Quarterly Report 3/2005

HTP HIGH TECH PLASTICS AG

Key figures of the HTP Group according to IFRS

		Q3/2005	Q3/2004	2004
Revenues and earnings				
Sales	TEUR[1]	58,182	59,829	80,287
PIM	TEUR	37,454	36,203	49,047
IT	TEUR	11,532	8,512	12,589
MS	TEUR	9,197	15,114	18,651
EBITDA[2]	TEUR	4,417	3,901	-16,189
EBIT[3]	TEUR	-989	-3,593	-31,263
EBT[4]	TEUR	-2,052	-4,831	-33,249
Consolidated result	TEUR	7,663	-3,915	-33,284
EBITDA-margin	%	7.6%	6.5%	-20.2%
EBIT-margin	%	-1.7%	-6.0%	-38.9%
EBT-margin	%	-3.5%	-8.1%	-41.4%
Consolidated result-margin	%	13.2%	-6.5%	-41.5%
Financial situation				
Total assets	TEUR	80,546	102,721	85,061
Capital expenditure	TEUR	3,884	4,206	11,265
Depreciation/amortisation	TEUR	5,406	5,861	15,074
Cash flow from operating activities	TEUR	2,512	3,559	-11,244
Share				
Issued shares	Number	8,500,000	5,500,000	5,500,000
Weighted average number of shares	Number	6,464,581	5,227,054	5,194,614
Share pricing at closing date	EUR	4.3	4.0	4.6
High	EUR	4.4	7.1	7.1
Low	EUR	3.0	2.95	2.95
Market capitalisation at closing date	TEUR	35,620	22,000	25,300
Earnings per share	EUR	1.19	-0.75	-6.42
Employee-related ratios				
Half-yearly average headcount	Number	721	820	808
Number of employees at closing date	Number	643	806	764
Sales per employee	TEUR	80.7	73.0	99.4

[1] in EUR 000s

[2] Earnings before interest, tax, depreciation and amortisation

[3] Earnings before interest and tax

[4] Earnings before tax

Letter of the Management Board

Dear shareholders,

we are pleased, that in the third quarter, the company has achieved the operating turnaround. The re-organisation measures foreseen for the current year have led to the planned and intended success. In the past months, after adjustment of the financing structure realised through a capital increase and the banks' restructuring contribution, we focused on the increase of productivity and the efficiency increase within the organisation.

In the production, our main focus was on the improvement of process flows and the streamlining of the product portfolio. The production of some products was stopped and the inventory has been adjusted appropriately. The entire production was re-organised. The resulting production units are smaller and thus easier to manage - and downsized by the administrative functions - at considerably lower costs. Newly structured and clearly defined profit centres allow a quick reaction on changing parameters.

In addition to the changes of processes, other areas such as purchasing, sales and logistics were re-organised for more efficiency. All these organisational measures were accompanied and supported by changes in personnel on all levels.

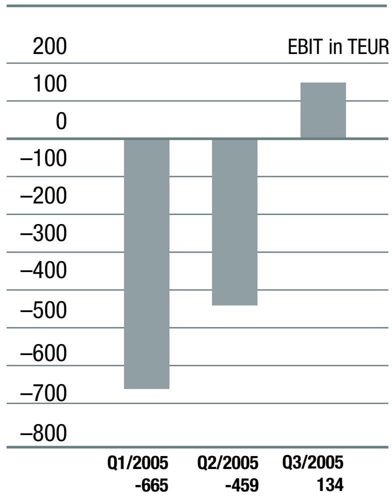
One major step to improve productivity was the personnel adjustment at all company sites. With a headcount of 643 at the end of September, we already exceeded our target to increase productivity by more than 10 %. Compared to the previous year, sales per employee rose by 11 %.

During the last quarter, we mainly invested in the capacity increase of the strongly growing electronics business as well as the expansion of our site in Slovakia. The new building project progresses according to plan and actually tendering for the construction of the new hall is underway. Placing of order and building contracts are expected for November of the current year. Beside the new building project, our emphasis for the Slovakian site is on the EDP standardisation and the training of engineers which will be realised by our internal experts and external specialists.

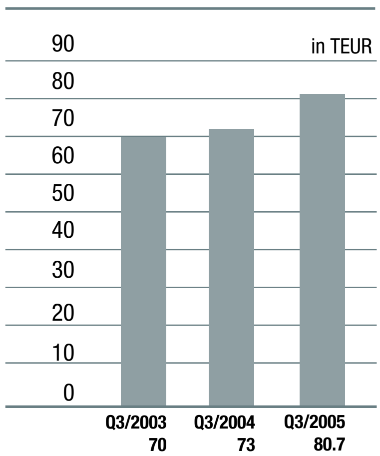
The, in the first nine months successfully implemented, restructuring measures brought the HTP back to a solid financial basis. The company's re-organisation into a market and customer oriented company is basically completed. The cooperation between customers and suppliers is trustful and smooth again. Within the next months, we will consistently continue with the further implementation of our restructuring program in order to achieve our targets as soon as possible.

Kurt Helletzgruber
Birgit Hochenegger
Thomas Vondrak

Operating turnaround in third quarter



Sales per employee are increasing



Earnings and balance sheet analysis

Earnings situation

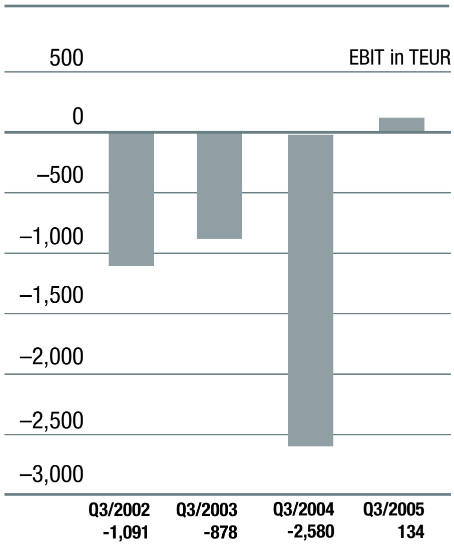
After many negative quarters, HTP's first positive operating result (EBIT) clearly shows the effect of the restructuring measures taken by the new management. After a minus of EUR -0.665 million in the first quarter and a loss of minus EUR - 0.459 million in the second quarter, the operating result turned positive. In 2005, HTP reported a plus of EUR 0.134 million for the third quarter, which due to seasonal impacts normally is the weakest quarter of the business year. At similar sales, the previous year's third quarter minus amounted to EUR -2.5 million. Compared to last year's result of minus EUR - 2.4 million, the current year's result for the quarter from July to September improved to minus EUR - 0.524 million.

Compared to minus EUR -3.6 million for the first nine months of the previous year, the EBIT of the first three quarters of the current year comes to minus EUR - 0.989 million. Despite the streamlining of the product program and the related shut down of product lines, thanks to good growth rates of new products as e.g. for the aircraft industry, HTP was able to maintain its sales level. In the first nine months, the company's sales amounted to EUR 58.2 million. In comparison, the previous year's sales of EUR 59.9 million were only slightly higher by 2.7 %.

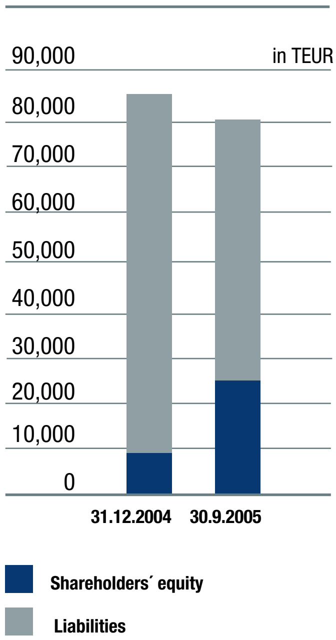
Compared to the previous year's value of minus EUR - 1.238 million, the financial result improved to minus EUR - 1.063 million. The banks' restructuring contribution of EUR 10 million, already agreed upon in the last quarter, is reported under “nonrecurring items”.
In comparison with the past year, the higher values of other operating income and expenses mainly result from the sale & lease back transactions realised in the first half in the context of the banks agreement.

Thus, the period's surplus after income taxes of EUR 0.298 million comes to EUR 7.6 million after minus EUR 3.9 million in the same period of the previous year. After consideration of minority interests, the consolidated result comes to EUR 7.7 million compared to minus EUR - 3.9 million in the previous year. Thus earnings per share turn from minus EUR - 0.75 to EUR 1.19.

In 2005, seasonally weak third quarter turns positive again



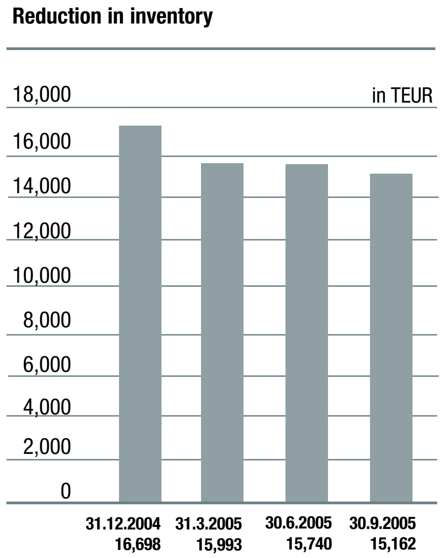
Equity ratio of 30% and decreased balance sheet total



Cash Flow

Since the beginning of the year, net cash position has grown to EUR 8.5 million. The improved receivables and cash management as well as the reduction in inventory value realised by an optimised production planning and control and an efficient purchasing and stock management were crucial for this development.

The major part of investments flew into capacity expansions for the strongly increasing electronics division and the Slovakian site.

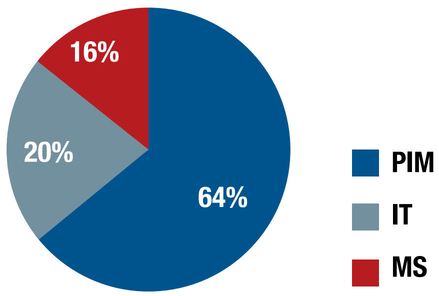


Financial situation

As already in the first half year, the equity ratio is at 30% after 11% at the beginning of financial 2005. In the course of the adjustment of the financing structure, since the beginning of the year, interest bearing liabilities were reduced by 36 % to EUR 20.1 million. Thus, at the end of September, gearing ratio stands at only 51 % compared to 268 % at year's beginning. Mainly, as a result of reduction of debts and of working capital, the balance sheet total could have been condensed to EUR 80 million.

Business division PIM

In the first nine months, despite the ongoing streamlining of the product range, sales of the PIM segment, the traditional plastics injection molding segment increased by 3.5 % from EUR 36.2 million to EUR 37.5 million. The minus of the operating result was significantly reduced from minus EUR - 1.5 million to minus EUR - 0.243 million. With minus - 0.65 %, the EBIT margin is only slightly negative and thus considerably better than in the previous year, where it amounted to minus - 4.2 %. For the fourth quarter, margins are expected to turn positive again.



Business division IT

The significantly growing insert technology segment continued increasing its sales. Last year, sales amounted to EUR 8.5 million. This year's sales of EUR 11.5 million exceed the last year's first three quarter value by 35 %. However, start up costs for the new projects led to a drop in EBIT from EUR 0.962 million to EUR 0.476 million in the first nine months of the current year. This corresponds to an EBIT margin of 4.13 % after 11.3 % last year.

Business division MS

Due to the shutdown of the mold service in Fohnsdorf, the mold service segment's importance dropped considerably Last year's first nine months sales still contributed 25 % to consolidated sales. This year, the share fell to 16 %. Compared to the first nine months of the previous year, sales decreased by almost 40 % from EUR 15.1 million to EUR 9.2 million.

As expected, costs associated with the shutdown of the large mold service in Fohnsdorf led to a further decrease of EBIT from minus EUR -1 million to minus EUR -1.2 million. After disappearance of these costs, the clearly negative EBIT margin of minus -13 % (compared to minus -7 % in the reference period) will again improve significantly.

Information per segment

Q3/2005

TEUR	PIM	IT	MS	Others	Group
Sales	37,454	11,532	9,197	–	**58,182**
in % from sales	64.4%	19.8%	15.8%	–	**100%**
EBIT	-243	476	-1,208	-14	**-989**
EBIT-margin	-0.65%	4.13%	-13.13%	–	**-1.7%**

Q3/2004

TEUR	PIM	IT	MS	Others	Group
Sales	36,203	8,512	15,114	–	**59,829**
in % from sales	60.5%	14.2%	25.3%	–	**100%**
EBIT	-1,534	962	-1,046	-342	**-1,960**
EBIT-margin	-4.24%	11.30%	-6.92%	–	**-3.3%**

Consolidated balance sheet

TEUR	30/09/2005	31/12/2004
ASSETS		
Intangible assets	1,488	1,761
Goodwill	645	645
Property, plant and equipment	32,214	35,359
Equity interests	23	23
Shares in associated companies	990	872
Long-term receivables	1,443	1,694
Securities held as long-term assets	511	511
Deferred tax assets	3,700	3,700
Long-term assets	**41,015**	**44,565**
Inventories	15,162	16,698
Trade receivables	13,195	11,227
Receivables from associated companies	295	240
Other receiveables	809	3,333
Securities held as short-term assets	1,125	826
Cash and cash equivalents	8,500	7,702
Prepaid expenses and other assets	445	470
Short-term assets	**39,531**	**40,496**
Total Assets	**80,546**	**85,061**
SHAREHOLDERS´ EQUITY AND LIABILITIES		
Issued capital	8,500	5,500
Share premium	35,906	34,976
Currency-conversion equalisation item	36	32
Revenue reserves and consolidated result	-24,968	–32,631
Secondary loan funds	4,696	5,000
Less treasury stock	0	–3,619
Equity and provisions less treasury stock	**24,170**	**9,258**
Minority interests	**-112**	**–99**
Long-term pension and personnel provisions	1,803	2,228
Other long-term provisions	1,014	1,243
Long-term interest-bearing borrowings	3,834	11,549
Other long-term liabilities	14,786	13,677
Long-term liabilities	**21,437**	**28,697**
Short-term interest-bearing borrowings	16,955	20,993
Trade payables	7,637	10,091
Tax and other provisions	3,500	8,668
Other liabilities and prepaid expenses	6,958	7,453
Short-term liabilities	**35,051**	**47,205**
Total shareholders´ equity and liabilities	**80,546**	**85,061**

Consolidated income statement

TEUR	01/07- 30/09/2005	01/07- 30/09/2004
Sales	**18,265**	**18,759**
Changes in finshed goods and work in progress	-323	-45
Other own expenses capitalised	200	542
Gross earnings from sales	**18,142**	**19,256**
Other operating income	1,499	156
Total gross income	**19,641**	**19,412**
Cost of materials	-9,153	-7,714
Personnel expenses	-6,007	-7,483
Other operating expenses	-2,999	-3,194
Earnigs before interest, tax, depreciation and amortisation (EBITDA)	**1,482**	**1,021**
Depreciation	-1,348	-1,968
Restructuring expenditure	-1,544	-1,633
Dissolution of restructuring provision	1,544	0
Earnings before interest and tax (EBIT)	**134**	**-2,580**
Net interest result	-529	-935
Other net financial result	0	382
Net financial result	**-529**	**-553**
Earnings before tax (EBT)	-395	-3,133
Nonrecurring expenses/revenues	0	0
Operating result after nonrecurring items	**-395**	**-3,133**
Income tax	-62	755
Annual loss	**-457**	**-2,378**
Minority interests	-67	-4
Net result	**-524**	**-2,382**

Consolidated income statement

TEUR	Q3/2005	Q3/2004
Sales	**58,182**	**59,829**
Changes in finshed goods and work in progress	-1,579	211
Other own expenses capitalised	253	662
Gross earnings from sales	**56,856**	**60,702**
Other operating income	7,077	1,628
Total gross income	**63,933**	**62,330**
Cost of materials	-26,274	-25,346
Personnel expenses	-21,418	-22,730
Other operating expenses	-11,825	-10,353
Earnigs before interest, tax, depreciation and amortisation (EBITDA)	**4,417**	**3,901**
Depreciation	-5,406	-5,861
Restructuring expenditure	-4,832	-1,633
Dissolution of restructuring provision	4,832	0
Earnings before interest and tax (EBIT)	**-989**	**-3,593**
Net interest result	-1,186	-1,528
Other net financial result	123	290
Net financial result	**-1,063**	**-1,238**
Earnings before tax (EBT)	**-2,052**	**-4,831**
Nonrecurring expenses/revenues	10,000	0
Operating result after nonrecurring items	**7,948**	**-4,831**
Income tax	-298	902
Annual loss	**7,650**	**-3,929**
Minority interests	13	14
Net result	**7,663**	**-3,915**
Earnings per share	1.19	-0.75
Average number of shares	6,464,581	5,227,054

Consolidated cash flow statement

TEUR	Q3/2005	Q3/2004
Gross cash flow	12,603	1,237
Changes working capital	-10,091	2,322
Cash flow from operating activities	2,512	3,559
Net investing cash flow	-1,658	-2,623
Net financing cash flow	-56	-4,945
Change in cash and cash equivalents	**798**	**-4,009**

Consolidated statement of shareholders´ equity

Q3/2005 TEUR	Issued capital	Share premium	Retained earnings	Secondary loan funds	Translation reserves	Total
Status as at January 1, 2005	**5,500**	**34,976**	**–32,631**	**5,000**	**33**	**12,878**
Consolidated result	–	–	7,663	–	–	7,663
Secondary loan funds	–	–	–	–304	–	-304
Currency translation adjustments	–	–	–	–	3	3
Agio	–	4,200	–	–	–	4,200
Costs of capital increase	–	-650	–	–	–	-650
Sales of own shares	–	-2,620	–	–	–	-2,620
Capital increase	3,000	–	–	–	–	3,000
Status as at September 30, 2005	**8,500**	**35,906**	**–24,968**	**4,969**	**36**	**24,171**

Q3/2004 TEUR	Issued capital	Share premium	Retained earnings	Translation reserves	Total
Status as at January 1, 2004	**5,500**	**34,976**	**652**	**18**	**41,146**
Consolidated result	–	–	-3,929	–	-3,929
Currency translation adjustments	–	–	26	14	40
	5,500	**34,976**	**-3,251**	**32**	**37,257**
Less treasury stock	–	–	–	–	-2,475
Status as at September 30, 2004	**5,500**	**34,976**	**-3,251**	**32**	**34,782**

Notes to the quarterly statement

The quarterly statement as at September 30, 2005 and the annual financial statements for fiscal 2004 were compiled according to the principles of the International Financial Reporting Standards. The accounting and valuation principles of December 31, 2004 were applied unchanged. Since the last annual financial statements, the basis of consolidation remained unchanged.

Financial calendar

March 31, 2006 Annual report 2005

HTP High Tech Plastics AG

Fabriksgelände 1
A-7201 Neudörfl
Tel. +43 (0)2622 460-0
Fax +43 (0)2622 460-1102

http://www.htp.at

Investor Relations
Mag. Isolde Kühhas, CEFA
Tel. +43 (0)2622 460-1105
Fax +43 (0)2622 460-1102
E-Mail investor@htp.at

The quarterly report 3/2005 report is available in German and in English.

The above report's forecasts, estimations and indications about future developments, for which it is uncertain if, when and to what extend they will happen, are based on the information available to the Company and, in the Company's opinion, determine justifiable assumptions. Thus, the actual results of the HTP may deviate considerably from the future oriented statements, forecasts and plannings. Consequently, all future oriented statements of this report are subject to risks and uncertainty.