

Report for Q1 2002

(covering the period Januar 1 – March 31, 2002)

- Merger with OHB System AG to create OHB Technology AG is firmly in our sights
- Acquisition of 100 percent of the shares in Teldatrans GmbH and integration of Timtec's core activities into renamed Timtec Teldatrans GmbH
- Difficult conditions in the telematics market slowly easing

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Bremen, May 22, 2002

Good beginning to the year

OHB Teledata AG slightly **surpassed** its **sales targets** for the first three months. And the Company is therefore maintaining its sales forecast for 2002 as a whole at total output of almost EUR 26.8 million. In particular thanks to the reliability of forecasting for project business, where planning is also clear, OHB Teledata has managed to sidestep the otherwise ongoing damp macro-economic climate. In the first quarter, **enquiries** for telematics products **picked up**.

derive from this reinforce our expectations in this regard. A forward-looking example of this is an **order placed by the European Commission**, for whom we will be developing the **application of UMTS** in communications between the fire-fighting services, the rescue services and hospitals – we are processing the project together with renowned **partners** such as **Microsoft** and **Siemens**.

That said, project business in the private sector also took a gratifying turn for the better in the three months under review. For example, a **project was commissioned** by **BASF** to optimize the logistics side to transportation services at the Ludwigshafen facility. For the first time, a new **data transmission process** will be used that is **superior** to the hitherto customary SMS service in terms of both costs and the data volume that can be transferred. OHB Teledata rates this project as pioneering in the ongoing optimization of major production facilities such as those used in large-scale chemicals plant. Other sectors in which optimization of supply chains and unit sales plays a key role could also start to show greater interest in such a telematics network. A leading manufacturer of emergency rescue vehicles is now able to gather operational data worldwide to support it in handling maintenance and repair contracts.

Products

Stronger demand from different industries involving commercial transportation for various of the standard products in our TIPS range allow us to hope that the downturn in the product business **is panning out**; this gives cause for restrained optimism for the future. Sales by this segment came to EUR 0.71 million compared with a budgeted figure of EUR 0.75 million.

Sales outside Germany are on the up and confirm the validity of the decision to opt for internationalization through cooperation with SiemensVDO.

EUR thousand	1/1/2002 – 3/31/2002	1/1/2001 – 3/31/2001
Total revenue	3,566	1,932
EBIT	- 35	76
EBT	137	131
Employees (as at 3/31/02)	125	43

IAS-based



OHB Teledata Group **total output** for the period under review came to EUR 3.57 million and was thus **85 percent up on the year-before** period; budget plans had foreseen a Q1 figure of EUR 3.43 million. The loss before interest and taxes came to EUR 0.035 million, and net income for the quarter ran at EUR 0.088 million. Traditionally, the first quarter is somewhat more sluggish than are the next nine months. For this reason, overall the low portion of sales booked in Q1 in percentage terms does not affect targets for the year.

Projects

In Q1 2002, **project business** again proved to be the **strong pillar** of OHB Teledata operations. In the period under review, this segment booked sales of EUR 1.85 million or just under **52 percent of total Group output**. In the future, project business will continue to form the **reliable variable** in OHB Group **planning**. In particular, intensified customer relationships with the public authorities commissioning business and the future projects we can

Services

The third pillar of OHb Teledata Group operations developed on target. First-quarter 2002 sales came to EUR 0.29 million, as against EUR 0.06 million for the same period the year before. Since April 1, 2002 **Teldatrans GmbH** has been wholly owned by the **OHb Teledata Group** and will be fully included in the consolidation as of Q2, 2002. As at April 1, 2002 Teldatrans GmbH, which has **taken over the core activities of Timtec Telematik GmbH**, has been based in Lünen. OHb Teledata believes that this **concentration** of services for TIPS, Cargo-View and Teldatrans under the single roof of the Timtec Teldatrans GmbH will **boost efficiency levels**. The plan is also to lock into synergies: after all, in future the OHb Teledata Group will act as a single source offering telematics services for sea- and road-traffic as well as for rail transport (by Timtec).

Business by our subsidiaries and investments proceeded as planned and makes a favorable contribution to the forward performance of the Group.

As at March 31, 2002 the order backlog totaled EUR 15.1 million.

Stock price reflects the sound fundamentals

The expectation that the phase during which the equity would find **bedrock** has come to an end has proved to be accurate. Both the successful company figures and the open communications strategy pursued by the Management Board toward the capital market are reflected in the trend for the share price. Following the lows of last September, we have seen a **steady upward trend**, with the share price rising in line with the respective clear **increases in sales**. We gauge this a sign of an ongoing healthy upturn, during which **investor interest** in the share has consistently **increased**. Two obvious reasons would be that the future OHb Technology group will offer **new prospects** and that it will then be able to rely on clearly **higher market capitalization**. Since the close of 2001 through the end of April 2002, the OHb Teledata equity outperformed the Nemax All Share Index by **more than 73 percent**.

By Dec. 31, 2001 a total of **50,000 shares were bought back** at an average price of EUR 3.85 in a manner designed to spare any influence on the market.

The shares are held in the OHb Teledata portfolio and will be used as a **takeover currency** for possible future acquisitions.



R&D

The new 4.0 release for our standard product family **TIPS** contains new performance features such as virtual territorial surveillance (so-called geo-fencing), **possible connections** to external computer systems such as SAP, different supply logistics systems and **control centers for fire-fighting and emergency rescue services** as well as the combination of client/server and Internet systems.

The focus of our current development drive is not only on advancing our TIPS product family but also on **optimized utilization** and processing of digital maps for Europe and innovative applications for the Orb-comm and Iridium satellite systems as well as the GPRS, TETRA and UMTS mobile phone networks.

Balance Sheet – IAS-based –	3-month-report 1/1/2002–3/31/2002 EUR thousand	annual report 1/1/2001–12/31/2001 EUR thousand
ASSETS		
A. Current Assets		
I. Cash and Cash Equivalents	10,273	9,081
II. Short-term Investments / Marketable securities	0	0
III. Trade accounts receivable		
1. Trade receivables	4,426	6,382
2. Receivables to shareholders	379	0
3. Receivables to affiliated companies	6,775	6,674
B. Short-term assets		
I. Inventories		
1. Work in progress	2,331	2,740
2. Finished and unfinished goods	1,689	1,566
C. Prepaid expenses and other current assets		
I. Prepaid expenses	16	18
II. Other assets	1,602	652
Total current assets	27,491	27,113
D. Medium and long-term assets		
I. Property, plant and equipment	455	350
II. Intangible assets	2,641	1,490
III. Investments		
Equity interests in associated companies	1,065	1,073
Equity interests	438	438
E. Goodwill	1,136	1,151
Total Assets	33,226	31,615
LIABILITIES AND SHAREHOLDER'S EQUITY		
	3-month-report 1/1/2002–3/31/2002 EUR thousand	annual report 1/1/2001–12/31/2001 EUR thousand
A. Current liabilities		
1. Short term debt and current portion of long-term debt	400	1,028
2. Trade accounts payable	2,576	1,259
3. Liabilities to affiliated companies	539	0
4. Advance payments received	272	187
B. Accruals		
1. Tax accruals	34	34
2. Other accruals	374	299
C. Other current liabilities	1,008	843
Total current liabilities	5,201	3,650
D. Shareholders' equity		
I. Share capital	7,464	7,464
II. Additional paid-in capital	18,984	19,043
III. Treasury Stock	- 192	- 193
IV. Statutory Reserves	7	0
V. Profit / loss carry forward	683	49
VI. Net income / loss	112	621
VII. Third Party	- 24	- 299
VIII. Accumulated profit / loss	771	371
VIII. Third Party	991	1,280
Total Shareholders' equity	28,025	27,965
Total liabilities and Shareholders' equity	33,226	31,615

Income Statement

– IAS-based –

	3-month-report 1/1/2002–3/31/2002 EUR thousand	3-month-report 1/1/2001–3/31/2001 EUR thousand
Revenues		
of which projects	1,855	725
of which products	707	598
of which services	288	64
1. Revenues	2,850	1,387
2. Other operating income	13	2
3. Changes in inventories of finished goods and work in progress	492	434
4. Production for own fixed assets capitalized	211	109
Total revenues	3,566	1,932
5. Cost of purchased materials and services		
a) Cost of purchased materials	1,249	921
b) Cost of purchased services	167	103
6. Personnel expenses		
a) Wages and salaries	1,252	482
b) Social security levies and cost of old-age pensions	269	80
7. Depreciation and amortization	92	17
8. Other operating expenses	571	253
9. Operating income / loss EBIT	– 35	76
10. Interest income	193	55
11. Interest expenditure	21	0
12. Income from investments and equity interests	0	0
13. Result before income taxes (and minority interest) EBT	137	131
14. Income tax	– 24	0
15. Extraordinary income / expenses	– 1	1
16. Result before minority interests	112	132
17. Minority interests	– 24	0
18. Consolidated net income / loss	88	132
19. Profit / Loss carry forward	683	49
20. Profit / Loss carry forward minority interests	0	0
21. Accumulated profit / loss	771	181



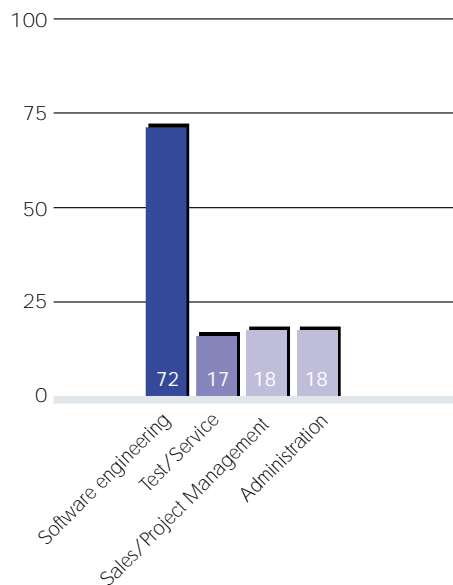
Cash Flow Statement
– IAS-based –

	3-month-report	3-month-report
	1/1/2002–3/31/2002	1/1/2001–3/31/2001
	EUR thousand	EUR thousand
Operating earning	- 35	76
Income taxes paid	- 24	0
Depreciation / amortization	92	17
Gross cash flow	33	93
Increase (-)/decrease (+) in own work capitalized	- 983	- 109
Increase (-)/decrease (+) in inventories	286	- 572
Increase (-)/decrease (+) in receivables and other assets including deferred items	530	- 4,177
Increase (-)/decrease (+) in liabilities and short-term accruals	1,550	1,232
Net cash from operating activities	1,383	- 3,626
Acquisition of medium and long-term assets	- 482	- 30
Goodwill	1,136	0
Proceeds from the sale of medium and long-term assets	0	0
Interest and other investment income	193	55
Net cash from investing activities	847	25
Payments from shareholder	0	24,150
Payment of equity transaction costs	- 59	- 2,815
Reduction in financial liabilities	0	0
Minority interests	- 991	0
Interest and other investment payments	- 21	0
Net cash from financing activities	- 1,071	21,335
Decrease / increase in cash & cash equivalents	1,192	17,827
Currency translation	0	0
Cash & cash equivalents at beginning of period	9,081	1,857
Cash & cash equivalents at end of period	10,273	19,684



Personnel structure

as of 3/31/2002



Employees and investments

As at the end of the first quarter, the Group employed 125 persons and, excluding the takeovers, the payroll has thus not changed since the end of last year. By taking over the core activities of Timtec Telematic, a further 16 employees have been welcomed on board.

The former shareholders at megatel have exercised their put option. To this end, with retrospective effect from Jan. 1, 2002 OHB Teledata receives approx. 63 percent of the shares in this company. The total figure for **investments** in fixed assets came to **EUR 0.48 million**.

Statement of changes in equity
IAS-based

3-month-report
1/1/2002–3/31/2002
EUR thousand

Shareholders' equity January 1, 2002	7,464
Additional paid-in capital	19,043
Netting of equity transaction costs against additional paid-in capital	- 59
Acquisition of own shares	- 192
Setup of statutory reserves	7
Consolidated net income March 31, 2002	771
Minority interests March 31, 2002	991
Shareholders' equity March 31, 2001	28,025

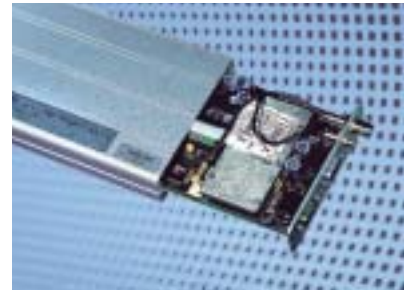
Outlook

In the framework of the further expansion of the Group, on April 1 OH B Teledata boosted its 33-percent stake in **Teldatrans to 100 percent** and likewise took over the core activities of Lünen-based **Timtec Telematik GmbH**. In this way, OH B has extended its know-how in telematics for commercial purposes to include combined and rail-based goods transportation. Clients can now turn to a single source for both staff-based as well as autonomous telematics services. OH B Teledata has thus shored up its claim to be the **technology leader** in the market for telematics for commercial applications.

OH B Teledata's **service operations** are being pooled in the newly-created Timtec Teldatrans GmbH. The advantage of the new structure: the Teldatrans and Cargo-View Internet platforms can now be **made centrally available** for the range of **client/server solutions** already marketed. Moreover, this meshes well with the services for monitoring sea-bound containers offered by Hansestar GmbH. As a result, the OH B Teledata Group now functions as a **one-stop shop** providing IT and telematics products covering all process areas relating to the logistics/SCM chain. In this manner, it had achieved a unique position in the market for commercial telematics applications.

That said, the key **milestone** in the coming months will be to incorporate **OH B System AG into OH B Teledata AG**

in the form of a contribution in kind on a **one-for-one** basis. Alongside the **synergies and uniform strategy** that will result from this, the decisive factor for the capital market will be that the new **OH B Technology Group** – and it will then be the company listed on the exchanges under the OH B equity, will have introduced **complete transparency**. In the current **2002** business year, OH B Technology AG will generate **total output of EUR 76 million**. This figure can already be **reliably assumed** for planning purposes given the order backlog and the credit rating of our public-sector clients. In particular, this prime level of **certainty in our planning** stems to the large volume of the public-sector orders, which already guarantee capacity utilization **through to 2006**. This reduces the risks of investing in OH B Technology shares. The Ordinary General Meeting of May 22, 2002 will be asked to pass a resolution approving the capital increase by contributions in kind. In this way, in the form of **OH B Technology** the first publicly-listed German corporate group will arise that covers the entire value-added chain from **satellite development, construction and operation as well as data transmission and processing**.



Securities held by management and board members 3/31/2002



	<i>Shares</i>	<i>Options</i>
Prof. Manfred Fuchs Chairman of the Supervisory Board	1,717,050	
Marco R. Fuchs Chairman of the Management Board	404,796	20,000
Ulrich Schulz Member of the Management Board	103,281	20,000
Ulrich Wantia Member of the Management Board		20,000

Bremen, May 22, 2002

The Management Board

**For more information,
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Calendar of events 2002

May 22	Annual General Meeting
August 19	Interim Report on the second quarter
November 18	Interim Report on the third quarter