

Press Release

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Not for publication in the United States of America, Canada, Australia and Japan

Successful IPO for Zumtobel AG: Issuing price of Zumtobel shares set at EUR 20.50

- **Issuing volume totals approximately EUR 525 million (without greenshoe option)**
- **Largest IPO by a private industrial company in Austria**
- **Dr. Andreas Ludwig, CEO of Zumtobel AG: "Our successful IPO provides an outstanding basis for the continuation of our growth strategy"**

Dornbirn, Austria – Zumtobel AG, based on the recommendation of its lead underwriters, set the issuing price of its shares at EUR 20.50 per share. This puts the issuing price at the midpoint of the price range of 19.00 – 22.00 euros.

The offer consisted of 25,595,638 shares, plus a greenshoe option comprising an additional 3,839,346 shares. The lead managers can exercise the greenshoe option within 30 days of the first day of trading. This would take the total issue to 29,434,984 shares, which amounts to approximately EUR 603 million, making the flotation of Zumtobel AG the largest IPO of a private industrial company in Austria. Based on the issuing price of 20.50 euros per share, the company's market capitalisation amounts to approximately EUR 916 million.

The free float amounts to approximately 57% of the shares (approximately 66% if the greenshoe option is exercised in full). As expected, the great majority of the shares was taken up by institutional investors. Approximately 5% of the issue were placed with retail investors. The entire share capital – including the shares from the capital increase – carries full dividend rights for the financial year that commenced on May 1, 2006.

"We're starting out with an excellent shareholder base and we're looking forward to their active stewardship and to the dialogue with our new shareholders," said Dr Andreas Ludwig. "We will be working continuously to increase the value of the Group, and would be delighted to attract additional retail investors from Austria in particular after commencement of trading on the official market."

The Zumtobel family remains the largest single shareholder after the IPO, holding approximately 34% of the share capital of Zumtobel AG. Kohlberg Kravis Roberts & Co. (KKR), who has been holding a 49.96% stake in Zumtobel since 2002, reduced their holding as planned, and retains approximately 9% of the share capital (if the greenshoe option is exercised in full, KKR will no longer hold any shares in Zumtobel AG). The Zumtobel family and KKR – as well as the company – will be subject to a customary lock-up expiring six months after the IPO.

Net proceeds of capital increase in the amount of approximately EUR 149 million to improve the financing structure

Out of a total issue volume of approximately EUR 525 million, 7,895,000 shares formed part of an increase in share capital that will bring Zumtobel AG net proceeds of approximately EUR 149 million. EUR 140 million of these net proceeds from the capital increase will be used to partially repay a

syndicated bank loan to further improve the company's financing structure, and thus support the company's ongoing growth initiatives. Following the capital increase, the company's share capital totals EUR 111,760,860, consisting of 44,704,344 no par value shares.

"The capital increase represents a strategic landmark in the process of strengthening our equity position and gives us the opportunity to continue our attractive growth and to benefit from the anticipated consolidation of the industry," commented CEO Dr Andreas Ludwig.

Commencement of trading of Zumtobel shares on the Vienna Stock Exchange beginning on May 12, 2006

Trading in the Zumtobel shares on the Vienna Stock Exchange on the Prime Market is expected to commence on May 12, 2006 under the symbol ZAG. The international securities identification number (ISIN) for Zumtobel AG is AT 0000837307.

The bookrunners for the initial public offering of shares in Zumtobel AG are Bank Austria Creditanstalt (CA IB), Morgan Stanley and UBS Investment Bank. Other syndicate members are Raiffeisen Centrobank, Erste Bank and JPMorgan as co-lead managers. Bank für Tirol und Vorarlberg and Investkredit are acting as selling agents.

The Zumtobel Group – a global player in the lighting industry

The Zumtobel Group, based in Dornbirn in the Vorarlberg region of Austria, is one of the few global players in the lighting industry. The Group, which started life as Elektrogeräte und Kunstharzpresswerk W. Zumtobel KG in 1950, today employs a workforce of over 7,000 and concluded the financial year 2004/05 with consolidated sales of EUR 1,129.2 million. Under the leadership of its Executive Board of Dr. Andreas J. Ludwig (CEO) and Thomas Spitzenpfeil (CFO), the Group today comprises two subgroups. Zumtobel Lighting Division, the luminaire business, includes the Thorn and Zumtobel brands along with their shared production network, International Lighting Technologies. The TridonicAtco Division handles the lighting components side of the business. The financial year of the Zumtobel Group commences on May 1 and ends on April 30.

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