

**Six-month report 2014
for the period from January 1 until June 30**

**TOTAL REVENUES UP 34% TO EUR 414.4 MILLION,
OPERATIVE RESULT (EBIT)
RISES ALSO BY 34% TO EUR 20.5 MILLION**

**STRONG FIRST-HALF EARNINGS OF
EUR 21.3 MILLION TRANSLATING INTO EPS OF EUR 1.10
INCLUDING NON-RECURRING EFFECT OF EUR 0.44**

**EARNINGS BOOSTED BY NON-RECURRING PROCEEDS
AT EPS LEVEL OF EUR 0.15 FROM THE DECONSOLIDATION
OF AEROTECH PEISSENBERG (ATP) IN THE 2ND QUARTER**

**MERGER OF OHB SYSTEM AG AND
ERWIN KAYSER-THREDE GMBH FROM SEPTEMBER 1, 2014
SET TO OPEN UP NEW OPPORTUNITIES
FOR INTEGRATED STRUCTURES**

Company profile

The Group

With a history spanning for more than 30 years, OHB AG is Germany's first listed space company. Two business units offer international customers sophisticated solutions and systems. In 2013, full-year consolidated total revenues came to EUR 700 million.

Space Systems

This business unit focuses on developing and executing space projects. In particular, it is responsible for developing and manufacturing low-orbiting and geostationary satellites for navigation, research, communications and earth observation including scientific payloads. Its manned space flight activities entail projects for the assembly and fitting of the International Space Station ISS. The exploration segment works on studies and models for exploring our solar system, primarily the Mars and the Moon. Reconnaissance satellites and broadband wireless transmission of image data form core technologies for security and reconnaissance.

Aerospace + Industrial Products

This business unit is developing and manufacturing aviation and space products. It has established itself as a significant supplier of aerospace structures in the aviation and space industry. The OHB Group is the largest German supplier for the ARIANE 5 program and an established producer of sensitive structural elements for satellites. In addition, OHB is an experienced vendor of mechatronic systems for antennas and telescopes and is involved in several major radio telescope projects. OHB telematics systems serve the logistics industry around the world by offering efficient transport management and consignment tracking facilities.



as of July 31, 2014

Dear shareholders, customers and business associates,

Initiated in the first quarter of the year, the OHB Group's focus on strengthening space activities and pooling skills within the Group is beginning to bear fruit and will continue to occupy us in the second half of the year in our efforts to position OHB even more firmly as a European space company in the future.

Preliminary steps such as the successful issue of fresh capital by Aerotech Peissenberg (ATP), which was subscribed to by Apollo Capital Partners, led to the deconsolidation of this company in mid May. In addition, the shareholders approved the motion to convert OHB AG into OHB SE (Societas Europaea) at the annual general meeting held on July 2. Further measures such as the planned merger of OHB System AG in Bremen and Erwin Kayser-Threde GmbH in Munich from September 1, 2014 will open up new avenues for establishing integrated structures allowing skills and efficiently to be leveraged even more efficiently in the future.

Once again, the OHB Group's operating business remained encouraging in the first half of 2014, with order backlog, total revenues, operating earnings, cash flow and margins exceeding the comparable year-ago figures yet again. Progress and the achievement of further milestones in ongoing projects as well as new project awards will ensure that the OHB Group is able to operate at full capacity utilization over the next few years.

The first two Galileo FOC* satellites ("Doresa" and "Milena"), which reached Kourou, French-Guyana, beginning of May, have passed all preparatory tests and been in the fueling phase since early August. They are currently being readied for launch.

A mere eleven months after signing the contract, MT Aerospace shipped the first tank components for integration in the US space launch system (SLS) to Boeing in May of this year. At the end of June, MT Aerospace received from Airbus Defence & Space and the European Space Agency ESA a contract worth EUR 62.8 million for the development and qualification of the metallic propellant tank for the new ARIANE 5 ME upper stage.

Bremen, August 13, 2014
The Management Board

* please see page 29



Loading, shipping and arrival of the first two Galileo FOC* satellites in Kourou, French-Guyana

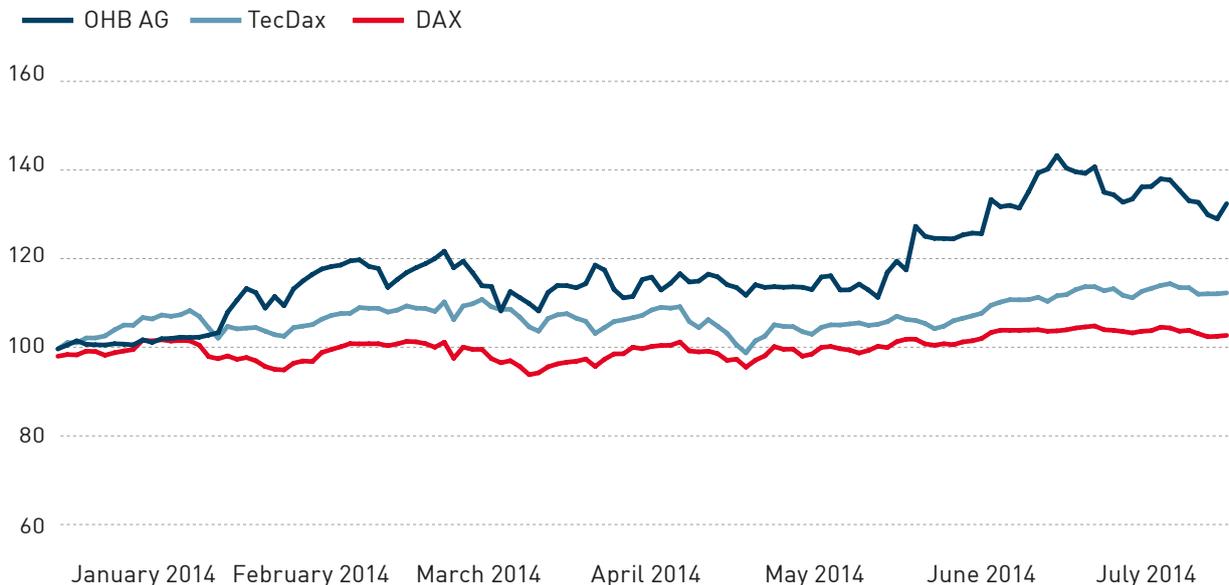
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Fueling the tanks of the satellites as final preparation for launch in Kourou, French-Guyana

OHB STOCK

Performance of stock from January 1 through July 31 (index-tied)



Performance of stock from January 1 through July 31 (index-tied)

In the course of the year, OHB AG stocks have remained an attractive investment particularly in the light of the central banks' accommodative monetary policy and the very low interest rates. As a result, the German indices achieved strong advances in the first half of 2014, with both the bluechip DAX index and the tech-heavy TEC-DAX hitting new all-time highs during this period.

This feat was also achieved by OHB stocks, which outperformed the benchmark indices in the second quarter and reached an all-time high of EUR 25.06 on June 4.

In the first half of 2014, average daily trading volumes came to 16,889 shares (Xetra plus floor trading), significantly above the previous year's figure of 12,367.

Research Coverage

Bank	Date	Target price in EUR	Recommendation
WGZ Bank	June 16, 2014	26.00	Hold
DZ Bank	June 13, 2014	27.00	Buy
Commerzbank	May 14, 2014	22.00	Hold
HSBC Trinkhaus & Burkhardt	March 6, 2014	23.00	Neutral
Bankhaus Lampe	February 21, 2014	26.00	Buy

Investor Relations

CEO and IR manager presented OHB Group at capital market conferences and road shows in Paris, Munich and Augsburg since the beginning of the second quarter 2014. Continuous and transparent information of the development of the Group characterise the open-minded dialogue of OHB Investor Relations. Part of this is a financial calendar looking forward to the year 2015.



Marco R. Fuchs at the annual general meeting on July 2, 2014 in Bremen

Treasury stock and stock buyback program

As of June 30 of this year, OHB AG's treasury stocks comprised a total of 80,496 shares, equivalent to 0.46 % of its issued capital, and thus unchanged in number since December 31, 2013 as it did not purchase any treasury stock in the first six months of the year.

Securities held by member's of the Company's Corporate Governance bodies

June 30, 2014	Shares	Change in Q2
Christa Fuchs, Chairwoman of the Supervisory Board	1,400,690	-
Professor Heinz Stoewer, Member of the Supervisory Board	1,000	-
Marco R. Fuchs, Chairman of the Management Board	6,047,860	2,863,064
Dr. Fritz Merkle, Member of the Management Board	1,000	-
Ulrich Schulz, Member of the Management Board	54	-

Annual general meeting of July 2, 2014

As in earlier years, this year's annual general meeting was held at the Group's head office in Bremen. All resolutions were passed with a large majority, specifically the ratification of the actions of the Supervisory Board and Management Board, the appropriation of the net profit for 2013 – resulting in the distribution of a dividend of EUR 0.37 to the shareholders – the appointment of BDO AG Wirtschaftsprüfungsgesellschaft as the statutory auditors and the conversion of the Company into a Societas Europaea (SE).

The stock at a glance

EUR	6M/2014	6M/2013
High, Xetra	25.06	17.20
Low, Xetra	17.45	14.76
Closing price, Xetra (Ultimo)	23.095	16.785
Average daily trading volumes (Xetra+ floor)	16.889	12.367
Market capitalization (Ultimo, Xetra)	403,425,677	293,201,991
Number of shares	17,468,096	17,468,096

ISIN: DE0005936124; stock market ticker: OHB; trading segment: Prime Standard

Group management report

In the first six months of 2014, the OHB Group's total revenues rose by EUR 104.0 million or 34% over the same period in the previous year to EUR 414.4 million.

At EUR 273.4 million, the cost of materials climbed by 53% year on year in the period under review due to the advancing production and integration phase for the Galileo FOC* satellites in particular. At EUR 27.9 million, EBITDA at the end of the first six months of 2014 was up EUR 4.9 million or just under 22% on the same period in the previous year. With depreciation/amortization expense dropping slightly to EUR 7.4 million (previous year: EUR 7.6 million), EBIT climbed by EUR 5.2 million or 34% to EUR 20.5 million. Net finance expense contracted by EUR 0.4 million over the previous year to EUR 3.0 million. At EUR 17.5 million, profit from ordinary business activities at the end of the first six months of 2014 was up EUR 4.7 million or 37% on the same period of the previous year. A positive non-recurring effect of EUR 3.8 million arose from the deconsolidation of ATP, which is now being reported using the equity method of accounting. The recognition of income tax assets at the level of Antwerp Space N.V. resulted in a tax refund claim of EUR 3.7 million in the period under review (previous year: expense of EUR 4.1 million). After income tax expense, the OHB Group earned net consolidated profit for the period of EUR 21.3 million, i.e. EUR 12.6 million higher than in the same period in the previous year. At EUR 19.2 million, the net profit for the period attributable to OHB's shareholders after non-controlling interests was up EUR 10.8 million on the same period of the previous year.

At the end of the first six months of the year, there was a net cash outflow of EUR 7.8 million from operating activities (previous year: EUR 52.0 million). The net cash outflow from investing activities widened to EUR 8.2 million, up from EUR 4.5 million in the previous year, due to increased spending on non-current assets compared with the year-ago period. The net cash inflow from financing activities of EUR 39.5 million is chiefly due to the receipt of new loans (previous year: EUR 1.6 million). Cash and cash equivalents (net of securities) were up EUR 41.5 million on the previous year, rising to EUR 72.8 million at the end of the period under review. All told, the Group's net debt stood at EUR 48.4 million as of June 30, 2014.

At the end of the first six months of 2014, the firm orders held by the OHB Group increased over the first quarter of 2014, coming to EUR 2.1 billion, up from EUR 1.5 billion in the previous year. Of this, OHB System AG accounted for EUR 1.55 billion or around 73%.

Total consolidated assets increased by EUR 58.5 million or just under 10% over the end of 2013 to EUR 643.9 million as of June 30, 2014 (December 31, 2013: EUR 585.4 million). The EUR 67.0 million increase in current assets was chiefly due to a greater volume of trade receivables in the period under review. This was accompanied by an increase of EUR 68.3 million in trade payables to EUR 149.3 million. The EUR 48.4 million increase in current financial liabilities to EUR 116.4 million made up for the EUR 48.6 million decline in prepayments received to EUR 70.5 million. Consolidated equity expanded by EUR 11.8 million to EUR 144.5 million. Accordingly, the equity ratio came to 22% as of June 30, 2014 and was thus virtually unchanged over December 31, 2013 (23%).

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Final check of satellite fueling in Kourou, French-Guyana

Main performance indicators of the OHB Group

EUR 000s	Q2/2014	Q2/2013	H1/2014	H1/2013
Total revenues	206,528	166,774	414,388	310,399
EBITDA	13,431	12,602	27,916	22,968
EBIT	10,067	8,766	20,502	15,328
EBT	8,790	7,569	17,544	12,800
Net profit for the period (after minorities)	13,149	4,991	19,187	8,353
Earnings per share (EUR)	0.75	0.29	1.10	0.48
Total assets as of June 30	643,928	511,204	643,928	511,204
Equity capital as of June 30	144,519	120,344	144,519	120,344
Cash flow from operating activities	- 12,509	- 48,979	- 7,823	- 52,033
Capital spending	4,504	2,427	9,499	4,812
Headcount as of June 30	2,056	2,459	2,056	2,459



Prof. Dott. Ing. h.c. Manfred Fuchs

OHB mourns company founder Manfred Fuchs

On April 26 of this year, Prof. Dott. Ing. h.c. Manfred Fuchs passed away completely unexpectedly at the age of 75 years. The OHB Group companies mourn the loss of their founder, who played a preeminent role in the European space industry over the last few decades. We have lost in him a visionary space engineer and enthusiastic pioneer of space transportation. At the same time, we will remember him as a long-standing companion, cherished friend, father and an extraordinarily friendly and obliging scientist with an impeccable sense of logic.

Most recently, Manfred Fuchs was Member of the Management Board at OHB AG, and Chairman of the Supervisory Board of OHB System AG as well as holding numerous honorary offices.

OHB AG laying the foundations for conversion into a Societas Europaea

The planned change of OHB AG's legal status was approved by the shareholders at the annual general meeting held in Bremen on July 2, 2014 following the Supervisory Board's approval of the Management Board's resolution to convert the Company into a Societas Europaea (SE). The Company's registered offices and headquarters will remain in Bremen.

Upon the conversion into an SE, the previous shareholders of OHB AG will automatically become shareholders in OHB SE; accordingly, there will be no change in their shareholder status.

By adopting SE status, OHB is responding to the growing Europeanization of space technology and the Group's increasing intercultural structure. The change of corporate status will permit more uniform and clearer governance and promote an open and European corporate culture. At the same time, it will be easier for the future OHB SE to establish new branches within the European Union.

Conversion into an SE is to be completed by spring 2015.

OHB Group presenting space technology skills at ILA 2014 in Berlin

OHB showcased its products at the Berlin Airshow ILA on a stand measuring more than 400 square meters at the end of May 2014. The entire Group displayed the space technology skills of its two business units Space Systems and Aerospace + Industrial Products together with current projects and the latest developments.



- 1 | Marco Fuchs welcoming Federal Chancellor Dr. Angela Merkel, Minister of Transport Alexander Dobrindt, ESA General Director Jean-Jacques Dordain and DLR Member of the Management Board Dr. Gerd Gruppe
- 2 | Dr. Fritz Merkle talking to NASA CEO Charles Bolden and Dr. Timo Stuffer of KT (from right to left)
- 3 | OHB busy stand at ILA 2014 in Berlin



Dr. Fritz Merkle,
Member of the Management Board of OHB AG

Dr. Fritz Merkle appointed to the Management Board of OHB AG

On June 17, 2014, the Supervisory Board of OHB AG appointed Dr. Fritz Merkle to the Management Board. Consequently, this body, which comprised Marco Fuchs and Ulrich Schulz following the death of Prof. Manfred Fuchs in April of this year, has three members again. With OHB for the past 14 years, Dr. Fritz Merkle has been deputy chairman of the Management Board of OHB System AG – a position which he will retain – for a number of years.

A physicist with a doctorate from the University of Heidelberg, Dr. Merkle was a guest researcher at the IBM Almaden research laboratory in San Jose, California, for two years after completing his studies. Between 1984 and 1992, he worked at the European Southern Observatory in Garching, where he was part of project management for the Very Large Telescope in the Atacama Desert in Chile. Thereafter, he was head of space technology business at Carl Zeiss in Oberkochen and Jena for a period of eight years.

OHB planning to merge OHB System AG and Erwin Kayser-Threde GmbH

OHB AG is planning to pool the skills and capacities of its subsidiaries OHB System AG, Bremen, and Erwin Kayser-Threde GmbH (KT), Munich.

As it is, OHB System and KT are working jointly on major projects such as the MTG weather satellites and the EnMAP environmental satellite. There is already a structured allocation of tasks reflecting the two companies' individual strengths. The merger of the two companies from September 1, 2014 is currently being prepared intensively in order to additionally strengthen the joint activities and to address future challenges in operating activities more effectively. The merger will result in a satellite and payload systems specialist in Germany capable of assuming a new role in the European market on account of its scale. OHB customers in particular will benefit from the heightened efficiency and competitiveness. The transaction will be a merger of equals with key management functions and sustained recruitment and personnel development activities based at both sites.

One aspect of OHB's realigned German satellite and payload business entails the combination of KT's two present facilities in Munich in new premises tailored to future requirements. For this reason, a new building is currently being constructed in the direct vicinity of the DLR Space Center in Oberpfaffenhofen near Munich. These new premises will accommodate technical facilities allowing OHB to assume responsibility for new and challenging projects. With a total budget of over EUR 30 million, the construction project celebrated its "topping-out" on July 23, 2014 and is scheduled for completion in mid 2015.

Space Systems

In the first six months of 2014, non-consolidated total revenues in the Space Systems business unit climbed by EUR 90.4 million or 44% over the year-ago period to EUR 296.3 million. At the same time, the cost of materials and services purchased increased by a disproportionately strong EUR 85.3 million or 65% to EUR 215.7 million due to the rising proportion of internal manufacturing input in total revenues as planned. This resulted in lower operating earnings (EBITDA) of EUR 13.5 million in the year under review, down from EUR 15.8 million in the previous year. With depreciation and amortization expenses rising to EUR 3.7 million (previous year: EUR 3.0 million), segment EBIT fell to EUR 9.8 million, down from EUR 12.7 million one year earlier. The EBIT margin relative to non-consolidated total revenues contracted to 3.3% due to increased advance outlays, down from 6.2% in the previous year. Accordingly, the EBIT margin relative to the business unit's own manufacturing input widened from 15.4% in the previous year to 8.9% in the period under review.



OHB busy stand at ILA 2014 in Berlin

Human physiology research on the German astronaut Alexander Gerst on board the ISS

The German astronaut Alexander Gerst, who has been on board the ISS since the end of May, will be working with various human physiology research devices in which Kayser-Threde is also involved: the "SKIN-B" instruments were used at the beginning of April to examine how human skin reacts to physiological changes in space such as water loss. The third experimentee, Alexander Gerst recorded the condition of this skin on June 11, 2014 for the first time using SKIN-B. Called "Blue Dot", his mission will also be performing experiments on circadian rhythms (ESA/Nasa). Double sensors attached to his forehead and chest will be monitoring his core body temperature.

Further milestones achieved by CGS

The OPSIS preliminary requirement review (PRR) was commenced in the second quarter of 2014 and is expected to be completed in September. Work on the upcoming and final milestone in the current system requirement review (SRR) contract should be commenced in September of this year.

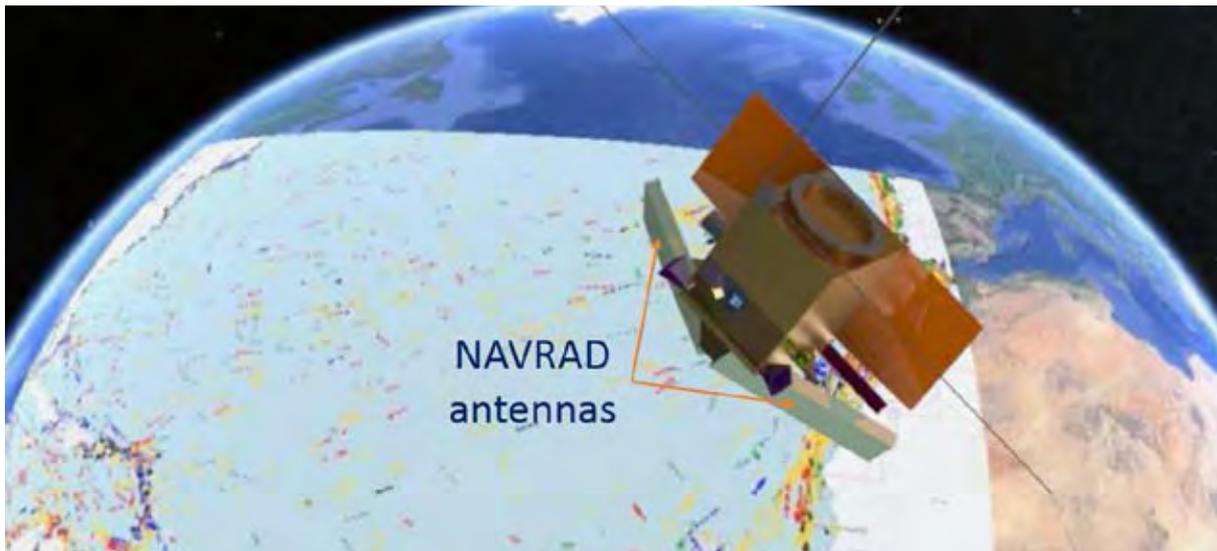
The two engineering models (EM1 made in Germany and EM2 made in Italy) of the Focal Plane Assembly (FPA) were completed. Testing of the FPAs is ongoing.

CGS has been selected by the Italian Space Agency as the leading provider of the Italian contribution to the ESA Solar Orbiter mission and is delivering one of the six remote sensing instruments of the satellite, named METIS. The preliminary design review has been successfully completed, with work commencing on the assembly of the first model (STM).

LuxSpace awarded ESA development contract for the innovative RTICM container tracking system

The project has a volume of EUR 2.5 million, of which ESA is funding 50%. Developed in conjunction with its two affiliates OHB Teledata (Germany) and megatel (Germany) and project partner arviem (Switzerland), the freight-tracking system uses a wireless network of sensors to determine the position and condition of freight, transmitting the data via satellite and ground stations. In addition to the technical design of the system, the project partners offer a comprehensive real-time tracking service addressing customers' specific requirements including analysis and operating support. This service provides a level of transparency which has previously been almost impossible to achieve with conventional methods, tracking the entire freight process.

Known as RTICM (Real Time Intelligent Cargo Monitoring), the project forms part of ESA's ARTES 20 Integrated Application Program. This innovative freight-tracking system is primarily targeted at the markets for the transportation of containers and high-quality freight. It is being rolled out after the completion of a 6-month pilot phase in conjunction with a number of key customers.



Model animation of the NAVRAD antennas

LuxSpace successfully finalizes IOD and NAVRAD studies

The In-Orbit Demonstration (IOD) mission study investigated for ESA the use of a vessel detection system in combination with an optical terminal to download the large volume of data embarked on a micro satellite. The NAVRAD study successfully demonstrated the feasibility of the system allowing the detection of vessels through their X and S band radar using a ground and airborne campaign. When deployed in space NAVRAD can close the maritime surveillance monitoring gap between the AIS system only providing data on cooperative vessels and SAR, only allowing the monitoring of small areas.

Successful close-out for Antwerp Space of the MPCV-ESM EGSE-PDR

NASA and ESA have identified the European Service Module (ESM) of the Multi-Purpose Crew Vehicle (MPCV) as the barter element for ESA to provide to NASA and off-set the residual obligation for the ISS common system and operations costs (CSOC) until 2020.

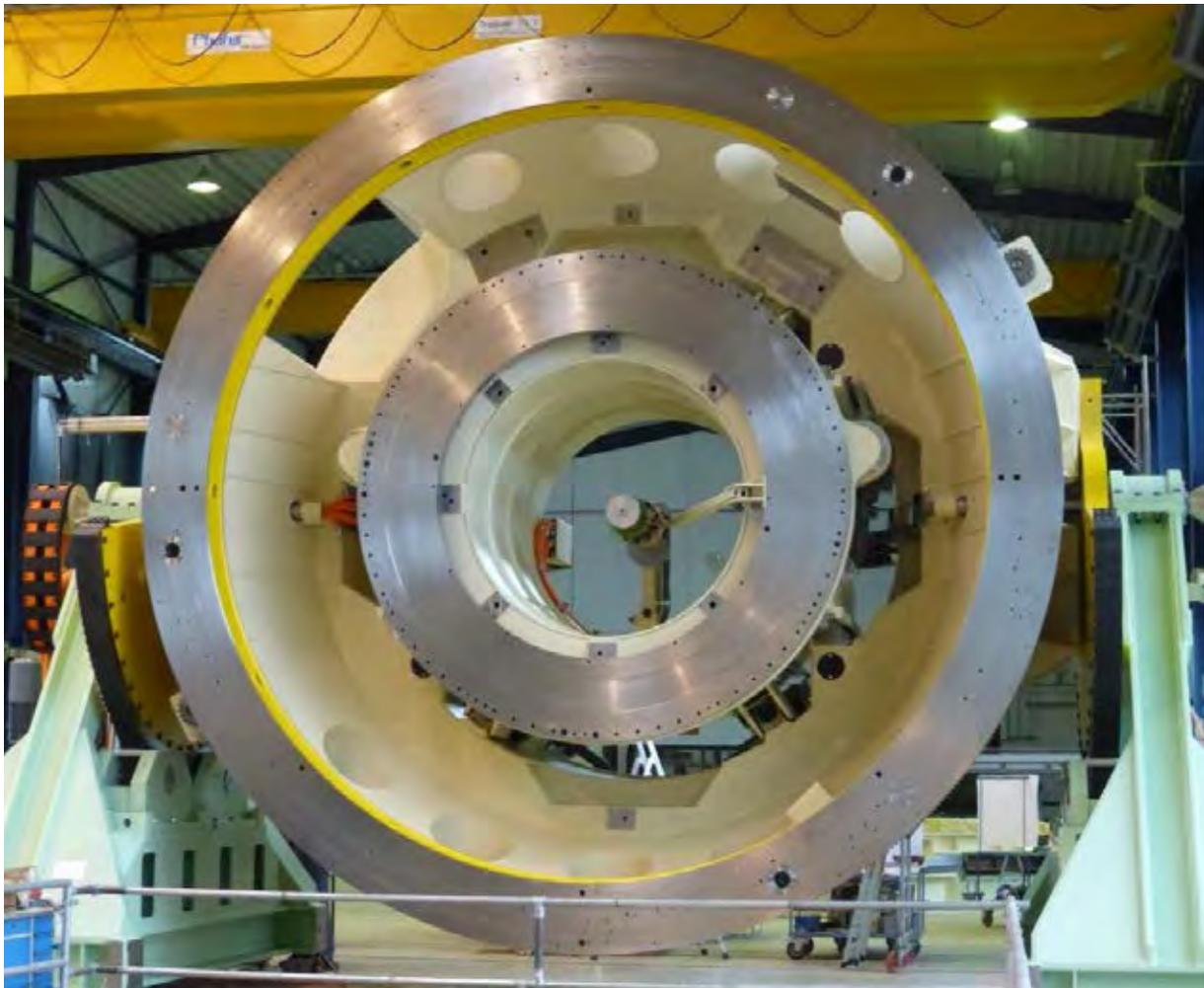
The MPCV will be capable of being launched on the heavy lift launch vehicle developed by the Space Launch System (SLS) Program and will utilize ground processing facilities and equipment developed by the Ground Systems Development and Operations Program (GSDO) to support stacking, integration, checkout, launch, and recovery operations.

Under the leadership of MPCV-ESM Prime Contractor (Airbus Defense & Space in Bremen), Antwerp Space is responsible, for the detailed design, development, manufacturing, verification and delivery of the Electrical Ground Facilities for the European Service Module (ESM) of the MPCV project.

Antwerp Space has recently completed the Phase B2 through a successful PDR and it is currently in preparing the kick-off of the Phase C/D activities.

Aerospace + Industrial Products

In the first six months of 2014, non-consolidated total revenues in the Aerospace + Industrial Products business unit climbed by EUR 15.5 million or 14% over the year-ago period to EUR 123.9 million, equivalent to a faster rate of growth than in the first quarter of 2014 despite the deconsolidation of ATP in May of this year. The cost of materials and services purchased increased by 22% from EUR 51.5 million in the year-ago period to EUR 62.7 million in the period under review. A positive non-recurring effect of EUR 3.8 million arose from the deconsolidation of ATP, which is now being reported using the equity method of accounting. Operating earnings (EBITDA) rose again, doubling to EUR 14.4 million in the first half of 2014, up from EUR 7.2 million in the same period of the previous year. With depreciation and amortization expense dropping to EUR 3.7 million (previous year: EUR 4.6 million), segment EBIT widened to EUR 10.7 million, up from EUR 2.6 million one year earlier. The EBIT margin relative to non-consolidated total revenues rose to 8.6%, up from 2.4% in the previous year. The EBIT margin relative to the segment's own manufacturing input increased to 9.1% (previous year: 2.5%).



Welding machine for the next generation ASME tank production in Bremen

OHB share in Aerotech Peissenberg (ATP) reduced

On May 13, 2014, Apollo Capital Partners GmbH subscribed to the entire new equity of EUR 2.0 million issued by Aerotech Peissenberg GmbH & Co. KG ("ATP"), in which OHB AG had hitherto a majority stake via MT Aerospace Holding, and thus assumed industrial control of it. The fresh equity will improve ATP's financial situation. In this way, it will be able to continue on the restructuring and growth course which it has adopted. Accordingly, it will no longer be fully consolidated by OHB AG. However, OHG AG will indirectly remain a non-controlling shareholder and recognize the investment using the equity method of accounting.

OHB Teledata successfully engaged in telematics projects

The development of container tracking under a contract awarded by Deutsche Telekom is almost finished, with volume production to commence at the end of August.

With respect to the Volvo project, the planned roughly 10,000 navigation units are being shipped to the Volvo and Renault production facilities in 2014; the figures for the first two quarters of 2014 are in line with plans. Volvo has commissioned an update for the navigation unit hardware to enlarge the capacity for additional software.

The shipment of telematics units to MAN has been discontinued after 12 years and the delivery of some 35,000 units. A final batch of 2,800 units is being shipped in 2014. However, the proven MAN telematics unit will be retained in OHB Teledata's portfolio so that it is available for use in future projects.

Teledata telematics unit

MT Aerospace developing the upper-stage tank for ARIANE 5 Mid-Life Evolution

MT Aerospace has received from Airbus Defence & Space, the principal contractor for the ARIANE 5 ME program, and the European Space Agency ESA contracts for the development and qualification of the metallic propellant tank for the new ARIANE 5 ME upper stage. With a combined value of EUR 62.8 million, the two contracts also include the relevant production facilities in Augsburg and Bremen.

MT Aerospace's new cryogenic tank features a compact two-chamber design with a shared baffle. Only minimally longer, this configuration doubles the propellant capacity of the A5 ME upper stage to 28 tons of liquid hydrogen and liquid oxygen, reducing the structural weight compared with the A5 ECA, which has two separate tanks.

The substantially larger payload capacity of at least 12 tons – some 20 percent more than the current ARIANE 5 ECA – makes the ARIANE 5 ME (A5 ME) the most efficient configuration available for the European launch vehicle, which is to go into operation from mid-2018 for the transportation of payloads into geostationary orbits.

The design of the production facilities already takes account of key requirements for the future ARIANE 6 upper stage. During development, special attention is being paid to ensuring that as many parts as possible are shared with the A5 ME.





Composite component developed by MT Aerospace

MT Aerospace developing innovative production process for large carbon-fiber structures

MT Aerospace developing innovative production processes for large carbon-fiber structures for the European Space Agency ESA and as the lead manager of several projects being funded by the Free State of Bavaria. Such components will be used in solid-fuel propulsion units and load-bearing structures in future launch vehicles such as the ARIANE 6.

The purpose of the projects is to develop new construction methods and production processes for large launcher components to significantly lower production costs. Examples include thermoplastic layering technology with in-situ hardening as resin infusion technology, both of which can be rendered fully automated and do not require hardening in autoclaves.

The preliminary design review was successfully completed by ESA in March. A CFRP frame for the propulsion unit with a diameter of 3.5 meters and a length of around 6 meters is to be built and tested by 2015. This component will be representative of the solid-fuel propulsion units fitted to the future ARIANE 6.

In June, a preliminary testing component with a diameter of 1.3 meters and a total length of 4 meters was prepared for stress-testing. In August, it is to be stressed with internal pressure of at least 75 bar.

MT Aerospace is working on these projects in close consultation with the Department of Carbon Composites at Munich Technical University, the DLR Center For Lightweight Manufacturing Technology and the Material and Environmental Research User Center, both of which are located in Augsburg.

MT Mechatronics supplying a sophisticated antenna control unit (ACU) for the modernization of the CENES "Stations AVAL"

MT Mechatronics is modernizing the propulsion and data acquisition systems of the telemetric ground stations for the Ariane, Soyuz and Vega programs, which are located along the equator from French-Guayana to Kenya. All six CNES CSG "Stations AVAL" ground stations will be fitted with sophisticated antenna control units to ensure error-free transmission of data from the launchers to the ground stations. The individual stations will be modernized successively from 2015 to 2017.



First tank components shipped by MT Aerospace for integration in the US space launch system (SLS) to Boeing in May of this year

Within a record period of time, MT Aerospace completed the development of large tank components for the main stage of the future US launcher family, the Space Launch System (SLS).

As one of a small number of European space companies, MT Aerospace was instructed to develop and fabricate large aluminum segments for the propellant tanks fitted to the SLS main stage. The components will be produced in Augsburg and shipped to the main assembly plant in New Orleans, Louisiana. MT Aerospace will be using an automated forming technology which will bend the 3x3-meter dome panels three-dimensionally in a single production step.

With a diameter of 8.4 meters and a length of some 65 meters, the SLS main stage tanks will hold almost 1,000 tons of liquid hydrogen and oxygen and are 30% larger than the exterior tank fitted to the old Space Shuttle.

MT Aerospace shipped the first set of components for integration to Boeing, the principal contractor for the SLS project, in May 2014, a mere eleven months after signing the contract. The maiden flight is scheduled for 2017.

Six CNES CSG ground stations, Stations Aval, located along the equator from French-Guayana to Kenya.

MT Aerospace delivering and installing key components for the ESA IXV (Intermediate eXperimental Vehicle)

MT Aerospace AG delivered and installed the most important flight controlling components for the ESA IXV (Intermediate eXperimental Vehicle) atmospheric reentry demonstrator: Keraman® CMC (ceramic matrix composite) load carrying and moveable body flaps (BFA) and Hinge Thermal protection structures (TPS) in June 2014.

Within a tight project period of two and a half years, the design, analytical layout, thermal, mechanical and vibration load qualification and acceptance, combined with parallel production of complex shaped CMC qualification and flight hardware were completed in-time and in accordance with the stringent vehicle and thermo-mechanical mission requirements.

The two lightweight stiffened Keraman® body flaps, each with a length of 0.8m and a mass of ca. 19kg are integrated with CMC support beams, bearings, rods and various ceramic fixation elements and permit the

interface connection to the cold vehicle structure as well as the necessary controlled vehicles' movement during reentry and landing in the Pacific Ocean. Approximately 1m long, the curved and stiffened TPS hinge panels, tightened with ceramic screws and various fixation elements, composed with ceramic seals and insulation packages provide an outstanding fully ceramic arrangement of control surfaces at the vehicles rear side.

Mastering the atmospheric re-entry phase at temperatures up to 1,900°C is one of the most critical prerequisites for a broad range of future space missions, including planetary exploration, microgravity, space debris research activities and return of samples from space. ESA managers note that knowledge gained from IXV may lead to building an affordable reusable craft capable of operating modular payloads for multiple applications in various orbits, before it returns to Earth.

The assembled and instrumented IXV arrived – from IXV prime Thales Alenia Space (Italy) – at ESA/ESTEC in Noordwijk, NL beginning of July. The space plane will now undergo a rigorous vibration stress test campaign to confirm its flight readiness ahead of being shipped to Kourou, French Guiana to meet up with the launch vehicle.

The IXV will be launched 320 km into space on top of a VEGA rocket in the first half of November, climbing up to 420 km before beginning a long glide back through the atmosphere, landing on water. In this process, IXV will gather data on reentry conditions to help guide the design of future space planes and missions.



1 | IXV Vehicle with Bodyflap Assembly (rear side) during transport into ESA/ESTEC clean room, Noordwijk, the Netherlands

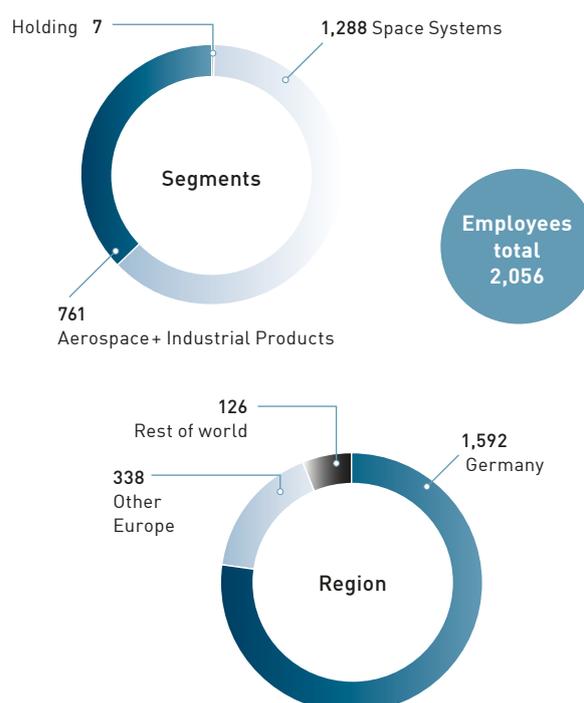
2 | IXV Vehicle during preparation for vibration test at ESA/ESTEC lab, Noordwijk, the Netherlands
Bodyflaps with interface to Keraman®
TPS Hinge panels

Segment reporting

	Space Systems	Aerospace + Industrial Products	Holding	Consolidation	Total
EUR 000s	2014	2014	2014	2014	2014
Sales	288,003	102,843	0	- 5,590	385,256
of which internal sales	1,579	4,011	0	- 5,590	0
Total revenues	296,259	123,897	3,043	- 8,811	414,388
Cost of materials and services purchased	215,664	62,668	0	- 4,968	273,364
EBITDA	13,455	14,386	75	0	27,916
Depreciation/amortization	3,695	3,727	17	- 25	7,414
EBIT	9,760	10,659	58	25	20,502
EBIT margin	3.29%	8.60%			4.95%
Own value creation	109,440	116,636			226,076
EBIT margin on own value creation	8.92%	9.14%			9.07%
EUR 000s	2013	2013	2013	2013	2013
Sales	199,653	96,946	0	- 3,636	292,963
of which internal sales	254	3,382	0	- 3,636	0
Total revenues	205,822	108,403	2,566	- 6,392	310,399
Cost of materials and services purchased	130,393	51,540	0	- 3,131	178,802
EBITDA	15,764	7,186	17	0	22,967
Depreciation/amortization	3,029	4,618	17	- 25	7,639
EBIT	12,735	2,568	0	25	15,328
EBIT margin	6.19%	2.37%			4.94%
Own value creation	82,878	101,542			184,420
EBIT margin on own value creation	15.37%	2.53%			8.31%

Group personnel structure

Number of employees by business units as of June 30, 2014



Research and development

At EUR 9.1 million in the first six months of 2014, research and development expense was up on the year-ago figure of EUR 8.6 million.

Capital spending

Capital spending in the first six months of 2014 came to EUR 9.5 million, up from the year-ago figure of EUR 4.8 million.

Employees

The OHB Group's headcount dropped by 356 compared with December 31, 2013 to 2,056 employees as of June 30, 2014 due to the deconsolidation of Aerotech Peissenberg (ATP).

Significant events occurring after the end of the period under review

LuxSpace signed contract with ESA for two micro satellites

LuxSpace has signed a contract with ESA at Farnborough Air Show, UK, mid of July for the manufacturing of two micro satellites. The contract is established as a private public partnership, where the final customer will make significant investments aside ESA and the participating European companies. The project named ESAIL is part of the ESA ARTES 21 program. The total volume for the two satellites is in the order of EUR 30 million. This is the largest contract, LuxSpace has received so far as prime contractor and it constitutes the next development step for the company as system integrator.

The two satellites will be launched in 2018 and 2019 respectively. They will have a weight of approximately 100kg.

First six out of a total of 17 new-generation OG2 satellites launched into orbit by ORBCOMM on board a SpaceX Falcon 9

The OG2 satellites were successfully separated from the Falcon 9 launch vehicle into the proper insertion orbit. The successful launch of the first OG2 mission is a testament to the entire OG2 team at ORBCOMM, SpaceX, Sierra Nevada Corporation, Boeing, and Moog, and will enable ORBCOMM's customers to send and receive more data, with greater speed, more efficiently than ever before.

After an initial health check, the satellites will undergo extensive in-orbit testing (IOT) to verify that all sub-systems are properly functioning. The satellites are expected to be providing full commercial M2M messaging and AIS services within the next 60 days.

ORBCOMM's OG2 satellites are more advanced than its current OG1 satellites and will provide existing customers with significant enhancements, such as faster message delivery, larger message sizes and better coverage at higher latitudes, while significantly increasing network capacity. In addition, the OG2 satellites are equipped with an Automatic Identification System (AIS) payload to receive and report transmissions from AIS-equipped vessels for ship tracking and other maritime navigational and safety efforts, increasing asset visibility and the probability of detection for ORBCOMM's AIS customers.

ORBCOMM anticipates launching the remaining eleven OG2 satellites and enhanced OG2 services as early as the end of the fourth quarter of 2014 to complete its next generation constellation.

As a long time shareholder of ORBCOMM OHB accompanied the company with technological and with personal expertise and net work contacts.

Opportunity and risk report

The risk report included in the annual report for 2013 describes in detail the risks and opportunities liable to impact the Company's business performance. There were no material changes in the OHB Group's opportunity and risk profile in the period under review.

Outlook for the Group for the year 2014

The Management Board expects continued growth in adjusted consolidated total revenues in the OHB Group to more than EUR 700 million in 2014. Total revenues have been adjusted for the deconsolidation of Aerotech Peissenberg and now stand at EUR 700 million (previously EUR 750 million). At over EUR 56 million and EUR 39 million respectively, EBITDA and EBIT will also be higher year on year in 2014. Given the greater order backlog and upbeat outlook for the current year, we assume that the Group's net assets and financial condition will also remain strong.

Consolidated financial statements

Consolidated IFRS income statement

in TEUR	Q2/2014	Q2/2013	H1/2014	H1/2013
1. Sales	192,152	161,304	385,256	292,962
2. Increase in inventories of finished goods and work in progress	5,844	1,796	15,994	10,137
3. Other own work capitalized	3,348	2,420	6,640	4,734
4. Other operating income	5,184	1,254	6,498	2,566
5. Total revenues	206,528	166,774	414,388	310,399
6. Cost of materials	136,886	98,828	273,364	178,802
7. Staff costs	44,114	45,755	88,527	88,874
8. Depreciation/amortization	3,364	3,836	7,414	7,639
9. Other operating expenses	12,097	9,589	24,581	19,756
10. Earnings before interest and taxes (EBIT)	10,067	8,766	20,502	15,328
11. Other interest and similar income	287	119	514	300
12. Other financial expenses	1,411	1,304	3,288	2,885
13. Currency translation gains/losses	- 153	- 12	- 184	57
14. Net profit / loss from shares carried at equity	0	0	0	0
15. Investment income	0	0	0	0
16. Net finance expense	- 1,277	- 1,197	- 2,958	- 2,528
17. Earnings before taxes	8,790	7,569	17,544	12,800
18. Income taxes	- 5,974	2,313	- 3,720	4,092
19. Consolidated net profit for period	14,764	5,256	21,264	8,708
20. Minority interests	- 1,615	- 265	- 2,077	- 355
21. Consolidated net profit after minority interests	13,149	4,991	19,187	8,353
22. Consolidated net profit brought forward	94,598	78,900	88,560	75,538
23. Consolidated net profit	107,747	83,891	107,747	83,891
24. Number of shares	17,387,600	17,387,600	17,387,600	17,387,600
25. Earnings per share (basic in EUR)	0.75	0.29	1.10	0.48
26. Earnings per share (diluted in EUR)	0.75	0.29	1.10	0.48

IFRS statement of comprehensive income

EUR 000s	Q2/2014	Q2/2013	H1/2014	H1/2013
Consolidated net profit for period	14,764	5,256	21,264	8,708
Exchange differences on translation foreign operations	- 50	- 64	- 55	- 76
Net gains/losses from the measurement of financial assets recorded under equity	- 336	- 1,285	505	1,029
Cash Flow Hedges				
Recycling	0	25	0	- 40
Income/expenses arising during the year	0	0	0	0
Actuarial gains/losses	0	5	0	- 78
Other comprehensive income after tax	- 386	- 1,319	450	835
Comprehensive income	14,378	3,937	21,714	9,543
Of which attributable to				
equity holders of OHB AG	12,763	3,639	19,637	9,188
other equity holders	1,615	298	2,077	355

IFRS consolidated cash flow statement

EUR 000s	H1/2014	H1/2013
Earnings before interest and taxes (EBIT)	20,502	15,328
Earnings from first time consolidation	- 3,804	0
Income taxes paid	- 4,257	- 8,898
Depreciation/amortization	7,414	7,639
Changes in pension provisions	- 6	625
Gross cash flow	19,849	14,694
Increase (-) in own work capitalized	- 6,205	- 4,712
Increase (-) / decrease (+) in inventories	- 21,843	- 12,628
Increase (-)/decrease (+) in receivables and other assets	- 60,752	- 11,400
Increase (+)/decrease (-) in liabilities and current provisions	106,892	10,212
Increase (+)/decrease (-) in prepayments received	- 45,787	- 48,188
Gains (-)/loss (+) from the disposal of non-current assets	23	- 11
Cash inflow/outflow from operating activities	- 7,823	- 52,033
Payments made for investments in non-current assets	- 9,499	- 4,812
Payments received from disposals of non-current assets	793	18
Interest and other investment income	497	260
Cash outflow from investing activities	- 8,209	- 4,534
Dividend payments	- 6,433	- 6,453
Payments made for the settlement of financial liabilities	- 4,975	- 5,849
Payments received from raising borrowings	57,652	16,783
Minority interests	- 3,466	0
Interest and other finance expense	- 3,288	- 2,885
Cash outflow/inflow from financing activities	39,490	1,596
Cash changes to cash and cash equivalents	23,458	- 54,971
Group-consolidation-related changes in cash and cash equivalents	- 4,701	0
Currency-translation-related changes to cash and cash equivalents	- 239	- 15
Cash and cash equivalents at the beginning of the period	54,259	86,236
Cash and cash equivalents at the end of the period	72,777	31,250

Cash and cash equivalents including securities and current financial investments

January 1	58,912	95,415
Changes in cash and cash equivalents at the end of the period and current financial instruments	18,781	- 59,244
June 30	77,693	36,171

IFRS consolidated balance sheet

EUR 000s	6/30/2014	12/31/2013
Assets		
Goodwill	7,687	7,687
Other intangible assets	42,163	42,174
Property, plant and equipment	56,828	70,282
Shares carried at equity	683	683
Other financial assets	22,290	22,591
Non-current assets	129,651	143,417
Other non-current receivables and assets	2,098	2,277
Securities	1,648	1,631
Deferred income taxes	15,849	10,398
Other non-current assets	19,595	14,306
Non-current assets	149,246	157,723
Inventories	80,555	83,048
Trade receivables	317,084	269,355
Other tax receivables	1,811	1,201
Other non-financial assets	19,187	16,800
Securities	3,268	3,021
Cash and cash equivalents	72,777	54,259
Current assets	494,682	427,684
Total assets	643,928	585,407
Shareholders' equity and liabilities		
Subscribed capital	17,468	17,468
Additional paid-in capital	13,847	14,923
Retained earnings	521	521
Other comprehensive income	- 2,390	- 3,593
Treasury stock	- 781	- 781
Consolidated profit	107,747	94,994
Shareholders' equity excluding minority interests	136,412	123,532
Minority interests	8,107	9,173
Shareholders' equity	144,519	132,705
Provisions for pensions and similar obligations	87,015	96,290
Non-current other provisions	1,783	3,269
Non-current financial liabilities	4,736	12,898
Non-current advance payments received on orders	778	3,038
Deferred income tax liabilities	19,077	18,114
Non-current liabilities and provisions	113,389	133,609
Current provisions	25,103	29,764
Current financial liabilities	116,398	67,965
Trade payables	149,253	80,950
Current prepayments received on orders	70,492	119,123
Tax liabilities	4,685	6,797
Current other liabilities	20,089	14,494
Current liabilities	386,020	319,093
Total equity and liabilities	643,928	585,407

IFRS consolidated statement of changes in equity

EUR 000	Sub- scribed capital	Additional paid-in capital	Retained earnings	Other compre- hensive income	Consoli- dated profit	Treasury stock	Share- holders' equity excluding minority interests	Minority interests	Share- holders' equity
Balance on January 1, 2013	17,468	15,094	521	- 6,234	81,991	- 781	108,059	9,299	117,358
Dividend payment	0	0	0	0	- 6,453	0	- 6,453	0	- 6,453
Comprehensive income	0	0	0	835	8,353	0	9,188	251	9,439
Other changes	0	0	0	0	0	0	0	0	0
Balance on June 30, 2013	17,468	15,094	521	- 5,399	83,891	- 781	110,794	9,550	120,344
Balance on January 1, 2014	17,468	14,923	521	- 3,593	94,994	- 781	123,532	9,173	132,705
Dividend payment	0	0	0	0	- 6,433	0	- 6,433	0	- 6,433
Comprehensive income	0	0	0	450	19,186	0	19,636	- 1,389	18,247
Other changes	0	- 1,076	0	753	0	0	- 323	323	0
Balance on June 30, 2014	17,468	13,847	521	- 2,390	107,747	- 781	136,412	8,107	144,519

Notes

General information on the six-month report

OHB AG is a listed stock corporation domiciled in Germany. The consolidated financial statements for the interim report on OHB AG and its subsidiaries (the "Group") for the first six months of 2014 were approved for publication in a resolution passed by the Management Board on August 13, 2014.

OHB AG's interim consolidated financial statements include the following companies:

- OHB System AG, Bremen
- STS Systemtechnik Schwerin GmbH, Schwerin
- Kayser-Threde GmbH, Munich
- CGS S.p.A., Milan (I)
- OHB Sweden AB, Stockholm (S)
- Antwerp Space N.V., Antwerpen (B)
- LUXSPACE Sàrl, Betzdorf (L)
- MT Aerospace Holding GmbH, Bremen
- MT Aerospace AG, Augsburg
- MT Aerospace Grundstücks GmbH & Co. KG, Munich
- MT Mechatronics GmbH, Mainz
- MT Aerospace Guyane S.A.S., Kourou (GUF)
- OHB Teledata GmbH, Bremen
- megatel Informations- und Kommunikationssysteme GmbH, Bremen
- Timtec Teldatrans GmbH, Bremen
- ORBCOMM Deutschland AG, Bremen

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

Basis for reporting

These unaudited interim consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the related interpretations of the International Accounting Standards Board (IASB) applicable to interim reporting as endorsed by the European Union and the additional provisions of commercial law to be applied in accordance with Section 315 a (1) of the German Commercial Code. Accordingly, this interim report does not include all the information or notes required by IFRS for the consolidated financial statements to be prepared for a full year.

The Management Board takes the view that these unaudited interim consolidated financial statements contain all adjustments needed to provide a true and fair view of the Company's net assets, financial position and results of operations. The results derived in the period ending June 30, 2014 are not necessarily a guide to the Company's future performance.

In connection with the preparation of the interim consolidated financial statements in accordance with IAS 34 "Interim Financial Reporting", the Management Board is required to make certain assessments and estimates as well as assumptions influencing the application of the accounting principles within the Group and the recognition of assets and liabilities as well as income and expenses. The actual amounts may vary from such estimates and adjustments.

The recognition and measurement methods used in the interim consolidated financial statements match those applied to the consolidated financial statements as of the end of the last financial year.

Income taxes are calculated on the basis of a tax rate of around 32%.

There have been no material changes in the basis underlying the estimates applied since the annual report for 2013. A detailed description of the accounting principles can be found in the notes to the consolidated financial statements included in the annual report for 2013.

Audit review

This interim report has not been audited or reviewed by a statutory auditor in accordance with Section 317 of the German Commercial Code.

Responsibility statement issued by management in accordance with Section 37y of the German Securities Trading Act in conjunction with Section 37w (2) No. 3 of the German Securities Trading Act:

“To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.”

Bremen, August 13, 2014

The Management Board



Marco Fuchs
Chairman of the
Management Board



Dr. Fritz Merkle
Member of the
Management Board



Ulrich Schulz
Member of the
Management Board

CALENDAR OF EVENTS 2014 and 2015

Six-month report and conference call	August 13, 2014
Nine-month report and analyst conference call	November 13, 2014
Analyst presentation at Deutsches Eigenkapitalforum, Frankfurt/Main	November 24–26, 2014
Capital Market Day, Bremen	February 19, 2015
Annual press conference FY 2014, Bremen	March 19, 2015
DVFA analyst conference FY 2014, FFM	March 19, 2015
Three-month report and conference call	May 13, 2015
Annual general meeting, Bremen	May 21, 2015
Six-month report and conference call	August 13, 2015
Nine-month report and analyst conference call	November 11, 2015
Analyst presentation at Deutsches Eigenkapitalforum, Frankfurt/Main	November 23–25, 2015

Credits

Page 4–5: ESA – CNES – ARIANESPACE/CSG–G BARBASTE

Page 7: OHB System AG

Page 9: ESA – CNES – ARIANESPACE/CSG–G BARBASTE

Page 10: OHB System AG

Page 9: MT Aerospace AG

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Page 17: OHB Teledata

Page 18: MT Aerospace AG

Page 19: MTM, Mechatronic, Mainz

Page 20: ESA, NL/Anneke Le Floc'h

* The FOC (full operational capability) phase of the Galileo program is being funded and executed by the European Union. The European Commission and the European Space Agency ESA have signed a contract under which ESA acts as the development and sourcing agency on behalf of the Commission. The view expressed here does not necessarily reflect the official position of the European Union and/or ESA. "Galileo" is a registered trademark owned by the EU and ESA and registered under OHIM application number 002742237.



OHB – Official partner
to Werder Bremen

OHB AG

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This six-month interim report
and further information are available
on our website at:

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