



**Quarterly Financial Report
September 30, 2009**

MBB Industries AG . Berlin



Quarterly Financial Report

September 30, 2009

MBB Industries AG

MBB Industries in Numbers

Nine month (January 01-September 30) (unaudited)	2008 IFRS	2009 IFRS	△ 2008 / 2009
Performance (figures)			
Sales revenue	140,549	96,440	-31.4
Operating output	146,023	105,440	-27.8
Material expenses	-79,607	-60,055	-24.6
Personnel expenses	-35,313	-27,170	-23.1
EBITDA	14,501	8,351	-42.4
<i>EBITDA-Margin</i>	10.3%	8.7%	-16.1
EBIT	10,357	4,921	-52.5
<i>EBIT-Margin</i>	7.4%	5.1%	-30.8
EBT	8,988	3,764	-58.1
<i>EBT-Margin</i>	6.4%	3.9%	-39.0
Consolidated net profit after minorities	6,663	3,008	-54.9
Numbers of shares	6,600,000	6,600,000	0.0
eps in €	1.01	0.46	-54.9
Balance sheet figures			
	Dec. 31, 2008 €k	Sep. 30, 2009 €k	%
Non-current assets	56,712	40,204	-29.1
Current assets	83,173	63,327	-23.9
Thereof cash and cash equivalents	25,085	36,098	43.9
Subscribed capital	6,600	6,600	0.0
Other equity	47,665	48,893	2.6
Total equity	54,265	55,493	2.3
<i>Capital ratio</i>	38.8%	53.6%	38.2
Non-current liabilities and provisions	27,314	17,561	-35.7
Current liabilities and provisions	58,306	30,477	-47.7
Balance sheet total	139,885	103,531	-26.0
Net debt (-) / net cash (+)	-981	12,244	-1,348.1
Employees (Key Date)			
	Dec.31, 2008	Sept. 30, 2009	%
Technical Applications	1,485	766	-48.4
Industrial Production	246	262	6.5
Trading & Services	96	101	5.2
Total	1,827	1,129	-38.2

Message from the Managing Board

Dear Shareholders,

Following the sale of the Reimelt-Henschel-Group in May 2009, this is the first quarterly report to encompass our holdings portfolio in its current composition. It is this sale which has caused the fall in MBB's turnover; nevertheless, all of the portfolio companies are operating profitably on balance in their current composition. Although our holdings have not been invulnerable to the effects of the economic and financial crisis, we regard the earnings per share of 11 cents in the third quarter coupled with an EBITDA of €2.4m for the same period as due confirmation of our policy of consistently and sustainably adjusting our portfolio companies' capacities and costs to current economic conditions. Consequently, we consider our holdings to be well-prepared for coping with the ongoing difficult circumstances. However, this also means that they will be able to profit disproportionately from the new situation, once the economy has recovered sufficiently.

Group turnover for the first nine months of 2009 was €96.4m, which, as expected, is beneath the previous year's level of €140.5m, representing a fall of 31.4%. Similarly, the operating result (EBITDA) of €8.4m for the same nine-month period is below the level of €14.5m attained the previous year. Earnings per share was 46 cents as of September 30, which is positive, despite the fact that it is lower than in the previous period, when it reached €1.01. The aforementioned effects were primarily caused by the sale of the Reimelt-Henschel-Group, as described above, but the overall difficult economic situation with its attendant low results has also played a role. While Hanke has continued its profitable growth course unabated this year, other companies in our portfolio have been affected by the general situation, as reflected in their turnover and result figures. These are, to a small extent, Huchtemeier and DTS Systeme, while the companies Delignit and OBO, who operate in the automobile industry, have been considerably affected by the downturn. Provisional consolidated turnover for the year 2009 will be approximately €120m, while, as in all previous years, MBB will announce a clearly positive annual result.

The number of companies being offered for sale has continued to rise in comparison with previous years. However, many of these companies have been severely affected by the crisis. MBB continues to pursue a policy of only making an acquisition when we are convinced that the business model has a profitable core and displays positive future prospects. MBB does not pursue an investment strategy which incorporates from the start the potential failure of a number of individual involvements. The result of this is that potential sellers hold our company in high esteem. What we want is to



benefit from this esteem, and, aided by our very good level of available cash and finance, to ensure that we continue to grow sustainably and reliably in the future.

Yours faithfully,



Dr. Christof Nesemeier
Chief Executive Officer



Gert-Maria Freimuth
Chief Investment Officer



Dr. Philipp Schmiedel-Blumenthal
Chief Operating Officer

Berlin, November 2009



Interim Group Management Report

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

General and Business Conditions

The worldwide financial crisis is still placing increased strain on the real economy. This will continue to impact on the economic trends in our companies' markets. 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 first nine months of the financial year were characterised by the financial and economic crisis. This affects the portfolio companies in different ways. This said, we report as follows:

Thanks to the solid base inherited from the financial year 2008, the asset and financial situations continue to be positive. For a comparison of the figures please keep in mind that the Reimelt-Henschel-Group was deconsolidated with effect from May 31, 2009.

The MBB Group decreased its consolidated turnover for the first nine months of the year by 31.4 % to €96.4m compared with the corresponding period of the previous year (€140.5m). Operating output for the same period decreased from €146.0m for the first nine months of 2008 to €105.4m in 2009, a drop of 27.8%. This was the result of the increase of finished goods in stock and work in progress of €2.0m (in 2008: 0.1m) and the income from the deconsolidation of the Reimelt-Henschel-Group to the amount of €3.0m. The other operative earnings of €4.1m decreased compared to the previous year (€4.9m) and stem from other services and the reverse of provisions.

Material costs increased relative to the sum of operating output and changes in inventories from 56.6% to 61.0% for the first nine months of 2009 compared with same period of the previous year. This was triggered by changes in the holding portfolio, which in turn affected group's real net output ratio.

The EBITDA (earnings before interest, tax, depreciation and amortisation) attained a level of €8.4m, representing a decrease compared to the equivalent period in the previous year (€14.5m). At the same time, the EBITDA margin fell from 10.3% to 8.7%, caused by the current economic situation and the changed composition of the holding portfolio. The EBIT (earnings before interest and tax) of the MBB Group reached €4.9m for the nine month period just ended (€10.4m in the equivalent period of the previous year). Taking into account the financial result of minus €1.2m, EBT (earnings before tax) is at €3.8m (€9.0m in the equivalent period of the previous year). This puts it at 3.9% of sales revenue (6.4% in the equivalent period of the previous year).

Consolidated profit after minority interests of €0.1m reached €3.0m, which is rather small compared with the profit for the first nine months of 2008 (€6.7m). The consolidated interim financial statements of September 30, 2009 show an equity capital of €55.5m

(€54.3m on December 31, 2008). Oriented to the consolidated balance sheet total of €103.5m, the MBB Group has a capital ratio of 53.6% (38.8% on December 31, 2008).

On September 30, 2009, the MBB Group shows liabilities to banks of €23.9m (€26.1m on December 31, 2008) and cash and cash equivalents and short-term securities of €36.1m (€25.1m on December 31, 2008). This puts the MBB Group's balance from the above liabilities and cash positions (net debt / net cash) at €12.2m net cash, which is an improvement of €13.2m against December 31, 2008, but also a reduction of €3.1m against June 30, 2009. This is due to the investment in a new logistics centre for Hanke Tissue as well as the dividend payment (€1.65m) on July 1, 2009.

Development of the Segment

The following business segments will be considered:

- Technical Applications
- Industrial Production
- Trading & Services

In comparison with the previous year, revenues fell strongly in the Technical Applications segment in the first three quarters. This decrease is attributable to the declining sales of Delignit and the deconsolidation of the Reimelt-Henschel-Group on May 31, 2009. Turnover for the Technical Applications segment was €52.9m for the first nine months of 2009 (€100.7m in the same period last year), with an EBIT of €2.8m (€7.1m in the equivalent period of the previous year).

The Industrial Production segment also shows a decline in revenues. Turnover for the Industrial Production segment was €18.3m for the first nine months of 2009 (€21.1m in the equivalent period of the previous year). The EBIT of €1.9m represents a decrease compared to the equivalent period of the previous year (€2.1m).

The increase in turnover in the Trading & Services segment amount to €25.6m (€18.7m in the equivalent period of the previous year), which is due to the fact that DTS Systeme has strengthened this segment since June 2008. The EBIT of this segment also increased to €0.9m in the first nine months of 2009, thereby exceeding last year's level of €0.4m.

Employees

Currently standing at 1,129, the number of employees in the MBB Group has declined compared to 1,863 on the previous year closing date; this was caused by the sale of the Reimelt-Henschel-Group. Adjusted to take account of this, the number of employees in our holdings has declined by about 140, due to capacity adjustments in the Delignit Group.

Chances and Risks Report

The chances and risks with respect to business developments for the MBB Group are described in the group management report for the year 2008, available from our website. There have been no appreciable changes to the chances and risks discussed therein since December 31, 2008.

The risk management system of MBB Industries AG allows the early recognition of these risks and the immediate adoption of measures.

Supplementary Report

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

Forecast Report

Following the disposal of the Reimelt-Henschel-Group in the second quarter of 2009, MBB Industries now has five holdings. In 2009 annual sales of MBB Group will be approximately €120m. MBB will - as in all previous years - generate a sustainably positive annual result for 2009.

Berlin, November 27, 2009

The Managing Board



In the summer of 2005, a photographic project was initiated, entitled 'An artistic documentation and interpretation of the work done by MBB'. The project expands as new holdings are added to the portfolio. All images shown originate from this project.

IFRS Consolidated Interim Financial Report

Nine months

Consolidated Income Statement (IFRS) (unaudited)	01.01.09-30.09.09	01.01.08-30.09.08
	€k	€k
Revenue	96,440	140,549
Reversal of credit difference from acquisition accounting	0	500
Income from removal from consolidated group	2,986	0
Other operating income	4,051	4,860
Increase (+) / Decrease (-) in work in process and finished goods	1,963	114
Operating output	105,440	146,023
Cost of raw materials, consumables and supplies	-48,253	-66,610
Cost of purchased services	-11,802	-12,997
Cost of materials	-60,055	-79,607
Wages and salaries	-22,045	-29,299
Social security, pensions and other benefit costs	-5,125	-6,014
Personnel expenses	-27,170	-35,313
Other operating expenses	-9,864	-16,602
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	8,351	14,501
Amortisation, depreciation and write-downs	-3,430	-4,144
Share of profit or loss of associates	0	0
Earnings before interest and taxes (EBIT)	4,921	10,357
Other interest and similar income	369	678
Interest and similar expenses	-1,526	-2,047
Financial result	-1,157	-1,369
Earnings before taxes (EBT)	3,764	8,988
Income taxes	-825	-2,194
Other taxes	-79	-128
Earnings for the period	2,860	6,666
Minority interests	148	-3
Consolidated profit for the year	3,008	6,663
Earnings per share (€)	0.46	1.01

Condensed statement of comprehensive income

Condensed statement of comprehensive income (unaudited)	01.01.09-30.09.09	01.01.08-30.09.08
	€k	€k
Consolidated profit for the first nine months	3,008	6,663
Differences from currency translation	334	142
Total profit	3,342	6,805
Total profit due to MBB shareholders	2,878	6,118
Total profit due to minority interests	464	403

Quarter

Consolidated Income Statement (IFRS) (unaudited)	01.07.09-30.09.09	01.07.08-30.09.08
	€k	€k
Revenue	21,112	46,431
Other operating income	1,490	1,382
Increase (+) / Decrease (-) in work in process and finished goods	-53	770
Operating output	22,550	48,583
Cost of raw materials, consumables and supplies	-10,390	-20,930
Cost of purchased services	-2,975	-5,004
Cost of materials	-13,365	-25,934
Wages and salaries	-3,668	-10,141
Social security, pensions and other benefit costs	-944	-2,147
Personnel expenses	-4,612	-12,288
Other operating expenses	-2,127	-5,405
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	2,446	4,956
Amortisation, depreciation and write-downs	-964	-1,534
Share of profit or loss of associates	0	0
Earnings before interest and taxes (EBIT)	1,481	3,423
Other interest and similar income	68	221
Interest and similar expenses	-387	-813
Financial result	-319	-592
Earnings before taxes (EBT)	1,162	2,831
Income taxes	-454	-955
Other taxes	-20	-63
Earnings for the period	688	1,814
Minority interests	6	212
Consolidated profit for the quarter	694	2,025
Earnings per share (€)	0.11	0.31

Balance Sheet	Sep. 30, 2009 (unaudited) €k	Dec. 31, 2008 (audited) €k
Assets (IFRS)		
Non-current assets		
Franchises, industrial rights and similar rights and assets	1,288	2,526
Goodwill	2,463	5,540
Intangible assets	3,751	8,066
Land and buildings including buildings on third-party land	16,451	27,130
Technical equipment and machines	13,084	15,565
Other equipment, furniture and fixtures	2,053	3,361
Payments on account and assets under construction	3,280	726
Property, plant and equipment	34,868	46,782
Shares in affiliated entities	0	224
Investments in associates	36	36
Equity investments	0	12
Other loans	367	302
Financial assets	403	574
Deferred taxes	1,182	1,290
	40,204	56,712
Current assets		
Raw materials, consumables and supplies	4,381	10,234
Work in process	2,580	4,403
Finished goods	6,051	7,458
Payments on account	18	3,843
Inventories	13,030	25,938
Trade receivables	8,061	27,605
Other assets	6,138	4,545
Trade receivables and other assets	14,199	32,150
Securities	4,647	2,567
Cash	25	16
Bank balances	31,426	22,502
Cash on hand, bank balances	31,451	22,518
	63,327	83,173
Total assets	103,531	139,885

Balance Sheet Equity and liabilities (IFRS)	Sep. 30, 2009 (unaudited) €k	Dec. 31, 2008 (audited) €k
Equity		
Subscribed capital	6,600	6,600
Capital reserve	15,251	15,251
Legal reserve	61	61
Earnings carried forward	28,928	22,549
Currency translation differences	-1,268	-1,602
Profit	3,008	8,029
Minority interests	2,913	3,377
	55,493	54,265
Non-current liabilities and provisions		
Liabilities to banks	10,095	16,780
Other liabilities	1,334	1,045
Liabilities	11,429	17,825
Pension provisions	2,008	3,360
Deferred tax liabilities	4,124	6,129
Provisions	6,132	9,489
	17,561	27,314
Current liabilities and provisions		
Liabilities to banks	13,759	9,286
Payments on account received	123	8,044
Trade payables	9,356	18,883
Other liabilities	2,333	6,121
Accruals	2,167	4,154
Liabilities	27,738	46,488
Tax provisions	239	1,369
Other provisions	2,500	10,449
Provisions	2,739	11,818
	30,477	58,306
Total equity and liabilities	103,531	139,885

Consolidated Cash Flow Statement (Jan. 1 - Sep. 30) (unaudited)	2009 €k	2008 €k
1. Cash flow from operating activities		
Earnings before interest and taxes (EBIT)	4,921	10,357
Adjustments for non-cash transactions:		
Depreciation and amortisation of non-current assets	3,430	4,144
Loss (-) / gain (+) on disposal of assets	0	-13
Increase (+) / decrease (-) in provisions	1,299	0
Other non-cash expenses and income	-2,692	-21
Subtotal	2,037	4,110
Changes in working capital:		
Increase (-) / decrease (+) in inventories, trade receivables and other assets	-5,918	-8,972
Increase (+) / decrease (-) in trade payables and other liabilities	515	3,861
Subtotal	-5,403	-5,111
Income tax paid	-1,427	-1,160
Interest received	369	678
Subtotal	-1,058	-482
Cash flow from operating activities	497	8,874
2. Cash flow from investing activities		
Cash received from disposals of property, plant and equipment	201	111
Cash inflow (+) / Cash outflow (-) from investments in intangible assets	253	-100
Cash inflow (+) / Cash outflow (-) from investments in tangible assets	-2,824	-3,259
Cash inflow (+) / Cash outflow (-) from investments in financial assets	167	92
Acquisition of consolidated entities	0	-1,147
Sale of consolidated entities (net of cash disposed of)	16,375	0
Cash flow from investing activities	14,172	-4,303

Consolidated Cash Flow Statement (Jan. 1 - Sep. 30) (unaudited)	2009 €k	2008 €k
3. Cash flow from financing activities		
Profit distributions to shareholders	-1,650	-1,650
Cash received from borrowings	4,630	4,364
Repayment of borrowings	-5,444	-5,764
Interest paid	-1,526	-2,047
Cash flow from financing activities	-3,990	-5,097
Cash and cash equivalents at the end of the period		
Change in cash and cash equivalents (subtotal of 1 to 3)	10,679	-526
Effects of exchange rate changes (no cash effect)	334	0
Cash and cash equivalents at the beginning of the period	25,085	26,946
Cash and cash equivalents at the end of the period	36,098	26,420
Composition of cash and cash equivalents		
Cash on hand, bank balances	31,451	25,630
Securities	4,647	790
Cash and cash equivalents at the end of the period	36,098	26,420

**Consolidated Statement of Changes in
Equity (unaudited)**

	Subscribed Capital €k	Revenue reserve €k	Capital reserve €k
January 1, 2008	6,600	61	15,251
Dividend paid	0	0	0
Subtotal	6,600	61	15,251
Increase in minority interests	0	0	0
Currency translation differences	0	0	0
Consolidated profit for the year	0	0	0
Total recognised income and expenses for the year	0	0	0
December 31, 2008	6,600	61	15,251
Dividends paid	0	0	0
Subtotal	6,600	61	15,251
Change in minority interests	0	0	0
Currency translation differences	0	0	0
Consolidated profit	0	0	0
Total recognised income and expenses	0	0	0
September 30, 2009	6,600	61	15,251

Currency translation differences €k	Earned consolidated equity €k	Total consolidated equity €k	Minority interests €k	Consolidated equity €k
416	24,199	46,527	3,974	50,501
0	-1,650	-1,650	0	-1,650
416	22,549	44,877	3,974	48,851
0	0	0	-377	-377
-2,018	0	-2,018	-320	-2,338
0	8,029	8,029	100	8,129
-2,018	8,029	6,011	-597	5,414
-1,602	30,578	50,888	3,377	54,265
0	-1,650	-1,650	0	-1,650
-1,602	28,928	49,238	3,377	52,615
0	0	0	-66	-66
334	0	334	-250	84
0	3,008	3,008	-148	2,860
334	3,008	3,342	-464	2,878
-1,268	31,936	52,580	2,913	55,493

Consolidated Interim Financial Report

Explanatory Notes

Financial Statement

The interim financial report of the MBB Group for the period 01.01.2009 to 30.09.2009 was prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, published by the International Accounting Standards Board (IASB), and conforms to IAS 34.

Accounting and Valuation Methods

The accounting and valuation principles generally correspond with those applied in the Group financial statements as of December 31, 2008. The financial statements are affected by 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 expenses 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 enterprises of the Delignit group belong to this segment. This segment also includes the enterprises of the Reimelt-Henschel-Group, which have been sold in the meantime.

- 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.

01.01.09 - 30.09.09 (unaudited)	Technical Applications €k	Industrial Production €k	Trading & Services €k	Consolidation €k	Group €k
Third parties	52,916	18,289	25,570	-335	96,440
Other segments	524	1,023	0	-1,547	0
Total revenue	53,440	19,312	25,570	-1,882	96,440
Earnings (EBIT)	2,846	1,875	914	-714	4,921
Amortisation and depreciation	2,200	779	418	33	3,430
Share of profit of associates	0	0	0		
Capital expenditure	111	2,890	347		
Investments in associates	0	0	36		
Segment assets	34,265	20,374	8,829		
Segment liabilities	8,518	2,815	5,555		
01.01.08 - 30.09.08 (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
Amortisation and depreciation	2,616	1,358	130	40	4,144
Share of profit of associates	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		

Changes to Contingent Liabilities

There have been no changes to the contingent liabilities since the annual report for 2008.

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.

Changes in Consolidated Subsidiaries

There have been no changes in the group of consolidated companies in the third quarter 2009.

Events Following the End of the Reporting Period

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

Audit Inspection

The condensed interim financial report as of September 30, 2009 and the interim group management report have been subjected neither to an audit in accordance with §317 HGB nor reviewed from an auditor.

Affirmation of Legal Representatives

To the best of our knowledge, and in accordance with the applicable reporting principles for interim reporting, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Berlin, November 27, 2009



Dr. Christof Nesemeier
Chief Executive Officer

Gert-Maria Freimuth
Chief Investment Officer

Dr. Philipp Schmiedel-Blumenthal
Chief Operating Officer

Financial Calendar

End of the fiscal Year
December 31, 2009

Annual Report 2009
April 30, 2010

Quarterly Report, Q1
May 28, 2010

Annual Meeting 2010
June 30, 2010

Interim Report 2010
August 31, 2010

Quarterly Report, Q3
November 30, 2010

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Furthermore we would like to advise you of our MBB Newsletter. It contains all the latest news and information.

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