

August 19, 2008

**Announcement of the Board of Management according to  
Article 37x of the WpHG [the German Securities Trading Act]  
within 2nd half of FY 2007/08**

- **New orders in first nine months 2007/08 reach €778.2 million**
- **Sales of €659.3 million / order backlog at €818.4 million**
- **EBIT up to €24.7 million (prior year: €11.9 million)**
- **Capital increase completed, strong increase in equity ratio**

The current figures for the first nine months include Müller Weingarten, while the prior-year figures refer to Schuler without Müller Weingarten. A comparison with the previous year has thus only limited relevance.

**High level of new orders and positive sales trend**

New orders in the first three quarters of fiscal 2007/08 reached €778.2 million, compared with €474.3 million in the same period of the previous fiscal year. Consolidated sales in the current reporting period amounted to €659.3 million, compared with €357.3 million in the previous year.

In the period under review, the Group generated sales of €272.3 million in Germany, compared with €105.9 million in the same prior-year period, while sales in the rest of Europe reached €128.7 million, compared with a prior-year figure of €81.7 million. In America sales in the first three quarters of 2007/08 totaled €135.9 million, following €132.2 million in the previous year, while in Asia sales reached €118.7 million, compared with €34.0 million. Around 59% of consolidated sales were generated outside Germany, compared with around 70% in the previous year. This is mainly due to the fact that Müller Weingarten traditionally generates a far greater proportion of its sales in Germany, compared with Schuler.

At €818.4 million, **order backlog** as of June 30, 2008 was well above the prior-year figure of €446.9 million.

### **Positive result**

In the first three quarters of fiscal year 2007/08, EBIT amounted to €24.7 million (prior year: €11.9 million). Earnings before taxes (EBT) totaled €7.1 million, compared with €2.3 million in the comparable prior-year period.

### **Financial position**

Cash inflows from the capital increase of €35 million (gross) led to significant growth in the Group's equity ratio. Capital expenditures amounted to €16.7 million and were thus below depreciation and amortization. At €145.3 million as of June 30, 2008, net financial liabilities were almost unchanged from year-end 2006/07 on September 30, 2007.

### **Employees**

As of June 30, 2008, the Schuler Group employed 5,531 people (including apprentices), compared with 5,710 as of September 30, 2007. The decline is partly due to the sale of the Group's Die Casting division in November 2007. As of June 30, 2008, around 79% of the Group's work force (4,352 people) were employed in Germany. Headcount at the Group's facilities outside Germany totaled 1,179 as of the balance sheet date.

### **Significant events during the reporting period**

#### **Capital increase successfully completed: €35 million of fresh capital**

The capital increase of up to €9,100,000 from authorized capital adopted by the Board of Management and Supervisory Board of Schuler AG on March 17, 2008, was successfully placed in full. All 3.5 million new shares offered for subscription in the capital increase were purchased at a subscription price of €10.00 per share. The subscription price of

€35 million was paid up in full. The capital increase was entered in the Commercial Register on April 7, 2008.

### **Conversion of preferred stock into common stock completed**

The conversion of all 10.5 million preferred shares into new common shares with voting rights, as adopted by the Annual Shareholders' Meeting of Schuler AG on April 10, 2008, has been completed. The conversion was entered in the Commercial Register on June 19, 2008. On the same day, the new shares were admitted for trading on the Regulated Markets of the Frankfurt Stock Exchange and the Stuttgart Stock Exchange. The shares were listed at the Frankfurt and Stuttgart exchanges for the first time on June 20, 2008.

### **Outlook**

Due to its strong order position, a further improvement in the Group's operating result is expected in the last quarter of fiscal 2007/08.