

Zumtobel Group

Capital Markets Day

**- Financial Update -
Thomas Spitzenpfeil**

Agenda

- 01.30 p.m. The Zumtobel Group – A Strategic Update
Andreas Ludwig (CEO Zumtobel Group)
- 02.15 p.m. Growth driver “energy efficiency”
Peter Dehoff (Strategic Lighting Applications ZLD)
- 03.00 p.m. Coffee break
- 03.15 p.m. LEDs – the next generation of light / the potential for Zumtobel
Roland Michal (CEO Zumtobel LED Division)
- 04.00 p.m. Financial update and guidance 2008/09
Thomas Spitzenpfeil (CFO Zumtobel Group)
- 04.45 p.m. Summary and Q&A
Andreas Ludwig (CEO Zumtobel Group)
- 05.30 p.m. End of event / departure

Financial update

- 1) Considerations on financing**
- 2) Considerations on asset allocation**
- 3) Considerations on dividend policy and equity**
- 4) Considerations on taxes**

Considerations on financing

Negotiations started to refinance the Group

5-year credit period with bank syndicate, starting approx. 1 July 2008

Volume EUR 400 – 450 mill.

Simplification of financial covenants to debt cover ratio and equity ratio only

Release of former loan securities – negative pledge only

Usage of funds:

Part 1: EUR 200 mill. for refinancing of Thorn acquisition loan

EUR 282 mill. currently outstanding (from EUR 603 mill. originally granted in 2001)

Thereof EUR 200 mill. to be refinanced and EUR 82 mill. to be paid down from own funds

Part 2: EUR 200 – 250 mill. ‘stand by’ facility with free availability for

General financing purposes

Financing of acquisitions

Considerations on financing

Even if facility is fully drawn, the debt / equity structure remains healthy

	min/max	Jan 08 *)	Scen 1	Scen 2	Scen 3
Acquisitions (debt financed)			-250	-250	-250
@EV/EBITDA			8,5	10	15
Assets		1.051	1.301	1.301	1.301
Equity		485	485	485	485
Equity-Ratio	30% / 65%	46%	37%	37%	37%
Net Debt		161	411	411	411
Gearing	25% / 150%	33%	85%	85%	85%
EBITDA (12M Consensus)		171	200	196	188
DCR = Net Debt / EBITDA	1 / 3,5	0,94	2,05	2,10	2,19

*) adjusted from EUR 82 mill. repayment of long term debt from cash

Considerations on asset allocation

CAPEX Outlook

in EUR mill.	Actual 2006/07	Estimate 2007/08	Estimate 2008/09	Long-term avg.
Machinery, equipment, maintenance, tooling	44	43-46	49-53	48-52
Intangibles = capitalised R&D	11	10-11	12-13	12-13
New Spennymoor fitout		5	14	0,0
Total CAPEX	54	58-62	75-80	60-65

New Spennymoor building will be leased and recognised as financial lease (IAS 17) in 08/09

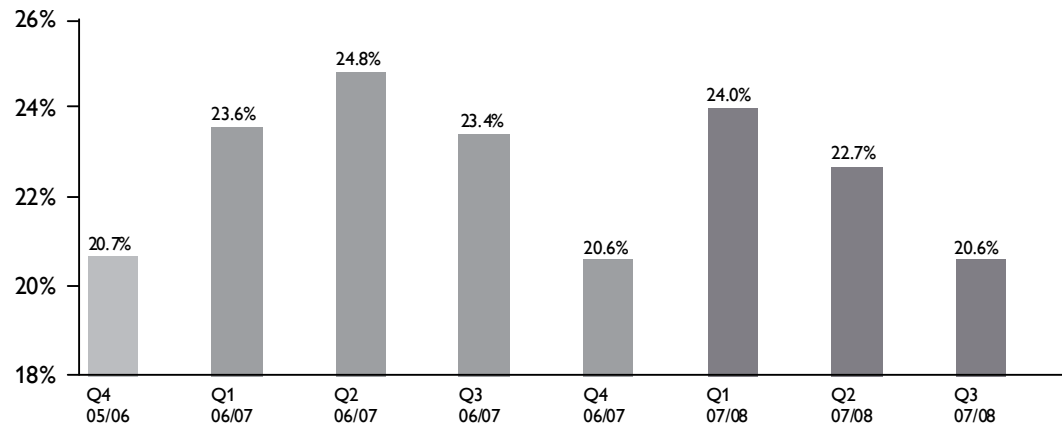
Considerations on asset allocation

Working capital management – only limited further potential

Good progress for a 5-year period

	2002/03	2003/04	2004/05	2005/06	2006/07
Revenues	1.186,5	1.142,2	1.129,2	1.168,0	1.234,0
Work. capit.	267,3	259,6	241,4	241,6	253,7
in % of rev.	22,5%	22,7%	21,4%	20,7%	20,6%

Trend for 2007/08 intact



2008/09:

Need to build up working capital during the plant move in Spennymoor
Further improvement limited from change of regional setup

Considerations on dividend policy and equity

Zumtobel considers dividend increase

Considered dividend range for FY 2007/08

€ per share	€ 0,65	€ 0,70	€ 0,75	€ 0,80
Payout ratio *)	34%	36%	39%	42%
Funds paid out in EUR mill.	29,1	31,3	33,5	35,8

Dividend yield

Basis

IPO price	€ 20,50	3,2%	3,4%	3,7%	3,9%
Avg. share price 2.5.07-04.04.08	€ 25,33	2,6%	2,8%	3,0%	3,2%
Price as of 04.04.08	€ 17,46	3,7%	4,0%	4,3%	4,6%

*) based on revised consensus for net profit FY 2007/08 of 86,0 EUR mill.

The Supervisory Board will discuss the dividend for FY 2007/08 on 11 April

Considerations on dividend policy and equity

Stock option programme and share buyback

Capital increase from approved conditional capital for stock option programme

Total number of valid options: 363.000

In case of exercise, delivery in two stages:

120.000 from own shares held in treasury stock

243.000 from issue of new no-par-value, common voting bearer shares

Potential dilution maximum 0,5%

Managing Board of Zumtobel AG will apply for the possibility of share repurchase programmes at Annual Shareholders' Meeting on 29 Juli 2008:

- 243.000 shares to cover stock options to replace approved conditional capital increase
- Up to 4.470.434 / 10% of total of shares for general repurchase programme

Considerations on taxes

Unrecognised tax loss carryforwards

Approx. EUR 420 mill. of tax loss carryforwards only partially recognised

in EUR mill.	Total	Thereof adjusted	Thereof on balance
Tax loss carryforwards	420	365,9	54,1
Theoretical tax asset	105	91,5	13,5

Based on current tax legislation, a tax rate of 15% applies to the Zumtobel Group

Simplified approximation:

in EUR mill.	EBT	Appl. tax rate	Tax
in Austria	40	0%	0
Other countries	60	25%	15
Total	100	15%	15

Zumtobel Group
Building a bright future

Thank you for your attention

