

: AD HOC ANNOUNCEMENT

schlott gruppe Aktiengesellschaft announces rights issue

- **Issuance of new shares as part of the restructuring programme**
- **Subscription ratio 15:2: €4.58**
- **Subscription period anticipated to commence at the end of November 2009**

Freudenstadt, November 10, 2009. On 6 November 2009, the Management Board of *schlott gruppe* Aktiengesellschaft passed a resolution for a cash-based seasoned equity offering with a subscription right for existing shareholders. The resolution was approved on 10 November 2009 by the company's Supervisory Board. Utilising part of the existing Authorised Capital I, the company's share capital is to be increased through the issuance of 827,226 new shares for cash. The aim of this capital market transaction is to strengthen the company's equity base. The proceeds from the issuance of new shares are to be used as part of the restructuring programme announced by the company and are a component of the overall financing concept until 2012.

The rights issue for cash is to be underwritten by Landesbank Baden-Württemberg (LBBW) and offered indirectly to shareholders, under the provisions set out in the subscription offer, in a ratio of 15:2, i.e. for each 15 old shares held, shareholders will be entitled to purchase 2 new shares. The subscription price will be €4.58. The new shares will qualify for potential dividend payments effective from October 1, 2009.

The subscription period for the new shares is anticipated to commence at the end of November 2009 and run for 14 days, with payment and

delivery taking place subsequent thereto. The subscription offer is to include provisions specifying that each shareholder, upon exercise of his or her subscription right, shall be entitled to submit binding purchase applications for additional new shares. Thus, during the subscription period shareholders with share subscription rights may, upon exercise of their subscription rights, submit purchase applications definitively stating that they wish to acquire additional new shares beyond their subscription rights at the applicable price of subscription.

To the extent that subscription rights are not exercised for new shares, the new shares shall be allocated to shareholders insofar as binding purchase orders for such subscriptions exist. The price of extra shares to be subscribed within the context of applications for additional shares shall also be €4.58. In the case of oversubscription relating to applications for additional shares, the new shares shall be allocated pro rata, taking into account the respective volumes of old shares held.

Neither the company nor LBBW has made any plans for rights trading. Furthermore, no application has been made with regard to setting a price for subscription rights at a stock exchange. Therefore, subscription rights cannot be purchased or sold via a stock exchange.

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