



Herrliberg, December 2, 2008

## **MEDIA INFORMATION**

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### **EMS will extend the Christmas break**

At an early stage EMS was already expecting a economic downswing for 2008 and prepared for this with corresponding cost reduction programmes and investment cutbacks. In the third-quarter report issued on October 21, 2008, EMS announced that due to the current crisis in financial and capital markets, the economic slowdown would be more severe and a literal slump was to be expected. Additional cost reduction programmes were implemented. The operational mode of production locations worldwide was adjusted.

In the meantime the actual slump in consumer spending has reached historic proportions. The lack of consumer confidence and financing possibilities are leading worldwide to a massive and comprehensive drop in demand from customers, which also has a direct impact on the volume development of EMS. Most of EMS' customers are planning to close their plants for longer in December 2008 and January 2009. Following this, EMS has also decided to extend the upcoming Christmas break. To do this, holidays and overtime will be made use of and at some plants short-time work will be introduced. Close observation of the market situation and order levels will take place so that production can be adjusted accordingly in a rapid and flexible manner.

At the site in Domat/Ems (CH), it is planned to extend the Christmas break until January 16, 2009 and combined with this, to introduce short-time work for around 600 employees. The contract partners SYNA and the worker's committee have given their consent to this.

For the entire year 2008, EMS expects net sales and net operating income (EBIT) below those of the previous year.

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