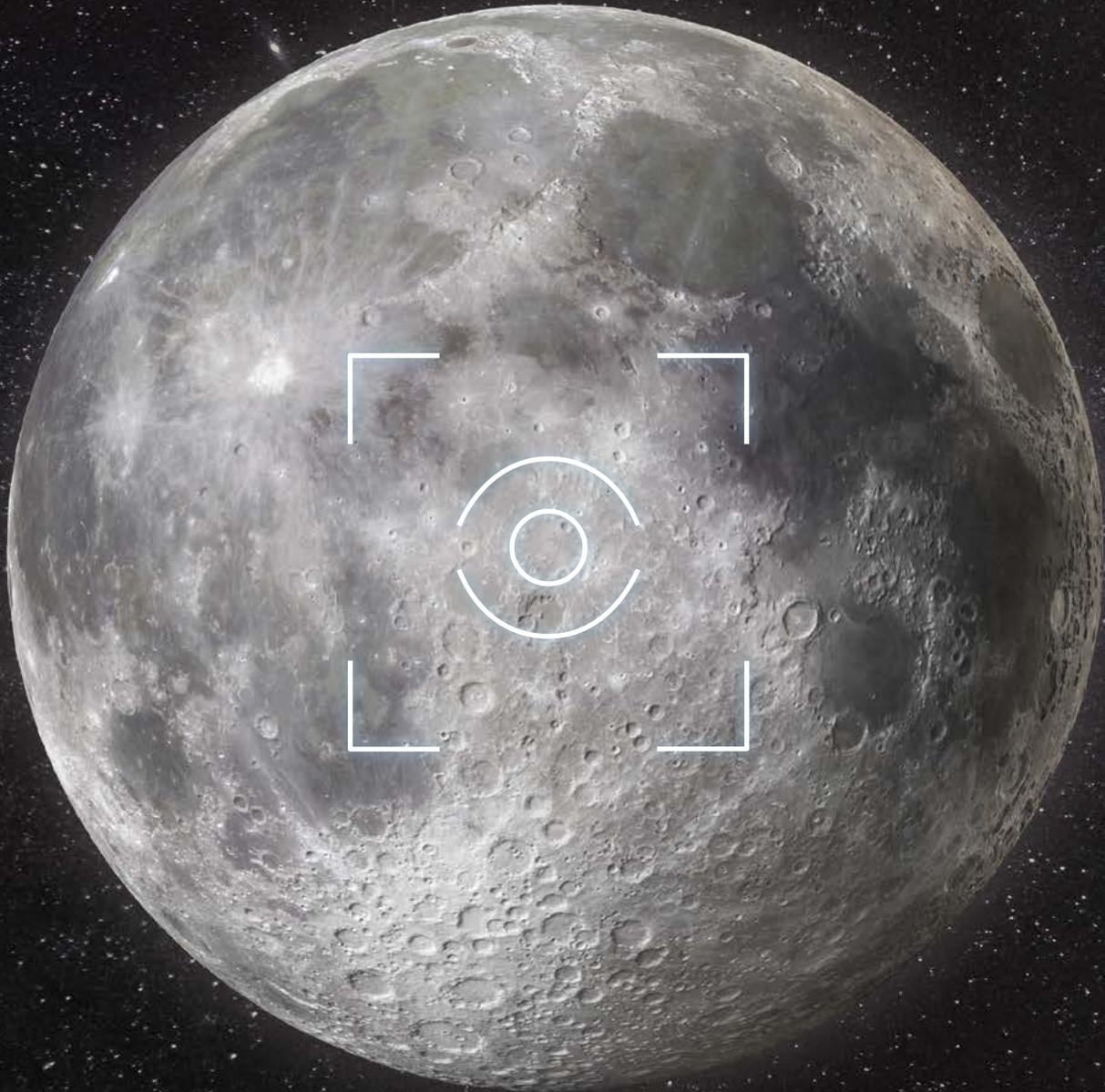


TELECOM SATELLITE
EDRS-C SUCCESSFULLY
LAUNCHED ONBOARD AN
ARIANE 5 ROCKET

50 YEARS
OF MOON LANDING: OHB
INVOLVED IN VARIOUS
LUNAR PROJECTS



MT AEROSPACE AND
ARIANEGROUP SIGN DEVELOP-
MENT CONTRACTS WITH ESA FOR
ENHANCED ARIANE 6 COMPOSITE
UPPER STAGE TECHNOLOGIES

OHB SYSTEM: ORDER
FOR INCREASED CYBER
SECURITY IN SARAH
PROJECT (EUR 91 MILLION)



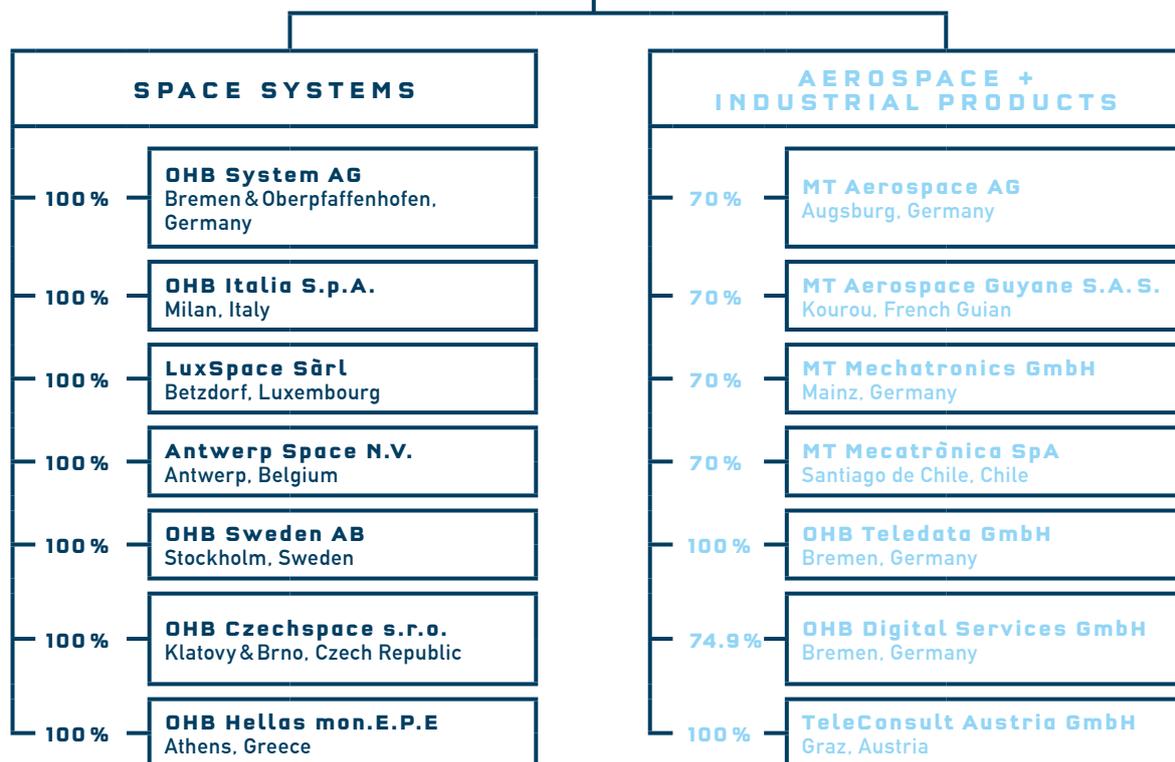
[OHB SE
AT A GLANCE]

OHB SE is a European aerospace and technology group and one of the most important independent forces in the European space industry. With more than 35 years of experience in developing and executing innovative space technology systems and projects and its range of specific aviation/aerospace and telematics products, the OHB Group is superbly positioned to face international competition.

Over the last few years, it has broadened its geographic footprint within Europe and now has facilities in many important ESA member countries. These strategic decisions on locations allow the Group to participate in numerous European programmes and missions. The two "Space Systems" and "Aerospace + Industrial Products" business units reflect the convergence of these activities and the focus on specific core skills.

The "SPACE SYSTEMS" business is opening and executing space projects. In particular, it is responsible for developing and manufacturing loworbiting and geostationary satellites for navigation, science, communications, earth and weather observation and reconnaissance including scientific payloads. Reconnaissance satellites and broadband wireless transmission of image data form core technologies for security and reconnaissance. The exploration segment works on studies and models for exploring our solar system, primarily Mars, the moon and asteroids. Its human space flight activities chiefly entail projects for the payloads and operations of the International Space Station, ISS.

The "AEROSPACE + INDUSTRIAL PRODUCTS" business unit is primarily responsible for manufacturing aviation and space products as well as engaging in other industrial activities. In this area, OHB has established itself as a leading supplier of aerospace structures; among other things, it is the largest German supplier for the Ariane program and is the established manufacturer of components for satellites and aircraft. In addition, OHB is an experienced provider 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.



DEAR READERS,

This year marks the 50th anniversary of the impressive and fascinating event of the first moon landing – we have taken this anniversary as an opportunity to report on selected past and possible future lunar activities of the OHB Group – you will find the results on pages seven to ten of this report. The idea of a lunar gateway presented there will be an important topic at the upcoming ESA Ministerial Council conference. This will take place on November 27 and 28 in the Spanish city of Seville and will produce trend-setting decisions for the coming years in space. The topics Copernicus, Galileo, Electra, Hera and the European rocket program Ariane are of particular relevance to OHB companies. The quarters preceding the conference, which is held every two to three years, are usually characterized by increased bidding activities, which will peak at OHB companies in the third quarter.

This year, too, activities took place worldwide as part of "Asteroid Day" to provide information about asteroids, possible risks and defence measures. As in previous years, OHB System participated in the event in Luxembourg. The topic of asteroid defense is particularly current thanks to the plan drawn up by NASA and ESA for a dual mission to explore the possibility of diverting asteroids from their trajectory. NASA plans to crash a spacecraft into a small asteroid in 2022 in order to change its orbit. ESA's HERA mission will then investigate the effects of this event and provide important insights for future defence missions. The European HERA mission will be submitted to the ESA Ministerial Council for decision. OHB System AG has already conducted a feasibility study for a similar mission on behalf of ESA and is well prepared to participate in HERA.

Following the launch of the first communications satellite in 2017, OHB System AG can now report the successful launch of the EDRS-C satellite on August 6 as the second geostationary communications satellite in orbit. This satellite is also based on the SmallGEO platform developed by OHB System. As part of the European Data Relay System (EDRS), it is part of a unique system of satellites permanently connected to a network of ground stations. With the aid of laser technology, these are connected to satellites in low Earth orbits and retrieve their Earth observation data. From their position in the geostationary orbit, the satellites can send data directly to Earth, so that information already recorded can be passed on without having to store it until the respective satellite has reached its own ground station.

MT Aerospace AG is involved in the PHOEBUS project with the technology development contract received from ESA on May 14. The aim of the PHOEBUS project is to ensure that the technology is ready for an optimised upper rocket stage in the Ariane programme. The aim is to achieve cost and weight savings as well as higher stage performances. MT Aerospace is concentrating on materials and technologies for tanks and structures made of composite materials. The results are to be incorporated in the future product development of a new Ariane 6 upper stage. The decision to finance the first steps of a carbon fiber reinforced plastic upper stage is expected at the ESA Ministerial Council.

The consolidated order backlog of OHB SE companies amounted to EUR 2,063 million at the end of the quarter on June 30, 2019 (EUR 2,399 million on December 31, 2018). Based on the high order backlog and the positive business development after the first six months of the current fiscal year, we assume that the financial and asset position will continue to develop well and confirm our outlook for fiscal 2019. We expect total revenues of EUR 1.05 billion, EBITDA and EBIT of EUR 80 million and EUR 50 million, respectively.

Bremen, August 13, 2019

The Management Board

OHB STOCK

STOCK MARKETS CLOSE THE FIRST HALF OF THE YEAR WITH POSITIVE RESULTS DESPITE GLOOMY ECONOMIC OUTLOOK

The global economic downturn continued in the first half of 2019 – estimates by various economic institutes as well as the ifo business climate index showed a negative trend, and the EU Commission also lowered its growth prospects for the European economic area. The key interest rates in the euro zone continued to stagnate at historic lows and the European Central Bank did not foresee any change in its accommodative monetary policy for the current year due to the economic risks.

The German financial market was able to resist the gloomy economic outlook and the uncertainties associated with the expected Brexit and developed along uniformly positive lines: the German share index (DAX) gained more than 17% or 1,840 points in the first six months of the current year and closed at 12,398 points on 28 June. The TecDAX, which comprises the 30 largest German technology stocks, also recorded a positive performance of over 17 % (equivalent to 425 points) in the first quarter. Over the same period, OHB's share price improved from EUR 30.90 to EUR 33.45, or 8.3%, with the stock reaching its highest level to date of EUR 36.50 on March 28. The average daily trading volume of the share fell from 12,763 shares (Xetra and Frankfurt floor) in the previous year to 4,051 shares per day in the first half of 2019.

OWN SHARES

As of June 30 of this year, OHB SE held 67,996 treasury shares, equivalent to 0.39% of its share capital.

SECURITIES HELD BY MEMBERS OF THE COMPANY'S MANAGEMENT BOARD AND SUPERVISORY BOARD

30/06/2019	Shares	Changes in Q2
Christa Fuchs, member of the Supervisory Board	1,401,940	-
Prof Heinz Stoewer, member of the Supervisory Board	1,000	-
Marco R. Fuchs, chairman of the Management Board	6,046,610	-
Dr. Lutz Bertling, member of the Management Board	14,500	-

ANNUAL GENERAL MEETING APPROVES DIVIDEND INCREASE TO EUR 43 CENT

For the 2018 financial year, shareholders will receive a dividend increased to 43 cents per dividend-bearing share (previous year: 0.40 euros). The Annual General Meeting approved a corresponding proposal by the Management Board and Supervisory Board as well as the other items on the agenda. In detail, these were the formal approval of the actions of the Management Board and Supervisory Board and the appointment of PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Bremen, as auditors.

INVESTOR RELATIONS ACTIVITIES

Right at the beginning of the year, representatives of the Company attended a major capital market conference in Lyon and presented the Company to potential investors in various meetings. As usual, OHB SE's Management Board members provided an initial outlook for the current financial year during the Capital Market Day, which took place this year at OHB System's site in Oberpfaffenhofen. Analysts, investors and bankers gathered here on February 7 to be informed by the speakers about the status of current projects and new market developments. The Company published its consolidated financial statements for the 2018 fiscal year on March 20, 2019, the day on which a financial press conference was held in Bremen, followed by an analysts' conference in Frankfurt. During a subsequent roadshow, a member of the Management Board met interested fund managers from several companies to present OHB SE. In addition, the Company participated in capital

market conferences in Baden-Baden and Berlin and held a road show in Scandinavia, during which investor meetings were held in Copenhagen and Helsinki.

THE STOCK AT A GLANCE

in EUR	Q2/2019	Q2/2018
High, Xetra	36.80	49.75
Low, Xetra	29.60	27.55
Closing price, Xetra (final trading day of the period)	33.45	28.00
Average daily trading volumes (XETRA + floor)	4,051	21,219
Market capitalisation, Xetra (final trading day of the period)	584 Mio.	489 Mio.
Number of shares	17,468,096	17,468,096

PERFORMANCE OF STOCK COMPARED TO DAX UND TECDAX FROM 01/01/2019 THROUGH 31/07/2019 [INDEX-TIED]



RESEARCH COVERAGE

Date	Bank	Target price in EUR	Recommendation
August 2019	Bankhaus Lampe	43.00	buy
August 2019	Commerzbank	31.50	hold
July 2019	DZ Bank	40.00	buy
June 2019	HSBC Trinkaus & Burkhardt	36.00	hold
May 2019	Pareto Securities	42.00	buy

50 YEARS MOON LANDING

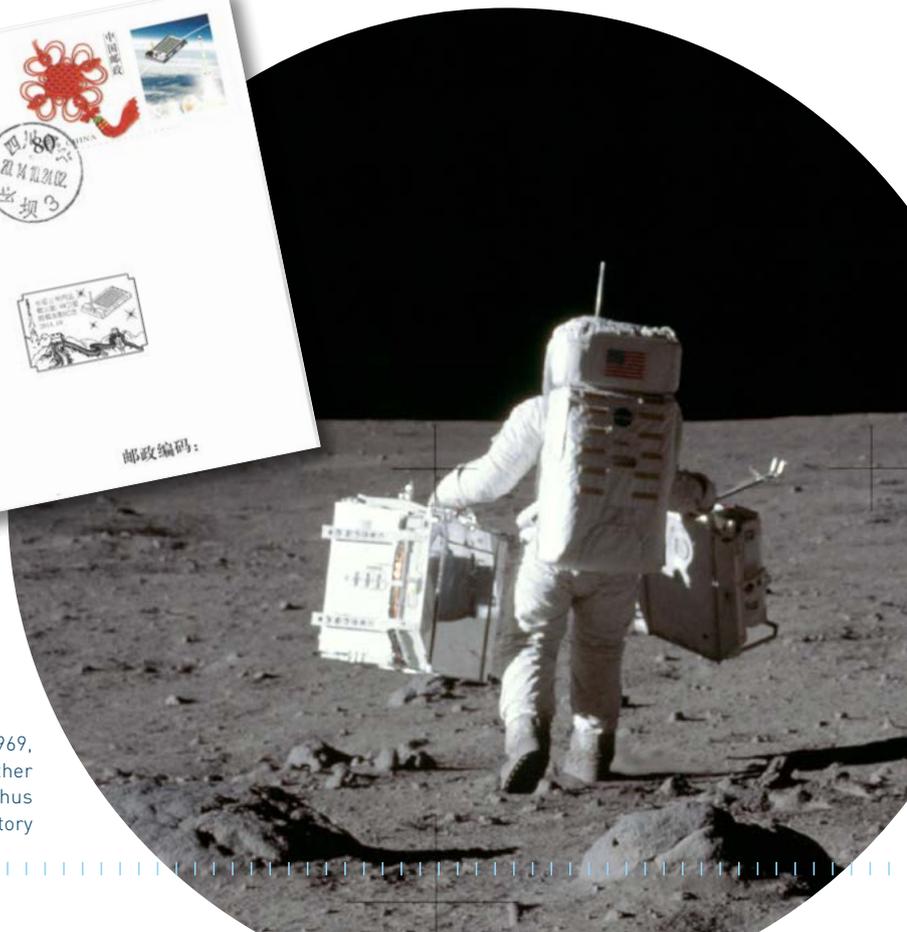
50 years after Neil Armstrong and Buzz Aldrin were the first humans to set foot on the moon on July 21, 1969, it has lost none of its attractiveness – it is extremely interesting as a target for a wide variety of missions. It is about science, development and demonstration of critical technologies, the use of lunar resources and the satisfaction of human research. In situ resource utilization” serves to gain and use naturally available resources. This includes, for example, the regolith, from which oxygen and hydrogen or from which “bricks” can be produced for the construction of protective structures. The moon serves as a test environment, for example, to demonstrate completely self-contained life-support systems, resistance to space

radiation, deep space communication with high data rates and high degrees of autonomy outside the Earth’s protective magnetic field, but with still limited risk (compared to Mars, for example). The Moon can be used as a research and test field for scientific purposes and to demonstrate the technologies required for exploration.

Special postage stamp and commemorative envelope of the Chinese Post Office on the occasion of Mission 4M



50 years ago, on 20 July 1969, a person first entered another celestial body and thus entered history



Artistic illustration of the mission SMART-1



LUNAR ACTIVITIES OF THE OHB COMPANIES

FROM THE PAST TO THE PRESENT

In the past, OHB has repeatedly been involved in a wide variety of projects relating to the moon: OHB Sweden (then part of the Swedish Space Corporation) was the prime contractor for ESA's SMART-1 mission and was responsible, among other things, for the development of the probe, which was the first European spacecraft to travel to and orbit the Moon. It was launched on September 27, 2003 with a series of miniaturized instruments on board, using ion propulsion for the first time to leave Earth orbit. In addition to testing new technologies, the probe carried out the first comprehensive inventory of the main chemical elements in the lunar surface. It also investigated the theory that the Moon was formed after the violent collision of a smaller planet with Earth and looked for water in the form of ice. After SMART-1 had completed its scientific operation in lunar orbit, its mission ended on September 3, 2006 with a controlled lunar impact.

As early as 2006, OHB System AG received an order from the German Aerospace Agency (DLR) to prepare a well-founded program proposal for a lunar exploration program. The results were translated into a proposal which ensures the sustainable use of the Moon as a platform for European and German science and includes a roadmap for developing the Moon. Numerous elements of the study called Mona Lisa can be found today in the moon initiatives of the German Space Agency DLR and the European Space Agency ESA – thus Mona Lisa could significantly contribute to the shaping of the European space policy.

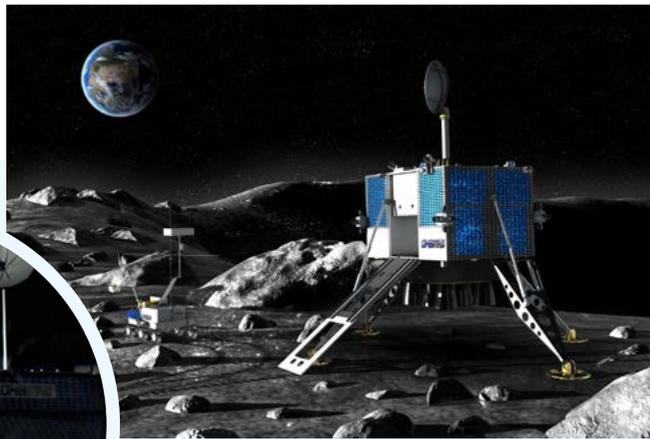
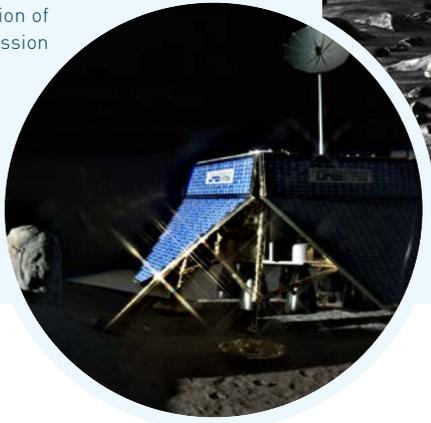


Artistic illustration of the lander Mona Lisa

In 2007–2010, an international consortium led by OHB System was commissioned by ESA to examine the feasibility of concepts for a small moon lander with a rover for surface mobility. The study was called NEXT Lunar Lander (later Lunar Lander). Within this study several mission scenarios were investigated.

OHB was also active in the area of reconfigurable robot systems for lunar missions. The aim of the Lunares and Rimres projects was to test various state-of-the-art robotic technologies that can be used specifically for research into lunar craters. On the basis of existing robot systems, the project partners developed a reconfigurable robot system consisting of a lander (OHB) with manipulator, a rover (then EADS Astrium) and a climbing robot (DFKI) whose versatility and robustness was tested and demonstrated in a simulated lunar crater exploration scenario.

Artistic illustration of the Lunares mission



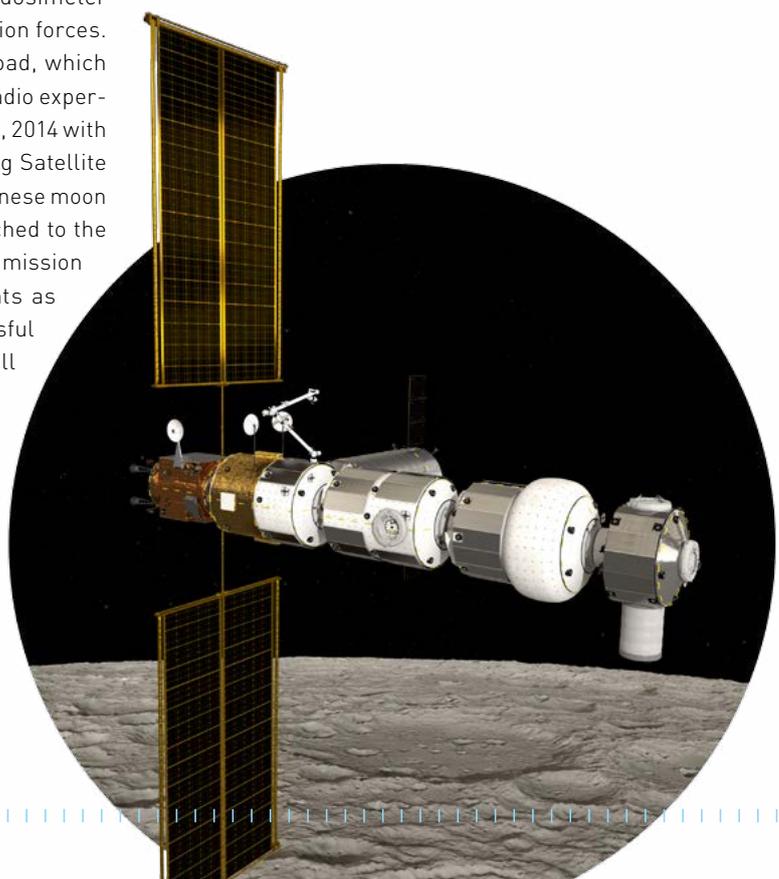
OHB System concept for a lunar landing device (Lunar Lander)

As early as 2008, OHB System investigated a communications satellite as a relay in the Earth-Moon-Lagrange point L2 ("SafirAlpha") in order to establish a permanent communication link between the rear side of the moon and Earth from there, a concept recently implemented by the Chinese space authorities for the communication link with their lander on the rear side of the moon.

CURRENT AND FUTURE ACTIVITIES

At present, the International Space Station is (still) the most distant outpost of mankind. This may change in the medium term, as the current ISS partners under NASA leadership are currently discussing the idea of a lunar, orbital base as a starting point for astronomical missions to Moon or Mars called Gateway. OHB System AG is involved in one of two parallel studies for the planning of the European module called ESPRIT (European System Providing Refuelling, Infrastructure and Telecommunications). It is not yet clear to what extent Europe will participate in the station, this topic will be an important one at the upcoming ESA Ministerial Council Conference in November.

The first privately financed lunar mission was realized by LuxSpace: In 2014, a flyby probe was successfully launched to study cosmic rays on its orbit to the Moon and back. The mission was named in memory of the company founder Prof. Manfred Fuchs 4M (Manfred Memorial Moon Mission), who died in the same year – he had been involved in the preparation of the mission. The 4M probe weighed 14 kilos and had two scientific instruments on board. A Spanish dosimeter measured the entire mission duration using radiation forces. Furthermore, 4M carried an amateur radio payload, which transmitted telemetry and contained an amateur radio experiment. The 4M mission was launched on October 23, 2014 with a Chinese Long March 3C rocket from the Xichang Satellite Launch Center. It was a secondary payload of the Chinese moon probe mission Chang'e 5T1 and was directly attached to the upper stage of the Long March 3C rocket. The 4 M mission successfully carried out the planned experiments as planned over several weeks and proved that successful lunar missions are possible even with very small budgets.



Artistic illustration of the gateway in moon orbit
Source: ESA/NASA/ATG Medialab



Artistic illustration of the lander Beresheet



The Space Launch System is NASA's future launch vehicle for manned space exploration

Jeff Bezos at the presentation of his planned lunar module Blue Moon



On April 11, the first Israeli space probe was to land on the moon. The lander named "Beresheet" crashed during the landing process, but the mission could still be considered a success for Israel – the country has succeeded as the seventh nation to enter the orbit of the moon. In January 2019, OHB System AG and Israel Aerospace Industries (IAI) signed a cooperation agreement under which the two companies will offer Europe a lunar landing system (Lunar Surface Access Service – LSAS) for payloads of up to 150 kg. OHB was the European partner for this mission, and would be happy to take up this position again for a possible second mission.

OHB also has a potential cooperation partner for the transportation of larger payloads to the moon – last year, a letter of intent was signed for cooperation with the American space company Blue Origin. The aim is to initiate a cooperation between OHB and Blue Origin with a view to a future Blue Moon mission. Blue Moon is Blue Origin's lunar landing device capable of carrying several tons of cargo to the moon. The companies are also planning to cooperate on a payload on board Blue Origin's reusable New Glenn launch vehicle.

Since 2013, OHB subsidiary MT Aerospace has been involved in the development and production of components for the American Space Launch System heavy-duty rocket, which is to be launched for the first time in 2021 and later used to set up the gateway.

ESA's ISRU initiative (Initiative for the Investigation of In-Situ Resource Utilization) is also concerned with landings on the moon. Since last year, OHB System and OHB Italia have been working together on an order to define an ISRU payload that will make it possible to extract hydrogen and oxygen from the resources of the lunar surface. The order is part of the European Exploration Envelope Programme (E3P), and the planned launch of a compact demonstration plant is scheduled for 2025.

During longer stays of humans on the moon the factors nutrition and medical supply are relevant. Moon dust seems to be excluded as fertile soil, since its composition consists almost exclusively of metal oxides and the extreme sharpness (abrasiveness) of the moon dust makes the growth of higher plants seem unlikely. This problem can be solved with the help of microalgae from a bioreactor. OHB System has been working successfully on this topic since 2010 in cooperation with DLR. The methods of modern regenerative medicine must also be usable for man's stay on the moon. As part of an ESA study, OHB System is developing the clinical end-to-end scenario including a 3D bioprinter for bone and skin transplants from or with the patient's own cells. Both approaches show a high application potential both for exploration in space travel and for Earth (desert recovery, transplantation medicine, etc.).

[ANNUAL GENERAL MEETING
OF OHB SE] MAY 24, AT THE HOTEL
ATLANTIC UNIVERSUM



Dr. Lutz Bertling during his presentation
on business development



Marco Fuchs welcomes
the present shareholders
and guests



View into the
assembly hall



Members of the Management
Board and Supervisory Board
on the podium



Auditorium during
the presentation of
Kurt Melching

[AEROSPACE DAY]

JUNE 13, IN
OSTERHOLZ-
SCHARMBECK

ESA astronaut Alexander Gerst with the organizer and moderator Andreas Mattfeldt, MdB



fltr: Dr. Jens Lassmann (ArianeGroup), Alexander Gerst, Andreas Mattfeldt, Marco Fuchs and Oliver Juckenhövel (Airbus Defence and Space) on the podium

Alexander Gerst begins his presentation



Interested visitors in front of the OHB SE booth



View into the fully occupied event hall

[PARIS AIR
SHOW 2019]

JUNE 17-21,
IN LE BOURGET



Marco Fuchs (right) explains
Thomas Jarzombek, coordinator of
the Federal Government for
Aerospace, the exhibited models

Admiral Manfred Nielson, Deputy Supreme Allied
Commander Transformation in Norfolk (USA) (right)
during conversation at the OHB booth



Elżbieta Bieńkowska, Commissioner of
the European Commission (responsible
among other things for Industry) during
a meeting with Marco Fuchs



The French
President
Emmanuel Macron
visits the German
joint booth



Member of the board Guy
Perez and Kolja auf der Heide
(right side, both OHB Systems)
after signing the contract with
subcontractor Nexeya in the
Heinrich Hertz Project

[INAUGURATION CEREMONY
OF THE NEW OHB SATELLITE TEST
CENTER AND THE NEW CLEANROOM
HALLS AND LABORATORIES]

JUNE 28,
IN BREMEN



Best weather for
the celebration

Marco Fuchs during
the opening speech



Bobby Cars are
waiting for their
mission

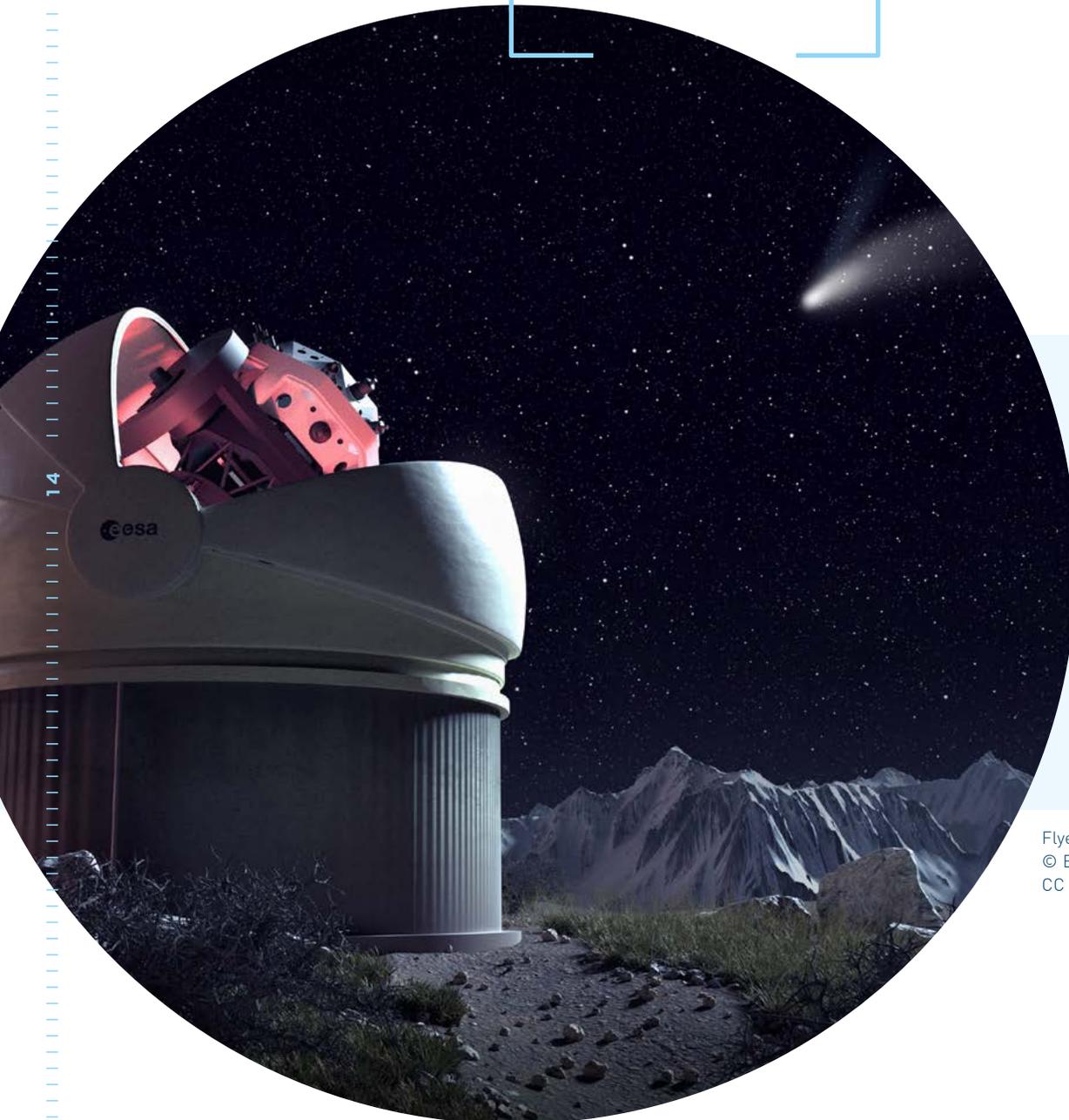


Unveiling of the
name of the new
integration hall
Copernicus



Good mood also at the start into the
unofficial part of the afternoon

SPACE SYSTEMS



FlyeEye
© ESA/A. Baker,
CC BY-SA 3.0 IGO

At EUR 338.8 million, the unconsolidated total revenues of the Space Systems business unit exceeded the figure of EUR 314.9 million recorded in the first six months of the previous year. The operating result (EBITDA) increased to EUR 28.9 million compared to the previous year (EUR 20.2 million).

At EUR 17.8 million, EBIT for the segment was also up on the previous year's level of EUR 14.7 million. The EBIT margin in relation to unconsolidated total revenues improved significantly to 5.3% after 4.7% in the same period of the previous year.

DEVELOPMENTS IN THE GALILEO PROGRAMME

OHB System AG is proceeding according to plan with satellite production for the 12 satellites still under contract for the European Galileo navigation system. The first two navigation payloads were delivered on schedule by SSTL, an OHB partner company, at the beginning of June and mid-July respectively. Extensive testing will follow after the payload has been integrated. The first two satellites in this series are expected to be ready for launch in the fall of 2020. SSTL's payloads will now be combined with the platform produced by OHB – in future, a satellite will be completed at eleven production islands every five weeks.

At the same time, intensive work is being carried out, as planned, on a bid for the European Commission's tender for the Galileo transition satellites.

OHB SYSTEM FINALIZES WORK ON FIRST FLIGHT PLATFORM FOR MTG WEATHER SATELLITES

On April 24, the first flight platform of the European weather satellite series MTG (Meteosat Third Generation) left OHB System's clean room in Bremen and was transported to the partner company Thales Alenia Space in France. There, the satellite is the first of four imager satellites to be completed. In total, OHB System is responsible for the development and construction of all six satellite platforms and the two sounder satellites including the instruments as part of the MTG program.

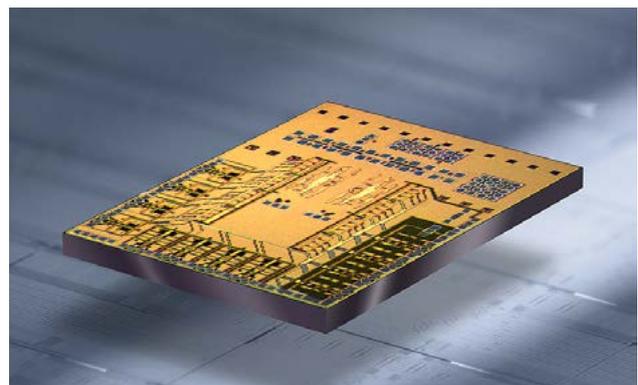
Owner and operator of the third generation of Meteosat weather satellites is the European agency EUMETSAT. The systems are being developed by the European Space Agency ESA. Once the MTG satellites are operational, their new capabilities will enable much more accurate weather forecasts. For example, large storms with heavy rainfall can be predicted earlier and more accurately, air traffic can be planned better and more economically, and agriculture can better determine the optimal time for harvesting. In addition, MTG satellite measurements will improve our understanding of the Earth's climate system.

TECHNOLOGY DEMONSTRATOR SPECTRODEMO TRANSMITS FIRST DATA SET TO EARTH

The SPECTRODemo payload developed by OHB System AG and the US company Ocean Optics on behalf of the European Space Agency ESA has transferred a first data set from the International Space Station ISS to Earth. SPECTRODemo is the technology demonstrator of a UV/VIS spectrometer modified for the analysis of samples in space. A spectrometer is a device for displaying a spectrum that offers the possibility of measuring the spectra. In this case, electromagnetic waves of ultraviolet (UV) and visible (VIS) light are used. The background to this development is the planned construction of an exobiological ESA research facility outside the ISS. SPECTRO-Demo will provide information on the applicability and reliability of UV/VIS spectroscopy in-situ, i.e. when analyzing samples in space.

ANTWERP SPACE RECEIVES ESA ORDER FOR MICROWAVE PHOTONICS TECHNOLOGY DEVELOPMENT

Antwerp Space was awarded an ESA contract worth EUR 2.6 million last quarter to continue its innovative technology roadmap for photonic integrated circuits in space. In close cooperation with universities and suppliers in Europe, state-of-the-art miniaturized devices based on this promising technology are manufactured and tested. The ultimate goal is to use these devices to disruptively improve the way telecommunications payloads for LEO and GEO satellites are built today. The development targets three different market segments: High-power satellites (GEO), laser communication terminals, use of photonic integrated circuits for beam shaping and beam guidance at frequencies above 6 GHz (X-band and higher).



Photonic integrated circuit



ASTEROID RESEARCH FOR THE PROTECTION OF THE EARTH

Podium at the opening of the Asteroid Day, which was attended by Jan Wörner (ESA Director General) and Edward Lu (Astronaut), among others.

Once again this year, OHB was a committed sponsor of Asteroid Day, which was held in Luxembourg on June 28. The expansion of our knowledge of asteroids is imperative, as scientific findings indicate that an asteroid impact that can cause major damage must be expected statistically every few centuries. About 1,000 new asteroids enter our planetary system every year. Nine hundred potentially dangerous so-called Near Earth Objects are monitored. The first ESA "Flyeye" telescope developed and manufactured by OHB Italia will support observations from Sicily/Italy in the near future.

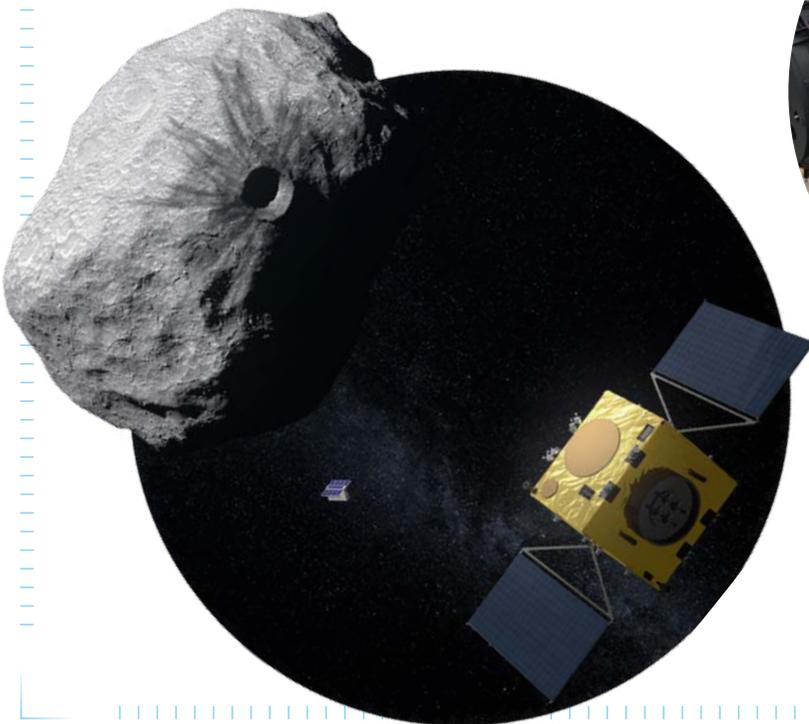
speed. The HERA mission is the European contribution to a joint but phased planetary defence mission with NASA. HERA will in particular investigate the impact crater on the smaller of the two asteroids (called "Didymos") left behind by NASA's DART satellite, which will be launched with an earlier mission in 2021.

OHB System is conducting a study for the Hera mission, the aim of which is to carry out a detailed mission definition for a probe flying to the twin asteroid "Didymos". The satellite will analyze the physical properties at the surface and below the surface and study the dynamics after an impact at enormous

On June 30, 1908, the largest asteroid impact took place in the recent history of mankind. An area of around 2,000 square kilometres (comparable to a large metropolitan region) was destroyed through that event. The only reason there were no victims was that the asteroid in the in the remote Tunguska region of Siberia.



Artistic illustration of the HERA mission
Source: ESA-ScienceOffice.org



The Flyeye telescope will make it possible to introduce an innovative, comprehensive earth protection service to detect asteroids that are dangerous to Earth. The ESA Flyeye telescope developed and built by OHB Italia has reached an important milestone: it is now largely assembled, including the astronomical camera [final assembly at the plant expected mid-2020]. Source: OHB Italia

AEROSPACE + INDUSTRIAL PRODUCTS

The unconsolidated total revenues of the business segment Aerospace + Industrial Products reached EUR 87.8 million in the first six months of fiscal year 2019, down 6% on the previous year (EUR 93.6 million). This resulted in a lower operating result (EBITDA) of EUR 7.2 million compared to the previous year (EUR 9.2 million).

The segment's EBIT of EUR 3.9 million was below the level of the previous year (EUR 6.4 million). The EBIT margin in relation to unconsolidated total revenues reached 4.5% after 6.8% in the previous year.



Artistic illustration of the two configurations of Ariane 6
Source: © ESA – David Ducros

MT AEROSPACE AND ARIANEGROUP SIGN DEVELOPMENT CONTRACTS WITH ESA FOR OPTIMIZED ARIANE 6 COMPOSITE UPPER STAGE TECHNOLOGIES

On May 14, 2019 in Paris, the European Space Agency ESA signed a technology development agreement with MT Aerospace AG and with ArianeGroup, the main contractual partner in the Ariane programme. MT Aerospace and the ArianeGroup are pooling their respective competencies in the development and testing of the "Prototype of a Highly Optimized Black Upper Stage" (PHOEBUS) in Augsburg and Bremen. In order to make Ariane 6 continuously more competitive and efficient, it is necessary to research and use technologies based on composite materials.

PHOEBUS is intended to ensure the technological maturity for an optimized upper stage with regard to cost and weight savings and higher stage performance (transport of approx. two tons more payload in geostationary orbits). From 2021, the resulting system components will be integrated into an upper stage demonstrator to demonstrate fuel compatibility (large quantities of liquid oxygen and hydrogen), filling and emptying processes and the integrity of the primary and secondary structure.

Both companies work closely together to verify that the necessary technologies are ready for use: ArianeGroup focuses on innovative stage architectures and system integration, while MT Aerospace focuses on materials and technologies for composite tanks and structures under cryogenic conditions. This will lead to the later product development of a new Ariane 6 upper stage (Icarus-Innovative Carbon Ariane Upper Stage). Decisions on the financing of further steps of an upper stage made of carbon fibre reinforced plastic (CFRP) are to be taken at the next ESA Ministerial Council meeting (Space 19+) at the end of the year.



Graphical illustration of Phoebus © ArianeGroup

At the signing of the contract in Paris: Ulrich Scheib (Head of Strategy, Business Development and Space Programs at MT Aerospace), Daniel Neuenschwander (ESA-Director of Space Transportation), Jean-Christophe Henoux (Vice President Future Programmes at ArianeGroup)(from left). © MT Aerospace AG



OERLIKON AM AND MT AEROSPACE TO JOINTLY DEVELOP 3D PRINTING MANUFACTURING SOLUTIONS FOR THE AEROSPACE INDUSTRY

MT Aerospace and Oerlikon AM established a partnership on June 17 to expand the use of additive components in the aerospace and defense sectors. The aim of the partnership is to realize efficiency increases and cost savings for customers in these industries through end-to-end solutions. Components manufactured by additive manufacturing are high-precision products that convince with a lower weight and an optimized design compared to conventional manufacturing processes. The cooperation will create a strong alliance between MT Aerospace's many years of experience in the development of high-performance, lightweight metallic structures and Oerlikon's expertise in materials, development, 3D printing and surface treatment. Aerospace customers benefit from synergies between design/engineering, manufacturing, part inspection and qualification. With their combined competencies, the two partner companies cover the entire value chain, from component design and manufacturing to testing and qualification. This enables us to offer our customers all services directly from a single source, from product specification to the finished, qualified component.



MT Aerospace and Oerlikon MA seal their partnership. From left to right: Christian Hackenberg (Senior Vice President Strategy MT Aerospace), Marco Fuchs (CEO OHB SE), Michael Süß (President of the Board of Directors Oerlikon AM), Hans Steininger (CEO MT Aerospace AG)

OHB DIGITAL SERVICES SUPPORTS HAULAGE COMPANIES IN DIGITALIZATION WITH NAVITRANS SOLUTION

OHB Digital Services GmbH is the German implementation partner for the ERP solution Navitrans. This is an integrated system from the Belgian manufacturer Young & Partner, which was developed specifically for forwarding companies on the basis of Microsoft Dynamics 365 Business Central. Whether as a dispatcher in transport planning or as an employee in the warehouse, these workstations often have more than two monitors with more than four applications in parallel so that the daily work can be completed. A lot of time is often spent manually transferring data between two applications. Incoming orders, for example, are transferred to the scheduling system via copy & paste so that the tour can be planned for the driver. Once the tour has been completed, any expenses incurred must be manually transferred to the accounting system. With the Navitrans application, all steps of the process can in future be mapped holistically and time-savingly in one system.



The Navitrans system was specially developed for forwarding companies, OHB Digital Services is the German implementation partner for this system. © Countrypixel/Adobe Stock

SUPPLEMENTARY REPORT

OHB'S SECOND TELECOMMUNICATIONS SATELLITE SUCCESSFULLY LAUNCHED

The telecommunications satellite EDRS-C, the second node of the European Data Relay System, was successfully launched from the European Spaceport in Kourou, French Guiana on August 6, 2019. The 3.2-ton SmallGEO satellite developed and manufactured by OHB System AG disengaged from the Ariane 5 launch vehicle after about 30 minutes as scheduled. A few minutes later, EDRS-C transmitted its first "signs of life" from space.

Europe's laser-based data relay system is being implemented in a public-private partnership between the European Space Agency ESA and Airbus. A constellation of geostationary satellites will be fixed over a network of ground stations and, using innovative laser communication technology, will receive data from Earth observation satellites from lower orbits and transmit it in broadband quality to ground stations in Europe – in near real time and at a rate of 1.8 Gbit/s. The system will be operated by Airbus and ESA. The EDRS-C satellite developed, manufactured and tested by OHB on the basis of the SmallGEO platform forms the second node of the system and was specifically designed for optical communication. The HYLAS 3 Ka-band payload was delivered to OHB System AG by ESA on behalf of Avanti Communications as the customer's own device.

OHB's contractual partners included international suppliers and service providers as well as other OHB Group companies. ESA's EDRS program is supported by space management at DLR with funds from the Federal Ministry of Economics and Energy (BMWi) and the Free State of Bavaria.



Launch of the EDRS-C satellite onboard an Ariane rocket





Kurt Melching, Member of the Management Board of OHB System AG, Kornelia Lehnigk-Emden, Deputy Vice President BAAINBw and Dr. Ingo Engel, Member of the Management Board of OHB System AG at the signing of the contract in Koblenz. © BAAINBw

SATELLITE-BASED RADAR RECONNAISSANCE FOR GERMANY - OHB RECEIVES ADDITIONAL CONTRACT WORTH EUR 91 MILLION FOR SARAH PROJECT

OHB System AG also develops and implements SARah, the second satellite-based radar reconnaissance system for the German Armed Forces. SARah features increased system performance and will consist of three modern satellites with complementary radar technology as well as two ground stations. On July 29, the customer, the German Federal Ministry of Defense (BMVg), represented by BAAINBw (Bundesamt für Ausrüstung, Informationstechnik und Nutzung der Bundeswehr), signed a EUR 91 million additional contract with OHB System AG to implement the SARah system in response to current threats in the field of IT security and satellite communications. These modifications will lead to increased cyber security for the entire system. In the case of this modification agreement, the already optionally agreed operating phase was adapted to these new requirements.

OHB System AG is responsible for the development and implementation of the SARah reconnaissance system. The company is responsible for the overall system, the insertion of the satellites into their target orbit and the operation of the satellite constellation. The space segment comprises two OHB satellites based on reflector technology as well as a satellite with phased array technology from subcontractor Airbus Defence and Space. The ground segment of the SARah system includes elements for commissioning the system, satellite control, image processing and archiving, two ground stations as well as various interfaces to the customer and other systems. As prime contractor for the future SARah system, OHB is responsible for the key ground segment functions, for all customer interfaces and for one ground station.

INTERIM GROUP MANAGEMENT REPORT

The OHB Group's total revenues are heavily dependent on performance milestones and delivery dates in the respective projects and have therefore a planned non-linear course. The ratio amounted to EUR 424.7 million after six months and was thus slightly higher than in the same period of the previous year (EUR 404.5 million).

As planned, the operating result (EBITDA) increased significantly from EUR 29.3 million in the previous year to EUR 36.0 million. Positive effects of EUR 5.0 million resulting from the first-time application of IFRS 16 contributed in part to this increase. The operating EBITDA margin thus rose to 8.5% in the reporting period, compared with 7.3% in the same period of the previous year. Depreciation and amortization increased (significantly influenced by the IFRS 16 effect) to EUR 14.4 million in the current fiscal year after EUR 8.3 million in the previous year, EBIT increased slightly to EUR 21.7 million after EUR 21.0 million in the previous year. Consequently, the corresponding EBIT margin hardly changed from 5.2% in the same period of the previous year to 5.1%. At 8.7%, the EBIT margin on own value added was down on the previous year (9.3%).

The financial result of EUR -2.2 million was slightly different from the previous year (EUR -2.0 million). Earnings before taxes (EBT) rose to EUR 19.5 million after the first six months of 2019 (previous year: EUR 19.0 million). Higher income taxes of EUR 6.5 million (previous year: EUR 6.2 million) in the 2019 reporting period nevertheless resulted in a 2% improvement in consolidated net income for the period of EUR 13.0 million (previous year: EUR 12.8 million).

OHB's business model is characterized by cash flow, which is regularly very volatile, even during the course of the year, but is sufficiently predictable. At the end of the first six months of the fiscal year, this figure had changed significantly as planned compared with the previous year (EUR -41.7 million), with cash outflow from operating activities amounting to EUR 106.6 million. Cash flow from investing activities changed to EUR -10.1 million compared with the previous year (EUR -7.4 million) and

is still dominated by investments in fixed assets. Cash flow from financing activities in the amount of EUR 98.4 million was higher than in the same period of the previous year (EUR 81.6 million) due to the planned increase in borrowings and resulted in cash and cash equivalents (excluding securities) of EUR 30.0 million at the end of the reporting period (previous year: EUR 90.8 million).

The Group's firm order backlog was reduced to EUR 2,063 million at the end of the first six months of fiscal 2019, down from EUR 2,369 million in the prior-year period. OHB System AG accounted for around 80% or EUR 1,655 million of this total. At EUR 879.1 million as of June 30, 2019, the OHB Group's total assets were EUR 14% higher than at December 31, 2018 (EUR 753.6 million), due in part to the first-time application of IFRS 16. The main drivers of this development are the new items included in the balance sheet – rights of use from lease agreements of EUR 55.6 million on the assets side and current and non-current lease liabilities of EUR 55.9 million on the liabilities side. The slight increase in shareholders' equity from EUR 200.0 million to EUR 202.4 million was less pronounced than the increase in the balance sheet total and resulted in an equity ratio of 23.0% as of June 30, 2019 compared with 26.5% at the end of the year on December 31, 2018.

KEY PERFORMANCE INDICATORS OF THE OHB GROUP

EUR 000s	Q2/2019	Q2/2018	6M/2019	6M/2018
1. Sales	229,465	206,150	411,903	384,084
2. Total revenues	233,720	214,748	424,665	404,461
3. EBITDA	16,524	15,071	36,024	29,313
4. EBIT	9,304	10,809	21,662	21,029
5. EBT	7,550	9,658	19,458	19,023
6. Share of OHB SE shareholders in net profit for the year	4,650	5,400	11,882	11,275
7. Earnings per share (EUR)	0.26	0.31	0.68	0.65
8. Total assets	879,094	763,653	879,094	763,653
9. Equity	202,425	186,346	202,425	186,346
10. Cash flow used in operating activities	-56,581	7,388	-106,603	-41,693
11. Order backlog	2,062,743	2,368,867	2,062,743	2,368,867
12. Headcount as of March 31	2,816	2,568	2,816	2,568

EUR 000s	6M/2019	3M/2019	2018
13. Free Cashflow	-116,726	-53,087	39,149
14. Net debt including pension provisions	237,472	162,697	107,004
15. Net debt excluding pension provisions	138,625	63,869	7,421
16. CAPEX	10,833	3,499	23,831
17. Own work capitalized (additions)	6,833	3,292	16,555
18. Return on Capital Employed (ROCE)	13	14	14

SALES PER PRODUCT GROUPS

EUR 000s	6M/2019	6M/2018
Space industry	399,106	360,565
Aviation	5,490	6,890
Antenna	4,479	12,453
Others	2,828	4,175
Total	411,903	384,084

SALES PER REGIONS

EUR 000s	6M/2019	6M/2018
Germany	136,904	108,433
Rest of Europe	269,656	271,555
Rest of World	5,343	4,095
Total	411,903	384,084

STAFF GROWTH

The OHB Group's workforce increased by 47 from 2,769 employees as of December 31, 2018 to 2,816 employees as of June 30, 2019. The figure for "Other World" consists of 47 employees in Chile and 60 employees in French Guiana.

RESEARCH AND DEVELOPMENT

Research and development expenses fell to EUR 10.7 million in the first six months of 2019 (after EUR 13.6 million in the prior-year period).

INVESTMENTS

At EUR 10.8 million, investments in fixed assets in the first six months of 2019 were higher than in the previous year (EUR 8.2 million).

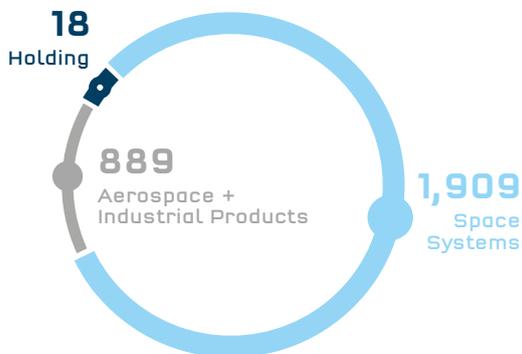
OPPORTUNITIES AND RISK REPORT

In the annual report for 2019, the opportunities and risks report contains detailed information on opportunities and risks that could influence business success. There were no significant changes in the OHB Group's opportunities and risk profile in the current reporting period.

OUTLOOK FOR THE GROUP 2019

The Management Board expects the OHB Group's consolidated total revenues to total EUR 1.05 billion in fiscal 2019. EBITDA and EBIT are expected to reach EUR 80 million and EUR 50 million respectively in 2019. Based on the high order backlog and the positive outlook for the current fiscal year, we anticipate that the financial position and net assets will continue to develop well.

NUMBER OF EMPLOYEES BY BUSINESS UNITS
as of 30 / 06 / 2019



Total personnel: 2,816

NUMBER OF EMPLOYEES BY REGIONS
as of 30 / 06 / 2019



Total personnel 2,816

I. CONSOLIDATED INCOME STATEMENT

EUR 000s	Q2/2019	Q2/2018	6M/2019	6M/2018
Sales	229,465	206,150	411,903	384,084
Changes in inventories of finished goods and work in progress	-10	2,172	2,005	8,725
Other own work capitalised	3,716	3,914	7,162	7,032
Other operating income	549	2,512	3,595	4,620
Gesamtleistung	233,720	214,748	424,665	404,461
Cost of materials	144,431	129,048	244,319	239,486
Staff costs	61,085	53,980	120,337	103,797
Amortization of intangible assets and property, plant and equipment	7,220	4,262	14,362	8,284
Impairment income/expenses	-4	0	-30	0
Other operating expenses	11,684	16,649	23,985	31,865
Earnings before interest and taxes (EBIT)*	9,304	10,809	21,662	21,029
Other interest and similar income	275	104	628	791
Other financial expenses	1,717	1,075	3,071	2,665
Currency translation gains/losses	-313	-180	72	-132
Investment income	1	0	167	0
Finanzergebnis	-1,754	-1,151	-2,204	-2,006
Earnings before taxes (EBT)**	7,550	9,658	19,458	19,023
Income taxes	2,516	3,232	6,450	6,238
Consolidated net profit for the period	5,034	6,426	13,008	12,785
Share of OHB SE shareholders in net profit for the period	4,650	5,400	11,882	11,275
Minority interests	384	1,026	1,126	1,510
Number of shares excl. own shares	17,400,100	17,391,072	17,400,100	17,389,336
Earnings per share (basic in EUR)	0.26	0.31	0.68	0.65
Earnings per share (diluted in EUR)	0.26	0.31	0.68	0.65

* EBIT = Earnings Before Interest and Taxes

** EBT = Earnings Before Taxes

II. CONSOLIDATED STATEMENT
OF COMPREHENSIVE INCOME

EUR 000s	Q2/2019	Q2/2018	6M/2019	6M/2018
Konzernjahresüberschuss	5,034	6,426	13,008	12,785
Remeasurement of defined benefit pension plans	0	2	0	0
Remeasurement of defined benefit plans of associated companies	0	0	0	0
Fair value remeasurement of financial assets	747	-828	-1,838	-2,786
Items that will not be reclassified to profit and loss	747	-826	-1,838	-2,786
Exchange differences on translation foreign operations	-281	-43	-92	-190
Exchange differences of associated companies	0	0	0	0
Cashflow Hedges	243	-237	127	-288
Cash flow hedges of associated companies	0	0	0	0
Items which may be subsequently reclassified to profit and loss	-38	-280	35	-478
Other comprehensive income after tax	709	-1,106	-1,803	-3,264
Comprehensive income	5,743	5,320	11,205	9,521
Of which attributable to				
equity holders of OHB SE	5,356	4,365	10,039	8,097
other equity holders	387	955	1,166	1,424

III. CONSOLIDATED BALANCE SHEET

EUR 000s	30/06/2019	31/12/2018
ASSETS		
Goodwill	7,366	7,131
Other intangible assets	115,946	113,204
Nutzungsrechte aus Leasingvereinbarungen	55,612	0
Property, plant and equipment	91,113	88,252
Shares carried at equity	2,960	2,960
Other financial assets	30,924	31,973
Other long-term receivables and assets	31,458	30,913
Deferred taxes	16,302	16,905
Long-term assets	351,681	291,338
Inventories	59,946	50,192
Trade receivables	78,426	69,092
Vertragsvermögenswerte	342,146	278,995
Tax receivables	5,434	4,458
Other non-financial assets	11,135	10,880
Securities	351	335
Cash and cash equivalents	29,975	48,316
Current assets	527,413	462,268
Total assets	879,094	753,606

EUR 000s	30/06/2019	31/12/2018
SHAREHOLDERS' EQUITY AND LIABILITIES		
Subscribed capital	17,468	17,468
Additional paid-in capital	15,462	15,462
Retained earnings	521	521
Unrealised gains and loss recognised under equity	-9,589	-7,747
Treasury stock	-710	-710
Consolidated profit	156,398	152,315
Shareholders' equity excluding minority interests	179,550	177,309
Minority interests	22,875	22,710
Shareholders' equity	202,425	200,019
Provisions for pensions and similar obligations	98,847	99,583
Non-current other provisions	2,184	2,156
Non-current financial liabilities	30,587	30,363
Leasingverbindlichkeiten	47,923	0
Non-current advance payments received on orders	12,044	6,704
Deferred income tax liabilities	40,275	37,543
Non-current liabilities and provisions	231,860	176,349
Current provisions	30,875	29,820
Current financial liabilities	138,013	25,374
Leasingverbindlichkeiten	7,939	0
Trade payables	121,504	176,964
Vertragsverbindlichkeiten	110,025	100,431
Income tax liabilities	2,316	5,101
Other financial and non-financial liabilities	34,137	39,548
Current liabilities	444,809	377,238
Total equity and liabilities	879,094	753,606

IV. CONSOLIDATED CASH FLOW STATEMENT

EUR 000s	6M/2019	6M/2018
Earnings before interest and taxes (EBIT)	21,662	21,029
Income taxes paid	-6,912	-4,895
Depreciation / amortisation of intangible assets and property, plant and equipment	0	85
Changes in pension provisions	14,362	8,284
Profit (-)/loss (+) from the disposal of assets	-1,173	-1,840
Profit (-)/Loss (+) from the disposal of assets	49	166
Gross Cashflow	27,988	22,829
Increase (-)/decrease (+) in own work capitalised	-6,833	-7,045
Increase (-)/decrease (+) in inventories	-9,202	-12,254
Increase (-)/decrease (+) in receivables and other assets including deferred items	-72,486	-22,271
Increase (+)/decrease (-) in liabilities and current provisions	-60,840	20,422
Increase (+)/decrease (-) in prepayments received	14,770	-43,374
Cash outflow for operating activities	-106,603	-41,693
Payments for investments in intangible assets and property, plant and equipment	-10,833	-8,227
Payments received from the disposal of assets	0	346
Consolidation-related changes to cash and cash equivalents	142	0
Interest received	568	399
Cash outflow for investing activities	-10,123	-7,431
Payments made for the settlement of financial liabilities	-7,482	-6,955
Payments received from raising borrowings	-7,751	-102
Minority interests	116,089	89,990
Interest and other finance expense	-1,001	0
Interest paid	-1,476	-1,327
Cash inflow from financing activities	98,379	81,606
Cash changes to cash and cash equivalents	-18,347	32,482
Currency-translation-related changes to cash and cash equivalents	6	-257
Cash and cash equivalents at the beginning of the period	48,316	58,578
Cash and cash equivalents at the end of the period	29,975	90,803

V. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR 000s	Sub- scribed capital	Share premium	Retained earnings	Unreal- ised gains and losses recog- nised under equity	Consoli- dated profit	Treasury stock	Share- holders' equity excluding minority interests	Minority interests	Total equity
Balance on 01/01/2018	17,468	14,923	521	-2,099	134,014	-781	164,046	19,649	183,695
Dividend payment	0	0	0	0	-6,955	0	-6,955	0	-6,955
Comprehensive income	0	0	0	-3,178	11,275	0	8,097	1,424	9,521
Other changes	0	0	0	0	0	85	85	0	85
Balance on 30/06/2018	17,468	14,923	521	-5,277	138,334	-696	165,273	21,073	186,346
Balance on 31/12/2018	17,468	15,462	521	-7,747	152,315	-710	177,309	22,710	200,019
Dividend payment					-7,482		-7,482		-7,482
Comprehensive income	0	0	0	-1,842	11,882	0	10,040	1,166	11,206
Change in scope of consolidation	0	0	0	0	-317	0	-317	0	-317
Distribution of profits to other shareholders	0	0	0	0	0	0	0	-1,001	-1,001
Balance on 30/06/2019	17,468	15,462	521	9,589	156,398	-710	179,550	22,875	202,245

VI. SEGMENT REPORTING

JANUARY 1 TO JUNE 30, 2019

in 000s	Space Systems		Aerospace + Industrial Products	
	6M/2019	6M/2018	6M/2019	6M/2018
Sales	330,321	304,493	83,569	84,042
of which internal sales	79	53	1,907	4,398
Total revenues	338,823	314,922	87,781	93,627
Cost of materials and services purchased	210,356	202,745	34,861	40,956
EBITDA	28,927	20,163	7,169	9,189
Depreciation/amortisation	11,080	5,476	3,255	2,795
EBIT	17,847	14,687	3,914	6,394
EBIT margin	5.3%	4.7%	4.5%	6.8%
Own value creation	168,812	142,198	79,410	83,792
EBIT margin on own value creation	10.6%	10.3%	4.9%	7.6%

VII. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS Q2 / 6M INTERIM REPORT 2019

GENERAL PRINCIPLES

OHB SE is a listed corporation domiciled in Germany. These consolidated financial statements for the interim reporting of OHB SE and its subsidiaries (the "Group") for the first six months of fiscal 2019 were approved for publication by resolution of the Management Board on August 13, 2019.

MT Mecatrònica SpA was included in the scope of consolidation for the first time as of January 1, 2019 on the basis of an updated materiality valuation. MT Mecatrònica SpA is a 100%

subsidiary of MT Mechatronics and was founded in 2012. Initial consolidation did not result in any goodwill. The company was included retrospectively and the business success up to the time of first consolidation was recorded in the profit carried forward.

TeleConsult Austria GmbH was included in the scope of consolidation for the first time as of January 1, 2019. TeleConsult Austria GmbH is a wholly-owned subsidiary of OHB SE and was acquired in 2018. The initial consolidation resulted in goodwill of EUR 235 thousand.

The interim consolidated financial statements of OHB SE include the following fully consolidated companies:

- OHB System AG, Bremen & Oberpfaffenhofen
- OHB Italia S.p.A., Milan (I)
- OHB Sweden AB, Stockholm (S)
- Antwerp Space N.V., Antwerp (B)
- LuxSpace S.à r.l., Betzdorf (L)

	Reconciliation				Total	
	Holding		Consolidation		6M/2019	6M/2018
	6M/2019	6M/2018	6M/2019	6M/2018		
	0	0	-1,986	-4,451	411,904	384,084
	0	0	-1,986	-4,451	0	0
	4,091	4,556	-6,030	-8,644	424,665	404,461
	0	0	-898	-4,215	244,319	239,486
	-72	-39	0	0	36,024	29,313
	27	13	0	0	14,362	8,284
	-99	-52	0	0	21,662	21,029
					5.1%	5.2%
					248,222	225,990
					8.7%	9.3%

- MT Aerospace Holding GmbH, Bremen
- MT Aerospace AG, Augsburg
- MT Management Service GmbH, Augsburg
- MT Aerospace Grundstücks GmbH & Co. KG, Munich
- MT Mechatronics GmbH, Mainz
- MT Mecatrónica SpA, Santiago de Chile (RCH)
- MT Aerospace Guyane S.A.S., Kourou (GUF)
- OHB Teledata GmbH, Bremen
- OHB Digital Services GmbH, Bremen
- ORBCOMM Deutschland
Satellitenkommunikation AG, Bremen
- TeleConsult Austria GmbH, Graz (A)

The results of affiliated companies not fully consolidated are not taken into account during the year.

PRINCIPLES AND METHODS

The accompanying 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 financial reporting as adopted by the European Union and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB. Accordingly, these interim financial statements do not contain all the information and notes required by IFRS for consolidated financial statements at the end of the fiscal year. In the opinion of the Executive Board, these unaudited consolidated financial statements include all adjustments required for a fair presentation of the results of operations for the interim period. The results for the period ended June 30, 2019 are not necessarily indicative of future results. The preparation of interim consolidated financial statements in accordance with IAS 34 "Interim Financial Reporting" requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenues and expenses. Actual amounts may differ from these estimates.

Income taxes are based on a tax rate of approx. 32%. No material changes have been made to the basis of estimates since the 2018 Annual Report. A detailed description of the accounting principles is published in the notes to the consolidated financial statements of the 2018 Annual Report.

IFRS APPLIED FOR THE FIRST TIME IN THE FINANCIAL YEAR

In January 2016, the IASB issued IFRS 16 Leases, which is effective for annual periods beginning on or after January 1, 2019. IFRS 16 supersedes the previous classification of leases by lessees as operating and finance leases. Instead, IFRS 16 introduces a uniform lessee accounting model under which lessees are required to recognise assets (for the right of use) and lease liabilities for leases with a term of more than twelve months. As a result, previously unrecognised leases must be recognised in the balance sheet as rights of use. The simplification rules for short-term leases and low-value assets are applied in the OHB Group.

OHB applies the modified retrospective method in the implementation of IFRS 16. Assets and liabilities from leases are recognized initially at their present values in the same amount. Rights of use and lease liabilities are shown as separate items in the balance sheet. As a rule, OHB Group companies do not act as lessors.

In the OHB Group, this is mainly due to the inclusion of rental agreements for real estate used for operating purposes. Leases for movables used by the OHB Group are only of minor significance. As a result of the first-time application of IFRS 16, OHB recognized EUR 59.0 million in rights of use and lease liabilities in its balance sheet as of January 1, 2019. Amortization of rights of use amounted to EUR 5.0 million in the first half of 2019. Interest expenses from leasing liabilities amounted to EUR 0.6 million.

AUDITOR'S REVIEW

The interim report was neither audited in accordance with § 317 HGB nor reviewed by an auditor.

ASSURANCE OF THE LEGAL REPRESENTATIVES

"To the best of our knowledge, and in accordance with the principles of proper accounting, 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, 2019

The Management Board

2019

FINANCIAL CALENDAR

[AUGUST 13, 2019]

Q2 / 6M INTERIM REPORT
ANALYST CONFERENCE CALL

[AUGUST 28-29, 2019]

COMMERZBANK SECTOR CONFERENCE

[SEPTEMBER 23-25, 2019]

BERENBERG GERMAN CORPORATE CONFERENCE

[NOVEMBER 12, 2019]

Q3 / 9M INTERIM REPORT
ANALYST CONFERENCE CALL

[NOVEMBER 18, 2019]

→ FRANKFURT AM MAIN
DZ BANK EQUITY CONFERENCE

[NOVEMBER 25-27, 2019]

→ FRANKFURT AM MAIN
ANALYST PRESENTATION DURING
GERMAN EQUITY CONFERENCE

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