COMPANY NAME: Ferro Corporation

U.S. EMPLOYEES: 2,500

TYPE OF PLAN(S): Traditional Defined Benefit — in excess of 1,000 participants affected

DATE ANNOUNCED: February 15, 2006

DATE EFFECTIVE: April 1, 2006

DESCRIPTION OF FREEZE: Total Freeze. All salaried and certain hourly employees who participated in the company’s (U.S.) defined benefit plan will stop accruing benefits on April 1, 2006.

PLAN SOLVENCY: At year end 2003, defined benefit pension plan obligations were $430.7 million and plan assets were $289.6 million.

REPORTED FINANCIAL IMPLICATION: As a result of the freeze, Ferro expects savings of $30-$40 million between 2006 and 2011.

NEW ARRANGEMENTS FOR EMPLOYEES: Starting on April 1, 2006, regardless of whether the employee contributes to his 401(k), Ferro Corporation will make annual contributions to employees' 401(k) accounts, varying from 2 percent to 8 percent dependent upon the employee’s salary and years of service. Also, Ferro will match employee contributions of up to 5 percent of salary. This company-sponsored plan was established for new employees hired after July 1, 2003.

BACKGROUND: Ferro is a major international producer of performance materials for industry, including coatings and performance chemicals. The Company has operations in 20 countries and reported sales of approximately $1.8 billion in 2004.

REFERENCES
Bingle, John (assistant treasurer at Ferro Corporation). 2006. Personal communication.