

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

Frauenthal Holding AG announces results for first half of 2010

Revenue growth across all Frauenthal's divisions led to a marked improvement in earnings in the second quarter. First-half Group revenue climbed by an encouraging EUR 31.4 million (m) or 14% year on year. EBITDA gained EUR 22.5m year on year in the first half, to turn positive by EUR 12.1m, boosted by higher revenue, and by cost reductions in the Automotive Components Division which have now largely fed through to results. EBIT advanced by EUR 24.1m year on year, for a positive first-half figure of EUR 5.8m. The Frauenthal Group posted a profit of EUR 2.9m for the first half.

The group's **Automotive Components Division** benefited from the current, mild recovery on the commercial vehicle market, recording a 25% year-on-year increase in revenue in the first half of 2010. The division returned EBITDA of EUR 3.0m and a breakeven EBIT result on revenue of EUR 87.3m in the period.

There were no significant restructuring expenses, as the restructuring programmes still in progress were provided for in 2009. In the Automotive Components Division the main customer for the air reservoirs produced by the Linnemann-Schnetzer Group's Ahlen site is progressively moving its business to a competitor. The works council and the trade union have been notified of the impending closure of at least part of the air reservoir production operations at the plant, and talks have started on a social plan. No provision has yet been recognised for this restructuring measure.

The current upturn in truck production reflects customers' positive expectations for the second half. If economic conditions worsen this will directly impact the commercial vehicle market and, coming on top of the recent inventory build, lead to another collapse in output like that in 2009.

The **Wholesale Plumbing Supplies Division (SHT)** registered 3% revenue growth in a flat market. The increase was driven by the upturn in private renovation demand and rapid growth in demand for central heating supplies. Due to declining contract business it will be important for the division to gain market shares by extending its market reach. The opening of an integrated sales and service centre in Innsbruck in July was a step in this direction.

The **Industrial Honeycombs Division** kept up its strong first-quarter growth momentum in the second quarter. First-half EBIT soared by 73% to EUR 5.4m (H1 2009: 3.1m), lifted by 25% revenue growth, full capacity utilisation, and exceptionally high order intake and backlog. The division is profiting from increased output of catalysts for diesel engines. Industrial Honeycombs is set to enjoy full capacity utilisation for the rest of the year.

The full text of the interim report of 2010 is downloadable at www.frauenthal.at / Investor Relations / Reports.

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