

Six-Month Report  
Tuesday, August 8, 2006



New Size and Growing Strengths – The Road  
to A Profitable Future

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## Business Very Positive for „new“ Pfleiderer AG

- Further improvement in earnings power leads to best six-month results in company's history
- EBITDA increases to 90.1 m euros in H1/06 - Group margin reaches 14.1 % in Q2/06
- Integration of Kunz Group making very good progress
  - Intensive transfer of know-how and technology increases earnings power on a sustained basis
  - Overhauled Kunz plants create additional results potential
- "New" Pfleiderer AG has picked up speed significantly



## Q2/06: Successful Conclusion to Major Projects

- Sale of Pfleiderer track systems to AXA Private Equity completed
- Successful completion of subscription rights capital increase
- Sustained strengthening of equity base - equity ratio improves to 35.1 % after 19 % at beginning of year
- Net corporate indebtedness reduced to 341.5 m euros
- Excellent foundation for international, earnings-led expansion of Group

## Significant Improvement in Corporate Figures

	Jan. 1 – June 30, 2006		Jan. 1 – June 30, 2005	
	million euros	in %	million euros	in %
Revenues	679.3	100.0	382.8	100.0
EBITDA	90.1	13.3	44.5	11.6

- Revenues up 78 % to 679.3 m euros in 1st half of 2006
- Over-proportionate EBITDA increase – with plus 102 % y-o-y EBITDA more than doubled to 90.1 m euros
- EBITDA margin increases from 11.6 % in H1/05 to 13.3 % in 1st half of 2006; margin reaches 14.1 % in Q2/06

## All Business Centers Contributing to Strong Earnings Hike in Q2/06

	April 1 – June 30, 2006		April 1 – June 30, 2005	
	million euros	in %	million euros	in %
EBITDA Business Center North America	13.7	14.5	--	--
EBITDA Business Center Western Europe	24.3	12.8	12.2	8.8
EBITDA Business Center Eastern Europe	14.5	22.2	11.2	21.4

- Significantly improved cost structures in terms of administrative and distribution costs
- Positive impetus from integration of Kunz engineered wood activities in H1/06, with trend strengthening further in H2/06
- EBITDA margin in North America rises to 14.5 % in Q2/06; Eastern Europe achieves 22.2 % margin in single quarter
- BC Western Europe increases EBITDA margin by 4 percentage points following an improved market and price situation

## Substantial Increase in Group's Net Income H1/06

	Jan. 1 – June 30, 2006		Jan. 1 – June 30, 2005	
	million euros	in %	million euros	in %
EBT continued operations	25.3	3,7	15.3	3.9
EBT discontinued operations	52.6	7,7	4.4	1.1
Net income	46.1	6,8	7.3	1.9
Earnings per share (euros)	0.96		0.17	
Earnings per share continued operations (euros)	0.22		0.08	

- Negotiations at advanced stage to increase credit line and achieve noticeable improvement in cost of financing - considerably better financial results expected in H2/06
- EBT from continued operations rise to 25.3 m euros (3.7 % margin)
- Group net income substantially increased - earnings per share (continued ops.) increase by 175 % to 22 eurocents despite higher number of shares

## Sustained Increase in Revenues and Earnings in Western Europe

	Jan. 1 – June 30, 2006		Jan. 1 – June 30, 2005	
	million euros	in %	million euros	in %
Revenues	381.9	100.0	273.0	100.0
EBITDA	48.9	12.8	26.2	9.6

- Revenues increase by 40 % to 381.9 m euros
- Considerable increase in EBITDA; EBITDA margin reaches clear double-digit figures
- Existing potential for further operative earnings power in Western Europe to be vigorously exploited (realization by end of 2007)
- Foreign share in Group revenues increases to 67 % for 1st half of 2006 (previous year: 58 %)

## Eastern Europe: EBITDA margin reaches 22.2 % in Q2/06

	Jan. 1 – June 30, 2006		Jan. 1 – June 30, 2005	
	million euros	in %	million euros	in %
Revenues	131.5	100.0	109.5	100.0
EBITDA	25.3	19.2	22.4	20.5

- Revenues increase by 20 % to 131.5 m euros in H1/06
- EBITDA margin in Q2/06 greatly up compared to Q1/06 - EBITDA margin reaches 19.2 % in 1st half of 2006
- Improved cost situation for wood and chemical pre-products
- Start up of new particleboard plant in Novgorod with noticeable effects on sales and earnings in H2/06
- Group consistently follows up investment projects in high-margin product segments in Eastern Europe

## North America: EBITDA margin reaches 14.5 % in Q2/06

	Jan. 1 – June 30, 2006		Jan. 1 – June 30, 2005	
	million euros	in %	million euros	in %
Revenues	175.6	100.0	--	--
EBITDA	23.6	13.4	--	--

- “Panels” Business Unit profits from finished restructuring, improved cost structures and exploits windfall sales opportunities
- Expansion of flooring production capacity and full overhaul of MDF plant now completed
- EBITDA margin reaches 14.5 % in Q2/06, with EBITDA margin for full half year at 13.4 %

## Excellent Basis for Further Growth

- Synergies offer a means to further boost efficiency and earnings power
- Integration of Kunz Group progressing well - more positive effects expected in the second half of the year
- Further strengthening of market- and competitive positions, as well as earnings power in Western Europe
- Participation in dynamic market growth in Eastern Europe through new production capacities and high-margin product segments
- Consistent further development of activities in North America
- Targets for 2006 confirmed:  
Revenues to grow to 1.4 bn euros, with EBITDA of at least 200 m euros (margin at 14.3 %)
- Further goal: medium-term EBITDA margin to increase to over 15 % (organically)

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