Quarterly Report

3rd Quarter 2006

Westag & Getalit AG

Sales

The most recent data from the Federal Statistical Office are apparently indicating a turnaround in the German construction sector for the first time after over 10 years of recession; incoming orders in the building construction sector were up 8.7 % year-on-year in the first eight months of 2006.

Growing both in Germany and abroad, Westag & Getalit AG increased its Q3 2006 sales by 14.4 % to € 145.7 million against the previous year. Double-digit growth in exports was reported by all three Divisions, with sales rising by 35.7 % to € 34.2 million. The export share amounted to 23.5 % (previous year: 19.8 %) in the period under review.

Divisions

Sales revenue (in €'000)	Jan. 01 - Sep. 30, 2006	Jan. 01 - Sep. 30, 2005	Change (in %)
Plywood/Shuttering	28,683	20,324	41.1
Doors/Frames	59,503	52,689	12.9
Laminates/Elements	54,817	51,684	6.1

At 41.1 %, the **Plywood/Formwork** Division achieved the strongest growth, to € 28.7 million, not least thanks to especially successful exports.

Sales in the **Doors/Frames** Division increased by 12.9 % to € 59.5 million, benefiting from our growing export strength and a broad product portfolio.

The **Laminates/Elements** Division grew by 6.1 % to € 54.8 million, also thanks to a constant increase in sales of mineral materials.

Results

Our Q3 2006 earnings before income taxes advanced noticeably to € 8.7 million (previous year: € 3.5 million). This positive earnings performance was attributable to a 14.4 % increase in sales in conjunction with virtually unchanged staff costs. The latter is the result of the working time model introduced on January 1, 2006 in combination with high utilisation. As a result, staff costs as a percentage of sales declined from 34.2 % in the first nine months of the previous year to 29.7 % in the period under review. However, the market situation did not permit to fully pass on the increased commodity prices in the form of higher product prices.

Net profit rose to € 5.2 million (previous year: € 2.1 million), while DVFA/SG earnings per share grew to € 0.97 (previous year: € 0.39).

Profit data (in € '000)	Jan. 01 - Sep. 30, 2006	Jan. 01 - Sep. 30, 2005	Change (in %)
Earnings before income taxes	8,681	3,476	149.7
Net profit	5,209	2,133	144.2
Net profit per share (in €)	0.91	0.37	145.9
DVFA/SG earnings per share (in €)	0.97	0.39	148.7

Investments

The focus of our investment activities in 2006 was on a double belt press for the continuous production of high pressure laminated boards, a thermal laminator for the coating of substrates with HPL precursor materials or foil and a new flexible edge processing line for doors. All the above projects are scheduled to go productive in the very near future, so that the necessary increases in capacity will be achieved.

Employees

Workforce	Sep. 30, 2006	Sep. 30, 2005	Change (in %)
Number of employees (incl. trainees/apprentices)	1,205	1,204	0.1

As of September 30, 2006, Westag & Getalit AG employed a total of 1,205 people, compared to 1,204 in the previous year. Staff costs as a percentage of sales declined from 34.2 % in the previous year to 29.7 %.

Volume of own shares

As of September 30, 2006, Westag & Getalit AG held 185,500 own shares in its portfolio. All these shares are preference shares.

Outlook

We remain optimistic about the rest of the year. The full-year result of 2005 was already reached as of September 30, 2006. In addition, we have a high order backlog, part of which extends beyond the end of the year.

We are also optimistic about the year 2007. We expect the positive development of construction activity in Germany to continue. On the exports side, we see additional development possibilities for all three Divisions of our company. While the continued rise in commodity prices will force us to adjust our sales prices accordingly, we are confident that our customers will appreciate this need.

Rheda-Wiedenbrück, November 2006

Westag & Getalit AG
The Management Board

Balance sheet

(in €'000)	Sep. 30, 2006	Dez. 31, 2005
Intangible assets	337	401
Tangible assets	47,077	44,489
Financial assets	1,047	48
Non-current assets	**48,461**	**44,938**
Inventories	29,823	27,701
Debtors and other assets	24,733	19,872
Cash at banks or in hand	15,589	19,497
Current assets	**70,145**	**67,070**
Deferred tax assets	**179**	**90**
Total assets	**118,785**	**112,098**
Called-up share Capital	14,643	14,643
Capital reserve	24,345	24,345
Revenue reserves	30,841	31,911
Net profit attributable to shareholders	5,688	3,296
Total equity	**75,517**	**74,195**
Non-current liabilities	**16,032**	**15,562**
Current liabilities	**27,236**	**22,341**
Deferred tax liabilities	**0**	**69**
Total equity and liabilities	**118,785**	**112,098**

Income statement on a quarterly basis

(in € '000)	Jul. 01 - Sep. 30, 2006	Jul. 01 - Sep. 30, 2005
Sales	50,339	44,722
In/decrease in inventories	- 369	- 1,450
Own work capitalised	124	109
Total operating performance	**50,094**	**43,381**
Other operating income	997	573
Cost of materials	25,202	20,591
Personnel expenses	14,254	14,478
Depreciation and amortisation	2,026	2,095
Other operating expenses	6,118	4,832
Other taxes	46	56
Operating result	**3,445**	**1,902**
Financial result	94	114
Investment result	0	0
Extraordinary items	0	0
Profit before income taxes	**3,539**	**2,016**
Income taxes	1,415	790
Net profit	**2,124**	**1,226**
DVFA/SG earnings per share (undiluted and diluted)	0.41	0.23
Number of shares (diluted and diluted)	5,720,000	5,720,000

Income statement on nine-months basis

(in € '000)	Jan. 01 - Sep. 30, 2006	Jan. 01 - Sep. 30, 2005
Sales	145,707	127,356
In/decrease in inventories	213	350
Own work capitalised	302	196
Total operating performance	**146,222**	**127,902**
Other operating income	1,586	1,361
Cost of materials	72,326	61,635
Personnel expenses	43,411	43,700
Depreciation and amortisation	6,484	6,284
Other operating expenses	16,977	14,426
Other taxes	142	137
Operating result	**8,468**	**3,081**
Financial result	213	395
Investment result	0	0
Extraordinary items	0	0
Profit before income taxes	**8,681**	**3,476**
Income taxes	3,472	1,343
Net profit	**5,209**	**2,133**

DVFA/SG earnings per share (undiluted and diluted)	0.97	0.39
Number of shares (undiluted and diluted)	5,720,000	5,720,000

Cash flow statement

(in €'000)	Jan. 01 - Sep. 30, 2006	Jan. 01 - Sep. 30, 2005
Operating result/EBIT	8,468	3,081
Income tax payments	- 3,550	- 2,244
Depreciation and amortisation	6,484	6,284
Result from asset retirements	- 68	- 81
Change in current assets	- 7,135	- 2,886
Change in liabilities	5,456	4,625
Cash flow from operating activities	**9,655**	**8,779**
Investments in fixed and financial assets	- 9,079	- 8,005
Change in financial assets	- 998	51
Income from fixed asset retirements	137	169
Cash flow from investment activities	**- 9,940**	**- 7,785**
Interest income	403	544
Interest expenses	0	0
Repayment of non-current financial liabilities	0	0
Acquisition/sale of own shares	- 1,070	- 156
Dividend payments	- 2,817	- 2,917
Cash flow from financing activities	**- 3,484**	**- 2,529**
Change in liquid funds	- 3,769	- 1,535
Liquid funds as of Jan. 01	10,346	8,436
Liquid funds as of Sep. 30	6,577	6,901

Segment report for the first nine months 2006

Segment (in € '000)	Jan. 01 - Sep. 30, 2006	Jan. 01 - Sep. 30, 2005	Change (in %)
Germany			
Sales	111,307	102,142	9.0
Earnings before income taxes	6,301	2,627	139.9
Export			
Sales	34,212	25,214	35.7
Earnings before income taxes	2,380	849	180.3
Full Company			
Sales	145,519	127,356	14.3
Earnings before income taxes	8,681	3,476	149.8

Statement of changes in equity

in € '000	Subscribed capital	Capital reserve	Revenue reserve	Net profit for the year	Total
As of Jan. 01, 2005	**14.643**	**24.345**	**29.652**	**4.071**	**72.711**
Transfer to other reserve			- 17		- 17
Change in own shares			- 156		- 156
Dividend				- 2.917	- 2.917
Net profit				2.133	2.133
As of Sep. 30, 2005	**14.643**	**24.345**	**29.479**	**3.287**	**71.754**
As of Jan. 01, 2006	**14.643**	**24.345**	**31.911**	**3.296**	**74.195**
Transfer to other reserve					0
Change in own shares			- 1.070		- 1.070
Dividend				- 2.817	- 2.817
Net profit				5.209	5.209
As of Sep. 30, 2006	**14.643**	**24.345**	**30.841**	**5.688**	**75.517**

Notes on the report for the nine-month period ended September 30, 2006

1. Accounting principles

The interim report of Westag & Getalit AG for the nine-month period ended September 30, 2006 is prepared to International Financial Reporting Standards (IFRS). The previous year's figures have been adjusted accordingly. All standards applicable as of the closing date were applied in the form relevant for Westag & Getalit AG.

2. Cash flow statement

The cash flows in the cash flow statement were determined using the indirect method.

3. Liquid funds

Liquid funds shown in the balance sheet include securities in an amount of € 9,012 thousand (Dec. 31, 2006: € 9,151 thousand).

4. Composition of subscribed capital

The subscribed capital of € 14,643 thousand is composed of 2,860,000 no-par ordinary shares and 2,860,000 non-voting no-par preference shares with a total value of € 7,321,600.

5. Purchase commitments

As of Sep 30, 2006, purchase commitments amounted to € 10,364 thousand, compared to € 5,928 thousand in the previous year.

6. Dividend

The Westag & Getalit AG paid a dividend of 0,48 € per ordinary share and 0,54 € per preference share for fiscal year 2005.

Financial schedule 2006/Current dates*

May 10, 2006	Press Release Report on the first three months of 2006
May 11, 2006	Annual Press Briefing in Düsseldorf
August 8, 2006	Annual General Meeting (AGM) of Shareholders in Rheda-Wiedenbrück Press Release Interim report on the first six months of 2006
August 30, 2006	DVFA Event/Analysts' Conference in Frankfurt
November 7, 2006	Press Release Report on the first nine months of 2006
March 15, 2007	Press Release Report on the results of fiscal year 2006

* The complete 2006 financial calendar is available on the Internet at:

www.westag-getalit.de/finanzkalender

Westag & Getalit AG

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