

I N T E R I M R E P O R T
for the first three months 2006 (1 January – 31 March)

2006

- 6.1 million Euros revenue from the sale of shares
- EBIT of 1.1 million Euros
- NOXXON Pharma AG attracts Pfizer as a strategic partner

Dear Shareholders,

The business year 2006 has begun well for DEWB with a good first quarter. We generated income of more than 6 million Euros from the sale of shares in MediGene as well as the sale of unique m.o.d.e. AG. Both sales made a positive contribution to earnings, enabling us to post an EBIT of 1.1 million Euros for the first quarter.

Our portfolio company NOXXON Pharma AG reached a key milestone. The conclusion of a strategic alliance with Pfizer Inc., the world's largest pharmaceutical group, is proof of the potential offered by the innovative Spiegelmer technology developed by NOXXON. This cooperation arrangement with Pfizer gives NOXXON the basis for achieving significant increases in value in the future.

The first months of this year have also brought a change in our shareholder structure. JENOPTIK Pension Trust e.V. and respectively JENOPTIK Vermögensverwaltungsgesellschaft mbH have informed us that they have significantly reduced their shareholding in DEWB. As such, as of the end of the first quarter JENOPTIK Pension Trust e.V. now holds only an 8.52 percent stake in DEWB, which includes the shares held by JENOPTIK Vermögensverwaltungsgesellschaft mbH. We welcome this development which has resulted in the proportion of DEWB shares held in free float increasing markedly above 50 percent in the first quarter.

At the end of the first quarter DEWB moved into new offices. Following the adjustment in the size of the team to 8 employees last year, there was a need to move to new premises. You will find our new address and telephone number on the reverse of the quarterly report.

The focus over the coming months will not only be on the development of our portfolio companies but also, in particular, the acquisition of new investments. We are also currently working on further exits from our portfolio.

Ihre



Bertram Köhler



Falk Nuber



Mirko Wäckerle

KEY INDICATORS

| | 01.01.–31.03.2006 | 01.01.–31.03.2005 |
|--|-------------------|-------------------|
| in TEUR | | |
| Sales from investment business | 6,181 | 24,989 |
| EBITDA | 1,091 | 7,754 |
| EBIT | 1,090 | 6,543 |
| Earnings after taxes | 1,168 | 6,103 |
| Earning per share (in euros) | 0.08 | 0.40 |
| New investments | 0 | 637 |
| | 31.03.2006 | 31.12.2005 |
| in TEUR | | |
| Shareholder's equity per share (in euros) | 2.61 | 2.63 |
| Share price (in euros) | 3.60 | 3.90 |
| No. of shares | 15,230,000 | 15,230,00 |
| Invested capital | 45,779 | 52,439 |
| No. of portfolio companies | 14 | 15 |

Income from share sales. In the first quarter DEWB generated sales of 6.1 million Euros from the sale of shares in MediGene AG and of unique m.o.d.e. AG. In the first quarter of the previous year DEWB generated revenues of 24.9 million Euros from share sales. This was primarily attributable to the sale of shares in OASIS SiliconSystems AG. Significant fluctuations in revenues and financial results are a characteristic feature of the business in which the DEWB is operating as the income from share sales, and consequential financial results, is generated on an irregular basis.

The shares in MediGene AG were sold over the stock market primarily during the months of February and March 2006 after MediGene had announced a marketing partnership for Polyphenon-E used in the treatment of genital warts which was generally expected to produce a significant rise in value of the share. DEWB generated income of 3 million Euros from the sale of unique m.o.d.e. AG, which develops micro-optic systems, especially diode laser systems with micro-optic beam shaping for applications in medical, printing and measuring technologies as well as micro-material processing and pumps for solid phase lasers and was acquired by the Jenoptik Group. Although the sale was concluded in December 2005 it came into financial effect as of 1 January 2006. In the lead-up to the sale DEWB had acquired all the shares held by other shareholders and a loan from Technologie-Beteiligungs-Gesellschaft mbH (tbG). The company had reached a size that made it necessary for them to take on a strategic partner and Jenoptik proved to be an ideal partner for our investment, due to the additional technological expertise from which both sides will benefit as well as Jenoptik's access to the markets and associated willingness to include strategic aspects in the purchase price.

Earnings. Gross earnings of 1.5 million Euros (previous year 8.4 million Euros) were achieved from share sales and interest received from investments. The sale of MediGene shares as well as the divestiture of unique m.o.d.e. AG contributed towards this positive result. The DEWB's structural costs were reduced to 0.5 million Euros, a fall of around 20 percent compared with the same quarter in the previous year. In this context, the administrative costs in the first quarter 2005 had already been adjusted for costs of the restructuring and structural costs that will no longer be incurred in the future. Overall, Earnings Before Interest and Taxes (EBIT) of 1.1 million Euros were achieved in the first quarter 2006 (comparison period for 2005: 6.5 million Euros).

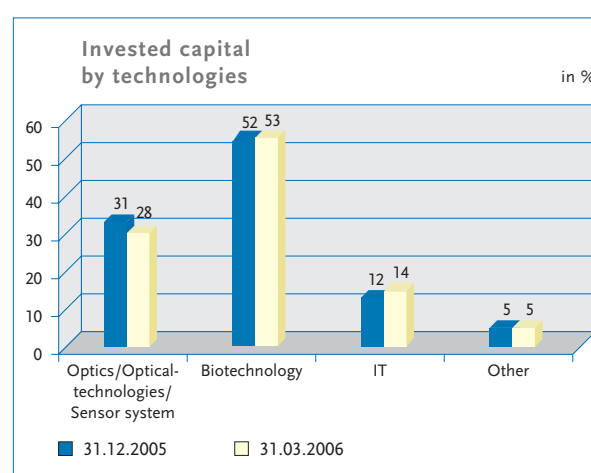
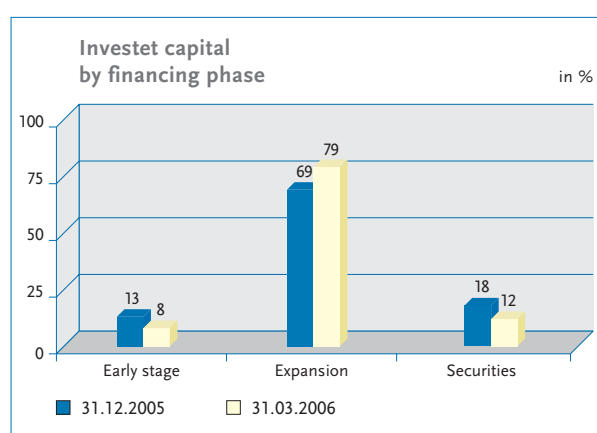
As a result of the marked fall in debt the financial result in the period covered by the report improved by approx. 70 percent in comparison to the first quarter 2005, specifically 0.3 million Euros compared to minus 0.1 million Euros. As a result of the realisation of deferred taxes, a tax income of 0.2 million Euros was generated. After interest and taxes this produced a profit for the period of 1.2 million Euros (comparison period for the previous year: 6.1 million Euros). Based on the 15.23 million DEWB bearer non-par shares, this represents earnings of 0.08 Euros per share (first quarter 2005: 0.40 Euros).

SELECTED INVESTMENT OF DEWB AS OF THE 31ST MARCH 2006

Share in %

| | Optics/Optical-related technologies/ Sensor systems | | Biotechnology | | IT | |
|-----------------------------------|--|------|-----------------------------|------|----------------------------------|------|
| Listed investment holdings | Standard Microsystems Corporation Inc. | 1.2 | MediGene AG | 0.3 | | |
| Expansion phase | KSW Microtec AG | 29.7 | EPIDAUROS Biotechnologie AG | 81.3 | 4flow AG | 65.7 |
| | OLPE Jena GmbH | 44.8 | Integrated Genomics, Inc. | 75.2 | iTAC Software AG | 9.7 |
| Early stage | | | NOXXON Pharma AG | 61.7 | | |
| | µ-sen Mikrosystemtechnik GmbH | 40.2 | Sloning BioTechnology GmbH | 14.3 | IVISTAR Kommunikationssysteme AG | 29.3 |
| | SensorDynamics AG | 9.8 | | | | |

Portfolio. DEWB has investments in 14 companies operating in the technology areas of Optics/Optical-related technologies/ Sensor systems, Biotechnology and IT. These investment holdings, including listed securities and receivables in the investment business, were valued at 45.8 million Euros as of 31st March 2006 (31st December 2005: 52.4 million Euros). The fall resulted from the sale of unique m.o.d.e. AG and shares in MediGene AG as well as to a lesser extent from the fall in the SMSC share price in the reporting period. The portfolio structure by financing phase is shown in the diagram below:



The sales of unique m.o.d.e. AG and MediGene shares have produced only minor changes in the distribution of the invested capital by technologies. The high proportion of biotechnology companies is attributable to the higher than average investments in this area of technology in the past. DEWB will concentrate its new investments on Optics/Optical-related technologies/Sensor systems and over the coming years prepare its biotechnology and IT investments for exit. This means that in future there will be an increase in the

proportion of investments in Optics/Optical-related technologies/Sensor systems as a share of the portfolio as a whole.

In March 2006 NOXXON Pharma AG agreed a strategic alliance with Pfizer Inc. NOXXON will use its Spiegelmer technology to develop new drug candidates for Pfizer. In this context, Pfizer can give NOXXON three targets per annum over a period of five years, on the basis of which NOXXON will develop Spiegelmers. Pfizer has additionally obtained a license for the drug NOX-B11, a Spiegelmer developed at NOXXON and used in the treatment of obesity. From the two contracts NOXXON will receive payments in advance, milestone payments and royalties from the marketing of the products. Pfizer has additionally taken a stake in NOXXON in the form of a capital increase as a third component alongside the technology and license contract. The contracts with Pfizer are an important milestone for NOXXON as they validate the Spiegelmer technology and lay a solid foundation for the company's further development. Although Pfizer's valuation of NOXXON does not indicate an increase in the value of DEWB's investment, valuation discounts requested by the first cooperation partner do however create scope for a higher valuation of this investment in future negotiations with potential strategic partners and investors. In the lead-up to the conclusion of the contracts with Pfizer DEWB exercised existing conversion rights in order to increase the shareholding from 23.0 percent to 61.7 percent.

Balance sheet. In comparison with the 31st December 2005, the balance sheet fell in value slightly by 7 percent to 62.1 million Euros. Due to the sales of unique m.o.d.e. AG and MediGene AG shares the value of the financial investments in the investment business fell by 6.5 million Euros in the first quarter 2006 to a total of 41.2 million Euros. This figure includes listed shares valued at 5.8 million Euros as of the qualifying date of the report. Cash and cash equivalents rose by 2.1 million Euros to 12.6 million Euros.

Shareholders equity fell slightly by 0.3 million Euros to 39.8 million Euros as of 31st March 2006 in comparison to the figure at the beginning of the year. This is due significantly to the profits from sales realised in the first quarter 2006 already having been taken into account as a revaluation surplus in the shareholders equity as of the 31st December 2005. Consequently these did not increase the shareholders equity in the quarter covered by the report. The shareholder's equity quota rose from 60.1 percent as of the 31st December 2005 to 64.0 percent as of the 31st March 2006. The share-

holder's equity per share as of the 31st March 2006 was 2.61 Euros (31st December 2005: 2.63 Euro).

Short-term liabilities were reduced in the first quarter of 2006 by 4.3 million Euros, primarily attributable to the realisation of the sale of unique m.o.d.e. AG and the utilisation of provisions. The purchase price for unique m.o.d.e. AG had already been paid in December 2005 and was shown under liabilities as a deposit received as of the 31st December 2005.

Outlook. DEWB will be seeking further exits for 2006. However, in view of the complexity of timing, structure and volume, these transactions are difficult to forecast. The available liquidity and funds received from the sale transactions will be used for new investments focussed in the technological areas of Optics/Optic-related technologies/Sensor systems as well as for further planned debt repayments. With liquid assets of 12.6 million Euros and stock listed investments totalling 5.8 million Euros DEWB has created the conditions for the further successful development of its business. In addition, DEWB will continue to explore opportunities to expand its investment fund.

BALANCE SHEET AS AT 31ST MARCH 2006

ASSETS

| | 31.03.2006 TEUR | 31.12.2005 TEUR |
|---|--------------------|--------------------|
| A. Short-term assets | 18,000 | 16,880 |
| Cash and cash equivalents | 12,623 | 10,525 |
| Receivables from goods and services | 268 | 613 |
| Short-term receivables from the investment business | 4,567 | 4,771 |
| Other short-term assets | 542 | 971 |
| B. Long-term assets | 44,128 | 49,900 |
| Financial investments of the investment business | 41,212 | 47,668 |
| Other long-term financial assets | 640 | 663 |
| Tangibles assets | 65 | 71 |
| Deferred tax assets | 2,211 | 1,498 |
| Total assets | 62,128 | 66,780 |

BALANCE SHEET AS AT 31ST MARCH 2006

LIABILITIES

| | 31.03.2006 TEUR | 31.12.2005 TEUR |
|--|--------------------|--------------------|
| A. Short-term liabilities | 11,838 | 16,162 |
| Short-term liabilities to banks | 9,803 | 9,637 |
| Liabilities from goods and services | 22 | 406 |
| Provisions for pensions | 597 | 597 |
| Short-term provisions | 1,090 | 1,741 |
| Other short-term liabilities | 303 | 3,273 |
| Short-term liabilities to shareholders | 23 | 508 |
| B. Long-term liabilities | 10,500 | 10,500 |
| Long-term liabilities to banks | 10,000 | 10,000 |
| Other long-term liabilities | 500 | 500 |
| C. Shareholders' equity | 39,790 | 40,118 |
| Subscribed capital | 15,230 | 15,230 |
| Capital reserve | 45,752 | 45,752 |
| Revaluation reserve | 2,158 | 3,654 |
| Net result | -23,350 | -24,518 |
| Total liabilities | 62,128 | 66,780 |

STATEMENT OF INCOME FROM 1ST JANUARY TO 31ST MARCH 2006

| | 01.01.2006 – 31.03.2006 TEUR | 01.01.2005 – 31.03.2005 TEUR |
|--|------------------------------------|------------------------------------|
| Income from the investment business | | |
| Income from share sales | 6,075 | 24,882 |
| Interest and dividend income | 106 | 107 |
| Expenses for share sales | 4,640 | 15,441 |
| Value reductions in the investment business | 0 | 1,186 |
| Gross profit from the investment business | 1,541 | 8,362 |
| Administrative expenses | 543 | 647 |
| Other operating income | 103 | 154 |
| Other operating expenses | 11 | 1,326 |
| Earnings before interest and taxes (EBIT) | 1,090 | 6,543 |
| Financial result | –126 | –409 |
| Earnings before taxes | 964 | 6,134 |
| Taxes on income and earnings | –204 | 31 |
| Earnings after taxes | 1,168 | 6,103 |
| Earnings per share undiluted (in euros) | 0.08 | 0.40 |
| Earnings per share diluted (in euros) | 0.08 | 0.40 |
| Weighted number of shares – undiluted | 15,230,00 | 15,230,00 |
| Weighted number of shares – diluted | 15,230,00 | 15,230,00 |

DEVELOPMENT OF THE SHAREHOLDER'S EQUITY

| | Subscribed- capital | Capital reserve | Revalu- ation reserve | Own shares | Net result | Share- holder's equity |
|----------------------------------|------------------------|--------------------|-----------------------------|---------------|----------------|------------------------------|
| | TEUR | TEUR | TEUR | TEUR | TEUR | TEUR |
| Balances as of 01.01.2005 | 15,230 | 43,252 | 7,042 | -128 | -25,637 | 39,759 |
| Change in value own shares | | | | -30 | | -30 |
| Change in revaluation reserve | | | -3,366 | | | -3,366 |
| Period result | | | | | 6,103 | 6,103 |
| Balances as of 31.03.2005 | 15,230 | 43,252 | 3,676 | -158 | -19,534 | 42,466 |
| Balances as of 01.01.2006 | 15,230 | 45,752 | 3,654 | 0 | -24,518 | 40,118 |
| Change in revaluation reserve | | | -1,496 | | | -1,496 |
| Period result | | | | | 1,168 | 1,168 |
| Balances as of 31.03.2006 | 15,230 | 45,752 | 2,158 | 0 | -23,350 | 39,790 |

STATEMENT OF CASH FLOWS FROM 1ST JANUARY TO 31ST MARCH 2006

| | 01.01.2006 –31.03.2006 TEUR | 01.01.2005 –31.03.2005 TEUR |
|---|-----------------------------------|-----------------------------------|
| Period result | 1,168 | 6,103 |
| Cash flow from the investment business | | |
| Profits from the sale of investments | –1,459 | –9,705 |
| Receipts from the sale of investments and the repayment of loans | 3,628 | 21,750 |
| Payments made for investments | –672 | –533 |
| Value adjustments to investments | 0 | 1,185 |
| Depreciation on fixed assets | 1 | 25 |
| Profits/losses from the sale of fixed assets | –2 | 0 |
| Other non-cash expensive and income | –215 | 10 |
| Change in other operating assets and liabilities | | |
| Receivables from goods and services | –5 | 8 |
| Other receivables and assets | –167 | 51 |
| Provisions | –251 | –213 |
| Liabilities from goods and services and other liabilities | –112 | 391 |
| Cash flow from operating activities | 1,914 | 19,072 |
| Receipts from the sale of tangible assets | 3 | 315 |
| Receipts from the disposal of financial assets | 541 | 0 |
| Cash flow from investing activities | 544 | 315 |
| Repayment of loans | –360 | 0 |
| Payments for finance leases | 0 | –24 |
| Cash flow from financing activities | –360 | –24 |
| Change in cash and cash equivalents | 2,098 | 19,363 |
| Cash and cash equivalents at the beginning of the period | 10,525 | 3,634 |
| Cash and cash equivalents at the end of the period | 12,623 | 22,997 |

Information on the Notes for the first quarter 2006

1. BASES

These individual financial statements of DEWB AG were prepared in accordance with the International Financial Reporting Standards (IFRS) of the IASB, taking into account the interpretations of the International Financial Reporting Interpretations Committee (IFRIC). All standards applicable as of the end of the quarter were taken into consideration. These interim financial statements were not subject to any audit review.

2. ACCOUNTING AND VALUATION METHODS

The financial statements as of the 31st March 2006 were prepared in accordance with the International Accounting Standard (IAS) 34 "Interim reporting". The same accounting methods were used as in the annual financial statements for the business year 2005. These methods are disclosed and described in detail in Notes to the Management Report 2005.

3. EXPLANATION OF THE BUSINESS DEVELOPMENT; EVENTS OF SPECIAL IMPORTANCE SINCE THE QUARTER END

The explanation of the business development in the first quarter 2006 is provided in the front section of this report. At DEWB AG the investment business is operated internally on a standardised basis, without any segmentation into business areas or regions. Sales and earnings are essentially generated from the sale of investment companies. The purchasers' place of origin does not create any differences with regard to risk for the company's business activity. Consequently there is no distinction drawn between any segments. After the end of the quarter there were no events of special importance at DEWB AG or within its environment.

4. FURTHER INFORMATION

In the first quarter 2006 there were no personnel changes in the composition of the management and supervisory bodies of DEWB AG.

As of the 31st March 2006 the company employed 8 personnel. No dividend payments were made in the period covered by the report.

As of the 31st March 2006 DEWB AG did not hold any of its own shares nor did it acquire or sell any of its own shares in the first quarter 2006.

DATES FOR 2006

| | |
|--|--------------------------|
| Annual General Meeting 2006 | 15. JUNE 2006 |
| Publication of the half-yearly report | 11. AUGUST 2006 |
| Publication of the report for the first nine months | 14. NOVEMBER 2006 |

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