HALF-YEARLY FINANCIAL REPORT

JANUARY 1 – JUNE 30, 2007

PFLEIDERER
AKTIENGESELLSCHAFT

Half-Yearly Financial Report as of June 30, 2007

- Significant increase in profitability: At +34%, EBITDA increases at a faster pace than revenues – EBITDA margin reaches 13.7%
- Earnings per share from continuing operations up 88% from €0.24 to €0.45
- Above-average increase in cash flow from operating activities to €77.9 million
- Sustained positive business growth in Western and Eastern Europe offsets lower-than-expected business development in North America
- Restructuring measures to enhance competitiveness and profitability in North America with expected synergy effects of €25 to € 30 million per year starting in 2008; one-time restructuring charges at €20 to €25 million in H2 2007
- 2007 EBITDA forecast revised to €240 to 250 million
- 2008 forecasted EBITDA margin in excess of 15%; revenue forecast over €2 billion

The Pfleiderer Group: Summary of key figures as of June 30, 2007

(in accordance with IFRSs)

€ thousands		Jan. 1 – June 30, 2007	Jan. 1 – June 30, 2006[2)]	Delta (%)	Apr. 1 – June 30, 2007	Apr. 1 – June 30, 2006[2)]
Revenues		886,162	679,256	+30.5	458,548	343,494
EBITDA		120,982	90,062	+34.3	64,588	48,966
EBIT		70,541	53,537	+31.8	36,484	31,440
EBT from continuing operations		48,062	25,287	+90.1	23,212	17,203
EBT from discontinued operations		-182	52,631	-100.3	-172	52,285
Total EBT from continuing and discontinued operations		47,880	77,918	-38.6	23,040	69,488
Earnings per share from continuing operations (basic)	(€)	0.45	0.24		0.22	0.16
Earnings per share (basic)	(€)	0.43	0.99		0.20	0.92
Employees[1)]	(persons)	5,869	5,023			
of which in Germany	(persons)	2,562	2,583			
of which outside Germany	(persons)	3,307	2,440			

€ thousands		June 30, 2007	June 30, 2006[2)]	Delta (%)
Total assets		1,972,882	1,404,701	+40.4
Equity		787,984	497,765	+58.3
Equity ratio	(%)	39.9	35.4	

1) Excluding trainees, relates only to continuing operations

2) The prior-year figures have not been reviewed.

The Pfleiderer Group – positive six-month results

The Pfleiderer Group can look back on a successful first half of 2007 in its results as of June 30, 2007. Significant increases in revenues and earnings in Western Europe, and in particular the earnings improvements from the "BC West Plus" efficiency enhancement program, and the excellent profitability in Eastern Europe led to extremely strong consolidated results for the Pfleiderer Group. In addition to the efficiency enhancement program, the Group also profited in Western Europe from continued strong demand by German and European furniture industry customers. In Eastern Europe, the sustained growth in the contributions to earnings made by the particleboard plant in Russia had a positive impact on earnings before interest, taxes, depreciation, and amortization (EBITDA), which rose significantly in the first six months. As a result, the increase in profit at the Pfleiderer Group in the first six months of 2007 outstripped revenue growth overall.

Pergo integration in North America proceeding rapidly

Pfleiderer AG's acquisition of Pergo, the European and North American leader in high-quality laminate flooring, in March 2007 represents a further systematic step in the Company's growth strategy and has enabled it to continue expanding its position on the North American market for laminate flooring. At the same time, Pfleiderer is accelerating its move into the European laminate flooring market and leveraging growth potential in Eastern Europe in the short term.

The acquisition and integration of the Kunz group in 2005 demonstrated Pfleiderer's ability to integrate new companies into the Group's organizational structure quickly and efficiently. The process of integrating Pergo with the Pfleiderer Group began early this year, so as to allow the key integration projects to be finished by the end of fiscal 2007. This will allow the Pfleiderer Group to derive long-term benefits from the synergies produced by the Pergo acquisition as early as 2008.

Restructuring measures introduced to improve competitiveness and profitability in North America – expected annual synergy effects of €25 to €30 million will improve earnings power

In connection with the integration of Pergo's laminate flooring business, Pfleiderer introduced comprehensive restructuring measures in North America that will significantly increase competitiveness and profitability there. This will result in annual synergy effects of €25 million to €30 million starting in 2008, up from the original estimates of €15 million to €20 million. In addition, synergies totaling €5 million will be generated from optimizing delivery of intermediate products to the production plants and improving machine utilization in Europe. In H2 2007, the Executive Board of Pfleiderer AG is expecting non-recurring expenses of €20 million to €25 million for these measures in North America. These relate mainly to the closure of locations, and the consolidation of administrative and production facilities in Canada and the U.S., which will be accompanied by 180 job losses in North America. As from 2008, costs in North America will decline tangibly and there will be a sustainable improvement in the productivity of the new manufacturing network.

The Executive Board is reiterating its revenue forecast of €1.9 billion for fiscal 2007 and is revising its EBITDA forecast for the current fiscal year to €240 million to €250 million to reflect the restructuring and integration expenses that will be incurred in the second half of 2007.

The Pfleiderer Group will derive long-term benefits from the synergies realized, the restructuring measures, and completion of the integration of Pergo in fiscal 2008. The Executive Board of Pfleiderer AG is expecting revenues of €2 billion and an EBITDA margin in excess of 15% for fiscal 2008 thanks to positive contributions by all regions.

The current economic situation: Global economy sees dynamic growth – strong demand in engineered wood markets

The positive trend in the global economy continued in the first six months of the year. According to an April 2007 study by the International Monetary Fund (IMF), analysts see a strong chance of the global economy continuing its robust growth with annual growth rates of 4.7% in both 2007 and 2008. However, the US economy has slowed more sharply than initially expected in the period since then.

According to the ifo Institute, which conducted a global survey of economic experts in April 2007, global economic sentiment remained strong in the second quarter of 2007, significantly above the long-term trend. The results of the survey suggest that a sharp economic upturn can be expected in the second half of 2007. By contrast, the ifo climate indicator for North America.

The IMF expects positive growth by both the United States (2.2%) and the Canadian economies (2.4%) in 2007. As far as Eastern Europe (including Central Europe) is concerned, the experts are forecasting a much more dynamic increase of 5.2%. According to IMF estimates, Poland is set to generate real GDP growth of 5.8% in 2007, while growth in the Russian economy is put even higher, at 6.4%.

In Western Europe (euro zone), economic output is expected to increase by 2.3% in 2007. The forecast for Sweden is for growth of 3.3%, putting it above the eurozone average. For Germany, the spring forecast by the five leading German economics institutes assumes real GDP growth of 2.4%. This growth will be mainly driven by positive effects from exports and a further increase in investment activity. Consumer spending is also expected to pick up noticeably during 2007. At the same time, a significant decrease in unemployment is expected, which could further strengthen the positive trend.

The North American engineered wood markets remained below their prior-year level at the beginning of the second quarter of 2007, continuing the tight situation. Key drivers for this are limited supplies of wood and the muted outlook for the sector. RISI, one of the leading North American information services providers for the engineered wood industry, does not expect the situation in the sector to improve until the second quarter of 2008 (RISI April 2007).

In Poland, the engineered wood industry continues to profit from a buoyant furniture industry and is focusing increasingly on the dynamic domestic market. In a June 2007 report by the Bundesagentur für Außenwirtschaft (bfai – the German Office for Foreign Trade), the chairman of Poland's furniture makers' association expects the value of the furniture produced in Poland to be somewhere in excess of €8 billion at the end of 2009. This would represent an increase of approximately one third as against 2006.

Following a strong showing in 2006, the Western European furniture industry performed well in Q1 2007 and at the beginning of the second quarter 2007 according to the Verband der Deutschen Möbelindustrie (VDM – German Furniture Industry Association, July 2007). Drawing on data from the Statistisches Bundesamt (the Federal Statistical Office), the VDM reports a year-on-year revenue increase of 8.9% across all segments of the furniture industry in the first four months of the year. The office/retail furniture, kitchen furniture and other furniture segments recorded above-average performance. The Verband der Deutschen Küchenmöbelindustrie (VdDK – German Kitchen Furniture Industry Association) reports both an increase in domestic revenues in April (+4.6%) and a substantial rise in exports (+50.6% in April). As a result, total sector revenues rose by 10.1% in April 2007. Overall, the European Panel Federation (EPF, June 2007) expects growth in the consumption of particleboard and MDF/HDF to increase at a faster rate in 2007 than in previous years.

Positive business development in H1 2007 and Q2 2007: Consolidated revenues and earnings at record levels – EBITDA margin rises to 13.7% in H1 2007

Including Pergo, consolidated revenues for the Pfleiderer Group rose sharply by 30.5% in the first six months of 2007 to €886.2 million (€679.3 million), €458.5 million (€343.5 million) of which was generated in the second quarter of 2007. The international share of revenues rose to 70.4% in the first six months, up from 67.2% in H1 2006.

Earnings before interest, taxes, depreciation, and amortization (EBITDA) amounted to €121.0 million (€90.1 million); the figure for Q2 2007 was €64.4 million (€49.0 million). This means that earnings again rose significantly faster than revenues; as a result, the consolidated EBITDA margin including Pergo amounted to 13.7% (13.3%) in the first six months of 2007, up a total of 40 basis points on the comparable prior-year period.

The driver for the clear increase in the Group's earnings is the stable market development in Western and Eastern Europe, which compensated for the disappointing developments in the North American markets. In addition, the Group's systematic cost management policy, the implementation of a number of efficiency-enhancing programs, and the Group's proactive pricing policy all play a role in its positive development.

The Pfleiderer Group: Key figures as of June 30, 2007

€ m		Jan. 1 – June 30, 2007	Jan. 1 – June 30, 2006*)	Apr. 1 – June 30, 2007	Apr. 1 – June 30, 2006*)
Revenues		886.2	679.3	458.5	343.5
of which Western Europe		491.4	382.0	252.0	189.1
of which Eastern Europe		185.3	131.5	92.1	65.2
of which North America		221.0	175.6	120.0	94.4
EBITDA		121.0	90.1	64.6	49.0
of which Western Europe		74.5	48.9	41.1	24.9
of which Eastern Europe		34.3	25.3	16.4	14.5
of which North America		16.3	23.6	8.5	13.7
Basic earnings per share from continuing operations	(€)	0.45	0.24	0.22	0.16

Western Europe: Outstanding operating figures and record EBITDA margin

Western Europe is deriving long-term benefits from the effects of the restructuring measures implemented in the past few years, the efficiency-enhancing programs that have been implemented, and the stable economic environment in the furniture industry and the retail sector. Cost increases for energy, chemicals, and wood were offset by price adjustments. In addition, the process of focusing the Business Units on market segments is increasingly having a positive effect, with improved services leading to an increase in market share.

Pergo hits margin target for Western Europe in Q2 2007

Overall, revenues in Western Europe including Pergo rose clearly in the first six months of 2007: In the period from January to June 2007, revenues in Western Europe rose by a substantial 28.7% to €491.4 million (€382.0 million). Earnings in Western Europe posted an even stronger rise, with the Group benefiting from the measures taken in the past few years to ensure a sustained increase in profitability. EBITDA rose by 52.4%, reaching a record total of €74.5 million (€48.9 million) in H1 2007. The EBITDA margin climbed in line with this from 12.8% in H1 2006 to 15.2% in the first six months of 2007 – an improvement of 240 basis points. This figure also reflects Pergo's European activities, which have performed excellently since the initial consolidation in March 2007, allowing Pergo to meet its margin targets for Q2 2007 in full.

In Western Europe, the Pfleiderer Group's margin for the first six months of 2007 already corresponds to its target for the end of fiscal 2007. The "Future BC West" investment program, which involves capital expenditures of €31 million until 2009, will increase Western Europe's medium-term target EBITDA margin to 16%. These substantial investments in new, state-of-the-art production facilities will result in a significant improvement in structural and personnel expenses.

*) The prior-year figures have not been reviewed.

Eastern Europe: Engineered wood markets in Eastern Europe continue positive trend – EBITDA jumps to €34.3 million – Russia makes significant contributions to EBITDA

The expansion of our production capacity and the sustained positive development of the furniture industry in Poland and the Eastern European export countries led to strong overall business development in Eastern Europe. The Pfleiderer Group's Eastern European engineered wood activities repeated their strong Q1 2007 performance in the second quarter of the year. The increase in growth lifted revenues by 40.9% to €185.3 million (€131.5 million) in the first six months of the current fiscal year.

At the same time, EBITDA in Eastern Europe climbed 35.6% in the first six months of 2007 to €34.3 million (€25.3 million). This resulted in an EBITDA margin in Eastern Europe of 18.5%, down on Pfleiderer's margin for the previous year (19.2%). The reason was the ramp-up costs for the new MDF plant in Grajewo, Poland, which started shift operations in July 2007 after a successful trial run. The contribution to earnings of the particleboard plant in Novgorod, Russia, is now having a clearly positive effect, generating EBITDA margins well in excess of 20% in its ramp-up phase in the first six months of 2007. Revenues and earnings will continue to develop positively in the second half of the year thanks to the commissioning of the MDF plant in Grajewo, Poland, in July 2007.

North America: Business development hit by challenging environment – structural measures introduced to improve competitiveness – annual synergy effects of €25 to €30 million expected from 2008 onwards

Pfleiderer is driving forward the integration of Pergo North America into the Pfleiderer Group at an organizational, distribution, and production level at high speed. Planning of the integration process was set up during the bidding phase for Pergo, to speed up integration and ensure efficiency.

Extensive restructuring and cost cutting measures were introduced to improve the Group's competitiveness and profitability in North America; these aim to achieve a sustained cost reduction and to leverage additional potential synergies. This will increase the profitability and competitiveness of both the integrated laminate flooring and the panel segments. However, the market is expected to remain challenging in the second half of 2007, especially in the U.S.A. Pfleiderer expects the measures taken to result in annual cost savings for North America of €25 million to €30 million, starting in 2008. The expected potential synergies will substantially exceed the non-recurring expenses under the restructuring program, which will be recognized in full in profit or loss in 2007

Integration of Pergo in North America is progressing rapidly

For the second half of 2007 Pfleiderer is expecting non-recurring costs of €20 million to €25 million in connection with the measures described; these will be recognized in profit or loss in fiscal 2007. As a result, the integration of Pergo will be completed by year-end 2007 as far as possible.

Business in North America during the first half of 2007 was dominated by the challenging market environment. Persistently weak consumer spending in the U.S.A. impacted both the laminate flooring and the panel business in North America. In the first six months of the fiscal year, Pfleiderer generated revenues of €221.0 million (€175.6 million) in North America, including Pergo's figures since March 2007. Revenues were therefore up 25.9% on the prior-year figure, which did not include Pergo.

The costs of the integration, which is being driven forward at high speed, and the current market environment impacted EBITDA development year-on-year: The Pfleiderer Group in North America generated EBITDA of €16.3 million in the reporting period, down from €23.6 million in the first six months of 2006. As a result, the EBITDA margin declined to 7.4% (13.4%) in the first half of 2007.

Significant increase in Group profitability: Gross margin up year-on-year

The Pfleiderer Group's gross profit improved by 41.5% to €247.4 million (€174.9 million) in the reporting period, with €133.0 million (€94.1 million) being attributable to the second quarter of 2007. As a result, the gross margin improved in the reporting period, climbing substantially in Q2 2007 as against the comparable year-ago period. The consolidated gross margin rose to 27.9% (25.7%) in the first six months of 2007 and to as much as 29.0% (27.4%) in the second quarter.

Although consolidated administrative expenses rose from €45.8 million in the year-ago period to €57.7 million due to the integration of Pergo, they fell by 20 basis points to 6.5% of revenues (6.7%).

Earnings before interest and taxes (EBIT) also rose by a faster rate in the first six months of 2007, again outstripping revenues. EBIT increased by 31.8% to €70.5 million (€53.5 million) in the reporting period, with €36.5 million (€31.4 million) being generated in Q2 2007. As a result, the consolidated EBIT margin climbed in the first six months of 2007 to 8.0% (7.9%).

Hybrid bond placement significantly improves net financial expenses

The Pfleiderer Group's net financial expenses improved significantly in the first six months of 2007 as against the comparable prior-year period. The placement in April of this year of a subordinated hybrid bond with a volume of €275 million to partially refinance the Pergo transaction significantly reduced net debt in the course of the second quarter against the first quarter. Net debt now amounts to €640 million (Q1 2007: €787.3 million). This includes the debt finance for the acquisition in May 2007 of the minority interest held by the Polish government in Pfleiderer Prospan S.A. Net financial expenses improved by 20.2% in the reporting period to the current figure of €-22.5 million (€-28.2 million).

For the Pfleiderer Group this resulted in profit before tax from continuing operations (EBT) almost doubling in H1 2007 as against H1 2006 (+90.1%) for a total of €48.1 million (€25.3 million).

Group tax rate in H1 2007 at 28.9% – effective income tax rate reduced to 16.7%

The Pfleiderer Group's tax rate including deferred taxes due to the acquisition of Pergo reached 28.9% in the first six months of 2007, up from 27.0% in the comparable prior-year period. In Q2 2007 the tax rate was 28.1% (28.2%).

The Group's effective tax rate (cash tax rate) amounted to 16.7% in H1 2007, a substantial decrease on the figure for the first six months of 2006 (19.4%).

Profit after tax from continuing operations up 85.2% to €34.2 million

Overall, the Pfleiderer Group's profit after tax from continuing operations amounted to €34.2 million (€18.5 million), up 85.2% on the prior-year figure. The corresponding figure for the second quarter improved by 35.8% for a total of €16.7 million (€12.3 million).

In the first six months of fiscal 2007, Pfleiderer generated profit for the period (net consolidated figure) of €33.1 million (€54.1 million). The bottom-line profit for the period is down on the figure for the previous year due to the sale of Business Unit track systems in the second quarter of 2006, which led to a profit from discontinued operations of €52.6 million in H1 2006.

At the end of May 2007, the Polish government's minority interest in Pfleiderer Prospan S.A. was acquired by Pfleiderer Grajewo S.A., a majority-owned Pfleiderer subsidiary in Poland, which now holds 99.94% of the shares. The transaction impacted the profit attributable to minority interest in the statement of income, which fell to €6.8 million (€7.3 million) in the first six months of 2007. The effect on the second quarter of 2007 alone was even more pronounced: The consolidated profit attributable to minority interest declined from €4.7 million in Q2 2006 to €1.8 million in Q2 2007.

Following the successful placement of the hybrid bond in April of the current year, profit of €3.5 million (€0.0 million) was attributable to the hybrid capital investors for the first time in the second quarter of 2007.

Following the non-recurring effect of the sale of Business Unit track systems in the previous year, profit attributable to the shareholders of Pfleiderer AG amounted to €22.8 million (€46.8 million), €10.4 million (€43.3 million) of which was generated in Q2 2007.

Earnings per share from continuing operations almost doubles from €0.24 to €0.45 in H1 2007

Basic earnings per share for the Group amounted to €0.43 (€0.99) in the first six months of fiscal 2007, with the second quarter accounting for €0.20 (€0.92) of this figure. This is below the figure reported for the previous year. The 2006 figure included non-recurring effects from the sale of Business Unit track systems, which resulted in a book gain after tax of €45 million.

Despite the substantial rise in the number of shares outstanding following the capital increase in April 2006, earnings per share from continuing operations increased significantly (+87.5%) due to the Group's strong performance and totaled €0.45 in the reporting period (€0.24). This increase clearly underlines the operating strength of the Pfleiderer Group following the successful integration of Kunz and the takeover of Swedish company Pergo AB, which has now been included in consolidation for four months.

Above-average cash flow from operating activities

The consolidated cash flow from operating activities increased by more than the average, rising 72.3% to €77.9 million (€45.2 million) in the first six months of 2007 as a result of the Group's operating strength.

Sound financing reflected in total assets

Pfleiderer's consolidated total assets increased by €568.2 million as against the prior-year reporting date of June 30, 2006 mainly following the initial consolidation of Pergo. In the second quarter of 2007, total assets rose by €98.7 million or 5.3% as against March 31, 2007 (the reporting date for the first quarter, in which Pergo AB, Sweden, was consolidated in full for one month). As a result of the acquisition of the Polish government's interest in Pfleiderer Prospan S.A., Poland, and of the new MDF plant in Grajewo, Poland, total assets amounted to just under €2.0 billion as of June 30, 2007.

The acquisition of the shares in Pfleiderer Prospan S.A. reduced the minority interest item by €67.1 million to €44.1 million as of June 30, 2007 (March 31, 2007: €111.2 million). Overall, the Pfleiderer Group's equity increased significantly quarter-on-quarter by €243.4 million to total €788.0 million (€544.6 million). The Group's equity ratio, expressed as a percentage of total assets, rose from 29.1% as of March 31, 2007 to 39.9% as of the reporting date of June 30, 2007, largely due to the placement of the hybrid bond.

Consolidated net debt down in the second quarter of 2007 – gearing declines to 0.81
Consolidated net debt was up year-on-year (€341.4 million) but improved significantly against the figure of €787.3 million as of March 31, 2007, the reporting date for the previous quarter, to total €640.0 million as of June 30, 2007. This is due to the issue of a €275 million hybrid bond. Gearing (the ratio of net debt to equity) improved significantly as against the first quarter of 2007 (1.44) to 0.81 as of June 30, 2007.

The considerable improvement in these balance sheet ratios underlines the Pfleiderer Group's sound financial base, which gives it ample scope for continued earnings-driven expansion.

Annual General Meeting

At 41.4% of the Company's share capital, attendance at the 2007 Annual General Meeting in Munich on June 19, 2007 was extremely high (previous year: 31%). The shareholders represented at the AGM approved all agenda items by a majority of over 90%. Among other things, the shareholders resolved the dividend payment of €0.25 proposed by the Executive and Supervisory Boards for fiscal 2006 – an increase compared with the prior-year dividend. Pfleiderer AG distributed a total of €13.2 million on 52.9 million shares carrying dividend rights.

Authorizations for capitalization measures create new scope for the Company's continued growth
In addition to an authorization to increase the share capital of the Company in the period up to June 18, 2012 on one or more occasions by up to 50% or up to 26.7 million shares, the Annual General Meeting authorized the Executive Board of Pfleiderer AG to issue bonds with warrants and/or convertible bonds with a volume of €200 million or rights on up to a maximum of 10 million new shares in the period up to June 12, 2012.

The shareholders also adopted the standard resolution to renew the existing authorization to repurchase own shares amounting to up to 10% of the share capital in the period up to December 18, 2008. The authorizations relating to the various capitalization measures give Pfleiderer AG's Executive Board the necessary freedom to implement measures that will ensure further profitable growth.

Constitutive meeting of the Supervisory Board confirms Ernst-Herbert Pfleiderer as Supervisory Board Chairman
At its constitutive meeting on June 19, 2007 held directly after the Annual General Meeting, the Supervisory Board elected at the AGM Annual General Meeting re-elected Ernst-Herbert Pfleiderer as its Chairman and Wolfgang Haupt as the Chairman of the Audit Committee.

The only change in the composition of the six shareholder representatives on the Supervisory Board was the election of Klaus M. Bukenberger, management consultant, to the Supervisory Board of Pfleiderer Aktiengesellschaft. Mr. Bukenberger is the successor to Dr. Manfred Scholz, who left the Supervisory Board after reaching retirement age in accordance with the Company's Articles of Association. Mr. Bukenberger was a member and Spokesman of the Executive Board of Homag Maschinenbau AG from 1998 to 2006. He has worked as a management consultant and a member of supervisory or advisory boards of middle-market companies since 2006. The term of office of the twelve members of the Supervisory Board, which consists of six employee and six shareholder representatives, ends at the Annual General Meeting that resolves to approve the actions of the Supervisory Board for fiscal 2011. Theodor Pfleiderer, businessman, Vienna, and Michael L. Martell, attorney, New York, were elected as alternate members for the Supervisory Board members elected on June 19, 2007.

Employees

Following the integration of Swedish laminate flooring manufacturer Pergo AB into the Pfleiderer Group, the headcount at June 30, 2007 attributable to continuing operations totaled 5,869 (5,023; excluding trainees in both cases), of whom 3,307 (2,440) or 56.3% (48.6%) were employed outside Germany.

The number of people employed in Germany as of June 30, 2007 fell by approximately 0.8% year-on-year to 2,562. The acquisition of Pergo AB added a total of 639 new employees to the Group as of June 30, 2007.

114 young people (March 31, 2007: 119) were undergoing vocational training in commercial and industrial occupations in the Group at the June 30, 2007 reporting date.

Capital expenditure for further profitable growth, especially in Eastern Europe

The Pfleiderer Group invested €81.5 million (€42.5 million) in the first six months of the current fiscal year, as planned. €63.2 million or approximately 79% of the Group's capital budget was invested in Eastern Europe. Of this amount, a total of €55.6 million was invested in the first six months of 2007 in the construction of the new MDF plant in Grajewo, Poland, which started operating at the beginning of July 2007.

Modernization and efficiency enhancements in Western and Eastern Europe
In addition to investment in new plants, significant investments in the modernization of and efficiency enhancements to existing production facilities were made at both Western Europe (€7.8 million) and North America (€9.9 million).

To achieve a sustained improvement in competitiveness at its German production plants, Pfleiderer AG's Executive Board resolved a far-reaching investment program for various sites in Germany in March 2007. The "Future BC West" plan involves substantial non-recurrent expenditures of around €31 million in the period 2007 through 2009. Implementation of this capital spending program will be accompanied by a significant improvement in structural and personnel costs as well as reductions in staffing. Going forward, employees at German production sites will share in the improved business performance through greater productivity, thanks to the introduction of a bonus-based wage model, as well as additional measures. Pfleiderer aims to leverage the investments and necessary cost-cutting measures under the “Future BC West” project to generate EBITDA margins of 16% in Western Europe.

Outlook

Risk report
The primary task of the Pfleiderer AG’s Group-wide risk management activities is to identify risks early and continuously, to monitor them, and to reduce them by systematically leveraging business opportunities. The Executive Board and the Supervisory Board are kept informed regularly about risks that could materially affect the operating development of the regions and the Group as a whole.

A risk management system that complies with the legal requirements, and that forms an integral component of the overall management and reporting process, is used for the early identification, analysis, and appropriate management of material and going concern risks. The framework for this is defined in a risk management manual. This consists of specifications for risk capture and assessment, provisions governing the current management of risk and the new or supplementary measures for risk management, as well as measures tracking risk development and measures.

As in the previous years, no risks that could endanger the continued existence of the Group have been identified in the Pfleiderer Group. However, like any other company, Pfleiderer is confronted by potential risks that could materially affect its business and its net assets, financial position, and results of operations. Material risks for Pfleiderer’s business activities are described in the following.

The price increases that have been affecting the energy and raw materials markets for wood and chemicals for a long time have negatively impacted the Company in the past. The various segments and regions expect further price increases, which – to the extent that they are predictable – have been factored into the operating budgets. Nevertheless, a rapid rise in energy and raw materials prices could impact the Pfleiderer Group’s profitability.

The Company does not believe that new players with a significant influence on the competitive situation will move into the Pfleiderer Group’s existing markets. However, the process of consolidation among both competitors and customers in some regions could give rise to the risk of a negative change in Pfleiderer’s market position. A deepening of the consumer spending slump in North America and the possibility of price pressure in the particleboard and MDF/HDF markets due to the recommissioning of significant production capacity cannot be excluded.

Pfleiderer AG entered into a syndicated loan agreement for €400 million and approximately CAD 270 million in December 2006. The debt restructuring resulted in a significant reduction in interest charges for the Group; In addition, specific existing covenants were lifted. Nevertheless, there is a potential financial risk from any non-compliance with covenants and other obligations that the central finance department is required to observe using corresponding financial management instruments.

Report on opportunities

Assuming the continued consolidation of the engineered wood markets in Western Europe and North America, the Pfleiderer Group could benefit from a situation where competitors take over existing raw particleboard capacity and then close old production locations. Any potential resulting effect on general price trends could positively affect the Company's results of operations.

The multi-function panels (MFP) and "Livingboard" produced by the Pfleiderer Group are alternatives to traditional OSB board and are becoming increasingly established on the market. Because of their high margins, any rise in demand for these alternative products would significantly lift the earnings in Western Europe. Pfleiderer could also profit from increasing exports by German kitchen manufacturers and the office furniture industry due to growing demand for engineered wood products.

Because of the previous strengthening of the Polish złoty, any weakening in this currency would positively affect export revenues in Eastern Europe. In addition, any unexpected increase in logging quotas awarded by the Polish government would further ease pressure on the current stable wood prices in Poland.

Outlook

Business development in North America has fallen short of expectations. Although this has been offset by the sustained positive growth in Western and Eastern Europe, Pfleiderer AG has launched a comprehensive restructuring program to enhance competitiveness und profitability in North America. These restructuring measures will result in one-time charges of between €20 million and €25 million in the second half of 2007 and are expected to deliver annual cost savings between €25 million to €30 million, starting as early as 2008. With forecast revenues of approximately €1.9 billion in 2007, Pfleiderer AG's Executive Board is expecting an EBITDA of €240 million to €250 million.

The Pfleiderer Group will start gaining long-term benefits in fiscal 2008 from the synergies produced by the restructuring program and the completed integration of Pergo. For fiscal 2008, Pfleiderer is expecting revenues of at least €2 billion and an EBITDA margin in excess of 15%.

Report on post-balance sheet events

On July 6, 2007, Pfleiderer AG announced its intention to build a new plant for medium and high density fiberboard (MDF/HDF) at its Russian location in Podberesje (Novgorod), next to its existing particleboard plant. As part of the expansion of this location, production will start in the course of the third quarter of 2009 at a state-of-the-art plant for manufacturing MDF/HDF boards with an annual capacity of well over 400 thousand cubic meters. The objective of this investment by Pfleiderer is to enable the Company to manufacture the full range of goods for the Eastern European engineered wood market and to leverage potential synergies in full. The plant will be operated as a 50:50 joint venture between a wholly-owned subsidiary of Pfleiderer AG and the majority-held Pfleiderer Grajewo S.A.

At the beginning of July 2007, Pfleiderer announced the start of series production of medium density fiberboard (MDF) in Grajewo, Poland, after a successful trial production run. A start-of-the-art plant for manufacturing thin MDF boards was built in Poland after a construction period of only ten months. It has a nominal annual capacity of approximately 250 thousand cubic meters. The operating company is a 50:50 joint venture between a wholly-owned subsidiary of Pfleiderer AG and the majority-held Pfleiderer Grajewo S.A.

Disclaimer

This Report contains forward-looking statements based on management’s current assessments of the Company's future development. Such statements are subject to risks and uncertainties that are beyond Pfleiderer's ability to control or assess precisely. This includes statements on the state of future market and economic conditions, the behavior of other market participants, the successful integration of new acquisitions, and the realization of expected synergy effects.

Responsibility statement in accordance with section 37y of the *Wertpapier-handelsgesetz* (WpHG – German Securities Trading Act) in conjunction with section 37w(2) no. 3 of the WpHG

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Neumarkt, August 2, 2007

Hans H. Overdiek
(absent due to illness)

Michael Ernst

Dr. Robert Hopperdietzel

Derrick G. Noe

Statement of Income of the Pfleiderer Group for the Period January 1 to June 30, 2007

(in accordance with IFRSs)

€ thousands	Jan. 1, – June 30, 2007	Jan 1 – June 30, 2006*)	Apr. 1 – June 30, 2007	Apr. 1 – June 30, 2006*)
Revenues	886,162	679,256	458,548	343,494
Cost of sales	-638,757	-504,350	-325,560	-249,357
Gross profit	**247,405**	**174,906**	**132,988**	**94,137**
Selling expenses	-123,337	-84,252	-67,034	-42,185
Administrative expenses	-57,670	-45,761	-30,867	-23,050
Research and development costs	-1,299	-525	-898	-200
Other operating income and expenses	5,442	9,085	2,013	2,731
Profit from operations	**70,541**	**53,453**	**36,202**	**31,433**
Interest income	5,393	2,574	2,928	1,490
Interest expense	-28,011	-30,920	-16,334	-15,858
Net income from investments	0	83	282	7
Other financial income, net	139	97	135	132
Financial expenses, net	**-22,479**	**-28,166**	**-12,989**	**-14,229**
Profit before tax from continuing operations	**48,062**	**25,287**	**23,213**	**17,204**
Income taxes	-13,874	-6,829	-6,518	-4,856
Profit from continuing operations	**34,188**	**18,458**	**16,695**	**12,348**
Loss/profit from discontinued operations	-182	52,631	-172	52,285
Income taxes on discontinued operations	-876	-16,987	-875	-16,665
Profit for the period	**33,130**	**54,102**	**15,648**	**47,968**
of which attributable to minority interest	6,839	7,284	1,798	4,688
of which attributable to hybrid capital investors	3,483	0	3,483	0
of which attributable to shareholders of Pfleiderer AG	**22,808**	**46,818**	**10,367**	**43,280**
Earnings per share (basic)	0.43	0.99	0.20	0.92
Earnings per share (diluted)	0.43	0.98	0.19	0.91
Earnings per share from continuing operations	0.45	0.24	0.22	0.16
Earnings per share from discontinued operations	-0.02	0.75	-0.02	0.76
Average number of shares outstanding (basic)	52,982,722	47,205,527	52,982,722	47,205,527

*) The prior-year figures have not been reviewed.

Balance Sheet of the Pfleiderer Group as of June 30, 2007

(in accordance with IFRSs)

€ thousands	June 30, 2007	Dec. 31, 2006	June 30, 2006*)
ASSETS			
Cash and cash equivalents	33,190	35,405	87,702
Current financial instruments	0	0	7,393
Receivables and other assets	199,766	124,394	126,532
Inventories, net	229,264	156,675	146,576
Current tax receivables	4,796	4,290	3,874
Other assets	15,781	6,493	12,544
Noncurrent assets held for sale	3,624	3,366	13,967
Current assets	**486,421**	**330,623**	**398,588**
Property, plant, and equipment, net	841,508	689,338	647,949
Intangible assets, net	558,483	281,128	264,926
Noncurrent financial assets	5,382	5,583	8,971
Deferred tax assets	73,909	58,031	83,307
Other noncurrent assets	7,179	8,021	960
Noncurrent assets	**1,486,461**	**1,042,101**	**1,006,113**
Total ASSETS	**1,972,882**	**1,372,724**	**1,404,701**

€ thousands	June 30, 2007	Dec 31, 2006	June 30, 2006*)
LIABILITIES AND EQUITY			
Current liabilities and other liabilities	284,360	212,771	222,306
Current financial liabilities	181,164	81,257	63,918
Other current provisions	51,105	44,329	46,144
Current tax payables	1,571	275	1,057
Miscellaneous other current liabilities	6,146	1,025	3,123
Liabilities directly associated with noncurrent assets held for sale	32,134	40,776	66,030
Current liabilities	**556,480**	**380,433**	**402,578**
Noncurrent financial liabilities	492,026	376,425	372,693
Pension provisions	19,013	16,459	63,456
Deferred tax liabilities	90,578	35,413	45,752
Other noncurrent liabilities	128	1,906	2,004
Other noncurrent provisions	26,673	19,780	20,453
Noncurrent liabilities	**628,418**	**449,983**	**504,358**
Contributions and subscribed capital	136,515	136,515	136,515
Group reserves including retained earnings/ accumulated losses brought forward and consolidated profit	339,865	302,309	264,936
Treasury shares	-9,734	-1,222	-1,614
Other comprehensive income	6,307	-1,737	5,953
Hybrid capital	**270,915**	**0**	**0**
Minority interest	**44,116**	**106,443**	**91,975**
Equity	**787,984**	**542,308**	**497,765**
Total LIABILITIES AND EQUITY	**1,972,882**	**1,372,724**	**1,404,701**

*) The prior-year figures have not been reviewed.

Statement of Cash Flows of the Pfleiderer Group as of June 30, 2007

(in accordance with IFRSs)

€ thousands	Jan. 1 – June 30, 2007	Jan. 1 – June 30, 2006*)
Earnings before interest and taxes (EBIT)	70,541	53,537
Net income taxes paid	-8,005	-4,905
Depreciation and amortization of noncurrent assets	50,441	36,521
(Gain) / loss on disposal of noncurrent assets	-1,172	-2,235
Change in pension provisions	1,178	1,125
Change in current assets	-55,609	-21,652
Change in other noncurrent assets	-367	2,719
Change in current liabilities excluding financial liabilities	16,019	1,393
Change in noncurrent liabilities excluding financial liabilities	4,188	-6,136
Other non-cash income and expense	677	-15,120
Cash flow from operating activities	**77,891**	**45,247**
Purchase of intangible assets	-871	-357
Purchase of property, plant, and equipment	-80,333	-42,523
Purchase of noncurrent financial assets	-269	-143
Purchase of consolidated companies and repurchase of treasury shares	-391,877	-10,172
Proceeds from sale of intangible assets	9	2,667
Proceeds from sale of property, plant, and equipment	3,143	2,904
Proceeds from sale of noncurrent financial assets	417	418
Cash flow from investing activities	**-469,781**	**-47,206**
Cash flow from operating activities after investing activities	**-391,890**	**-1,959**
Change in financial liabilities	155,648	-268,719
Change in externally factored receivables	6,451	3,798
Dividend payment	-13,217	-7,981
Capital increase	0	191,961
Issuance of hybrid capital	269,517	0
Purchase of treasury shares	-10,130	0
Interest paid	-23,516	-20,491
Interest received	4,873	2,574
Other financing activities	132	157
Cash flow from financing activities	**389,758**	**-98,701**
Net change in cash and cash equivalents	-2,132	-100,660
Effect of exchange rate fluctuations on cash and cash equivalents	613	-4,139
Effect of discontinued operations on cash and cash equivalents	-9,214	124,629
Effect of initial consolidation on cash and cash equivalents	8,518	975
Cash and cash equivalents at January 1	35,405	74,290
Cash and cash equivalents at June 30	33,190	95,095

*) The prior-year figures have not been reviewed.

Statement of Changes in Equity of the Pfleiderer Group as of June 30, 2007

(in accordance with IFRSs)

€ thousands	Subscribed capital	Group reserves including net retained profits/net accumulated losses and consolidated profit	Treasury shares	Other comprehensive income: Foreign currency translation	Other comprehensive income: Measurement of financial derivatives	Hybrid capital	Minority interest	Total
Balance at Jan. 1, 2006	**109,274**	**61,948**	**-2,399**	**6,264**	**0**	**0**	**100,054**	**275,141**
Treasury shares		-234	785					551
Change in foreign currency translation adjustment item				-5,814			-4,147	-9,961
Change in adjustment item for measurement of financial derivatives					5,503			5,503
Profit for the period or consolidated profit		46,818					7,284	54,102
Dividend		-7,981					-6,361	-14,342
Capital increase	27,241	169,786						197,027
Change in reporting entity structure							-4,855	-4,855
Effect of stock option plans		-5,401						-5,401
Balance at June 30, 2006	**136,515**	**264,936**	**-1,614**	**450**	**5,503**	**0**	**91,975**	**497,765**
Balance at Jan. 1, 2007	**136,515**	**302,309**	**-1,222**	**-1,737**	**0**	**0**	**106,443**	**542,308**
Treasury shares		-809	-8,512					-9,321
Change in foreign currency translation adjustment item				8,044			-1,657	6,387
Profit for the period or consolidated profit		22,808					6,839	29,647
Profit attributable to hybrid capital investors						3,483		3,483
Issuance of hybrid capital						270,915		270,915
Deferred distribution on hybrid capital						-3,483		-3,483
Dividend paid		-13,217						-13,217
Dividend resolved							-5,802	-5,802
Change in reporting entity structure		29,471					-61,707	-32,236
Impact of stock option plans		-697						-697
Balance at June 30, 2007	**136,515**	**339,865**	**-9,734**	**6,307**	**0**	**270,915**	**44,116**	**787,984**

Segment Reporting of the Pfleiderer Group as of June 30, 2007

(in accordance with IFRSs)

Pfleiderer Group € thousands	Jan. 1 – June 30, 2007	Jan. 1 – June 30, 2006*)	Apr. 1 – June 30, 2007	Apr. 1 – June 30, 2006*)
Revenues	886,162	679,256	458,548	343,494
international share (%)	70.4	67.2	72.6	68.0
EBITDA	120,982	90,062	64,588	48,966
EBITDA margin (%)	13.7	13.3	14.1	14.3
EBIT	70.541	53,537	36,484	31,440
EBT from continuing operations	48,062	25,287	23,212	17,203
EBT from discontinued operations	-182	52,631	-172	52,285
Total EBT from continuing and discontinued operations	47,880	77,918	23,040	69,488

Western Europe € thousands	Jan. 1 – June 30, 2007	Jan. 1 – June 30, 2006*)	Apr. 1 – June 30, 2007	Apr. 1 – June 30, 2006*)
Revenues	491,363	381,946	252,018	189,108
EBITDA	74,463	48,869	41,054	24,854
EBITDA margin (%)	15.2	12.8	16.3	13.1
EBIT	50,576	29,309	27,885	15,128
EBT	35,852	18,075	17,958	9,626

Eastern Europe € thousands	Jan. 1 – June 30, 2007	Jan. 1 – June 30, 2006*)	Apr. 1 – June 30, 2007*)	Apr. 1 – June 30, 2006*)
Revenues	185,347	131,463	92,080	65,246
EBITDA	34,250	25,297	16,422	14,468
EBITDA margin (%)	18.5	19.2	17.8	22.2
EBIT	23,103	18,430	10,802	11,074
EBT	20,437	17,424	9,279	10,491

North America € thousands	Jan. 1 – June 30, 2007	Jan. 1 – June 30, 2006*)	Apr. 1 – June 30, 2007*)	Apr. 1 – June 30, 2006*)
Revenues	220,981	175,591	120,016	94,363
EBITDA	16,265	23,607	8,466	13,687
EBITDA margin (%)	7.4	13.4	7.1	14.5
EBIT	1,095	14,204	-667	9,626
EBT	-6,194	7,005	-4,982	5,625

*) The prior-year figures have not been reviewed.

Explanatory Notes on the Report for the First Six Months Ended June 30, 2007

1. Basis of preparation

The condensed interim consolidated financial statements of Pfleiderer AG as of June 30, 2007 are a half-yearly financial report within the meaning of section 37w of the *Wertpapierhandelsgesetz* (WpHG – German Securities Trading Act) and have been prepared on the basis of IAS 34 (*Interim Financial Reporting*) as required by International Financial Reporting Standards (IFRSs) and the related Interpretations of the International Accounting Standards Board (IASB), as adopted by the EU in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council on the application of international accounting standards. The interim financial statements do not contain all the explanatory notes and disclosures required for year-end financial statements and should therefore be read in conjunction with the consolidated financial statements for the year ended December 31, 2006 (www.pfleiderer.com).

The requirements of the Standards applied have been complied with in full and result in the presentation of a true and fair view of the net assets, financial position and results of operations of the Pfleiderer Group.

2. Summary of significant accounting policies

The accounting and measurement, as well as the explanatory notes and disclosures, are based on the same accounting policies applied in the 2006 consolidated financial statements. For information on accounting policies other than those presented in the following, please refer to the consolidated financial statements for the year ended December 31, 2006.

Prior-year comparative figures
To enhance comparability, the prior-year comparative figures relating to discontinued operations in the statement of income, the segment reporting, and the statement of cash flows were reclassified in accordance with IFRS 5. Such prior-year comparative figures were not reclassified in the balance sheet in accordance with IFRS 5.40. Operations already disposed of and deconsolidated during the reporting period are presented as discontinued operations in the prior-year statement of income.

Basis of consolidation
The interim financial statements include the financial statements of Pfleiderer AG and its majority-owned and controlled subsidiaries as of June 30, 2007. All significant subsidiaries that are controlled directly or indirectly by the Company are included in the interim consolidated financial statements.

The following subsidiaries were included in the consolidated financial statements for the first time in the first quarter of the fiscal year:

	Holding
Acquisitions	
Pergo AB, Trelleborg, Sweden	100.00%
Pergo Holding BV, Zoetermeer, Netherlands	100.00%
Pergo Golv AB, Trelleborg, Sweden	100.00%
Pergo (Europe) AB, Trelleborg, Sweden	100.00%
Declam Holding AB, Perstorp, Sweden	100.00%
Pergo AS Denmark, Copenhagen, Denmark	100.00%
Pergo A/S, Nesbru, Norway	100.00%
Pergo OY, Esbo, Finland	100.00%
Pergo BV, Zoetermeer, Netherlands	100.00%
Pergo GmbH, Düsseldorf, Germany	100.00%
Pergo AG, Zug, Switzerland	100.00%
Pergo Ltd., Abingdon, United Kingdom	100.00%
Pergo NV/SA, Antwerp, Belgium	100.00%
Pergo (France) SAS, Rueil Malmaison, France	100.00%
Pergo Iberia SL, Madrid, Spain	100.00%
Pergo Inc., Raleigh, North Carolina, U.S.A.	100.00%
Simple Solutions USA LCC, Raleigh, North Carolina, U.S.A.	100.00%
Pergo Canada Inc., Florence, Massachusetts, U.S.A.	100.00%
Pergo do Brasil, Ltda., São Paulo, Brazil	100.00%
Pergo Argentina SA, Buenos Aires, Argentina	100.00%
Pergo Asia-Pasific Pte Ltd., Singapore, Singapore	100.00%
Pergo Trading Co Ltd., Guangzhou, China	100.00%
Pergo India Pvt Ltd., New Delhi, India	50.00%
Pergo Asia Co Ltd., Bangkok, Thailand	100.00%
Pergo Thailand Co Ltd., Bangkok, Thailand	100.00%
Others	
Pfleiderer Sweden AB, Stockholm, Sweden	100.00%
Pfleiderer Schweiz AG, Zug, Switzerland	100.00%

The companies reported under "Others" were already established in the previous year, but were not previously consolidated for reasons of materiality. There were no changes in the second quarter of 2007 compared with the first quarter of fiscal year 2007. There were no further changes in the basis of consolidation compared with the most recent year-end financial statements as of December 31, 2006.

Consolidation methods

Acquisition accounting uses the purchase method, under which the cost of the interests acquired is eliminated against the parent's share of the subsidiary's equity at the acquisition date. Any difference is allocated to the assets and liabilities of the subsidiary up to the amount of the parent's share of their fair values. Any remaining excess of acquisition cost over the fair value of identified net assets acquired is recognized as goodwill and tested regularly for impairment in accordance with IAS 36, *Impairment of Assets*.

All receivables and liabilities, revenues, expenses, and income, as well as intercompany profits or losses between the entities included in the consolidated financial statements, are eliminated in the course of consolidation.

Minority interests are identified on the basis of the equity as of each balance sheet date and are presented within equity in the consolidated balance sheet, together with the attributable shares of profit and loss.

Use of estimates

Preparation of the financial statements for the first six months requires management to apply certain assumptions and estimates that affect the reported amounts of assets, liabilities, income, expenses, and contingent liabilities for the reporting period. Such assumptions and estimates relate primarily to the assessment of the impairment of intangible assets, the uniform Group definition of useful lives for items of property, plant, and equipment, the recoverability of receivables, and the recognition and measurement of provisions. The assumptions and estimates are based on presumptions that are dependent on the current information available at the time. In particular, the assumptions applied to the future development of business were based on the circumstances prevailing at the time of preparation of the interim consolidated financial statements and on the future development of the industry environment, which is presumed to be realistic. Developments in this environment that depart from the assumptions made and that are beyond management's control may lead to the actual results varying from the original estimates. If actual developments depart from expected developments, the presumptions and, if necessary, the carrying amounts of the assets and liabilities affected will be adjusted accordingly.

At the time of preparation of the financial statements for the first six months, the underlying assumptions and estimates were not affected by any special circumstances such that, as things stand today, it is assumed that no significant adjustments will be required in the coming quarters to the assets and liabilities reported in the consolidated interim balance sheet.

Foreign currency translation

The financial statements of the subsidiaries of Pfleiderer AG for the first six months have been prepared in their functional currencies, which are generally their local currencies. With the exception of equity, which is translated at the exchange rate prevailing at the transaction dates, all balance sheet accounts are translated into the reporting currency (euros) at the closing rates. Income and expense accounts are translated at the average rates for the reporting period. Any differences resulting from foreign currency translation are recorded in a separate account in equity ("Other comprehensive income/foreign currency translation") until the Group company is sold or otherwise liquidated.

Revenue recognition

Revenues are generated mainly from the supply of products and, to a minor extent, from services. These revenues are recognized net of VAT and sales reductions, such as bonuses, cash discounts, or rebates, at the date at which they are deemed by IFRSs to be realized. This is generally the case when persuasive evidence of an agreement exists, delivery has occurred, or services have been rendered, the price is fixed or clearly determinable, and actual payment can be reasonably assured.

Revenues from construction contracts are considered to be realized once the total revenue, total costs, and stage of completion can be determined with sufficient reliability. No revenues were generated during the first six months of the fiscal year that were accounted for using the percentage of completion method.

Income taxes

Income tax expense comprises both current income taxes payable and deferred taxes. Deferred taxes on items included in other comprehensive income are recognized directly in equity. Income taxes attributable to discontinued operations are reported as income taxes on discontinued operations.

Deferred tax assets and liabilities are recognized for temporary differences between the carrying amounts of assets and liabilities in the consolidated balance sheet and their tax base, and for tax loss carryforwards whose utilization will probably result in tax benefits in future periods. The tax laws that are have been enacted or substantively enacted as of the balance sheet date are used to measure deferred taxes. A tax rate of 37.5 percent is used to compute domestic deferred taxes. The local country-specific tax rates are used for foreign companies.

Research and development costs

Research costs are generally recognized as expenses when they are incurred. Exceptions are those development costs that meet the criteria defined in IAS 38, *Intangible Assets*, and are required to be capitalized. Capitalized development costs are amortized over their expected useful lives.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks, as well as sight deposits with banks with original maturities of up to three months.

Receivables

Receivables are recognized at fair value, i.e., at their principal amount less specific valuation allowances and write-downs (bonuses, cash discounts, and other sales reductions). Specific valuation allowances are recognized if receivables become entirely or partly uncollectible, or if it is probable that they will not be collectible, and the amount of the write-down can be determined sufficiently accurately. Adequate deductions are recognized directly on the assets side of the balance sheet for bonuses and cash discounts.

Sales of receivables are accounted for within the Group in accordance with IAS 39, *Financial Instruments: Recognition and Measurement*. In accordance with this Standard, financial assets must be derecognized if the contractual rights to the cash flows from the financial asset expire or if the financial asset is transferred.

Pfleiderer AG has participated in a factoring program since July 2004, under which the factor purchases the receivables from the Group up to an individual or aggregate limit and assumes the risk for the debtors' insolvency (non-recourse factoring). This is accounted for as described above.

Inventories

Inventories are measured at the lower of cost and net realizable value on the basis of individual values or by applying the weighted average method. FIFO is also used in justified individual cases. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

Costs of conversion comprise direct material and production costs and an appropriate share of the material and production overheads resulting from the production process.

All foreseeable risks in the inventories resulting from reduced salability or obsolescence are reflected by appropriate value adjustments. Write-downs are charged for slow-moving items.

Property, plant, and equipment

The amounts recognized for property, plant, and equipment represent cost less accumulated depreciation. Depreciation is charged on a straight-line basis over the standard useful lives of the assets concerned. In addition to direct materials and labor costs, the production costs of internally produced assets include an appropriate share of attributable indirect materials and labor costs and, if construction takes place over a longer period of time, borrowing costs during the construction period. Administrative expenses are only capitalized if they are directly related to the construction process. Repair and maintenance expenditures are recognized as expenses unless they are capitalized when applying the component approach.

Assets with a finite life are depreciated ratably using the straight-line method. If an item of property, plant, and equipment has several components with differing useful lives, the individual components are depreciated separately over their individual useful lives. The component approach is therefore applied when determining the depreciation period. The carrying amount of a noncurrent asset is derecognized when it is sold or scrapped, and the resulting gains or losses are recognized in profit or loss.

Depreciation is based on the following useful lives:

	Years
Buildings	14–25
Technical plant and machinery	8–21
Other equipment, operating and office equipment	3–11

Leasehold improvements and leased items of property, plant, and equipment are depreciated over the shorter of the standard useful lives of the assets concerned and the rental or lease period.

If an item of property, plant, and equipment consists of several components with differing useful lives, the individual components are depreciated separately over their individual useful lives.

The component approach is applied when determining the depreciation terms.

Government grants

Government assistance and grants are deducted on receipt from the recognized cost of the subsidized assets, provided that the corresponding investment conditions will be fulfilled.

Leases

Leasing transactions are classified either as finance leases or as operating leases. Beneficial ownership of the leased item is assigned to the contractual partner that has substantially all the rewards and risks incidental to ownership of the leased item.

If the lessor has substantially all the rewards and risks (operating lease), the leased item is recognized as an asset by the lessor. The lease payments billed are recognized as income. The lessee in an operating lease recognizes the lease payments made during the term of the lease as expense.

If the lessee has substantially all the rewards and risks incidental to ownership of the leased item (finance lease), the lessee recognizes the leased item as an asset. The leased item is measured at its fair value at inception of the lease or at the lower present value of the minimum lease payments, and depreciated or amortized over the shorter of its estimated useful life and the term of the lease. The lessee recognizes a leasing liability in the same amount at inception of the lease. The leasing liability is amortized in subsequent periods using the effective interest method.

Intangible assets

Purchased intangible assets are recognized at cost and amortized over their useful lives using the straight-line method.

Expenses incurred in connection with the purchase and internal development of internal use computer software, including the costs incurred to bring the software to its working condition, are capitalized and amortized over the expected useful life of the software using the straight-line method. The expected useful life of software, patents, licenses, and similar rights is generally three to five years. Other useful lives may arise on the initial consolidation of intangible assets that are acquired as part of a business combination.

Capitalized development costs include the costs of materials and services and the costs of employee benefits incurred in the development of the assets, as well as other directly attributable costs. They are amortized over their expected useful lives. Research costs are reported as expenses in the period in which they are incurred.

In the absence of specific IFRS guidance, emission rights are generally accounted for in accordance with the accounting provisions of German commercial law (IDW RS HFA 15). The rights are presented in intangible assets. Purchased emission rights and those issued free of charge are carried at cost. For rights issued free of charge, a liability is recognized in the amount of the capitalized fair value of the emission right. Gains or losses on the sale of emission rights are recognized in profit or loss. In the first six months of fiscal year 2007, the Pfleiderer Group did not generate any proceeds from the sale of emission rights.

Impairment of property, plant, and equipment and intangible assets (excluding goodwill)

An assessment is made at each balance sheet date as to whether there are indications that an asset might be impaired. If there are indications that an item of property, plant, and equipment or an intangible asset is impaired, the carrying amount of that asset is compared with its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing, and independent parties, less the costs of disposal.

Value in use is the present value of the future cash flows expected to be derived from an asset.

If the carrying amount exceeds the higher of the two amounts (fair value less costs to sell or value in use), an impairment loss is recognized and the carrying amount of the asset is reduced to the recoverable amount.

If the reason for an impairment loss recognized on property, plant, and equipment and intangible assets (excluding goodwill) in prior periods no longer applies, the impairment loss is reversed up to the amount of the asset's amortized cost.

Goodwill

Purchased goodwill is capitalized and, in accordance with IAS 36, tested for impairment at least once a year or whenever there are indications that the unit could be impaired. The recoverability of goodwill is tested in a single-step procedure at the level of the cash-generating unit to which it is allocated. In accordance with the definition of a cash-generating unit, the strategic Business Units of the Pfleiderer Group are generally deemed to be cash-generating units. They represent the reporting level below the Business Centers (reportable segments).

The impairment test compares the carrying amount of the cash-generating unit with its recoverable amount. If the carrying amount exceeds the recoverable amount, the carrying amount is impaired and it must be written down to the recoverable amount.

The recoverable amount of a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

Goodwill impairment losses recognized in previous periods may not be subsequently reversed if the reasons for impairment no longer apply.

Noncurrent financial assets

Securities and other equity investments in particular are reported as noncurrent financial assets.

Regular way purchases or sales of financial instruments are recognized at the settlement date, which is the date that the asset is delivered.

IAS 39 distinguishes between financial assets at fair value through profit or loss, investments held to maturity, loans and receivables, and available-for-sale financial assets.

The financial assets reported as long-term loans are governed by IAS 39 and are classified as loans and receivables. They are measured at amortized cost. Amortized cost is the amount at which the asset is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility.

Hybrid capital

Pfleiderer AG placed a €275 million hybrid bond on April 27, 2007, resulting in transaction costs of €5.4 million and deferred tax assets of €1.4 million. The bond is structured as a perpetual bond and carries a fixed coupon of 7.125% in the first seven years. The structure of the hybrid bond ensures that it is recognized as a component of equity in accordance with IAS 32. For this reason, the tax-deductible interest payments are not included in interest expense, but accounted for in the same way as dividend obligations to shareholders.

Liabilities and financial liabilities

Current and noncurrent liabilities are recognized at their nominal value or settlement amount. Noncurrent financial liabilities are measured at amortized cost using the effective interest method.

Provisions for pensions and other post-employment benefits

Provisions for pensions and other post-employment benefits are measured using the projected unit credit method, which reflects both the pensions and acquired benefits known at the balance sheet date and expected future increases in salaries and pensions. Differences between the projected pension obligation and the actual defined benefit obligation (actuarial gains and losses) are only recognized in profit or loss at the balance sheet date if they lie outside a corridor of plus or minus 10 percent of the total obligation. In this case, they are allocated over the average remaining service lives of entitled employees, starting in the following year. The net pension costs including interest expenses are recorded as personnel expenses. Effects from adjustments to the discount rate are also recognized as personnel expenses.

In accordance with IAS 19, *Employee Benefits*, the fair value of any plan assets used to fund and secure pension payments is offset against pension obligations in the consolidated balance sheet. The pension obligations and plan assets continue to be reported in full and are not offset in the single-entity financial statements prepared in accordance with German commercial law.

Other provisions

Provisions, including provisions for environmental protection obligations, that represent obligations to third parties arising due to legal claims, official requirements, or for other reasons, are recognized once it is probable that they have been incurred and their amount can be reliably determined, i.e., there is a legal or constructive obligation. The settlement amount is determined on the basis of the best estimate. In the case of provisions involving a large population of items, this is the expected value. Where the effect of the time value of money is material, provisions with a remaining term of more than one year are discounted applying market interest rates that reflect matching risks and maturities. The related expense is recorded under the corresponding expense caption.

Use of financial instruments

Financial instruments are contractual arrangements that include rights to cash and cash equivalents. In accordance with IAS 32 and IAS 39, they include both primary and derivative financial instruments. Primary financial instruments include in particular cash at banks, all receivables, liabilities, securities, credits, and loans. Examples of derivative financial instruments are options and swaps. All financial instruments include the following currencies not agreed in the functional currency of the Group: U.S. dollars, Canadian dollars, Polish zlotys, and Russian roubles.

Pfleiderer uses derivative financial instruments to reduce various forms of market risk, such as interest rate risk and foreign currency risk. Interest rate risk results from changes in the market interest rates of financial assets and financial liabilities. By using interest rate derivatives, such as interest rate swaps, Pfleiderer AG's aim is to limit interest rate risk. Foreign currency risk applies to transactions settled in a foreign currency. Cash flows are hedged centrally by entering into currency forwards.

In accordance with IAS 39, derivative financial instruments that have been entered into are carried at their fair value at the balance sheet date, in the same way as the hedged items. Regular way purchases or sales of financial instruments are recognized at the settlement date, which is the date that the asset is delivered.

The fair value of a financial instrument is the price at which one party would assume the rights and/or the obligations under this financial instrument from another party. The Company engages the counterparties to the transactions, which are generally credit institutions, to measure the financial instruments. Interest rate swaps are measured at fair value by discounting the future expected cash flows, based on the market rates of interest applicable for the residual term of the contracts. Interest rate options are measured in a similar way to currency options using option pricing models. Similar to the determination of the fair value of interest rate swaps, cross-currency swaps are measured at fair value by discounting the future cash flows resulting from the contracts. In addition to the relevant market interest rates applicable at the balance sheet date, measurement is based on the exchange rates for the relevant foreign currencies in which the cash flows will arise.

The carrying amount of finance lease liabilities approximates their fair value, based on the market price for similar financing transactions. The same principle also applies to other financial instruments.

Depending on the nature of the hedged item, a distinction is made between a fair value hedge, a cash flow hedge, and a hedge of a net investment in a foreign operation. Pfleiderer has not used hedges of a net investment in a foreign operation in the past. A fair value hedge is used to hedge changes in the fair value of recognized assets or liabilities or unrecognized firm commitments. Every change in the fair value of a derivative employed as a hedging instrument is recognized in profit or loss. Changes in the fair value of the hedged item attributable to the hedged risk are also recognized in profit or loss. Cash flow hedges are used to hedge the exposure to variability in future cash flows from recognized assets and liabilities or highly probable forecast transactions. In accounting for cash flow hedges, the effective portion of the change in fair value of the derivative is recognized directly in equity (other comprehensive income/measurement of financial derivatives) until the hedged item affects profit or loss. The ineffective portion of the change in the fair value of the derivative is always recognized in profit or loss.

No hedges were designated in the first six months of the reporting period.

Share-based payment

The Group has established a share-based payment model, under which stock options have been offered to members of the Executive Board and top executives of the Pfleiderer Group.

The stock options allow Pfleiderer shares to be purchased at a certain predetermined exercise price following a three-year vesting period. The purchase of stock options is linked to a personal investment. Stock options (equity-settled share-based payment transactions) are measured at fair value at the grant date. The fair value is recognized in profit or loss as personnel expenses over the period until exercise of the stock options. Fair value is determined using internationally acknowledged valuation techniques (Black-Scholes method).

Treasury shares

Treasury shares are carried at their moving average price. The total amount of the shares acquired has been deducted from equity. The option under SIC-16.10 that was still available at the time to deduct the total cost of the treasury shares from equity in a single amount was applied.

The shares were repurchased for the sole purpose of using the acquired treasury shares to settle the subscription rights for shares of the Company from stock options issued in conjunction with the Pfleiderer 2001, 2002, 2004, and 2006 stock option plans. The purchase was executed by Dresdner Bank via the stock exchange in Xetra trading and has now been completed.

Earnings per share

Earnings per share have been calculated in accordance with IAS 33, *Earnings per Share*. This Standard requires the presentation of earnings per share for all companies that have issued ordinary shares. Basic earnings per share represent the profit or loss from continuing operations for the period attributable to the parent less minority interests, divided by the weighted average number of ordinary shares outstanding during the fiscal year. Equity-equivalent securities used for payment in stock options may result in dilution. If a dilutive effect occurs, diluted earnings per share must also be presented.

Statement of cash flows

Cash and cash equivalents analyzed in the consolidated statement of cash flows correspond to the aggregate balance sheet item "cash and cash equivalents".

The cash flows attributable to discontinued operations are as follows: cash flow from operating activities amounts to €-859 thousand (2006: €3,467 thousand), cash flow from investing activities amounts to €-8,355 thousand (2006: €130,279 thousand), and cash flow from financing activities amounts to €0 thousand (2006: €-2,183 thousand).

Segment reporting

Segment reporting is presented in compliance with IAS 14, *Segment Reporting*. In the Pfleiderer Group, primary segment reporting is defined by Business Centers, which are classified by the regions in which the goods and services are provided. The secondary reporting format is based on the Panel and Flooring product segments. Segment results are presented as earnings before interest, taxes, depreciation, and amortization (EBITDA) and earnings before interest and taxes (EBIT).

3. Explanatory notes on significant changes in net assets, financial position, and results of operations

The increase in selling expenses is related to the acquisition of Pergo. The decline in interest expenses is attributable to the change in Pfleiderer's financing structure compared with the prior-year period. Please refer to the interim management report for more details on changes in net assets, financial position, and results of operations. The prior-period presentation of the acquisition of the minority interest in MDF La Baie, La Baie, Canada, was restated in accordance with IAS 34.

4. Acquisitions

On January 15, 2007, Pfleiderer Sweden AB (Pfleiderer Sweden) AG announced a public takeover bid to the shareholders of Pergo AB (publ) (Pergo) for the acquisition of all of Pergo's shares for cash, and published the related offer documents on January 23, 2007. Pergo's shares were traded in the Mid Cap Industrials Sector of the Nordic Stock Exchange under 'PERG'. Our wholly-owned subsidiary Pfleiderer Sweden AB has now acquired 99.53 percent of the share capital and voting rights of Pergo AB. On account of the short period of time between the business combination and the inclusion of the business in the basis of consolidation, the initial accounting for the Pergo group is classified as provisional in accordance with IAS 3.62. The provisional purchase price amounted to €313 million, and the final purchase price amounts to approximately €307 million, including transaction costs. Please refer to page 3 of the interim management report for information on the factors governing the recognition of goodwill. The Pergo group contributed a loss of €8,956 thousand to consolidated profit for the months of March to June (Pro forma revenues and pro forma earnings after tax for the first six months of fiscal 2007, which include significant one-off cost, resulted in €139 million resp. € -21 million. We have not made the disclosures required by IFRS 3.67f because the disclosure of such information would be impracticable. Pfleiderer aims to acquire all shares of the company. Pergo was delisted from the Swedish Stock Exchange on March 30, 2007. In accordance with the legal framework, the squeeze-out process for the remaining shareholders is expected to be completed by the end of 2007. The acquisition of Pergo was materially refinanced by the issue of a hybrid bond in April 2007 that is classified as equity in accordance with IAS 39.

Pfleiderer AG reached agreement on May 16, 2007 with the Polish finance ministry via its subsidiary Pfleiderer Grajewo S.A., Grajewo (Poland), on the purchase price for the 43.15% interest in Pfleiderer Prospan S.A., domiciled in Wieruszów, Poland, previously held by the Polish government. As with the acquisition of the Pergo group, the short period of time between the acquisition of the minority interest and its inclusion in the basis of consolidation means that initial accounting is classified as provisional in accordance with IAS 3.62. The purchase price, including transaction costs, thus amounts to a total of €86.2 million. The goodwill is largely a result of the expected strategic earnings potential of this company. On completion of this transaction, Pfleiderer Grajewo S.A. will therefore hold 99.94% of the shares of Pfleiderer Prospan S.A. The remaining 0.06% of the share capital is held by employees of the company. We have not made the disclosures required by IFRS 3.67f because the disclosure of such information would be impracticable.

5. Significant additions of noncurrent assets

In the first six months of fiscal 2007, the acquisition of Pergo accounted for more than €100 million and the construction of the new MDF plant in Grajewo accounted for €27.5 million of the €152.2 million change in property, plant, and equipment.

6. Other financial commitments

The Group leases items of property, plant, and equipment under rental and leasing agreements that do not qualify as finance leases under IFRSs. Additionally, the Group has entered into contracts for the maintenance of property, plant, and equipment, and for various services.

7. Dividends

Pfleiderer AG paid a dividend for fiscal 2006. The dividend amounted to €0.25 per no-par value share carrying dividend rights. In the corresponding prior-year period, Pfleiderer AG paid a dividend of €0.15 per no-par value share carrying dividend rights.

8. Related party disclosures

All deliveries of goods and services during the normal course of business are conducted on an arm's length basis.

Transactions with related party entities
Pfleiderer Unternehmensverwaltung GmbH & Co. KG announced in a letter dated April 26, 2006 that its holding in Pfleiderer AG (subsidiary) had been reduced to 0 percent as of April 20, 2006 in the course of the transfer of voting rights to various family-owned companies. The Pfleiderer family held a total of 10.25 percent of the shares and voting rights of Pfleiderer AG at the June 30, 2007 reporting date via various investment and asset management companies.

The Group discloses interest-bearing receivables of €2,315 thousand from MSG Musterservice GmbH, Leutkirch.

Transactions with related party individuals
In accordance with IAS 24, Pfleiderer AG also reports on transactions between Pfleiderer AG and related party individuals or close members of their families. Related party individuals are defined as members of the Executive and Supervisory Boards and their families. In addition to their compensation, members of the Executive Board are also granted other benefits. These primarily comprise the use of company cars, the reimbursement of traveling expenses, and the reimbursement of telephone costs. The Executive Board was

not granted any new stock option rights in conjunction with the stock option plan during the first six months of fiscal 2007.

9. Shareholdings of Executive Board and Supervisory Board members, stock option plans

As of June 30, 2007, members of Pfleiderer AG’s Executive Board held a total of 156,936 shares and 555,044 stock options. Members of the Supervisory Board held a total of 14,546 shares and 14,664 stock options.

Members of the Executive Board were not granted any options to subscribe for shares in return for a contribution of a personal investment as part of Pfleiderer AG's stock option plan during the first two quarters of 2007.

The Executive Board and the Supervisory Board made a proposal to the Annual General Meeting on June 13, 2006 to create contingent capital to service the Pfleiderer Stock Option Plan 2006 and to resolve a new authorization to grant stock options in order to implement this stock option plan. The proposal was accepted by the Annual General Meeting.

With the approval of the Supervisory Board, Pfleiderer AG has each year since 2001 granted non-transferable options on shares of the Company members of the Executive Board and senior executives. Participation in the plans is conditional on the beneficiary making a personal investment. The strike price for exercise is based on average prices, whereby the stock options can be exercised at between 110 and 125 percent of the strike price.

As a result of the increase in Pfleiderer’s share price in recent months, a total of 323,070 stock options were "in the money" as of June 30, 2007 and therefore resulted in a notional dilution of earnings per share.

10. Repurchase of own shares to service subscription rights under stock options

With the approval of the Supervisory Board, the Executive Board of Pfleiderer AG acquired 460,000 own shares of the Company via the stock exchange between March 1, 2007 and April 30, 2007. Pfleiderer AG has therefore exercised the authorization by the Annual General Meeting on June 13, 2006 to acquire own shares. The treasury shares will be used to subsequently settle subscription rights for shares of the Company under stock options issued in conjunction with Pfleiderer's stock option plans. They were acquired exclusively via on-exchange Xetra trading. The repurchase was executed under the lead-management of a credit institution whose decisions about the timing of the purchase of own shares were independent of and not influenced by the Company.

11. Events after the balance sheet date

On July 9, 2007, Pfleiderer Aktiengesellschaft announced the successful trial production of medium density fiberboard (MDF) in Grajewo, Poland. This start-of-the-art plant for manufacturing thin MDF boards was built in only ten months and has a nominal annual capacity of approximately 250 thousand cubic meters. The operating company is a 50-50 joint venture between a wholly-owned subsidiary of Pfleiderer AG and the majority-held Pfleiderer Grajewo S.A.

Note:

The 2007 half-yearly financial report was authorized for issue on August 2, 2007.

Review report

To: Pfleiderer Aktiengesellschaft, Neumarkt/Oberpfalz
We have reviewed the condensed interim consolidated financial statements – comprising the balance sheet, statement of income, statement of cash flows, statement of changes in equity, condensed segment reporting, and selected explanatory notes – and the interim Group management report of Pfleiderer Aktiengesellschaft, Neumarkt/Oberpfalz, for the period from January 1 to June 30, 2007, which are components of the half-yearly financial report in accordance with section 37w of the *Wertpapierhandelsgesetz* (WpHG – German Securities Trading Act). The preparation of the condensed interim consolidated financial statements in accordance with the IFRSs applicable to interim financial reporting as adopted by the EU, and of the interim management report of the Group in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports, is the responsibility of the Company's management. Our responsibility is to issue a review report on the condensed interim consolidated financial statements and on the interim management report of the Group based on our review.

We performed our review of the condensed interim consolidated financial statements and the interim management report of the Group in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and conduct the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in all material respects, in accordance with the IFRSs applicable to interim financial reporting as adopted by the EU, and that the interim management report of the Group has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditors' report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in all material respects, in accordance with the IFRSs applicable to interim financial reporting as adopted by the EU and that the interim management report of the Group has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Nuremberg, August 2, 2007

KPMG Deutsche Treuhand-Gesellschaft
Aktiengesellschaft Wirtschaftsprüfungsgesellschaft

Zehnder	Rupprecht
Wirtschaftsprüfer	Wirtschaftsprüfer

Information on Pfleiderer Shares

Xetra closing price on June 30, 2007	€22.60
High/low in Q2 2007	€25.32 / €21.45
Average daily trading volume	€8.3 million / 353,067 shares
Index	MDAX
Segment	Industrial Products and Services
Number of shares as of June 30, 2007	53,326,100
Market capitalization as of June 30, 2007	€1.2 billion
Exchange symbol	PFD4
WKN (German Securities Code Number)	676 474
ISIN	DE0006764749
Designated Sponsor	Bayerische Landesbank
Dividend for 2006	€0.25

Financial Calendar 2007 / 2008

November 8, 2007	Publication of the report on the first nine months of 2007
February 21, 2008	Publication of preliminary figures for 2007
March 27, 2008	Annual Press Conference
March 28, 2008	Analyst Conference
May 8, 2008	Publication of report on the first three months of 2008
June 12, 2008	Annual General Meeting
August 5, 2008	Publication of the report on the first six months of 2008
November 11, 2008	Publication of the report on the first nine months of 2008

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