

EXTRAORDINARY ANNOUNCEMENT

16th of February, 2006

By signing a final contract, Pannonplast transferred the technical plastics production in Székesfehérvár to Dunainjection Kft.

As earlier announced (19th of December 2005) Pannonplast's subsidiary turned into a pre-contract about transferring the technical plastic production in Székesfehérvár to a strategic investor. Based on that agreement a final contract was signed by Pannonplast and Dunainjection Kft. (majority owned by the French company PVL, Plastiques Du Val De Loire). The effective date of the transfer was set as 13th of February, 2006. As a part of the transaction, Pannonplast Technical Plastics Co. (PMM) sells all of its manufacturing machineries and equipments used at the Székesfehérvár plant. With regard to the real estate owned by PMM, a long-term lease agreement was signed with PVL's call option to purchase the real estate.

Pannonplast plans to consolidate the business unit until the effective date. The estimated financial result generated by the plant for the period starting 1st of January, 2006 till the effective date is HUF 100 million net loss.

As a result of this transaction Pannonplast Group eliminated its most loss-making unit.

Pannonplast Plc.