

- Total revenues and earnings per share in line with the previous year at approx. EUR 15 million and EUR 0.08 respectively
- Successful demonstration launch proving the merits of the COSMOS carrier with modified payload fairing for SAR-Lupe satellites
- Telematics with heightened profitability and continued success with commercial vehicle producers
- OHB-System awarded contract for first ORBCOMM satellite as part of the modernization of the ORBCOMM satellite network

3-MONTH REPORT 2005

For the period from January 1 until March 31, 2005



*View from the International Space Station ISS
of the Great Lakes of North America (April 1, 2004)*

**DEAR SHAREHOLDERS,
CUSTOMERS AND BUSINESS ASSOCIATES,**

The OHB Technology Group continued to perform in line with forecasts and remained on track to meeting its targets in the first quarter of 2005, traditionally the weakest quarter of the year. Profitability expressed as the return on sales (ROS) widened to 9.0% (previous year: 8.6%), while profitability relative to the virtually unchanged total revenues (7.6%) remained at the previous year's level (7.5%).

Sales in the first quarter of 2005 came to EUR 12.5 million (previous year: EUR 13.0 million), down 4% on the year-ago quarter for invoicing-related reasons, while total revenues remained steady at EUR 14.7 million, thus matching forecasts.

In the first quarter of 2005, the Group generated EBITDA of EUR 2.1 million (previous year: EUR 2.3 million) and EBIT of EUR 1.3 million (previous year: EUR 1.6 million). However, the invoicing-related contraction in the EBITDA margin to 14.3 % (previous year: 15.8%) and in the EBIT margin to 8.7% (previous year: 10.8%) relative to overall revenues resulted in a slight year-on-year (1%) increase in net income for the quarter of EUR 1.1 million. Accordingly, at EUR 0.08, earnings per share were unchanged over the previous year.

Firm orders as at March 31, 2005 were valued at EUR 111.5 million (previous year: EUR 180.8 million) and were thus unchanged over the volume reported for the end of 2004 (EUR 110.8 million). We expect order books to rise in value in the second quarter of the year due to the technical enhancements in the SAR-Lupe project and order receipts in the Telematics business unit.

The consolidated cash and cash equivalents of EUR 50.8 million at the end of the quarter testify to the sustained ability of the Group's business model to generate cash. The decline in liquidity of around EUR 7.9 million compared with the end of 2004 is primarily due to order-related project handling. This resulted in a reduction in advance payments received and other provisions in the first quarter 2005.

Bremen, May 12, 2005

The Management Board

OVERVIEW	Q1 / 2005 EUR 000	Q1 / 2004 EUR 000
Total revenues	14,667	14,739
EBITDA	2,097	2,327
EBIT	1,283	1,587
EBT	1,620	1,755
Net income for the period	1,120	1,111
Earnings per share (EUR)	0.08	0.08
Total assets	114,075	121,342
Equity	46,652	39,900
Cash flow from operating activities	- 10,378	580
Investments in equity interests	60	USD 3.6 million
Investments	249	109
Employees on March 31	289	280

SPACE TECHNOLOGY + SECURITY

The Space Technology + Security business unit posted stable unconsolidated total revenues of EUR 12.2 million in the first quarter of 2005 (previous year: EUR 12.3 million). The decline in EBIT to EUR 0.9 million (previous year: EUR 1.9 million) was principally due to high expenditure on bids and marketing.

Successful demonstration launch proving the merits of the COSMOS carrier for SAR-Lupe satellites

With respect to SAR-Lupe, the future satellite system to be utilized by the German federal armed forces for radar image reconnaissance, a further key milestone was achieved in what is OHB's largest single project. Launched at the Plesetzk Cosmodrome at 4:00 a.m. Central European Time on January 20, 2005, a specially designed COSMOS-3M carrier successfully placed two Russian military satellites into orbit. What set this launcher apart was the fact that it



Ahead of the successful qualification flight: The new COSMOS rocket tip in Plesetzk, Russia

was fitted with fairing which had been specially modified to carry the SAR-Lupe satellites. The tip of the COSMOS-3M had to be modified to accommodate the three-meter wide parabolic antenna fitted to the radar satellites currently under development at OHB. The producer of the launcher, PO POLYOT, Omsk, Russia, designed and constructed the special payload fairing. The successful launch demonstrates that SAR-Lupe satellites can be placed in orbit reliably on board the modified COSMOS. The SAR-Lupe satellites

are currently being integrated at OHB-System AG. The first of five flight satellites has already been fitted with the synthetic aperture radar (SAR) payload supplied by Alcatel Space, Toulouse, and Tesat Spacecom, Backnang, for capturing image data.



SAR-Lupe: The integrated engineering model under the radom

Offer lodged in February for the FSLGS project

The aim of the E-SGA and FSLGS projects is to create a system cluster comprising the SAR-Lupe ground segments and the French Helios II optical reconnaissance system. Following the completion of the studies, OHB analyzed the technical adjustments required and produced a schedule and budget for implementing both the German and the French contribution. Valued at roughly EUR 100 million, the bid submitted for implementing the projects is being evaluated by BWB (German Federal Office of Defense Technology and Procurement) at the moment.

Establishment of COSMOS Space Systems AG for the global marketing of launch services using the COSMOS carrier

Since the beginning of the nineties, OHB-System AG has been working very successfully with Russian engineering office POLYOT in Omsk, which developed the highly reliable COSMOS carrier rocket back in the sixties. To date, COSMOS has successfully placed Russian and, since 1999, also several Western satellites in their target orbits over 750 times. With a success rate of over 97%, it is the world's most reliable carrier and ideally suited for transporting small satellites to low-earth orbits.

The establishment of COSMOS Space Systems AG, Bremen, in February of this year was the logical next step after many years of successful collaboration between the OHB Group and POLYOT. A further member of this German-Russian partnership venture is the Italian space technology company Carlo Gavazzi Space, which has also acquired a share in COSMOS Space Systems AG. Looking forward, the new company's extended business targets will continue to focus on the global marketing of launching services and the modernization and further development of the COSMOS carrier. In addition, COSMOS Space Systems AG will be developing, producing and launching small satellites.



Successful launch of the COSMOS carrier

Establishment of LUXSPACE Sàrl in Luxembourg a further component of the OHB Group's European network strategy

The OHB Group has recently incorporated a new space technology company in Luxembourg known as LUXSPACE Sàrl. LUXSPACE is responsible for offering space technology and defense systems and services in the global commercial and institutional markets. The reason for the decision to establish a new company is Luxembourg's growing importance in the space technology industry as well as the closer partnership ties with the leading global satellite communications operator, SES GLOBAL, and its European subsidiary, SES ASTRA, both of which are based in Luxembourg. In this connection, a partnership agreement was signed by OHB Technology AG and SES ASTRA S.A. in Luxembourg at the end of 2004 with the aim of jointly developing and marketing various projects in the communications, navigation and earth observation areas.

Luxembourg's full membership of the European Space Agency ESA since January 1, 2005 offers a promising basis for new projects and activities.

Decision on GALILEO concession postponed again

OHB is a core partner in the iNavSat syndicate established by Inmarsat Ventures Ltd., EADS Space Services and the Thales Group for the operation of the GALILEO European satellite navigation system.

Selected as one of two bidders, the iNavSat syndicate submitted an offer as a Galileo concessionary to the Galileo Joint Undertaking (GJU) at the beginning of September 2004. The future Galileo concessionary will be required to operate and extend the European Galileo satellite constellation, which is currently in the process of being constructed, and provide all related services. Originally scheduled for the beginning of 2005, the announcement concerning the award of preferred bidder status has been postponed again and is now expected for June 2005.

TELEMATICS AND SATELLITE SERVICES

Telematics

The Telematics business unit posted unconsolidated total revenues of EUR 3.2 million in the first quarter of 2005, thus exceeding the year-ago quarter by a good 5 % (EUR 3.1 million). A return to normal EBITDA of EUR 0.7 million (previous year: EUR 0.3 million) and a sharp rise in EBIT to EUR 0.4 million (previous year: EUR 0.05 million) in spite of continued high depreciation expenditure testify to the momentum which the Telematics business unit has unleashed in the recent past. In particular, the increase in the operating EBITDA margin to just under 22% (previous year: around 9%) as well as the resumption of a satisfactory EBIT margin of a good 12% (previous year: just under 2%) indicate the return to sustained profitability in this business unit. As usual, the figures for the Satellite Services business unit (EBITDA: EUR 0.006 million and EBIT EUR 0.005 million) are included in the above numbers.

OHB Teledata and megatal developing the telematics systems GPSNet and DTS (DAF Telematic System) for the PACCAR Group.



The telematics unit for the American market

OHB Teledata is developing all-in telematics systems for series truck production on behalf of PACCAR Inc., Seattle, United States and its subsidiary DAF, Eindhoven, Netherlands. Separate solutions are being created for the European and North American markets to cater to individual customer requirements. The system will be avail-

able to final truck customers as of 2005. The necessary specific developments are being financed by the customer. megatel Informations- und Kommunikationssysteme GmbH (central software) and Kontron AG (mobile hardware) are operating as subcontractors under the lead management of OHB Teledata.



The BC 11 with CAN bus functions: On-board computers ready for delivery

megatel GmbH's decompression file generator recipient of an internal quality award for Airbus

The decompression file generator project, which megatel handled for Airbus helps to examine the effects in the aircraft cabin of a sudden loss of pressure caused, for example, by a hole in a window or exterior skin. The impact on the individual areas and systems of the aircraft is simulated. As part of this project, a tool has been developed to create, visualize and edit simulation models for the Airbus A 380 with discrete 3D volumes, to manage versions and to document and automatically update these.

megatel awarded a further contract for STAHLWERKE BREMEN

Alstom placed an order with megatel Informations- und Kommunikations GmbH for the development of an operating data display system for the production line at the Bremen steel company STAHLWERKE BREMEN GmbH. megatel has previously also assisted this company in modernizing its Oracle-based information systems.

Satellite Services

OHB-System awarded contract for first ORBCOMM satellite for modernizing the ORBCOMM satellite network

OHB System AG has been asked by US satellite operator ORBCOMM Inc. to develop a secondary payload in connection with the development and construction of a new ORBCOMM satellite for the U.S. Coast Guard.

In addition to performing the same communications tasks as the previous satellites particularly for the U.S. Coast Guard, the new ORBCOMM satellite will transmit the Automatic Identification System (AIS) signals for monitoring shipping in US coastal waters as part of steps to improve monitoring activities in connection with the "Homeland Security Initiative". The first AIS-enabled satellite is to be launched at the beginning of 2006 on board the Russian COSMOS-3M carrier rocket from the Plesetsk Cosmodrome.

OHB-System will be performing integration and function-testing in Bremen. The Russian partner POLYOT from Omsk will be supplying the satellite bus and handling the launching procedures. Orbital Sciences Corporation, which is based in Dulles, Virginia, is responsible for developing and constructing the payload, which will pick up the AIS signals using ORBCOMM's services. ORBCOMM will evaluate the ship identification data and transmit the position data directly to the U.S. Coast Guard.



Ground Control Center for monitoring the 30 ORBCOMM satellites

With this contract, OHB is able to position itself for involvement in future satellite development projects as it constitutes the first step in a planned series of replacement satellites aimed at ensuring the long-term availability of the ORBCOMM satellite services.

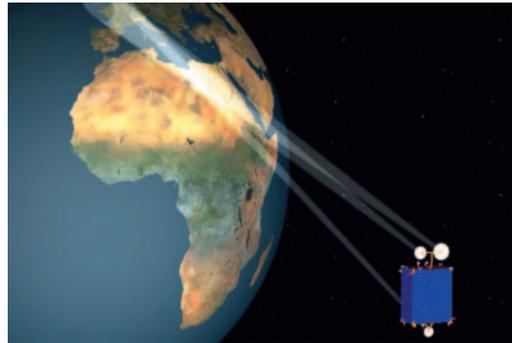
RESEARCH AND DEVELOPMENT

Research and development work in the Space Technology + Security business unit remains focused on new radar technologies and future infrared sensor systems.

A further area attracting growing attention entails the technology for “Little Geos” small geostationary communication satellites (LUX, SMM and Skykit projects). Research and development in the manned spaceflight segment is still concentrating on the development of industry-friendly service packages for the commercial use of the International Space Station ISS (BEOS) as well as subsystems and components for future orbital spacecraft.

OHB-System has acquired a Stemme S-10 motor glider for use as an experimentation vehicle for developing a light manned/unmanned reconnaissance drone. Research and development work in this area was continued last quarter.

In the first quarter of 2005, research and development expenditure came to EUR 1.2 million (previous year: EUR 0.4 million).



The LUX satellite concept: Small geostationary satellites for individual mission profiles

CAPITAL SPENDING

Capital spending in the first quarter was valued at around EUR 0.249 million (previous year: approx. EUR 0.109 million) for general technical operating equipment.

EMPLOYEES

As of March 31, 2005, the Group headcount stood at 289 (March 31, 2004: 280).

GROUP PERSONNEL STRUCTURE	3/31/2005	3/31/2004
Development, system engineering	167	157
Hardware production, mechanics, service	36	40
Distribution, project management	47	44
Administration and system administration	29	29
Quality management	10	10
Total	289	280

EVENTS AFTER THE END OF THE FIRST QUARTER

SWARM bid lodged at the beginning of April 2005

A bid for the new SWARM satellite system selected for implementation by the European Space Agency ESA for measuring the earth's magnetic field with unprecedented precision was lodged at the beginning of April. This project has a potential value of around EUR 90 million for OHB over the following four years.

SATCOMBw II contract-awarding process

On April 20, 2005, the German Federal Ministry of Defense issued a press release on the state of negotiations concerning the award of the SATCOMBw II contract, in which it stated that the project was still in the competition phase and a decision on the specific solution and the future contractor had not yet been made. Negotiations are initially to be commenced with the EADS/ND-SatCom syndicate. If these negotiations fail to produce the desired results, the German Federal Ministry of Defense will then enter into talks with T-Systems/OHB/Thales. The Ministry intends to commence parliamentary debate on the project in the third quarter of 2005.

OUTLOOK

OHB Technology AG will continue to boost earnings per share in fiscal 2005. The Management Board is confident of being able to generate substantial new business in the satellite segment this year.

Space Technology + Security

The additions required for implementing the enhanced technical capabilities of the SAR-Lupe satellites, for which an offer was lodged in December 2004, are currently being carried out. With respect to SAR-SAT marketing, we are confident of being able to gain the first foreign customer for this system in 2005.

OHB-System was awarded the contract for the construction of the first of the new-generation satellites for the ORBCOMM satellite network in March 2005, with the launch scheduled for early 2006. With this order, OHB stands a good chance of gaining the contract for the remaining satellites as well.

Telematics and Satellite Services

We expect demand for telematics solutions to increase in 2005 particularly in the product area. OHB Technology assumes that as of 2007 OEM telematics products will substantially outweigh project business.

STOCK

THE STOCK AT A GLANCE	Q1/2005 EUR	Q1/2004 EUR
High, Xetra (Mar. 31, 2005 and Jan. 19, 2004)	8.98	7.24
Low, Xetra (Jan. 3, 2005 and Mar. 23, 2004)	7.25	4.92
Closing price, Xetra (Mar. 31)	8.54	5.65
Average daily trading volumes (Xetra+floor)	30,928	26,125
Market capitalization (Mar. 31, Xetra)	127,485,940	84,343,742
Number of shares	14,928,096	14,928,096

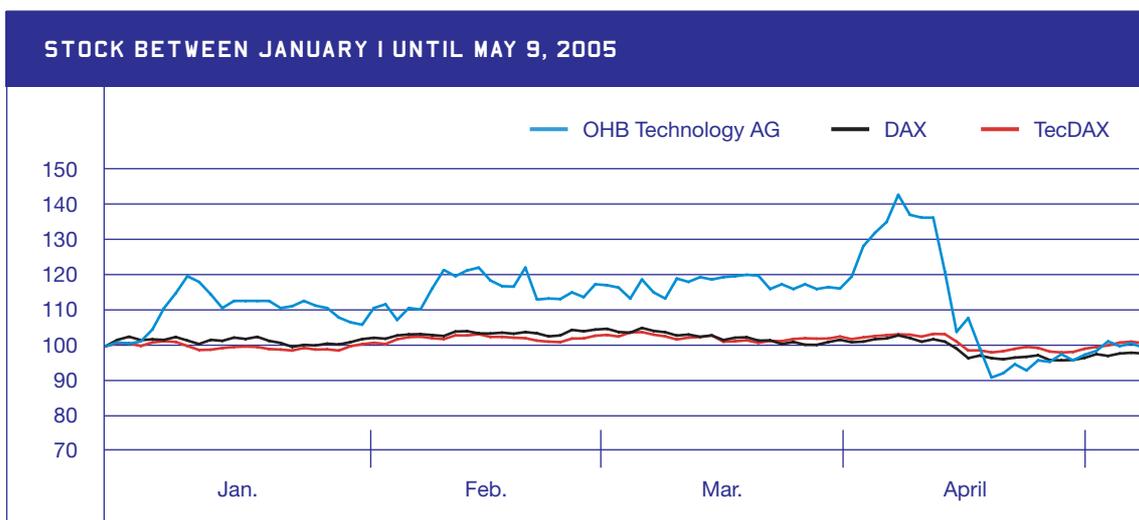
ISIN DE0005936124, Ticker: OHB
Trading segment: Prime Standard

Stock substantially outperformed the benchmark indices in the first quarter

The ongoing sideways move in the stock market in the first quarter of 2005 is reflected in both the benchmark TecDAX index and the DAX. OHB stock was able to free itself of this trend right from the first week of January and reached a preliminary spike at the beginning of January after advancing by some 20% in the space of a few days. Whereas the DAX and the TecDAX stabilized at the level at which they had entered the new year, the lead held by OHB stock shrank to less than 10% in the course of January only to widen again to over 20% in February compared with the beginning of the year. By the end of the

quarter, the gains posted by the stock remained stable at approx. 17%. This was followed by in April, during which the stock gained 40%, yielding to a correction after news leaked to the public that a preliminary decision had been made in favor of the EADS syndicate as the preferred bidder for the SATCOMBw II project. As a result, the stock retreated to the same level as the DAX and the TecDAX.

Mirroring OHB stock's outperformance in the first quarter, average trading volumes rose sharply from around 26,000 in the first quarter of 2004 to some 31,000 in the first quarter of 2005.



RESEARCH COVERAGE	Date	Recommendation
DZ Bank AG	April 18, 2005	Hold
Berenberg Bank	April 15, 2005	Hold
Sal. Oppenheim	April 14, 2005	Sell
Viscardi Securities	January 11, 2005	Buy

SECURITIES HELD BY MEMBERS OF THE COMPANY'S CORPORATE-GOVERNANCE BODIES ON MAR. 31, 2005	Shares	Change in Q1
Christa Fuchs, Chairwoman of the Supervisory Board	2,080,690	-
Marco R. Fuchs, Chairman of the Management Board*	414,796	-
Manfred Fuchs, Member of the Management Board	3,459,814	-
Ulrich Schulz, Member of the Management Board*	10,604	-

*Options on March 31, 2005: 20,000 options

Investor relations activities stepped up substantially

Gaining and strengthening the confidence of the capital market is just as much a part of operative activities as day-to-day business with customers and suppliers is, requiring the same degree of attention and dedication. In addition to conventional financial communications tools, OHB is increasingly also making use of the swift and

direct routes to analysts and investors via conference calls and road shows. At the same time, all multipliers such as analysts, bankers, investors and journalists are kept informed in detail of the OHB Group's technologies and processes, one example of this being the first Capital Market Day held in Bremen for the first time in February.

GENERAL INFORMATION ON THE 3-MONTH REPORT

The 3-month report was compiled using the International Financial Reporting Standards (IFRS). OHB Technology AG's consolidated financial statements include

- OHB Technology AG, Bremen
- OHB-System AG, Bremen
- STS Systemtechnik Schwerin GmbH, Schwerin
- OHB Teledata GmbH, Bremen
- megatel Informations- und Kommunikations-systeme GmbH, Bremen
- Timtec Teldatrans GmbH, Bremen
- Telematic Solutions SpA, Milan
- ORBCOMM Deutschland AG, Bremen

The results of the non-consolidated affiliated companies are not included in the interim reports.

There have been no changes to the accounting and valuation methods since the annual financial statements for 2004.

It should be noted that the figures for the first quarter of 2004 shown in the statement of equity movements have been restated to include the minority interests in the start-up capital in line with the treatment applied in the annual financial statements for 2004. The income statement for 2005 does not include any items comparable to the exceptional expenses incurred in 2004. The previous year's figures have not been adjusted.

At the time of the IPO in March 2001, stock options were granted which had not yet vested in the first quarter of the year. Accordingly, there is no difference between the Company's basic and diluted earnings per share.

GROUP BALANCE SHEET (IFRS)	3/31/2005 EUR 000	12/31/2004 EUR 000
ASSETS		
Current assets		
Cash and cash equivalents	50,816	58,727
Short-term investments/marketable securities	0	0
Trade accounts receivables		
Trade receivables	26,898	27,008
Receivables to shareholders	33	25
Receivables to affiliated shareholders	0	0
Receivables to associated companies	1,627	1,628
Short-term assets		
Inventories		
Work in progress	3,219	3,090
Finished and unfinished goods	4,300	4,127
Prepaid expenses and other current assets		
Prepaid expenses	277	55
Other assets	1,932	2,188
Total current assets	89,102	96,848
Medium and long-term assets		
Property, plant and equipment	2,536	2,566
Intangible assets	9,524	8,934
Investments		
Equity interests in associated companies	1,250	1,250
Other investments	6,378	6,318
Goodwill	2,740	2,793
Deferred taxes	2,545	2,633
Others	0	0
Total assets	114,075	121,342
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term debt and current portion of long-term debt	2,028	670
Trade accounts payable	24,967	24,588
Liabilities to associated companies	0	0
Advance payments received	14,842	21,500
Accruals		
Tax accruals	1,247	1,143
Other accruals	15,775	20,386
Deferred tax liability	7,318	7,020
Other current liabilities	603	1,068
Others	119	0
Total current liabilities	66,899	76,375
Long-term debt, less current portion	0	0
Pension accruals	524	526
Shareholders' equity		
Share capital	14,928	14,928
Additional paid-in capital	15,125	15,125
Treasury stock	- 58	- 1,139
Statutory reserves	0	0
Accumulated profit	15,214	14,094
Minority interest	1,443	1,433
Total shareholders' equity	46,652	44,441
Total liabilities and shareholders' equity	114,075	121,342

GROUP INCOME STATEMENT (IFRS)	Q1 / 2005 EUR 000	Q1 / 2004 EUR 000
1. Revenues	12,461	12,971
2. Other operating income	461	128
3. Changes in inventories of finished and unfinished goods	672	1,342
4. Production for own fixed assets capitalized	1,073	298
Total revenues	14,667	14,739
5. Cost of purchased materials and services		
a) Cost of purchased materials	6,645	7,049
b) Cost of purchased services	768	458
6. Personnel expenses		
a) Wages and salaries	3,203	3,009
b) Social security levies and cost of old-age pensions	581	590
7. Depreciation and amortization	814	740
8. Other operating expenses	1,373	1,306
9. Operating income EBIT	1,283	1,587
10. Interest income	363	190
11. Interest expenditure	26	22
12. Income from investments and participants	0	0
13. Result before income taxes (and minority interest) EBT	1,620	1,755
14. Income tax	- 490	- 559
15. Extraordinary income/expenses	0	- 73
16. Result before minority interests	1,130	1,123
17. Minority interests	-10	- 12
18. Consolidated net income	1,120	1,111
19. Profit carry forward	14,094	8,093
20. Allocation to additional paid-in capital	0	- 112
21. Allocation to statutory reserve	0	- 43
22. Accumulated profit	15,214	9,049
Earnings per share in EUR¹⁾	0.08	0.08
Shares outstanding (Mar. 31)¹⁾	14,915,702	14,814,836

¹⁾ basic and diluted

REPORT PER BUSINESS UNIT Q1 / 2005 in EUR 000	Space Tech. + Security	Tele- matics	Holding	Consoli- dation	Total
Total revenues	12,249	3,226	199	- 1,007	14,667
of this, internal revenues	30	688	0	- 718	0
Purchased materials and services	7,105	1,050	0	- 742	7,413
EBITDA	1,399	697	1	0	2,097
Depreciation and amortization	469	304	1	40	814
EBIT	930	393	0	- 40	1,283

GROUP CASH FLOW STATEMENT (IFRS)	Q1/2005 EUR 000	Q1/2004 EUR 000
Operating earnings	1,283	1,587
Income taxes paid	- 490	- 559
Depreciation / amortization	814	740
Gross cash flow	1,607	1,768
Increase (-)/decrease (+) in own work capitalized	- 1,073	- 173
Increase (-)/decrease (+) in inventories	- 302	- 1,218
Increase (-)/decrease (+) in receivables and other assets including deferred items	226	3,434
Increase (+)/decrease (-) in liabilities and short-term accruals	- 4,178	- 20,639
Increase (+)/decrease (-) in liabilities and short-term accruals	- 6,658	17,481
Increase (+)/decrease (-) in advance payments received	0	- 73
Net cash from operating activities	- 10,378	580
Acquisition of medium and long-term assets	- 309	- 2,448
Increase Goodwill	0	0
Proceeds from sale of medium and long-term assets	0	0
Interest and other investment income	363	191
Net cash from investing activities	54	- 2,257
Payments from shareholders	0	0
Changes in reserves	1,091	- 593
Payment of equity transaction costs	0	0
Increase in financial liabilities	1,358	- 225
Minority interests	- 10	- 13
Interest and other investment payments	- 26	- 22
Net cash from financing activities	2,413	- 853
Decrease/increase in cash and cash equivalents	- 7,911	- 2,530
Currency translation	0	0
Cash and cash equivalents at beginning of period	58,727	43,106
Cash and cash equivalents at end of period	50,816	40,576

GROUP STATEMENT OF CHANGE IN EQUITY (IFRS)	Q1/2005 EUR 000	Q1/2004 EUR 000
Shareholders' equity at the beginning of period	44,441	39,381
Treasury stock	1,081	- 604
Consolidated net income	1,120	956
Allocation to additional paid-in capital	0	112
Allocation to statutory reserves	0	43
Effects of acquisition of further shares in companies in which an equity interest is held	10	12
Shareholders' equity at the end of period	46,652	39,900

KEY EVENTS IN 2005

3-month report and analyst conference call	May 12, 2005
Annual general meeting <i>Bremen</i>	May 12, 2005
6-month report and analyst conference call	August 11, 2005
9-month report and analyst conference call	November 10, 2005
Analyst and investor conference Deutsches Eigenkapitalforum <i>Frankfurt am Main</i>	November 23, 2005

MORE INFORMATION AVAILABLE FROM

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This 3-month report and further information are available on our website at
<http://www.ohb-technology.de>