INDUS

HOLDING AG

Q1

INTERIM REPORT
JAN. 1 TO MAR. 31, 2008

Group		March 31, 2008	March 31, 2007
Revenue	EUR in millions	**218.0**	220.5
Export shares	%	**39.6**	39.8
EBITDA	EUR in millions	**31.0**	31.0
EBIT	EUR in millions	**21.1**	20.7
Net income for the period	EUR in millions	**8.4**	7.1
Depreciation	EUR in millions	**9.9**	10.3
Total assets*	EUR in millions	**971.3**	931.3
Equity*	EUR in millions	**252.4**	234.1
Equity ratio*	%	**26.0**	25.1
Employees		**5,683**	5,420
– Holding company		**18**	17
– Portfolio companies		**5,665**	5,403

Share		Jan. 1 to March 31, 2008	Jan. 1 to March 31, 2007
Earnings per share (Group)	EUR	**0.46**	0.40
Three-month high	EUR	**24.19**	31.60
Three-month low	EUR	**19.23**	26.90
Price at end of period	EUR	**22.20**	28.49
Average daily turnover	No. of shares	**46,367**	65,160
Market capitalization	EUR in millions	**399.60**	512.82

** Comparable figures as of December 31, 2007.*

Financial Calendar

July 1, 2008	Annual Shareholders' Meeting, Cologne
July 2, 2008	Dividend Payment
August 29, 2008	Interim Report on the First Half of 2008
November 28, 2008	Interim Report on the First Three Quarters of 2008
April 2009	2008 Annual Report
May 2009	Analyst Conference
May 2009	Interim Report on the First Quarter of 2009

Ladies and Gentlemen,

We got off to a good start to the new year. The company generated EUR 225.1 million in total output, matching the extremely high level achieved a year earlier, and we posted a marked increase in income after taxes for the period. This reflects the progress we have already made in recent months by initiating optimization and streamlining measures at our portfolio companies. We will continue to pursue this approach with resolve in the future as well. Our objective is to improve our operating margin both continuously and sustainably. Having grown EBIT to EUR 21.1 million in the first quarter, we are well on our way.

At the same time, we intend to capitalize on acquisition opportunities over the course of the year, which will result from the fact that valuations of small and medium-sized enterprises have begun to decline again. Thanks to the strategic restraint we demonstrated in the last two years, we have the best preconditions for stepping up our investment in the expansion of our portfolio of equity holdings as long as multiples are attractive. Our solid liquidity situation underscores this position.

We are thus pursuing the INDUS strategy which has proven to be successful over the long term and involves achieving growth by striking a balance between external growth and the continued development of our existing portfolio in terms of opportunities and risks. We will continue to align our portfolio companies with the demands imposed by the world's markets and explore all options to this end.

Despite the adverse conditions underlying the raw material and capital markets, we expect to display positive development for 2008 as a whole, along with further growth in revenue and the operating result (EBIT). The positive development of our existing investments will be the main driver.

I would like to take this opportunity to thank our employees and the managing directors of our portfolio companies, for INDUS Holding AG would not have been able to develop successfully without their commitment.

Sincerely,

Helmut Ruwisch
Chairman of the Board of Management

General Economic Trend

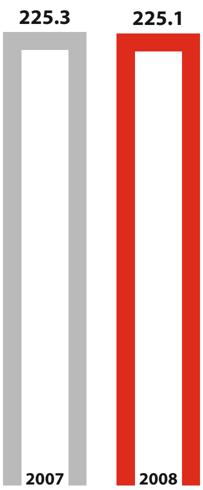
Germany's economy displayed surprisingly positive developments in the first quarter of 2008. Net of price, seasonal and calendar effects, the gross domestic product (GDP) was up 1.5% on last year's first quarter. Tangible stimuli came from domestic business as well as from exports. Most importantly, gross investment increased, while consumer spending only recorded a marginal gain. The relatively mild winter contributed to this robust trend as well.

However, the economic factors that will have a negative effect over the medium term remained. Since the uncertainty prevailing on global financial markets is persisting, interest rates in interbank trading are still high and some lenders are already pursuing restrained credit granting policies. Although the continued rise in raw material prices was slightly buffered by the US dollar's weakness, both of these factors harbor a potential to slow the economy that should not be underestimated.

Group Accounting

Earnings Situation

Total output as of March 31 EUR in millions



INDUS got off to a good start to the new fiscal year, generating EUR 218.0 million in revenue, which nearly matched the exceptional performance to the tune of EUR 220.5 million posted in the first quarter of 2007. Total output amounted to EUR 225.1 million, which was on par with the figure recorded in the same quarter last year (EUR 225.3 million). The share of total revenue accounted for by foreign operations dropped slightly, decreasing by 0.2 percentage points to 39.6%.

Our portfolio companies continued to feel the effects of the rise in raw material and energy prices in the first quarter. However, we succeeded in reducing the ratio of the cost of materials to total revenue by 1.0% year on year by lifting revenue. By contrast, staff costs rose by a total of 5.4% to EUR 60.9 million (Q1 2007: EUR 57.8 million) owing to workforce expansions at individual portfolio companies and wage increases. This translates into a ratio of staff costs to total revenue of 27.9% (Q1 2007: 26.2%). At EUR 28.3 million, other operating expenses were virtually flat (Q1 2007: EUR 28.2 million).

Earnings before interest, taxes, depreciation and amortization (EBITDA) totaled EUR 31.0 million, equaling the level achieved in the year-earlier period exactly. Depreciation and amortization experienced a marginal decline, slipping by 3.9% to EUR 9.9 million and causing the EUR 21.1 million in earnings before interest and taxes (EBIT) to surpass the strong level recorded in the first quarter of 2007 by 1.9%. This results in a further improvement in the EBIT margin, which rose from 9.4% to 9.7%. The EUR 0.8 million drop in net interest to EUR –7.4 million is primarily a result of the adjustments to derivative financial instruments used to hedge interest rates mandated by IFRS. In consequence, earnings before taxes (EBT) amounted to EUR 13.7 million, nearly matching the EUR 14.1 million achieved a year earlier. Payable taxes decreased significantly, dropping by 22.1% to EUR 5.3 million and causing income after taxes and minority interests for the period to post a substantial gain, jumping by 18.3% to EUR 8.4 million (Q1 2007: EUR 7.1 million). Accordingly, earnings per share advanced from EUR 0.40 to EUR 0.46.

Financial and Net Assets

By March 31, 2008, the INDUS Group's balance-sheet total had risen by EUR 40.0 million to EUR 971.3 million.

On the assets side, non-current assets were only marginally lower. In sum, they dropped by a slight EUR 1.6 million to EUR 560.3 million, without the individual items recording any significant changes. By contrast, current assets were up by EUR 41.6 million to EUR 411.0 million. This increase is predominantly due to higher inventories (EUR +11.6 million) as well as a rise in other current assets (EUR +2.8 million) and cash and cash equivalents (EUR +27.0 million).

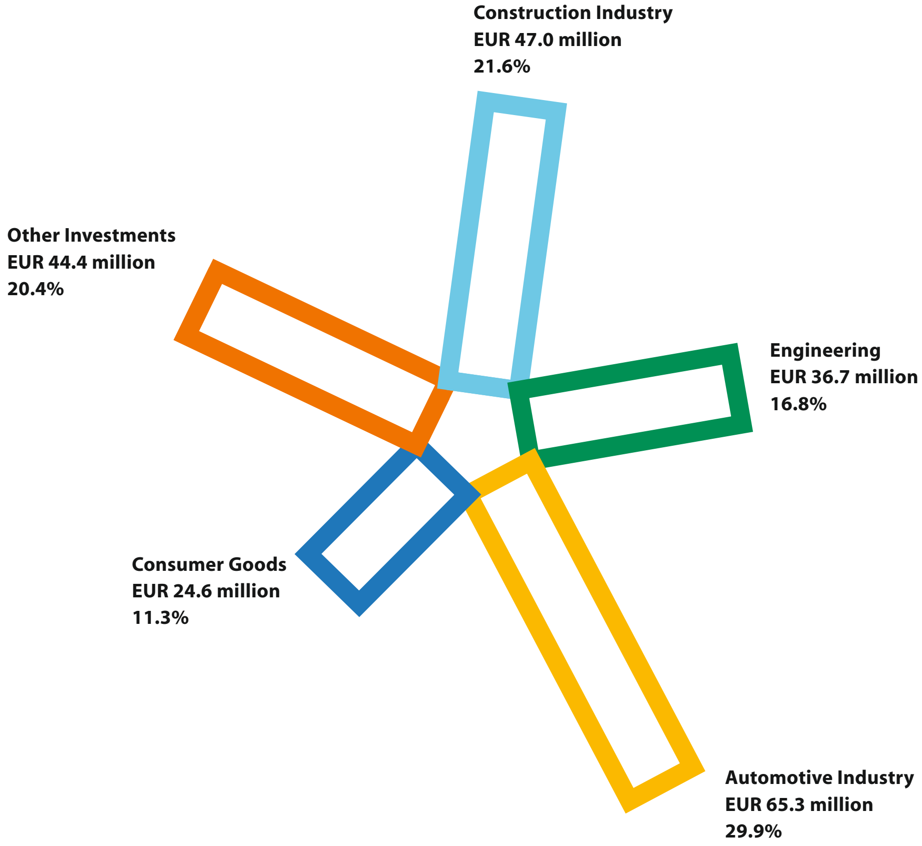
On the equity and liabilities side, the Group's shareholders' equity was up by EUR 18.3 million to EUR 252.4 million. Since this development was disproportionately stronger than that of the balance-sheet total, the equity ratio improved by another 0.9 percentage points to 26.0%. Net debt recorded a slight drop, falling to EUR 438.0 million (Q1 2007: EUR 440.4 million). Non-current financial liabilities were up by EUR 27.6 million, whereas current financial liabilities were down by EUR 3.0 million. All in all, non-current liabilities rose by EUR 28.2 million, while current liabilities declined by EUR 6.5 million.

Operating cash flow increased by EUR 33.7 million to EUR 17.0 million (Q1 2007: EUR –16.7 million). This was primarily due to the decrease in accounts receivable. Cash flows from investing activities totaled EUR –8.2 million and were thus EUR 3.0 million lower year on year. EUR 8.5 million were spent on intangible assets and property, plant and equipment (Q1 2007: EUR 10.8 million). Cash flows from financing activities advanced by EUR 18.1 million to EUR 24.6 million (Q1 2007: EUR 6.5 million). EUR 50.0 million in cash flows from the issuance of debt were contrasted by EUR 25.4 million in cash flows from the repayment of debt.

Segment Report

INDUS Holding AG divides its portfolio of companies into five segments: Construction Industry, Engineering, Automotive Industry, Consumer Goods and Other Investments. As a rule, operating units are assigned to segments based on the areas in which their revenue is concentrated. As of March 31, 2008, the portfolio of equity holdings encompassed 42 operating units, as before.

Revenue by Segment as of March 31, 2008



Construction Industry

So far, the German construction industry has benefited from strong order books and the mild weather this year. In the first two months, revenue earned in commercial construction and the main building sector was up 13.3%. Especially strong gains were recorded by public construction, expanding by 18.8%, and industrial construction, increasing by 13.2%. However, incoming orders displayed divergent development. Public construction posted another gain in the first two months in this regard, whereas industrial construction was down year on year in February.

As of March 31, 2008, the Construction Industry segment comprised a total of ten operating units, as before.

Revenue achieved by the Construction Industry segment reached EUR 47.0 million, nearly equaling the strong year-earlier level of EUR 49.0 million. Earnings before interest and taxes (EBIT) totaled EUR 3.6 million and were thus 12.2% lower than the EUR 4.1 million achieved a year earlier. This decrease is due to the high level of raw material and energy costs, which were only partially offset by optimization programs. The EBIT margin dropped slightly, slipping by 0.7 percentage points to 7.7% (Q1 2007: 8.4%).

As of March 31, 2008, the Construction Industry segment had 889 people on its payroll (Q1 2007: 861 employees).

Engineering

In the first three months of the year underway, the German engineering sector lost some momentum. Domestic and foreign orders received were 1.0% and 5.0% higher year on year, respectively. According to the German Engineering Federation (VDMA), the weak trend witnessed in March, during which a decline of 5.0% was observed, should not be overrated in light of the high level achieved in the same period last year and a calendar effect stemming from the early Easter holiday. Nevertheless, following four years at high altitude, the era of lofty growth rates seems to have ended for the time being.

As of March 31, 2008, the Engineering segment still comprised nine operating units.

Portfolio companies assigned to the Engineering segment reproduced the robust figures posted in the same quarter last year. At EUR 36.7 million, segment revenue was flat (Q1 2007: EUR 36.7 million). Optimization measures have already taken effect, despite the substantial rise in the price of major commodities such as metal and energy. As a result, earnings before interest and taxes (EBIT) amounted to EUR 5.0 million and were thus a marginal 2.0% higher than the EUR 4.9 million recorded in the same period last year. Accordingly, the EBIT margin improved by 0.2 percentage points to 13.6% (Q1 2007: 13.4%).

As of March 31, 2008, the Engineering segment had 667 people on its payroll (Q1 2007: 649 employees).

Automotive Industry

So far, the year has generally been favorable to the German automotive industry. In the first four months, passenger car production was 4.0% up year on year, with commercial vehicle output jumping 13.0%. Once again, major stimuli were injected by exports as well as domestic business. There were 1.05 million new passenger car registrations—7.0% more year on year, and 110,900 new commercial vehicle registrations—6.0% up on the year-earlier level. This trend is extremely remarkable against the backdrop of the significant increase in gasoline prices.

As of March 31, 2008, the Automotive Industry segment still consisted of a total of twelve operating units.

The Automotive Industry segment displayed thoroughly positive development. Segment revenue rose by 5.8% to EUR 65.3 million (Q1 2007: EUR 61.7 million). Streamlining measures had a tangible impact, leading to a considerable improvement in earnings despite the adverse environment, which was characterized by price pressure, the high cost of raw materials, and significant collectively bargained wage increases. Earnings before interest and taxes (EBIT) advanced by 25.5%, from EUR 5.1 million to EUR 6.4 million. This caused the EBIT margin to improve further, increasing by 1.5 percentage points to 9.8% (Q1 2007: 8.3%).

As of March 31, 2008, the Automotive Industry segment had 2,081 people on its payroll (Q1 2007: 1,869 employees).

Consumer Goods

Based on preliminary information released by the German Federal Bureau of Statistics, consumer spending only posted marginal growth in the first quarter. Once again, the expected rise owing to the improved situation on the labor market and the marked increase in collectively bargained wages failed to occur. The negative effect of consumer behavior occasioned by the accelerated advance in the price of energy and food actually resulted in a notable decline in purchasing power.

As of March 31, 2008, the Consumer Goods segment still comprised four operating units.

In the first quarter, the portfolio companies assigned to the Consumer Goods segment focused on enhancing their earnings power. Segment revenue decreased by 9.9% to EUR 24.6 million (Q1 2007: EUR 27.3 million), while earnings before interest and taxes (EBIT) were boosted by 10%, surging from EUR 3.0 million to EUR 3.3 million. This is because we renounced less profitable orders and implemented streamlining measures. As a result, the EBIT margin improved by 2.4 percentage points to 13.4% (Q1 2007: 11.0%).

As of March 31, 2008, the Consumer Goods segment had 745 people on its payroll (Q1 2007: 820 employees).

Other Investments

The Other Investments segment includes operating units that supply products to customers in the most diverse sectors and thus cannot be clearly assigned to any of the four preceding segments. Germany's general economic trend, measured on the basis of the gross domestic product (GDP), is the only suitable—albeit rough—yardstick. It was up 1.5% in the first quarter of 2008. Further commentary is included in the section entitled "General Economic Trend."

As of March 31, 2008, the Other Investments segment still comprised seven operating units.

The trend displayed by the Other Investments segment was slightly weaker than in the year-earlier quarter. Segment revenue declined by 2.8% to EUR 44.4 million (Q1 2007: EUR 45.7 million). Due to one-off effects, earnings before interest and taxes (EBIT) were also down year on year, amounting to EUR 2.9 million as compared to the EUR 3.6 million achieved in the same period last year. The EBIT margin was 6.5%, which was 1.4 percentage points lower year on year.

As of March 31, 2008, the Other Investments segment had 1,301 people on its payroll (Q1 2007: 1,221 employees).

Capital Expenditure

In the first quarter of 2008, INDUS spent a total of EUR 8.2 million in capital on the holding company and its subsidiaries (Q1 2007: EUR 27.9 million).

Workforce

As of March 31, 2008, the INDUS Group employed 5,683 people. This corresponds to an increase of 263 employees year on year. The rise is largely due to the expansion of the labor force in foreign subsidiaries, primarily driven by the entry into Serbia and Mexico.

Share

In the first quarter, INDUS' share performance was significantly affected by the turbulence on the world's capital markets. Nevertheless, the INDUS share demonstrated remarkable strength compared with the relevant index, the SDAX. The INDUS share closed trading on March 31 at EUR 22.20—8.2% lower than at the beginning of the year. In the same period, however, the SDAX shrank by 14.0% to 4,488.35 points, declining much more than the INDUS share. Whereas the developments were nearly identical in the first few weeks, both quotations recorded a low for the year on January 21, whereby the INDUS share managed to decouple itself from the SDAX's performance and post a significantly more positive performance. Driven by the positive preliminary figures for fiscal 2007, the share price rose considerably, leaving the SDAX behind as time progressed.

This positive development is also reflected in the INDUS share's weighting within the SDAX based on market capitalization. By March 31, its weighting had risen to 2.0% (December 31, 2007: 1.84%). This ranks INDUS 18th among the 50 companies encompassed by the index—an eight-position improvement over the same period last year. Average share turnover across domestic exchanges was 46,367 in the first quarter (Q1 2007: 65,160).

The joint dividend proposal by the Board of Management and the Supervisory Board envisions the ongoing pursuit of the continuous dividend policy. Accordingly, subject to shareholder approval within the scope of this year's Annual Shareholders' Meeting on July 1 in Cologne, an unchanged dividend of EUR 1.20 per share will be paid. Based on the share price at the end of the period under review, this corresponds to a dividend yield of 5.4%.

Events After the Balance-Sheet Date

Since March 31, 2008, no special events have occurred which, based on our assessment, could have a material effect on the earnings, finances or assets of the Group or INDUS Holding AG.

Risk Management

In the course of their business operations, INDUS Holding AG and its individual portfolio companies are exposed to a number of risks that are inextricably linked to entrepreneurial activity. These risks primarily consist of risks associated with the business and sectoral environment, corporate strategy, performance, finances and personnel. These risks were commented on in detail in the risk management report in the 2007 annual report. There have not been any material changes to the individual risks or the overall risk exposure since then. For further information, the 2007 annual report is available for download at www.indus.de.

Outlook

We expect the economic trend to weaken over the course of the year, as compared with last year. In light of the crisis on financial markets—which has not been overcome yet—, the appreciation of the euro, and the rise in raw material and consumables prices, the global economic environment will remain difficult. Nevertheless, the strong growth of Germany's gross domestic product (GDP) in the first quarter demonstrated how robust the domestic economy still is. Leading economic research institutes forecast that Germany will record approximately 1.6% growth in terms of GDP for the year as a whole.

Developments anticipated for the individual sectors show that the associations are making increasingly cautious prognoses. Although Germany's Central Construction Industry Association continues to uphold its goal of achieving 5.0% growth, it points out that incoming orders are losing steam. The mechanical engineering sector is losing some of its pace, following four years of uninterrupted strong growth. Although the German Engineering Federation (VDMA) is cautiously optimistic, the trend is expected to weaken considerably. The German Association of the Automotive Industry (VDA) does not expect the market to recover significantly, either. But it does anticipate that the trend will be more stable than last year. Consumer spending will largely depend on whether the price of consumer goods returns to normal levels over the remaining course of the year.

In 2008, INDUS will resolutely expedite the improvement of the internal processes of its individual portfolio companies. The company also intends to take advantage of the continuous improvement in the acquisition market to strategically expand its existing portfolio by purchasing attractive small and medium-sized enterprises. Following the restraint it has displayed in recent years, INDUS now has the prerequisites for making considerable investments once again, as valuation benchmarks return to normalcy.

As regards 2008 as a whole, the Board of Management expects to grow the company further on the strength of the positive development of its existing investments. The objective is to post additional gains in consolidated revenue and EBIT while remaining in pursuit of the continuous dividend policy with a payout ratio of about 40.0%.

Consolidated Income Statement*

EUR '000	Note	March 31, 2008 Q1	March 31, 2007 Q1
Revenue		218,010	220,517
Other operating income		1,824	1,922
Own work capitalized		1,166	931
Change in inventories		5,881	3,848
Cost of materials		– 106,783	– 110,302
Staff costs		– 60,892	– 57,824
Depreciation		– 9,882	– 10,334
Other operating expenses		– 28,343	– 28,240
Income from shares accounted for using the equity method		100	100
Other financial result		63	60
Operating result (EBIT)		**21,144**	**20,678**
Interest income		669	396
Interest expenses		– 8,070	– 6,992
Net interest		– 7,401	– 6,596
Income before taxes		**13,743**	**14,082**
Taxes		– 5,335	– 6,792
Income from discontinued operations	(1)	–	– 69
Income after taxes		**8,408**	**7,221**
– thereof minority interests		– 28	– 88
– thereof income allocable to INDUS shareholders		8,380	7,133
Diluted earnings per share in EUR	(2)	0.46	0.40
Undiluted earnings per share in EUR		0.46	0.40
Earnings allocable to INDUS shareholders, net of volatility and interest-rate hedges		9,031	7,302

** Prior-year figures adjusted.*

Summary of Income and Expenses Recognized in Equity

	Q1 2008	Q1 2007
Currency translation adjustment	– 12	– 265
Changes in the fair value of derivative financial instruments	– 89	202
Netting of deferred taxes	14	– 53
Income and expenses directly recognized in equity	**– 87**	**– 116**
Income after taxes	8,408	7,221
Total income and expenses recognized in equity	**8,321**	**7,105**
– of which minority interests	28	88
– of which shares allocable to INDUS shareholders	8,293	7,017

Consolidated Balance Sheet

Assets

EUR '000	Note	**March 31, 2008**	**Dec. 31, 2007**
Goodwill		285,606	285,606
Intangible assets	(3)	17,801	18,147
Property, plant and equipment	(4)	238,328	239,381
Financial assets		7,610	7,853
Shares accounted for using the equity method		4,757	4,657
Other non-current assets		2,148	2,109
Deferred taxes		4,017	4,144
Non-current assets		**560,267**	**561,897**
Cash and cash equivalents		104,615	77,617
Accounts receivable	(5)	116,585	115,543
Inventories	(6)	172,981	161,351
Other current assets		13,206	10,442
Current income taxes		3,617	4,463
Assets held for sale		–	–
Current assets		**411,004**	**369,416**
Balance sheet total		**971,271**	**931,313**

Equity and Liabilities

EUR '000	March 31, 2008	Dec. 31, 2007
Paid-in capital	172,930	162,955
Generated capital	77,410	69,117
Shareholders' equity of INDUS shareholders	250,340	232,072
Minority interests in capital	2,086	2,058
Group equity	**252,426**	**234,130**
Non-current financial liabilities	414,142	386,568
Provisions for pensions	15,254	15,124
Other non-current provisions	2,500	2,452
Other non-current liabilities	8,285	8,435
Deferred taxes	19,299	18,705
Non-current liabilities	**459,480**	**431,284**
Current financial liabilities	128,427	131,410
Trade accounts payable	39,042	33,286
Other current provisions	31,446	28,834
Other current liabilities	49,838	61,986
Current income taxes	10,612	10,383
Liabilities held for sale	–	–
Current liabilities	**259,365**	**265,899**
Balance sheet total	**971,271**	**931,313**

Consolidated Cash Flow Statement*

EUR '000	March 31, 2008	March 31, 2007
Income after taxes	**8,408**	**7,221**
Depreciation/write-backs – of non-current assets (excluding deferred taxes)	9,882	10,334
Taxes	5,335	6,792
Net interest	7,401	6,596
Cash earnings of discontinued operations	–	– 102
Income from companies accounted for using the equity method	– 100	– 100
Other non-cash transactions	114	25
Changes in provisions	2,790	5,887
Increase (–)/decrease (+) in inventories, trade accounts receivable and other assets not allocable to investing or financing activities	– 14,502	– 37,281
Increase (+)/decrease (–) in trade accounts payable and other liabilities not allocable to investing or financing activities	682	– 11,448
Income taxes received/paid	– 3,056	– 4,652
Dividend portion	–	–
Operating cash flow	**16,954**	**– 16,728**
Interest paid	– 6,775	– 5,856
Interest portion	669	396
Cash flows from operating activities	**10,848**	**– 22,188**
Cash flows from investments in		
– intangible assets	– 8,483	– 10,764
– financial assets	–	– 402
– shares in fully consolidated companies	–	–
Income from the disposal of		
– shares in fully consolidated companies	–	–
– other assets	243	–
Cash flows from investing activities	**– 8,240**	**– 11,166**
Dividends paid to minority interests	–	– 98
Cash flows from the issuance of debt	50,000	10,000
Cash flows from the repayment of debt	– 25,409	– 3,433
Cash flows from financing activities	**24,591**	**6,469**
Net cash change in financial facilities	**27,199**	**– 26,885**
Changes in cash and cash equivalents caused by currency exchange rates	**– 201**	**– 103**
Cash and cash equivalents at the beginning of the period	**77,617**	**92,664**
Cash and cash equivalents at the end of the period	**104,615**	**65,676**

** Prior-year figures adjusted.*

Consolidated Statement of Equity

January 1 to March 31, 2008 EUR '000	Opening balance Jan. 1, 2008	Dividend payment	Recognized expenses and income	Deferred taxes	Closing balance March 31, 2008
Subscribed capital	46,800	–	962	–	47,762
Additional paid-in capital	116,155	–	9,013	–	125,168
Paid-in capital	**162,955**	**–**	**9,975**	**–**	**172,930**
Accumulated earnings	68,399	–	8,380	–	76,779
Currency translation reserve	578	–	– 12	–	566
Reserve for the marked-to-market valuation of financial instruments	140	–	– 75	–	65
Generated capital	**69,117**	**–**	**8,293**	**–**	**77,410**
Equity of INDUS shareholders	**232,072**	**–**	**18,268**	**–**	**250,340**
Minority interests	2,058	–	28	–	2,086
Group equity	**234,130**	**–**	**18,296**	**–**	**252,426**

January 1 to March 31, 2007 EUR '000	Opening balance Jan. 1, 2007	Dividend payment	Recognized expenses and income	Deferred taxes	Closing balance March 31, 2007
Subscribed capital	46,800	–	–	–	46,800
Additional paid-in capital	116,155	–	–	–	116,155
Paid-in capital	**162,955**	**–**	**–**	**–**	**162,955**
Accumulated earnings	40,055	–	7,133	–	47,188
Currency translation reserve	533	–	– 265	–	268
Reserve for the marked-to-market valuation of financial instruments	– 486	–	149	–	– 337
Generated capital	**40,102**	**–**	**7,017**	**–**	**47,119**
Equity of INDUS shareholders	**203,057**	**–**	**7,017**	**–**	**210,074**
Minority interests	1,503	– 98	87	–	1,492
Group equity	**204,560**	**– 98**	**7,104**	**–**	**211,566**

Reserves for currency translation and the marked-to-market valuation of financial instruments include unrealized gains and losses. The reserve for the marked-to-market valuation of financial instruments includes the efficient share of interest-rate hedges.

Minority interests in equity relate to external shareholders in limited liability companies and corporations. In accordance with IAS 32, due to the theoretical retirability and redeemability of the shares, minority interests in limited partnerships are reported as debt and stated under other liabilities in the amount of EUR 4,927,000 (Q1 2007: EUR 10,556,000).

General Information

INDUS Holding AG, based in Bergisch Gladbach, Germany, entered in the Cologne commercial register (HRB 46360), prepared its unaudited interim report for the first quarter of fiscal 2008 in accordance with International Financial Reporting Standards (IFRS) and the interpretation of such by the International Financial Reporting Interpretations Committee (IFRIC). New standards that become effective are reported separately. Otherwise, this interim report was prepared using accounting policies applied in the consolidated financial statements for fiscal 2007, which are explained in detail therein. Since this interim report does not match the scope of information provided in the consolidated financial statements for fiscal 2007, these interim financial statements must be viewed in the context of the preceding consolidated financial statements for the year as a whole.

The consolidated financial statements are prepared in euros (EUR). Unless otherwise noted, all amounts are stated in thousands of euros (EUR '000).

Management Estimates and Judgments: The preparation of consolidated financial statements is influenced by accounting and valuation principles and requires assumptions and estimates to be made which have an impact on the recognized value of the assets and liabilities carried on the balance sheet, as well as on contingent liabilities as well as income and expenses. When estimates are made regarding the future, actual values may deviate from the estimates. If the original basis for the estimates changes, the statement of the relevant items is adjusted with an effect on income.

Taxes on Income: In the interim report, the income tax expense is calculated on the basis of the most current tax budget.

Scope of Consolidation

In the consolidated financial statements all subsidiary companies are fully consolidated, if INDUS Holding AG has the direct or indirect possibility of influencing the companies' finance and business policy to the benefit of the INDUS Group. Associated companies whose finance and business policy can be significantly influenced are consolidated using the equity method. Companies purchased during the course of the fiscal year are consolidated as of the date of transfer of control over their finance and business policy. Companies which are sold are no longer included in the scope of consolidation starting on the date on which the business is transferred. After the date upon which the decision is made to dispose of the company, they are classified as "held for sale."

Business Combinations Pursuant to IFRS 3

No major companies were acquired in the first quarter of 2008.

A 75% stake was purchased in the investment OBUK Haustürfüllungen GmbH & Co. KG in the first quarter of 2007. In accordance with IFRS 3.61 et seq., the first-time consolidation was carried out on the basis of preliminary figures which were adjusted in the financial statements for fiscal 2007.

Disposals Pursuant to IFRS 5

In the 2007 financial year, a 90% interest in the investment MAPOTRIX Dehnfugen GmbH & Co. KG was sold to its managing director within the scope of a management buyout. This company's income statement was reported as income from discontinued operations. Further details are included in the section entitled "Adjustment of Prior-Year Figures."

[1] Income from Discontinued Operations

This item includes the earnings after taxes of MAPOTRIX Dehnfugen GmbH & Co. KG. The tax expense resulting from income from discontinued operations amounted to EUR 0,000 (prior year: EUR –25,000).

[2] Earnings per Share

Pursuant to IAS 33, earnings per share pertain to consolidated income after taxes from continuing operations and are thus adjusted for income from discontinued operations, which amounts to EUR 0.00 per share (previous year: EUR 0.00 per share). The number of shares rose from18,000,000 in the first quarter of 2007 to 18,370,033 in the first quarter of 2008. Dilution is possible in the event that the authorized capital increase is exercised. The earnings taken as a basis are derived from the earnings of the INDUS shareholders, with income from discontinued operations eliminated.

Commentary on select items included in this report:

[3] Intangible Assets

EUR '000	**March 31, 2008**	**Dec. 31, 2007**
Capitalized development costs	7,572	7,256
Licenses, commercial rights and other intangible assets	10,229	10,891
Total	**17,801**	**18,147**

[4] Property, Plant and Equipment

EUR '000	**March 31, 2008**	**Dec. 31, 2007**
Land and buildings	118,645	119,209
Technical plant and machinery	83,759	85,491
Other plant, fixtures, furniture and office equipment	28,157	27,693
Advance payments and work in progress	7,767	6,988
Total	**238,328**	**239,381**

[5] Accounts Receivable

EUR '000	**March 31, 2008**	**Dec. 31, 2007**
Accounts receivable from customers	109,058	109,140
Future accounts receivable from customer-specific construction contracts	6,471	5,364
Accounts receivable from associated companies	1,056	1,039
Total	**116,585**	**115,543**

[6] Inventories

EUR '000	**March 31, 2008**	**Dec. 31, 2007**
Raw materials and supplies	63,214	58,720
Unfinished goods	45,668	40,552
Finished goods and goods for resale	61,978	60,680
Prepayments to third parties for inventories	2,121	1,399
Total	**172,981**	**161,351**

Segment Reporting

The reporting structure used in the preceding annual financial statements was maintained in this interim report with the exception that MAPOTRIX Dehnfugen GmbH & Co. KG is no longer included in the figures reported for fiscal 2007.

Primary Reporting Format: by Operation*

Q1 2008 EUR '000	Construction Industry	Engineering	Automotive Industry	Consumer Goods	Other Investments	Total
External revenue	47,410	37,004	68,855	26,785	47,022	227,076
Internal revenue	– 408	– 313	– 3,557	– 2,210	– 2,578	– 9,066
Segment revenue from third parties	**47,002**	**36,691**	**65,298**	**24,575**	**44,444**	**218,010**
Operating result (EBIT)	**3,571**	**4,997**	**6,398**	**3,287**	**2,891**	**21,144**
EBIT of discontinued operations	–	–	–	–	–	–
Depreciation – of which for first-time consolidations	1,191 402	689 54	4,691 901	1,476 5	1,835 455	9,882 1,817
Employees	889	667	2,081	745	1,301	5,683

Q1 2007 EUR '000	Construction Industry	Engineering	Automotive Industry	Consumer Goods	Other Investments	Total
External revenue	49,214	36,947	63,903	29,604	47,967	227,635
Internal revenue	– 182	– 272	– 2,180	– 2,263	– 2,221	– 7,118
Segment revenue from third parties	**49,032**	**36,675**	**61,723**	**27,341**	**45,746**	**220,517**
Operating result (EBIT)	**4,062**	**4,896**	**5,050**	**3,038**	**3,632**	**20,678**
EBIT of discontinued operations	– 85	–	–	–	–	– 85
Depreciation – of which for first-time consolidations	1,180 354	812 123	4,496 939	1,846 124	2,000 733	10,334 2,273
Employees	861	649	1,869	820	1,221	5,420

** Prior-year figures adjusted.*

Secondary Reporting Format: by Region*

Q1 2008 EUR '000	Germany	Europe	Rest of the world	Total
External revenue	139,868	51,275	35,933	227,076
Internal revenue	– 8,302	– 543	– 221	– 9,066
Segment revenue from third parties	**131,566**	**50,732**	**35,712**	**218,010**

Q1 2007 EUR '000	Germany	Europe	Rest of the world	Total
External revenue	139,742	59,072	28,821	227,635
Internal revenue	– 7,057	– 56	– 5	– 7,118
Segment revenue from third parties	**132,685**	**59,016**	**28,816**	**220,517**

** Prior-year figures adjusted.*

Related Party Disclosures

Relationships with related parties primarily involve the ongoing compensation of executives in key positions, the Board of Management, and the Supervisory Board. In addition, the company has consultancy agreements as well as rental and lease agreements with minority shareholders and/or their associates and conducts business transactions with associated companies. In the first quarter of 2008, there were no reportable changes to relationships with related parties since they did not differ materially from those reported in the 2007 consolidated financial statements.

Adjustment of Prior-Year Figures

Discontinued operations are accounted for pursuant to IFRS 5.34 separately from the changes in accounting policies in accordance with IAS 8.

Consolidated Income Statement

EUR '000	**Q1 2007** published	Classification	**IFRS 5**	**Q1 2007** comparable
Revenue	220,681	–	– 164	220,517
Other operating income	1,932	–	– 10	1,922
Own work capitalized	931	–	–	931
Change in inventories	4,328	–	– 480	3,848
Cost of materials	– 110,563	–	261	– 110,302
Staff costs	– 58,134	–	310	– 57,824
Depreciation	– 10,334	–	–	– 10,334
Other operating expenses	– 28,408	–	168	– 28,240
Income from shares accounted for using the equity method	–	100	–	100
Financial result	160	– 100	–	60
Operating result (EBIT)	**20,593**	**–**	**85**	**20,678**
Interest income	396	–	–	396
Interest expenses	– 7,001	–	9	– 6,992
Net interest	– 6,605	–	9	– 6,596
Income before taxes	**13,988**	**–**	**94**	**14,082**
Taxes	– 6,767	–	– 25	– 6,792
Income from discontinued operations	–	–	– 69	– 69
Income after taxes	**7,221**	**–**	**–**	**7,221**
– thereof minority interests	– 88	–	–	– 88
– thereof income allocable to INDUS shareholders	7,133	–	–	7,133
Diluted earnings per share in EUR	0.40			0.40
Undiluted earnings per share in EUR	0.40			0.40

Events After the Interim-Balance-Sheet Date

There were no special reportable events after the interim-balance-sheet date.

Audit-Like Review by the Auditor of the Consolidated Financial Statements

The interim financial statements for the periods ended March 31, 2008 and 2007 were not subjected to an audit-like review.

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