

1 THOMAS GEORG, LAWYER, AACHEN
AS ADMINISTRATOR OF THE ASSETS OF
CEMECON AG

PRESS RELEASE

CemeCon AG of Aachen is to be restructured through the insolvency plan procedure

- **Planned sale to consortium of companies falls through after two companies leave the consortium**
- **According to administrator Thomas Georg, this will not affect ongoing operations - all jobs in Aachen are currently safe**
- **Mr Georg is now drawing up an insolvency plan to lead the company out of insolvency and protect the interests of creditors**

Aachen/Würselen, 14 December 2009 – The sale of the assets of CemeCon AG to a consortium of companies decided upon at the meeting of creditors in mid-November has not materialised. After the exit of Eifeler Werkzeug GmbH (Düsseldorf), followed by H.I.G. European Capital Partners (Hamburg), the remaining companies, 1C Group AG (Switzerland) and Enalog Ventures GmbH (Vienna) were unable to secure funding in time to sign the purchase contract by 15 December as agreed. Management informed the administrator of the Aachen plant manufacturer and producer of hi-tech coatings, lawyer Thomas Georg, of this on Friday evening. Mr Georg stated that this would not affect ongoing business operations. "Our restructuring measures are taking effect and the company is now out of the red. This means that jobs are safe", continued the administrator.

Mr Georg will now develop an insolvency plan in the next few months. "The creditors instructed me to do so at the meeting of creditors in November if the sale did not materialise", said the administrator. He believes there is a good chance that this plan will finally restore CemeCon AG to a sound position once more as well as protecting the interests of creditors. Mr Georg added, "CemeCon is back on track and we want to keep it there".

CemeCon's management filed for insolvency with the relevant district court in mid-June. The court then appointed Thomas Georg from Aachen law firm Mönning & Georg, specialising in insolvency, as administrator. The reason for the petition for insolvency was the economic crisis, which was particularly severe in the sector concerned, resulting in a fall in turnover of 50 percent for CemeCon for coatings and as much as 80 percent for plant construction. Mr Georg has taken over operational management of the business since the company filed for insolvency. He has implemented extensive restructuring measures, brought CemeCon into line with the altered market conditions and managed to secure around 150 jobs. At the meeting of creditors in mid-November, the creditors decided to sell the assets to a consortium of companies. Should this sale fail to materialise, Mr Georg was to put the company back on its feet through an insolvency plan procedure and lead it out of insolvency.

About CemeCon AG:

The company offers a full range of services for high-performance coating of cutting tools and components. At the Würselen location, CemeCon operates one of the largest coating service centres in Europe and apart from that runs production sites in the USA, China, Scandinavia and Czech Republic. When it filed for insolvency, CemeCon had just under 300 permanent employees at its location in Würselen near Aachen. In the 2008 financial year, the company achieved a turnover of EUR 43 million.

Media contact Holger Voskuhl rw konzept GmbH Agentur für Unternehmenskommunikation
Maastrichter Straße 53 50672 Cologne Tel: +49-(0)221-400 73 – 87 Fax: +49-(0)221-400 73 –
88 Mobile: +49-(0)170-2101523 voskuhl@rw-konzept.de