

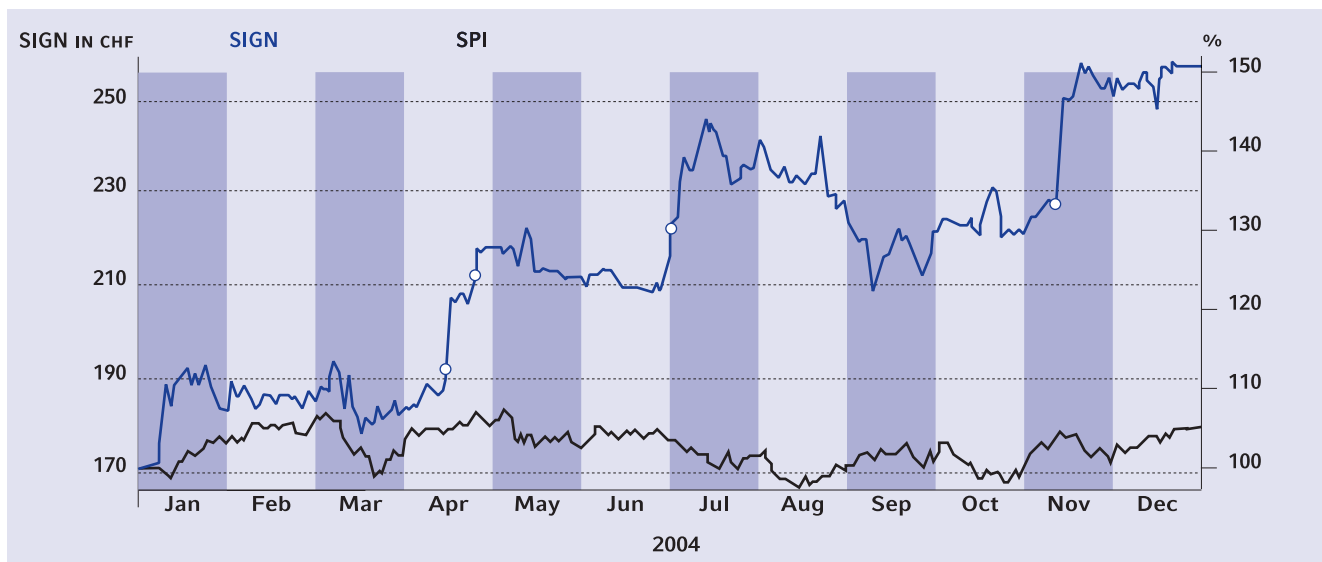


Financial Report 2004

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Share price development and key events in 2004

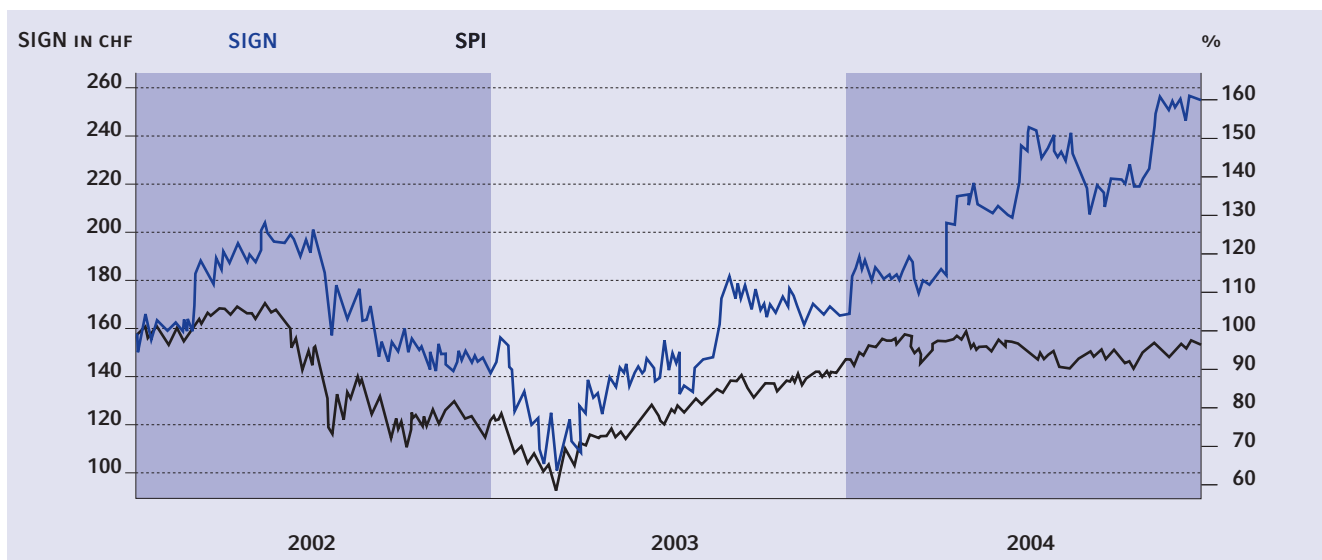


- 04/16/2004
SIG announces Bosch as buyer of SIG Pack division
- 04/27/2004
Divestment of the business units Kautex and Blowtec
- 07/01/2004
Closure of sale of SIG Pack division to Bosch
- 11/12/2004
Announcement of pending sale of SIG Simonazzi

SIG Registered

Stock exchange:	SWX	Beginning of year:	170.8	Performance in 2004	Annual high:	265.0
Currency:	CHF	End of year:	260.0	absolute:	Date annual high:	11/30/2004
Security number:	1202249			in %:	Annual low:	167.0
					Date annual low:	01/05/2004

Share price development 2002–2004



Financial overview

SIG Group in EUR million

	Continuing ¹			SIG Group		
	2004	2003		2004	2003	
Order intake	1 160	1 153	1%	1 631	1 860	-12%
Net sales	1 184	1 167	1%	1 694	1 896	-11%
Operating profit before depreciation & amortization (EBITDA)	173	193	-10%	181	173	5%
Operating profit before goodwill amortization (EBITA)	84	98	-14%	82	48	71%
Operating profit (EBIT)	-14	85	n.a.	-118	16	n.a.
Net profit	-56	36	n.a.	-166	-20	n.a.
Cash flow from operating activities	125	186	-33%	142	164	-13%
Cash flow from investing activities	-84	-131	-36%	-119	-132	-10%
Free cash flow ²	41	55	-25%	23	32	-28%
Cash flow from financing activities	-44	-44	0%	-40	-31	29%
Investments in tangible & intangible fixed assets	156	155	1%	165	180	-8%
Balance sheet total	951	1 005	-5%	1 263	1 653	-24%
Shareholders' equity	323	378	-15%	367	546	-33%
Average capital employed (CE) ³	673	712	-5%	663	822	-19%
Return on capital employed (ROCE) ⁴	12.5%	13.8%	n.a.	12.4%	5.8%	n.a.
Net operating profit after tax (NOPAT) ⁵	61	71	-14%	60	36	67%
SIG Value Added (sva) ⁶	9	18	-50%	9	-25	n.a.
Number of employees	4 927	4 823	2%	6 671	9 014	-26%

¹SIG Combibloc, SIG Beverages (without Discontinuing Business), Corporate/Services, Eliminations

²Cash flow from operating activities + cash flow from investing activities

³Equity + net financial liabilities, average: (year-end value previous year + year-end value current year) / 2

⁴EBITA in % of average capital employed

⁵(EBITA + income from financial assets) × (1-t), tax rate (t) = 30%

⁶NOPAT - (WACC × average capital employed), WACC = 7,5%

SIG Holding Ltd. in CHF million

	2004	2003	
Net profit	6	13	-54%
Gross dividend ¹	6.5	6.5	0%
Information per registered share (in CHF)			
Nominal value	10	10	
Gross dividend ¹	1.00	1.00	
Stock market prices			
high	265	196	
low	167	107	
Tax value at year-end	260.00	170.75	

¹2004: Proposal to the Annual General Meeting

SIG Group

Consolidated income statement in EUR million

	Notes	Continuing ¹		Discontinuing ²		SIG Group	
		2004	2003	2004	2003	2004	2003
Net sales		1 184	1 167	510	729	1 694	1 896
Own work capitalized		57	56	0	0	57	56
Income from associated companies		0	0	0	0	0	0
Other operating income		38	23	7	21	45	44
Operating income		1 279	1 246	517	750	1 796	1 996
Changes in inventories of finished goods & WIP		8	18	10	-3	18	15
Raw materials, supplies and services		-582	-572	-274	-353	-856	-925
Personnel costs	22	-282	-261	-150	-250	-432	-511
Other operating expenses	23	-250	-238	-95	-164	-345	-402
Operating profit before depreciation & amortization (EBITDA)		173	193	8	-20	181	173
Depreciation of tangible fixed assets	3	-73	-78	-8	-26	-81	-104
Amortization of intangible fixed assets (without goodwill)	4	-16	-17	-2	-4	-18	-21
Operating profit before goodwill amortization (EBITA)		84	98	-2	-50	82	48
Amortization of goodwill	4	-98	-13	-102	-19	-200	-32
Operating profit (EBIT)		-14	85	-104	-69	-118	16
Financial income	24	5	8	0	1	5	9
Financial expense	25	-18	-12	-7	-13	-25	-25
Debt waivers		-5	-23	5	23	0	0
Financial profit		-18	-27	-2	11	-20	-16
Profit on divestments	30	0	-11	0	0	0	-11
Profit before tax (EBT)		-32	47	-106	-58	-138	-11
Income tax expenses	26	-24	-11	-4	2	-28	-9
Net profit including minority interests		-56	36	-110	-56	-166	-20
Minority interests		0	0	0	0	0	0
Net profit		-56	36	-110	-56	-166	-20
Outstanding shares (average of the year)						6 439 278	6 456 304
Basic and diluted earnings per share in EUR						-25.8	-3.1

¹SIG Combibloc, SIG Beverages (without Discontinuing Business), Corporate/Services, Eliminations

²SIG Pack, Others, SIG Beverages Discontinuing Business (SIG Simonazzi, SIG Alfa, SIG Manzini, SIG Comaco)

The notes on pages 11 to 24 are an integral part of these consolidated financial statements.

SIG Group

Consolidated balance sheet in EUR million

	Notes	Continuing ¹		Discontinuing ²		SIG Group	
		2004	2003	2004	2003	2004	2003
Assets							
Non-current assets							
Tangible fixed assets	3	391	361	53	84	444	445
Intangible fixed assets	4	85	186	5	113	90	299
Financial assets	5	51	52	7	4	58	56
Deferred tax assets	15	35	27	3	16	38	43
Total		562	626	68	217	630	843
Current assets							
Inventories	6	166	163	75	143	241	306
Trade receivables	7	89	95	92	179	181	274
Other receivables	8	19	6	65	83	84	89
Securities	9	12	9	0	0	12	9
Cash and cash equivalents		103	106	12	26	115	132
Total		389	379	244	431	633	810
Total assets		951	1 005	312	648	1 263	1 653
Equity and liabilities							
Shareholders' equity							
Share capital		40	40	0	0	40	40
Additional paid in capital		22	-76	137	235	159	159
Retained earnings		293	441	-91	-65	202	376
Currency differences		-32	-27	-2	-2	-34	-29
Total		323	378	44	168	367	546
Minority interests		0	0	1	0	1	0
Liabilities							
Deferred tax liabilities	15	32	30	0	4	32	34
Long-term provisions	10, 11, 16	94	92	25	42	119	134
Long-term financial liabilities	12	264	262	13	14	277	276
Total long-term liabilities		390	384	38	60	428	444
Short-term financial liabilities	12	6	25	24	72	30	97
Advance payments by customer		10	11	33	71	43	82
Trade payables		46	56	82	102	128	158
Short-term provisions	13, 16	65	35	13	44	78	79
Accruals for contractual obligations to complete		58	61	50	81	108	142
Other short-term liabilities	14	53	55	27	50	80	105
Total short-term liabilities		238	243	229	420	467	663
Total		628	627	267	480	895	1 107
Total equity and liabilities		951	1 005	312	648	1 263	1 653

¹SIG Combibloc, SIG Beverages (without Discontinuing Business), Corporate/Services, Eliminations

²SIG Pack, Others, SIG Beverages Discontinuing Business (SIG Simonazzi, SIG Alfa, SIG Manzini, SIG Comaco)

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SIG Group

Consolidated cash flow statement in EUR million

Notes	Continuing ¹		Discontinuing ²		SIG Group	
	2004	2003	2004	2003	2004	2003
Cash flow from operating activities						
Net profit	-56	36	-110	-56	-166	-20
Adjustments for:						
Depreciation and amortization of fixed assets (+)	3, 4	188	107	111	50	299
Profit from sale of securities and financial assets (-)	24	0	-1	0	0	0
Profit from sale of tangible fixed assets (-)		-5	4	-1	-9	-6
Profit from sale of consolidated companies (-)	30	0	11	0	0	0
Result from associated companies (+/-)		0	0	0	0	0
Exchange rate profit (-) / loss (+) on financial assets and securities		3	1	0	0	3
Write down of financial assets and securities (+)		6	1	0	0	6
Other non-liquidity-related positions (+/-)		11	23	-11	-23	0
Increase (-) / decrease (+) in net current assets (excluding securities, cash and cash equivalents)		-24	6	23	6	-1
Increase (+) / decrease (-) of net deferred taxes		-1	-5	-1	-9	-2
Increase (+) / decrease (-) of provisions		3	3	6	19	9
Total		125	186	17	-22	142
Cash flow from investing activities						
Purchase of tangible fixed assets (-)	3	-127	-121	-6	-23	-133
Sale of tangible fixed assets (+)		21	24	13	23	34
Purchase (-) / sale (+) of intangible fixed assets	4	-26	-31	-2	-2	-28
Acquisition of consolidated companies (net of cash) (-)	30	10	0	0	10	0
Disposal of consolidated companies (net of cash) (+)	30	45	7	-35	-3	10
Acquisition (-) / disposal (+) of non-consolidated companies		-4	-9	0	0	-4
Dividends paid by associated companies (+)		0	0	0	0	0
Increase (-) / decrease (+) in loans		-2	-6	-5	4	-7
Purchase (-) / sale (+) of securities		-1	5	0	0	-1
Total		-84	-131	-35	-1	-119
Free cash flow		41	55	-18	-23	23
Cash flow from financing activities						
Dividends paid (-)		-2	9	-2	-13	-4
Purchase (-) / sale (+) of own shares		-4	1	0	0	-4
Capital increases (+/-)		-13	-38	13	38	0
Increase (+) / decrease (-) in borrowings		-25	-16	-7	-12	-32
Total		-44	-44	4	13	-40
Currency translation differences on cash and cash equivalents		0	-6	0	-3	0
Changes in cash and cash equivalents		-3	5	-14	-13	-8
Cash and cash equivalents at beginning of period		106	101	26	39	132
Cash and cash equivalents at end of period		103	106	12	26	115
Additional information						
Interests paid		17	18	1	4	18
Interests received		2	2	1	2	3
Income taxes paid		23	40	5	8	28
Dividends received		0	0	0	0	0

¹SIG Combibloc, SIG Beverages (without Discontinuing Business), Corporate/Services, Eliminations

²SIG Pack, Others, SIG Beverages Discontinuing Business (SIG Simonazzi, SIG Alfa, SIG Manzini, SIG Comaco)

The notes on pages 11 to 24 are an integral part of these consolidated financial statements.

SIG Group

Changes in equity and value-added statement in EUR million

Changes in equity

	Share capital	Additional paid in capital	Retained earnings	Currency differences	Total
As at 1/1/2003	40	159	399	-12	586
Net profit			-20		-20
Dividend payments			-4		-4
Purchase / sale of own shares	0	0	1		1
Currency translation differences				-17	-17
As at 12/31/2003	40	159	376	-29	546
As at 1/1/2004	40	159	376	-29	546
Net profit			-166		-166
Dividend payments			-4		-4
Purchase / sale of own shares	0	0	-4		-4
Currency translation differences				-5	-5
As at 12/31/2004	40	159	202	-34	367

The notes on pages 11 to 24 are an integral part of these consolidated financial statements.

Value-added statement

Creation of net value	2004	2003	2004	2003
Total net sales	100%	100%	1 694	1 896
Other income	7%	6%	121	104
Financial income	0%	0%	5	9
Total income	107%	106%	1 820	2 009
Raw materials, supplies and services	-51%	-49%	-856	-925
Other expenses	-20%	-20%	-349	-388
Gross value added	36%	37%	615	696
Depreciation and amortization (without goodwill)	-5%	-7%	-99	-125
Amortization of goodwill	-12%	-2%	-200	-32
Net value added	19%	28%	316	539
Distribution of net value				
to employees	137%	95%	432	511
to public authorities	10%	4%	32	26
to capital providers	6%	4%	18	22
to shareholders	1%	1%	4	4
to retained earnings	-54%	-4%	-170	-24

SIG Group

Segment information in EUR million

	Continuing			
	SIG Combibloc		SIG Beverages	
	2004	2003	2004	2003
Income statement				
Net sales third	1 072	1 056	115	119
Net sales between segments ¹	3	2	18	16
Net sales	1 075	1 058	133	135
Own work capitalized	57	56	0	0
Income from associated companies	0	0	0	0
Other operating income	18	37	14	17
Operating income	1 150	1 151	147	152
Changes in inventories of finished goods & WIP	9	18	-1	0
Raw materials, supplies and services	-546	-533	-60	-64
Personnel costs	-214	-199	-46	-50
Other operating expenses	-213	-214	-34	-35
Operational financial income from third parties	3	3	0	0
Operating profit before depreciation & amortization (EBITDA)	189	226	6	3
Depreciation of tangible fixed assets	-63	-71	-3	-3
Amortization of intangible fixed assets (without goodwill)	-14	-16	0	-1
Operating profit before goodwill amortization (EBITA)	112	139	3	-1
Amortization of goodwill	-1	-2	-97	-11
Operating profit (EBIT)	111	137	-94	-12
Balance sheet				
Interests in associated companies	12	10	1	0
Long-term loans between segments ²	0	0	0	0
Other fixed assets ²	421	388	42	148
Deferred tax assets	5	5	0	3
Fixed assets	438	403	43	151
Short-term loans between segments ²	28	268	16	59
Other current assets	277	307	62	62
Current assets	305	575	78	121
Total assets	743	978	121	272
Equity incl. minority interests	257	503	33	149
Deferred tax liabilities	13	13	4	3
Financial liabilities	280	258	29	41
Other liabilities	193	204	55	79
Liabilities	486	475	88	123
Total equity and liabilities	743	978	121	272
Additional information				
Net current assets	127	126	18	15
Average capital employed (CE) ³	500	486	88	143
Return on capital employed (ROCE) ⁴	22%	29%	3%	-1%

¹Internal transfer prices are at fair values

²The high values in the segment «Corporate/Services» are the result of the intercompany-financing, as well as the carrying amounts of the investments in the holding companies. These values are offset in the column «Eliminations».

³Equity + net financial liabilities, average: (previous year-end value + current year-end value) / 2

⁴EBITA in % of average capital employed

Continuing

Corporate/Services		Eliminations		Total Continuing ⁵		Discontinuing ⁶		SIG Group	
2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
0	0	0	0	1 187	1 175	507	721	1 694	1 896
0	0	-24	-26	-3	-8	3	8	0	0
0	0	-24	-26	1 184	1 167	510	729	1 694	1 896
0	0	0	0	57	56	0	0	57	56
0	0	0	0	0	0	0	0	0	0
55	45	-49	-76	38	23	7	21	45	44
55	45	-73	-102	1 279	1 246	517	750	1 796	1 996
0	0	0	0	8	18	10	-3	18	15
0	0	24	25	-582	-572	-274	-353	-856	-925
-22	-12	0	0	-282	-261	-150	-250	-432	-511
-51	-55	49	69	-249	-235	-96	-167	-345	-402
0	0	-4	-6	-1	-3	1	3	0	0
-18	-22	-4	-14	173	193	8	-20	181	173
-7	-4	0	0	-73	-78	-8	-26	-81	-104
-2	0	0	0	-16	-17	-2	-4	-18	-21
-27	-26	-4	-14	84	98	-2	-50	82	48
0	0	0	0	-98	-13	-102	-19	-200	-32
-27	-26	-4	-14	-14	85	-104	-69	-118	16
0	0	0	0	13	10	0	1	13	11
73	145	-73	-145	0	0	0	0	0	0
753	1 097	-702	-1 044	514	589	65	200	579	789
27	17	3	2	35	27	3	16	38	43
853	1 259	-772	-1 187	562	626	68	217	630	843
308	228	-394	-601	-42	-46	42	46	0	0
153	116	-61	-60	431	425	202	385	633	810
461	344	-455	-661	389	379	244	431	633	810
1 314	1 603	-1 227	-1 848	951	1 005	312	648	1 263	1 653
746	775	-713	-1 049	323	378	45	168	368	546
14	12	1	2	32	30	0	4	32	34
428	736	-467	-748	270	287	37	86	307	373
126	80	-48	-53	326	310	230	390	556	700
568	828	-514	-799	628	627	267	480	895	1 107
1 314	1 603	-1 227	-1 848	951	1 005	312	648	1 263	1 653
5	-14	-1	-1	149	126	-2	56	147	182
94	85	-9	-2	673	712	123	256	663	822
-29%	-31%	n.a.	n.a.	12%	14%	-2%	-20%	12%	6%

⁵SIG Combibloc, SIG Beverages (without Discontinuing Business), Corporate/Services, Eliminations

⁶SIG Pack, Others, SIG Beverages Discontinuing Business (SIG Simonazzi, SIG Alfa, SIG Manzini, SIG Comaco)

The notes on pages 11 to 24 are an integral part of these consolidated financial statements.

SIG Group

Segment information in EUR million

Information by countries and regions

	Net sales third		Number of employees		Number of employees (in %)	
	2004	2003	2004	2003	2004	2003
Germany	380	441	3 131	3 535	47%	39%
Spain	156	121	65	56	1%	1%
Italy	71	76	1 413	1 598	21%	18%
Rest of EU	419	475	749	777	11%	8%
EU	1 026	1 113	5 358	5 966	80%	66%
Switzerland	28	34	260	1 429	4%	16%
Rest of Europe	137	139	71	63	1%	1%
Europe	1 191	1 286	5 689	7 458	85%	83%
USA	87	186	77	471	1%	5%
Rest of Americas	122	127	209	331	3%	4%
America	209	313	286	802	4%	9%
Asia	228	250	696	754	11%	8%
Rest of World	66	47	0	0	0%	0%
Total	1 694	1 896	6 671	9 014	100%	100%

	Assets		Investments in tangible & intangible fixed assets		Depreciation / amortization	
	2004	2003	2004	2003	2004	2003
Europe	1 035	1 371	124	125	272	134
America	79	130	7	11	6	9
Asia	149	152	34	43	21	14
Rest of World	0	0	0	1	0	0
Total	1 263	1 653	165	180	299	157

Information by segments

	Order intake		Number of employees		Number of employees (in %)		Total research & development costs		Investments in tangible and intangible fixed assets	
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
SIG Combibloc	1 067	1 051	4 061	3 923	61%	44%	45	48	138	146
SIG Beverages	128	116	670	705	10%	8%	6	6	2	3
Corporate/Services	0	4	196	195	3%	2%	0	1	16	22
Eliminations	-35	-18	0	0	0%	0%	0	0	0	- 16
Total Continuing	1 160	1 153	4 927	4 823	74%	54%	51	55	156	155
Discontinuing	471	707	1 744	4 191	26%	46%	18	20	9	25
SIG Group	1 631	1 860	6 671	9 014	100%	100%	69	75	165	180
SIG Group (% of net sales)							4.1%	4.0%	9.7%	9.5%

Segment Discontinuing (discontinuing and sold operations)

	Net sales		EBITA		EBIT	
	2004	2003	2004	2003	2004	2003
SIG Pack	102	237	0	9	0	8
Others (SIG Blowtec, SIG Kautex, SIG Hamba Filltec, SIG Elettric 80)	17	126	0	-64	0	-73
SIG Beverages Discontinuing Business ¹	391	366	-2	5	- 104	-4
Total Discontinuing	510	729	-2	-50	- 104	-69

¹SIG Simonazzi, SIG Alfa, SIG Manzini, SIG Comaco

SIG Group

Notes to the consolidated financial statements

Introductory remarks

Since 2002, the financial statements of the SIG Group are presented in EUR, the major trading currency of the SIG Group.

Strategic focus

The strategic focus on the beverage cartons business (SIG Combibloc) and the sector of «Value Added Bottling» led to a split of SIG Beverages into «SIG Beverages» and «SIG Beverages Discontinuing Business». At the end of 2004, SIG was conducting sales negotiations for «SIG Beverages Discontinuing Business». Accordingly this activity is presented as discontinuing activities together with the divested operations SIG Pack, Others (SIG Kautex, SIG Blowtec, SIG Hamba Filltec, SIG Elettric 80) and SIG Ryka, which was also divested in 2004.

Accounting principles

General

The consolidated financial statements are based on the Group companies' closing accounts, which are prepared using uniform accounting principles. Since 1998, the financial statements of the SIG Group comply with International Financial Reporting Standards (IFRS).

Consolidation methods

SIG Holding Ltd. and all companies in which it controls more than 50% of the voting rights are fully consolidated. The minority interests in equity and net profit are disclosed separately on the balance sheet and in the income statement. Inter-company liabilities, assets, expenses and revenue within the Group are offset accordingly. Interim profits from internal deliveries have been eliminated. Associated companies with equity holdings of between 20% and 50% are stated by the equity method, provided SIG has a

significant influence. Otherwise, they are reported with the holdings under 20%, as financial interests. Newly acquired companies are included in the accounts as of the date of acquisition, while divested companies are excluded as of the date of sale.

Scope of consolidation

The changes to the scope of consolidation with respect to the prior year are shown in note 1. The consolidated companies are listed on pages 34 and 35.

Capital consolidation

Upon initial consolidation of a company, its assets and liabilities are revalued (fair value) according to the Group's accounting principles (purchase method). The difference between the resulting interest in the fair value and the purchase price is capitalized as goodwill and amortized using the straight-line method over its expected useful life to a maximum of 15 years. Goodwill is tested periodically (at least once a year) for possible impairment. Impairments will be booked to the income statement. Goodwill from acquisitions made before 1995 was charged directly to equity.

Foreign currency translation

Transactions in foreign currencies are translated at the daily rate. Resulting currency differences are booked to the income statement. The balance sheets of companies not reporting in EUR are translated at the closing rate and in the income and cash flow statements at the average rate for the year. Currency translation differences in the closing balance sheet positions are booked directly to equity. Unrealized currency gains and losses, arising from long-term intercompany loans, are also booked directly to equity.

Principles of valuation

With the exception of financial stocks, valuation is based on historical cost or, if lower, net realizable value. Financial stocks are valued at market value. The assets are valued individually and directly adjusted, if appropriate. As soon as it becomes apparent that a valuation no longer corresponds to the current balance sheet value, the expected reduction in value is booked against the current accounts.

Tangible fixed assets

Land is booked at purchase cost; the other tangible fixed assets at purchase or manufacturing cost minus accumulated depreciation. Depreciation is calculated based on useful life using the straight-line method. The estimated useful life is normally 25 to 30 years for factory buildings and 30 to 40 years for office buildings. Machines and installations are depreciated over 3 to 12 years. Government grants are offset against the asset's book value and thereby distributed over the useful life in the form of lower depreciation. Leased tangible fixed assets are capitalized and depreciated over the estimated useful life. Investment properties are reported at the cost of acquisition or production cost less accumulated depreciation. The fair value is reported separately.

Intangible fixed assets

Goodwill: see capital consolidation. The other intangible fixed assets include acquired patents, licenses and similar rights as well as capitalized rights to supply packaging materials. The rights to deliver packaging materials are capitalized and amortized using the straight-line method over the expected useful life of up to 6 years. Patents and licenses are amortized over a maximum period of 5 years on a straight-line basis.

SIG Group

Notes to the consolidated financial statements

Research and development

All research costs are charged directly to the income statement. Development costs are recognized as intangible assets when the recognition criteria of IAS 38 are met.

Interests in associated companies

These interests are shown in the balance sheet with the proportionate equity and in the income statement with the proportionate net profit.

Financial assets

Financial assets are valued at market value, and include long-term financial interests and long-term loans. Profits and losses arising from changes in market value are booked to the income statement.

Inventories

Inventories are carried at the purchase or production cost, but no more than their market value. The cost of purchased inventories is determined by the averaging method. Slow-moving inventories are adjusted in value, and obsolete goods are depreciated. Inventories also include advance payments to suppliers. Long-term manufacturing orders are valued in line with the completed contract method. Advance payments from customers are disclosed as liabilities.

Receivables

Receivables are disclosed at nominal value minus necessary bad debt adjustments.

Securities

Securities are valued at fair value, and comprise marketable shares as well as fixed income investments with a duration of more than 90 days. Changes in fair value are recognized in the income statement.

Cash and cash equivalents

In addition to cash as such, cash equivalent assets include bank and postal account balances as well as fixed income investments with a duration under 90 days.

Derivatives

These are valued at fair value. All changes in fair value are recognized in the income statement.

Provisions

Provisions are recognized if it is probable that a present obligation arising from a past event (legal or constructive) will result in an outflow of cash. The amount of the provisions is assessed at each balance sheet date.

Taxes

Provisions are made for all tax obligations at the balance sheet date, regardless of their payment date. In addition, liabilities are recognized for deferred taxes at the current or at the enacted local tax rate on the difference between the values in the consolidated balance sheet and the values in the tax balance sheets of the individual companies. Deferred withholding taxes are only recognized if the retained profits are not reserved for the growth of the Group company concerned. Tax-relevant losses carried forward are capitalized only to the extent that it is probable that sufficient taxable profit will be generated in the near future to offset them.

Financial risk management

The Group accounting guidelines regulate all affiliates' management regarding liquidity as well as the procurement of short-term and long-term financing. In order to optimize the Group's financing requirements, the management of non-operating liquidity as well as long-term Group financing is centralized. Short-term financing is taken up decentralized but managed centrally. This ensures cost-efficient financing and optimized liquidity levels based on the Group's overall payment obligation.

Foreign exchange risks

The Group is active worldwide and thus exposed to exchange rate fluctuations which affect the value of Group assets and income reported in EUR. Transaction risks (purchases and sales in foreign currencies) are hedged in consideration of netting possibilities in the Group, and remaining risks are hedged with derivatives. Translation risks (translation of reported figures of affiliates in foreign currency) are not hedged. These amounts are recorded as currency translation differences in the equity of the Group.

Interest rate risks

Interest rate risks result from changes in interest rates which could negatively affect the equity or income of the Group. The management of long-term interest rate risks is carried out centrally. The most significant portion of the Group's long-term financing is set at fixed interest rates, thereby minimizing the effects of interest rate fluctuations on Group income. Local, short-term interest rate risks are in general not hedged by the Group companies.

Credit risks

Credit risks arise from the possibility that the counterparty to a transaction is unable or unwilling to fulfil its obligations and that the Group thereby suffers financial damage. Trade receivables are subject to a policy of active risk management focusing on the assessment of country risk, credit availability, ongoing credit evaluation and account monitoring procedures. The exposure of other financial assets to credit risk is controlled by setting a policy for limiting credit exposures to high-quality counterparties and periodic reviews.

SIG Group

Notes to the consolidated financial statements

Liquidity risks

Group companies need to have sufficient available cash to meet their obligations. Subject to Group guidelines, the affiliates are responsible for their own cash management (special credit lines are used for short-term liquidity fluctuations). The Group maintains sufficient reserves of cash and readily realizable marketable securities to meet its liquidity requirements at all times.

Pension plans and other long-term commitments for employees:

Pension obligations under defined benefit plans:

The pension obligations and all major defined benefit plans are determined annually by independent insurance experts. The actuarial costs less the employees' contributions are shown in the income statement as personnel expenditures.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions greater than 10% of the value of plan assets or 10% of the defined benefit obligation are charged or credited to income over the employees' expected average remaining working lives.

Other long-term benefits:

If the Group companies assume long-term benefits such as the costs of medical care for retirees and / or their family members, the costs of those benefits are determined actuarially and accordingly provisions are recognized over the period of service of the employees concerned.

Revenue recognition

Revenue comprises the invoiced value for the sale of goods and services net of value-added taxes, rebates and discounts. Revenue is recognized when significant risks and rewards of ownership of the goods or services are transferred to the buyer.

Segment reporting

Segments are major business lines which provide products or services that are different from those of other segments.

Comparative figures

The comparability of the presented figures with the prior year figures is difficult due to changes in the scope of consolidation listed in note 1.

SIG Group

Notes to the consolidated financial statements in EUR million

1. Changes in scope of consolidation

Disposals

2/18/2004	SIG Elettric 80 S.p.A., Viano (RE), IT
3/26/2004	SIG Hamba Filltec GmbH & Co. KG, Neunkirch-Saar, DE
4/26/2004	SIG Blowtec GmbH & Co. KG, Troisdorf, DE
4/26/2004	SIG Plastics Technology Guangdong Co. Ltd., Guangdong, CN
4/26/2004	SIG Kautex GmbH & Co. KG, Bonn, DE
4/26/2004	SIG Kautex Inc., North Branch (NJ), US
4/26/2004	SIG Plastics Technologies (UK) Ltd., Milton Keynes, GB
6/30/2004	SIG Pack division, consisting of:
	- SIG Pack Ltda., São Paulo, BR
	- SIG Pack Services GmbH, Dusseldorf, DE
	- SIG Pack Services S.à.r.l., Asnières Cedex, FR
	- SIG Pack Services Ltd., Derby, GB
	- SIG Demaurex SA, Romanel-sur-Lausanne, CH
	- SIG Pack International AG, Neuhausen am Rheinfall, CH
	- SIG Pack Services AG, Neuhausen am Rheinfall, CH
	- SIG Pack Systems AG, Beringen, CH
	- SIG Sapal SA, Ecublens, CH
	- SIG Transver AG, Altendorf, CH
	- SIG Pack Pte. Ltd., Singapore, SG
	- SIG Pack Services Inc., Raleigh, US
11/4/2004	SIG Ryka Inc., Mississauga, CA

2. Exchange rates

The consolidated financial statements are presented in EURO, as this is the major trading currency of the Group.

	1 CHF		1 USD		1 GBP		100 THB	
	2004	2003	2004	2003	2004	2003	2004	2003
Average rate (income & cash flow statements)	0.65	0.66	0.81	0.89	1.47	1.45	2.00	2.13
Closing rate (balance sheet)	0.65	0.64	0.73	0.79	1.42	1.42	1.89	2.02

SIG Group

Notes to the consolidated financial statements in EUR million

3. Tangible fixed assets

	Investment properties	Land and buildings	Machines, plants and other	Leased assets (Lessor)	Plants under construction	2004	2003
Purchase costs							
At the beginning of the year	36	276	575	208	68	1 163	1 234
Changes in the scope of consolidation	-4	-21	-60	0	0	-85	-27
Additions	12	11	57	24	29	133	144
Disposals	-1	-15	-12	-26	-3	-57	-147
Transfers	59	-54	28	25	-58	0	-1
Currency differences	0	-1	-7	-3	0	-11	-40
As at year-end	102	196	581	228	36	1 143	1 163
Accumulated depreciation (-)							
At the beginning of the year	-19	-122	-418	-155	-4	-718	-760
Changes in the scope of consolidation	0	18	48	0	0	66	19
Additions ¹	-4	-8	-45	-24	0	-81	-104
Disposals	1	3	10	15	0	29	105
Transfers	-34	34	0	0	0	0	0
Currency differences	0	0	4	1	0	5	22
As at year-end	-56	-75	-401	-163	-4	-699	-718
Net book values on January 1	17	154	157	53	64	445	474
Net book values on December 31	46	121	180	65	32	444	445
Fire insurance value of tangible fixed assets						1 342	1 393
Open commitments for tangible fixed assets						22	23
¹ includes:							
Impairment loss on fixed assets (-)						-3	-15
Reversal of impairment loss on fixed assets (+)						0	0
Fair value of investment properties ²						76	51
Rental income from investment properties						7	4
Direct operating expenses (including repairs & maintenance) from investment properties						-5	-3

²Fair value of investment properties is measured based on discounted future net cash flows.

SIG Group

Notes to the consolidated financial statements in EUR million

4. Intangible fixed assets

	Goodwill	Rights to supply	Other	2004	2003
Purchase costs					
At the beginning of the year	323	113	59	495	474
Changes in the scope of consolidation	-25	0	-22	-47	-3
Additions	0	27	5	32	36
Disposals	0	-19	-6	-25	-3
Transfers	0	0	0	0	0
Currency differences	0	-3	0	-3	-9
As at year-end	298	118	36	452	495
Accumulated amortization (-)					
At the beginning of the year	-89	-67	-40	-196	-150
Changes in the scope of consolidation	10	0	20	30	3
Additions ¹	-200	-13	-5	-218	-53
Disposals	0	17	4	21	0
Transfers	0	0	0	0	0
Currency differences	0	1	0	1	4
As at year-end	-279	-62	-21	-362	-196
Net book values on January 1	234	46	19	299	324
Net book values on December 31	19	56	15	90	299
¹ includes:					
Impairment loss on fixed assets (-)				-179	-9
Reversal of impairment loss on fixed assets (+)				0	0

The decision to divest the Discontinuing Business of the former segment SIG Beverages led to an impairment of goodwill:

For the remaining business in the segment SIG Beverages an impairment of EUR 86 million was booked, which is primarily the result of lost synergies. The remaining goodwill for SIG Beverages amounts to EUR 19 million. The discount rate applied to the impairment calculation was 8.25%.

The goodwill of the Discontinuing Business of SIG Beverages of EUR 93 million was completely impaired based on the selling price, considering the potential contract risks. The contract risks will be disclosed as provisions when the transaction will be booked in the year 2005 (closing).

5. Financial assets

	2004	2003
Interests in associated companies	13	11
Other financial interests	3	6
Long-term receivables	39	37
Long-term loans	3	2
Financial assets	58	56

SIG Group

Notes to the consolidated financial statements in EUR million

6. Inventories

	2004	2003
Raw material & manufacturing supplies	51	52
Work in progress and semi-finished goods	94	155
Finished goods and merchandise	86	85
Advance payments to suppliers	10	14
Inventories	241	306
Carrying amount of inventories carried at net realizable value	2	14
Reversal of inventory write-down that is recognized as income in the period	0	0

7. Trade receivables

	2004	2003
Trade receivables, gross	208	307
less allowance for bad debt	-27	-33
Trade receivables	181	274

8. Other receivables

	2004	2003
Prepaid expenses and accrued income third parties	12	20
Receivables from associated companies	3	1
Others	69	68
Other receivables	84	89

9. Securities

	2004	2003
Stocks	2	4
Interest-bearing securities	10	5
Securities	12	9

10. Long-term provisions

	2004	2003
Provisions for staff pension plans:		
for defined benefit plans	79	94
for defined contribution plans	5	4
Other long-term provisions	35	36
Long-term provisions	119	134

SIG Group

Notes to the consolidated financial statements in EUR million

11. Staff pension plans

In addition to the legally specified social security plans, several independent staff pension plans exist in the Group, mainly held in separate funds. Where this is not the case, appropriate provisions are recognized in the balance sheet for pension benefits including employment termination indemnities.

The majority of the employees is insured under defined benefit pension plans. The future obligations (and corresponding values) of the pension plans, qualified as defined benefit plans according to IAS 19, have been determined since 1999 for all significant cases and assessed by an independent expert. The assets of these pension plans are valued at fair value and include SIG shares with a fair value of EUR 47 million (2003: EUR 36 million) and buildings occupied by the SIG Group with a fair value of EUR 8 million (2003: EUR 8 million).

Balance sheet information

	2004	2003
Assets of independent pension plans at market value	466	629
Provisions for pension obligations and employment termination indemnities included in the consolidated balance sheet under provisions for staff pension plans (defined benefit plan)	79	94
Subtotal	545	723
Present value of the pension obligations to existing and retired staff	-473	-650
Surplus (+) / deficit (-) on reporting date	72	73
Not recognized actuarial gains (-) / losses (+)	-65	-62
Capitalized in the consolidated balance sheet	7	11

Due to the divestitures and the partial liquidation of the corresponding pension plans, as well as currency impacts from CHF and USD against EUR, the plan assets as well as the obligations decreased by EUR 177 million compared to the previous year. The surplus of EUR 73 million has decreased by EUR 1 million.

For the defined benefit plans, the pension obligations were determined based on the following assumed ranges:

	2004	2003
Discount rate	3.5-6.5%	3.5-6.5%
Rate of salary increases	2.0-3.0%	2.0-3.0%
Rate of pension adjustments	1.0-1.5%	1.0-1.5%
Return on assets	4.5-6.5%	4.5-6.5%

Income statement information

	2004	2003
Increase in pension obligations	-11	-17
Interest on pension obligations	-21	-26
Expected return on assets	25	29
Profit / losses on curtailment	-5	-1
Total expenses	-12	-15
Total employers' and employees' contributions	11	15
Accrued assets	-1	0

Additional information

	2004	2003
Pensions paid	-36	-37
Net settlement payments	-180	-27
Actuarial gain (+) / loss (-)	3	69
Additional (+) / reduced (-) return on assets	8	12

SIG Group

Notes to the consolidated financial statements in EUR million

12. Interest-bearing liabilities

	2004	2003
3.250% bond 1998-2006 (CHF 150 million)	97	96
4.625% bond 2000-2007 (CHF 150 million)	97	96
4.375% bond 2002-2008 (CHF 100 million)	65	65
Bonds issued of SIG Holding Ltd.	259	257
Fair value of the bonds issued	272	272
Bank loans	14	13
Other loans	4	6
Other long-term financial liabilities	18	19
Bank credits	29	92
Other short-term financial liabilities	1	5
Short-term financial liabilities	30	97
Total interest-bearing liabilities	307	373
Currency breakdown		
CHF	260	264
EUR	35	89
USD	2	4
Other	10	16
Total interest-bearing liabilities	307	373

Breakdown by maturities & interest rate (at balance sheet date)	2004	2003	2004	2003
under 1 year	3.5%	3.9%	30	97
1 to 5 years	4.1%	4.2%	267	272
over 5 years	3.0%	2.5%	10	4
Total interest-bearing liabilities	4.0%	4.1%	307	373

13. Short-term provisions

	2004	2003
Provisions for restructuring	35	30
Provisions for warranties	43	49
Short-term provisions	78	79

14. Other short-term liabilities

	2004	2003
Social security payables (incl. payables for pension plans)	7	7
Current tax payables	12	16
Accrued liabilities	13	28
Others	48	54
Other short-term liabilities	80	105

SIG Group

Notes to the consolidated financial statements in EUR million

15. Deferred tax assets and liabilities

	Deferred tax assets	Deferred tax liabilities	Net	Net
			2004	2003
Rights to supply	1	14	13	11
Tangible fixed assets	9	15	6	9
Other fixed assets	6	2	-4	-7
Inventories	8	2	-6	-4
Receivables	5	3	-2	-1
Other current assets	0	1	1	2
Total assets	29	37	8	10
Provisions	8	4	-4	-11
Financial liabilities	6	8	2	2
Other liabilities	14	4	-10	-15
Total liabilities	28	16	-12	-24
Total	57	53	-4	-14
Balancing	-21	-21	0	0
Recognition of deferred tax assets on tax losses carried forward	26		-26	-24
Unrecognized deferred tax assets on temporary differences	-24		24	29
Deferred tax assets / liabilities	38	32	-6	-9

16. Provisions

	Provisions for warranties	Provisions for restruc- turing	Provisions for staff pension plans	Other long-term provisions	2004	2003
At the beginning of the year	49	30	98	36	213	195
Changes in the scope of consolidation	-7	0	-16	-2	-25	-2
Increase	32	23	7	8	70	77
Use	-25	-17	-4	-7	-53	-47
Release	-6	-1	-1	0	-8	-7
Currency differences	0	0	0	0	0	-3
As at year-end	43	35	84	35	197	213
of which long term			84	35	119	134
of which short term	43	35			78	79

The increase in provisions for restructuring is mainly due to announced process optimizations in the administrative areas.

SIG Group

Notes to the consolidated financial statements in EUR million

17. Financial instruments

Financial derivatives held at year-end consist primarily of foreign currency derivatives. The use of derivatives is in line with the Group principles. Contracts are concluded only with first-class institutions and have a time to maturity of less than 1 year.

	Positive replacement value		Negative replacement value		Contract value or nominal value	
	2004	2003	2004	2003	2004	2003
Foreign currency derivatives	3	4	-1	-3	52	103
Interest rate derivatives	0	0	0	0	0	0
Total	3	4	-1	-3	52	103

Currency breakdown	Forward purchases - contract value		Forward sales - contract value		Other foreign currency derivatives		Total contract value or nominal value	
	2004	2003	2004	2003	2004	2003	2004	2003
CHF	1	2	0	3	0	0	1	5
EUR	12	29	0	0	0	0	12	29
USD	1	5	38	55	0	7	39	67
GBP	0	0	0	1	0	0	0	1
Other	0	1	0	0	0	0	0	1
Total	14	37	38	59	0	7	52	103

18. Mortgaged assets

	2004	2003
Land and buildings	0	0
Other	0	2
Mortgaged assets at net book value	0	2

19. Not capitalized leasing liabilities from operating leases

	2004	2003
under 1 year	7	8
1 to 5 years	19	15
over 5 years	10	11
Total	36	34

20. Contingent liabilities / -assets

	2004	2003
Contingent liabilities	43	32
Contingent assets	0	0

The contingent liabilities arise from the discounting of bills of exchange as well as guarantees to third parties from ordinary business operations.

SIG Group

Notes to the consolidated financial statements in EUR million

21. Other issues

Filling machines may be replaced or taken back by SIG Combibloc due to changes in customer demands or technical progress. These machines are usually refurbished and resold. Returned machines are recognised in inventories. The related financial risks are evaluated annually and, if necessary, covered by provisions. Currently there are no provisions required. The risk of having to take back filling machines exposes the Group to a risk of a potential cash outflow of maximum EUR 91 million as of 12/31/2004 (year-end 2003: EUR 45 million).

22. Personnel costs

	2004	2003
Wages and salaries	358	419
Social security expenses	74	92
Personnel costs	432	511

23. Other operating expenses

	2004	2003
Special costs of sales	71	71
Advertising, representation and travel costs	48	63
Maintenance, energy and rental costs	61	70
Costs of design and testing	13	16
Legal and consultancy costs	27	27
Value adjustments and losses on receivables	5	8
Other sales expenses	27	38
Other administrative expenses	72	65
Other ¹	21	44
Other operating expenses	345	402

¹Previous year figures were including restructuring costs for the settlement of non-core activities.

24. Financial income

	2004	2003
Income from financial fixed assets	2	4
Income from securities, cash and cash equivalents	3	4
Profits from sale of financial assets and securities	0	1
Financial income	5	9

25. Financial expense

	2004	2003
Interest expense	22	24
Cost (net) of exchange rate differences	3	1
Financial expense	25	25

SIG Group

Notes to the consolidated financial statements in EUR million

26. Income tax expense

	2004	2003
Current tax	30	23
Deferred tax	-2	-14
Income tax expenses	28	9

Relation of income taxes to EBT	2004	2003	2004	2003
Theoretical taxes at the local average applicable tax rates	34%	33%	-46	-4
Tax effect in the determination of taxable income through:				
- non-deductible expenses (+) or revenue taxed at reduced rates (-)	-53%	-4%	72	1
- tax refunds (-) respectively surtaxes (+)	0%	52%	0	-6
- tax rate modifications (+/-)	0%	9%	0	-1
- more (-) respectively less (+) recognition of tax losses compared to previous year	2%	-1%	-2	0
- adding of actual, not recognized losses (+) or deducting of not recognized prior year losses carried forward (-)	0%	-171%	4	19
Taxes at effective average tax rate	-20%	-82%	28	9

Not recognized tax losses which most probably cannot be offset with future tax profits ¹			221	330
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¹The change is due to the changes in scope of consolidation. The not recognized tax losses expire in > 5 years.

27. Management participation plan

In accordance with the management participation plan, the top management receives (since 2002) reversions to SIG registered shares as a long-term incentive (before 2002: shares resp. options on SIG registered shares). The number of allocated shares depends on the performance of the SIG share price over a three-year period compared to the Swiss Performance Index (SPI). If the SIG share overperforms the Index by 10% or more, 2 shares per reversion are delivered. If the Index overperforms the SIG share by 10% or more, no shares are delivered. In between there is a linear interpolation. A total of 50 300 shares are reserved in SIG Finanz Ltd. for the management participation plans.

Status of the provisions (from participation plans since 2002):

Year of plan	Maximum number of shares to be delivered ¹	2004	2003
2002	13 000	2	1
2003	20 900	1	1
2004	16 400	1	n.a.
Provision for share grant plans (included in Other long-term provisions) in EUR million		4	2

¹The maximum number of shares to be delivered is subject to annual changes due to staff fluctuations and divested businesses.

Status of options (from participation plans before 2002):

No. of options issued	Valid until	Strike as of	Strike price per share in CHF	Number of expired options as at 12/31/04	Number of exercised options as at 12/31/04	Number of remaining options on 12/31/04
1 470	3/31/2004	3/31/2003	204.40	1 470	0	0
1 275	3/31/2005	3/31/2004	208.60	0	489	786

SIG Group

Notes to the consolidated financial statements in EUR million

28. Transactions with related parties

	2004	2003
Total expenses for the members of the Board of Directors of SIG Holding Ltd. were	0.8	0.8

All members of the Board of Directors are (since 2002) partially paid in the form of reversions to SIG registered shares (conditions: see note 27).

As in the previous year, no major business transactions were carried out with related parties.

29. Government grants

	2004	2003
Government grants for investments are deducted from the carrying amount of assets. Accordingly, the reduced depreciation amounted to	1	0
Grants directly booked to income statement (not for fixed assets)	0	0
Total impact from government grants	1	0

30. Acquisitions / disposals of consolidated companies

	Acquisitions		Disposals	
	2004	2003	2004	2003
Cash and cash equivalents	0	0	-35	-3
Goodwill ¹	-12	n.a.	-3	0
Other current assets	0	0	-197	-21
Tangible and other fixed assets	2	0	-32	-9
Provisions	0	0	25	2
Financial liabilities	0	0	44	2
Other liabilities	0	0	153	11
Purchased / sold net assets	-10	0	-45	-18
less cash and cash equivalents	0	0	35	3
Subtotal	-10	0	-10	-15
Goodwill	0	0	n.a.	n.a.
Profit (-) / loss (+) on divestments	n.a.	n.a.	0	11
Decrease (+) / increase (-) of funds	-10	0	-10	-4

¹In July, SIG could finalize an arbitration proceeding arising from contractual warranty claims from acquisitions in its favour. The resulting proceeds of EUR 12 million have been deducted from the goodwill paid at acquisition date and is included in the figures above in the column «Acquisitions».

31. Impact of the acquisition and disposal of activities

	Acquisitions		Disposals	
	2004	2003	2004	2003
On net sales	0	0	- 246	-34
On operating profit (EBIT)	0	0	54	1

32. Events after balance sheet date

The financial statements were authorized for issue on March 7, 2005 by the Board of Directors.

March 2nd 2005, SIG signed with the Tetra Laval Group the contract for the divestment of SIG Simonazzi and SIG Alfa. The agreed sales price and the consideration of the contract risks led to a complete impairment of the goodwill for the discontinuing business and is considered in the presented financial statements.

The sales process for SIG Manzini and SIG Comaco is ongoing.

No other events which might have significant influence on the annual financial statements are known.

SIG Group

Report of the Group Auditors on the consolidated financial statements

Report of the Group Auditors to the Annual General Meeting of SIG Holding AG, Neuhausen am Rheinfall

As auditors of the Group, we have audited the consolidated financial statements (income statement, balance sheet, statement of changes in equity, statement of cash flows and notes) as presented on pages 4 to 24 of SIG Holding Ltd. for the year ended December 31, 2004.

These consolidated financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by Swiss profession and with the International Standards on Auditing, which require that an audit be planned and performed to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the consolidated financial statements.

We have also assessed the accounting principles used, significant estimates made and the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the financial position, the results of operations and the cash flows in accordance with the International Financial Reporting Standards (IFRS) and comply with Swiss law.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

D. Suter

B. Haid

Basel, March 7, 2005

SIG Group

5-year overview 2000 - 2004 in EUR million

	2004	2003	2002	2001	2000
Order intake	1 631	1 860	1 873	1 594	1 389
Net sales	1 694	1 896	1 877	1 589	1 407
Operating profit before depreciation & amortization (EBITDA)	181	173	212	189	192
Operating profit before goodwill amortization (EBITA)	82	48	97	78	69
Operating profit (EBIT)	-118	16	62	60	59
Net profit including minority interest	-166	-20	10	35	83
Net profit	-166	-20	10	34	83
Pay-out ratio	n.a.	n.a.	43%	31%	18%
Depreciation & amortization	299	157	150	129	133
Investments in tangible & intangible fixed assets	165	180	158	96	81
Cash flow from operating activities	142	164	190	102	158
Cash flow from investing activities	-119	-132	-101	-86	-66
Free cash flow ¹	23	32	89	16	92
Cash flow from financing activities	-40	-31	-56	-73	-9
Fixed assets	630	843	870	889	769
as % of balance sheet total	50%	51%	49%	48%	48%
Tangible fixed assets	444	445	474	448	413
Goodwill	19	234	267	297	181
Current assets	633	810	908	950	823
as % of balance sheet total	50%	49%	51%	52%	52%
Cash, cash equivalents and securities	127	141	154	135	200
Balance sheet total	1 263	1 653	1 778	1 839	1 592
Equity incl. minority interests	368	546	586	611	601
as % of balance sheet total	29%	33%	33%	33%	38%
Total long-term liabilities	428	444	492	536	500
as % of balance sheet total	34%	27%	28%	29%	31%
Total short-term liabilities	467	663	700	692	492
as % of balance sheet total	37%	40%	39%	38%	31%
Equity (without minority interests)	367	546	586	611	601
Total interest-bearing liabilities	307	373	433	460	373
Net financial liabilities	180	232	279	325	173
Gearing ²	49%	42%	48%	53%	29%
Return on sales	-10%	-1%	1%	2%	6%
Return on equity	-45%	-4%	2%	6%	14%
Average capital employed (CE) ³	663	822	901	854	755
Return on capital employed (ROCE) ⁴	12%	6%	11%	9%	9%
SIG Value Added (svA) ⁵	9	- 25	2	n.a.	n.a.
Number of employees	6 671	9 014	9 402	9 182	7 286
in Switzerland	260	1 429	1 472	1 478	1 534
in EU	5 358	5 966	6 091	5 884	4 314

¹Cash flow from operating activities + cash flow from investing activities

²Net financial liabilities (financial liabilities after deduction of cash, cash equivalents and securities) as % of equity including minority interests

³Equity + net financial liabilities, average = (previous year-end value + current year-end value) / 2

⁴EBITA in % of average capital employed

⁵NOPAT - (WACC x average capital employed), WACC = 7.5% ; NOPAT = (EBITA + income from financial assets) x (1-t), tax rate (t) = 30%

SIG Holding Ltd.

5-year overview 2000 - 2004

		2004	2003	2002	2001	2000
Balance sheet total	in CHF million	1 070	1 064	1 058	1 054	1 048
Share capital	in CHF million	65	65	65	65	65
Statutory reserves	in CHF million	270	260	260	275	269
Free reserves	in CHF million	177	178	167	145	134
Available earnings	in CHF million	11	22	25	31	43
Net profit	in CHF million	6	13	19	27	39
Gross dividends	in CHF million	6.5 ¹	6.5	6.5	16,0	23,0
Share information²						
Nominal value	CHF	10	10	10	10	50
Shares issued		6 500 000	6 500 000	6 500 000	6 500 000	1 300 000
Shares entitled to dividends		6 500 000	6 500 000	6 500 000	6 500 000	1 300 000
Shares owned by Group		65 699	37 709	47 911	136 415	16 022
of which reserved for management participation plan (Long-Term Incentive)		50 300	37 000	18 500	n.a.	n.a.
Earnings per share	CHF	-3.8	-4.8	2.3	8.2	100.0
Shareholders' equity per share	CHF	89	131	131	139	705
Gross dividend per share	CHF	1.0 ¹	1.0	1.0	2.5	17.5
Stock market prices						
High	CHF	265	196	212	220	1 200
Low	CHF	167	107	147	115	825
Year-end	CHF	260	171	149	159	1 024

¹Proposal to Annual General Meeting

²2001: 1:5 share split

Transfer conditions

Shareholders are registered with up to 5% of the registered share capital. Exceptions are possible.

Voting rights of significant shareholders (>5%)

None with voting rights > 5.0%.

SIG Holding Ltd.

Income statement in CHF

	Notes	2004	2003
Income			
Income from investments and loans to subsidiaries	8	36 156 680	45 002 257
Financial income from third parties		258 334	190 394
Gain from sale of fixed assets		490 392	317 175
Other income	9	13 618 432	12 388 165
Total		50 523 838	57 897 991
Expenses			
Personnel costs	10	14 336 963	10 114 233
Administrative expenses and taxes	11	11 933 240	17 783 394
Financial expenses		17 003 763	16 975 996
Extraordinary expenses		918 772	352 971
Total		44 192 738	45 226 594
Net profit			
Profit for the financial year		6 331 100	12 671 397

SIG Holding Ltd.

Balance sheet in CHF

	Notes	2004	2003
Assets			
Fixed assets			
Investments	2	543 974 264	543 974 264
Loans to subsidiaries	3	489 883 191	500 697 119
Property		2 208 527	2 171 979
Total		1 036 065 982	1 046 843 362
Current assets			
Receivables from subsidiaries	4	10 716 319	2 334 575
Other receivables		2 434 282	3 148 490
Accrued income		1 072 665	1 240 591
Cash and cash equivalents	3	19 912 674	10 804 015
Total		34 135 940	17 527 671
Total assets		1 070 201 922	1 064 371 033
Shareholders' equity and liabilities			
Shareholders' equity (before distribution of available earnings)			
Share capital	5	65 000 000	65 000 000
General reserves	5	253 082 055	253 082 055
Reserves for own shares	5	17 081 740	6 438 812
Statutory reserves		270 163 795	259 520 867
Free reserves	5	177 420 548	178 063 476
Brought forward from previous year		5 046 632	8 875 235
Net profit		6 331 100	12 671 397
Available earnings		11 377 732	21 546 632
Total		523 962 075	524 130 975
Liabilities			
Bond issues	6	400 000 000	400 000 000
Liabilities to subsidiaries		100 299	327 191
Other liabilities		2 687 339	1 537 411
Accrued liabilities		8 879 344	8 647 201
Provisions	7	134 572 865	129 728 255
Total		546 239 847	540 240 058
Total shareholders' equity and liabilities		1 070 201 922	1 064 371 033

SIG Holding Ltd.

Notes to the annual financial statements in CHF

1. Accounting principles

The Group companies, whose results are consolidated in the Group financial statements, are owned directly or indirectly by SIG Holding Ltd. Legally, the SIG shareholders have an interest in SIG Holding Ltd., whose balance sheet and income statement are presented on the preceding pages.

Economically, the consolidated figures shown in the Group accounts are relevant for the SIG shareholders.

The SIG Holding Ltd. balance sheet and income statement are therefore merely additional information to the consolidated financial statements.

Except for the following comments, there are no facts requiring publication under the stipulation of Paragraph 663b of the Swiss Federal Code of Obligations.

2. Investments

Investments are valued on the basis of acquisition cost less any necessary value adjustments.

The interests held directly or indirectly by SIG Holding Ltd. are listed on pages 34 and 35.

3. Loans to subsidiaries

Loans to subsidiaries are granted long term.

The repayment of loans is reflected in an increase of cash.

4. Receivables from subsidiaries

Receivables from subsidiaries at balance sheet date derive from charging of expenses.

5. Shareholders' equity

The share capital consists of 6,500,000 registered shares with a nominal value of CHF 10 each. Conditional share capital of CHF 6.0 million was approved at the Annual General Meeting on 3/29/2001.

As at 12/31/2004, there were 6,500,000 registered shares entitled to dividends. The reserve for own shares is adequately endowed. The free reserves were decreased to CHF 177.4 million following the allocation of CHF 10.0 million from 2003 available earnings and the allocation of CHF 10.6 million for the reserve for own shares.

Acquisition, disposal and the number of the company's own shares, including transactions with subsidiaries, amount to (expressed in terms of registered shares at CHF 10 nominal value):

	Average price 2004 in CHF	Number of registered shares	
		2004	2003
Owned as at 1/1	192	37 709	47 911
Purchases at market price	205	28 628	10 442
Sales at market price (-)	206	-638	-20 644
Total as at 12/31	197	65 699	37 709
of which reserved for management participation plan (Long-Term Incentive)		50 300	37 000

SIG Holding Ltd.

Notes to the annual financial statements in CHF

6. Bond issues

Interest rate	Type of bond	Duration in years	2004	2003
3.250%	bond 1998-2006	8	150 000 000	150 000 000
4.625%	bond 2000-2007	7	150 000 000	150 000 000
4.375%	bond 2002-2008	6	100 000 000	100 000 000
Total			400 000 000	400 000 000

7. Provisions

In addition to provisions for taxes, this item primarily contains provisions for exchange rate and credit risks related to loans to subsidiaries.

8. Income from investments and loans to subsidiaries

In the year under review, dividend income from SIG Finance and interests from loans granted were CHF 8.8 million lower than in the previous year.

9. Other income

This item includes income from charging administration-related services.

10. Personnel costs

The increase in personnel costs is primarily caused by costs and provisions related to the reorganization of the management structure and the streamlining of the corporate center.

11. Administrative expenses and taxes

The cost reduction in the year under review is based on lower consultancy fees. The previous year contained additional costs for the 150-year's jubilee.

12. Contingent liabilities

	2004	2003
Guarantees and pledges in favor of banks or subsidiaries amount to	4 526 800	6 158 000

13. Insurance value of fixed assets

	2004	2003
Insurance value of fixed assets	4 327 000	4 671 000

14. Events after balance sheet date

No events are known which might have a significant influence on the annual financial statements.

SIG Holding Ltd.

Proposal by the Board of Directors for the distribution of available earnings in CHF

	2004	2003
Net profit	6 331 100	12 671 397
Balance brought forward from previous year	5 046 632	8 875 235
Available earnings at the disposal of the Annual General Meeting	11 377 732	21 546 632
The Board of Directors proposes:		
The payment of a gross dividend of CHF 1 per registered share (previous year: CHF 1 per registered share)	6 500 000	6 500 000
Allocation to free reserves	0	10 000 000
Carried forward to new account	4 877 732	5 046 632

Upon approval of the proposal for the financial year 2004 the corresponding dividend is:

CHF 1.00 gross per registered share or, after deduction of the Swiss Federal Withholding Tax at the rate of 35%, CHF 0.65 net.

SIG Holding Ltd.

Report of the Auditors on the annual financial statements

Report of the statutory auditors to the general meeting of SIG Holding Ltd., Neuhausen am Rheinfall

As statutory auditors, we have audited the accounting records and the financial statements (income statement, balance sheet and notes as presented on pages 28 to 32) of SIG Holding Ltd. for the year ended December 31, 2004.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records and financial statements and the proposed distribution of available earnings comply with Swiss law and the company's articles of incorporation.

We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

D. Suter

B. Haid

Basel, March 7, 2005

Group companies

	Stake (in %)	Capital in millions (local currency)	Research and Development	Sales and Service	Production	Financing and Services	Segment	Employees	Net Sales in EUR million
Argentina									
SIG Combibloc Argentina S.R.L., AR-B1609JUA – Buenos Aires	100	ARS 10,000		*			SIG Combibloc	4	0.1
SIG Tecnología para Plásticos (Argentina) S.A., RA-C1070AAG Buenos Aires	100	ARS 0.1		*			SIG Beverages	4	0.3
Austria									
SIG Austria Holding GmbH, AT-5760 Saalfelden	100	EUR 1.0				*	Corporate	0	0.0
SIG Combibloc GmbH & Co KG, AT-5760 Saalfelden	100	EUR 4.5		*	*	*	SIG Combibloc	420	278.1
Brazil									
SIG Beverages do Brasil Ltda., BR-06850-000 Itapeperica da Serra – SP	100	BRL 99.999		*	*		SIG Beverages	97	13.4
SIG Combibloc do Brasil Ltda., BR-São Paulo, SP 04551-065	100	BRL 14.301		*			SIG Combibloc	20	0.9
Canada									
SIG Plastics Technologies (Canada) Inc., CA-Mississauga, Ontario L5T 1C7	100	CAD 0.01		*			SIG Beverages	5	0.6
Chile									
SIG Combibloc Chile Limitada, CL-Las Condas – Santiago de Chile	100	CHP 125,000,000		*			SIG Combibloc	3	1.8
China									
SIG (China) Beverage Machinery Co. Ltd., CN-Beijing 100176	100	USD 3.406		*	*		SIG Beverages	61	4.3
SIG Combibloc (Suzhou) Co. Ltd., CN-Suzhou 215126	100	CNY 36.7		*	*		SIG Combibloc	185	9.8
SIG Combibloc Packaging Technology Services Co. Ltd., CN-Shanghai 200137	100	USD 0.25		*			SIG Combibloc	0	0.7
Czech Republic									
SIG Combibloc s.r.o., CZ-50311 Hradec Králové	100	CZK 19.3		*			SIG Combibloc	13	1.3
France									
SIG Combibloc France S.à.r.l., FR-92604 Asnières Cedex	100	EUR 0.031		*			SIG Combibloc	42	9.2
SIG Plast Equip (France) S.A.S., FR-93120 La Courneuve	100	EUR 0.08		*			SIG Beverages	10	2.1
Germany									
SIG Asbofill GmbH, DE-41468 Neuss	100	EUR 1.00	*	*	*		SIG Beverages	18	4.4
SIG Beverages Germany GmbH, DE-45143 Essen	100	EUR 0.05				*	SIG Beverages	38	0.0
SIG Cantec GmbH & Co. KG, DE-45143 Essen	100	EUR 4.0	*	*	*		SIG Beverages	142	25.4
SIG Combibloc GmbH, DE-52441 Linnich	100	EUR 30.7		*	*		SIG Combibloc	1910	729.2
SIG Combibloc Holding GmbH, DE-79761 Waldshut-Tiengen	100	EUR 5.2				*	Corporate	0	0.0
SIG Combibloc Systems GmbH, DE-41468 Neuss	100	EUR 1.0	*		*		SIG Combibloc	446	99.7
SIG Combibloc Vermögensverwaltungs-GmbH & Co. KG, DE-52441 Linnich	100	EUR 30.7				*	SIG Combibloc	0	0.0
SIG Combibloc Verwaltungs-GmbH, DE-52441 Linnich	100	EUR 0.6				*	SIG Combibloc	0	0.0
SIG Combibloc Zerspanungstechnik GmbH, DE-52074 Aachen	100	EUR 0.256				*	SIG Combibloc	41	17.1
SIG Corpoplast GmbH & Co. KG, DE-22145 Hamburg	100	EUR 12.8	*	*	*		SIG Beverages	258	86.5
SIG Euro Holding AG & Co. KG aA, DE-79761 Waldshut-Tiengen	100	EUR 10.0				*	Corporate	3	0.0
SIG Information Technology GmbH, DE-52441 Linnich	100	EUR 0.5				*	SIG Combibloc	103	0.0
SIG Moldtec GmbH & Co. KG, DE-45143 Essen	100	EUR 2.0		*	*		SIG Beverages	142	15.6
SIG Plastics Holding GmbH, DE-79761 Waldshut-Tiengen	100	EUR 5.0				*	Corporate	0	0.0
SIG Simonazzi Germany GmbH, DE-22145 Hamburg	100	EUR 0.511		*			SIG Beverages	9	2.9
Schott SIG Barrier Technologies GmbH, DE-55122 Mainz	50	EUR 1.0		*	*		SIG Beverages	26	0.0
Great Britain									
SIG Beverages Ltd., GB-Hatfield, Hertfordshire AL 109EW	100	GBP 0.948		*			SIG Beverages	26	9.7
SIG Combibloc Ltd., GB-Houghton-le-Spring, Tyne and Wear, DH4 6JN	100	GBP 1.50	*	*	*	*	SIG Combibloc	202	60.6
SIG Holdings UK Ltd., GB-Houghton-le-Spring, Tyne and Wear, DH4 6JN	100	GBP 3.958				*	Corporate	0	0.0
SIG Asset Holding Ltd., GB-St. Peter Port, Guernsey	100	EUR 0.557				*	Corporate	0	0.0
Crystal Insurance Comp. Ltd., GB-St. Peter Port, Guernsey GY14HY- C.I.	100	CHF 2.5				*	Corporate	0	0.0
Hungary									
SIG Combibloc KFT, HU-6000 Kecskemét	96	HUF 84.3		*			SIG Combibloc	9	0.8
India									
SIG Simonazzi (India) Pvt Ltd., IN-New Delhi – 110048	100	INR 8.546		*			SIG Beverages	25	0.8
Italy									
SIG Alfa S.p.A., IT-46100 Mantova (MN)	100	EUR 0.105	*	*	*		SIG Beverages	126	25.4
SIG Comaco S.p.A., IT-42027 Montecchio Emilia (RE)	100	EUR 1.56	*	*	*		SIG Beverages	70	20.1
SIG Combibloc S.r.l., IT-20121 Milan	100	EUR 0.1		*			SIG Combibloc	16	2.9
SIG Holding Italia S.p.A., IT-43040 Parma	100	EUR 13.9				*	Corporate	47	0.0
SIG Manzini S.p.A., IT-43100 Parma (PR)	100	EUR 1.88	*	*	*		SIG Beverages	163	48.4
SIG Simonazzi Blowform S.p.A., IT-43015 Noceto (PR)	100	EUR 1.934	*	*	*		SIG Beverages	0	0.1
SIG Simonazzi S.p.A., IT-43040 Parma (PR)	100	EUR 18.543	*	*	*		SIG Beverages	992	275.4

	Stake (in %)	Capital in millions (local currency)	Research and Development	Sales and Service	Production	Financing and Services	Segment	Employees	Net Sales in millions of EUR
Kingdom of Saudia Arabia									
SIG Combibloc Obeikan Company Limited, KSA-11452 Riyadh	50	SAR 34.0			*		SIG Combibloc	70	0.0
Korea									
SIG Combibloc Korea Co. Ltd., KR-Seoul 135-964	100	KRW 260.0		*			SIG Combibloc	7	0.4
Malaysia									
SIG Simonazzi (Pacific) Sdn Bhd, MY-50480 Kuala Lumpur	100	MYR 0.55		*			SIG Beverages	18	1.1
Mexico									
SIG Beverages Services México S.A. de C.V., MX-45020 Guadalajara Jalisco C.P.	100	MXN 14.74		*	*		SIG Beverages	0	11.9
SIG Combibloc México S.A. de C.V., MX-03100 México, D.F.	100	MXN 0.1		*			SIG Combibloc	16	18.0
SIG Simonazzi México S.A. de C.V., MX-45010 Zapopan Jal. C.P.	100	MXN 0.050		*			SIG Beverages	59	1.1
Netherlands									
SIG Combibloc B.V. Benelux, NL-7554 TV Hengelo (o)	100	EUR 0.2		*			SIG Combibloc	22	3.8
Poland									
SIG Combibloc Sp.z.o.o., PL-02-803 Warsaw	100	PLN 5.9		*			SIG Combibloc	32	3.3
Romania									
SIG Combibloc S.R.L., RO-7000 Bucharest	100	ROL 70.9		*			SIG Combibloc	3	0.1
Russia									
SIG Combibloc Service Center, RU-119048 Moscow	100	RUR 5.0		*			SIG Combibloc	25	2.6
SIG Simonazzi (Russia) O.o.o., RU-113184 Moscow	100	RUR 0.09		*			SIG Beverages	18	5.0
Spain									
SIG Combibloc S.A., ES-28100 Alcobendas (Madrid)	100	EUR 0.33		*			SIG Combibloc	44	10.1
SIG Simonazzi Ibérica S.A., ES-08025 Barcelona	70	EUR 0.12		*			SIG Beverages	17	8.9
SIG Tecnología para Plásticos (España) S.L., ES-08007 Barcelona	100	EUR 0.025		*			SIG Beverages	4	0.1
Switzerland									
SIG Beverages International AG, CH-8212 Neuhausen am Rheinfall	100	CHF 0.4				*	SIG Beverages	5	0.0
SIG Combibloc (Schweiz) AG, CH-8032 Zürich	100	CHF 0.3		*			SIG Combibloc	14	2.6
SIG Combibloc International AG, CH-8212 Neuhausen am Rheinfall	100	CHF 0.4				*	SIG Combibloc	48	0.0
SIG Finanz AG, CH-8212 Neuhausen am Rheinfall	100	CHF 35.0				*	Corporate	0	0.0
SIG Holding AG, CH-8212 Neuhausen am Rheinfall	100	CHF 65.0				*	Corporate	54	0.0
SIG Schweizerische Industrie Gesellschaft, CH-8212 Neuhausen am Rheinfall	100	CHF 12.7				*	Services	37	0.0
SIG Technology AG, CH-8212 Neuhausen am Rheinfall	100	CHF 3.0				*	Corporate	0	0.0
SIG allCap AG, CH-8212 Neuhausen am Rheinfall	100	CHF 7.0	*	*	*		SIG Combibloc	127	77.4
SIG Reinag AG, CH-8212 Neuhausen am Rheinfall	100	CHF 1.0				*	Corporate	0	0.0
Taiwan									
SIG Combibloc Taiwan Ltd., TW-Taipei, Taiwan R.O.C.	100	NTD 15		*			SIG Combibloc	34	3.0
Thailand									
SIG Beverages Asia Pacific Pty. Ltd., TH-Bangkok Metropolis	100	EUR 0.155		*			SIG Beverages	10	2.2
SIG Combibloc Ltd., TH-Rayong 21140, Thailand	100	THB 3070.7	*	*	*		SIG Combibloc	352	101.2
USA									
SIG Beverages North America Inc., us-Plano TX 75074	100	USD 10.5		*		*	SIG Beverages	47	35.2
SIG Combibloc Inc., us-Columbus, Ohio 43228-9699	100	USD 27.0		*			SIG Combibloc	28	40.2
SIG Holding USA Inc., us-New Richmond, WI 54017	100	USD 85.4				*	Corporate	0	0.0
United Arab Emirates									
SIG Combibloc Obeikan FZCO, AE-Dubai Airport Free Zone	50	AED 24.0		*			SIG Combibloc	85	39.7

The list does not reflect the legal structure of the SIG Group.

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