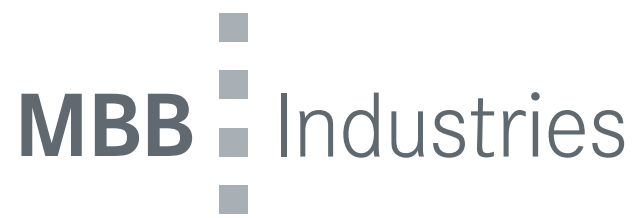




**Quarterly Financial Report
September 30, 2008**

MBB Industries AG . Berlin



Quarterly Financial Report
September 30, 2008
MBB Industries AG

MBB Industries in Numbers

Nine months (January 01-September 30) (unaudited)	2007 IFRS	2008 Δ 2007 IFRS / 2008	
Performance (figures)	€k	€k	%
Sales revenue	69,573	140,549	102.0
Operating output	85,622	146,023	70.5
Material expenses	-38,020	-79,607	109.4
Personnel expenses	-17,054	-35,313	107.1
EBITDA	18,590	14,501	-22.0
<i>EBITDA-Margin</i>	26.7 %	10.3 %	-61.4
EBIT	12,907	10,357	-19.8
<i>EBIT-Margin</i>	18.6 %	7.4 %	-60.3
EBT	11,784	8,988	-23.7
<i>EBT-Margin</i>	16.9 %	6.4 %	-62.2
Consolidated net profit after minorities	11,700	6,663	-43.1
Numbers of shares	6,600,000	6,600,000	0.0
eps in €	1.77	1.01	-43.1
Balance sheet figures	Dec. 31, 2007 €k	Sep. 30, 2008 €k	%
Non-current assets	58,043	58,469	0.7
Current assets	73,875	85,187	15.3
Thereof cash and cash equivalents	26,946	26,420	-2.0
Subscribed capital	6,600	6,600	0.0
Other equity	43,901	48,653	10.8
Equity total	50,501	55,253	9.4
<i>Capital ratio</i>	38.3 %	38.5 %	0.5
Non-current liabilities and provisions	23,570	28,914	22.7
Current liabilities and provisions	57,847	59,488	2.8
Balance sheet total	131,918	143,656	8.9
Net financial debt (net debt (-) / net cash (+))	787	-205	-126.0
Employees (Key Date)	Dec. 31, 2007	Sep. 30, 2008	%
Technical Applications	1,532	1,519	-0.8
Industrial Production	245	246	0.4
Trading & Services	15	98	553.3
Total	1,792	1,863	4.0

Message from the Managing Board

Dear Shareholders,

The growth in turnover and income at MBB Industries AG has continued into the third quarter. Turnover of €46.4m and earnings per share of €0.31 for the quarter contributed to a rise in turnover to €140.5m, with earnings per share of €1.01, for the period January to September 2008.

For MBB Industries AG shareholders, the third quarter began with the payment of an increased dividend of 25 cents per share. Moreover, the Reimelt-Henschel-Group won an order with a value of over €15m for the construction of a food plant in Russia. This order is one of the largest in the company's history, and is partly responsible for the increase in order volume at Reimelt-Henschel to approximately 25% above the level of the previous year. The acquisition of Guth Engineering in August and its subsequent immediate integration into the Reimelt-Henschel-Group will further benefit this development. Guth's technology and market presence complement its product range and will result in a growth in turnover to more than €100m for the year 2009 for our plant construction companies.

In the half-year financial report, we pointed out that the crisis on the financial markets and its impact on the economy were likely to persist. Conditions on the international capital markets have since come to a head, and they are having a visible impact on the real economy. The dramatic decline, with which the automobile industry in particular is struggling to cope, is affecting our Delignit holding. Delignit AG generates a portion of its turnover through the supply of automobile components, for which reason it was forced to correct its turnover and earnings forecasts at the beginning of the fourth quarter. MBB Industries AG nevertheless sees its holdings as well positioned. This is due on the one hand to the diversification of our holdings throughout a variety of industries and on the other hand to our active management, which enables us to react quickly to changes. Nonetheless, we modified our outlook for 2008 in mid-October, and we now expect earnings per share of €1.30 for the year 2008 as a whole, while continuing to forecast a turnover of €190m. We regard the current figures for the first nine months of 2008 as confirmation of our forecast.

The opportunities for attractively priced company purchases are improving significantly in the current environment. A capital ratio of 38.5%, a net debt of €0.2m and cash-on-hand of over €26m allow MBB Industries AG to pursue further purchases. However, we will only undertake a purchase if we are able to make an evaluation not only of the company itself but also the environment in which it operates. In our judgement, this will only be possible once the volatility in the markets has relaxed considerably.

In late September, MBB Industries AG was listed in the GEX (German Entrepreneurial Index) of the Deutsche Börse AG. The GEX contains the Prime Standard shares that have been listed on the stock market for less than ten years and whose management have a substantial holding in the company. We regard the GEX as an indicator of value developments in owner-managed companies in the stock market. It therefore constitutes an appropriate benchmark for our company's continued development. Since the beginning of 2008, the development of MBB shares has been above that of the GEX. The MBB Industries AG share price is an inadequate measure of the company's development, and accordingly, we see future potential for beating the benchmark.

Interim Group Management Report

MBB Industries AG is a medium-sized holding company which, together with its portfolio companies, forms the MBB Group.

General and Business Conditions

The worldwide financial crisis is meanwhile placing increased strain on the real economy. This will continue to impact on the economic trends in our companies' markets for the next months. This could lead to the value development of MBB's existing portfolio slowing down with respect to previous years. At the same time, however, conditions for purchasing new holdings are improving, because the number of companies being offered for sale is on the increase and their sale prices are falling. MBB's equity capital resources and cash position present good opportunities for continued growth through acquisition.

Earnings, Assets, and Financial Situation

The third quarter of the previous year was characterised by the one-off effects arising from company purchases and sales. There were no comparable single-occurrence transactions in the third quarter of 2008, with the result that the figures both for the third quarter and for the first nine months of the year are relatively lower. This said, we report as follows:

Thanks to the solid base inherited from the year 2007, the asset and financial situations continue to be positive. Acquisitions and investments in the third quarter of 2008 were financed from operative cash flow.

The consolidated quarterly statement for September 30, 2008 was the first to be compiled in accordance with the International Financial Reporting Standards (IFRS). However, the figures for the previous year were also converted to comply with the IFRS.

The MBB Group increased its consolidated turnover for the first nine months of the year by 102.0% to €140.5m compared with the corresponding period of the previous year (€69.6m). Operating output for the same period increased from €85.6m in 2007 to €146.0m in 2008, an increase of 70.5%. The other operative earnings of €4.9m stem from other services, revenue from exchange rate differences, and the release of unused provisions.

Material costs increased considerably relative to turnover from 54.6% to 56.6%. This was triggered by the changes to the group's real net output ratio resulting from the takeover of the DTS company at the end of June 2008, and the Reimelt-Henschel-Group, which was only integrated in the MBB Group in the course of the third quarter of 2007. Furthermore, the increase in the price of energy and raw materials had an impact on the increased material ratio.

The EBITDA (earnings before interest, tax, depreciation and amortisation) attained a level of €14.5m (compared to €18.6m in the previous year), representing a decrease compared to the equivalent period in the previous year. At the same time, the EBITDA margin fell from 26.7% to 10.3%, caused by the one-off effects in 2007 referred to

above, and the changed composition of the holding portfolio. The EBIT (earnings before interest and tax) of the MBB Group reached €10.4m for the nine month period just ended (€12.9m in the equivalent period of the previous year). Taking into account the financial result of minus €1.4m, EBT (earnings before tax) is at €9.0m (€11.8m in the equivalent period of the previous year). This puts it at 6.4% of sales revenue (16.9% in the equivalent period of the previous year).

Consolidated profit for the year after third party profit share in incorporated companies was €6.7m, which is rather small compared with the profit for the first nine months of 2007 of €11.7m. However, this is largely due to the fact the previous year's level reflected the aforementioned one-off effects, and was accordingly all the more positive. The consolidated interim accounts on 30.09.2008 show an equity capital of €55.3m (€50.5m on December 31, 2007). Mention should be made in this context of the dividend payout of €1.65m, made on July 1, 2008. Oriented to the total consolidated accounts of €143.7m, the MBB Group has a capital ratio of 38.5% (38.3% on December 31, 2007).

On September 30, 2008, the MBB Group disposed of financial liabilities of €26.6m (€26.2m on December 31, 2007) and cash equivalents and short-term securities of €26.4m (€26.9m on December 31, 2007). This puts the MBB Group's balance from the above liabilities and cash positions (net debt) at €0.2m.

Development of the Segment

The following business segments will be considered:

- Technical Applications
- Industrial Production
- Trading & Services

In comparison with the previous year, turnover and earnings rose most strongly in the Technical Applications segment. This growth is primarily attributable to the incorporation of Reimelt Henschel, which was only added to the MBB Group during the third quarter of 2007. Turnover for the Technical Applications segment was €101.1m for the first nine months of 2008, with an EBIT of €7.1m.

In terms of its portfolio, the Industrial Production segment is unchanged compared to the previous year. However, both turnover and EBIT have risen considerably, to €21.1m and €2.1m respectively.

Similarly, business activity in the Trading & Services segment underwent considerable growth. Above all, the purchase of DTS at the end of the first six months of 2008 led to an increase in turnover to €18.7m and an improvement in the EBIT to €0.4m.

Employees

The number of employees in the MBB Group increased from 1,792 to 1,863 in comparison to December 31, 2007. This number includes the employees at Guth Engineering (33) and DTS (81), which were not included in the figure for the previous year. With respect to the company portfolio on December 31, 2007, the total employee figure has fallen by 43, due to the implementation of productivity and efficiency enhancement measures.

Chances and Risks Report

The chances and risks with respect to business developments for the MBB Group are described in the report from the year 2007, available from our website. There have been no appreciable changes to the chances and risks discussed therein since December 31, 2007, with the exception of the financial and economic crisis referred to above. Risks that may arise from the financial and economic crisis are in particular:

- Drop in turnover and subsequent need for capacity modifications and reductions in earnings
- Difficulties in financing ongoing business activities and investments
- Solvency problems among customers, suppliers and commercial banks
- Increased price volatility, in particular with respect to energy and raw materials, and interest and exchange rates
- Distortion of competition as a result of state intervention in markets and businesses

The risk management system in place at MBB Industries AG allows the early recognition of these risks and the immediate adoption of measures. Until now, as far as MBB Industries AG is concerned, the risks referred to, including those arising from that are due to the financial and economic crisis, have only arisen in the context of the developments taking place at Delignit AG.

Supplementary Report

No events of any significance have taken place since the end of the reporting period.

Forecast Report

As of the ad-hoc announcement of October 15, 2008, MBB Industries AG has dropped its outlook considerably. The main reason for this was the drop in demand at Delignit AG. Our present forecast is that we will attain earnings per share of at least €1.30 for 2008 with a turnover of €190m. The figures for the first nine months of the year 2008 support this forecast. It is our assumption that MBB Industries AG belongs to the group of companies that will continue to be successful even in the face of a protracted financial and economic crisis. Nonetheless, we will wait with our turnover and earnings forecast for 2009 until we are better able to assess the impact of the general economic development for the year as a whole.

Berlin, November 28, 2008

Yours faithfully,



Dr. Christof Nesemeier
Chief Executive Officer



Gert-Maria Freimuth
Chief Investment Officer

IFRS Consolidated Interim Financial Report

Nine Months

Consolidated Income Statement (IFRSs) (unaudited)	01.01.08-30.09.08 €k	01.01.07-30.09.07 €k
Revenue	140,549	69,573
Reversal of credit difference from acquisition accounting	500	9,123
Income from removals from consolidated group/change in minority interests	0	4,007
Other operating income	4,860	2,812
Changes in work in process and finished goods	114	107
Operating output	146,023	85,622
Cost of raw materials, consumables and supplies	-66,610	-32,339
Cost of purchased services	-12,997	-5,681
Cost of materials	-79,607	-38,020
Wages and salaries	-29,299	-13,895
Social security, pensions and other benefit costs	-6,014	-3,159
Personnel expenses	-35,313	-17,054
Other operating expenses	-16,602	-11,958
Earnings before interest, taxes, depreciation and amortization (EBITDA)	14,501	18,590
Amortization, depreciation and write-downs	-4,144	-5,707
Earnings of associates	0	24
Earnings before interest and taxes (EBIT)	10,357	12,907
Other interest and similar income	678	295
Interest and similar expenses	-2,047	-1,418
Financial result	-1,369	-1,123
Earnings before taxes (EBT)	8,988	11,784
Income taxes	-2,194	217
Other taxes	-128	-158
Earnings for the period	6,666	11,843
Minority interests	-3	-143
Consolidated profit	6,663	11,700
Earnings per share (€)	1.01	1.77

Quarter

Consolidated Income Statement (IFRSs) (unaudited)	01.07.08-30.09.08 €k	01.07.07-30.09.07 €k
Revenue	46,431	27,922
Reversal of credit difference from acquisition accounting	0	9,123
Income from removals from consolidated group/change in minority interests	0	2,726
Other operating income	1,382	820
Changes in work in process and finished goods	770	-413
Operating output	48,584	40,178
Cost of raw materials, consumables and supplies	-20,930	-13,163
Cost of purchased services	-5,004	-4,558
Cost of materials	-25,934	-17,721
Wages and salaries	-10,141	-5,930
Social security, pensions and other benefit costs	-2,147	-1,217
Personnel expenses	-12,289	-7,147
Other operating expenses	-5,405	-3,011
Earnings before interest, taxes, depreciation and amortization (EBITDA)	4,956	12,299
Amortization, depreciation and write-downs	-1,534	-3,622
Earnings of associates	0	0
Earnings before interest and taxes (EBIT)	3,423	8,677
Other interest and similar income	221	137
Interest and similar expenses	-813	-539
Financial result	-592	-402
Earnings before taxes (EBT)	2,831	8,275
Income taxes	-955	100
Other taxes	-63	-18
Earnings for the period	1,814	8,357
Minority interests	212	244
Consolidated profit	2,025	8,601
Earnings per share (€)	0.31	1.30

Balance Sheet Assets (IFRSs)	Sep. 30, 2008 (unaudited) €k	Dec. 31, 2007 (audited) €k
Non-current assets		
Franchises, industrial rights and similar rights and assets	3,496	1,663
Goodwill	2,463	780
Intangible assets	5,959	2,443
Land and buildings including buildings on third-party land	28,106	28,761
Technical equipment and machines	16,326	16,789
Other equipment, furniture and fixtures	3,242	2,626
Payments on account and assets under construction	907	1,505
Property, plant and equipment	48,581	49,681
Shares in affiliated entities	397	397
Investments in associates	47	47
Equity investments	2	2
Loans to affiliated entities	264	248
Other loans	388	496
Financial assets	1,097	1,190
Deferred taxes	2,832	4,729
	58,469	58,043
Current assets		
Raw materials, consumables and supplies	10,789	8,702
Work in process	6,734	5,358
Finished goods	7,462	7,208
Payments on account	581	485
Inventories	25,566	21,753
Trade receivables	27,455	20,454
Other assets	5,746	4,722
Trade receivables and other assets	33,201	25,176
Securities	790	1,596
Cash	29	27
Bank balances	25,601	25,323
Cash on hand, bank balances	25,630	25,350
	85,187	73,875
Total assets	143,656	131,918

Balance Sheet Equity and liabilities (IFRSs)	Sep. 30, 2008 (unaudited) €k	Dec. 31, 2007 (audited) €k
Equity		
Subscribed capital	6,600	6,600
Capital reserves	15,251	15,251
Legal reserve	61	61
Earnings carried forward	22,549	10,570
Currency translation differences	558	416
Profit	6,663	13,629
Minority interests	3,571	3,974
	55,253	50,501
Non-current liabilities and provisions		
Liabilities to banks	17,778	11,548
Other liabilities	1,162	1,251
Liabilities	18,940	12,799
Pension provisions	3,238	3,356
Provisions for deferred taxes	6,736	7,415
Provisions	9,974	10,771
	28,914	23,570
Current liabilities and provisions		
Liabilities to banks	8,847	14,611
Payments on account received	13,298	6,138
Trade payables	13,534	12,128
Other liabilities	4,699	5,659
Accruals	9,822	3,904
Liabilities	50,199	42,440
Tax provisions	1,007	498
Other provisions	8,282	14,909
Provisions	9,289	15,407
	59,488	57,847
Total equity and liabilities	143,656	131,918

Consolidated Cash Flow Statement (Jan.1 - Sep.30) (unaudited)	2008 €k	2007 €k
1. Cash flow from operating activities		
Earnings before interest and taxes (EBIT)	10,357	12,907
Adjustments for non-cash transactions:		
Depreciation and amortization of non-current assets	4,144	5,707
Loss/gain on disposal of assets	-13	-12
Credit difference from acquisition accounting posted to income	0	-9,123
Income from removal from consolidated group	0	-1,437
Other non-cash expenses and income	-21	-12
Subtotal	4,110	-4,877
Changes in working capital:		
Decrease/increase in inventories, trade receivables and other assets	-8,972	864
Decrease/increase in trade payables and other liabilities	3,861	-5,808
Subtotal	-5,111	-4,944
Income tax paid	-1,160	-774
Interest received	678	295
Subtotal	-482	-479
Cash flow from operating activities	8,874	2,607
2. Cash flow from investing activities		
Cash received from disposals of property, plant and equipment	111	2,508
Cash received from disposals of financial assets	108	228
Cash paid for investments in intangible assets	-100	-78
Cash paid for investments in property, plant and equipment	-3,259	-4,631
Cash paid for investments in financial assets	-16	-248
Acquisition of consolidated entities	-1,147	4,557
Sale of consolidated entities	0	2,135
Cash flow from investing activities	-4,303	4,471

Consolidated Cash Flow Statement (Jan.1 - Sep.30) (unaudited)	2008 €k	2007 €k
3. Cash flow from financing activities		
Profit distributions to shareholders	-1,650	-660
Cash received from IPO Delignit AG	0	6,000
Cash paid for IPO costs	0	-736
Cash received from borrowings	4,364	1,897
Repayment of borrowings	-5,764	0
Interest paid	-2,047	-1,418
Cash flow from financing activities	-5,097	5,083
Cash and cash equivalents at the end of the period		
Change in cash and cash equivalents (subtotal of 1 to 3)	-526	12,161
Cash and cash equivalents at the beginning of the period	26,946	10,463
Cash and cash equivalents at the end of the period	26,420	22,624
Composition of cash and cash equivalents		
Cash on hand, bank balances	25,630	21,246
Securities	790	1,378
Cash and cash equivalents at the end of the period	26,420	22,624

Consolidated Statement of Changes in Equity
(unaudited)

	Subscribed Capital	Revenue reserve	Capital reserves
	€k	€k	€k
January 1, 2007	6,600	61	15,251
Dividends paid	0	0	0
Increase in minority interests	0	0	0
Currency translation differences	0	0	0
Consolidated profit for the year	0	0	0
Total recognized income and expenses for the year	0	0	0
December 31, 2007	6,600	61	15,251
Dividends paid	0	0	0
Change in minority interests	0	0	0
Currency translation differences	0	0	0
Consolidated profit	0	0	0
Total recognized income and expenses for the year	0	0	0
September 30, 2008	6,600	61	15,251

Currency translation differences €k	Earned consolidated equity €k	Total consolidated equity €k	Minority interests €k	Consolidated equity €k
873	11,231	34,016	1,504	35,520
0	-661	-661	0	-661
0	0	0	2,541	2,541
-457	0	-457	0	-457
0	13,629	13,629	-71	13,558
0	13,629	13,629	-71	13,558
416	24,199	46,527	3,974	50,501
0	-1,650	-1,650	0	-1,650
0	0	0	0	0
142	0	142	0	142
0	6,663	6,663	-403	6,260
0	0	6,663	-403	6,260
558	29,212	51,682	3,571	55,253

Consolidated Interim Financial Report Explanatory Notes

Financial Statement

The interim financial report of the MBB Group for the period 01.01.2008 to 30.09.2008 was compiled in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and conforms with IAS 34.

Accounting and Valuation Methods

The accounting and valuation principles generally correspond with those applied in the Group financial statements as on December 31, 2007. The financial statements are affected by the accounting and valuation methods as well as assumptions and estimates which affect the level and recognition of assets, liabilities and contingent liabilities on the balance sheet and of the income and expenditure items. Sales-related figures are accrued throughout the year.

Segment Reporting

The following business segments will be considered:

- Technical Applications

This segment comprises those holdings whose business model is based to a large extent on customer specifications, and for which company expertise and consultancy services form a considerable proportion of the service performed. The members of the Reimelt-Henschel group of companies, and the Delignit business group belong to this segment.

- Industrial Production

This segment comprises those holdings whose primary strengths lie in the production of products which are relatively standardised. Accordingly, the Hanke and OBO holdings belong to this segment.

- Trading & Services

This segment comprises those holdings in the MBB portfolio who perform specialised services for their customers without conducting any production of their own, or who conduct trading activities. The holdings in this segment are DTS and Huchtemeier.

until Sep. 30, 2008 (unaudited)	Technical Applications €k	Industrial Production €k	Trading & Services €k	Consolidation €k	Group €k
Third parties	100,746	21,108	18,684	11	140,549
Other segments	393	0	0	-393	0
Total revenue	101,139	21,108	18,684	-382	140,549
Earnings (EBIT)	7,091	2,123	411	732	10,357
Amortization and depreciation	2,616	1,358	130	40	4,144
Share of profit of an associate	0	0	0		
Capital expenditure	2,677	635	47		
Investments in associates	0	0	47		
Segment assets	86,693	20,111	9,293		
Segment liabilities	48,089	2,709	6,396		

until Sep. 30, 2007 (unaudited)	Technical Applications €k	Industrial Production €k	Trading & Services €k	Consolidation €k	Group €k
Third parties	46,721	13,733	9,269	30	69,753
Other segments	494	0	0	-494	0
Total revenue	47,215	13,733	9,269	-464	69,753
Earnings (EBIT)	10,949	1,522	89	347	12,907
Amortization and depreciation	4,370	1,256	63	18	5,707
Share of profit of an associate	0	0	0		
Capital expenditure	4,237	369	25		
Investments in associates	0	0	47		
Segment assets	87,316	19,748	4,659		
Segment liabilities	40,962	2,731	1,679		

Changes to Contingent Liabilities

There have been no changes to the contingent liabilities since the annual report for 2007.

Business Transactions with Affiliated Companies and Persons

Business transactions between fully consolidated subsidiaries and non-fully consolidated subsidiaries are to be conducted in arm's length terms.

Company Purchases and Changes in Consolidated Subsidiaries

Reimelt GmbH undertook a strategic expansion of its product range on August 26, 2008, by acquiring (in an asset deal) the business operations of Wilhelm Guth Engineering GmbH & Co. KG, a producer of processing plants for liquid raw materials. This has been taken into account in the present balance sheet

Events Following the End of the Reporting Period

There is no information regarding any essential changes taking place after the balance sheet date.

Audit Inspection

The abridged interim financial report for 30.09.2008 and the interim group management report have been subjected neither to examination in accordance with §317 HGB nor inspection from an auditor.

Affirmation of Legal Representatives

We affirm that to the best of our knowledge, the picture of the assets, earnings and financial situation of the group conveyed by the interim group report corresponds with actual circumstances and that the business developments, including business results and group status, are presented in the interim group management report in such a way that the picture conveyed corresponds with actual circumstances and that the principal chances and risks associated with the anticipated development of the group in the remainder of the business year are duly described, all of the above in accordance with the accounting principles for interim reporting.

Berlin, November 28, 2008



Dr. Christof Nesemeier
Chief Executive Officer



Gert-Maria Freimuth
Chief Investment Officer

Financial Calendar

End of the fiscal Year
December 31, 2008

Annual Report 2008
April 30, 2009

Quarterly Report, Q1
May 29, 2009

Annual Meeting 2009
June 30, 2009

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