

Frauenthal Holding AG quarterly results

Stock exchange announcement pursuant to section 48d(1) Stock Exchange Act

11 November 2009

Frauenthal Group cutting costs in response to harsh trading environment facing Automotive Components Division; revenue and earnings up in non-automotive operations

- EBITDA before restructuring charges positive by EUR 3.4 million (m) over the first three quarters of 2009
- Cost savings in Automotive Components; market bottoming out
- Revenue up by 4 percent in Wholesale Plumbing Supplies Division, 44 percent in Industrial Honeycombs Division
- Capacity reductions and restructuring in Automotive Components Division creating conditions for recovery in 2010

The Frauenthal Group posted revenue of EUR 336m in the first three quarters of 2009 — 33.1 percent down year on year (Q1–Q3 2008: EUR 501.9m). While the revenue contribution of the Automotive Components Division slumped by EUR 185.5m or 66 percent in comparison with 2008 — a record year — the Wholesale Plumbing Supplies Division recorded a 4.1 percent increase, and revenue in the Industrial Honeycombs Division jumped by all of 43.9 percent. The two non-automotive operations returned combined revenue growth of EUR 25.4m.

Group EBITDA has steadily improved thanks to massive cost reductions in the Automotive Components Division. Group EBITDA for the first three quarters was negative by EUR 7.7m (Q1–Q3 2008: EUR +40.7m). However, underlying EBITDA adjusted for restructuring charges (EUR 11.1m) was positive by EUR 3.4m. The improvement in earnings continued in the third quarter, when EBIT before restructuring charges was EUR 3.6m.

In the Wholesale Plumbing Supplies Division the improvement in earnings lagged behind revenue growth because price competition has squeezed margins. In the Industrial Honeycombs Division rising demand for power station catalysts buoyed EBITDA, which jumped by 64.6% year on year. Together the non-automotive businesses registered a EUR 2.3m improvement in earnings.

Due to the adjustment of the cost base to lower demand in the Automotive Components Division and the strong performance by the non-automotive operations, management is expecting full-year operating EBITDA to be positive.

The full text of the interim report is downloadable at www.frauenthal.at / Investor Relations / Reports.