

LINOS resolves upon capital increase against cash contribution and share placement

Göttingen, January 13, 2006. The Management Board of LINOS AG (ISIN DE0005256507) resolved today with the approval of the Supervisory Board upon the increase of the stated share capital of the company from EUR 5,008,000 to up to EUR 5,507,999 against cash contribution, by making partially use of the authorised capital and by issuing up to 499,999 new bearer no par shares with a theoretical par value of EUR 1 each. The new shares grant a right to participate in the profits commencing January 1, 2005.

The new shares are to be offered to institutional investors in Germany and other European countries by way of an accelerated bookbuilding process. The subscription rights of the shareholders have been excluded. The final placement price will be determined after the end of the bookbuilding.

HSBC Trinkaus & Burkhardt KGaA is lead manager and sole bookrunner for this transaction. In order to be able to deliver to the investors the new shares in a form that can be traded on the stock exchange shortly after the allocation HSBC Trinkaus & Burkhardt KGaA entered into a security lending agreement with an existing shareholder.

The new shares are to be admitted to trading on the Frankfurt Stock Exchange (Prime Standard) without publication of a prospectus.

The proceeds from the capital increase are intended to serve the strategic development of the company. This enables the company to make investments for the future, for example in technology projects, and improves the financial situation of the company for possible acquisitions.

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 develops and produces at three locations in Germany as well as at 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