

**FIRST QUARTER REPORT  
2007/08.**

**bede**

## HIGHLIGHTS.

- > Group sales improved by 34.4 % to EUR 54.5 million
- > EBIT increased by 87.6 % to EUR 2.5 million
- > Profitability clearly increased compared to the previous year
- > Continuing good business performance

## ECONOMIC ENVIRONMENT.

According to estimates of the Wirtschaftsforschungsinstitut (WIFO) (institute for economic research), in the first quarter of 2007, compared to the prior year, the economy in the euro-zone grew effectively by 3.1 % and by 3.2 % in the EU. This is mainly resulting from a high export growth and a strong investment activity of the companies.

In the fourth quarter of 2006, the growth rate was still 0.9 %, in both, the euro-zone as well as in the EU.

Whereas the economy of almost all European countries slightly slowed down at the beginning of the year, the Austrian economy could even improve compared to the fourth quarter of 2006 and increased from 0.6 % to 0.8 %.

As a result of the mild winter, mainly the construction industry could strongly increase and this led to a further easing of the labour market. According to the WIFO, in the first quarter, the number of employed persons exceeds the previous year's value by 64,700.

The fear that the increase of the German VAT would impact on the European economy in the first half-year became groundless.

However, apparently the effect of the VAT-increase is more noticeable in Germany itself. Compared to the fourth quarter of 2006, the growth was cut in half to 0.5 % in the first quarter.

Sources: WIFO, RZB, BAWAG

## BUSINESS PERFORMANCE IN THE FIRST QUARTER OF 2007/08.

### SALES DEVELOPMENT.

The good overall economic environment also reflected in a very positive result of the Bene Group in all its relevant markets. As a result, in the first quarter of 2007/08, the Austrian office furniture manufacturer increased its sales by 34.4 % to EUR 54.5 million compared to the first quarter of 2006/07 (EUR 40.6 million). This significant improvement was mainly due to a strong organic growth as well as to a smaller extent was resulting from the latest acquisitions (cf. TILL group in Germany).

In the first three months of the current business year, the Bene Group, unchallenged market leader since many years, could again increase sales in its home market Austria by 6.6 % to EUR 16.5 million. This was mainly a result of the better operating performance of this segment.

Likewise in Germany, the largest European office furniture market, the Bene Group has further strengthened its market position in the first quarter of 2007/08 and improved sales by 33.3 % from EUR 10.3 million in the previous year's period to EUR 13.7 million. Beside a generally favourable order situation, the acquisition of various large-scale projects contributed considerably to this positive development.

Sales in the UK segment developed even better. Projects with international key customers such as Structurton, Morgan Lovell and Shell led to a sales increase of 88.1 % to EUR 8.8 million (previous year: EUR 4.7 million) in this highly-competitive market.

The Russia segment could again prove its good performance of the last quarters and its sales rose by 55.5 % from EUR 4.3 million to EUR 6.8 million. Projects to be mentioned were realised with the Boston Consulting Group, Heinz International, Captive Software and AON Russia.

Also the Bene Group's segment „Other markets“ achieved an impressive improvement. Sales grew by 51.4 % from EUR 5.7 million to EUR 8.7 million. Besides Poland, Switzerland, Slovenia, Croatia and France, above all, the two new points of sale – Dublin and Brussels – contributed to this significant increase.

### EARNINGS DEVELOPMENT.

Earnings key figures developed even better than sales and thus the profitability of the Bene Group. In the first quarter of 2007/08 earnings before interest and tax (EBIT) increased by 87.6 % to EUR 2.5 million (previous year: EUR 1.3 million). Cost of sales rose by 2.5 %, whereas personnel expenditure and material expenses remained relatively constant. Overall, the first quarter 2007/08 was characterised by high revenues and a relatively constant cost structure. Thus, in the first quarter of the current business year, all in all, the Bene Group could clearly improve its EBIT-margin from 3.2 % in the previous year's period to 4.5 %.

Similar to the sales development, details show that the segments Austria, UK and Russia acted as leading growth engines.

The segment Austria, which includes the major part of administrative expenses, could almost quadruple the EBIT from EUR 0.2 million to EUR 0.7 million as a result of the strong operating business, a good price situation and a disciplined spending policy.

In Germany, increased personnel and material costs, both a result of the acquisitions and the focused expansion of the existing distribution structures led to an EBIT in the amount EUR -0.24 million, which remained slightly below the prior year's value of EUR -0.25.

In the first quarter of 2007/08, Bene achieved considerable improvements in the already previously highly profitable segments UK and Russia. With EUR 0.6 million, the UK-EBIT exceeded the reference value of the previous year by 309.2 % and the Russia segment increased by

61.3 % to EUR 0.7 million. This outstanding development was the result of a good demand and a more favourable price situation in the market, which inevitably positively impacted on the sales margins of the realised projects.

After EUR 0.8 million in the comparison period of the prior year, the segment „Other markets“ reports an EBIT of EUR 0.7 million. In this segment, the countries Switzerland, France, Slovakia and Ireland accounted among others for the positive result.

As a result the optimised debt positions and the income from securities, the financial result of the Bene Group improved by EUR 0.3 million to EUR 0.1 million. Thus, the EBT increased by 118.4 % from EUR 1.2 million to EUR 2.6 million and the EBT-margin increased from 2.9 % to 4.7 %.

## ASSETS AND CAPITAL STRUCTURE.

The positive business development in the first quarter has led to a strong increase in working capital to EUR 30.9 million on the reference date April 30, 2007 (January 31, 2007: EUR 25.1 million). As of April 30, 2007, the equity ratio was 43.9 % (January 31, 2007: 45.6 %).

## INVESTMENTS.

The positive business performance supports the strategic decision to further expand the capacities of the Austrian site in Waidhofen/Ybbs. A considerable share of the Bene Group's investments in the amount of EUR 2.2 million (previous year: 1.0 million) in the first quarter of 2007/08 arises from the expansion and the modernisation of the production site as well as from the adaptation and modernisation of the distribution sites.

## CASH FLOW & FINANCES.

Compared to the first quarter of 2006/07, in the first three months of the current business year, the operating cash flow remained constant in so far as despite the good order situation and the expansion of the working capital, the operating cash flow was EUR –0.8 million (previous year: EUR –4.5 million). The total changes in cash (including cash flow from investing and financing activities) amounted to EUR –4.8 million (previous year: EUR – 5.3 million).

The capital increase realised in the course of the IPO led to a positive change in the financing activities. Net debt turned by EUR 27.5 million to EUR –16.5 million (previous year: EUR 10.9 million). At the same time, net gearing (net debt / equity) a figure, which illustrates the Company's leverage potential improved to –25.1 % (previous year: 36.7 %).

## EMPLOYEES.

On the reporting date April 30, 2007, the Bene Group occupied 1,391 employees, which is an increase of 182 persons or 15.1 % compared to April 30, 2006. This change is mainly resulting from the expansion and the strengthening of distribution activities in the segment „Other markets “ (+ 47 %) and the acquisitions in Germany (+ 28 %). To take account for the solid sales growth and to comply with the capacity requirements of the markets, the number of personnel in the segment Austria was also increased by 10.4 % or by 87 persons.

## OUTLOOK.

After the good first quarter, the Management Board likewise positively appraises the business performance for the second quarter of 2007/08. All segments show a satisfying development, which for the time being gives no signs of slowing down.

Based on its strategy of controlled expansion, the Bene Group will continue to take opportunities to widen its distribution strength through building up staff in the existing units but also through short-term acquisition possibilities of dealers.

With the massive expansion of the distribution structure in the „Other markets“ segment (cf. Office Technology BVBA / Zaventem) besides Belgium, most of all France, the Iberian Peninsula and Turkey should develop positively.

With three upcoming strong quarters, the Management of the Bene Group is optimistic to significantly increase sales of the business year 2007/08 and at the same time to improve profit.

Acquisitions for the enlargement of the own production portfolio are currently materialising. Definite statements thereto are expected in the course of the third respectively fourth quarter of 2007/08.

### Note

*Among others, this report contains statements on potential future developments, which were made on the basis of currently available information. Such statements, which reflect the current assessment of future developments by our Management, cannot be construed as guarantees for future performance and bear unforeseeable risk and uncertainty. There may be a variety of reasons for actual results and conditions to diverge from the assumptions on which the statements were based.*

## Key Figures Q1 - 2007/08

| in €'000 and %                      | 2007/08<br>30.04.2007 | 2006/07<br>30.04.2006 | Changes<br>in % | Changes<br>absolute |
|-------------------------------------|-----------------------|-----------------------|-----------------|---------------------|
| Revenue                             | 54,497                | 40,563                | 34.4%           | 13,934              |
| EBITDA                              | 3,915                 | 2,757                 | 42.0%           | 1,158               |
| EBITDA Margin                       | 7.2%                  | 6.8%                  | -               | -                   |
| EBIT                                | 2,455                 | 1,309                 | 87.6%           | 1,146               |
| EBIT Margin                         | 4.5%                  | 3.2%                  | -               | -                   |
| Employees (as end of period)        | 1,391                 | 1,209                 | 15.1%           | 182                 |
| Investments *                       | 2,236                 | 955                   | 134.1%          | 1,281               |
| Cash Flow from Operating Activities | -815                  | -4,451                | -81.7%          | 3,636               |

\* Investments in property, plant and equipment and intangible assets.

## INTERIM FINANCIAL REPORT ACCORDING TO IFRS.

**CONSOLIDATED BALANCE SHEET.**

AS OF APRIL 30, 2007 (UNAUDITED) AND JANUARY 31, 2007 (AUDITED).

| in €'000                                  | 2007/08<br>as of Apr. 30, 2007 | 2006/07<br>as of Jan. 31, 2006 |
|---|--------------------------------|--------------------------------|
| <b>Assets</b>                             |                                |                                |
| Intangible assets                         | 6,050                          | 5,730                          |
| Property, plant and equipment             | 27,774                         | 27,230                         |
| Investments in affiliated companies       | 302                            | 210                            |
| Non-current financial assets              | 584                            | 1,850                          |
| Deferred tax assets                       | 7,634                          | 7,720                          |
| <b>Non-current assets</b>                 | <b>42,344</b>                  | <b>42,740</b>                  |
| Inventories                               | 20,585                         | 14,688                         |
| Receivables and other assets              | 47,336                         | 41,532                         |
| Current financial assets                  | 21,486                         | 18,385                         |
| Cash and cash equivalents                 | 17,945                         | 22,807                         |
| <b>Current assets</b>                     | <b>107,352</b>                 | <b>97,412</b>                  |
| <b>Total ASSETS</b>                       | <b>149,696</b>                 | <b>140,152</b>                 |
| <b>Equity and liabilities</b>             |                                |                                |
| Capital stock                             | 24,347                         | 24,347                         |
| Capital reserves                          | 26,838                         | 26,822                         |
| IAS 39 reserve                            | 172                            | 112                            |
| Currency translation reserves             | -692                           | -635                           |
| Accumulated profit / loss                 | 14,025                         | 12,356                         |
| <b>Stockholders equity</b>                | <b>64,691</b>                  | <b>63,003</b>                  |
| Minority interests                        | 1,077                          | 896                            |
| <b>Equity</b>                             | <b>65,769</b>                  | <b>63,900</b>                  |
| Liabilities to employees                  | 12,502                         | 12,168                         |
| Long-term financial liabilities           | 12,315                         | 12,687                         |
| Long-term provisions                      | 47                             | 50                             |
| Long-term government grants and subsidies | 786                            | 821                            |
| Deferred tax liabilities                  | 104                            | 47                             |
| <b>Non-current liabilities</b>            | <b>25,753</b>                  | <b>25,772</b>                  |
| Trade payables                            | 26,152                         | 23,055                         |
| Current financial liabilities             | 10,581                         | 10,627                         |
| Current provisions                        | 223                            | 214                            |
| Current tax provisions                    | 534                            | 873                            |
| Other liabilities                         | 20,506                         | 15,569                         |
| Current government grants and subsidies   | 141                            | 141                            |
| <b>Current liabilities</b>                | <b>58,174</b>                  | <b>50,479</b>                  |
| <b>Total EQUITY AND LIABILITIES</b>       | <b>149,696</b>                 | <b>140,152</b>                 |

## CONSOLIDATED INCOME STATEMENT.

### FOR THE FIRST QUARTER 2007/08 (UNAUDITED) AND THE FIRST QUARTER 2006/07 (UNAUDITED).

| in €'000  | Q1<br>2007/08 | Q1<br>2006/07 | Changes<br>in % |
|---|---------------|---------------|-----------------|
| <b>Continuing operations</b>  |               |               |                 |
| <b>Revenue</b>  | <b>54,497</b> | <b>40,563</b> | <b>34.4%</b>    |
| Inventory changes finished / semi-finished goods                                  | 713           | 334           | 113.6%          |
| Other capitalised services  | 452           | 152           | 197.8%          |
| Other income  | 891           | 565           | 57.8%           |
| Materials and supplies  | -26,541       | -18,755       | 41.5%           |
| Personnel expenses  | -16,385       | -13,429       | 22.0%           |
| Other operating expenses  | -9,712        | -6,672        | 45.6%           |
| <b>Earnings before interest and taxes, depreciation and amortisation (EBITDA)</b> | <b>3,915</b>  | <b>2,757</b>  | <b>42.0%</b>    |
| Depreciation and amortisation   | -1,460        | -1,448        | 0.8%            |
| <b>Earnings before interest and taxes (EBIT)</b>                                  | <b>2,455</b>  | <b>1,309</b>  | <b>87.6%</b>    |
| Interest expense  | -252          | -209          | 20.6%           |
| Income from interest  | 90            | 45            | 101.2%          |
| Other financial result  | 170           | 10            | 1609.9%         |
| Result from affiliated companies  | 92            | 15            | 513.6%          |
| <b>Financial result</b>   | <b>99</b>     | <b>-139</b>   | <b>-171.2%</b>  |
| <b>Earnings before taxes (EBT)</b>  | <b>2,554</b>  | <b>1,169</b>  | <b>118.4%</b>   |
| Taxes on income   | -721          | -387          | 86.5%           |
| <b>Result from continuing operations</b>  | <b>1,833</b>  | <b>783</b>    | <b>134.2%</b>   |
| <b>Thereof:</b>   |               |               |                 |
| Shareholders of parent company  | 1,628         | 744           | 118.9%          |
| Minority interests  | 206           | 39            | 425.7%          |
|   | 1,833         | 783           | 134.2%          |
| <b>Earnings per share (diluted = basic) in €'000:</b>                             |               |               |                 |
| from continuing operations  | 0.07          | 0.04          | 68.6%           |

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY.

FOR THE FIRST QUARTER 2007/08 (UNAUDITED) AND THE FIRST QUARTER  
2006/07 (UNAUDITED).

| in €'000                   | Capital<br>stock | Capital<br>reserves | IAS 39<br>reserves | Currency<br>translation | Consoli-<br>dated net<br>income/loss | Shareholders'<br>equity | Minority<br>interests | Equity        |
|----------------------------|------------------|---------------------|--------------------|-------------------------|--------------------------------------|-------------------------|-----------------------|---------------|
| as of Feb. 01, 2006        | 18,750           | 3,913               | 82                 | -125                    | 6,038                                | 28,658                  | 690                   | 29,348        |
| Payment of dividends       |                  |                     |                    |                         |                                      | 0                       | -345                  | -345          |
| Revenues and expenditures* |                  |                     | -42                | -29                     | 882                                  | 812                     | 34                    | 846           |
| <b>as of Apr. 30, 2006</b> | <b>18,750</b>    | <b>3,913</b>        | <b>39</b>          | <b>-154</b>             | <b>6,920</b>                         | <b>29,469</b>           | <b>378</b>            | <b>29,848</b> |
| as of Feb. 01, 2007        | 24,347           | 26,822              | 112                | -635                    | 12,356                               | 63,003                  | 896                   | 63,900        |
| Share based payments       |                  | 16                  |                    |                         |                                      | 16                      | 0                     | 16            |
| Revenues and expenditures* |                  |                     | 60                 | -57                     | 1,669                                | 1,672                   | 180                   | 1,853         |
| <b>as of Apr. 30, 2007</b> | <b>24,347</b>    | <b>26,838</b>       | <b>172</b>         | <b>-692</b>             | <b>14,025</b>                        | <b>64,691</b>           | <b>1,077</b>          | <b>65,769</b> |

\* Total of revenues and expenditures accounted for

## CONSOLIDATED CASH FLOW STATEMENT.

### FOR THE FIRST QUARTER 2007/08 (UNAUDITED) AND THE FIRST QUARTER 2006/07 (UNAUDITED).

| in €'000   | Q1<br>2007/08 | Q1<br>2006/07 |
|--|---------------|---------------|
| <b>Earnings before tax from continuing and discontinued operations (EBT)</b>   | <b>2,554</b>  | <b>1,169</b>  |
| Depreciation and amortisation  | 1,460         | 1,448         |
| Net interest income and income from securities                                 | 93            | 154           |
| Profit/loss from disposal of property, plant & equipment and intangible assets | -29           | -10           |
| Profit/loss from disposal of financial assets                                  | -4            | 0             |
| Result from affiliated companies   | -23           | -15           |
| Other non-cash expenses/income   | -178          | 72            |
| Changes in inventory   | -5,781        | -4,733        |
| Changes in receivables and other assets  | -4,482        | 6,261         |
| Changes in trade payables  | 1,670         | -8,294        |
| Changes in other liabilities   | 4,354         | -535          |
| Changes in long-term provisions (incl. employees)                              | 305           | 380           |
| Changes in short-term provisions   | -16           | 0             |
| <b>Cash Flow from continuing operations</b>                                    | <b>-76</b>    | <b>-4,101</b> |
| Taxes paid on income   | -581          | -143          |
| Withholding taxes paid   | -158          | -207          |
| <b>Cash Flow from operating activities</b>                                     | <b>-815</b>   | <b>-4,451</b> |
| Proceeds from assets disposals   | 361           | 25            |
| Expenditures for property, plant & equipment and intangible assets             | -2,231        | -990          |
| Proceeds from financial assets   | 6,523         | 15            |
| Expenditures for financial assets  | -8,274        | -798          |
| Proceeds from the acquisition of subsidiaries                                  | 207           | 0             |
| Interests received   | 90            | 45            |
| Income from securities   | 69            | 10            |
| <b>Cash Flow from investing activities</b>                                     | <b>-3,256</b> | <b>-1,694</b> |
| Share based payments   | 16            | 0             |
| Raising of interest-bearing financial liabilities                              | 0             | 3,000         |
| Repayments of interest-bearing financial liabilities                           | -519          | -1,587        |
| Interests paid   | -252          | -209          |
| Payment of dividends   | 0             | 0             |
| Payments to minority shareholders  | 0             | -345          |
| <b>Cash Flow from financing activities</b>                                     | <b>-754</b>   | <b>859</b>    |
| Changes in cash and cash equivalents   | -4,825        | -5,286        |
| Cash and cash equivalents at beginning of period                               | 22,807        | 17,927        |
| Adjustment from foreign currency translation                                   | -36           | 17            |
| <b>Cash and cash equivalents at end of period</b>                              | <b>17,945</b> | <b>12,659</b> |
| Cash and cash equivalents according to balance sheet                           | 17,945        | 12,659        |

## SEGMENT REPORTING.

FOR THE FIRST QUARTER 2007/08 (UNAUDITED) AND THE FIRST QUARTER 2006/07 (UNAUDITED).

### REVENUE.

| in €'000 und %     | Q1<br>2007/08 | Q1<br>2006/07 | Changes<br>in % |
|--------------------|---------------|---------------|-----------------|
| Austria            | 16,535        | 15,511        | 6.6%            |
| Germany            | 13,743        | 10,306        | 33.3%           |
| UK                 | 8,775         | 4,666         | 88.1%           |
| Russia             | 6,761         | 4,347         | 55.5%           |
| Other markets      | 8,682         | 5,733         | 51.4%           |
| <b>Total Group</b> | <b>54,497</b> | <b>40,563</b> | <b>34.4%</b>    |

### EBIT.

| in €'000 und %     | Q1<br>2007/08 | Q1<br>2006/07 | Changes<br>in % |
|--------------------|---------------|---------------|-----------------|
| Austria            | 715           | 215           | 231.9%          |
| Germany            | -237          | -252          | 6.0%            |
| UK                 | 626           | 153           | 309.2%          |
| Russia             | 663           | 411           | 61.3%           |
| Other markets      | 688           | 781           | -12.0%          |
| <b>Total Group</b> | <b>2,455</b>  | <b>1,309</b>  | <b>87.6%</b>    |

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ACCORDING TO IFRS.

## 1.1 COMPANY INFORMATION.

The Bene AG is a company according to Austrian law, with its headquarters in Schwarzwiesenstraße 3 in 3340 Waidhofen/Ybbs. The Company is registered in the commercial register of St. Pölten under FN 89102h.

The Bene Group develops, produces and sells office furniture and integrated office concepts, primarily for the European market. In its Austrian home market, the Company is market leader and on the European market it is one of the leading suppliers.

The present interim report of the Bene AG and its subsidiaries for the first quarter of 2007/08 (as of April 30, 2007) has been compiled under the responsibility of the Management Board with the date of signing and was released for publication on June 25, 2007.

## 1.2 PRINCIPLES OF ACCOUNTING, FINANCIAL REPORTING AND VALUATION METHODS.

### 1.2.1 Principles of accounting

The interim report as of April 30, 2007 was compiled in compliance with the principles of the International Financial Reporting Standards (IFRS), regulations for interim reports (IAS 34).

The interim report does not contain all information and notes of the balance sheet date and thus should be read in combination with the consolidated financial statements of the Bene Group as of January 31, 2007.

### 1.2.2 Principles of consolidation

As a result of the acquisition of the Office Technology BVBA, Zaventem, in the reference period January 31, 2007 until April 30, 2007, the scope of consolidation increased from 23 (January 31, 2007) to 24 fully consolidated companies (April 30, 2007).

There were no further changes (e. g. changes in the method of consolidation of individual companies).

### 1.2.3 Judgemental decisions and uncertainties from estimates

With regard to judgemental decisions and uncertainties from estimates we refer to the consolidated financial statements of the Bene Group as of January 31, 2007.

### 1.2.4 Accounting and valuation principles

The valid accounting and valuation principles of January 31, 2007 were applied unchanged. For further information with regard to the accounting and valuation principles we refer to the consolidated financial statements as of January 31, 2007, which constitute the basis for the present interim report.

## 1.3 SEASONALITY.

Seasonal variations of sales and EBIT may arise from the different progress of large-scale projects. Due to the generally positive demand situation sales of all segments increased compared to the previous year's period.

## 1.4 ACQUISITIONS.

With the contract dated April 5, 2007, retroactively as of April 1, 2007, 100 % of the shares of the former specialist dealer Office Technology BVBA with its headquarters in Zaventem (Belgium) were acquired. The company is engaged in the sales and planning of office furnishings.

The fair value of the identifiable assets and liabilities of the Office Technology BVBA at the time of acquisition and the corresponding book values shortly before the time of acquisition are as follows:

| in €'000                        | Fair market value at<br>time of acquisition | Book value   |
|---------------------------------|---|--------------|
| Intangible assets               | 120   | 0            |
| Property, plant and equipment   | 131   | 131          |
| Inventories                     | 115   | 115          |
| Trade receivables               | 1,349                                       | 1,349        |
| Receivables and other assets    | 42  | 42           |
| Cash and cash equivalents       | 299   | 299          |
|                                 | <b>2,057</b>                                | <b>1,937</b> |
| Liabilities to employees        | 24  | 24           |
| Long-term financial liabilities | 82  | 82           |
| Deferred tax liabilities        | 40  | 0            |
| Trade payables                  | 1,465                                       | 1,465        |
| Current provisions              | 21  | 21           |
| Current financial liabilities   | 18  | 18           |
| Other liabilities               | 279   | 279          |
|                                 | 1,929                                       | 1,889        |
| Acquired net assets             | 128   | 48           |
|                                 | <b>2,057</b>                                | <b>1,937</b> |

TEUR 120 for acquired customer relations were capitalised in the context of initial recognition of Office Technology BVBA. After consideration of deferred taxes, goodwill came to TEUR 49 for existing contacts and the market presence.

The acquisitions costs of the Office Technology BVBA amounted to a total of TEUR 177 (including the fixed and variable price components and directly attributable acquisition costs).

There was an outflow of funds in the amount of TEUR 92 for the fixed purchase price component and the directly attributable acquisition costs. The variable purchase price components (TEUR 85) were stated as liabilities ("other liabilities").

The comparison of the liquid funds acquired with the subsidiary with the paid purchase price is as follows:

| in €'000                                |            |
|---|------------|
| Funds acquired together with subsidiary | 299        |
| Outflow of funds                        | -92        |
| <b>Actual inflow of funds</b>           | <b>207</b> |

The reported consolidated result increased by the profit of the Office Technology BVBA totalling TEUR 26. If the acquisition had been realised already on February 1, 2007, sales would have been higher by TEUR 641 and the consolidated result would have been higher by TEUR 12.

## 1.5 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS.

### *Additions to and disposals of assets*

Until April 30, 2007, the Bene Group's capital expenditure for fixed and intangible assets amounted to TEUR 2,211 (April 30, 2006: TEUR 955). The focus of investment activities was on the expansion and the modernisation of the production site in Waidhofen/Ybbs.

During the first quarter 2007/08, the Bene Group disposed of property, plant and equipment and intangible assets with a net book value of TEUR 332 (April 30, 2006: TEUR 15). The realised net profit from sale amounts to TEUR 29 (April 30, 2006: 10).

## 1.6 LONG-TERM AND CURRENT FINANCIAL LIABILITIES.

### *Long-term financial liabilities*

Beside the regular repayment of existing loans, there were no further changes in the first quarter of 2007/08.

### *Current financial liabilities*

Likewise, in the first quarter of 2007/08, there were no changes of agreed credit lines, conditions and other terms.

## 1.7 BUSINESS TRANSACTIONS WITH RELATED PARTIES.

| in €'000  | Sales proceeds from associated companies and persons | Acquisitions from associated companies and persons | Amounts due from associated companies and persons | Amounts due to associated companies and persons |
|---|--|--|---|---|
| Companies with significant influence within the Group | 14,885   | 0  | 22,222  | 18  |
| Joint ventures  | 3  | 0  | 0   | 50  |
| Associated persons                                    | 26   | 84   | 18  | 2   |
| Persons in key functions                              | 0  | 0  | 0   | 0   |
| <b>as of Apr. 30, 2007</b>                            | <b>14,914</b>  | <b>84</b>  | <b>22,240</b>                                     | <b>69</b>                                       |

| in €'000  | Sales proceeds from associated companies and persons | Acquisitions from associated companies and persons | Amounts due from associated companies and persons | Amounts due to associated companies and persons |
|---|--|--|---|---|
| Companies with significant influence within the Group | 7,731  | 22   | 11,499  | 85  |
| Joint ventures  | 4  | 0  | 0   | 14  |
| Associated persons                                    | 7  | 75   | 0   | 0   |
| Persons in key functions                              | 0  | 0  | 0   | 0   |
| <b>as of Apr. 30, 2006</b>                            | <b>7,742</b>   | <b>97</b>  | <b>11,499</b>                                     | <b>99</b>                                       |

## **1.8 CONTINGENCIES AND OTHER OBLIGATIONS.**

### **1.8.1 Litigation**

The provision in the amount of TEUR 100 for the title of contract termination of a former distribution partner for the region Serbia and Montenegro built already on January 31, 2007 still was in place in the unchanged amount on April 30, 2007, since there were no new findings during the first quarter of 2007/08.

The provision for the contract termination of an external assembly and logistics partner (January 31, 2007: TEUR 63) was still in place on April 30, 2007.

As of April 30, 2007, there are no further major pending legal proceedings (i. e. lawsuits resulting from ordinary business activities, legal disputes concerning product liability, legal actions due to delivery contracts or other contracts as well as patent issues).

## **1.9 SUBSEQUENT EVENTS.**

The hearing on June 6, 2007 with regard to the title of contract termination of an external assembly and logistics partner has led to an agreement with the plaintiff. Since the settlement amount is lower than the provision set aside as of April 30, 2007 (TEUR 63) the remaining amount will be released with effect on net income after availability of the invoice from the plaintiff.

The proposed dividend of EUR 0.20 per share for the business year 2006/07 was decided at the shareholders meeting on June 6, 2007. The total amount of TEUR 4,951 was paid out on June 14, 2007.

## BENE SHARE.

The Bene share is listed at the Vienna stock exchange since November 3, 2006 and it is part of the ATX prime market and of the Vienna stock index. Thus, the Bene AG is the only office furniture manufacturer quoted at

the Vienna stock exchange and in Europe it belongs to a handpicked choice of listed office furniture suppliers.



Source: DATASTREAM

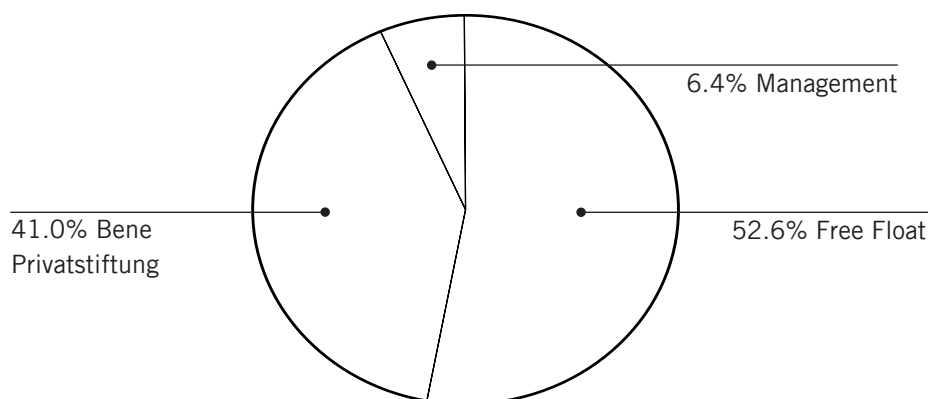
### SHARE PERFORMANCE.

In the first quarter of 2007/08, the price of the Bene share basically performed in line with the ATX prime. It recorded a slight increase of 2.0 % in the first quarter.

In the reporting period, the highest closing price amounted to EUR 7.00 (April 18, 2007), the lowest closing price was EUR 6.10 (March 14, 2007).

### TRADING VOLUME.

In the course of the first quarter 2007/08, the average trading volume amounted to 57,284 shares. The highest daily trading volume of 256,318 shares was realised on February 1, 2007, the lowest number of shares traded was 5,208 shares on April 13, 2007.

**SHAREHOLDER.**

**ISIN code:** AT00000BENE6  
**Market issued:** Vienna Stock exchange,  
Prime Market  
**Type of shares:** Ordinary no-par value voting  
bearer shares  
**Total number of shares:** 24,347,352

**Authorised capital:** none  
**International dual listings** no other listings  
**Indices:** ATX Prime, WBI  
**Ticker symbols:** Bene  
**Free float:** 52.6%

**INVESTOR RELATIONS.**

Active and transparent communication with the financial community is of central importance to the Management of the Bene AG. The Bene Group will continue to build up an intense exchange of thoughts and information between the Company and interested shareholders by involving relevant finance market participants.

The Management Board and the Investor Relations Department will be readily available for road shows, investor conferences and individual meetings.

**FINANCIAL CALENDAR.**

|                    |                    |
|--------------------|--------------------|
| 2. quarter 2007/08 | September 28, 2007 |
| 3. quarter 2007/08 | December 17, 2007  |

**CONTACT.**

BENE AG Investor Relations  
 Mag. Gerald Strohmaier, MBA  
 Head of Finance & Investor Relations  
 A-3340 Waidhofen/Ybbs Schwarzwiesenstraße 3  
 Tel. +43-7442-500-3372 Fax +43-7442-500-993372  
 E-Mail: [ir@bene.com](mailto:ir@bene.com) <http://bene.com>