

QUARTERLY FINANCIAL REPORT
01-03 2006/07.

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HIGHLIGHTS.

- > **Group revenue 3.4% up, at EUR 137.9 million**
- > **EBIT 8.7% up, at EUR 10.0 million**
- > **EBIT margin improved - now at 7.3%**
- > **Positive outlook confirmed**

OVERALL ECONOMIC SITUATION.

World economic growth further accelerated during the first half of 2006. With a 2.4% real increase in GDP, a trend reversal seems to have set in also in the euro-zone. For the entire year, average growth in the euro-zone will be at an estimated 2.6%. This growth should also have a positive impact on the construction industry.

The Austrian economy has also been on a sound growth path: economists are expecting a 3.1% increase in GDP. German economic indicators also reflect continued economic growth and the British GDP grew 2.5% in real terms. Also the Russian economy continues to expand, with forecasts at 6.5% for 2006. In Malta, Cyprus and

the eight CEE members of the European Union, growth accelerated from 4.6% in 2005 to 5.8% during the first half year of 2006.

The United Arab Emirates have benefited from high oil prices and foreign direct investment. In this region large building projects are the locomotive for economic development and the expected sustained growth in the near future.

Sources: WIFO, RZB, BAWAG

BUSINESS DEVELOPMENT – FIRST TO THIRD QUARTER 2006/07.

REVENUE.

In view of the overall favorable development, Bene Group managed to further increase revenue and financial results during the first nine months of the current business year. Revenue in the third quarter of 2006/07 went up to EUR 49.7 million, which is 1.9% above the third quarter of the previous year (EUR 48.8 million.).

Revenue during the first three quarters of 2006/07 totalled EUR 137.9 million. This amount equals a 3.4% increase over last year's revenue (EUR 133.3 million) and is attributable to organic growth.

Revenue in Austria rose by 10.3%, to EUR 51.8 million during the first nine months, in the UK by 5.6%, to EUR 19.3 million. Bene's "Other markets" include the smaller office furniture markets in eastern and western Europe with their high growth rates and potentials. There, Bene achieved a significant 9.7% revenue growth or a total of EUR 20.4 million during the first three quarters. During the third quarter, Bene Group was also highly successful in Germany, where a sales boom of 19.2% was reached. However, revenue for the first three quarters together were EUR 33.5 million, slightly below the first three quarters of last year (2005/06: EUR 34.9). The lower revenue were due to the postponement of some important large projects to the fourth quarter.

In the previous business year, Bene Group had reached a record revenue in Russia, caused by one major project. In view of the extremely high level in the previous year, a revenue decrease of 11.9%, to EUR 12.9 million was recorded for the first months of the current year.

EBIT DEVELOPMENT.

One-time payoffs resulting from our participation in the biennial office furniture fair ORGATEC in Cologne, Germany and higher personnel expenditures for additional staff have caused a short-term decrease in EBIT in the amount of EUR 1.4 million, or 31.8%, to EUR 2.9 million for the third quarter of 2006/07.

However, regarding total EBIT for the first three quarters, Bene Group achieved an 8.7% increase, to EUR 10.0 million over the same period of the previous year, and an EBIT margin of 7.3% (previously 6.9%).

This fortunate development is largely attributable to an improved gross profit margin, which totals 54.4% (previous year: 52.3%).

By regions, Bene Group managed to achieve considerable growth during the first nine months in the UK and in Russia. With EUR 1.7 million, EBIT in the UK was up 42.2%, compared to the previous year; in Russia, growth was as high as 59.6%, reaching a total of EUR 2.4 million. This excellent development was largely a result of the more relaxed price situation on the market and better margins on the projects performed.

As previously mentioned larger one-time effects, such as the ORGATEC fair and tight margins in major projects caused an 11.9% decline in EBIT (to EUR 2.0 million) on the domestic Austrian market in the first nine months. In Germany, EBIT was EUR 0.7 million, slightly below last year's figures. In "Other markets", Bene Group had a similar development, where EBIT reached EUR 3.2 million in the first three quarters, after EUR 3.4 million during the same period of the previous year.

Due to optimized cash management, the financial result improved by EUR 0.3 million, to EUR 0.6 million, influencing amongst other reasons a 13.7% EBT increase, from EUR 8.3 million to EUR 9.4 million. The EBT margin was at 6.8% (previous year: 6.2%).

ASSETS AND CAPITAL STRUCTURE.

The positive business development during the first three quarters has led to an increase in current assets. The equity ratio as of 31.10.2006 was 31.0% (31.01.2006: 27.9%).

INVESTMENTS.

During the first three quarters of 2006/07, Bene Group has continued to invest into expanding and modernizing its production. Investments in tangible and intangible assets were EUR 3.7 million (previous year: 3.3 million) during the first three quarters.

RETURN ON CAPITAL EMPLOYED (ROCE).

A comparison of the ROCE as of both reporting dates shows a sustained, high return on the invested capital, in the amount of 17.1% (previous year: 17.9%).

EMPLOYEES.

On the reporting date October 31, 2006, Bene Group had a total of 1,267 employees, i.e., 70 individuals or 5.8% more than the year before. The increase in staff is largely due to an increased sales force and promotional activities in individual markets. In Austria alone - with the production facility in Waidhofen an der Ybbs - the head count increased by 47 or 5.6%.

OUTLOOK.

Assuming an ongoing positive overall economic situation, Bene expects a satisfactory development in its relevant markets for the coming quarter. Based on a strategy of controlled expansion, Bene Group will continue to increase its sales force and take advantage from the proximity to its customers. One of the related measures was the take over of the German trading group TILL in November 2006, which will help to further penetrate into the southern German market. With intense efforts to build up our sales structure, positive developments should be seen in "Other markets", especially in France, the Arab Emirates and southern Europe. The Bene Group management is therefore optimistic and expects a strong fourth quarter which will help to raise annual revenue for 2006/07 to EUR 195 million and to achieve a significant improvement of the financial result as well.

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-Q3 2006/07

in €'000 and %	Q1-Q3 2006/07	Q1-Q3 2005/06	Change	Q3 2006/07	Q3 2005/06	Change
Revenue	137,850	133,341	3.4%	49,692	48,773	1.9%
EBITDA	14,254	13,165	8.3%	4,289	5,609	-23.5%
EBITDA Margin	10.3%	9.9%	-	8.6%	11.5%	-
EBIT	10,032	9,225	8.7%	2,907	4,263	-31.8%
EBIT Margin	7.3%	6.9%	-	5.8%	8.7%	-
Employees (as end of period)	1,267	1,197	5.8%	1,267	1,197	5.8%
Investments *	3,682	3,259	13.0%	1,354	1,713	-21.0%
Cash Flow from Operating Activities	-859	8,660	-109.9%	8,166	6,629	23.2%

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

CONSOLIDATED FINANCIAL STATEMENT.

GROUP BALANCE SHEET AS OF 31 OCTOBER 2006 (UNAUDITED) AND 31 JANUARY 2006 (AUDITED).

in €'000	As of 31 Oct. 2006	As of 31 Jan. 2006
Assets		
Intangible assets	4,206	3,916
Property, plant and equipment	26,208	27,075
Investments in affiliated companies	196	85
Non-current financial assets	1,777	2,129
Deferred tax assets	7,618	8,036
Non-current assets	40,006	41,241
Inventories	16,758	11,440
Receivables and other assets	40,657	33,026
Current financial assets	1,797	1,613
Cash and cash equivalents	11,741	17,927
Current assets	70,952	64,007
Total assets	110,958	105,248
Equity and liabilities		
Capital stock	18,750	18,750
Capital reserves	3,913	3,913
Reserve IAS 39	110	82
Currency translation reserves	-127	-125
Accumulated profit / loss	10,921	6,039
Stockholders equity	33,567	28,658
Minority interests	825	690
Equity	34,392	29,348
Liabilities for employees	12,375	11,195
Long-term financial liabilities	18,791	16,954
Long-term provisions	100	100
Long-term government grants and subsidies	856	900
Non-current liabilities	32,122	29,149
Trade payables	23,960	21,786
Current financial liabilities	6,084	7,634
Current provisions	575	727
Current tax provisions	760	735
Other liabilities	12,925	15,658
Current government grants and subsidies	141	210
Current liabilities	44,445	46,751
Total equity and liabilities	110,958	105,248

* The interim report is based on the same accounting and valuation standards as used for the last financial statement as of 31.01.2006.

CONSOLIDATED STATEMENT OF INCOME.

GROUP STATEMENT OF INCOME FOR THE FIRST TO THE THIRD QUARTER OF 2006/07 (UNAUDITED) AND THE FIRST TO THE THIRD QUARTER OF 2005/06 (UNAUDITED).

in €'000	Q1-Q3 2006/07	Q1-Q3 2005/06	Change	Q3 2006/07	Q3 2005/06	Change
Continuing operations						
Revenue	137,850	133,341	3.4%	49,692	48,773	1.9%
Inventory changes finished / semi-finished goods	983	1,283	-23.4%	341	-70	-590%
Other capitalized services	584	351	66.5%	280	117	140%
Other income	1,944	1,606	21.1%	416	526	-21%
Materials and supplies	-62,888	-63,548	-1.0%	-23,794	-23,936	-1%
Personnel expenses	-42,480	-39,699	7.0%	-14,446	-13,228	9%
Other operating expenses	-21,739	-20,168	7.8%	-8,200	-6,573	25%
Earnings before interest and taxes, depreciation and amortisation (EBITDA)	14,254	13,165	8.3%	4,289	5,609	-24%
Depreciation and amortisation	-4,222	-3,940	7.2%	-1,382	-1,346	3%
Earnings before interest and taxes (EBIT)	10,032	9,225	8.7%	2,907	4,263	-32%
Interest result	-709	-1,026	-30.9%	-226	-354	-36%
Other financial result	25	63	-60.0%	104	-8	-1403%
Result from affiliated companies	46	0		-51	0	
Financial result	-638	-964	-33.7%	-173	-362	-52%
Earnings before taxes (EBT)	9,393	8,261	13.7%	2,734	3,901	-30%
Taxes on income	-2,191	-2,599	-15.7%	-521	-1,002	-48%
Result from continuing operations	7,202	5,662	27.2%	2,213	2,899	-24%
Discontinued operations						
Income from discontinued operations	0	24	-100.0%	0	8	-100%
Net income	7,202	5,686	26.7%	2,213	2,907	-24%
Thereof:						
Shareholders of parent company	6,901	5,348	29.0%	2,188	2,846	-23%
Minority interest	301	338	-11.1%	25	61	-59%
	7,202	5,686	26.7%	2,213	2,907	-24%
Earnings per share (diluted = basic) in €'000:						
from continuing operations	0.38	0.30	27.2%	0.12	0.15	-24%
from discontinuing operations	0.000	0.001	-100.0%	0.000	0.000	-100%

DEVELOPMENT OF GROUP EQUITY.

GROUP EQUITY RECONCILIATION FOR THE FIRST TO THE THIRD QUARTER OF 2006/07 (UNAUDITED) AND THE FIRST TO THE THIRD QUARTER OF 2005/06 (UNAUDITED).

in €'000	Capital stock	Capital reserves	IAS 39 reserves	Currency translation reserves	Accumulated profit / loss	Stockholders equity	Minority interests	Equity
as of 01 February 2005	18,750	3,913	66	-497	-888	21,344	640	21,984
Payment of dividends						0	-83	-83
Changes in minority interests						0	-616	-616
Income and expenses *			149	483	4,203	4,835	788	5,624
as of 31 October 2005	18,750	3,913	216	-14	3,315	26,179	729	26,908
as of 01 February 2006	18,750	3,913	82	-125	6,039	28,658	690	29,348
Payment of dividends					-1,894	-1,894	-345	-2,239
Income and expenses *			28	-2	6,777	6,803	480	7,283
as of 31 October 2006	18,750	3,913	110	-127	10,922	33,567	825	34,392

* Total of recognised income and expenses.

GROUP CASHFLOW STATEMENT.

**FOR THE FIRST TO THE THIRD QUARTER OF 2006/07 (UNAUDITED)
AND THE FIRST TO THE THIRD QUARTER OF 2005/06 (UNAUDITED).**

in €'000	Q1-Q3 2006/07	Q1-Q3 2005/06
Earnings before tax from continuing and discontinued operations (EBT)	9,393	8,261
+ Depreciation and amortisation	4,222	3,940
+/- Net interest income and income from securities	679	915
-/+ Profit / loss from disposal of property, plant & equipment and intangible assets	-69	-45
-/+ Profit / loss from disposal of financial assets	-428	-244
+/- Other non-cash expenses / income	-295	-1,227
- Taxes on income paid	-1,732	-1,244
Change inventory	-5,318	-1,461
Change receivables and other assets	-7,631	-4,826
Change trade payables	2,174	356
Change other liabilities	-2,733	2,361
Change long-term provisions (incl. employees)	1,080	1,352
Change short-term provisions	-202	521
Cash Flow from operating activities	-859	8,660
Proceeds from assets disposals	317	388
Expenditures for property, plant & equipment and intangible assets	-3,785	-3,322
Proceeds from financial assets	1,179	2,045
Expenditures for financial assets	-583	-8,320
Interests received and income from securities	158	237
Withholding taxes paid	0	-198
Cash Flow from investing activities	-2,714	-9,170
Raising of interest-bearing financial liabilities	5,631	0
Repayments of interest-bearing financial liabilities	-5,344	-1,479
Change interest-bearing financial liabilities	287	-1,479
Interests paid	-838	-1,153
Payment of dividends	-1,894	0
Payments to minority shareholders	-195	207
Cash Flow from financing activities	-2,640	-2,426
Change in cash and cash equivalents	-6,213	-2,935
Cash and cash equivalents at the beginning of the period	17,927	19,504
Adjustment from foreign currency translation	26	468
Cash and cash equivalents at the end of the period	11,741	17,037
Cash and cash equivalents according to balance sheet	11,741	17,037

REPORTING ON SEGMENTS.

REVENUE.

in €'000 and %	Q1-Q3 2006/07	Q1-Q3 2005/06	Change	Q3 2006/07	Q3 2005/06	Change
Austria	51,789	46,973	10.3%	18,774	20,585	-8.8%
Germany	33,536	34,926	-4.0%	12,253	10,276	19.2%
UK	19,264	18,242	5.6%	6,244	4,890	27.7%
Russia	12,853	14,592	-11.9%	4,128	6,781	-39.1%
Other markets	20,408	18,608	9.7%	8,293	6,241	32.9%
Total group	137,850	133,341	3.4%	49,692	48,773	1.9%

EBIT DEVELOPMENT .

in €'000 and %	Q1-Q3 2006/07	Q1-Q3 2005/06	Change	Q3 2006/07	Q3 2005/06	Change
Austria	2,039	2,315	-11.9%	-137	519	-126.4%
Germany	677	843	-19.7%	691	756	-8.6%
UK	1,685	1,185	42.2%	568	31	1732.3%
Russia	2,425	1,519	59.6%	683	1,645	-58.5%
Other markets	3,206	3,363	-4.7%	1,102	1,312	-16%
Total group	10,032	9,225	8.7%	2,907	4,263	-31.8%

BENE SHARES.

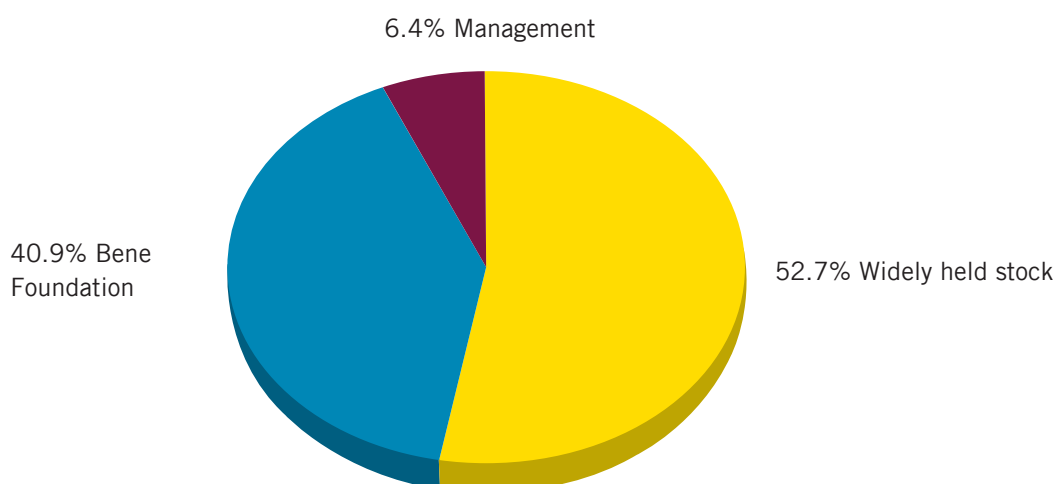
Bene shares have been quoted on the Vienna Stock Exchange since November 3, 2006. Since November 20, 2006 Bene shares have been included in the ATX Prime Market and the Vienna Stock Exchange Index. Bene AG is the only office furniture manufacturer listed on the Vienna Stock Exchange and belongs to only a handful of European companies in its field which are listed.

Both, existing and new shares of Bene Group, offered between October 19, and November 2, 2006 in a public offering, met lively demand by private Austrian investors, Bene employees and national as well as international

institutional investors. The bookbuilding process revealed a clear over-subscription; the issue price was set at EUR 5.50. Strong demand on the secondary market also resulted in a high use of the Greenshoe option.

The total transaction involved 12,830,977 shares, including existing shares which had largely been held by the financial investor SARPEDON as well as new shares resulting from the capital increase and the Greenshoe (additional allotment) option. Half of the allotment was made to each, Austrian investors (private and institutional) and international investors.

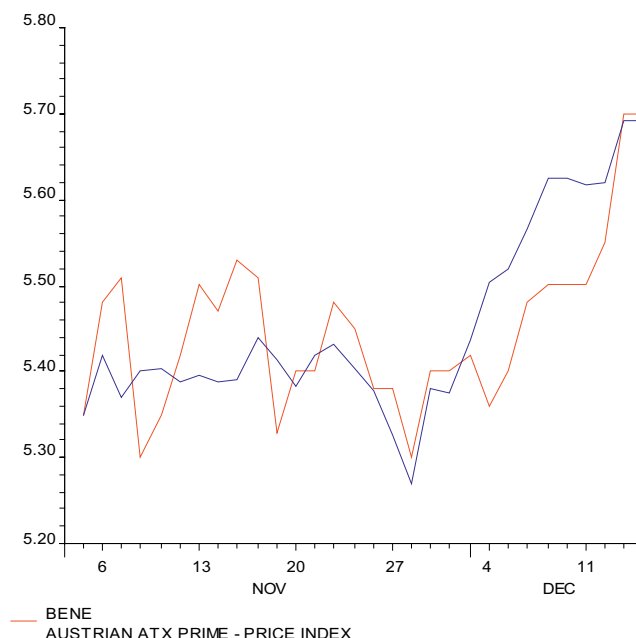
SHAREHOLDER.



ISIN code: AT00000BENE6
Stock exchange: Vienna, prime market
Type of shares: Ordinary, non-par value bearer shares
Total number of shares: 24,347,352

Authorized share capital: n/a
Other stock exchanges: n/a
Indexes: ATX Prime, WBI
Ticker-Symbol: Bene
Widely held stock: 52.7%

Relative performance of the Bene share price, compared to the ATX Prime since its initial listing.



Source: DATASTREAM

BENCHMARK DATA.

The average trading volume during the first weeks following the IPO was 90,017 shares (02.11.2006 – 13.12.2006). The highest number of shares traded was 511,776 shares (03.11.2006), the lowest 18,670 shares (11.12.2006).

Directly after the IPO, the price levelled off between EUR 5.30 and EUR 5.53 at a relatively high liquidity. Since 06.12.2006, the price has been above the issue price of EUR 5.50 and was EUR 5.70. at the closing on 13.12.2006.

FINANCIAL SCHEDULE.

Annual result 2006/07	10 May 2007
Shareholders' meeting	06 June 2007
Ex-dividend	14 June 2007
Dividend payment	14 June 2007
1st Quarter 2007/08	29 June 2007
2nd Quarter 2007/08	28 September 2007
3rd Quarter 2007/08	17 December 2007

INVESTOR RELATIONS.

Active and transparent communication with the financial community is of central importance to the management of Bene AG. In the course of its IPO, management met with numerous national and international institutional investors and presented the group to interested private investors and bankers during an event in Vienna. Bene Group will continue to build on an intense exchange of thoughts and information between the company and interested shareholders. Moreover, such communication is regarded to be an essential component of the communications policy of our group.

Our management and the Investor Relations Department will be readily available for road shows, investor conferences and individual meetings.

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