

Creditors of
Setila AG in Moratorium

St. Gallen, June 22th, 2005 St/hn

Debt Registration: Setila AG Widnau in Moratorium

Dear Ladies and Gentlemen,

Setila AG in Widnau, Switzerland, obtained a request for moratorium, due to financial difficulties at the district court Rheintal in Altstätten, Switzerland. This request was, for the time being, temporarily granted at February 28th, 2005 until May 31th, 2005. A court ruling on June 9th, 2005 granted the definite moratorium for a period of 6 months, till November 30th, 2005. Provida Consulting AG, 9001 St. Gallen, Switzerland was named administrator.

This court ruling is final. With this letter, we request you to submit your claims against Setila AG, value as of February 28th, 2005 **no later than July 14th, 2005** according to the publication at the end of the letter.

All persons who claim items to be capitalized from the debtor are requested to notify the administrator before the deadline for submission. Notification must include documentary evidence.

In collaboration with the management of Setila AG and the creditors, we will attempt, within the next 6 months, to close a moratorium contract. A statement regarding the presumable dividends: at this time, the value can only be estimated. According to our inventory figures, we hope that a dividend of approx. 39% for the claims of the 3rd class will be reached. The privileged claims will have sufficient security.

We will obviously keep you up to date with further circulars and detailed information will follow after the creditors meeting.

For any further questions and information, please do not hesitate to contact the Provida Consulting AG. Forms for claims can be downloaded from our website: www.provida.ch/Sachwaltung

Yours sincerely



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Annex: file of claims

Invitation to Register Debts

1. Debtor: Setila AG, Viscosestrasse, 9443 Widnau
2. Arrangement date of the definite debt-restructuring moratorium: June 9th, 2005
3. Termination of moratorium: from June 1th up to November 30th, 2005
4. Administrator: Provida Consulting AG, Schützengasse 12, P.O. Box 1650, CH-9001 St. Gallen, Switzerland
5. Deadline for submission of claims: July 14th, 2005
6. Notes:
Creditors are requested to register their claims as of February 28th, 2005 (arrangement date of the provisional debt-restructuring moratorium). They must show calculated interest separately and describe any preferential rights and lien. Supporting evidence must be submitted (contracts, copies of invoices, notices, reminders, warnings, etc.). Claims must be registered to the administration in writing within 20 days of publication in the Swiss Official Gazette of Commerce of June 24th, 2005. Creditors who do not register their claims on time will forfeit their right to vote on the debt-restructuring agreement (Debt Prosecution and Bankruptcy Statute, Article 300). There is no obligation to secure claims registered after February 28th, 2005 (Debt Prosecution and Bankruptcy Statute, Article 306). Employees and, if possible, other creditors are requested to register their claims using the forms provided by the administrator. These forms, and detailed information on how to register, can be downloaded from the administrators website: www.provida.ch. Forms for employees are also obtainable from the company's personnel division.

The place and exact time of the meeting of creditors will be made known at a later date.

St. Gallen, June 20th, 2005
Administrator: Provida Consulting AG, St. Gallen