

Report for the first half year of 2001 of OHB Teledata AG

(covering the period January 1 – June 30, 2001)

- Revenues and earnings higher than forecast – total output up 60 % on the year-ago period
- A further commercial vehicle manufacturer has opted for exclusive use of OHB Teledata
- Internationalization continuing: Telematic Solutions S.p.A. in Italy successfully taken over

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Bremen, August 30, 2001

Earnings and revenues higher than forecast

Even excluding Telematics Solutions S.p.A., Milan, which was consolidated for the first time in the second quarter, the Company's total output came to a good EUR 4.4 million, some 60 % higher than in the same period one year earlier and up roughly 3 % on forecasts. The operating loss (LBIT) of EUR 321k posted on June 30, 2000 was turned into profit of EUR 16k in the first half of 2001, i.e. slightly higher than projected.

The cost of materials as well as personnel and other operating expenses matched expectations. At 56 %, the cost of materials ratio was 1% point higher than forecast. Personnel expenses account for 30 % of total output, under the target of 34 %.

Leading technology exhibiting dynamic growth

Projects

In the period under review, the Projects division outperformed expectations, continuing to drive OHb Teledata's dynamic growth and technological lead. New major orders were received from such customers as the German Armed Forces (Büland data transfer project) and the German Federal Border Police (vehicle identification and tracking and deployment planning). The technology projects for the European Space Agency (ESA) were extended substantially, with other current projects progressing according to schedule.

At roughly EUR 3.0 million as of June 30, 2001, Project business remained the mainstay of the Company's revenues, contributing some 68 %.

Products

The Products division reported major successes in the first half of 2001, although sales still fell short of potentials. Revenues came to roughly EUR 1.1 million (up more than 450 % over the same period one year earlier).

A further partner in the commercial vehicle segment – Maschinenfabrik Bernard Krone GmbH, one of the leading producers of trailers and trailer bridges for trucks – was signed up as an exclusive OEM telematics customer.

<i>in EUR million</i>	<i>1/1/2001 – 6/30/2001</i>	<i>1/1/2000 – 6/30/2000</i>
Total revenue	4.421	2.818
EBIT	0,016	- 0,321
Employees (as of 6/30/01)	53	29

IAS-based



Meanwhile, OHB Teledata has received additional development jobs from **existing exclusive OEM partners MAN and SiemensVDO** to further integrate standard telematics products in partner products and production processes. First shipments of the new on-board **BC-11/CAN-BUS** computer have already been sent to MAN. SiemensVDO has received the first shipment of its new telematics product range **FM Skylink/FM Tracker** (mobile equipment and central unit) for retrofitting business.

Another major advance was the **successful launch of Version 4.0 of TIPS**, which additionally cements the Company's **technological leadership**. The new version offers **numerous improvements and extensions** for the entire TIPS family as well as the OEM-based models for both mobile and central use. A new extended marketing agreement for **Benelux and France** was signed with **EDC** in Belgium. In spite of this substantial progress, however, volume sales of standard products grew less quickly than expected. This was due to general cyclically-induced spending restraint.

Services

Over the past few months, subsidiaries **Hansestar GmbH, Bremen** – global container tracking – and **Teldatrans GmbH, Münster** – monitoring and controlling trucks, trailers, building and harvesting machinery – have made good progress in building up their business. Hansestar GmbH successfully installed tracking systems for special containers via global satellite communications for **Maersk, Hoyer** and other container fleet operators.

Teldatrans GmbH was able to successfully complete its pilot phase. The first few customers have been fitted and are using the services for a monthly fee.

Following the successful restructuring of the global Orbcomm satellite system, OHB Teledata is increasingly seeking an alliance with the new owner and operator **Orbcomm, LLC** in Washington. Comprising **31 active satellites**, the LEO (low earth orbit) system will additionally offer OHB Teledata the unique opportunity of tap-

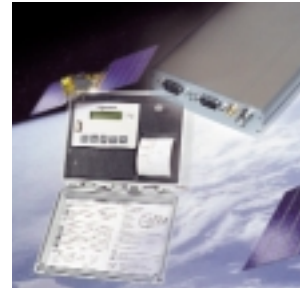
ping into a **global network of distributors and VARs to open up new markets for its own products** and applications in addition to using and marketing data-carrying capacity.

Internationalization and growth including via acquisitions

The decline in the global economy and hence lower corporate valuations are giving OHB Teledata AG a very favorable opportunity for acquisitions as a means of swiftly implementing its growth strategy. Thus, at the beginning of the second quarter, it raised its share in the profitable **Telematic Solutions S.p.A.**, Italy to 51% on favorable conditions, gaining access to the Southern European market. The products developed and manufactured there supplement those of the OHB Teledata Group. The security telematics products offered by Telematic Solutions S.p.A. were successfully implemented at the recent **G8 Summit** in Genova for visual observation of the inner city area and critical points.

Stock buyback program launched

As part of its stock buyback program, OHB Teledata AG started acquiring a total of **75,000 of its own shares**, with this program to be completed by December 30, 2001. The shares will be held as treasury stock and used for acquisition purposes.



Capital market communications strengthened

Given the current difficult state of the market, it is especially important to keep investors and journalists abreast of developments at the Company. With this in mind, the Management Board engaged in extensive investor-relations activities in the last quarter, followed up by numerous talks with first-time subscribers and investors both inside and outside Germany. **Open and consistent capital market communications** is one of OHB Teledata's declared corporate objectives and will continue to receive key attention in the future.



Outlook

OHB Teledata AG is in the process of negotiating a number of specific **take-over projects**. The Board of Management is planning an accelerated expansion of the company to be achieved by significant external growth. By selective acquisitions, the company intends to broaden its technological basis and to improve market access in particular for previously developed areas of operation that are independent of economic trends.

In order to take account of current business developments and in particular the major contract from the **Bundeswehr** that is in the offing in connection with the **SAR-LUPE project** (subject to contract and to approval by the Bundestag Budget Committee), the Board of Management is revising corporate planning both for the current and subsequent business years. As a result of favourable perspectives in the field of project-type business and for Telematic Solutions S.p.A. in Italy, the Board of Management is confident that it can **reconfirm sales targets for 2001** in spite of the slow-down in the product section. With a view to the rather sluggish economic climate, the Board of Management has taken **steps to reduce operating costs** in order to counteract the threatening reduction in profit margins.

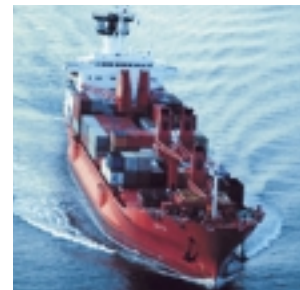
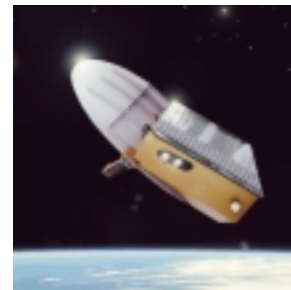
OHB Teledata AG in particular benefited from its affiliation to its majority shareholder, Fuchs group of companies, which also comprises OHB System AG, a company focusing on the aerospace sector where it is well-reputed for its technical know-how. Here, this affiliation has a stabilizing effect in a weaker economic environment. In the more difficult times we are facing now, our business formula of a company structure built on the three mainstays Projects, Products and Services has continued to serve us as a successful and profitable instrument.

Balance Sheet IAS-based	6-month-report 6/30/2001 EUR thousand	annual report 12/31/2000 EUR thousand
ASSETS		
A. Current Assets		
I. Cash and Cash Equivalents	14.638	1.857
II. Short-term Investments/Marketable securities	0	0
III. Trade accounts receivable		
1. Trade receivables	3.130	1.430
2. Receivables to shareholders	0	0
3. Receivables to affiliated shareholders	2.556	0
4. Receivables to companies in which an equity interest is held	514	0
B. Short-term assets		
I. Inventories		
1. Work in progress	2.278	757
2. Finished and unfinished goods	673	393
C. Deferred tax assets	0	0
D. Prepaid expenses and other current assets		
I. Prepaid expenses	63	2
II. Other assets	714	71
E. Others	0	0
Total current assets	24.566	4.510
A. Medium and long-term assets		
I. Property, plant and equipment	151	117
II. Intangible assets		
Software acquired	31	34
Software developed	178	0
III. Investments		
Equity interests	3.162	1.647
B. Notes receivable/loans	0	0
C. Goodwill	0	0
D. Deferred taxes	0	0
E. Others	0	0
Total Assets	28.087	6.308

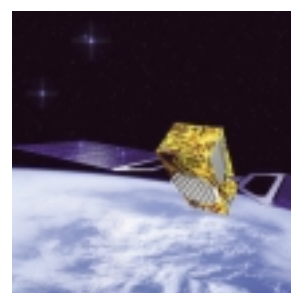
EQUITY AND LIABILITIES	6-month-report 6/30/2001 EUR thousand	annual report 12/31/2000 EUR thousand
A. Current liabilities		
1. Short-term debt and current portion of long-term debt	0	0
2. Trade accounts payable	465	568
3. Advance payments received	303	143
B. Accruals		
1. Tax accruals	1	1
2. Other accruals	312	265
C. Deferred revenues	0	0
D. Income tax payable	0	0
E. Deferred taxes	0	0
F. Other current liabilities	197	117
G. Others	0	0
Total current liabilities	1.278	1.095
A. Long-term debt, less current portion	0	0
B. Deferred revenues	0	0
C. Deferred taxes	0	0
D. Pension accruals	0	0
E. Others	0	0
F. Minority interest	0	0
G. Shareholders' equity		
I. Share capital	7.464	5.164
II. Additional paid-in capital	19.006	0
III. Treasury Stock	0	0
IV. Retained Earnings/Accumulated deficit	340	49
V. Legal reserve	0	0
VI. Accumulated other comprehensive income/loss	0	0
H. Others		
Total Shareholders' equity	26.809	5.213
Total liabilities and Shareholders' equity	28.087	6.308

Income Statement
IAS-based

	II. quarter report 2001 4/1/- 6/30/2001 EUR thousand		II. quarter report 2000 4/1/- 6/30/2000 EUR thousand		6-month-report 1/1/- 6/30/2001 EUR thousand		6-month-report 1/1/- 6/30/2000 EUR thousand	
Revenues								
of which projects	753		894		1.478		1.272	
of which products	461		164		1.059		190	
of which services	89		4		153		6	
1. Total revenues	1.303		1.062		2.690		1.467	
2. Other operating income								
3. Changes in inventories of finished goods and work in progress	1.086		921		1.520		1.344	
4. Production for own fixed assets capitalized	69		0		178		0	
Total revenues	2.489		1.983		4.421		2.818	
5. Cost of Materials								
a) Cost of raw materials supplies as well as goods purchased	1.306		682		2.227		1.111	
b) Cost of services purchased	154 1.460		634 1.516		257 2.484		959 2.070	
6. Personnel expenses								
a) Wages and salaries	683		310		1.165		623	
b) Social security levies and Cost of old-age pensions and support	89 772		102 412		169 1.334		153 777	
7. Depreciation / amortization	19		11		36		22	
8. Other operating expenses	298		149		551		269	
9. EBIT	- 60		- 104		16		- 321	
10. Other interest and similar income	220		0		275		0	
11. Interest and similar income	0		2		0		4	
12. Income from investments and participants	0		0		0		0	
13. Income / expenses from associated companies	0		0		0		0	
14. Foreign currency exchange gains / losses								
15. Other income / expenses	0		0		0		0	
16. Result before minority interest	160		- 106		291		- 324	
17. Income tax	0				0			
18. Extraordinary income / expenses	0				0			
19. Result before minority interest	160				291			
20. Minority interest	0				0			
21. Net income / loss	160				291			
22. Profit / loss carried forward	49				49			
23. Accumulated profit / loss	209				340			



Cash Flow Statement IAS-based	6-month-report	annual report
	1/1/2001 – 6/30/2001	1/1/2001 – 12/31/2000
	EUR thousand	EUR thousand
Operating earnings	16	- 39
Income Taxes paid	0	- 2
Depreciation / amortization	29	54
Gross cash flow	44	12
Increase (-) /decrease (+) in own work capitalized	- 178	0
Increase (-) /decrease (+) in inventories	- 1.801	- 167
Increase (-) /decrease (+) in receivables and other assets including deferred items	- 5.474	4.124
Increase (+) /decrease (-) in liabilities and short-term accruals	183	- 1.612
Net cash from operating activities	- 7.270	2.345
Acquisition of medium and long-term assets	- 1.574	- 696
Proceeds from the sale of medium and long-term assets	0	0
Interest and other investment income	275	53
Net cash from investing activities	- 1.299	- 643
Payments from shareholder	24.150	0
Payment of IPO costs	- 2.844	0
Reduction in financial liabilities	0	0
Interest and other investment payments	0	- 8
Net cash from financing activities	21.305	- 8
Decrease / increase in cash & cash equivalents	12.781	1.707
Currency translation		
Cash & cash equivalents at beginning of period	1.857	150
Cash & cash equivalents at end of period	14.638	1.857



General information as to Quarterly Financial Statement

The Quarterly Financial Statement was prepared in accordance with International Accounting Standards (IAS). The figures for OH B Teledata AG presented in the second quarterly report reflect the economic and financial situation of the AG only.

In addition, a Consolidated Financial Statement was prepared for the first time as of 30 June 2001, because, in April 2001, OH B Teledata AG increased its share in the nominal capital of Telematic Solutions S.p.A., Milano, to hold a 51 % interest. The Consolidated Financial Statement comprises the figures of OH B Teledata AG from 1 January 2001 to 30 June 2001 and second-quarter figures of Telematic Solutions S.p.A. from 1 April 2001 to 30 June 2001.

Consolidated Balance Sheet
IAS-based

ASSETS

	Group 6/30/2001 EUR thousand
A. Current Assets	
I. Cash and Cash Equivalents	14.748
II. Short-term Investments/Marketable securities	0
III. Trade accounts receivable	
1. Trade receivables	3.346
2. Receivables to shareholders	889
3. Receivables to affiliated shareholders	2.556
4. Receivables to companies in which an equity interest is held	3
B. Short-term assets	
I. Inventories	
1. Work in progress	3.068
2. Finished and unfinished goods	1.826
C. Deferred tax assets	0
D. Prepaid expenses and other current assets	
I. Prepaid expenses	63
II. Other assets	900
E. Others	162
Total current assets	27.562
A. Medium and long-term assets	
I. Property, plant and equipment	152
II. Intangible assets	
Software acquired	49
Software developed	178
III. Investments	
Equity interests	1.635
B. Notes receivable/loans	0
C. Goodwill	719
D. Deferred taxes	0
E. Others	0
Total Assets	30.294

EQUITY AND LIABILITIES

	Group 6/30/2001 EUR thousand
A. Current liabilities	
1. Short-term dept and current portion of long-term dept	0
2. Trade accounts payable	1.764
3. Advance payments received	303
B. Accruals	
1. Tax accruals	1
2. Other accruals	342
C. Deferred revenues	0
D. Income tax payable	0
E. Deferred taxes	0
F. Other current liabilities	278
E. Others	0
Total current liabilities	2.688
A. Long-term dept, less current portion	0
B. Deferred revenues	0
C. Deferred taxes	0
D. Pension accruals	0
E. Others	0
F. Shareholders' equity	
I. Share capital	7.464
II. Additional paid-in capital	19.006
III. Profit / loss carried forward	49
IV. Net income / loss	315
V. Accumulated profit / loss	376
VI. Minority interest	760
G. Others	0
Total Shareholders' equity	27.606
Total liabilities and Shareholders' equity	30.294

Consolidated Income Statement
IAS-based

	Group 1/1/2001 – 6/30/2001 EUR thousand
1. Revenues	
of which projects	1.941
of which products	1.135
of which services	202
	3.212
2. Other operating income	33
3. Changes in inventories of finished goods and work in progress	1.584
4. Production for own fixed assets capitalized	178
Total revenues	5.007
5. Cost of Materials	
a) Cost of raw materials supplies as well as goods purchased	2.408
b) Cost of services purchased	313
6. Personnel expenses	
a) Wages and salaries	1.261
b) Social security levies and Cost of old-age pensions and support	247
7. Depreciation / amortization	59
8. Other operating expenses	643
9. EBIT	77
10. Other interest and similar income	275
11. Interest and similar income	12
12. Income from investments and participants	0
13. Income / expenses from associated companies	0
14. Foreign currency exchange gains / losses	0
15. Other income / expenses	0
16. Result before minority interest	340
17. Income tax	25
18. Extraordinary income / expenses	0
19. Result before minority interest	315
20. Net income / loss	315
21. Profit / loss carried forward	49
22. Minority interest	12
23. Accumulated profit / loss	376



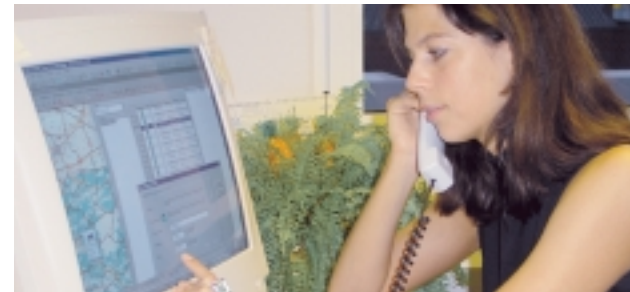
Consolidated Cash Flow Statement
IAS-based

	Group OH B Teledata AG/ Telematic Solutions S.p.A. 6/30/2001 EUR thousand	annual report OH B Teledata AG 12/31/2000 EUR thousand
Operating Earning	77	- 39
Income taxes paid	25	- 2
Depreciation / amortization	59	54
Gross cash flow	161	13
Increase (-) /decrease (+) in own work capitalized	- 178	0
Increase (-) /decrease (+) in inventories	- 3.744	- 167
Increase (-) /decrease (+) in receivables and other assets including deferred items	- 6.415	4.124
Increase (+) /decrease (-) in liabilities and short-term accruals	1.593	- 1.612
Net cash from operating activities	- 8.744	2.345
Acquisition of medium and long-term assets	- 95	- 696
Proceeds from the sale of medium and long-term assets	0	0
Interest and other investment income	275	53
Net cash from investing activities	180	- 643
Payments from shareholder	24.150	0
Payment of IPO costs	- 2.844	0
Reduction in financial liabilities	0	0
Interest and other investment payments	- 12	- 8
Net cash from financing activities	21.294	- 8
Decrease / increase in cash & cash equivalents Currency translation	12.891	1.707
Cash & cash equivalents at beginning of period	1.857	150
Cash & cash equivalents at end of period	14.748	1.857

Note as to the Consolidated Balance Sheet

The share capital of Telematic Solutions S.p.A. was increased from Euro 50,000 to Euro 1,500,000. With a 51 % capital interest, OH B Teledata AG is holding 764,990 shares of Telematic Solutions S.p.A. at par value.

All other financial participations of OH B Teledata AG are valued at cost during the year 2001.



Personnel and capital spending

Employee numbers were increased from 37 at the beginning of 2001 to 59 at the end of August in line with forecasts; as of June 30, 2001, the Company employed a total of 53 people, up from 29 at the middle of the previous year.

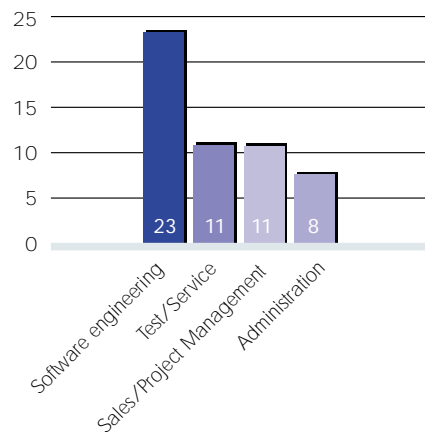
Capital spending on fixed assets stood at EUR 1.574 million on June 30, 2001. Of this amount, a sum of EUR 1.515 million was used for increasing the share in Telematic Solutions S.p.A.

IPO costs

The IPO costs of EUR 2,844m were charged to the IPO proceeds and netted against additional paid-in capital.

Personnel structure

as of 6/30/2001



Securities held by management and board members (as of 6/30/2001)

	Shares	Options
Prof. Manfred Fuchs Chairman of the Supervisory Board	1.717.050	
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, August 30, 2001

The Management Board

For more information, please contact
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