

Questions by IVA (Interessensverband für Anleger, www.anlegerschutz.at)

Replies of Lenzing AG

1. **Comment on the revised Code of Corporate Governance (version 2006):
Which are the regulations that Lenzing will not comply with?**

Lenzing has decided not to opt for the Austrian Code of Corporate Governance.

2. **Presentation of the parts of Management Board remuneration related to performance:
What are the criteria applied?
Which circumstances would prevent payment of performance-related remuneration?
Is there a cap?**

Remuneration for members of the Management Board and the Supervisory Board for reporting year 2005:

	EUR '000
Active members of the Management Board	1,477.2
Former members of the Management Board and their bereaved	815.6
Members of the Supervisory Board	142.6

Fifty percent of the part related to performance are linked to the annual result of the Company Group and fifty percent are linked to the distribution quota. The bonus maximum is defined by the amount of the fixed salary of the Management Board.

3. **Supervisory board:
What are the costs of office, official car, travel, insurance premiums and representation?**

There are none.

4. Disclosure of supervisory board (stock corporations, limited liability corporations, foundations) and political offices held by members of the Management Board outside the Company Group:

Christian Reisinger has been member of the supervisory board of Rosenbauer International AG since 24 May 2006.

All other members of the Lenzing AG Management Board are exclusively active on the supervisory boards of Company Group companies.

**5. Consultancy fees and total auditor's fees:
What is the ratio?**

About two thirds auditing and one third consultancy.

**6. Proportion of members of staff directly or indirectly holding shares in the company:
How many shares were acquired in 2004 by members of staff with tax-deductible effect in 2005 (article 3.15 Austrian income tax law)?**

There are no figures available. Individual managers and members of staff acquired shares at the initial offering in 1985 and at the capital increase in 1990.

None.

7. What is the share of Austrian private investors and Austrian institutional investors (investment funds, insurance companies, banks, foundations) in the company?

B & C Holding is the majority shareholder with about 87.9%. The remainder consists of widely held stock of less than 5% per holding. There are no detailed figures available.