

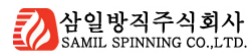
Content

- Cooperation of Samil Spinning and Lenzing Fibers
- Who is Lenzing Fibers
- ProModal® - NEW Lenzing innovation

Win win situation – Samil Spinning and Lenzing

Long history – strategic alliance

- Over 16 years of cooperation
- Samil is the biggest Lenzing Modal spinner for Korea
 - Including speciality fibers like
 - » TENCEL®
 - » TENCEL® Micro
 - » Lenzing Modal®
 - » MicroModal®
 - » MicroModal® AIR
 - » Lenzing FR®



Lenzing Fibers

**World Leader in Cellulose
Fiber Technology**

The Lenzing Group 2007

- Sales: EUR 1.26 bill.
- Export share: 86%
- Staff: 6,043
- Production: 523,000 tons of fibers



Lenzing Group – Fiber Production Sites

Lenzing/Austria



Heiligenkreuz/Austria



Purwakarta/Indonesia



Mobile/USA



Grimsby/UK



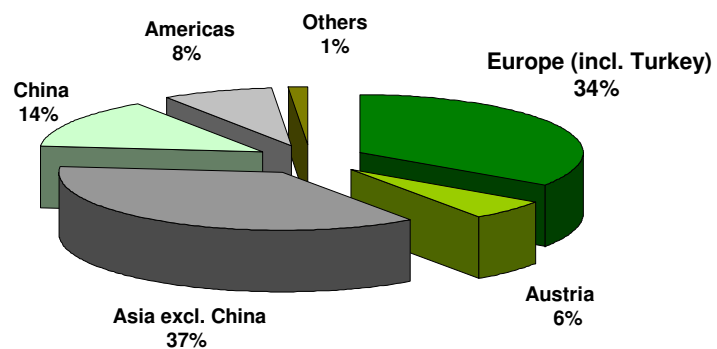
Nanjing/China



Global network for our customers

- Marketing offices
 - Shanghai
 - Hongkong
 - New York
 - Sao Paulo
 - Seoul
 - Taipei
 - Coimbatore, India
 - Jakarta
 - Tokyo

Fibers: Core markets Asia and Europe



Sales share Asia up 11% since 2004
Share Europe and Austria down 15%

Textile Areas of Application for Lenzing Fibers



Lenzing Viscose® - Sets the Industry Standard

- Clothing made of woven textiles and knitwear



Lenzing FR® - The Heat Protection Fiber

- special fiber for flame-resistant protective clothing



Lenzing Modal® - Makes the World a Softer Place

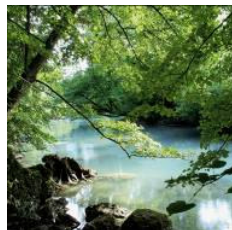
- Home Textiles: terry cloth products
- Clothing: undergarments



TENCEL® - The New Age Fiber

- Home Textiles: quilts and bed linen
- Clothing: shirts, blouses, ladies' and men's wear, home wear and undergarments

Sustainability in the Lenzing Group



■ **Sustainable Economic Success**

- Growth, innovation, productivity, technology leadership, quality leadership

■ **Responsibility for the Environment**

- Lenzing sets environmental standards
- Closed loops and integration
- Renewable raw material wood

■ **Responsibility for the People**

- Attractive jobs
- High safety and health standards
- Regional support of social, sports and cultural activities

ProModal® a new Lenzing innovation for the textile industry



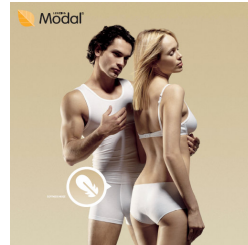
What is ProModal®

- ProModal® is a fiber blend of Lenzing Modal® and TENCEL®
 - Lenzing Modal® - standard
 - TENCEL® - low fibrillation type
 - This fiber is especially produced for this new innovative fiber blend
 - » Optimised raw material
 - » Adjusted production steps
- Patent is pending

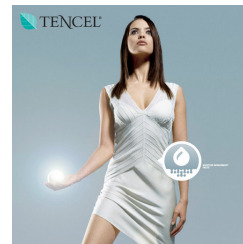


Positioning of both fibers

- Lenzing Modal®
Makes the world a softer place



- TENCEL®
The new age fiber



Makes the world a softer place

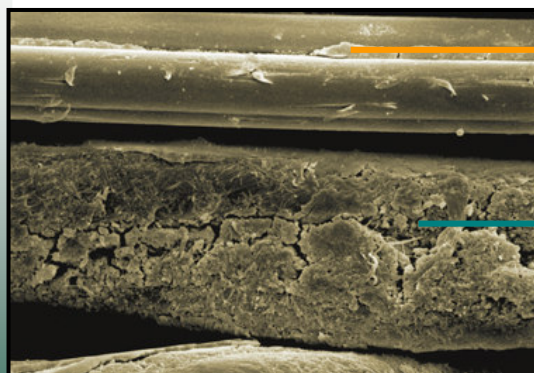


Softness is the key for Lenzing Modal®

- Softness inside
 - Low fiber stiffness
 - Smooth fiber surface
- The superior softness makes Lenzing Modal® the softest fiber in the world
- Natural softening agent



Lasting softness



Lenzing Modal®

Cotton



The new age fiber



Moisture management with nano structure



- With TENCEL® submicroscopic canals between the individual nano fibrils ensure the absorption and release of moisture. Better than cotton.



Air conditioning for the skin



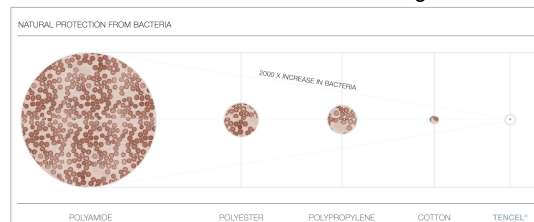
- Compared to cotton, TENCEL® feels much cooler when the temperatures rise. This is pure relief to irritated skin.



The natural hygiene fiber



- The enormous moisture absorption prevents the formation of bacteria. No film of moisture forms on the fiber which can be the basis for bacteria growth.



ProModal® the upgrade for the whole modal segment

Softness + Function =  **LENZING ProModal®**

Market strategy

- Enduses
 - Knits for all apparel articles
- Market
 - The already Lenzing Modal® market
 - Fiber brand Lenzing Modal® is seen in international brands around the globe

- » Designers
- » High Streets



*Lacoste
Ungaro
Versace
Mango*

.....simply every wear!

Branding

- ProModal® is a registered brand globally
 - Modal is the generic of the cellulose fiber segment
 - » Lenzing is using the global „brand“ awareness of Modal



Competitive advantage

- Lenzing is the only fiber producer who can produce ProModal®
 - Fiber portfolio – Lenzing Modal®, TENCEL® (LF)
 - Two generation of cellulose fiber technologies in one hand



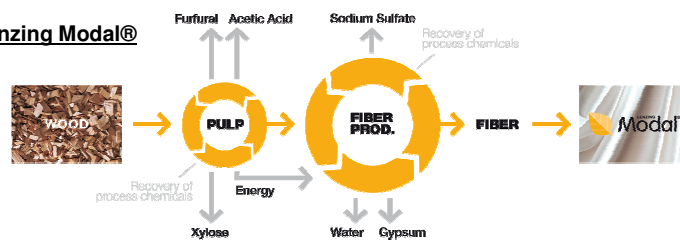
Sustainability aspect

- ProModal®
 - Production in Austria
 - High environmental standards
 - Best sustainable technology
 - Life Cycle Assessment
 - Lenzing Modal® – integrated production site
 - TENCEL® – latest technology

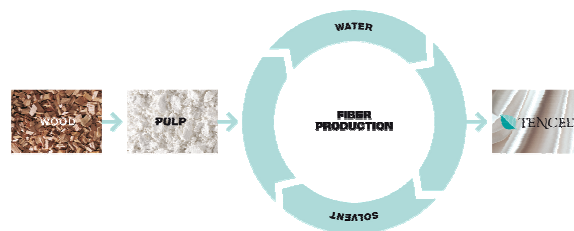


Production processes

Lenzing Modal®



TENCEL®



Exclusive ProModal® club

- Lenzing and Samil formed a ProModal® club to ensure
 - Best quality products
 - Knowledge transfer
 - Marketing support
 - Merchandising activities
 - Lead time - exclusivity for a certain period

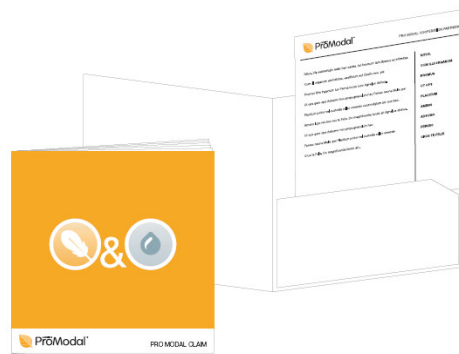


Club activities

- Licence agreement
 - Use of ProModal® brand
- Promotion of Club members in all Lenzing ProModal® communication material
 - eMailbox – special edition
 - Promotion material – inserts with name of Club members
- Club dinner + seminar (twice a year)
- Ad in main markets (twice a year) – listing all Club members

Activities, material

- Brochure + list of club members



Activities, material

- Coop ad, swing tickets



Togetherness of Lenzing and Samil

- Samil which was established on 1979, is the 17- year long business partner of Lenzing AG and the largest processor of Lenzing Modal® fibers.

Samil confidently presents high-quality yarns with Lenzing Modal®, TENCEL®, TENCEL® Micro, MicroModal®, MicroModal® Air and Lenzing FR® fibers to the distinguished garment producers, knitters and fabric manufactures of Korea and the world.



**Thank you for your
attention.**