



C. BECHSTEIN

PIANOFORTEFABRIK AG

Press release, Berlin. 1st December 2009

**Increase in capital successfully achieved!
Business prospects in 2009 are looking good**

Increase in capital brought to a successful conclusion!

C. Bechstein, the famous manufacturer of grand pianos and upright pianos in the premium market segment, has placed 750,000 new shares in connection with an exercise to increase capital. As a result, the company's share capital has increased by 2,250,000 Euros, from 5,787,633 Euros to 8,037,633 Euros.

C. Bechstein Pianofortefabrik AG will receive 4.5 million Euros out of this capital increase. The new shares were purchased by existing shareholders by way of a subscription right to which they were entitled and by way of a warrant option. Any shares that have not been subscribed by shareholders have been offered for sale to selected institutional investors as part of a private placement.

The new shares have been mostly subscribed by existing shareholders. By achieving this increase in capital one can see an indication of the confidence that shareholders have in C. Bechstein Pianofortefabrik AG. The interest of institutional investors, which for the first time, increasingly came from other countries in Europe, is a clear indicator of confidence in the long-term strategic potential of the company, a company that has a great cultural brand.

The funds going into C. Bechstein Pianofortefabrik are being used to consolidate core capital and to reduce the amount of borrowed funds that were needed for existing investments that were carried out. The corporate action has been monitored closely by Close Brothers Bank AG.

PRESEMITEILUNG



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Positive business developments

Turnover within C. Bechstein Pianofortefabrik AG and in the Bechstein Group are going according to plan. Compared to the previous year, the expectation is that there will not only be an increase in the sales figures but also in the net annual profit. The results will be published at the end of the first quarter of 2010.

Berlin, 1st December 2009

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