

REPORT

as at 31 March 2006

- **UIAG acquires stake in FUTURELAB Holding GmbH**
- **Resolution authorising capital increase of UIAG**
- **Positive development of existing investments**

Business performance

Unternehmens Invest AG (UIAG) generated income from interest and similar income in the amount of € 144 t in the first quarter of 2006. Expenditures for material and personnel costs amounted to € 358 t.

The result on ordinary activities amounted to minus € 214 t compared to plus € 119 t in the comparative period of the previous year. Taking into account the profit brought forward from 2005, the net earnings amounted to € 3.40 m in the first quarter of 2006 (first quarter in 2005: € 5.49 m).

Fixed assets as at 31st March 2006 amounted to € 25.51 m and current assets to € 15.38 m, resulting in total assets of € 40.89 m, which is around 10% lower compared to the reference period of the previous year (total assets as at 31.3.2005: € 45.85 m).

As explained in the Annex to this report, interim results during the year are not so convincing because earnings are not incurred on a regular basis. Due to the expected development in the second quarter an overall balanced result may be expected for half-year 2006.

UIAG acquires stake in FUTURELAB Holding GmbH

Unternehmens Invest AG acquired by way of a consortium an investment in FUTURELAB Holding GmbH, the leading Austrian medical diagnostic laboratory group. Following approval by the Monopolies and Merger Commission, the deal was closed on 23 May 2006.

Within the consortium UIAG holds almost 50% of the total shares, which in turn is a 16.6% share in FUTURELAB.

The previous shareholders, the trusts set up by the founders of the company, Dr. Michael Havel and Dr. Gustav Scholda, and Wiener Städtische Allgemeine Versicherung AG, each sold equal numbers of shares to a consortium managed by UIAG. Following the completion of the transaction, the UIAG consortium, Wiener Städtische Allgemeine Versicherung AG and the trusts of Dr. Havel and Dr. Scholda jointly, each hold a 33.3% share in FUTURELAB.

At the same time as UIAG acquired the shares, the company's capital was increased, which will facilitate continued growth of the laboratory group. The company has recently announced the acquisition of GS Lab, a laboratory group in Switzerland. FUTURELAB is also negotiating with other laboratory groups in Germany and in neighbouring countries of Eastern Europe. The objective is to become the leading medical laboratory company in Central and Eastern Europe, with a possible listing on the stock exchange in the medium-term. The mere equity investment of UIAG will be more than € 8 m.

In addition to BENE AG, the FUTURELAB group will be another major investment within UIAG's portfolio.

Resolution authorising capital increase of UIAG

At the Annual General Meeting on 3 May 2006, the shareholders authorised the board of management, with the approval of the supervisory board, to increase the company's capital (approved capital "Genehmigtes Kapital"). The scope of this capital includes an option to issue up to 2,000,000 shares against a cash contribution. UIAG is therefore in a position to carry out larger investment projects and to ideally meet the growing demands for the creation of Austrian core shareholders.

Projects in recent years, such as Andritz, BENE, Dorotheum and Palfinger, show that an increased investment – at no additional cost to UIAG – would have been sensible. The aim in the future is to take over a higher share in large investment projects and to syndicate to partners to a lesser extent than before.

If and when UIAG will make use of this authorisation depends on whether new projects are being concluded at a time when no profits incur from the sale of existing investments.

Price trend of UIAG shares

As at 31 March 2006, the price of UIAG shares was € 14.03. As at 29 May 2006, UIAG shares were selling at € 15.90.

Since the beginning of the year, UIAG has recorded an increase in the share price of more than 33 %.

Portfolio performance

As at 31 March 2006, UIAG holds investments in the following companies:

▪ BENE AG	26.9%
▪ EFKON AG	3.1%
▪ JCK Holding GmbH Textil KG	2.0%
▪ CM Versicherungsmakler Ges.m.b.H.	49.0%
▪ IDENTEC SOLUTIONS AG	0.1%
▪ INFONIQ Informationstechnik GmbH	0.7%
FUTURELAB Holding GmbH (signing end of March)	16.6%

Bene AG

In the past few months the Bene group has performed very well in a highly-competitive market environment. Invoiced group sales in the first two months of the new financial year, accumulated to the end of March, rose by around 21% compared to the previous year.

In this regard, the growth of the gross profit was favourable and improved in comparison to the operational performance. This result was achieved despite a tense ongoing price situation, especially on international markets. Reason for this positive development were stable to slightly lower material prices and a higher proportion of Bene products manufactured in-house. The preliminary result for February and March 2006 showed a profit on ordinary activities clearly above that of the previous year.

In financial year 2005/2006 the company achieved sales of approximately € 187 m and a profit on ordinary activities of about € 9.7 m. With this result Bene has created an ideal basis for the future development of the company.

For financial year 2006/2007, the management of BENE expects a moderate growth in turnover as well as a profit on ordinary activities above that of the previous year.

Efkon AG

EFKON AG, founded in 1994, is a leading global supplier of fully-automatic toll collection systems based on satellites, CEN microwave and active CALM Communication technology, and a major manufacturer of comprehensive turnkey/end to end solutions in payment transactions with contact/contactless smart cards. As part of a capital increase, UIAG acquired a minority holding of around € 2 million in the Styrian high-tech company EFKON AG in December 2005.

In Q1 2006, EFKON AG took over the Austrian company "Center Communication Systems GmbH". Center GmbH, based in Vienna, is the Central European market leader in the area of critical communication systems for governmental and security organisations, as well as in tunnel wireless and innovative control centre technology. With sales of around € 20 m per year and a positive earnings

situation, the company significantly contributes to broadening the technological competence of the EFKON group. The company will be fully consolidated under EFKON AG from 1.4.2006.

Also in March 2006 the first toll operating project for the EFKON group in Europe was acquired in Fermoy, Ireland, via the subsidiary "Eurotoll Ltd" with its headquarters in Dublin, Ireland. This was a very important strategic milestone for EFKON AG.

On 2 March 2006, Dr. Martin Bartenstein, Minister of Economics and Labour, recognised EFKON AG with the National Award for Innovation 2005. The award honoured the development of the ISO-CALM Infrared Standard, which has set an international standard for vehicle-to-vehicle communication.

EFKON AG is planning additional acquisitions for 2006, in order to further expand its strength on international markets. The management of EFKON AG expects significant sales growth in 2006.

JCK Holding GmbH Textil KG

UIAG holds a direct 2% stake in the German textile group JCK Holding GmbH Textil KG. The JCK group of companies ended its financial year 2005 on a high with total sales of € 415 m. In Q1 sales were also above plan and previous year's figures.

The remaining minor investments of UIAG developed according to plan.

Outlook for the business year 2006

We are cautiously optimistic for the financial year 2006. Based on the present economic environment a further revival of the equity market can be anticipated. After the successful conclusion of the investment in FUTURELAB, which is an important step towards increasing UIAG's portfolio, we are positive to conclude additional investments in the current year since UIAG is currently involved in intensive negotiations with a number of companies for potential investments. If the investment portfolio will be increased in 2006, it is possible that UIAG will make at least partly use of the capital increase which was authorised in the Annual General Assembly. UIAG's result in the current year will largely depend on the realisation of profits resulting from the sale of investments.

With kind regards
THE BOARD OF MANAGEMENT
Vienna, May 2006

ANNEX

Unternehmens Invest AG specialises in private equity investments and was the first company of its kind in Austria at the time of its foundation in 1990. It has been listed on the Vienna Stock Exchange since 1991, since the beginning of 2002 its shares have been quoted in the Prime Market segment.

UIAG's strategy is to provide equity capital to established - preferably Austrian - companies with good future prospects as well as good growth and earning potential in order to further develop their business and expand internationally. With the exception of transactions in the areas of banking, insurance and energy production, UIAG is not subject to any kind of industry limitations. During the acquisition phase, UIAG does not influence the operative business, in any way, it is, however, represented on the supervisory boards. As a temporary partner, UIAG's goal is to sell its shares after successful expansion to strategic investors, co-investors or on the stock exchange.

The performance of private equity companies can only be demonstrated over a longer period of time. Due to the nature of the business results are often subject to fluctuations. In periods where large investments are sold, earnings are naturally very high, whereas in years of minor or nonexistent disposals, earnings are inevitably much lower. To compensate for these fluctuations, UIAG makes allocations to its reserves and carries profits forward in years of high earnings. UIAG has always endeavoured to maintain continuity and stability in its business policies.

The companies on the Prime Market of the Vienna Stock Exchange have committed themselves to preparing their group financial statements in accordance with the IFRS. Since UIAG does not prepare a group financial statement, but only a separate financial statement, this commitment does not apply to UIAG. At present, guidelines for a pan-European, standardised procedure of accounting for private equity companies and other investment companies are being developed on an international scale. As soon as standards exist, UIAG will adhere to international practice.

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