

Annual Shareholders' Meeting of Pfleiderer AG

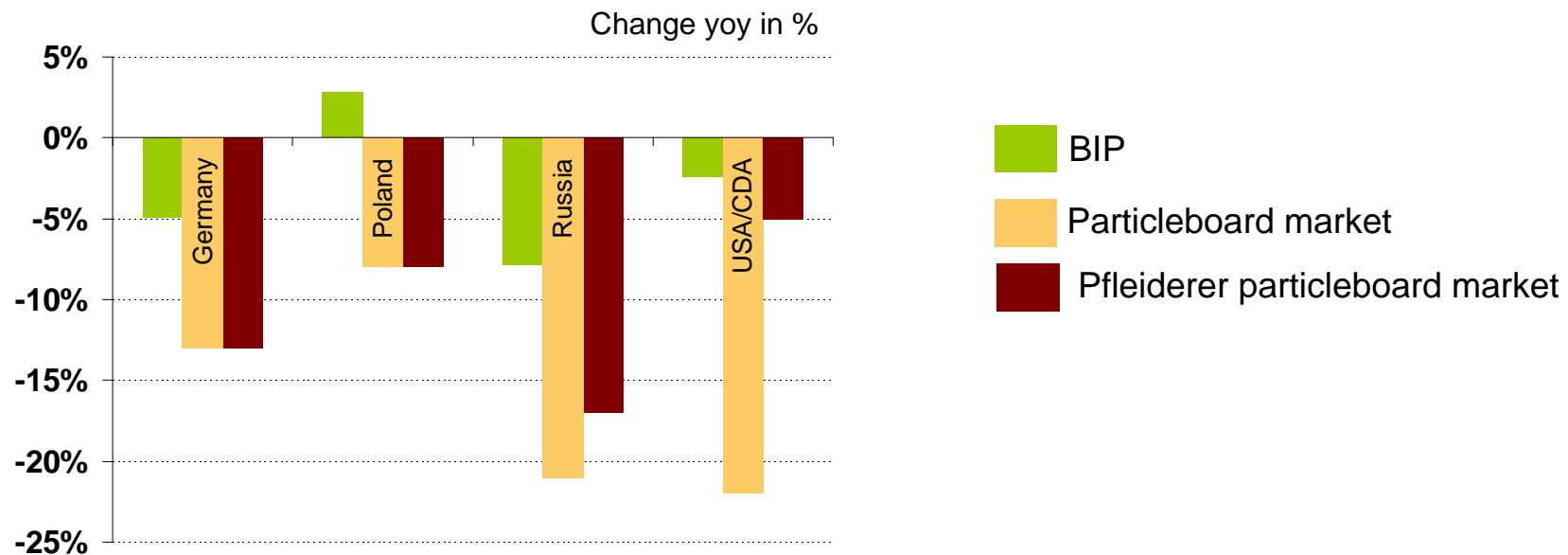
June 23, 2010

Preparing for recovery



Our market in crisis year 2009

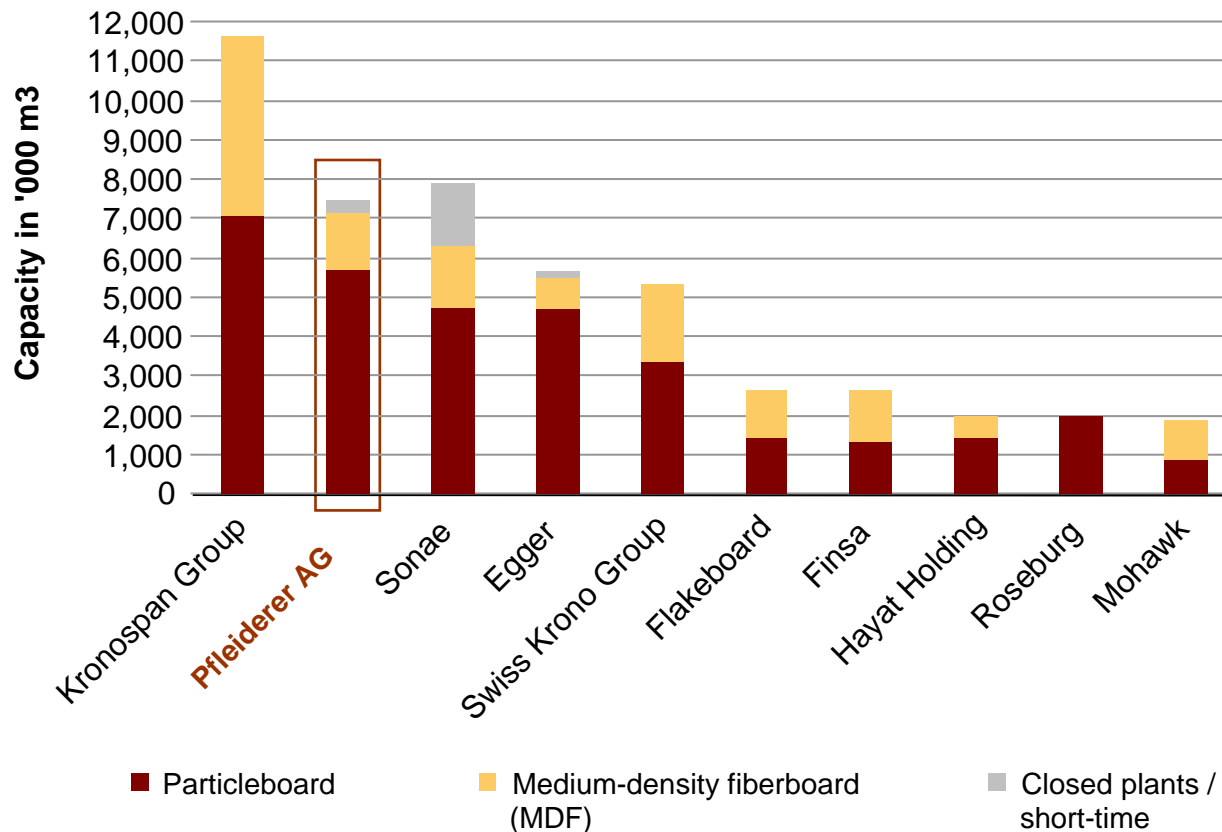
BIP, Particleboard market & Pfeiderer production volume after regions



- Our markets are more cyclical than economy as a whole
- Pfeiderer improved better as the market



Strategic position improved



- Moved from No. 3 to No. 2 of the engineered wood manufacturers
- Industry capacity closures of ~1.5m m³ in western Europe
- Pflleiderer lets particle board plant in Gschwend (300,000 m³) sitting idle
- Completed megasite in Moncure/USA with particle board and MDF plant
- Concluded new financing in early 2010 for the next four years concluded



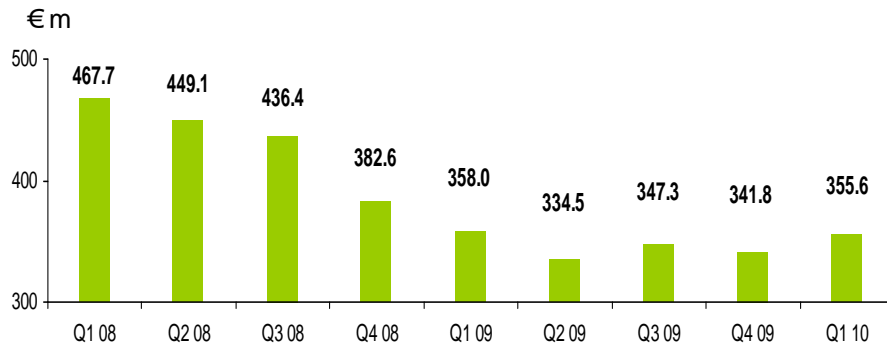
Performance Key Figures – Annual Comparison

		2009	2008	Comments
Sales	€ m	1,382	1,736	➤ Sales decline of 20% due to volume decline of 10%, price erosion of 7% and FX effects of 3%
EBITDA	€ m	100	224	➤ Volume decline and price erosion could not be fully offset by cost reductions Booked restructuring charges of €17.5m for further cost reductions
EBITDA adjusted	€ m	118	224	
EBIT	€ m	-16	98	➤ EBIT includes restructuring charges and extraordinary depreciation of €24.3m
EPS	€	-1.42	0.24	➤ No dividend payment for 2009

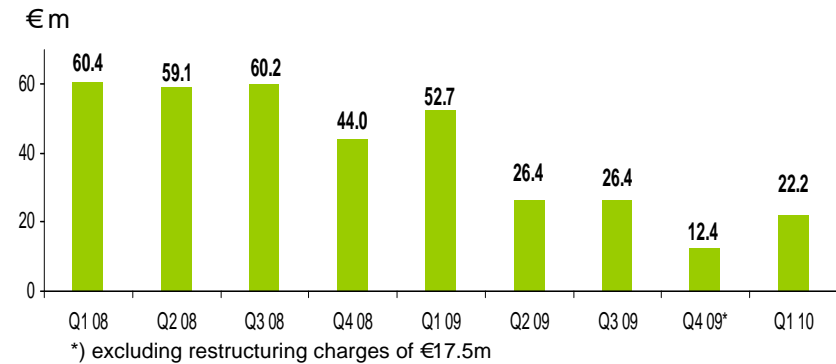


Performance by quarters – Bottom crossed

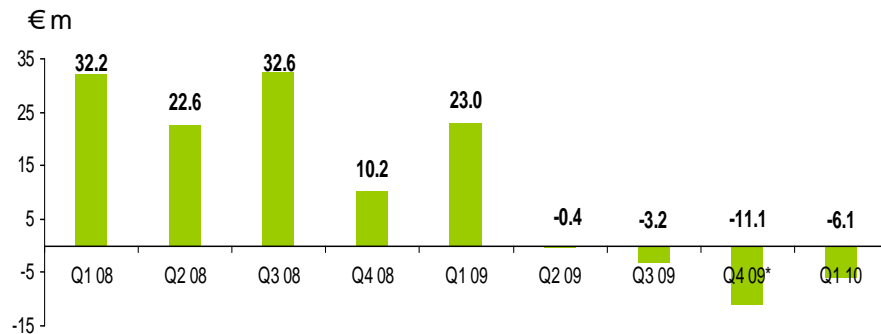
Sales have bottomed out in summer 09



EBITDA* impacted by price erosion

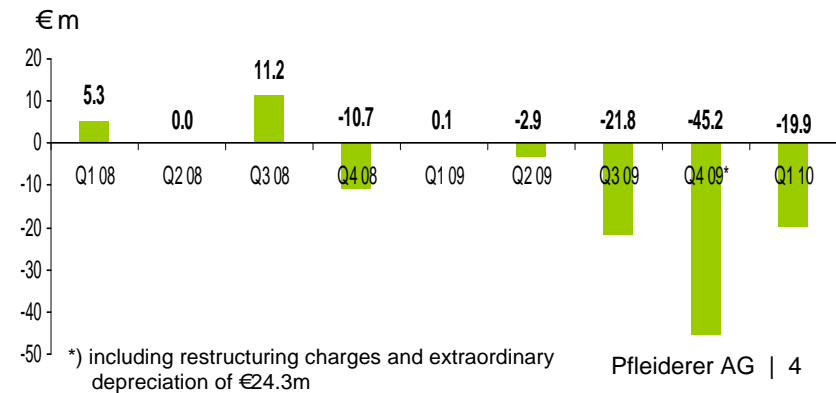


EBIT*



*) excluding restructuring charges and extraordinary depreciation of €24.3m

Net income* including one-off charges





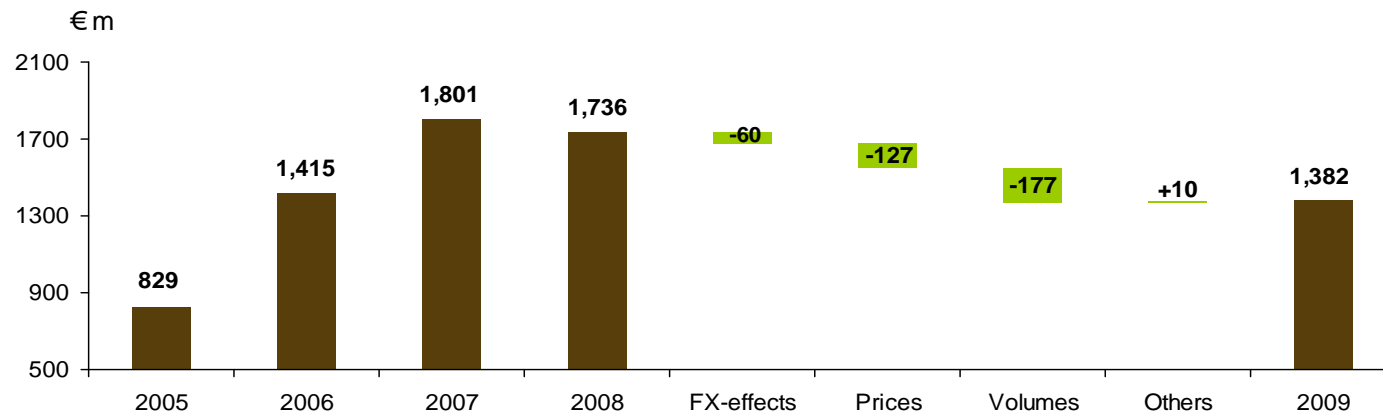
Sales development

Volume

% change YoY

Raw particleboard	- 16%
Raw MDF/HDF	+1%
Laminated board	- 11%
Flooring	-0%

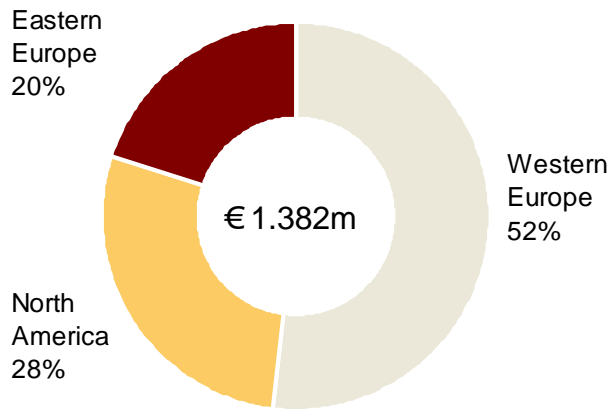
Sales



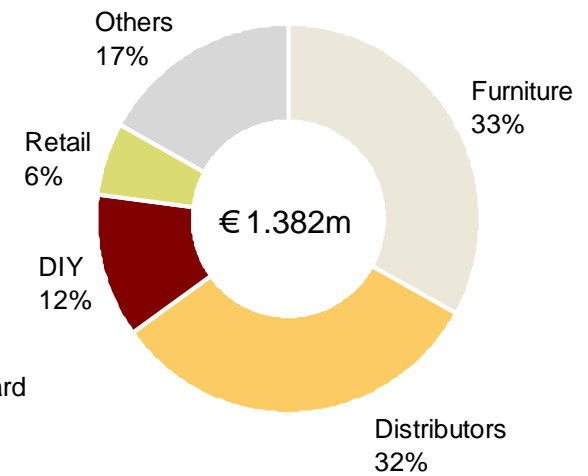


Sales development - Composition

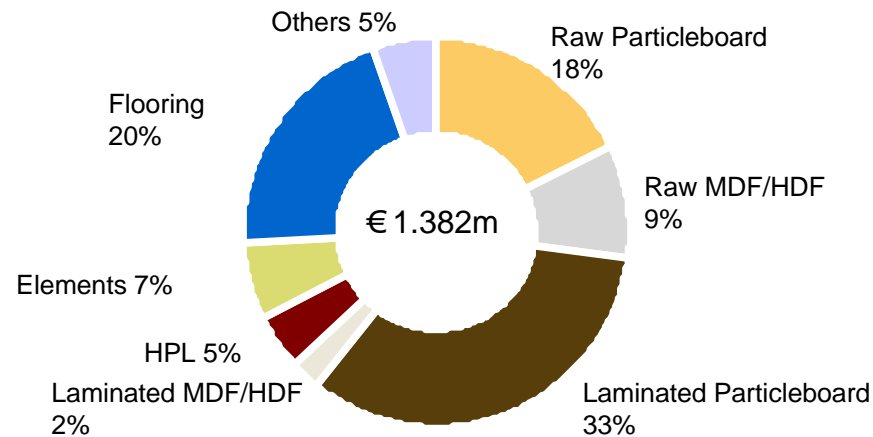
by regions



by industries



by products

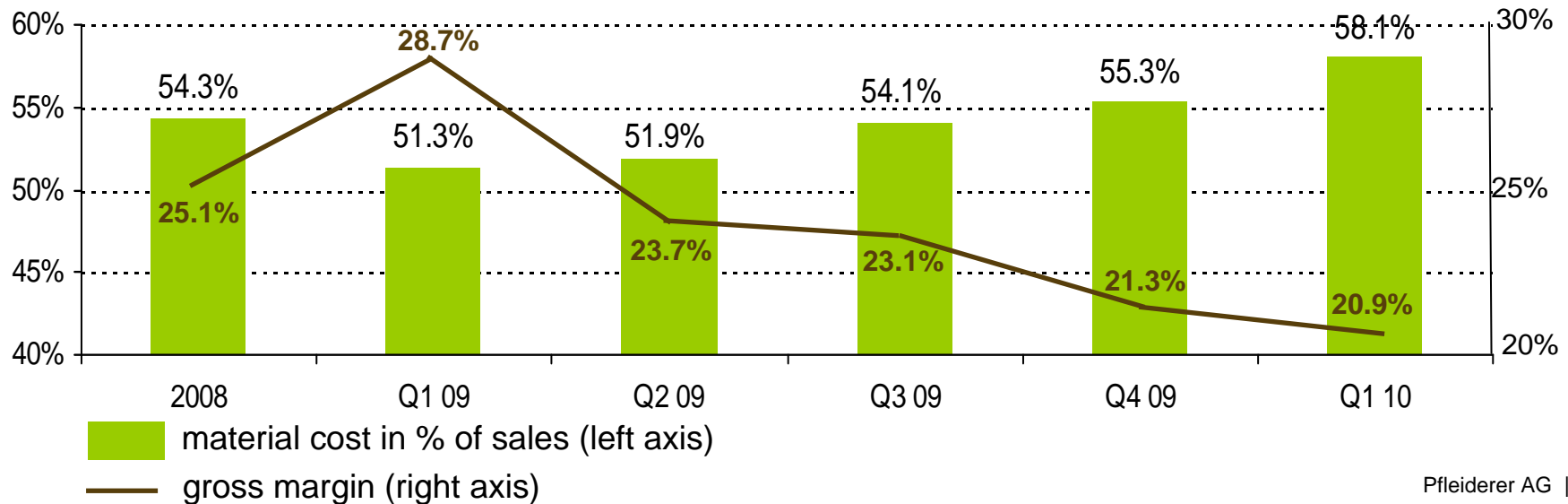




Margin impact through savings restricted

- Sales decrease of 20 % yoy partly compensated through cost savings of about €100m
- Gross margin decreased from 25.1% in 2008 to 24.2% on average in 2009
- Trend for the next quaters: Rising gross margin, lower share of material costs

Material cost in % of sales & gross margin





Profit & Loss statement

	2008 €m	2009 €m
Revenues	1,736	1,382
Cost of Sales	- 1,301	-1,047
Gross profit	435	335
Margin	25.1%	24.2%
Profit from operations	98	-16
Financial expenses, net	-80	-49
Profit before taxes from continuing operations	18	-65
Income taxes	11	8
Profit from continuing operations	29	-57
Profit for the period	22	-54
of which attributable to minority interests	-2	-3
of which attributable to hybrid capital investors	19	18
of which attributable shareholders of Pflleiderer AG	6	-70
EBITDA	224	100
EPS continued operations	0.24	-1.42

Price erosion and volume effects not fully compensated by cost cuts of >€100m
Low capacity utilization required temporary plant shutdowns
Includes positive one-off effects of €7m (Harsh winter led to rising wood costs and increased energy consumption)

Includes restructuring charges and one-time depreciation of €24.3m

Low interest rate level and positive effects from currencies of €2.7m

Capitalizing deferred taxes on losses carry forward from Pergo

No cash-outflow for interest on hybrid bond, Interest accrued on balance sheet

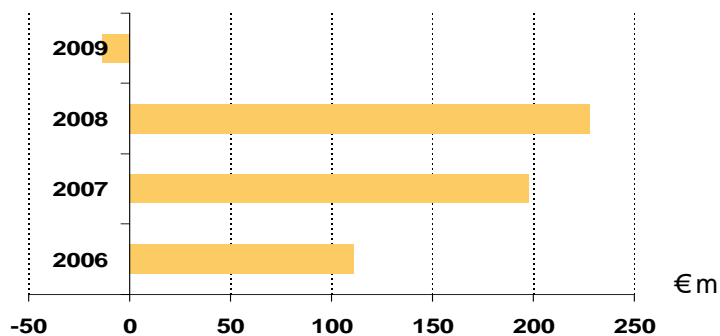
Includes restructuring charges of €17.5m



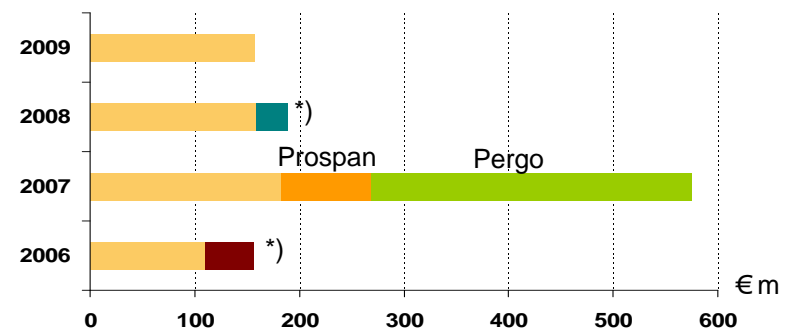
Capex & cash flow

- Capex of €157.7m strongly affected by investments for new plants in Russia and USA
- Future investment needs will be limited to maintenance capex (~€60m) as growth can be fuelled by plants built in the recent past (Moncure panel & MDF, Grajewo MDF, productivity improvements in Germany, lamination capacity in Novgorod & Val d'Or)
- Operating cash flow of €-13.7m due to lower profitability and an increase in working capital

Operating Cashflow



Capex and acquisitions



*) Various acquisitions



Balance sheet of December 31, 2009

Liabilities affected by finance negotiations

Assets	31.12.09	31.12.08
	€m	€m
Cash and cash equivalents	59	46
Receivables and other assets	177	126
Inventories, net	166	182
Other current assets	8	11
Noncurrent assets held for sale	12	10
Current assets	423	376
Property, plant and equipment, net	866	829
Intangible assets, net	535	541
Deferred tax assets	129	123
Other noncurrent assets	19	19
Noncurrent assets	1,549	1,512
Total assets	1,971	1,888

Liabilities	31.12.09	31.12.08
	€m	€m
Current liabilities and other liabilities	235	279
Current financial liabilities	800	153
Other current provisions	47	52
Current tax payables	9	13
Miscellaneous other current liabilities	0	1
Liabilities associated with noncurrent assets held for sale	14	18
Current liabilities	1,105	516
Noncurrent financial liabilities	113	528
Pension provisions	16	15
Deferred tax liabilities	82	86
Other noncurrent liabilities	6	11
Other noncurrent provisions	18	20
Noncurrent liabilities	234	660
Equity	632	711
Total Liabilities and Equity	1,971	1,888

- Had we concluded the financing by the end of 2009, the current financial liabilities would have been lower by €426m and the noncurrent financial liabilities higher by the same amount



Balance sheet of March 31, 2010 Closure of Negotiations, Maturity normalized

Assets	31.03.10	31.12.09
	€m	€m
Cash and cash equivalents	70	59
Receivables and other assets	205	177
Inventories, net	185	166
Other current assets	19	8
Noncurrent assets held for sale	10	12
Current assets	489	423
Property, plant and equipment, net	912	866
Intangible assets, net	561	535
Deferred tax assets	125	129
Other noncurrent assets	20	19
Noncurrent assets	1.618	1.549
Total assets	2.108	1.971

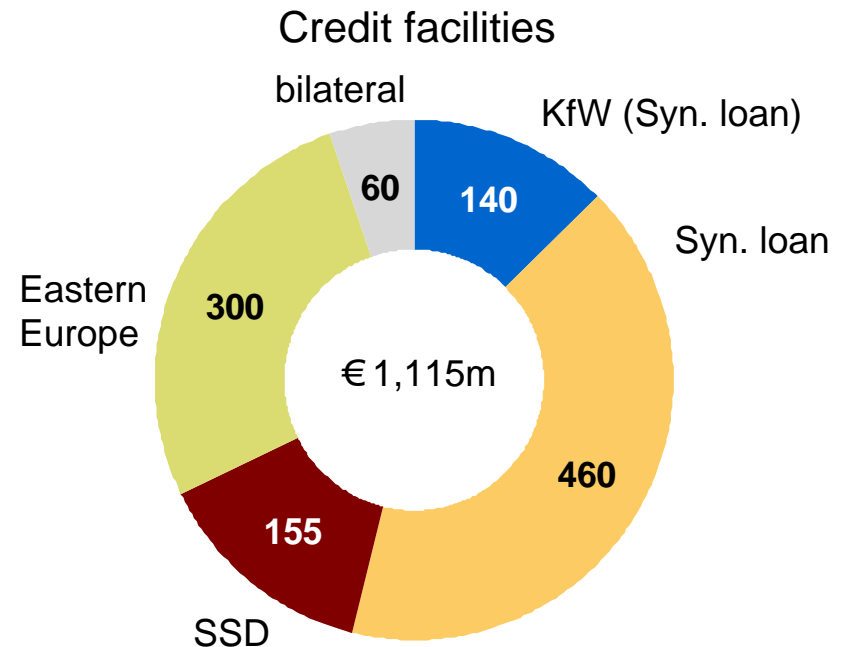
Liabilities	31.03.10	31.12.09
	€m	€m
Current liabilities and other liabilities	264	235
Current financial liabilities	182	800
Other current provisions	35	47
Current tax payables	9	9
Miscellaneous other current liabilities	2	0
Liabilities associated with noncurrent assets held for sale	14	14
Current liabilities	506	1.105
Noncurrent financial liabilities	787	113
Pension provisions	18	16
Deferred tax liabilities	79	82
Other noncurrent liabilities	6	6
Other noncurrent provisions	18	18
Noncurrent liabilities	908	234
Equity	694	632
Total Liabilities and Equity	2.108	1.971

- The arrangement of the new financing normalized the balance sheet structure again



Key Financial Figures

		2009	2008
Net debt	€m	854.2	635.5
Net leverage		8.5	2.8
Equity ratio	%	32.0	37.7
Gearing	%	135.2	89.4



- Target, reduction of debt in the next four years through operative cashflow of > €350m and to decrease the net leverage to <2

➔ Reduction in debt lowers the interest-margin and increases profitability



Funding measures after fiscal year closure

- Refinancing closure of bank loans until the end 2013:
 - €300m in Eastern Europe
 - about €800m in the other regions
- Further funding measures:

	volumen in €m
Sales of own shares (2.6m shares)	18.5
Capital increase of 10% (5.6m shares)	34.7
Hybrid bond (deferral of interests in Aug. 2010)	18.5
Summe	71.7



Segmental overview

	Western Europe		Eastern Europe		North America		Group*	
	2008	2009	2008	2009	2008	2009	2008	2009
	€ m		€ m		€ m		€ m	
Sales	945.8	741.9	420.3	285.0	404.9	401.8	1,735.9	1,381.5
EBIT	112.5	1.3	28.9	2.6	-20.2	4.3	97.6	-16.1
- margin in %	11.9	0.2	6.9	0.9	-5.0	1.1	5.6	-1.2
Capex	58.7	16.6	60.3	37.7	37.4	101.1	158.7	157.7
Employees	2,830	2,663	1,734	1,584	1,080	1,212	5,777	5,592

*) Figures for the Group differ from the total for the regions due to consolidation adjustments

- North America was the region with the best relative performance – Sales almost on last year's levels and strong turnaround on an EBIT level
- Eastern Europe showed highest sales decline, but this decline resulted mainly from FX-effects and price erosion – volumes held up fairly well
- Western Europe saw strong volume and price declines until late summer 09 – since then pick up in volumes and prices



Performance Key figures – Q1 2010

		Q1 10	Q1 09		Comments
Sales	€m	356	358	➤	Sales affected by: price erosion-6.0% volume growth+2.0% FX-effects+3.7%
EBITDA	€m	22	53	➤	Raw material prices up by €23m Product prices down by €21m Harsh winter reduced productivity
EBIT	€m	-6	23	➤	Cost cuts focus on fixed costs
EPS	€	-0.35	0.00	➤	Number of shares increased to 56,026,848



Sales volume in Q1 2010 increased

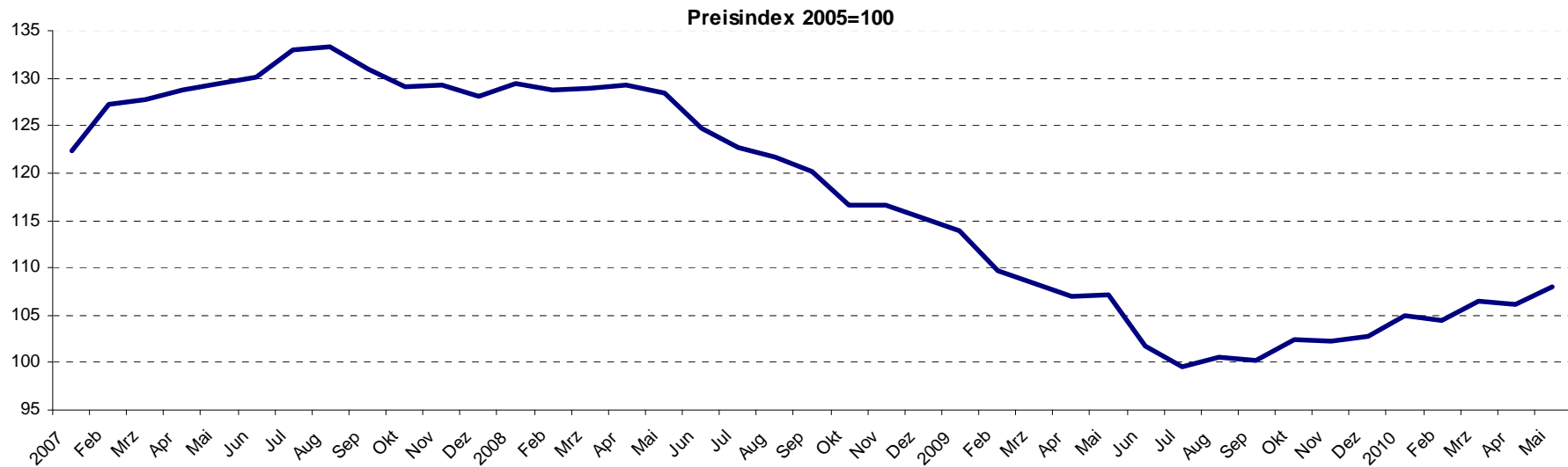
		% change	BC WE	BC EE	BC NA
Raw particleboard	m ³	+5.7	-	++	++
Raw MDF/HDF	m ³	+5.5	+	++	--
Laminated board	m ³	+8.2	+	+	++
Flooring	m ²	-14.7	-		--

-- double-digit decline
 - single-digit decline
 + single-digit growth
 ++ double-digit growth



Prices trend upwards across the board– Q1 2010

Raw particleboard prices in Germany continue to rise





Annual Shareholders' Meeting

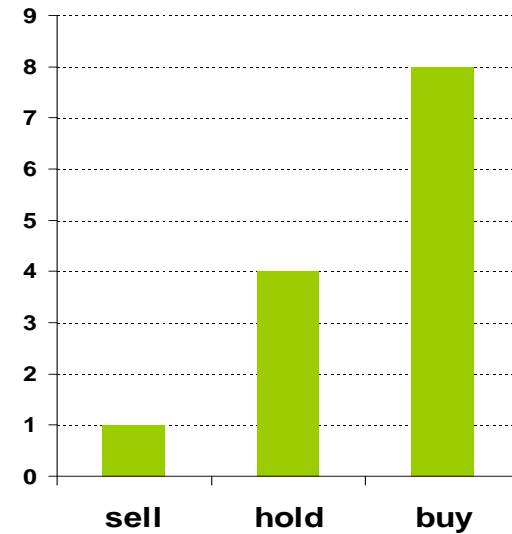
Share price as reflection of branch development

PFLEIDERER SHARES, SDAX AND MDAX INDEXED
January 1, 2009 - June 9, 2010

SHARE PRICE IN EUROS



Analysts' recommendation



As of May 2010



Annual Shareholders' Meeting

Product highlights



VW-Autohäuser:
Subsidiaries furnishes Volkswagen showrooms, Duropal delivers high pressure laminate, wodego decorative panels and Pergo fits trading places



ESPRIT-Stores:
Duropal fits ESPRIT flagship stores with HPL decor "Illusion"

Esprit, Fotograf: Chris Chan, Hongkong



Oasis of the Seas:
Thermopal fits out the world's biggest cruise ship „Oasis of the Seas“



Ikea-Haus „Bo Klok“:
Construction-Expert Bien-Zenker builds Ikea-Haus „Boklok“ with LIVINGBOARD panels from Pfleiderer





Consequences of financial crisis

- Identification of risks:
 - Limited use of forecasts as steering instruments
 - Economic crisis are hardly predictable in dimension
- Debt based business models have lower valuation multiples since the crisis
- Cost of debt have risen since financial crisis
- Liquidity before profitability in the crisis
- Keeping competitiveness with lowest variable costs
- Balanced markets are essential for better profitability



Strategy

Balance sheet

- The short-term focus remains on cost control, cash management and strengthening of the balance sheet
- Sale of treasury shares and 10% capital increase raised €53m in Q1 2010
- Earnings pick-up not expected before H2 2010
- Further debt reduction will be mainly driven by future free cash flow generation

Operations

- Cost cutting will continue and focus on fixed cost reduction
- Equally importantly, further industry capacity reduction is essential for healthy margins
- Price increases necessary to compensate for rising raw material costs
- Market penetration of laminate flooring will continue to drive sales growth
- Pushing green and sustainable products (Living board, NU green)



2010 – Trends and Outlook

	2010	2011
Sales		
Net profit		
Capex		

- Slow recovery of economies
- Volumes in March for the first time higher than previous year, trend continues
- Prices trending upward, expecting sequential sales growth in Q2
- Housing market recovery in North America and Germany should support sales growth in H2 2010
- Sales growth for the year expected due to higher volumes in Eastern and Western Europe and new MDF plant in the USA
- Continuous loss on an after tax level for 2010
- Raw material prices remain challenging



Pfleiderer prepared for recovery

- Market shares increased in the crises
- Costs considerably decreased, further savings up to €30m are planned
- Capacity increase of the last years make growth possible
- Substitution trend of von Vollholz durch Spanplatten hält an
- From 2011 free cashflow again
- Loyal, high professional and dedicated employees

Annual Shareholders' Meeting of Pfleiderer AG June 23, 2010



Thank you for your attention

Next Annual Shareholders' Meeting June 21, 2011