to CHF 11.4 million (2007: net profit CHF 3.9 million).

At Pelikan Holding AG company level, the financial statements showed a net loss of CHF 1.6 million for the year (2007: net loss CHF 1.5 million).

Personnel

The Group's employees declined in 2008 arising from rationalisation efforts of the distribution and production companies.

Personnel	Dec. 31, 2008	Dec. 31, 2007	Dec. 31, 2006
Germany	493	511	417
Switzerland	26	26	17
Italy	39	41	36
Rest of Europe	149	131	45
Total Europe	707	709	515
Latin-America	448	446	404
Other countries	66	81	60
Total Group	1,221	1,236	979

Outlook

The world economies remain uncertain at this moment. The shrinking of the gross domestic product growth rates of most European economies poses a challenge to our business as Europe contributes a major part of our revenue. We acknowledge this concentration of risks from the start and have in the past put a lot of effort to build the markets outside Europe such as in Latin America, Asia and Africa. Even though these market expansion efforts require investment time of at least 3 years, we continue these efforts in 2009 to help reduce our dependence on any single market. Nonetheless, we expect 2009 to be a difficult year as already experienced in the first quarter with lower demands especially from Europe due to the recession in most countries therein. Cost reduction and cost containment remain a focus of the Group, more so in this tough market environment.

We believe that at times of crisis like this, despite the threats, it provides us the opportunities to refocus our attention to our strategies, business processes and efforts in order to overcome this difficult time. We trust that the challenges we face in 2009 will eventually make us a fundamentally stronger Group.

KEY FIGURES**Pelikan Group**

	Figures in CHF million				
	2008	2007	2006	2005	2004
Net sales	330.1	282.2	211.3	196.3	194.6
Operating results	2.5	13.4	17.9	10.6	11.2
Ordinary results	0.2	13.3	19.3	12.9	12.7
(Loss)/profit before taxation	(4.1)	9.0	14.2	7.2	7.4
(Loss)/profit before minority interests	(8.5)	6.4	19.4	4.6	6.6
Net (loss)/profit	(11.4)	3.9	17.7	3.3	5.3
Non-current assets	87.5	106.9	74.9	64.3	53.2
Total equity excluding minorities	15.8	31.5	29.1	13.0	6.2
Provisions for pensions	79.0	91.3	93.1	93.3	96.5
Balance sheet total	241.6	278.3	203.8	180.5	162.2
Share of the balance sheet total in %					
Non-current assets	36.2%	38.4%	36.7%	35.6%	32.8%
Total equity excluding minorities	6.5%	11.3%	14.3%	7.2%	3.8%
Provisions for pensions	32.7%	32.8%	45.7%	51.7%	59.5%
Tangible and intangible assets					
Investments	6.6	8.9	8.9	6.0	5.6
Depreciation and amortization	12.7	10.1	5.2	6.7	6.5
Number of employees	1,221	1,236	979	910	883
Personnel expenses	73.7	64.9	54.9	51.5	51.5

Pelikan Holding AG

Result for the year	(1.6)	(1.5)	3.5	1.3	3.5
Dividend	-	-	-	-	-
Shareholders' equity	58.2	59.8	61.3	57.8	56.6

Key figures per share

Data per bearer share in CHF					
Nominal value each CHF65					
Earnings per share	(7.4)	2.6	11.5	2.2	3.5
Dividend per share in %	-	-	-	-	-
Share prices					
Highest	182	212	106	84	29
Lowest	65	115	69	25	19