

QUARTER REPORT 1/2007

 **rosenbauer**

This report is to inform you on the progress of the Rosenbauer Group's business during the first three months of 2007. In this period, the Group's revenues and result were above the levels seen in previous years, despite the deferral of some shipments into the second quarter. Most shipments in the fire equipment sector tend to take place in the second half of the year, meaning that typically, the lion's share of both revenues and the result is also not earned until the last few months of the financial year.

Export business – especially with air crash tenders – and the Group's US business continue to be the prime movers of its corporate growth. This growth bears out the strong international position held by the Rosenbauer Group, and its technological leadership in the field of specialty vehicles. To meet the high demand, Rosenbauer has expanded its capacity in Austria and the USA. The buoyant state of the world economy is increasingly leading to delays to our supplies of materials and chassis. Our focus this year is thus on ensuring timely execution of the high volume of orders.

ECONOMIC ENVIRONMENT

The fundamental parameters on the fire equipment sector's main markets have continued to shift in our favour. Heightened security concerns, prompted by the threat of terrorism and natural disasters, have led to more funds being budgeted for investment in fire protection and civil defence.

Demand for air crash tenders is being driven above all by growing passenger numbers in several regions of the world, and by the greater pressure which the responsible authorities are exerting on international airports to comply with safety regulations. Also, the new generation of "superjumbo" airliners necessitates larger extinguishant volumes, and thus bigger and more powerful vehicles.

FINANCIAL POSITION AND ASSET SITUATION

The Group's financial position and asset situation in the first three months of 2007 were characterised by the higher production and shipment volumes mentioned above. The rise in the balance-sheet total from 204.8 m€ (March 31, 2006) to 238.9 m€ is largely attributable to the higher receivables figure resulting from increased shipment levels. To finance the high production volume, it was necessary to have recourse to additional external financing. This took the total of interest-bearing liabilities to 74.4 m€ (March 31, 2006: 51.0 m€).

Cash flow from operating activities totalled -25.7 m€ in the period under review (1-3/2006: -17.2 m€). The greater financing requirements are primarily attributable to the company's strong growth at present.

REVENUE AND RESULTS TRENDS

The Rosenbauer Group boosted its revenues by 23% in the first quarter of 2007, to 76.0 m€ (1-3/2006: 61.8 m€). Rev-

enues at the Austrian companies – notably at the export-orientated Rosenbauer International AG – rose by 32% on the back of stepped-up shipments, to reach 42.6 m€ (1-3/2006: 32.3 m€). Despite the non-recurrence of a one-off major order fulfilled last year, revenues at the Group's US companies remained at the same level as last year, at 24.0 m€ (1-3/2006: 25.3 m€). The German segment – comprising Metz Aerials in Karlsruhe, Rosenbauer Feuerwehrtechnik in Luckenwalde and Rosenbauer Deutschland in Passau – managed to increase its revenues to 12.0 m€ (1-3/2006: 9.0 m€). The Group's companies in Spain, Switzerland and Singapore also posted higher revenues in the first three months of this year.

The operating result (EBIT) rose to 1.7 m€ (1-3/2006: 1.1 m€). At 1.7 m€, the biggest contribution to the result was made by the American companies (1-3/2006: 1.7 m€), followed by Rosenbauer International AG, with its strong export-sales orientation, at 1.4 m€ (1-3/2006: 0.8 m€). Owing to the structure of their shipments in the period under review, the German companies were still unable to post a satisfactory result (1-3/2007: -1.8 m€; 1-3/2006: -1.5 m€).

The increased financing requirements and the upward interest-rate trend caused the finance result to deteriorate to -1.1 m€ (1-3/2006: -0.8 m€). The result from the joint venture in China came to -0.1 m€ (1-3/2006: 0.0 m€). This took EBT for the first quarter of this year to 0.5 m€ (1-3/2006: 0.3 m€).

SEGMENT OVERVIEW FOR THE MONTHS JANUARY TO MARCH*

in k€	Revenue		EBIT	
	1-3/2007	1-3/2006	1-3/2007	1-3/2006
Austria	42,537	32,324	1,445	824
America	24,017	25,317	1,662	1,689
Germany	12,013	9,022	(1,773)	(1,479)
Spain	3,347	2,330	254	(105)
Switzerland	1,347	840	(15)	(99)
Asia	2,448	1,996	147	315
Consolidation	(9,747)	(10,025)	-	-
Group total	75,962	61,804	1,720	1,145

* The reports on the regional segments are broken down in line with Group company locations. The segment reports refer to the revenues and results earned by the individual groups both on their respective local market and from export sales.

INVESTMENTS

Investments in tangible assets decreased to 1.9 m€ in the period under review (1-3/2006: 2.7 m€). The high level of investments in the comparable period last year is due to the new logistics centre at the Leonding plant, which went into operation in 2006.

EMPLOYEES

At the end of the first quarter of 2007, the Group employed a total of 1545 people (March 31, 2006: 1409), 808 of whom

were based outside Austria. This increase in workforce numbers reflects the company's strong growth and was mainly accounted for by new recruits to its production operations. 40 new employees were hired in Austria, and 96 in the companies outside Austria – especially those in the USA.

ORDERS

At 126.3 m€ (1-3/2006: 109.5 m€), order intake in the Group once again reached a record level in the first three months, almost doubling since the first quarter of 2005. This increase is mainly

due to international project business. The order backlog at March 31, 2007 climbed to 397.6 m€ (March 31, 2006: 292.6 m€). The result is a continuation of the high levels of capacity utilization in all the Group's production companies.

OUTLOOK

In the light of the record order book levels – and on the assumption that the high shipment volumes can be fulfilled according to plan – Management expects the current year to bring continued top and bottom-line growth.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

in k€	Parent company	Minority	Group
Equity as at Jan 1, 2007	52,487	10,884	63,371
Consolidated profit	(558)	923	365
Currency differences and other changes	68	(100)	(32)
Dividend	0	(474)	(474)
Equity as at Mar 31, 2007	51,997	11,233	63,230

in k€	Parent company	Minority	Group
Equity as at Jan 1, 2006	42,754	11,991	54,745
Consolidated profit	(476)	753	277
Currency differences and other changes	80	(210)	(130)
Dividend	0	(678)	(678)
Equity as at Mar 31, 2006	42,358	11,856	54,214

CONSOLIDATED CASH FLOW STATEMENT

in k€	1-3/2007	1-3/2006	1-3/2005
Cash flow from pre-tax profit	2,090	2,736	3,388
Cash flow from operating activities	(25,744)	(17,172)	(19,351)
Cash flow from investing activities	(1,873)	(2,655)	(1,021)
Cash flow from financing activities	31,042	23,294	22,083

2007 CAPITAL MARKET DIARY

Annual General Shareholders' Meeting in Vienna
 Ex-dividend day
 Result for the first half of 2007
 Result for the first three quarters of 2007

May 25, 2007
June 4, 2007
August 24, 2007
November 23, 2007

KEY FIGURES

			1-3/2007	1-3/2006	1-3/2005	
Company key figures	Revenue	m€	76.0	61.8	64.2	
	thereof Austria	m€	7.2	9.3	7.3	
	thereof international	m€	68.7	52.5	56.9	
	EBIT	m€	1.7	1.1	2.0	
	EBT	m€	0.5	0.3	1.3	
	Consolidated profit	m€	0.4	0.3	1.0	
	Minority interest	m€	(0.9)	(0.8)	(0.9)	
	Cash flow from operating activities	m€	(25.7)	(17.2)	(19.4)	
	Investments	m€	1.9	2.7	1.0	
	Employees (average)		1,493	1,413	1,383	
	thereof Austria		717	711	716	
	thereof international		776	702	667	
	Employees (March 31)		1,545	1,409	1,410	
	thereof Austria		737	697	733	
	thereof international		808	712	677	
	Order intake	m€	126.3	109.5	65.4	
	Order backlog	m€	397.6	292.6	208.9	
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	Key stock exchange figures	Highest share price	€	127.0	67.0	72.5
		Lowest share price	€	96.1	61.4	59.6
Share price at the end of the first quarter		€	126.0	65.8	63.6	
Market capitalization		m€	214.2	111.9	108.1	
Earnings per share		€	(0.3)	(0.3)	0.0	
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			Mar 31, 2007	Dec 31, 2006	Mar 31, 2006	
Key balance sheet data	Assets					
	Non-currents assets	m€	50.1	49.5	47.7	
	Current assets	m€	188.8	156.7	157.1	
	Total assets	m€	238.9	206.2	204.8	
	Equity and liabilities					
	Equity	m€	63.2	63.4	54.2	
	thereof minority interest	m€	11.2	10.9	11.9	
	Subordinated (mezzanine) capital	m€	0.0	0.0	7.5	
	Other non-current liabilities	m€	45.0	35.2	32.5	
	Current liabilities	m€	130.7	107.6	110.6	
	Total equity and liabilities	m€	238.9	206.2	204.8	

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