

PRESS RELEASE

Punch takes over leading wheel manufacturer BBS

Motive division doubles in size

Sint-Martens-Latem, Belgium, 29 June 2007 - Punch International NV ('Punch'), the diversified industrial holding company headquartered in Sint-Martens-Latem, today announced that it has taken over BBS, the German world-leading firm in the development and production of lightweight wheels for sports and passenger cars in the premium segment. BBS is quoted on the Frankfurt and Stuttgart stock exchanges, but was declared bankrupt in May 2007. After the takeover of ZF in July of last year, this transaction is a new milestone towards making a hybrid vehicle a reality. BBS is expected to make a positive contribution to the net profit of the Punch group as soon as it is taken over.

Punch is to take over all the assets of the bankrupt company as of 1 August 2007, subject to the approval of the transaction by the antitrust authority. More specifically, these are the assets of BBS Kraftfahrzeugtechnik AG and BBS Motorsport & Engineering GmbH, the brand name BBS and the activities of the plants in Schiltach and Herbolzheim, Germany. The transaction also comprises the takeover of all the shares of the American sales subsidiary BBS of America, Inc and the redemption of all lease contracts in progress. BBS has an extensive portfolio of technology patents, a part of which is licensed to third parties. The takeover includes the full portfolio of patents and licences. The acquisition is financed by a combination of the proceeds of the private placement dated 7 June 2007 and a bank loan.

The activities taken over will be continued under the name BBS International GmbH and integrated in the Punch Motive division of the Punch group.

A number of disadvantageous strategic choices led to the company's bankruptcy. BBS decided in particular to expand its field of action from the profitable premium segment for exclusive vehicles to the medium-sized vehicles characterised by high volumes but low margins. The opening of establishments in Italy and China, and the accompanying start-up problems caused considerable losses. In future, Punch will wish to focus solely on the profitable premium segment again. Punch expects BBS to make a turnover contribution of at least € 60 million for financial year 2007. BBS is expected to make a positive contribution to the group's net profit from the outset of the takeover.

BBS was founded in 1970 and has in the meantime emerged as one of the world's leading producers of high-quality lightweight wheels for sports and passenger cars. The company supplies nearly all major OEMs, race teams, the replacement market and tuning companies. Brands such as Audi, BMW, DaimlerChrysler, Ferrari, Jaguar, Land Rover, Maserati, Porsche, Saab, Volvo and Volkswagen have been customers for years. BBS wheels have earned numerous places of honour in the F1 constructor championships.

BBS is more than a developer and manufacturer of lightweight wheels, however. This high-tech firm is also a pioneer in the use of new materials and environment-friendly production techniques.

But BBS made its name in particular with a series of successful innovations, the first of which, the three-piece race wheel, dates from 1972. With its most recent innovation, 'Air Inside Technology', which is patented worldwide, BBS has ushered in a revolution in the production of lightweight wheels. These wheels have continuous hollow chambers and hollow-cast spokes that make them considerably lighter and thus substantially reduce fuel consumption enabling BBS to meet what has become a very topical need. In light of the ever more stringent emission standards, weight reduction is playing an increasingly important role, while

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meeting the demand of car manufacturers for ever larger wheel diameters; for such large wheels must be as light as possible for stability, manoeuvrability and driving dynamics.

Guido Dumarey, CEO of Punch, says: "We are very satisfied because this acquisition is of great strategic importance. Punch has expanded its clientele to include large OEMs, and a new milestone is on the way with the construction of a hybrid car. In the CVT of Punch Powertrain, we already have the most suitable transmission while BBS's patented air-inside-technology wheels are ideally suited for in-wheel electric motors which, because they save weight and space, are in turn ideal for integration in a hybrid vehicle. What Xeikon was and still is in the graphics sector, is BBS in the automotive business; an innovation-driven player, continually developing innovative products and techniques for a carefully chosen niche market."

Punch has confirmed its forecast for financial year 2007. The group expects to generate a turnover of € 385 million and a return on equity of at least 15%. Once BBS will be contributing for a full year, group revenues –ceteris paribus– will grow to about € 500 million.

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About Punch International

Founded in 1982, Punch has since grown to become a diversified industrial holding company. Punch seeks to achieve long term capital growth by acquiring majority stakes in a varied portfolio of companies with a view to unlocking implicit value. Acting as a catalyst of proven and potentially successful technologies, Punch provides the necessary funds to realise their commercial breakthrough. As a consolidator, Punch focuses on gaining critical mass in order to establish a dominant market position in the segments in which it operates. Punch is actively involved in the management of its investments, seeking to leverage each subsidiary's operational, commercial and financial performance in order to maximise shareholder value. 'Punch, unlocking value.'

For 2006 Punch achieved sales of € 197.5 million and a net profit of € 21.1 million. Punch has been listed on Euronext Brussels since 1999 and is part of the NextPrime index (ticker: PUN).

All press releases and other information are available online at www.punchinternational.com and www.euronext.com.

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