

Agfa Photo insolvency will reduce LINOS AG earnings

Göttingen, June 1, 2005. Agfa Photo GmbH has initiated insolvency proceedings, as was announced on Friday last week. LINOS AG (ISIN DE0005256507) supplies lenses worth about EUR 350 000 to the Agfa Photo Minilab Division every month. The accounts receivable amount to about EUR 350 000 at present. The insolvency will have an impact on LINOS earnings. In the worst-case scenario, i.e. if all the accounts receivable and stocks have to be written off completely and no more deliveries are made this year, earnings will decrease by EUR 2.6 million. Up to now, LINOS has been expecting EBIT of between EUR 8.5 and 10.0 million in the 2005 fiscal year.

The official receiver responsible for the insolvency proceedings at Agfa Photo GmbH is currently investigating the extent to which the business operations can be continued. It will only be possible to quantify finally what effect the insolvency will have on LINOS earnings when this investigation has been completed. If LINOS continues to supply lenses to Agfa Photo, the reduction in earnings may be considerably smaller than indicated in the worst-case scenario.

Professor Dr Gerd Litfin, CEO, and Volker Brockmeyer, CFO, of LINOS AG, are available for telephone interviews. Tel. no.: +49 551/69 35-126.

A profile of LINOS AG

LINOS AG is a manufacturer of sophisticated optical systems that operates all over the world. In line with the corporate principle "Photonics for Innovation", LINOS is a development partner and supplier for customers in such growth markets as lasers, optical metrology, medicine, biotechnology and semiconductors. The company was established in a management buy-out in 1996, has acquired and integrated various photonics companies – most recently Rodenstock Präzisionsoptik in Munich – since then and is listed in the Prime Standard index at Frankfurt Stock Exchange. LINOS AG focusses on the three strategic business divisions Information Technology & Communications, Health Care & Life Sciences and Industrial Manufacturing. Almost 800 highly qualified staff are employed in the Group, which has three production locations in Germany as well as a plant in Poland. LINOS has sales companies of its own in the USA, Great Britain and France, which are important export countries. <http://www.linos.de>

Contact

LINOS AG
Hubertus Dornieden
Investor Relations
Königsallee 23
37081 Göttingen
Germany
Telephone: +49 551 69 35-126
Fax: +49 551 69 35-120
E-mail: ir@linos.de
www.linos.de