

PRESS RELEASE

**Connect group simplifies group structure**

**EMBARGO until 21 June , 18.00**

Kampenhout, 21 June 2010

Connect Group NV announces that it is simplifying its existing group structure. After shedding its automation activity in early 2010, management has undertaken an analysis of the remaining operational and legal structure of the group and concluded that this could usefully be simplified.

Today's Connect Group is made up of nine companies, five in Belgium and four abroad (Germany, Romania, Netherlands, Czech Republic). The reorganization affects the five Belgian companies, which will be reduced to two.

The surface mounting facility in Ieper (Connectronics NV) will be merged into Connect Group NV (group holding company and surface mounting activity in Poperinge). Management company Connect Systems International NV will be merged into Connect Systems NV (the cable activity in Belgium) and Connect Systems Holding NV, which serves only as an internal holding company, will be liquidated.

This simplification process will start in the second half of 2010 and will take place in stages.

CEO Luc Switten: "This simplification brings the legal structure into line with the group's operating structure. This is necessary for better transparency, cost control, operational simplification and focus in the operating companies. Our two facilities in Poperinge and Ieper are just 15 km from each other but today belong to two separate legal entities. We believe that by combining these facilities operationally and legally we can improve our efficiency. The scrapping of the two other legal entities in Belgium falls into the category of administrative simplification."

Following the simplification, the group will consist of 2 Belgian competence centres at Kampenhout (cable activity) and Poperinge (surface mounting activity), an assembly activity in the Netherlands (Rijen) and Germany (Frickenhausen) and supporting production facilities in Romania (Oradea – cable and surface mounting ) and in the Czech Republic (Kladno – surface mounting).

Connect Group

Connect Group offers cost-effective, high quality production services to the professional industry. Activities include the production of cables and cable trees, PCB assembly and testing, production of semi-manufactures and final product assembly.

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Connect Group's references include companies such as Alstom, ASML, Atlas Copco, Atos, Barco and Philips.

Today the company employs around 1,700 people in various facilities in Europe. The company's shares are traded on NYSE Euronext Brussels: CONN ([www.euronext.com](http://www.euronext.com)).

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Financial calendar

Announcement of second quarter results:	12 August 2010
Announcement of third quarter results:	10 November 2010

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