



Neschen AG – amendment of EBIT / EBITDA and capital increase

Due to the incorrect allocation of activated deferred taxes as well as a reclassification of a tax refund received in the Netherlands, the data reported for EBIT and EBITDA within the ad hoc announcement of March 14th 2007 is not correct.

For the financial year of 2006 the EBIT is -0.6 €Mio. (2005: -4.0 €Mio.) and the EBITDA is 0.5 €Mio. (2005: 2.4 €Mio.). The adjusted EBIT, excluding the restructuring costs, is 4.6 €Mio.

The reported result after tax of -3.3 €Mio (2005: -9.4 €Mio.) remains unchanged.

The turnover of 33.8 €Mio. in the first quarter of 2007 lies within the expected range. EBIT is 2.1 €Mio. (6.3%); the result after tax is slightly above budget.

Furthermore the Members of the Board have decided today to increase the current subscribed capital of 8.75 €Mio. by the authorized capital of 4.375 €Mio., up to 13.125 €Mio. by issuing common shares without nominal value.

The newly issued shares, which strengthen the equity, with an entitlement to dividends from January 1st 2007, can be drawn by the shareholders at a ratio of 2:1 and a price of Euro 1.10 per share between May 15th and May 31st.

As agreed in the recapitalisation agreement signed with Neschen AG the US-investment bank Bear Stearns will purchase up to a maximum of three million of the unsubscribed shares.

Due to the structure of the shareholders the Members of the Board expect to place the total allocated capital increase.

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