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**FOR IMMEDIATE RELEASE****SEZ GROUP REPORTS FIRST SIX-MONTHS 2007 RESULTS**

- Significant increase in net sales and profitability
- Sales expectation for full-year 2007 reduced to CHF 350 million with an EBIT-margin of 5 percent due to temporary market weakness
- Extremely positive order development in the front-end-of-line (FEOL) arena

VILLACH, Austria and ZURICH, Switzerland, July 31, 2007—For the first six months of 2007, the SEZ Group (SWX Swiss Exchange: SEZN) reports strong results, confirming market expectations. The Group significantly increased its consolidated net sales, recording 207.5 million Swiss Francs (CHF)—a 23-percent rise compared to the same period last year. Operating income (EBIT) nearly doubled to CHF 20.2 million, while EBIT margin improved significantly from 6.2 percent to 9.7 percent. Consolidated net profit, CHF 20.7 million, surpassed the prior year's figure by 128 percent—corresponding to earnings per share of CHF 1.23 and a net profit margin of 10 percent. In the first half-year, memory makers—both DRAM and NAND Flash—accounted for a substantial 75 percent of equipment sales, while a rather low 15 percent of sales stemmed from the historically strong foundry segment.

**Temporary market weakness shadows outlook for second half-year**

As announced on July 16, 2007, after a strong first quarter, order development showed a decline from the middle of the second quarter that was driven by decreasing demand from memory makers. Given the continued delay in demand from the foundry segment, order intake declined by 25.9 percent to CHF 75.1 million compared to the prior quarter. Due to current lower order activity, SEZ's management expects orders of CHF 65 million in the third quarter and reduces its full-year 2007 sales expectation to CHF 350 million with an EBIT margin of 5 percent. Based on current market indications, a significant recovery of demand is expected by the end of the third quarter.

**First orders from new FEOL segment received; sharp increase in demand for second half-year**

During the reporting period, SEZ recorded a great success with the receipt of the first two orders for new FEOL tools. The new production tools are currently installed at leading memory chip manufacturers. Due to the significantly improved demand for FEOL equipment, SEZ expects FEOL sales to jump and account for a solid double-digit percentage of its second half-year revenues—a figure that clearly exceeds previous expectations. SEZ's success within the FEOL arena will significantly grow to contribute an overproportionate amount to SEZ Group's overall sales and profitability over the next years.

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**Key Figures after Six Months (unaudited)**

in CHF million	06/07	06/06
Order intake	176.4	196.0
Net sales	207.5	168.2
Profit from operations (EBIT)	20.2	10.4
Net profit	20.7	9.1
Book-to-bill ratio	0.85	1.16

**Quarterly Key Figures (unaudited)**

in CHF million	Q2/07	Q2/06	Q1/07
Order intake	75.1	104.7	101.3
Order backlog	39.1	86.2	68.8
Net sales	104.8	99.3	102.6
Gross profit	42.0	40.0	41.7
Gross profit margin	40.0%	40.2%	40.6%
Profit from operations (EBIT)	10.3	9.4	9.9
EBIT margin	9.8%	9.6%	9.6%
Net profit	10.8	7.3	11.7
Net profit margin	10.3%	7.4%	9.6%

Average exchange rates for January to June 2007:

EUR/CHF 1.63216; USD/CHF 1.22818

The complete 2007 Half-Year Report is available on SEZ's homepage located at [www.sez.com](http://www.sez.com) (Investor/Financial Reports). Additionally, quarterly income statements are available for download on SEZ's homepage under Investor/Financial Reports/Quarterly Results. An audio webcast of today's presentation of financial results in Zurich will also be available on SEZ's website beginning at 9 a.m. PDT/12 p.m. EDT/6 p.m. CET.

**Upcoming Financial Dates**

October 25, 2007: Press release and conference call on the results of the first nine-months 2007

**About SEZ Group**

The SEZ Group is the leading provider of single-wafer wet-clean processing solutions for the semiconductor industry, with an installed base of over 1,200 tools. The company maintains operations in Asia-Pacific, Europe, Japan and North America. Since 1996, registered shares of SEZ Holding Ltd. have been traded on the SWX Swiss Exchange under the symbol SEZN. Additional information about the company is available on the Internet at [www.sez.com](http://www.sez.com).

Villach/Zurich, July 31, 2007

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