

Nine-Months-Report as of September 30, 2004



Discovering Pfleiderer





Business Developments in Q3 2004

Strategic measures take hold, ensuring sustained corporate growth:

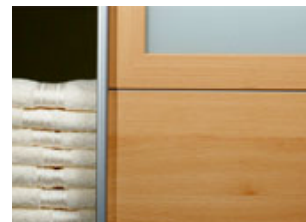
- ? Production capacity adjusted to match lower domestic demand in raw particleboard segment:
 - ? Site closure (reduction of 6% of overall production capacity in Germany)
 - ? Increased export demand
- ? Decision to enter profitable growth segments MDF / HDF with own production in Poland: investment volume of around € 100 million
- ? All key Group figures in third quarter well up on previous year
- ? Successful capital increase by Polish affiliate Grajewo S.A. results in equity ratio rising to 27.4% as of September 30, 2004
- ? Net corporate indebtedness further reduced from €289.1 million (March 31, 2004) to € 158.3 million as of September 30, 2004



Pfleiderer Group Q3 2004: Key Figures

	9M 2004		9M 2003	
	EUR million	in %	EUR million	in %
Sales	727.7	100.0	675.6	100.0
EBITDA	66.8	9.2	53.0	7.8
EBIT	39.9	5.5	22.8	3.4
EBT continued operations	28.1	3.9	10.7	1.6
EBT discontinued operations	26.0	3.6	-7.1	-1.1
EBT	54.1	7.4	3.6	0.5
EPS				
Equity ratio		27.4		17.9
Employees	4,890		5,952	

- ? Foreign sales share increases to 49.9 %
- ? Gross margin for Group up 2.1 percentage points to 26.9 %
- ? EBT discontinued operations: Disposal of Newmark International, Inc. and Leipzig wind tower production



Engineered Wood: Growth in Eastern Europe – Stabilization in Germany

	9M 2004		9M 2003	
	EUR million	in %	EUR million	in %
Sales	566.1	100.0	540.3	100.0
thereof Poland	164.3	29.0	135.4	25.1
EBITDA	53.3	9.4	39.8	7.4
EBIT	32.3	5.7	16.2	3.0
Employees	3,364		3,475	

- ? Announced plant closure and higher export demand lead to an adjustment in production capacity uptake in Germany
- ? Price levels for raw particleboard improve during seasonally weak summer months: in October 2004 up +20% on previous year
- ? Business continues to grow positively in Poland



Infrastructure Technology: Internationalization Bears Fruit

	9M 2004		9M 2003	
	EUR million	in %	EUR million	in %
Sales	161.5	100.0	137.7	100.0
thereof track systems	100.8	62.4	88.1	64.0
thereof Poles & Towers	60.6	37.5	49.5	35.9
EBITDA	18.1	11.2	16.5	12.0
EBIT	14.4	8.9	13.6	9.9
Employees	1,426		1,476	

- ? Pfleiderer track systems' international projects developing as planned: project invoicing results in higher sales revenues
- ? Higher material costs and weaker sales structure in non-German business
- ? Pfleiderer Poles & Towers: higher sales following a major order taken by the Business Unit Telecommunication



Pfleiderer AG: Outlook for Full 2004

- ? All comparable key figures well up on fiscal 2003
- ? Sales exceeding € 950 million
- ? Corporate debt and equity ratio stabilize at reported levels





Contact

Corporate Communication

Alexandra Klemme

Pfleiderer AG, Neumarkt

Tel. + 49 (0) 91 81 / 28 - 80 44

Fax: + 49 (0) 91 81 / 28 - 606

E-Mail: alexandra.klemme@pfleiderer.com