

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

FRAUENTHAL CONFIRMS PRELIMINARY RESULTS FOR 2011

- **EUR 100 million bond issue influences Frauenthal Group balance sheet and results**
- Revenue up by 9% to EUR 587.9 million (m); EBIT 3.8% higher at EUR 22.5m
- Profit for the year down by 21% to EUR 13.7m owing to increased interest and income tax expense
- Earnings up in Automotive Components and Wholesale Plumbing Supplies divisions, down in Industrial Honeycombs
- Equity up to EUR 98.9m but equity ratio down from 30.8% to 27.1%
- Recommended dividend of EUR 0.10 plus EUR 0.20 bonus

EUR m	2011	Change, 2010/2011	2010	2009
Revenue	587.9	+9.0%	539.4	454.5
EBITDA	36.0	+5.0%	34.3	-6.0
EBIT	22.5	+3.8%	21.7	-25.2
Profit for year	13.7	-21.0%	17.4	-29.4
Equity ratio	27.1	-3.7%	30.8%	28.3%

Frauenthal Holding AG announced its preliminary results for 2011 on 23 February 2012. The Supervisory Board today approved the Company's 2011 annual financial statements. The Frauenthal Group extended the previous year's improvement in its financial performance in 2011. The Group posted one of the best sets of results in its history, with revenue 9% up year on year at EUR 587.9m and EBIT 3.8% higher at EUR 22.5m.

EBITDA rose on the back of positive earnings performance from the Wholesale Plumbing Supplies Division and a 5% gain in revenue to EUR 36.0m, combined with lower costs in the Automotive Components Division. Earnings were affected by recognition of a EUR 1m restructuring charge in respect of the Linnemann-Schnetzer-Formparts GmbH factory in Ahlen, Germany. The plant was shut down because profitable operations were no longer possible. The early EUR 100m bond issue weighed on finance costs due to the increased interest expense entailed. This and higher income tax expense resulted in a 21% reduction in the profit for the year to EUR 13.7m.

The equity ratio dropped from 30.8% to 27.1% as excess liquidity from the bond issue and overall volume growth expanded the balance sheet.

The Automotive Components Division recorded a 23.9% jump in revenue to EUR 235.3m. Demand was lifted by the heavy goods vehicle segment, which registered a 36% surge in sales, reflecting the rebound in industrial production, and a marked pick-up in European commercial vehicle exports to third countries.

In spite of a sluggish recovery in the construction market, revenue in the Wholesale Plumbing Supplies Division rose by a solid 3%, to reach EUR 278.8m. The main growth drivers were a moderate increase in commercial building starts, which had been particularly hard hit in the preceding periods, and the continued upturn in private renovation.

Revenue in the Industrial Honeycombs Division dipped by 6.4% to EUR 73.7m, but total output was almost unchanged. Diesel catalyst sales jumped by 71.4% to EUR 24m. Power station catalyst sales were strong in Europe and the USA. However, Chinese sales declined, due to the fact that although legislation requiring tighter environmental standards is now in place, implementation is only rudimentary so far.

In light of these results the Executive Board is recommending payment of a dividend of EUR 0.10 and a bonus of EUR 0.20 per dividend-entitled share.

Frauenthal Holding expects revenue in the highly cyclical commercial vehicle component business to decline due to contracting demand, though the fall may be cushioned by new business and gains in market shares. It sees the Wholesale Plumbing Supplies Division (SHT) enjoying moderate demand growth – especially in the commercial new build segment – and continuing to gain market shares as a result of its strong commitment to product and service quality. Management is forecasting revenue growth in the Industrial Honeycombs Division despite the challenging trading environment it is operating in. Plans to exploit the growth opportunities presented by the global trend towards tighter environmental regulation are on the drawing board. The strategies of all three divisions are currently under review.

Contacts

Frauenthal Holding AG

Martin Sailer
m.sailer@frauenthal.at

Erika Hochrieser
e.hochrieser@frauenthal.at

Rooseveltplatz 10
1090 Vienna
Tel. +43 (0)1 5054206