

SINGULUS TECHNOLOGIES Stock

The SINGULUS TECHNOLOGIES stock receives a great deal of attention and continues to rank among the most recognized shares on the Neuer Markt of the German Stock Exchange in Frankfurt. Following an increase in value of 154.8% in 1998 and 91% in 1999, the stock registered a much lower gain of 18% in 2000. This can be attributed to a large extent to an end of the exaggerated euphoria in the Neuer Markt.

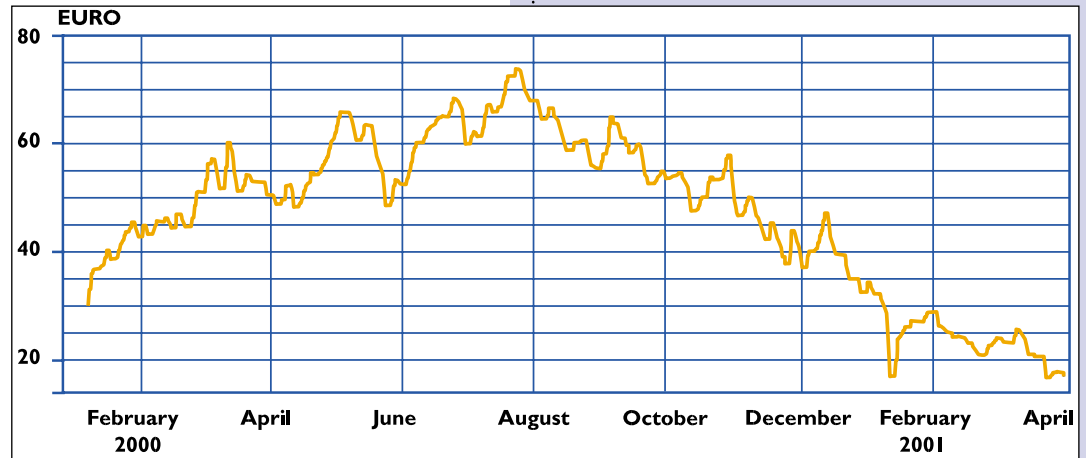
During the course of the year, the SINGULUS TECHNOLOGIES stock was subjected to changing fortunes: bolstered by gratifying business developments and sustained positive valuation by analysts, the stock maintained a positive tone from the beginning of the year through August 2000, culminating in a high of 76.00 EURO. Despite good 3rd quarter revenues and earnings figures, the SINGULUS stock was unable to sustain its valuation at year-end. In the wake of a declining mood which first became apparent in the Neuer Markt sector of the Stock Exchange during the first quarter of 2000, it closed at 36.00 EURO on 12/31/00.

Compared to the Nemax 50 Index, which fell 44% from 5151 to 2869 points during the year in report, the SINGULUS stock continues to perform remarkably well. It displayed an even better performance when measured against the development of the Neuer Markt All Share Index (minus 41%).

With an average daily trading volume of 126,039 shares in Xetra and 93,452 shares on the floor, the SINGULUS stock is one of the most traded shares in the Neuer Markt sector of the stock exchange. With a free float of over 90%, it is considered to be one of the most liquid titles and sought out by major funds. The SINGULUS stock remains within the focus of banks and investors as the optical disc market has become much more transparent; research by analysts has become much easier since four of the largest line suppliers are traded on this market. The abundance of studies is tied to the active participation of financial investors.

At the end of the reporting period SINGULUS TECHNOLOGIES' market capitalization was 1,307 million EURO. At the time, the price-to-earnings ratio for fiscal 2000 was calculated at a factor of 26. Based on 36,321,312 shares, earnings per share in accordance with DVFA/SG rose from 0.66 EURO per share in 1999, to a record-setting 1.35 EURO per share. Despite these fundamentally very positive results, the price performance of the stock when viewed over the course of the year did not correspond to our positive business developments.

At the beginning of the new year the Neuer Markt displayed a generally negative trend from which the SINGULUS stock could not be extricated. In the wake of an announcement in which the corporation expressed expectation that the uninterrupted and at times tumultuous growth of the past five years would be followed by a slowdown in 2001 due in part to a period of consolidation, the stock fell sharply to 17.25 EURO. It then stabilized at



23 EURO by the beginning of March. At the same time, numerous studies conducted by well-known analysts emphasized SINGULUS' unique characteristics in terms of technology, innovation, market leadership and profitability and issued buy recommendations. In the opinion of the experts, the stock still exhibits the potential for growth.

Development of Stock Price January 1, 2000 – March 31, 2001