



PRESS RELEASE

Mahlo rebuts report:

Munich's Provincial Court prohibits Business Week from publishing false allegations against Mahlo GmbH & Co. KG

- Mahlo is a respectable, reliable partner in relation to its customers

Saal/Donau, 31st of July 2008 – The magazine Business Week and its editor Martin Seiwert have henceforth been prohibited by law from making and, or publishing again in a report false allegations against the traditional concern Mahlo. This was resolved yesterday by the Provincial Court of Munich (AZ 9 0 12257/08).

According to the ruling, allegations that the medium-sized concern and its management had sold old machines under the guise of new ones, had done business in the black-market or that millions of Euros had disappeared were, in the opinion of the court, without foundation. Numerous other insinuations hinting at alleged criminal acts were likewise not upheld by the court of law.

Ralph Greenwood-Mahlo, spokesman for the associates of Mahlo GmbH & Co KG said "all those who are well-acquainted with Mahlo know just how incredible the accusations are. Following exhaustive enquiries the associates have come to the conclusion that neither the company nor its managing director have committed any offence. The report constitutes an unprecedented campaign to criminalise a respectable, medium-sized company and is based on rumours, false assertions and incorrect interpretation. Mahlo was and is a thoroughly respectable concern which can always be relied upon by its customers". The report in the Business Week was met with bewilderment and indignation amongst not only the associates and management but also the employees and members of the works council.

Through its lawyers, the company has handed over to the Director of Public Prosecutions in Regensburg documentation which will prove beyond doubt that all the company's affairs have been conducted above board. Mr. Greenwood-Mahlo added "we are fully confident that, having examined the documentation, the public prosecutor will come to the same conclusion. Once light has been shed on the allegations, whoever it was who wanted to harm our company, and the motives for doing so, will be revealed".

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