

Report for the first quarter of 2001 of OHB Teledata AG



(covering the period January 1 – March 31, 2001)

- IPO successful in spite of difficult market conditions
- Revenue and earnings forecasts exceeded
- Internationalization proceeding according to schedule



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Bremen, May 9, 2001

OH B Teledata AG received proceeds of EUR 24.15 million from its IPO on March 13, 2001, some of which has already been used to finance international expansion and develop new products. The business model entails projects, products and services in the commercial telematics area and is bearing fruit. Thus, as early as in the first quarter the Company managed to **exceed the revenue and earnings forecasts** which it had issued at the time of the IPO.

in EUR million	1/1/2001 – 3/31/2001	1/1/2000 – 3/31/2000
Total revenue	1.932	0.834
EBIT	0.076	-0.217
Employees (as at 3/31/01)	43	26

IAS-based

The IPO

The highlight of the first quarter was OH B Teledata AG's IPO, which gave the Company the funds required to finance swift market penetration in Europe. The subscription period was terminated prematurely on account of the very strong demand. A total of 2.3 million shares were issued. Although OH B Teledata has topped the forecasts given at the time of the IPO, the stock is currently trading below its issue price. The Company attributes this to the generally poor state of the Neuer Markt in particular. Notwithstanding this, OH B Teledata performed a series of extensive investor relations activities, including road shows in Continental Europe and the United Kingdom, during which fund managers, interested investors and journalists were given extensive information in numerous one-on-one talks.

Heartening performance by all divisions

Projects

The **Projects division** exceeded forecasts in the first quarter. Work was commenced on a special telematics solution for the **Readymix Group's** cement and pebble trucks in the **United Kingdom**. Under the terms of a strategic alliance, mobility manager OH B Teledata signed a memorandum of understanding with **Mannesmann VDO** and **Control Instruments** for the development of a new modular software and hardware product. As a result, OH B Teledata is no longer merely a supplier to **Mannesmann VDO**, having now gained the status of system partner for the direct integration of online communications and navigations systems in **Mannesmann VDO's** fleet-management products. In addition, innovative new fleet-management concepts are to be co-developed, with the experience which OH B Teledata has gained in its many years of project business playing a pivotal role. Development projects for public-sector clients proceeded according to schedule. The Projects division proved to be a mainstay of the Company's business in the first quarter. **Total revenue came to approx. EUR 1.2 million**, almost **twice as high as in the year-ago quarter**.

Products

Build up of the **Products division** proceeded according to plan in the period under review. Revenues derived from TIPS products and OH B on-board computers came to roughly **EUR 0.6 million**. **MAN** placed the first order for the new BC11/CAN-bus product. For the first time, **Mannesmann VDO** submitted firm orders for its new FM Skylink/FM Tracker product range. Additions to and further developments of the TIPS range are to be showcased at the transport logistic fair, which takes place in Munich on May 15 – 19, 2001. The customer benefits offered by the TIPS products were further enhanced with the introduction of new applications, such as multilingual functions or alarm-secured vehicle movement zones. New entry-level e-logistics solutions based on CAN-bus board computers will be presented.



Services

OHb Teledata's **services business** generates income from ongoing maintenance and aftersales service contracts as well as general network services. Maintenance contracts are generally signed at a fixed price per vehicle/communications unit and month. With aftersales service contracts, however, only actual services performed are billed. OHb Teledata is involved in the promising **application service provider business** via its investments in **Hansestar** and **Teldatrans**, both of which performed favorably. Teldatrans successfully commenced pilot operations with selected customers at the end of February.

Internationalization being systematically continued

One key milestone for OHb Teledata AG was the increase of its share in **Telematic Solutions SpA** in Milan from 24 to 51 % at the beginning of the second quarter of 2001. This gave the company, a strategic majority stake, creating the basis for swift penetration of the Italian e-logistics market. With its innovative FREEGUARDIAN video monitoring system, for example, Telematic Solutions SpA recently received an order for security facilities at the next G8 summit meeting in Genoa. This is a flexible and inexpensive system setting new standards in the area of wireless image, voice and data transmission. The system is designed for a broader market in security applications in the future.

Earnings and revenues topping expectations

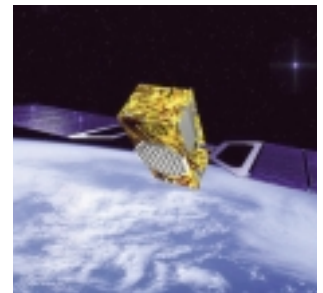
OHb Teledata AG's total revenue came to **EUR 1.932 million** in the first quarter of 2001, **exceeding** the forecast of EUR 1,646 million **by 17.4 %**. EBIT adjusted for IPO expenses (EUR 2.82 million) came to EUR 76k, up from a loss of EUR 213k in the year-ago quarter. The Company had projected a negative EBIT of EUR 143k for the first quarter 2001. The investment of the IPO proceeds in the money market resulted in net interest income of EUR 55k. The number of employees rose from 26 in the year-ago quarter (3/31/2000) to 43.

Stock with inherent value and upside

The stock is currently trading at approx. 15 times forward 2002 earnings, making OHb Teledata inexpensive compared with its peers. The focus of OHb Teledata AG's business is on **commercial traffic telematics applications**. **Long-standing partnerships** spanning many years as well as the clear orientation to three business segments, namely projects, products and services, form a predictable basis for **secure and steady earnings growth**. Via these three pillars, OHb Teledata is able to link the option of dynamic earnings growth with the security of its basic business of the past few years.

Outlook

Following the gaining of a majority stake in Telematic Solutions SpA, further possible acquisitions are being examined at the moment. New projects and products are being resolutely developed, with promising new business segments to be opened up. Given the current state of the Company's order books, the Management Board is **very confident of meeting the forecasts for 2001**. European distribution operations are being further extended. The proceeds from the IPO will give the Company the flexibility required to finance promising investments.



Balance Sheet

	3/31/2001 IAS EUR thousand	12/31/2000 IAS EUR thousand
ASSETS		
A. MEDIUM AND LONG-TERM ASSETS		
I. Intangible assets		
Software acquired	33	34
Software developed	109	0
II. Tangible assets		
Other equipment, operating and business equipment	130	117
III. Financial assets		
Equity interests	1,647	1,647
	1,919	1,798
B. SHORT-TERM ASSETS		
I. Inventories		
1. Work in progress	1,192	757
2. Finished and unfinished goods	530	393
	1,722	1,150
II. Receivables and other assets		
1. Trade receivables	2,505	1,430
2. Receivables to shareholders	0	0
3. Receivables to affiliated companies	2,559	0
4. Receivables to companies in which an equity interest is held	514	0
5. Other assets	98	71
	5,676	1,501
III. Liquid funds and bank balances		
	19,684	1,857
	27,082	4,509
C. DEFERRED ITEMS		
	4	2
	29,005	6,308
EQUITY AND LIABILITIES		
A. EQUITY		
I. Subscribed capital		
	7,464	5,164
II. Additional paid-in capital		
	19,034	0
III. Revenue/statutory reserves		
	0	0
IV. Accumulated profit		
	180	49
	26,678	5,213
B. ACCRUALS		
1. Tax accruals	1	1
2. Other accruals	1,088	265
	1,089	266
C. LIABILITIES		
1. Liabilities to banks	0	0
2. Prepayments on orders	407	143
3. Trade liabilities	609	568
4. Liabilities to affiliated Companies	0	0
5. Other liabilities	222	117
	1,238	829
	29,005	6,308

Income Statement

	1/1/2001–3/31/2001 IAS	1/1/2001–3/31/2000 IAS
	EUR thousand	EUR thousand
1. Revenues		
of which projects	725	378
of which products	598	26
of which services	64	2
	1,387	406
2. Own work capitalized	109	0
3. Increase in finished goods inventories and work in progress	434	421
4. Other operating income	2	7
5. Total revenues	1,932	834
6. Cost of Materials		
a) Cost of raw materials supplies as well as goods purchased	921	429
b) Cost of services purchased	103	125
	1,024	554
7. Personnel expenses		
a) Wages and salaries	482	313
b) Social security levies and Cost of old-age pensions and support	80	52
	562	365
8. Depreciation/amortization	17	12
9. Other operating expenses	253	121
10. EBIT	76	- 217
11. Other interest and similar income	55	2
12. Interest and similar income	0	3
13. Profit/loss from ordinary activities	131	- 218
14. Income taxes	0	0
15. Other taxes	0	0
16. Net income/loss for the year	131	- 218
17. Profit/loss carry forward	49	48
18. Accumulated profit/loss	180	- 170

Cash Flow Statement

	3/31/2001 EUR thousand IAS
Operating earning	76
Income taxes paid	0
Depreciation/amortization	17
Gross cash flow	93
Increase (-)/decrease (+) in own work capitalized	- 109
Increase (-)/decrease (+) in inventories	- 572
Increase (-)/decrease (+) in receivables and other assets including deferred items	- 4,177
Increase (-)/decrease (+) in liabilities and short-term accruals	1,232
Cash flows from operating activities	- 3,626
Acquisition of medium and long-term assets	- 30
Proceeds from the sale of medium and long-term assets	0
Interest and other investment income	55
Cash flows from investing activities	25
Payments from shareholder	24,150
Payment of IPO costs	- 2,816
Reduction in financial liabilities	0
Interest and other investment payments	0
Cash flows from financing activities	21,334
Changes in funds with an impact on funds	17,826
Funds at beginning of period	1,858
Funds at end of period	19,684



General notes on quarterly financial statements

The quarterly financial statements were compiled using the International Accounting Standards (IAS) and relate solely to OH B Teledata AG. The individual financial statements are identical to the consolidated financial statements as the equity interests are minority holdings as at 3/31/2001 and are therefore not consolidated.

IPO costs

The IPO costs of EUR 2.816 million include amounts invoiced as at 3/31/2001 as well as further accruals of approx. EUR 510k covering outstanding invoices for legal and consulting services directly related to the IPO. The IPO costs were charged to the IPO proceeds and netted against additional paid-in capital.

Considering the IPO costs, liquid funds increased to EUR 19.684 million as at 3/31/2001.



Securities held by management and board members

(3/31/2001)

	Shares	Options
Prof. Manfred Fuchs Chairman of the Supervisory Board	1,714,050	
Marco R. Fuchs Chairman of the Management Board	404,796	20,000
Ulrich Schulz Member of the Management Board	103,281	20,000
Ulrich Wantia Member of the Management Board		20,000

Bremen, May 9, 2001

The Management Board

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