

STOCK EXCHANGE ANNOUNCEMENT

Frauenthal Holding expects to recognise an IFRS loss for the 2013 financial year of between around EUR 28 million (m) and EUR 31 m.

A number of anticipated negative developments will result in impairment losses in the Automotive Division's steel springs business, which in turn will be reported in the consolidated financial statements for the year 31 December 2013, prepared in accordance with International Financial Reporting Standards (IFRS).

Vienna, 28 February 2014. Vienna-listed Frauenthal Holding expects to report a loss for the 2013 financial year of between EUR 28 m and EUR 31 m. This is due to extraordinary impairment losses in the Automotive Division's steel springs operation which are recognised in the 2013 IFRS consolidated financial statements. However, this is not a reflection of Frauenthal's operating earnings, which developed in line with the expectations outlined in the 2013 quarterly and half-yearly reports in each of the Group's divisions.

The writedowns were recognised following a strategic evaluation of the steel springs business carried out by Frauenthal Holding. These impairments were necessary in view of the difficult market conditions facing the steel springs operation, and Frauenthal Holding's resulting expectations for the business. The strategic evaluation suggests that significant impairments will now be required owing to the change in the Group's assessment of the market.

The impairment in fair values in the steel springs business will be carried on Frauenthal Holding's consolidated financial statements for the year ended 31 December 2013, meaning that the Group expects to report an IFRS loss for the year in the amount mentioned above. As the preparation of the consolidated financial statements for the 2013 financial year is still ongoing, the precise figure is not yet available.