

INTERIM REPORT 1|08

INCOME FIGURES

in EUR million	Q1 2008	Q1 2007	CHANGE
Sales	203.9	134.0	52.2%
EBITDA	17.2	13.5	27.3%
EBIT	10.5	9.1	15.7%
Net income	6.2	5.6	12.4%
EBITDA margin	8.4%	10.1%	
EBIT margin	5.1%	6.8%	
Earnings per share (in EUR)	0.28	0.25	12.4%

FINANCIAL FIGURES

in EUR million	Q1 2008	Q1 2007	CHANGE IN %
Cash Flow from operating activities	10.4	-7.4	-
Cash Flow from investing activities	-19.4	-3.2	611.9%
Cash Flow from financing activities	-3.9	0.4	-
Capital expenses	8.6	3.8	126.2%

BALANCE SHEET RATIOS

in EUR million	MARCH 31, 2008	DECEMBER 31, 2007
Balance sheet total	444.8	445.0
Equity	165.1	158.9
Net debt	27.0	29.2
Net working capital	78.5	77.3
Gearing	0.16	0.18
Equity ratio	37.1%	35.7%
Employees (end of period)	5,604	3,404

KEY SHARE DATA

		MARCH 31, 2008	DECEMBER 31, 2007
Closing price	in EUR	9,68	8,9
Market capitalisation	in EUR mill.	216.2	198.7
		Q1 2008	Q1 2007
Earnings per share	in EUR	0.28	0.25

INTERIM REPORT – FIRST QUARTER 2008

DEVELOPMENT WITHIN THE AUTOMOTIVE INDUSTRY

New car registration in the first quarter 2008 decreased, compared to previous year's periode, by 2 % to a total of 4.2 million passenger cars. Whilst car sales in Western Europe decreased by 3 % in the first three months of the current year, car sales in the New EU Member states are, with an increase of 15 %, still in on a high level. In the first quarter of 2008, German OEMs increased their Western European market share by approx. 1 pp to a share of 45 %. In the New EU Member states their market share, is still on a high level of 43%.

In the USA, passenger car registrations in the first quarter 2008 were down by 8% to 3.6 million vehicles. Despite the evidend impact of

the strong EURO, the German OEMs were able to sustain their market position. They increased their market share from 5.4 % in 2007 to 5.8% in the current period, despite a decrease of 1,6% or 207,600 new veyhcle registrations.

The positive development on the, for POLYTEC GROUP, important market of heavy trucks and commercial vehicles continued in the first quarter 2008. The number of new registrations in Europe increased in the first quarter 2008 by 13.2% to a total of 87,798 vehycles. It is to highlight, that, against the development in the passenger car industry, all European regions (EU-15, EWR and also the new EU member states) contributed to this development.

Source: VDA, ACEA

GROUP RESULTS

in EUR million	Q1 2008	Q1 2007	CHANGE IN %
Sales	203.9	134.0	52.2%
EBITDA	17.2	13.5	27.3%
EBIT	10.5	9.1	15.7%
Net income	6.2	5.6	12.4%
EBITDA margin	8.4%	10.1%	
EBIT margin	5.1%	6.8%	
Earnings per share (in EUR)	0.28	0.25	12.4%

Sales of POLYTEC GROUP increased in the first quarter 2008 by 52.2% to EUR 203.9 mill.. The positive sales development was mainly driven by the sales contribution of the new companies, acquired during the financial year 2007.

The increase of the EBITDA of POLYTEC GROUP by 27.3% to EUR 17.2 mill. is mainly attributable to the new group structure after integration of POLYTEC Intex and POLYTEC Composites Germany. The EBITDA equals an EBITDA margin of 8.4%.

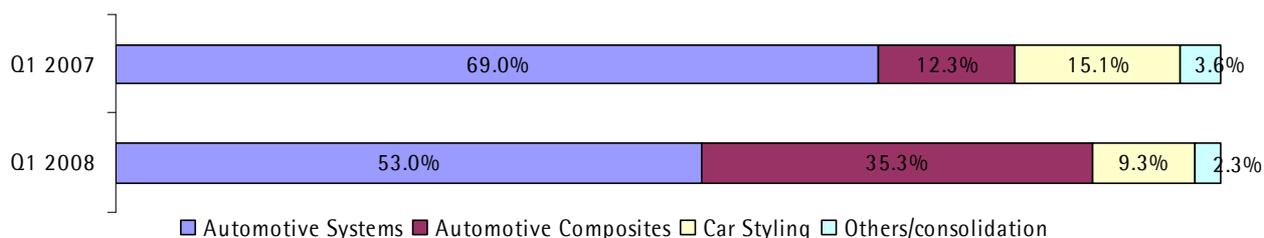
The EBIT grew analogues to the development of the EBITDA. It

increased by 15.7% to EUR 10.5 mill..

The financial results of POLYTEC GROUP decreased, compared to previous years period, from EUR -0.4 mill. to EUR -1.6 mill.. This effect was besides the acquisitions of the 9.59 % stake in GRAMMER AG also attributable to the revaluation of the foreign currency positions and of the derivative interest rate contracts. The net income increased by 12.4% to EUR 6.2 mill.. This equals earnings per share of EUR 0.28.

RESULTS BY DIVISION

Divisional share on group sales



AUTOMOTIVE SYSTEMS DIVISION

in EUR million	Q1 2008	Q1 2007	CHANGE IN %
Sales	108.2	92.5	16.9%
thereof part sales	106.1	84.3	25.9%
thereof tooling sales	2.1	8.2	-75.1%
EBITDA	6.6	9.2	-28.3%
EBIT	2.2	6.0	-63.5%
EBITDA margin	6.1%	9.9%	
EBIT margin	2.0%	6.5%	

The share on group sales of the AUTOMOTIVE SYSTEMS DIVISION in the first quarter 2008 was 53.0%. Sales of the division increased in the first quarter of the current financial year by 16.9% to EUR 108.2 mill.. Tooling sales of the division decreased by 75.1% to EUR 2.1 mill.. This development is solely attributable to the toolings for the door panel of the BMW X3 in the amount of EUR 6.9 mill. accounted in previous years period.

The EBITDA decreased in the first quarter 2008 by 28.3% to EUR 6.6 mill.. This development is caused by several starts of production, with

a negative impact in material- and personnel ratios. Other effects on the earnings development are the reduced capacity utilisation caused by decreased call of figures for the main products of the division and the reduced toolings sales. Even if it is not common, the toolings for the BMW X3 made a positive contribution to profitability in the first quarter 2007.

According to the current utilisation of plants of the division, headcount adoptions have been evaluated and are in progress.



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AUTOMOTIVE COMPOSITES DIVISION

in EUR million	Q1 2008	Q1 2007	CHANGE IN %
Sales	72.0	16.4	338.6%
thereof part sales	71.6	16.3	339.1%
thereof tooling sales	0.4	0.1	268.1%
EBITDA	7.3	0.7	919.0%
EBIT	5.7	0.2	-
EBITDA margin	10.1%	4.4%	
EBIT margin	7.9%	1.0%	

In the first quarter 2008 the share on group sales of the AUTOMOTIVE COMPOSITES DIVISION amounted to 35.3%. As a result of the acquisition of POLYTEC Composites Germany (PCG) in 2007 and an ongoing positive market environment in the truck industry, sales increased by 338.6 % to EUR 72.0 mill..

EBITDA increased from EUR 0.7 mill. in the previous years period to EUR 7.3 mill. in the first quarter 2008. This profitability is an excellent result, which is predominantly attributable to the consequent realisation of cost improvements at the PCG sites.

CAR STYLING DIVISION

in EUR million	Q1 2008	Q1 2007	CHANGE IN %
Sales	19.0	20.2	-5.6%
thereof part sales	16.6	16.4	1.4%
thereof tooling sales	2.4	3.8	-36.2%
EBITDA	1.9	2.3	-16.6%
EBIT	1.5	1.9	-18.6%
EBITDA margin	10.2%	11.6%	
EBIT margin	8.1%	9.4%	

In the first quarter 2008, sales of the Car Styling Division decreased by 5.6 % to EUR 19.0 mill.. This development was caused by lower tooling sales compared with the previous years period. Tooling sales decreased by 36.2 % to EUR 2.4 mill.. Part sales increased by 1.4 % to EUR 16.6 mill.. The Austrian plant of the division were able to com-

pensate the poor call off development at the plants in the USA and UK.

The EBITDA decreased as a result of the sales development by EUR 0.4 mill. to EUR 1.9 mill. This equals an solide EBITDA margin of 10.2 %.



EMPLOYEES

The strong increase in headcount in both, the Automotive System Division and also the Automotive Composites Division, compared with the first quarter 2007, is solely attributable to the acquisitions

made in 2007. The increase in headcount in the Car Styling Division is a result of the sustainable good order development.

	END OF PERIOD			AVERAGE PERIOD		
	March 31, 2008	March 31, 2007	Änderung in %	Q1 2008	Q1 2007	Änderung in %
Automotive Systems Division	2,997	2,304	693	2,995	2,326	669
Automotive Composites Division	1,823	427	1,396	1,840	400	1,440
Car Styling Division	643	578	65	632	400	59
Ohters/Consolidation	129	124	5	136	129	7
Group	5,592	3,433	2,159	5,603	3,428	2,175

CAPITAL EXPENDITURES

In the first quarter 2008, except the investment in new machines for a headliner production at the Spanish site of the AUTOMOTIVE SYSTEMS DIVISION, no major order related investments were made.

Beside the capital expenditures of EUR 8.6 mill. made in the first quarter 2008, POLYTEC GROUP increased its stake in shares of GRAMMER AG from a not notifiable holding to a stake of currently

9.59 %. The purchase in the amount of EUR 11.3 mill. is included in the cash flow from investing activities. Shares of the GRAMMER AG held as of March 31, 2008 are dedicated as marketable securities and according to IFRS 7 valued as "available for sale".

in EUR million	Q1 2008	Q1 2007	CHANGE IN %
Automotive Systems Division	6.4	2.7	136.4%
Automotive Composites Division	1.1	0.3	241.6%
Car Styling Division	0.7	0.3	103.8%
Ohters/Consolidation	0.4	0.4	-10.2%
Group	8.6	3.8	126.2%

FINANCIAL DEVELOPMENT

in EUR million	MARCH 31, 2008	DECEMBER 31, 2007	
Asset ratio	33.0%	32.7%	
Equity ratio	37.1%	35.7%	
Net working capital	78.5	77.3	1.5%
Net working capital to sales	10.7%	11.6%	
Net debt	27.0	29.2	-7.3%
Net debt to EBITDA	0.40	0.46	
Gearing (Net debt to Equity)	0.16	0.18	
Capital employed	209.0	203.7	2.6%

The financial development confirms the good financial position of the POLYTEC GROUP. The marginal increase of the net working capi-

tal since the last balance sheet date of December 31, 2007 is a result of late customer payments received after the balance sheet date.

INVESTOR RELATIONS

		MARCH 31, 2008	MARCH 31, 2007
Closing price	in EUR	9,68	8,45
Market capitalisation	in EUR mill.	216,2	188,7
		Q1 2008	Q1 2007
Highest price	in EUR	10.00	9.23
Lowest price	in EUR	8.27	7.34
Average turnover per day	in shares	99,418	198,182
Average turnover per day	in EUR	929,828.60	1,677,601
		Q1 2008	Q1 2007
Earnings per share	in EUR	0.28	0.25
Average number of shares outstanding		22,299,651	22,299,651



OUTLOOK 2008

On account of the acquisitions made during the financial year 2007 and the full contribution this will make to sales in the year 2008, POLYTEC GROUP will be able to continue its growth path in 2008. The target is a sales volume of almost EUR 800 mill., whose achievement can only be affected by a negative development of call of figures for running projects of the POLYTEC GROUP. The production of passenger cars and also the trucks will depend on the further economic development.

For the earnings development 2008 it is essential, to react fast and efficient on short time adjustment in call of figures of our customers. In the second half of 2008, an adequate launch management has to ensure that the planned start of productions will reach their targets in conts in a short term.

According to the explanations made in the management report of 2007 an EBITDA margin of more than 8 % ist still to assume. The result of the first quarter 2008 confirms this.

INCOME STATEMENT

(in thousand EURO)

	Q1 2008	Q1 2007
Net Sales	203,937.5	133,997.1
Other operating income	2,462.5	1,707.5
Changes in inventory of finished and unfinished goods	3,931.7	-3,566.9
Own work capitalised	316.1	210.9
Expenses for materials and services received	-110,501.9	-69,938.9
Personal expenses	-54,146.2	-32,704.0
Other operating expenses	-28,848.3	-16,233.7
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	17,151.4	13,472.0
Depreciation	-6,650.8	-4,399.5
Earnings before interest, taxes, depreciation and amortisation of goodwill (EBITA)	10,500.6	9,072.5
Amortisation of goodwill	0.0	0.0
Earnings before interest and taxes	10,500.6	9,072.5
Income from associated companies	41.1	0.0
Financial expenses	-1,024.0	-391.5
Other financial results	-616.9	-21.1
Financial result	-1,599.8	-412.6
Earnings before tax	8,900.8	8,659.9
Taxes on income	-2,572.5	-2,954.8
Profit of the year after tax	6,328.3	5,705.1
Minority interest	-83.9	-148.8
Net profit (Result after minority interest)	6,244.4	5,556.3
Earnings per share	0.28	0.25



BALANCE SHEET

(in thousand EURO)

ASSETS	March 31, 2008	December 31, 2007
A. FIXED ASSETS		
I. Intangible assets	8,487.4	8,050.9
II. Goodwill	25,611.5	25,611.5
III. Tangible assets	108,718.8	107,721.8
IV. Investments in affiliated companies	194.9	194.9
V. Investments in associated companies	1,045.2	1,045.2
VI. Other financial assets	2,705.0	3,021.7
VII. Deferred tax assets	10,281.6	11,322.4
	157,044.4	156,968.4
B. CURRENT ASSETS		
I. Inventories	88,914.5	93,968.2
II. Trade accounts	145,890.6	139,956.2
III. Marketable securities	16,709.8	4,886.2
VI. Cash and cash equivalents	36,270.5	49,249.4
	287,785.4	288,060.0
	444,829.8	445,028.4
LIABILITIES		
A. SHAREHOLDERS EQUITY		
I. Share capital	22,329.6	22,329.6
II. Capital reserves	57,783.5	57,783.5
III. Treasury stock	-215.5	-215.5
IV. Minority interests	773.2	691.8
V. Retained earnings	84,433.6	78,328.4
	165,104.4	158,917.8
B. LONG-TERM LIABILITIES		
I. Interest bearing liabilities	50,281.4	53,592.9
II. Provision for deferred taxes	3,750.2	3,575.3
III. Long term provisions for personnel	25,363.6	25,318.9
IV. Other long term liabilities	12,313.9	15,060.2
	91,709.1	97,547.3
C. SHORT-TERM LIABILITIES		
I. Trade accounts payable	68,006.6	82,105.1
II. Short-term interest-bearing liabilities	16,450.4	15,935.7
III. Short-term portion of long-term loans	15,226.5	16,036.2
IV. Income tax liabilities	4,283.7	3,454.4
V. Other short-term liabilities	84,049.1	71,031.9
	188,016.3	188,563.3
	444,829.8	445,028.4

CASH FLOW STATEMENT

(in thousand EURO)

	MARCH 31, 2008	MARCH 31, 2007
Earnings before tax	8,900.8	8,659.9
- Income taxes	-527.5	-859.7
+(-) Depreciation (appreciation) of fixed assets	6,650.8	4,399.5
+(-) Other non-cash expenses/income	44.7	585.4
= Consolidated financial Cash flow	15,068.8	12,785.1
+(-) Changes in net working capital	-4,708.3	-20,155.5
= Cash flow from operating activities	10,360.5	-7,370.4
+(-) Cash flow from investing activities	-19,428.6	-3,175.1
+(-) Cash flow from financing activities	-3,910.8	390.1
= Changes in cash and cash equivalents	-12,978.9	-10,155.4
+ Opening balance of cash and cash equivalents	49,249.4	42,870.1
= Closing balance of cash and cash equivalents	36,270.5	32,714.7

CHANGES IN SHAREHOLDERS' EQUITY

(in thousand EURO)

	SHARE CAPITAL	CAPITAL RESERVES	TREASURY STOCK	MINORITY INTERESTS	RETAINED EARNINGS	TOTAL
Balance as of January 1, 2008	22,329.6	57,783.5	-215.5	691.8	78,328.4	158,917.8
Consolidated profit for the year				83.9	6,244.4	6,328.3
Currency translation				-2.5	-618.8	-621.3
Market valuation of securities available for sale					479.6	479.6
Balance as of March 31, 2008	22,329.6	57,783.5	-215.5	773.2	84,433.6	165,104.4

	SHARE CAPITAL	CAPITAL RESERVES	TREASURY STOCK	MINORITY INTERESTS	RETAINED EARNINGS	TOTAL
Balance as of January 1, 2007	22,329.6	57,783.5	-215.5	591.4	46,912.6	127,401.6
Consolidated profit for the year	0.0	0.0	0.0	148.8	5,556.3	5,705.1
Currency translation	0.0	0.0	0.0	25.0	-350.1	-325.1
Other changes	0.0	0.0	0.0	-30.3	30.3	0.0
Balance as of March 31, 2007	22,329.6	57,783.5	-215.5	734.9	52,149.1	132,781.6

SEGMENTREPORTING

(in thousandd EURO)

AUTOMOTIVE SYSTEMS	Q1 2008	Q1 2007	Change in %
Sales	108.159,2	92.521,3	16,9%
EBITDA	6.585,0	9.188,8	-28,3%
EBIT	2.176,7	5.969,6	-63,5%
Net income	681,7	3.564,8	-80,9%
Capex	6,438.0	2,723.0	136,4%

AUTOMOTIVE COMPOSITES	Q1 2008	Q1 2007	Change in %
Sales	72,013.8	16,418.3	338,6%
EBITDA	7,292.9	715.7	919,0%
EBIT	5,703.5	162.5	3409,8%
Net income	3,564.8	- 222.3	-1703,6%
Capex	1,130.7	331.0	241,6%

CAR STYLING	Q1 2008	Q1 2007	Change in %
Sales	19,034.4	20,173.4	-5,6%
EBITDA	1,947.7	2,336.1	-16,6%
EBIT	1,548.8	1,903.6	-18,6%
Net income	1,090.6	1,301.6	-16,2%
Capex	670.5	329.0	103,8%

Others/Consolidation	Q1 2008	Q1 2007	Change in %
Sales	4,730.1	4,884.1	-3,2%
EBITDA	1,325.8	1,231.4	7,7%
EBIT	1,071.6	1,036.8	3,4%
Net income	991.2	1,061.0	-6,6%
Capex	387.2	431.0	-10,2%

GROUP	Q1 2008	Q1 2007	Change in %
Sales	203,937.5	133,997.1	52,2%
EBITDA	17,151.4	13,472.0	27,3%
EBIT	10,500.6	9,072.5	15,7%
Net income	6,328.3	5,705.1	10,9%
Capex	8,626.4	3,814.0	126,2%

NOTES

ACCOUNTING AND VALUATION METHODS

The interim financial statement as of March 31, 2008 was created in accordance with the provisions of the International Financial Reporting Standards (IFRS), particularly the IAS 34 (interim report). The balancing and valuation methods from December 31, 2008 were applied in an unchanged form. With regard to further information about the balancing and valuation bases of the POLYTEC GROUP, we refer you to the group financial statement of December 31, 2008.

SEASONALITY OF BUSINESS

The division of sales of one financial year of the POLYTEC GROUP to the four quarters correlates to a high extent with the car manufacturing by the customers of the group. For this reason, quarters in which customers normally carry out works holidays have generally lower rates of sales than quarters without such effects. In addition to this, sales from one quarter can also be influenced through the settlement of large tool or development projects.

BASIS OF CONSOLIDATION

The number of companies included in the interim report is unchanged to the last balance sheet date.

DECLARATION BY THE EXECUTIVE BOARD

The board declares that the interim financial report compiled in accordance with the International Financial Reporting Standards (IFRS) provides a picture of the assets, finance and earnings situation of the POLYTEC Group that is as accurate as possible.

The interim financial report at hand has not been subject to an examination or an audit based review.

Hörsching, May 6, 2008

Executive Board

Friedrich Huemer
Chairman

Karl Heinz Solly
Deputy Chairman

Reinhard Urmann
Member

Alfred Kollros
Member

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