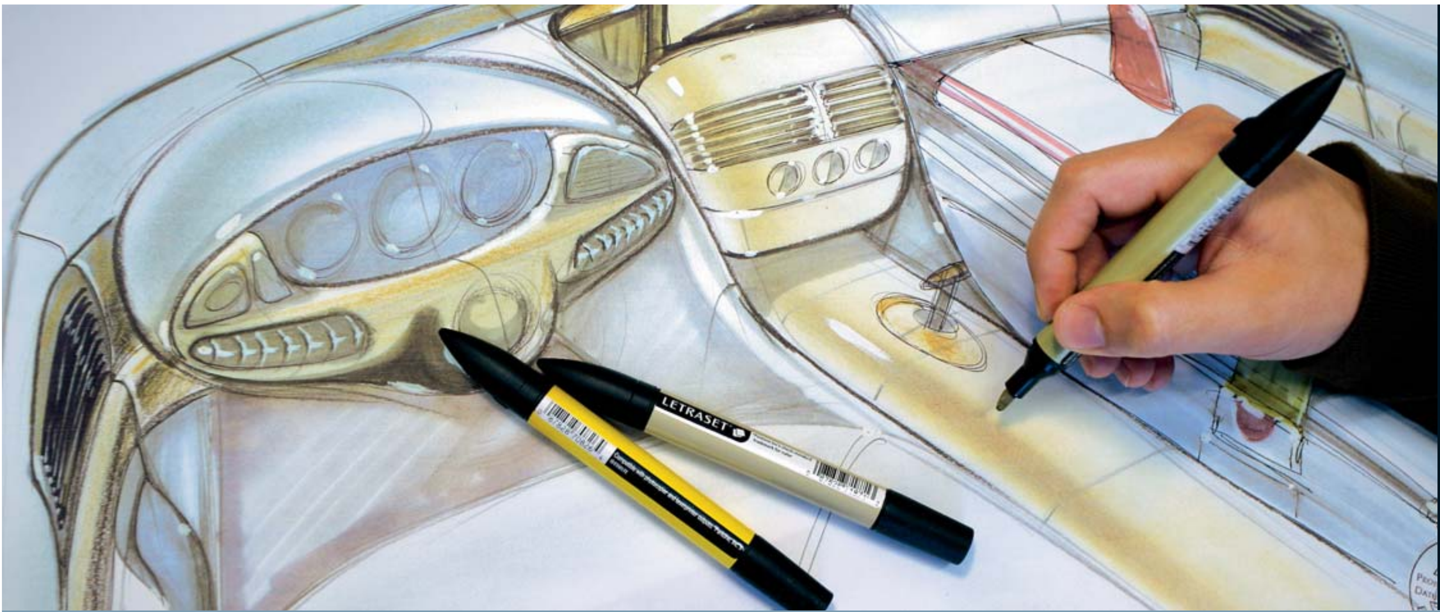
bertrandt



Fiscal 2005/2006

Report on the third quarter – ended on 30.06.2006

Bertrandt AG
Birkensee 1, 71139 Ehningen
Germany
Telephone +49 7034 656-0
Telefax +49 7034 656-4100
www.bertrandt.com
info@de.bertrandt.com

CI-327-08.06-A

(in Euro million if not otherwise stated)

The First Three Quarters at a Glance

Financial Figures

*For the change of the previous year's value refer to Page 12.

	01.10.05 - 30.06.06	01.10.04 - 30.06.05
Sales*	173.798	162.970
Profit from operations	9.841	-815
Profit from ordinary activities	9.209	-1.910
Net income	5.131	-1.970
Free cash flow	10.940	-1.205
Capital spending	3.438	5.854
Stockholder´s equity* (June 30, 2006)	55.400	48.249
Equity ratio (%) (June, 30 2006)	46	38
Number of employees (June 30, 2006)	3,388	3,051
Market price (EUR) (June 30,2006)	10.82	10.13
Highest market price (EUR)	11.90	12.55
Lowest market price (EUR)	10.60	8.93



The growth trend continues to prevail at Bertrandt: The sales profits come to 173,798 thousand Euros (previous year 162,970 thousand Euros) group wide in the third quarter of 2005/2006. Adjusted for the effects of the restructuring program an increase in sales of approximately nine per cent results.

The positive earnings could be continued in the period under report. After 6,089 thousand Euros in the first half-year 2005/2006 the EBIT comes to 9,841 thousand Euros (previous year -815 thousand Euros) on 30 June 2006. The net profit amounts to 5,131 thousand Euros (previous year's net loss of -1,970 thousand Euros).

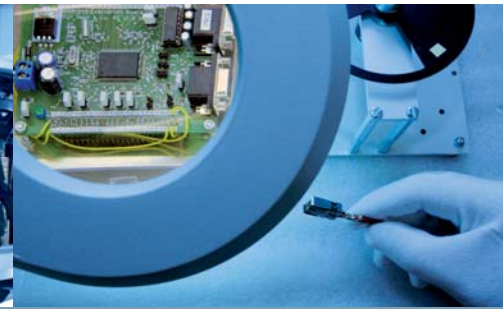
The substantial financial figures could be improved again. Besides a positive free cash flow of approximately 10,940 thousand Euros (previous year -1,205 thousand Euros) the equity ratio comes to 46 per cent (previous year 38 per cent) on an above average level.

As at 30 June 2006, Bertrandt employed 3,388 employees (previous year 3,051) group wide. Thus 337 new jobs were created in the past 12 months. Both in the classical body-in-white and interior development fields as well as in the electronics, engineering services, powertrain and testing growth areas, engineers with specialised knowledge and qualified junior employees are in demand. On our website at www.bertrandt.com approximately 200 available job positions are advertised.

Besides the customers from the automotive industry, Bertrandt attends to manufacturers and system suppliers from the aviation industry. Through the aimed development of the Hamburg subsidiary the company is positioning itself in this business segment.

The market for engineering services offers good chances in the automotive and aviation industry for a positive business development. The Management Board further anticipates an up trend in revenues and earnings.

Contents


Group Management Report

Business Model and Strategy

The Bertrandt AG is one of the leading engineering service providers in Europe and works with a high measure of sole responsibility in close partnerships with the automotive and aviation industry as well as their suppliers on coming model generations. At 19 locations approximately 3,400 employees develop individual tailor-made solutions directly in the immediate vicinity of customers in Europe and in the United States: from single components to modules and through to derivatives. Our principle customers include large manufacturers as well as numerous important system suppliers.

Efforts of manufacturers to occupy new business segments and vehicle niches and the related receipt of major projects are key growth drivers for Bertrandt. Therefore the service range was developed continuously in the past years. Bertrandt is geared to the requirements of its customers and differentiates its range of services in the field of supporting services, processing of specialised topics as well as the development of modules and derivatives. Besides the classical body-in-white, interior and simulation development fields the special competence centres such as electronics, engineering services, powertrain as well as test verification round off the service range. In aviation development Bertrandt is particularly involved in structure and cabin development, electronics, model making as well as in process management.

Business Trends

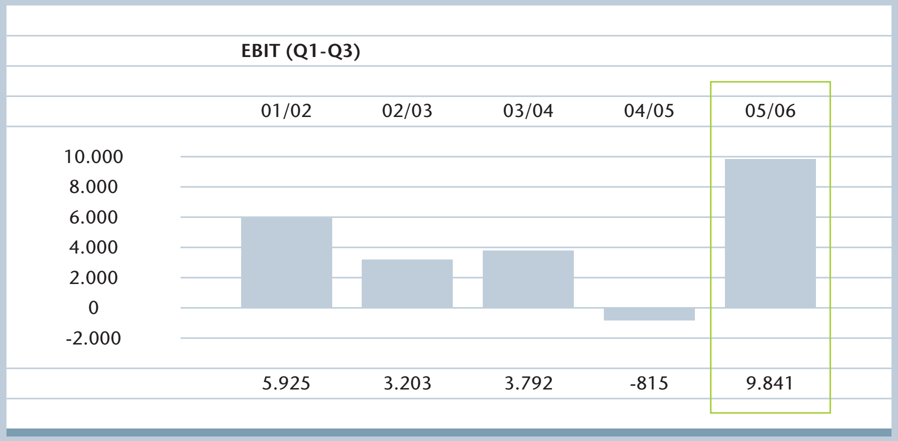
The market for engineering services was further subjected to heterogeneous underlying conditions in the third quarter 2005/2006. Bertrandt could further strengthen and develop its position despite the persisting fastidious market environment. Basis for the positive company development is the strategic adjustment of the Bertrandt Group, which connects customer and subsidiary-oriented market cultivation with group wide competence centres. Thus higher project volumes and the resulting optimised extent of utilisation in the operational units could be reached. The effects on 30 June 2006 are depicted in the positive revenues and earnings: The sales profits in the company come to 173,798 thousand Euros (previous year 162,970 thousand Euros).

Activities Abroad

Bertrandt offers its services in Germany, England, France, Spain, Sweden and the United States. Due to the organisational interlocking with the German subsidiaries, the complete Bertrandt service range is at the disposal of international customers. The business development went according to plan after the consolidation in the last financial year 2004/2005. The foreign subsidiaries generated a positive contribution to earnings.

Earnings

After three quarters the company could generate an EBIT of 9,841 thousand Euros (previous year -815 thousand Euros) and an EBT of 9,209 thousand Euros (previous year -1,910 thousand Euros). For the result improvement the concluded program for the reduction of costs and structural change as well as an increased extent of utilisation obtained in the operational units are important. The financial result could be improved and comes to -632 thousand Euros (previous year -1,095 thousand Euros) after three quarters. The tax rate comes to 42,6 per cent. After taxes a company net profit of 5,131 thousand Euros (previous year -1,970 thousand Euros) arises. The result per share thus amounts to 0.51 Euros (previous year -0.20 Euros).

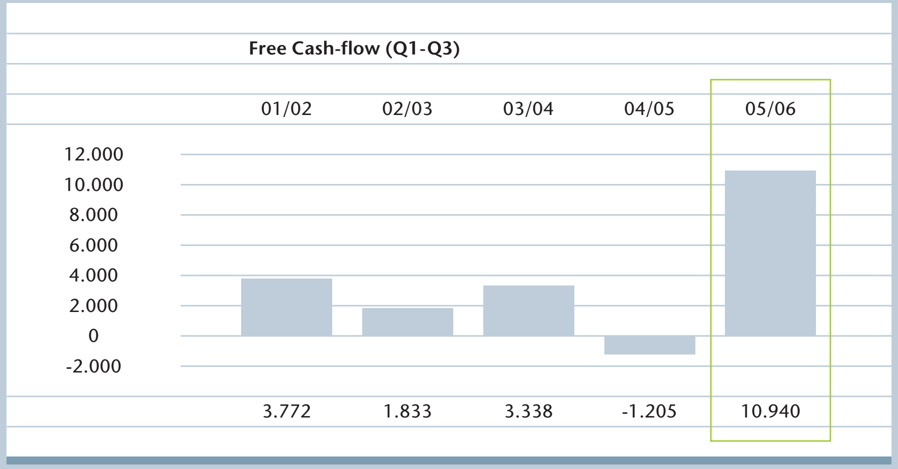


Balance Sheet Structure

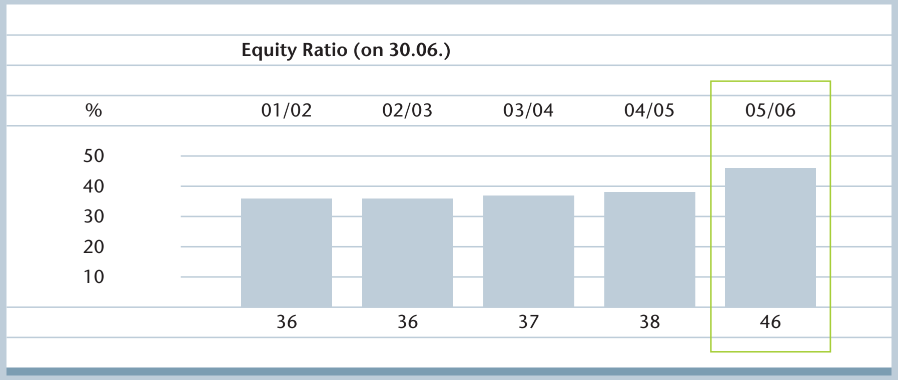
On 30.06.2006 the total assets are almost on the same level as on 30.09.2005 with 121,733 thousand Euros. Due to the positive free cash flow, which essentially results from the improved earnings, liabilities could again be discharged. These effects are reflected in an improved high level equity ratio of 46 per cent, with which Bertrandt is among the substantial companies in the automotive industry.

Financial Position

The cash flow from current business operations is positive with 13,660 thousand Euros (previous year 3,506 thousand Euros). The cash flow from investment activities come to -2,720 thousand Euros (previous year -4,711 thousand Euros). The investments amounted to 3,438 thousand Euros (previous year 5,854 thousand Euros) and were entirely financed from the cash flow. The free cash flow is clearly positive with 10,940 thousand Euros (previous year -1,205 thousand Euros) and was used to discharge liabilities.



In the context of the employee share holding program 26,632 own shares were in the depot at the quarter deadline, which were allocated success-neutrally with the equity ratio.

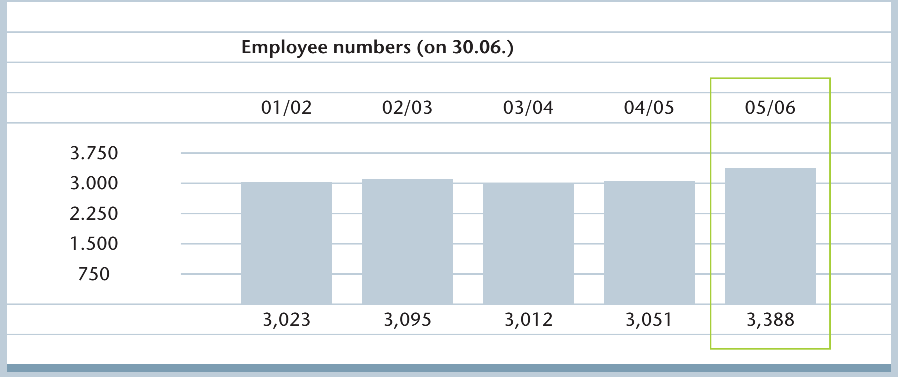


Capital Market Day

On the basis of the half-year figures 2005/2006 the first Capital Market Day of the Bertrandt AG took place on 17 May 2006 in Ehningen. Board Chairman, Dietmar Bichler informed approximately 40 press and banking representatives about the business development of the first half-year and the growth potential of the Bertrandt AG. Beyond that, Professor Dr. Hans-Joachim Schöpf, Automotive Consulting, presented the current development trends in the automotive industry. Dr. Ing. Henrik Adam, Sales and Engineering Director of ThyssenKrupp Automotives AG, described the importance of the know-how linkage pertaining to material, development and processes for the system body.

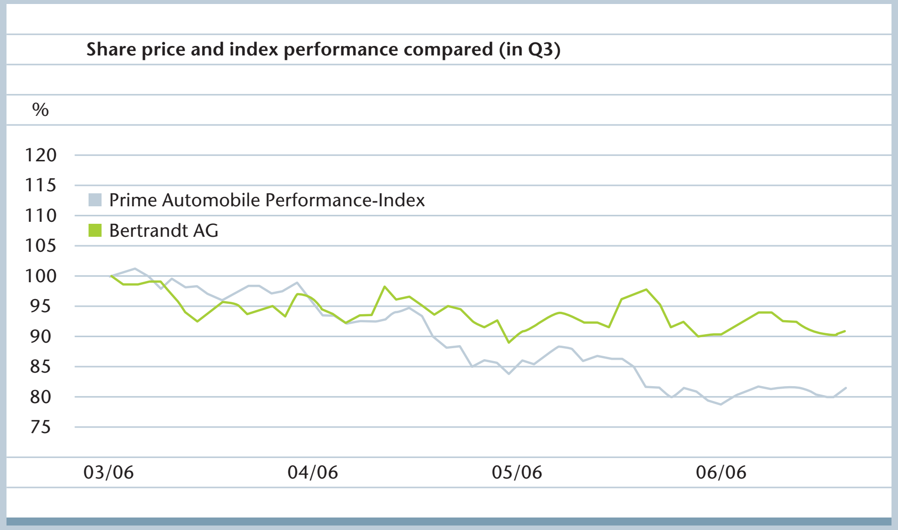
Employees

Bertrandt employed 3,388 employees (previous year 3,051) as at 30 June 2006. In order to make use of the growth opportunities sustainably, the company is intensifying the search for new employees. Both in the classical development fields as well as in the growth fields, Bertrandt is creating new jobs. On our website at www.bertrandt.com approximately 200 job vacancies are presently available for experienced engineers and technicians as well as for qualified junior employees. Apart from intensified activities on the part of Personnel Recruiting, training and advanced education measures stand in the foreground in a technical and economical regard.



The Bertrandt Share

In the course of the third quarter 2005/2006 the Bertrandt share could positively develop in comparison to the "Prime Automobile Performance-Index". The index had to stand for a decrease of approximately 18 per cent. The share of the Bertrandt AG dropped in comparison with approximately nine per cent. A high was reached on 3 April 2006 with 11.90 Euros; the lowest rate came to about 10.60 Euros on 20 May 2006. The share closed on 30 June 2006 with 10.2 Euros.



Outlook

For the entire 2005/2006 the company expects a clear result increase in comparison to 2004/2005. Bertrandt assumes that the positive trend of the first nine months can be continued further. The company will consistently develop the competence centres alongside the classical business segments and will make the most of the available growth opportunities. The company expects impulses from its activities in the aviation segment. As strategic partner of the automotive and aviation industry good chances for successful business development result for Bertrandt.

Quarterly Report

Consolidated Income Statement

	Q3 2005/2006	Q3 2004/2005	Q1-Q3 2005/2006	Q1-Q3 2004/2005
Sales	**60.078**	**52.904**	**173.798**	**162.970**
Work performed and capitalised	27	80	90	204
Total output	**60.105**	**52.984**	**173.888**	**163.174**
Other operating income	2.040	1.640	4.432	3.727
Raw materials and consumables used	-5.326	-5.585	-15.252	-16.032
Staff costs	-41.979	-39.192	-120.187	-113.763
Depreciation and amortisation expense	-2.213	-2.283	-6.178	-7.266
Other operating expenses	-8.875	-10.452	-26.862	-30.655
Profit from operations	**3.752**	**-2.888**	**9.841**	**-815**
Finance costs	-87	-466	-632	-1.095
Profit from ordinary activities	**3.665**	**-3.354**	**9.209**	**-1.910**
Other taxes	-84	-67	-265	-354
Profit before income tax	**3.581**	**-3.421**	**8.944**	**-2.264**
Income tax expense	-1.444	1.203	-3.813	294
Consolidated net profit/-loss	**2.137**	**-2.218**	**5.131**	**-1.970**
Minority interests	-1	77	-1	262
Consolidated net profit/-loss after minority interests	**2.136**	**-2.141**	**5.130**	**-1.708**
Number of shares in thousands (basic, average weighting)	10,100	10,072	10,100	10,072
Number of shares in thousands (diluted, average weighting)	10,103	10,133	10,103	10,133
Earnings per share – basic (EUR)	0.21	-0.21	0.51	-0.20
Earnings per share – diluted (EUR)	0.21	-0.21	0.51	-0.20

Consolidated Balance Sheet

	30.06.2006	30.09.2005
Assets		
Non-current assets	**46.892**	**51.254**
Intangible assets	13.065	14.655
Property, plant and equipment	29.447	31.042
Financial assets	783	860
Receivables and other assets	1.215	1.550
Deferred taxes	2.382	3.147
Current assets	**74.591**	**70.392**
Inventories	406	407
Future receivables from production orders	11.597	11.139
Receivables and other assets	54.847	52.370
Cash and cash equivalents	4.227	4.105
Prepayments	3.514	2.371
Total assets	**121.483**	**121.646**
Equity and liabilities		
Capital and reserves	**55.400**	**49.820**
Issued capital	10.115	10.081
Share premium	26.464	26.275
Retained earnings	13.689	13.461
Minority interests	2	3
Consolidated distributable profit	5.130	0
Provisions	**17.139**	**18.646**
Provisions for post-employment benefits	1.496	1.365
Borrowings	8.416	10.613
Other liabilities	261	114
Deferred income	669	696
Deferred taxes	6.297	5.858
Liabilities	**48.944**	**53.180**
Tax provisions	3.551	1.413
Other provisions	20.116	16.667
Borrowings	10.136	18.972
Trade payables	4.054	4.368
Other liabilities	10.161	11.128
Deferred income	926	632
Total equity and liabilities	**121.483**	**121.646**

Quarterly Report
(in Euro million if not otherwise stated)

Consolidated Statement of Changes in Capital and Reserves

	Issued Capital	Share Premium	Retained Earnings				Distributable Profit	Minority Shares	Total
			Retained Profits	Currency Conversion Account	Unrealised Gains on Cash-flow-Hedges	Treasury Shares			
On 30.09.2005	**10.081**	**26.275**	**14.354**	**-250**	**-70**	**-573**	**0**	**0**	**49.817**
Reclassification pursuant to IAS 27							3		3
On 01.10.2005	**10.081**	**26.275**	**14.354**	**-250**	**-70**	**-573**	**3**	0	**49.820**
Equity issues	34	189							223
Dividend payment									0
Consolidated net profit								5.131	5.131
Other non-operative changes			107				-1	-1	105
Fair value of cash flow changes					88				88
Currency differences				33					33
On 30.06.2006	**10.115**	**26.464**	**14.461**	**-217**	**18**	**-573**	**2**	**5.130**	**55.400**
On 30.09.2004	**10.069**	**26.207**	**12.174**	**-188**	**0**	**-722**	**0**	**3.880**	**51.420**
Reclassification pursuant to IAS 27							129		129
On 01.10.2004	**10.069**	**26.207**	**12.174**	**-188**	**0**	**- 722**	**129**	**3.880**	**51.549**
Equity issues	5	26							31
Dividend payment								-1.506	-1.506
Consolidated net profit								-1.970	-1.970
Other non-operative changes			-201			149	-46	262	164
Currency differences				-19					-19
On 30.06.2005	**10.074**	**26.233**	**11.973**	**-207**	**0**	**-573**	**83**	**666**	**48.249**

Consolidated Cash Flow Statement

	Q1-Q3 2005/2006	Q1-Q3 2004/2005
1. Earnings for the period (including minority interests before exeptional items)	**5.131**	**1.970**
2. Writedowns on non-current assets	6.178	7.266
3. Changes in provisions	5.719	2.039
4. Other non-cash expenses/income	1.503	-583
5. Gain/loss on disposal of non-current assets	-261	-215
6. Change in inventories, trade receivables and other assets not assigned to investing	-3.742	-3.730
7. Change in trade payables and other liabilities not assigned to investing or financing activities	-868	699
8. Cash flows from operating activities (1.-7.)	**13.660**	**3.506**
9. Payments received from disposal of property, plant and equipment	476	808
10. Payments received from disposal of financial assets	242	335
11. Payments made for investments in property, plant and equipment	-2.934	-3.248
12. Payments made for investments in intangible assets	-344	-2.401
13. Payments made for investments in intangible assets	-160	-205
14. Cash flows from investing activities (9.-13.)	**-2.720**	**-4.711**
15. Payments received from issue of capital	223	139
16. Payments made to shareholders and minority shareholders	0	-1.506
17. Payments received from issue of debt instruments and raising of loans	0	0
18. Disbursement from the repayment of loans and (finance-) credits	-11.041	867
19. Cash flows from financing activities (15.-18.)	**-10.818**	**-500**
20. Changes in cash and cash equivalents (8.+14.+19.)	122	-1.705
21. Cash and cash equivalents at beginning of period	4.105	6.484
22. Cash and cash equivalents at end of period (20.-21.)	**4.227**	**4.779**

Segment Reporting

Segment Reporting by Operational Division		Q3 2005/2006	Q3 2004/2005	Q1-Q3 2005/2006	Q1-Q3 2004/2005
Digital Engineering	Sales	36.574	32.995	106.664	99.927
	Operations Profit	2.218	-1.657	5.294	-415
Physical Engineering	Sales	13.695	11.949	40.130	39.795
	Operations Profit	792	-1.361	2.491	-1.319
Electrics/Electronics	Sales	9.809	7.960	27.004	23.248
	Operations Profit	742	130	2.056	919
Total of all divisions	Sales	60.078	52.904	173.798	162.970
	Operations Profit	3.752	-2.888	9.841	-815

Stock owned by Management and Supervisory Board Members

		On 30.06.2006 Shares/Unit	On 30.06.2006 WSV/Unit	On 30.09.2005 Shares/Unit	On 30.09.2005 WSV/Unit
Management Board	Dietmar Bichler	801.094	0	801.094	0
	Ulrich Subklew	74.249	12.000	74.249	12.000
Supervisory Board	Dr. Klaus Bleyer	0	0	0	0
	Maximilian Wölfle	0	0	0	0
	Horst Binnig	0	0	0	0
	Prof. Dr.-Ing. Wilfried Sihn	0	0	0	0
	Martin Pfuhler	480	0	480	0
	Daniela Brei	142	0	142	0
Total		**875.965**	**12.000**	**875.965**	**12.000**

Notes

Consolidated balance sheet pursuant to IFRS

The current quarterly report was compiled according to the accounting principles published by the International Accounting Standards Board (IASB), the International Financial Reporting Interpretations Committee (IFRIC). The IASB adopted a set of changes in the context of improvement projects with the existing International Accounting Standard (IAS), which is to be used in principle as from 01.01.2005 for commencing financial years. These obligatory innovations have been applied in this quarterly report. The comparison periods were likewise adapted to the changed representation criteria.

New structure of the consolidated balance sheet and consolidated statement of income

The revised IAS 1 leads to a changed structure for both the consolidated statement of income and for the consolidated balance sheet. The consolidated balance sheet is from now on structured according to residual maturities. Therefore balance sheet items in long-term and short-term assets or rather debts are subdivided. Assets and debts are classified as short-term, if they have a residual term of one year and less. Accordingly net assets and debts are classified as long-term, if they are in the enterprise longer than one year. Receivables and commitments from supplies and services in the balance sheet are recognised as short-term. Complete and incomplete work, which were recognised as supplies in the past, are now recognised as future receivables from production costs. Their character accordingly, reserves for pensions are recognised as long-term debts. Deferred tax assets or rather liabilities are to be represented as long-term in principle. Minority interests represent a component of the equity ratio.

Furthermore, the representation of the sales profits and the inventory changes pertaining to complete and incomplete services has changed. The inventory changes, which were determined on the basis of the percentage-of-completion-method, are recognised as sales profits.

We have provided a new breakdown of the equity ratio for the first time in favour of better transparency.

Requirements for exemption from the obligation to prepare a consolidated financial statement pursuant to Section 315a of the German Commercial Code are fulfilled.

The available IFRS quarterly statement contains the following recognition and measurement methods that deviate from German legislation:

- Profit from customer orders is recognised in accordance with the percentage-of-completion-method (IAS 11),
- Treasury stock is charged to 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 loss carry forwards 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 %,
- Assets and residual liabilities under financial 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 the Bertrandt AG, the companies that are consolidated comprise all the subsidiaries operating in the market in the company's core business. "Development for the automotive and aviation industry“. This specifically entails the following German sub-companies: Bertrandt Ingenieurbüro GmbH in Gaimersheim, Hamburg, Neckarsulm, Cologne, Munich, Ginsheim-Gustavsburg, Tappenbeck and the Bertrandt Technikum GmbH, the Bertrandt Projektgesellschaft mbH and since 21 June 2006 the Bertrandt Services GmbH i. Gr. In Ehningen; all ZR - Zapadtka + Ritter GmbH & Co. KG as well as the ZR - Zapadtka + Ritter Geschäftsführungs GmbH are consolidated.

Also consolidated were the following sub-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 und die Bertrandt US Inc. in Detroit.

Companies on which Bertrandt exercises material but not dominant influence are carried at equity in the consolidated financial statement as associated companies. These are the Bertrandt Entwicklungen AG & Co. OHG, Bertrandt Automotive GmbH & Co. KG as well as the aucip. Automotive cluster investment platform GmbH & Co. KG and the aucip. automotive cluster investment platform Beteiligungs GmbH.

Financial Calendar

7 December 2006

Announcement of company figures 2005/2006

Annual Press Conference, Stuttgart

Analyst's Conference, Frankfurt

13 February 2007

Announcement of company figures Report on the 1st quarter 2006/2007

1 February 2007

Annual General Meeting, Sindelfingen

Credits

Published and edited by

Bertrandt AG
Birkensee 1, 71139 Ehningen
Germany
Telephone +49 7034 656-0
Telefax +49 7034 656-4100
www.bertrandt.com
info@de.bertrandt.com

HRB 5259
Amtsgericht Böblingen

Contacts

Marcus Loistl
Investor Relations and
Financial Press Spokesperson
Telephone +49 7034 656-4082
Telefax +49 7034 656-4090
marcus.loistl@de.bertrandt.com

Anja Schauser
Corporate Communications
and Technical Press Spokesperson
Telephone +49 7034 656-4037
Telefax +49 7034 656-4090
anja.schauser@de.bertrandt.com

Design, layout and production

SAHARA Werbeagentur, Stuttgart
www.sahara.de

Text

Bertrandt AG

Lithografie and Print

Druckplus, Radolfzell

Photos

Thomas Ernsting, Bonn
Photofinder, Zefa

Legal Notice

This interim report contains inter alia certain foresighted statements about future developments, which are based on current estimates of management. Such statements are subjected to certain risks and uncertainties. If one of these factors of uncertainty or other imponderables should occur or the underlying accepted statements proved to be incorrect, the actual results could deviate substantially from or implicitly from the expressed results specified in these statements. We have neither the intention nor do we accept the obligation of updating foresighted statements constantly since these proceed exclusively from the circumstances on the day of their publication.
As far as this interim report refer to statements of third parties, in particular analyst estimations, the organisation neither adopts these, nor are these rated or commented thereby in other ways, nor is the claim laid to completeness in this respect.