



Media Release

Haag, Switzerland, March 29, 2019

VAT CONTINUES SHORT TIME WORK FOR ITS PRODUCTION EMPLOYEES IN HAAG

VAT Group today announced that it will extend the current short time work scheme for about 400 production employees at VAT Vakuumventile AG for another three months.

The move reflects persistent soft market conditions and the limited visibility about the future development, especially in semiconductor equipment. The corresponding request has been granted by the Canton of St. Gallen's Office for Economy and Labor and is valid from April 1, 2019 to June 30, 2019. VAT's welded bellow business at Comvat AG is not impacted by short time work.

VAT continues to be confronted with a market correction due to the significant capacity additions by the semiconductor companies during 2017 and the beginning of 2018 that need to be digested. While VAT expects continued growth in its General Vacuum and Global Service business, the semiconductor and display activities are suffering from low investment activities and push-outs of larger fab expansions to later dates.

VAT's fundamental growth drivers, such as digitalization, the Internet of Things, autonomous vehicles, etc., remain in place and its markets are expected to regain a healthy growth trajectory.

VAT is looking to stop short time work as soon as possible, once market conditions allow. The extension of the short time work program confirms VAT's commitment to its highly qualified employees in preparation for a return to healthier growth rates expected in the future.

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ABOUT VAT

VAT is the leading global developer, manufacturer and supplier of high-end vacuum valves. VAT vacuum valves are mission-critical components for advanced manufacturing processes of innovative products used in daily life such as portable devices, flat screen monitors or solar panels. VAT is organized into three different reporting segments: Valves, Global Service and Industry offering high-end vacuum valves, multi-valve modules, edge-welded bellows and related value-added services for an array of vacuum applications. VAT Group is a global player with over 1'700 employees and main manufacturing sites in Haag (Switzerland), Penang (Malaysia) and Arad (Romania). Net sales in the financial year 2018 amounted to CHF 698 million.