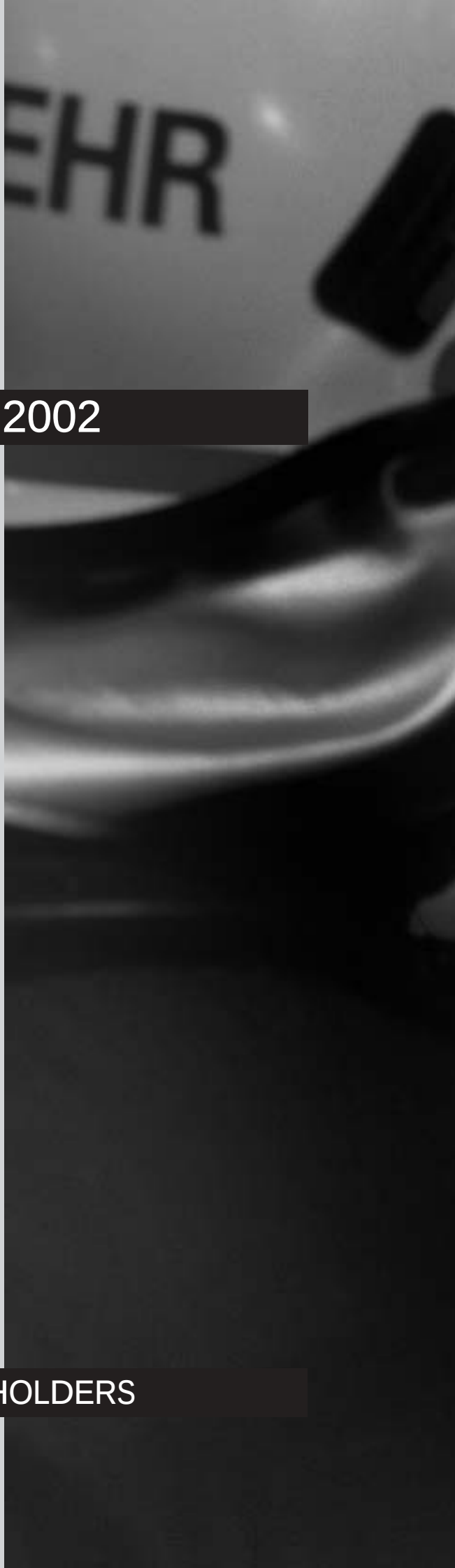
rosenbauer



1st Half Year, 2002

LETTER TO SHAREHOLDERS

1st HALF YEAR 2002

The first few months of 2002 went very well indeed for the Rosenbauer Group. Revenues were up 13 % on the first half of 2001, and EBT shot up from EUR -0.7 m (1-6/2001) to the record figure of EUR 7.0 m.

Together with the excellent state of order-books, the ongoing rationalisation projects in the Austrian companies and in the German Metz Group had an above-average impact on the results.

The protracted slump in the European fire-brigade market over the past few years has necessitated a thorough re-orientation at the German Metz Group. These extensive restructuring measures were completed in the first half of the year, so that Metz is expected to be back in the black by the end of 2002.

In Asia and the Arab world, several years of marked reticence on the part of buyers have finally started to give way to an increased demand for fire-fighting equipment. Initial successes such as the major order from Saudi Arabia are an indication of how demand from these regions is now reviving.

Saudi Arabian contract is being fulfilled successfully

Deliveries under the EUR 44.7 m contract from Saudi Arabia are proceeding to plan. By the end of the first half of 2002, all of the deliveries of fire-safety equipment to the client under this contract had been completed. Acceptance inspection of the vehicle prototypes, all of which are being manufactured at the US subsidiary Central States LLC, took place in mid-May 2002. The entire order will have been filled, in part-shipments, by October 2003.

The timely delivery of all the fire-safety equipment, and the satisfactory acceptance of the prototypes, have prompted the Saudi Arabian Ministry of the Interior to place a further order. The existing order volume has thus been increased by a further 10 % (EUR 4.5 m). Of this, the fire-safety equipment (worth EUR 1.4 m) is to be delivered during the rest of this year, with the vehicles (worth EUR 3.1 m) to follow by the end of 2003 in the framework of the existing order.

Re-orientation in Europe

The changed market conditions in Europe have necessitated a re-orientation of the Rosenbauer Group's activities. This aims to concentrate our development and production activities at fewer, but larger, locations in Europe – entailing the disposal of smaller subsidiaries and their transformation into local distribution partners.

Consequently, the Group's stakes in its subsidiaries Rosenbauer Belgium N.V. and Rosenbauer Norge SA have been disposed of to their respective Managements by way of MBO's. This means that with retroactive effect from 1.1.2002, both these companies will no longer be included in the Group consolidation.

REVENUE AND RESULTS TRENDS

On revenues of EUR 137.7 m (up 13 % on the comparable figure of EUR 122.3 m for 1-6/2001), Group EBT soared from EUR -0.7 m (1-6/2001) to EUR 7.0 m.

This atypically high half-year result is due to the impact of the rationalisation measures that have been implemented in the Group, and of the first shipments made under the major order from Saudi Arabia. In the first 6 months of this year, deliveries worth a total of EUR 14.1 m were invoiced under this contract.

The Group's Spanish subsidiary, too, achieved a substantial increase in both its revenues (+ 50 %) and EBIT (+ 33 %) over the levels reached in the first half of 2001.

Vehicle prototypes for Saudi Arabia

EMPLOYEES

The Group's workforce per mid-year had shrunk to 1237, from 1325 the year before. This is due to the disposal of the holdings in Norway and Belgium, and to the manpower reductions at the German Metz Group.

ORDERS

Rosenbauer "lands" contracts at international airports

The Rosenbauer Group received new orders worth EUR 134.9 m during the first half of 2002 (1-6/2001: EUR 140.9 m). Order books at June 30, 2002 stood at EUR 237.5 m, 18 % higher than the comparable figure (EUR 201.7 m) for 2001.

Particular mention must be made of the order received from Frankfurt Airport in Germany for eight SIMBA 8x8 air crash tenders worth a total of EUR 9.5 m, and of the EUR 3.9 m vehicle order placed by Vantaa-Helsinki Airport in Finland.

INVESTOR RELATIONS

The Rosenbauer share has been performing superbly

On the back of the successful course taken by the Group's business, and of the bright outlook for the 2002 financial year, the Rosenbauer share has been putting up a splendid performance. From a price of EUR 21.0 at the beginning of the year, the share had risen to over EUR 30.0 by the middle of May. Despite the increasingly unsettled state of the international stock markets, the share had steadied at a price of EUR 28.0 by June 30th, 2002.

The annual financial statement per 31.12.2001 was submitted to the 10th Ordinary General Meeting on May 17, 2002. On account of the marked improvement in the Group's results and of the continued uptrend during 2002, a dividend of EUR 1.0 per share (2000: EUR 0.6 per share) is to be distributed. Furthermore, the Executive Board was empowered to buy back up to 10 % of the company's own shares in accordance with § 65 Sect. 1 Pt. 8 of "AktG" (the Austrian Companies Act).

Experiencing the world of fire-fighting technology

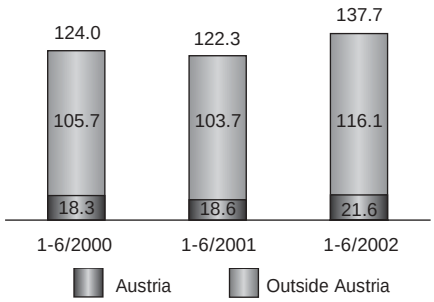
On June 14, 2002, a province-wide "technology open day" organised by firms throughout Upper Austria gave Rosenbauer the opportunity of acquainting a broad spectrum of the public with the high capability and innovational strength of the Group. Some 2000 visitors came and informed themselves on the latest technologies and developments. Test rides with fire-fighting vehicles, and the 30-metre ascent on a Metz turntable ladder, were particularly popular attractions!

OUTLOOK

Positive forecasts for 2002 are confirmed

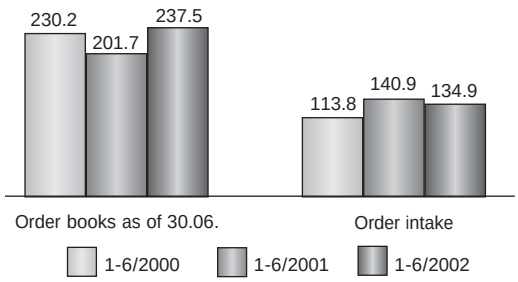
On the strength of the very healthy state of the Group's order books, year-2002 revenues are projected to rise to EUR 300 m (2001: EUR 273.7 m). This continuation of the positive course of the Group's business leads Management to expect that it may even be possible to exceed the existing EBT forecast of EUR 10.0 m.

Revenue comparison (EUR m)



Order books as of 30.06.

Order intake



SEGMENT OVERVIEW FOR THE FIRST HALF YEAR

(in ThEUR)	Revenue 1-6/2002	Revenue 1-6/2001	EBIT 1-6/2002	EBIT 1-6/2001
Austria	58,147	52,420	4,908	75
America	36,479	37,834	2,371	2,105
Germany	26,327	19,993	(1,036)	(3,121)
Spain	14,531	9,118	1,979	1,479
Belgium	-	4,670	-	(212)
Switzerland	3,070	2,379	115	47
Norway	-	2,151	-	25
Singapore	4,755	6,358	358	568
Consolidation	(5,560)	(12,639)	230	40
Group total	**137,749**	**122,284**	**8,925**	**1,005**

CASH-FLOW STATEMENT

(in ThEUR)	1-6/2002	1-6/2001
Cash-flow from pre-tax profit	8,561.8	1,162.1
Cash-flow from operating activities	11,524.9	19,136.7
Cash-flow from investing activities	(1,917.5)	(4,763.4)
Cash-flow from financing activities	(11,602.9)	(12,412.8)

CHANGES IN EQUITY

(in ThEUR)	2002	2001
Equity as of 01.01.	24,750.9	25,266.2
Net profit / loss for the period	1,858.9	(3,761.2)
Exchange differences and other changes	(1,162.2)	343.2
Distribution for 2000/2001	(1,700.0)	(1,020.0)
Equity as of 30.06.	**23,747.6**	**20,828.2**
Minority interest	10,185.6	12,107.4
Subordinated (mezzanine) capital	7,441.2	0.0
Shareholders' equity as of 30.06.	**41,374.4**	**32,935.6**

FINANCIAL DIARY

3rd Quarter Report 2002 November 14, 2002

KEY FIGURES

Rosenbauer Group			1-6/2002	1-6/2001	1-6/2000
Revenue	Total	EUR m	137.7	122.3	124.0
	Austria	EUR m	21.6	18.6	18.3
	Outside Austria	EUR m	116.1	103.7	105.7
Profit before interest and tax (EBIT)		EUR m	8.9	1.0	(2.1)
Profit before tax (EBT)		EUR m	7.0	(0.7)	(3.1)
Profit after tax		EUR m	3.7	(1.7)	(0.9)
Discontinuing operations		EUR m	0.0	(0.5)	(6.1)
Minority interest		EUR m	(1.8)	(1.6)	(1.6)
Net profit / loss for the period		EUR m	1.9	(3.8)	(6.8)
Cash flow from pre-tax profit		EUR m	8.6	1.2	(0.9)
Capital investments		EUR m	0.7	1.3	3.8
Employees			1,237	1,325	1,302
Employees outside Austria			610	703	693
Order intake		EUR m	134.9	140.9	113.8
Order books as of 30.06.		EUR m	237.5	201.7	230.2

The share				
High	EUR	30.4	24.1	31.3
Low	EUR	17.5	19.5	22.2
Price (end of the 1st half year)	EUR	28.0	20.1	24.7
Market capitalisation	EUR m	47.6	34.2	42.0
Earnings per share	EUR	1.1	(2.2)	(4.0)

Balance sheet		30.06.2002	31.12.2001	30.06.2001
ASSETS				
Non-current assets	EUR m	39.9	44.0	52.5
Current assets	EUR m	136.1	137.2	137.3
Prepaid expenses and deferred charges	EUR m	0.8	0.3	1.2
EQUITY AND LIABILITIES				
Equity	EUR m	23.8	24.8	20.9
Minority interest	EUR m	10.2	11.8	12.1
Subordinated (mezzanine) capital	EUR m	7.4	7.4	0.0
Non-current liabilities	EUR m	43.8	45.0	43.6
Current liabilities	EUR m	91.6	92.5	114.4
Balance sheet total	EUR m	176.8	181.5	191.0

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