

Fiscal 2006/2007

Interim report as of 31 December 2006

The quarter at a glance

Contents

Financial figures

	01.10.06 - 31.12.06	01.10.05 - 31.12.05
Revenues	75.309	54.359
Operating profit	5.812	2.540
Profit from ordinary activities	5.775	2.233
Earnings after income tax	3.447	1.154
Free cash flow	8.738	8.239
Capital spending	3.148	1.112
Equity on 31 December	61.643	51.052
Equity ratio on 31 December (%)	47	45
Number of employees at		
Bertrandt Group on 31 December	3,790	3,065
Share price on 31 December (EUR)*	12.88	8.81
Share price high (EUR)*	13.10	9.62
Share price low (EUR)*	10.80	8.01

* in Xetra trading

Bertrandt has continued to grow, with consolidated revenues coming to EUR 75.309 million (previous year: EUR 54.359 million) in the first quarter of fiscal 2006/2007, equivalent to growth of 38.5 percent.

The gratifying trend in earnings carried over into the period under review. EBIT as at 31 December 2006 came to EUR 5.812 million (previous year: EUR 2.540 million), an increase of 128.8 percent. Earnings after income tax stood at EUR 3.447 million (previous year: EUR 1.154 million).

On the strength of the good result, positive free cash flow of EUR 8.738 million was generated (previous year: EUR 8.239 million), allowing further repayments of bank liabilities to be made. At 47.3 percent (previous year: 45.1 percent), the equity ratio was at an above-average high level.

As of 31 December 2006, Bertrandt had 3,790 employees across the entire Group (as of 30 September 2006: 3,577). Thus, in the past three months, more than 200 new jobs have been created. We are continuing to recruit specially trained engineers as well qualified junior management staff in the conventional body shell and interior segments as well as in the growth areas of electronics, supporting services, powertrains and testing.

In addition to customers in the automotive industry, Bertrandt also serves producers and system suppliers in the aviation sector. The market for engineering services continues to provide strong potential for successful business in both the automotive and aircraft industries.

02	The quarter at a glance
03	Contents
04	Management report
08	Quarterly report
12	Notes
14	Financial calendar
15	Credits

Management report



Business model and strategy

One of Europe's leading engineering service providers, Bertrandt AG works on future-generation models with a high degree of autonomy in close collaboration with the automotive and aircraft industries as well as components suppliers. Roughly 3,800 employees in Europe and the United States work on custom-engineered solutions at 19 facilities in Europe and the United States in direct proximity to customers. The customer list comprises the manufacturers as well as numerous leading system suppliers.

With manufacturers making more and more forays into new business segments and vehicle niches, they are increasingly outsourcing complex projects, a trend that is proving to be a key growth driver for Bertrandt. For this reason, it has been steadily broadening its range of services over the past few years. Bertrandt seeks to address its customers' requirements with a range comprising services, solutions for specific areas and the development of modules and derivatives. In addition to conventional engineering areas such as body shell, interior and simulation, the range comprises such specialist areas as electronics, supporting services, powertrains and testing. In the aviation area, Bertrandt concentrates on structural and cabin development, electronics, model construction and process management.

Business performance

In the first quarter of 2006/2007, engineering services performed in line with our expectations. Against this backdrop, Bertrandt was able to extend its position, thanks to its strategic orientation, which combines a customer and branch-oriented approach to the market with the establishment of Group-wide divisions. This made it possible to accommodate greater project volumes, thus ensuring optimised capacity utilisation within the operating units.

The effects were reflected in the revenue and earnings growth achieved in the quarter ending 31 December 2006, in which consolidated revenues stood at EUR 75.309 million (previous year: EUR 54.359 million).

Foreign operations

Bertrandt offers its services in France, Germany, Spain, Sweden, the UK and the United States. Thanks to the close organisational link-up with our facilities in Germany, our full range of services is available to our international customers. Our foreign business lived up to our expectations, with the foreign subsidiaries making a positive contribution to earnings.

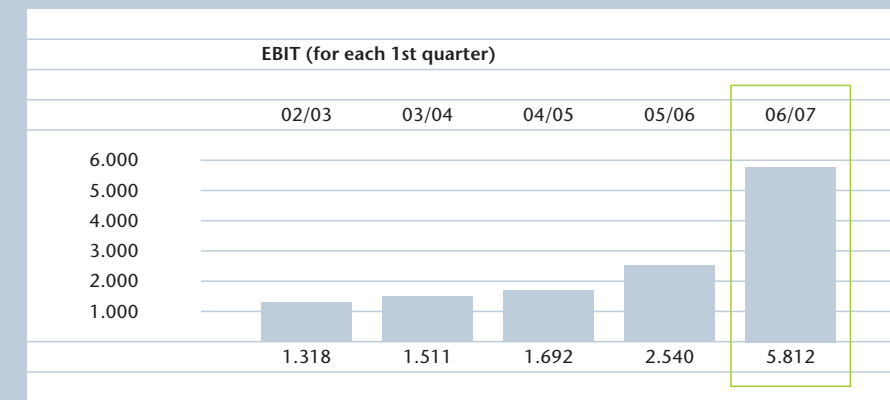
Results of operations

In the first quarter, Bertrandt generated consolidated EBIT of EUR 5.812 million (previous year: EUR 2.540 million) and consolidated EBT of EUR 5.775 million (previous year: EUR 2.233 million). The improvement in earnings was attributable to increased business volumes and the resultant heavy capacity utilization at the operating units. The Group also owed this success to systematic cost management.

Net borrowing costs contracted year on year, dropping to EUR -0.037 million (previous year: EUR -0.307 million) in the first quarter of fiscal 2006/2007. The tax rate came to 39.1 percent, resulting in post-tax profit of EUR 3.447 million (previous year: EUR 1.154 million). Earnings per share thus stood at EUR 0.34 (previous year: EUR 0.11).

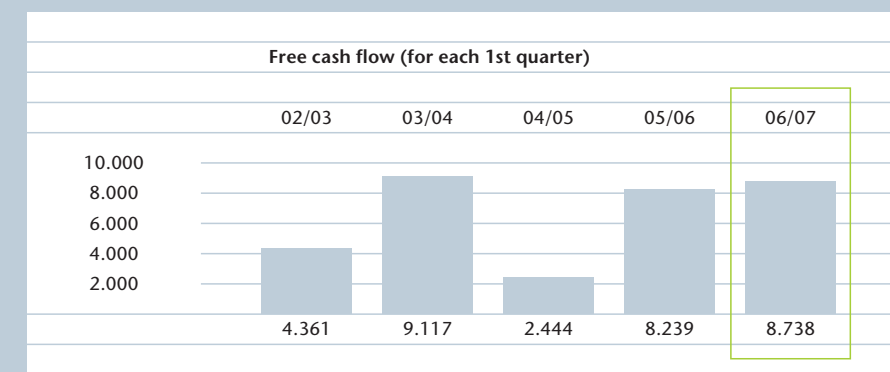
Balance sheet structure

Financial situation

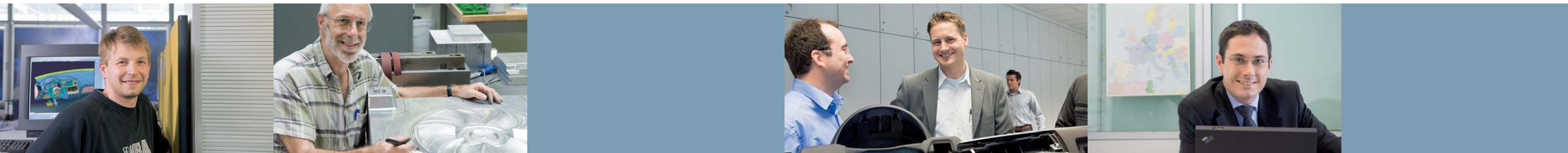


As at 31 December 2006, total assets were valued at EUR 130.349 million and were thus largely unchanged over 30 September 2006. Thanks to the positive free cash flow resulting for the most part from the improved earnings, liabilities were again discharged. This benefit is reflected in the high equity ratio of 47.3 percent, making Bertrandt one of the best funded companies in the automobile industry.

At EUR 11.775 million (previous year: EUR 9.208 million), cash flow from operating activities was positive. Net cash outflow from investing activities came to EUR -3.037 million (previous year: EUR -0.969 million). Capital spending amounted to EUR 3.148 million (previous year: EUR 1.112 million) and was financed fully from cash flow. Free cash flow was a substantially positive EUR 8.738 million (previous year: EUR 8.239 million) and was used to discharge liabilities.

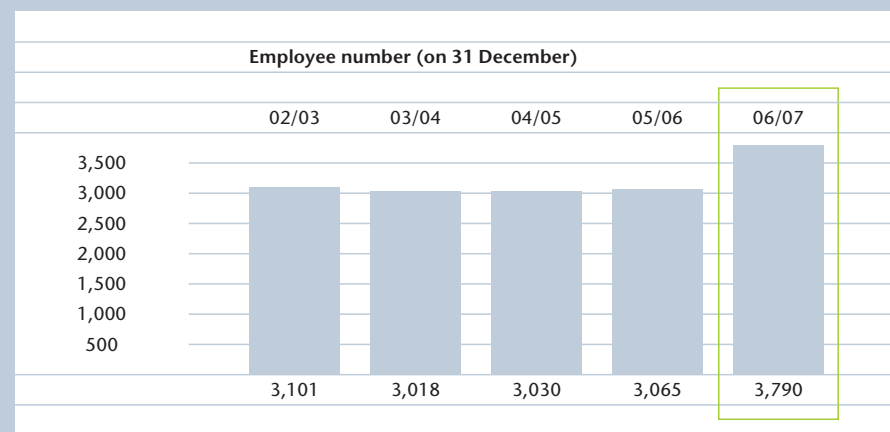


Under the staff stock-option programme, the Group held 26,632 treasury shares as of 31 December 2006, which were netted with equity.



Employees

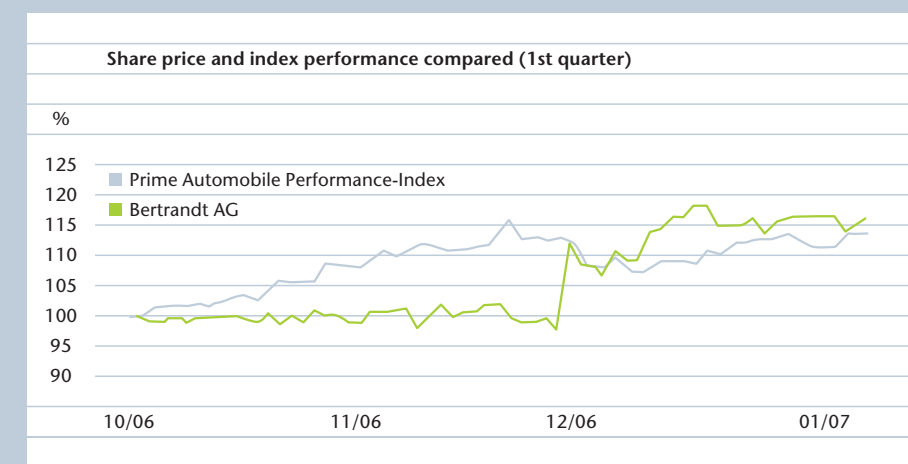
Bertrandt employed 3,790 people on 31 December 2006 (3,065 in the previous year) across the entire Group. In the first quarter of its fiscal year, Bertrandt created roughly 200 new jobs, primarily in Germany, in addition to the 500 new jobs that which had already been filled in fiscal 2005/2006. Bertrandt is continuing to recruit in both conventional engineering areas as well as in high-growth segments to make use of opportunities for further growth. Details of vacant positions of interest to experienced engineers and technicians as well as qualified undergraduates are available at www.bertrandt.com. One key determinant for our success is the expertise of our staff, which we foster on a steady basis in the form of technical and business training.



The Bertrandt share

Bertrandt stock outperformed the Prime Automobile Performance Index in the course of the first quarter of fiscal 2006/2007. Whereas this index rose by around 14.2 percent, Bertrandt AG advanced by some 17.2 percent, hitting a high for the period on 11 December 2006 at EUR 13.10 and a low of EUR 10.80 on 22 November 2006. The stock closed at EUR 12.88 in Xetra trading on 29 December 2006. This translates into market capitalisation of around EUR 131 million.

Bertrandt stock has been attracting increased attention since the publication of the preliminary quarterly figures in an ad-hoc bulletin issued on 22 January 2007 in accordance with Section 15 of the German Securities Trading Act. Trading volumes have risen substantially, with the stock's favourable first-quarter performance continuing since then. Current analyst research on the Company is available in the Investor Relations section at www.bertrandt.com.



Outlook

Bertrandt is one of the leading European providers of engineering services for all aspects of mobility. In the international automotive and aviation industry, our range covers the entire product engineering value chain and beyond. In addition to conventional engineering, Bertrandt will be continuing to specifically extend its activities in specialist areas and harnessing growth potential. As well as this, the Company expects to be able to derive further impetus from its activities in the aviation industry. As a strategic partner to the automotive and aviation industries, Bertrandt sees a good chance of business success.

Provided that the economy lives up to the upbeat forecasts and there are no material changes in the outsourcing practices the manufacturers and components suppliers, the Management Board expects both revenues and earnings to grow compared with fiscal 2005/2006. Consequently, Bertrandt assumes that it will be able to report a continued improvement in its financial situation.

Quarterly report

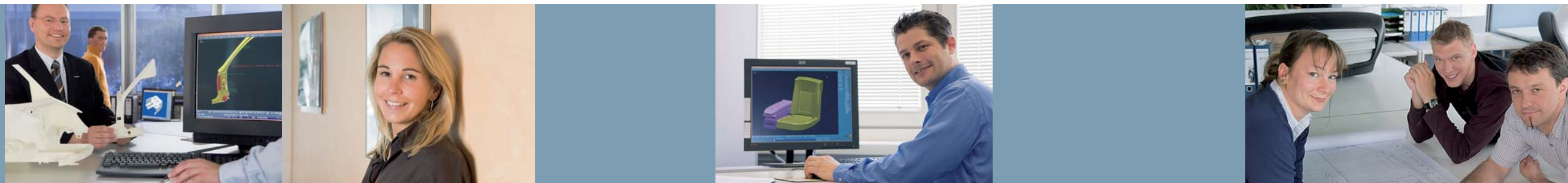


Consolidated income statement for the first quarter 2006/2007

From 01.10. to 31.12.	2006/2007	2005/2006
Revenues	75.309	54.359
Other internally generated assets	0.006	0.005
Total revenues	75.315	54.364
Other operating income	1.391	1.183
Raw materials and consumables used	-7.850	-4.914
Staff costs	-48.101	-37.352
Depreciation/amortisation	-2.331	-1.884
Other operating expenses	-12.612	-8.857
Operating profit	5.812	2.540
Share in profits of financial assets accounted for at equity	0.012	0
Other financial items	-0.049	-0.307
Net borrowing costs	-0.037	-0.307
Profit from ordinary activities	5.775	2.233
Other taxes	-0.112	-0.086
Earnings before tax	5.663	2.147
Income taxes	-2.216	-0.993
Earnings after income tax	3.447	1.154
Minority interests	0	0
Profit attributable to the shareholders of Bertrandt AG	3.447	1.154
Number of shares in thousands (basic, weighted average)	10,117	10,054
Number of shares in thousands (diluted, weighted average)	10,117	10,109
Earnings per share – basic (EUR)	0.34	0.11
Earnings per share – diluted (EUR)	0.34	0.11

Consolidated balance sheet

	31.12.2006	30.09.2006
Assets		
Non-current assets	44.236	43.718
Intangible assets	11.910	11.559
Property, plant and equipment	29.201	29.048
Investments accounted using the equity method	0.227	0.125
Other financial assets	0.853	0.744
Receivable and other assets	1.315	1.334
Deferred taxes	0.730	0.908
Current assets	86.113	81.751
Inventories	0.265	0.310
Future receivables from construction contracts	13.932	17.167
Receivables and other assets	62.930	57.655
Cash and cash equivalents	7.252	4.243
Prepayments	1.734	2.376
Total assets	130.349	125.469
Equity and liabilities		
Capital and reserves	61.643	58.181
Issued capital	10.143	10.143
Share premium	26.625	26.625
Retained earnings	17.572	17.557
Minority interests	0.002	0.002
Consolidated distributable profit	7.301	3.854
Non-current liabilities	13.797	15.678
Provisions for post-employment benefits	1.589	1.546
Borrowings	7.623	7.600
Other liabilities	0.139	0.135
Deferred income	0.651	0.660
Deferred taxes	3.795	5.737
Current liabilities	54.909	51.610
Tax provisions	4.135	4.212
Other provisions	14.672	11.779
Borrowings	2.579	8.331
Trade payables	5.497	5.362
Other liabilities	26.660	21.242
Deferred income	1.366	0.684
Total equity and liabilities	130.349	125.469



Consolidated statement of changes in equity

	Issued capital	Share premium	Retained earnings				Minority interests	Distributable profit	Total
			Non-distributed earnings	Currency translation reserve	Reserve for cash flow hedges	Treasury shares			
Value on 01.10.2006	10.143	26.625	18.324	-0.194	0	-0.573	0.002	3.854	58.181
Capital increases									0
Dividend payment									0
Profit attributable to the shareholders of Bertrandt AG								3.447	3.447
Other non-operative changes									0
Fair value of cash flow hedges									0
Currency differences			-0.039	0.054					0.015
Value on 31.12.2006	10.143	26.625	18.285	-0.140	0	-0.573	0.002	7.301	61.643
Value on 01.10.2005	10.081	26.275	14.354	-0.250	-0.070	-0.573	0.003	0	49.820
Capital increases	0.004	0.020							0.024
Dividend payment									0
Profit attributable to the shareholders of Bertrandt AG								1.154	1.154
Other non-operative changes							-0.001		-0.001
Fair value of cash flow hedges					0.005				0.005
Currency differences			0.042	0.008					0.050
Value on 31.12.2005	10.085	26.295	14.396	-0.242	-0.065	-0.573	0.002	1.154	51.052

Segment reporting

Segment reporting by division	Digital Engineering		Physical Engineering		Electrical Systems/ Electronics		Total for all divisions	
	2006/2007	2005/2006	2006/2007	2005/2006	2006/2007	2005/2006	2006/2007	2005/2006
From 01.10. to 31.12.								
Revenues	45.933	33.436	17.081	12.908	12.295	8.015	75.309	54.359
Operating profit	3.422	1.114	1.309	0.800	1.081	0.626	5.812	2.540

Consolidated cash flow statement

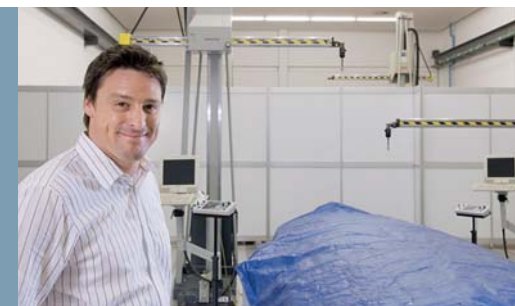
From 01.10. to 31.12.	2006/2007	2005/2006
1. Earnings for the period (including minorities) before exceptional items	3.447	1.154
2. Writedowns on non-current assets	2.331	1.884
3. Increase/decrease in provisions	2.859	1.415
4. Other non-cash expenses/income	-1.769	0.728
5. Profit/loss from disposal of non-current assets	0.010	0.038
6. Increase/decrease in inventories, trade receivables and other assets not assigned to investing or financing activities	-1.334	6.255
7. Increase/decrease in trade payables and other liabilities not assigned to investing or financing activities	6.231	-2.266
8. Cash flows from operating activities (1.-7.)	11.775	9.208
9. Payments received from disposal of property, plant and equipment	0.063	0.027
10. Payments received from disposal of financial assets	0.048	0.116
11. Payments made for investments in property, plant and equipment	-1.498	-0.914
12. Payments made for investments in intangible assets	-1.413	-0.146
13. Payments made for investments in financial assets	-0.237	-0.052
14. Cash flows from investing activities (9.-13.)	-3.037	-0.969
15. Payments received from issue of capital	0	0.024
16. Payments made to shareholders and minority shareholders	0	0
17. Payments received from issue of debt instruments and raising of loans	0	0
18. Payments made for discharging dept instruments and repaying loans	-5.729	-8.801
19. Cash flows from financing activities (15.-18.)	-5.729	-8.777
20. Changes in cash and cash equivalents (8.+14.+19.)	3.009	-0.538
21. Cash and cash equivalents at the beginning of period	4.243	4.105
22. Cash and cash equivalents at the end of period (20.+21.)	7.252	3.567

Shares held by members of the management board and the supervisory board

On	31.12.2006		30.09.2006	
	Shares	CB	Shares	CB
Management board				
Dietmar Bichler	801,094	0	801,094	0
Ulrich Subklew	81,449	0	81,449	0
Supervisory board				
Dr. Klaus Bleyer	0	0	0	0
Maximilian Wölffe	0	0	0	0
Horst Binnig	0	0	0	0
Prof. Dr.-Ing. Wilfried Sihm	0	0	0	0
Martin Diepold	400*	0	425	0
Daniela Brei	142	0	142	0
Total	883,085	0	883,110	0

* Difference compared with 30 September 2006 due to a correction in the custodian account.

Notes



Accounting methods and principles

These interim financial statements of Bertrandt Aktiengesellschaft, Ehningen, for the quarter ending 31 December 2006 were prepared using the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the European Union (EU). In addition, allowance was made for the commercial provisions to be observed in accordance with Section 315a (1) of the German Commercial Code. All compulsory standards applicable in the 2006/2007 fiscal year were applied. The interim financial statements were compiled in euros. Unless stated otherwise, all amounts are shown in millions of euros (EUR million).

Recognition and measurement methods

As a matter of principle, the interim financial statements have been prepared and the comparative figures for the previous year calculated using the same consolidation, recognition and measurement methods as for the consolidated financial statements for 2005/2006. A detailed description of these principles is described in the notes to the consolidated financial statements for the fiscal year 2005/2006, which are also available on the Internet at www.bertrandt.com.

As of this fiscal year, personnel obligations have been reclassified and are no longer stated under other current provisions but under current liabilities; the figures for the previous year have been restated accordingly for comparison purposes.

Recognition, measurement and consolidation methods differing from German law

These IFRS consolidated financial statements contain the following recognition and measurement methods that differ from requirements under German legislation:

- Profit from customer orders is recognised in accordance with the percentage-of-completion method (International Accounting Standards (IAS 11)).
- Treasury stock is netted with capital and reserves.
- Foreign-currency receivables and liabilities are converted at the rates prevailing on the balance sheet date and the resulting changes in value are charged to the income statement.
- Deferred taxes are recognised using the balance-sheet oriented liability method; deferred tax assets arising from unused tax losses are recognised if it is likely that they can be realised.
- "Other provisions" are not set aside if the likelihood of their being utilised is less than 50 percent.
- Assets and residual liabilities under finance leases are placed on the books in accordance with the classification criteria set out in IAS 17.

- Provisions for post-employment benefits are recognised according to the projected-unit-credit method while taking account of the future trend in salaries and the corridor rule pursuant to IAS 19.
- Goodwill arising from acquisition accounting is capitalised and an annual impairment test carried out pursuant to IFRS 3 and IAS 36.
- Internally generated intangible assets are capitalised.
- The depreciation periods for property, plant and equipment have been adjusted to match the period during which economic benefits are derived from them.
- Derivative financial instruments are recognised at their fair value and hedging relationships described in accordance with IAS 39.

Companies consolidated

In addition to Bertrandt AG, the companies that are consolidated include all the subsidiaries operating in the market in the core "automotive and aviation engineering" business under the legal and constructive control of Bertrandt AG. This specifically entails the following German companies: the Bertrandt Ingenieurbüro GmbH companies in Gaimersheim, Hamburg, Neckarsulm, Cologne, Munich, Ginsheim-Gustavsburg, Tappenbeck, Bertrandt Technikum GmbH, Bertrandt Projektgesellschaft mbH in Ehningen, and Bertrandt Services GmbH in Ehningen as well as ZR-Zapadtká + Ritter GmbH & Co. KG and ZR-Zapadtká + Ritter Geschäftsführungs GmbH, which are all consolidated.

Also consolidated were the following foreign companies: Bertrandt France S.A. in Paris/Bièvres, Bertrandt S.A. in Paris/Bièvres, Bertrandt S.A. Sochaux, Bertrandt UK Ltd. in Dunton, Bertrandt Spain S.A. in Barcelona/Esparreguera, Bertrandt Sweden AB in Trollhättan and Bertrandt US Inc., Detroit.

Companies on which Bertrandt exercises material but not dominant influence are accounted for at equity as associated companies in the consolidated financial statements. These are Bertrandt Entwicklungen AG & Co. OHG, Bertrandt Automotive GmbH & Co. KG and, for the first time this year, aucip. automotive cluster investment platform GmbH & Co. KG and aucip. automotive cluster investment platform Beteiligungs GmbH and also Euroaer GmbH for the first time as of this fiscal year.

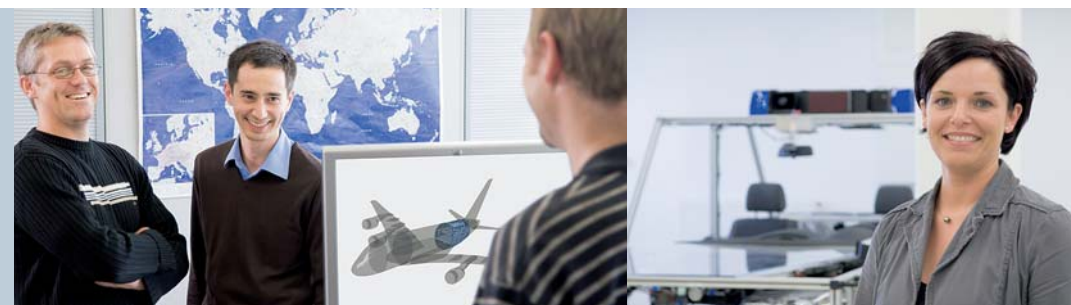
Material events occurring after the end of the interim reporting period

No material events occurred after the end of the interim reporting period not accounted for in the financial statements for the quarter from 30 September 2006 through 31 December 2006.

Financial calendar



Credits



14 February 2007

Annual General Meeting, Sindelfingen

11 May 2007

Report on the 2nd quarter

14 May 2007

2nd Capital Market Day, Ehningen

August 2007

Report on the 3rd quarter

6 December 2007

Announcement of
company figures 2006/2007

Annual press and analysts' conference

13 February 2008

Annual General Meeting, Sindelfingen

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