

Extraordinary announcement

31 May 2006

Pannonplast Group closes the disposal of its 51% stake in Polifoam.

In accordance with the Quota Purchase Agreement signed in December, 2005 between Pannonplast Group and Trocellen GmbH, the disposal of the 51% business quota in Hungarian foam producer, Polifoam, has now been completed, the purchase price of EUR 6.7 million has been paid. The purchaser Trocellen GmbH is owned by The Furukawa Electric Co., Ltd. and Otsuka Chemical Co., Ltd.

Deloitte acted as financial advisor to Pannonplast in the sale.

Pannonplast Nyrt.