

**ORDINARY GENERAL SHAREHOLDERS' MEETING
GROUP CEO'S SPEECH**

Dear Shareholders, Dear Guests,

I would like to welcome all of you to Pfleiderer's Group Ordinary General Shareholders Meeting in Warsaw. It is great seeing you here, Pfleiderer is a promising company and it is a great honor getting to lead the Group since June 1st.

After spending considerable time with customers, employees and our operations, I see the following points:

The Pfleiderer Group has presently grown to become one of the leading European producers of fiber converted products with almost 1 billion euros in sales revenues. Our already excellent positioning in this steadily growing market environment in Europe continued to improve and is supported by the underlying growth of the national economies we sell into and in particular the positive outlook for the construction markets in both DACH and Poland. Thanks to our concentration on premium value – added segments within our core markets, we have successfully become the manufacturer of state-of-the-art, high-quality products that are used in growing business sectors. Together with the investments launched in 2016 the Group currently has greater production capacities at its disposal. It intends to achieve more savings by continuing to drive operating efficiency and the duration of uninterrupted operations and by curtailing bottlenecks.

The management of the opportunities and challenges facing our Group, will be supported by competitive management board. A well-functioning board must have a relevant mix of industrial and financial experience. In the past 6 months there has been significant investments in management capabilities. Starting from new COO – Dirk Hardow who joined the company in November last year, me as new CEO starting on 1st June and the incoming new CSO - Ivo Schintz who will join us on 1st August, a first class team has been established. Whilst we expect to see H1 performance exceed prior year, inevitably there has been some management distraction during this period of leadership change. The strong management team now in place should enable us to accelerate our profit development.

I expect to publish our strategy till 2020 in mid-September. But our confidence in our prospects is illustrated by the proposal to launch a share buy-back program, authorisation for which is being sought today. Assuming an adoption of the buyback program in today's Ordinary General Shareholder's Meeting, we plan to work out details and communicate in third quarter.



This year will be demanding one but I am very excited about Pfleiderer's future. With the creation of ONE PFLEIDERER, this company has made a major step to strengthen its market position in Europe. We now have to capitalise the benefits of this step consequently because we received positive customer feedbacks. That also means a change in culture in terms of cooperation, knowledge transfer and performance. There is no "east" or "west" anymore. I personally do not regard Pfleiderer as a German or Polish company, but simply as an international group addressing international growing markets.

On behalf of the Management Board, I would like to extend my heartfelt thanks to all employees for their great dedication and effort. Together we will continue to work on being an attractive producer of fibre based products and partner to our customers.

Dear Shareholders, on behalf of the Management Board and the Supervisory Board, I would like to thank you for your trust in Pfleiderer Group and I hope that you will continue to accompany us in the future.

Thank you!

Tom K. Schäbinger