



Adhoc-announcement from 16.02.2004

Neschen AG – investors to have a share in the continued growth

The Board of Directors of the Neschen AG, Bückebug have approved, on 13.02.2004, an increase of the capital stock by EUR 2.8M from the approved capital of the company. Regulations prohibit subscription rights for shareholders for the approved capital.

Participating in the capital increase are the “Vermögensverwaltung Erben Dr. Karl Goldschmidt GmbH”, Essen, (VVG), an historic family business, as well as the family Zinn, Bückebug. A long-term engagement is planned with this participation in the Neschen AG.

After the completion of the capital increase the share distribution will be as follows: the Zinn family 45.7% and the VVG 29.9%. The remaining 24.4% are in free float.

The capital increase will have a very positive effect on the equity ratio and solidify the conditions for future organic growth in the core markets. The Neschen AG has invested EUR 47M from 2001 to 2003. The investment was centred on the acquisition of the biggest competitor, Seal (2001), and the expansion of the production and finishing facilities in England and the USA.

The production in the new coating facility in the USA was started on schedule at the end of 2003 and will play a major role in negating any concerns regarding currency rates which have hurt the company profitability in the past.

The annual statement for 2003 will be in all probability completed in March 2004 and be immediately available for viewing on the internet site: www.neschen.de

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