QUARTERLY REPORT
as of 30 September 2004

- **Earnings on ordinary activities EUR 77,000**
- **Andritz investment fully divested**
- **New investment BENE**
- **DOROTHEUM buys OREX jewellery chain store in Hungary**

Dear ladies and gentlemen,
Dear shareholders,

Business performance

UIAG posted revenues of EUR 2.72 mio over the first three quarters of 2004. These revenues resulted mainly from dividends, capital gains on disposals, write-ups of securities held as fixed assets and from interest and similar items. Expenses amounted to EUR 2.64 mio and included operating and personnel expenses as well as provisions for potential risks arising from investments. This provision totals EUR 1.5 mio.

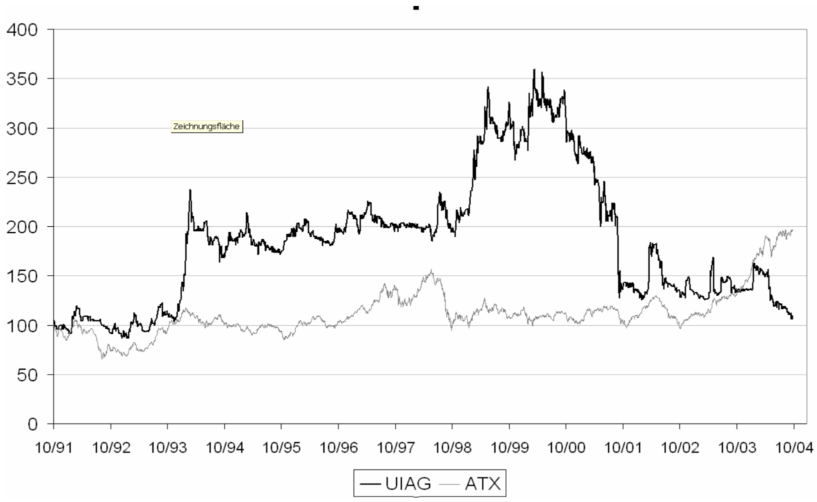
The remaining shares of Andritz AG were sold in the third quarter of 2004 on the basis of a presentation right granted in the course of the Secondary Public Offering (SPO) in 2003. As agreed, the price was based on the net price of the SPO. The EUR 77,000 profit on ordinary activities came in substantially below the figure of the reference period of 2003; it is however, in the nature of private equity businesses that results are often subject to wide fluctuations. The profit on ordinary activities as of 30 September 2003 totalling EUR 5.54 mio included the capital gains from the disposal of the shares held in Andritz as part of the successful SPO of Andritz AG in June 2003.

Taking into account the profit carried forward from 2003, the profit for the year as of the end of the third quarter of 2004 amounted to EUR 5.16 mio (third quarter 2003: EUR 5.74 mio).

Fixed assets as of 30 September 2004 totalled EUR 35.11 mio, current assets totalled EUR 7.19 mio, which resulted in a balance sheet total of EUR 42.33 mio, which is a decrease of 16% in comparison to the reference period of the previous year (balance sheet total as of 30 September 2003: EUR 50.42 mio).

Share price development: UIAG vs. Vienna Stock Index ATX

On 30 September 2004 the UIAG share price was EUR 8.80. On 29 November the share price closed at EUR 9.25.



Development of the investment portfolio

As of 30 September 2004, UIAG had investments in the following companies:

▪ Bene AG	26.9%
▪ Dorotheum GmbH & Co KG	12.5%
▪ ET Multimedia AG	22.8%
▪ JCK Holding GmbH Textil KG	2.0%
▪ Preh GmbH	2.0%
▪ Wiener Börse AG	10.4%
▪ CM Versicherungsmakler Ges.m.b.H.	49.0%
▪ IDENTEC SOLUTIONS AG	0.2%
▪ INFONIQA Informationstechnik GmbH	0.7%

ANDRITZ AG

At the end of August 2004 UIAG and the other financial investors sold the Andritz shares they still held after the successful secondary public offering in June 2003. This had already been agreed during the SPO. The shares were held following an agreement with the Austrian Takeover Commission. Certus Beteiligungs-GmbH exercised the right to purchase these shares with the share price being similar to the net SPO price in summer 2003. The disposal puts a successful end to the investment in Andritz AG. The investment in Andritz AG is a prime example of how to build a global market leader with headquarters in Austria and with an Austrian core shareholder who has a strategic interest.

Therefore the process of the investment transaction shall be outlined once again:

Andritz AG was fully acquired from German AGIV by a number of financial investors under the lead management of UIAG through a management buy-out in 1999. The core of the international consortium was, among other investors, made up by the CEO of Andritz AG, Dr. Wolfgang Leitner.

Upon completion of the investment by the UIAG-led consortium, Andritz AG managed to implement the strategically valuable acquisition of 50% of the Finnish Ahlstrom Machinery Group in May 2000. In addition, the company was restructured and prepared for floatation on the stock exchange. The IPO was launched in June 2001, and the company was listed on the Vienna Stock Exchange. The proceeds from the IPO were used to acquire the remaining 50% of Ahlstrom. Subsequently Andritz AG managed to realise synergies from an increased order intake and cost savings, and the company boosted both sales and income by a substantial amount.

In June 2003 the secondary public offering of Andritz AG was successfully completed. The transaction led to an increase of the free float from about 16% to currently about 62%, which raised the weighting of the shares in the ATX from previously 0.6% to about 1.8% - the goal of turning Andritz AG into a publicly owned company had been achieved.

Today the Andritz Group is one of the world's leading suppliers of custom-made lines, systems, and services for the pulp and paper industry, the steel industry, and other specialised industrial sectors. The company operates 13 production sites worldwide and more than 60 subsidiaries and offices with over 4,500 employees.

Andritz AG is now a publicly listed company with a free float of more than 60%. After the withdrawal of the financial investors there is not only sufficient volume for trading activity at the Vienna Stock Exchange but also the share price can develop positively according to the company results.

BENE AG

Lead-managed by Unternehmens Invest AG (UIAG), a consortium acquired 60% of the leading Austrian producer of office furniture, Bene GmbH in Waidhofen/Ybbs. The Bene Private Foundation and the Bene family hold the remaining 40%. The transaction was carried out by means of a capital increase which injected EUR 15 mio of additional equity into Bene for further expansion.

Bene is the only integrated supplier of office furniture and office equipment that sells directly in Europe. The company generated sales of about EUR 140 mio in the last fiscal year (as of 31 January 2004) with a headcount of about 1,000. The problems in the German business that not too long ago had caused sliding sales and income due to the economic slump were sorted out.

As part of the transaction led by UIAG, Bene GmbH was transformed into a public limited company (Aktiengesellschaft) and a new supervisory board was appointed. This was done in preparation for a possible IPO of the company.

Bene is strongly geared to export business and thus does not solely depend on the domestic furniture market. Hence it is in a good position to compensate the weaknesses of the domestic market through its expansive business abroad. This is particularly reflected by the sizable increases in sales in Moscow and London, among other places, over the first nine months of the year. Total group sales also rose substantially in comparison with the reference period of the previous year. On the German market Bene also achieved a stabilisation of sales which outperformed the previous year's figure. The Central European markets such as Hungary, Czech Republic, Slovakia, and Romania are still in the process of being further developed, however the underlying market factors in the area are set to improve after EU expansion.

The order intake of the Bene Group over the first nine months in 2004 was substantially up on the first nine months of 2003. This improvement results mainly from the increased order intake in Austria, although accompanied by continued pressure on the margins, and from the continuously good business performance in Russia and London. In Germany the level of orders was almost maintained in spite of a contracting market.

In consolidated terms, the group managed to generate sales and income that were well above target and the previous year's comparable figures. The Management of Bene expects to achieve the budgeted levels for the business year 2004/05.

DOROTHEUM GMBH & CO KG

At the end of the third quarter 2004 Dorotheum had achieved sales of EUR 48.6 mio in the auctioning segment, which was an increase of about 22.6% on the previous comparable figure. The third auction week from 27 September to 1 October 2004 returned very satisfactory results. The auctioning business in the Sculptures, Furniture, and Drawings of Old Masters categories brought in a record result.

Retail sales were also increased by approx. 9.1% to a total of about EUR 24.7 mio in the first three quarters of 2004. Business from pawn broking exceeded that from the previous comparable period by about 6.3%. In the SCS office (Vienna) a new pawn shop was integrated into the existing operations in the third quarter.

On aggregate, operating profit (EBIT) in the first three quarters of the year was also above the previous year's comparable figure.

The company did not slow down the pace of the expansion it had launched by opening branch offices in the auctioning and retail sectors, and in the third quarter it acquired a stake in the largest Hungarian jewellery chain, OREX Ltd. By means of a capital increase the stake in OREX was increased to 75%. While the legal documentation has already been signed, certain closing conditions remain to be fulfilled, which are expected to be met over the next weeks. The main goal of the acquisition is to generate synergies by integrating pawn broking into the existing network of outlets of OREX. Since pawn broking has as long a tradition in Hungary as in Austria, the market is regarded as highly attractive. In its 43 outlets (17 in Budapest) OREX operates a sales area of about 2,000 sq m.

Due to the aforementioned steps and the very attractive list of items lined up for the fourth auction week from 22 to 26 November 2004, the Management of Dorotheum expects to achieve the figures set in the 2004 budget.

ET MULTIMEDIA AG

The sustained erratic trends in advertising expenses in the print media did not change over the summer months and was thus a decisive factor in the overall development of business in the third quarter for ET Multimedia AG. The growth rates of a number of magazines partly failed to offset the decline in several other titles.

The consolidated group sales of the ETM Group in the first nine months amounted to EUR 23.4 mio. The envisaged result on ordinary activities was not achieved, which was not only due to the underachievement in sales but largely also to the follow-up costs in connection with restructuring the management of ET Multimedia AG and specific subsidiaries.

In September 2004 Dr. Friedrich Radinger resigned as CEO of ETM and was followed by Chris Radda, the original founder of WirtschaftsBlatt.

Management of ETM will conduct a sustained restructuring and cost-cutting programme scheduled until the end of the first quarter 2005 that will open up new options for ETM with regard to new perspectives as a publishing house through the strengthening and renewal of existing products and through the generation of synergies. The resulting restructuring of the organisational and operational structure inside ETM will start to sustainably strengthen the profitability of the ETM Group in the second quarter of 2005.

On 17 September 2004 a capital increase in the amount of ca. EUR 2.2 mio was signed. Following a positive decision by the Austrian Anti Trust Commission, the planned capital increase will be carried out by the Styria Group in 2005. Interim financing is being negotiated at present.

For the current fiscal year, the Management of ETM AG does not expect to reach either the sales or income targets set in the budget.

WIENER BÖRSE AG

The positive development of Wiener Börse AG in the first two quarters of 2004 continued into the third quarter.

Gross transaction profits on the spot market in the first three quarters amounted to EUR 9.1 mio, which represented an increase of about 93% in comparison to the previous year's figure. The profit of the Prime Market within the spot market amounted to around 89%. Transaction profits on the ÖTOB-EURO market with a total value of EUR 2.68 mio were twice as high as the comparative prior year's figures. In July and August the number of stock options traded increased substantially. Transaction profits in the ÖTOB-CECE products nearly tripled in comparison to the previous year's figures.

The overall operating income in the first three quarters of 2004 significantly exceeded prior year's comparative figures (+28.4%). Operating expenses were about +9% above the previous comparative period and the result from ordinary activities in the first three quarters amounting to EUR 7.63 mio tripled the value of last year's comparative figures.

ATX values as compared to international indices are depicted below:

Index	**30 September 2004**	**30 September 2003**	**Change in %**
ATX	2,042.87	1,351.89	+51.11
ATX prime	1,046.78	710.49	+47.33
DAX	3,892.90	3,256.78	+19.53
FTSE100	4,570.80	4,091.30	+11.72
Dow Jones Index	10,080.27	9,275.06	+ 8.68
S&P500	1,114.58	995.97	+11.91
NASDAQ100	1,412.74	1,303.70	+ 8.36

All Time highs

In August the spot market recorded the highest volume traded since the launch of the XETRA trading system at EUR 3.8 billion. On Friday 17 September 2004 the ÖTOB, the forward market segment of the Vienna Stock Exchange, recorded an all-time high. After the ÖTOB had raised eyebrows as early as March with 76,452 contracts traded, the 120,095 contracts on the aforementioned Friday set a new high. Stock options accounted for the majority with 116,554 contracts traded.

Launch of CCP

Österreichische Kontrollbank AG (OeKB), acting as clearing house for spot market products, and Wiener Börse AG, acting as stock exchange and clearing house for derivatives, have established a joint company which will act as central counter party for the entire Vienna securities market as of 1 January 2005. As the central contractor the Central Counterparty Austria GmbH (CCP.A) will be responsible for the clearing and the risk management of all transactions on the Vienna Stock Exchange, it will assume and manage the performance default risks for the spot and forward transactions.

Expansion to Eastern Europe

Following the cooperation with the Budapest Stock Exchange, the Vienna Stock Exchange intends to cooperate with/purchase shares from other stock exchanges of former Eastern European countries.

Shanghai Stock Exchange and Wiener Börse AG sign agreement to cooperate

On 8 September 2004 the executive directors of the Shanghai Stock Exchange and the Vienna Stock Exchange signed an agreement on intensified future cooperation. 850 quoted companies have pushed the market capitalisation to EUR 850 billion (Vienna: 110 quoted companies, 54 billion EUR market capitalisation) – strong growth is expected for the coming years. From the perspective of the Vienna Stock Exchange the cooperation with the Shanghai Stock Exchange is extremely important for a further intensification of the economic relationship between Austria and China.

PREH GMBH

The investment in Preh, a globally successful company in the automotive and industrial electronics industries based in Germany, has developed very favourably and according to plan since it was acquired at the beginning of the year. The Preh Group, with its headquarters and main factory in Bad Neustadt, has additional production sites in Willich (North Rhine-Westphalia) and Trofa (Portugal), and sales offices in France and the USA.

The automotive industry accounts for about 70% of sales. As the company continued to establish itself as partner of well-renowned automotive manufacturers, also in the USA, this business area exceeded the targets for the first nine months and thus posted a substantial increase on the previous year.

The performance of the electronics sector varied with the different product groups and regions. The strong POS growth was mainly supported by the upswing in the market. Business with new customers was among the top performers in this segment.

Due to planned depreciations the operating profit of the company was below the previous year's profit, however, it still came in above budget. The business performance was supported by the good order intake, which also exceeded the comparable figure of the previous year. This means that the plant will run at capacity until year-end and beyond. If the trend continues, Preh Management expects to achieve the targets set for the current year 2004.

JCK HOLDING GMBH TEXTIL KG

After the subdued second quarter the JCK Group managed to almost equalise the sales level recorded in 2003, an outstanding year, with a very strong third quarter and cumulated sales of EUR 310 mio. The company was able to improve its margins in the third quarter, although the order sizes, which had come down from the previous year, added some pressure in this regard. The positive order intake for the autumn/winter season in the private label segment leads to expect a very successful year with profit clearly above target, albeit not above the previous year's figure.

CONSORTIUM AGREEMENT

The main investors in UIAG are partners to a consortium agreement. As has been made public in the half-year report of 30 June 2004, Gerling-Konzern Lebensversicherungs-AG has left the said agreement. A sale of these shares is, however, not planned. The remaining major investors, who continue to hold more than 50% of the shares in Unternehmens Invest AG, continue to be partners to the existing consortium agreement.

OUTLOOK TO THE BUSINESS YEAR 2004

The favourable development of the Austrian capital market continued into the third quarter. Since the beginning of the year the Austrian main index ATX soared by more than 45% and has thus performed above average. This outstanding development is backed on the one hand by the very good company results and on the other hand by the continued expansion of many companies into neighbouring markets. The UIAG share could however not profit from this positive trend. This is mainly due to the cyclical fluctuations in the private equity business, which is also explained in the appendix to this report. UIAG's liquidity is very high and therefore the company is in the process to start with a new investment cycle.

The situation for private equity investments has further improved. A prime example in this respect is the recently acquired investment in Bene GmbH, whose sales generated abroad already account for over half of total sales. This transaction helped UIAG to once again underline its position as leading private equity company in Austria.

The improved economic environment has recently also been expressed by a substantially increased deal flow in comparison to the previous year. This trend is expected to be maintained over the fourth quarter. UIAG is currently examining a number of projects, some of which may turn out to be very profitable investment opportunities.

With kind regards
THE BOARD OF MANAGEMENT
Vienna, November 2004

APPENDIX

Unternehmens Invest AG specialises in private equity investments and was the first company of its kind in Austria at the time it was established 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.

Our 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 real estate transactions UIAG is not subject to any kind of industry limitations. During the acquisition phase UIAG does not influence the operating businesses in any way; it is, however, represented in the supervisory boards. As a temporary partner, UIAG's goal is to pass on its shares after successful expansion to strategic investors, co-investors or the stock exchange.

A convincing performance of private equity companies can only be shown 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 minimise possible fluctuations, UIAG makes allocations to its reserves and carries profits forward in years of high earnings. UIAG has always endeavoured to direct its business policies and strategy towards continuity and stability.

The companies in the Prime Market of the Vienna Stock Exchange have committed themselves to preparing their group accounts in accordance with IFRS. Since UIAG does not prepare group accounts, but only individual accounts, 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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