OHB TECHNOLOGY

CREATING BENEFITS – OPENING UP MARKETS

Annual Report 2008

OHB TECHNOLOGY AG IN FIGURES

The Group	EUR 000						
	2008	2007	2006	2005	2004	2003	2002
Revenues	232,473	218,801	163,147	113,829	137,909	96,349	67,961
Total revenues	260,029	223,340	185,699	117,057	114,081	105,784	78,867
EBITDA	28,736	25,903	27,936	19,325	11,565	8,508	5,331
EBIT	18,708	17,486	20,428	14,080	8,467	6,289	3,706
EBT	16,092	18,373	21,982	13,745	10,331	6,992	4,019
Net income for the period	8,998	12,478	12,016	10,687	6,119	4,554	3,409
Earnings per share (EUR)	0.61	0.84	0.81	0.72	0.42	0.31	0.23
Total assets	328,104	315,011	287,494	266,269	121,342	120,450	85,981
Equity	81,362	81,541	79,104	59,214	44,441	39,381	34,622
Cashflow from operating activities	9,353	4,382	-6,511	-27,679	21,398	28,228	15,152
Equity investments	16,260	20,053	6,876	8,899	7,613	3,929	7,296
thereof capital spending	1,520	4,331	1,378	3,809	4,012	424	2,388
Employees on December 31	1,284	1,189	823	795	282	287	292

The Stock	EUR 000						
	2008	2007	2006	2005	2004	2003	2002
Closing price	8.00	13.59	11.55	7.70	7.30	6.82	3.15
Year high	13.92	15.45	11.89	10.60	7.45	7.90	6.20
Year low	4.82	9.65	7.40	6.50	4.92	3.00	2.70
Market capitalization at year-end	119 Mio.	203 Mio.	172 Mio.	115 Mio.	109 Mio.	102 Mio.	47 Mio.
Number of shares	14,928,096	14,928,096	14,928,096	14,928,096	14,928,096	14,928,096	14,928,096

GROUP STRUCTURE AND LOCATIONS WORLDWIDE

Space Systems + Security

100 %
OHB-System AG,
Bremen

100 %
LUXSPACE Sàrl,
Betzdorf, Luxemburg

34 %
ELTA S.A.,
Toulouse, France

100 %
SMP S.A.,
Toulouse, France

50 %
RST Raumfahrt Systemtechnik GmbH, Salem

Payloads + Science

100 %
Kayser-Threde GmbH,
Munich

100 %
KT Automotive GmbH,
Munich

100 %
Kayser-Threde NA Inc.,
Flint (MI), USA

100 %
Kayser-Threde Trading (Shanghai) Co., Ltd., Shanghai, China

60 %
VRS-Verkehr Raumfahrt Systemtechnik GmbH, Leipzig

Space Transportation + Aerospace Structures

70 %
MT Aerospace AG,
Augsburg

100 %
MT Mechatronics GmbH,
Mainz

100 %
MT Aerospace Guyane S.A.S.,
Kourou, French Guiana

100 %
MT Aerospace Satellite Products Ltd.,
Wolverhampton, England

8 %
Arianespace S.A.,
Evry, France

Telematics + Satellite Operations

100 %
OHB Teledata GmbH,
Bremen

74,9 %
megatel GmbH,
Bremen

100 %
Timtec Teldatrans GmbH,
Bremen

51 %
Telematic Solutions S.p.A.,
Mailand, Italy

100 %
ORBCOMM Deutschland AG,
Bremen

6 %
ORBCOMM Inc.,
Fort Lee (NJ), USA

Locations
Subsidiaries and other shareholdings

Germany
Augsburg
Bremen
Leipzig
Mainz
Munich
Salem

Great Britain
Wolverhampton

Italy
Milan

France
Evry
Paris
Toulouse
Kourou (GUF)

Luxembourg
Betzdorf

USA
Flint (MI)
Fort Lee (NJ)

China
Shanghai

BUSINESS UNITS OF THE OHB TECHNOLOGY AG

Space Systems + Security → Payloads + Science → Space Transportation + Aerospace Structures → Telematics + Satellite Operations




The Group

With a history spanning over 25 years, OHB Technology AG is Germany's first listed technology and space group. Four business units offer international customers sophisticated solutions and systems:

Space Systems + Security

This business unit develops low-orbiting and geostationary small satellites for scientific research, communications and terrestrial observation. Its manned space flight activities include participation in the assembly and fitting of the International Space Station ISS, Columbus and ATV. The exploration segment works on studies and models for exploring our solar system, primarily the moon and Mars. Reconnaissance satellites and broad-band wireless transmission of image data form core technologies for security and reconnaissance.

Payloads + Science

This business unit produces high-quality solutions for space technology, the automotive industry and process control systems. Applications range from terrestrial observation and satellite navigation to scientific payloads for exploration and the ISS as well as technology testing.

Space Transportation + Aerospace Structures

A leading supplier of components for aeronautics and aviation and of antenna and mechatronic systems. Via this business unit, the OHB Group is the largest German supplier for the Ariane 5 program, among other things.

Telematics + Satellite Operations

OHB Technology telematics systems support the logistics industry around the world by offering efficient transport management and consignment tracking facilities. Further key activities include OEM solutions for commercial vehicle producers, among other things, and the exclusive marketing in Europe of the communication services provided by the global ORBCOMM satellite system.

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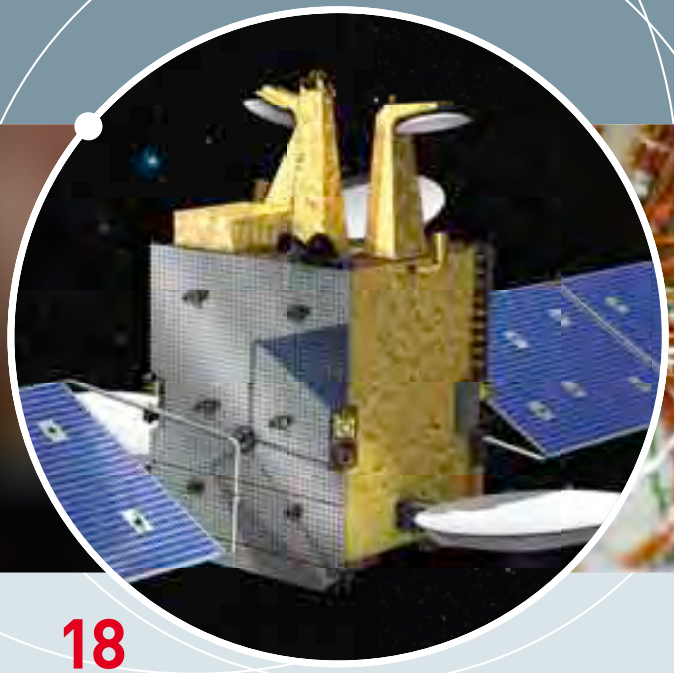



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CONSOLIDATED FINANCIAL STATEMENTS

FURTHER INFORMATIONS

CHRONOLOGY 2008

January

Share in RST acquired by OHB Technology
OHB Technology AG acquired 50 percent of the capital of RST Raumfahrt Systemtechnik GmbH, Salem, from its founder and owner Prof. Dr. Hans Martin Braun. As OHB-System AG's long-standing radar partner in the SAR-Lupe project, RST is primarily responsible for the radar system design and SAR processing, i.e. image generation on the ground.

February

Columbus module docked with ISS
On February 6, the European research module Columbus was launched on board the Space Shuttle Atlantis and successfully docked with the International Space Station ISS one day later. OHB was the only European company to be involved in the development of all the research equipment for the Columbus module and supplied the first biological experiment for the European space research facility.

March

Negotiations between OHB/MT Aerospace and Airbus canceled
After intensive talks, the negotiations for the purchase of the German Airbus facilities in Nordenham, Varel and Augsburg were discontinued as it was not possible to find a viable solution acceptable to both sides.

SAR-Lupe 4 successfully launched
The fourth German SAR-Lupe reconnaissance satellite was launched on March 28 from the Russian space center Plesetsk south of Archangelsk. After roughly 90 minutes, direct contact was established between the control center and the satellite.

Left: The European research module Columbus docking with the ISS.

Right: The "Jules Verne" Automated Transfer Vehicle (ATV) in an approach towards the ISS.

April

ATV successfully docked with the International Space Station ISS
After a rendezvous and docking maneuver lasting just under three hours, the "Jules Verne", the first Automatic Transfer Vehicle (ATV) built by ESA to supply the International Space Station ISS, reached its destination on April 3. It was launched on March 9 on board an Ariane 5.
To avoid the risk of damage caused by impact with micrometeorites and refuse, it was fitted with protection shields supplied by OHB. As well as this, OHB produced the cable harnesses for the drive levels of the ATV. MT Aerospace produces the fuel and liquid tanks for the ATV.

RUBIN-8 successfully launched
On April 28, an Indian PSLV launch vehicle lifted off from the Satish Dhawan Space Center in Sriharikota, 80 km north of Chennai, successfully releasing a total of ten multinational payloads into orbit. One of these payloads was RUBIN-8, a technology payload which OHB-System AG developed and has been using in several orbital experiments since 2000.

June

Six new ORBCOMM satellites successfully launched
Six new communication satellites were successfully launched on board a Cosmos 3M from Kasputin Yar on June 19. They are to be used to extend and modernize the communications network operated by US satellite operator ORBCOMM Inc., which currently comprises 29 satellites.

July

SAR-Lupe complete
The fifth German SAR-Lupe reconnaissance satellite was launched on July 22 from the Russian space center Plesetsk. SAR-Lupe 5 marks the completion of Germany's first satellite-based reconnaissance system.

New OHB subsidiary
Kayser-Threde GmbH spun off its successful automotive operations into a separate company known as KT Automotive GmbH. This step has given the automotive activities greater visibility, independence and flexibility within the OHB Group.

September

Left: The six new ORBCOMM satellites just before launch from Kapustin Yar, Russia.

Right: The system has been completed: animations of the SAR-Lupe satellites.

OHB awarded study contract for "Marco Polo"
The Science Directorate of the European Space Agency ESA awarded OHB System AG a contract for a feasibility study to be conducted for the "Marco Polo" asteroid mission. As a result, OHB managed to secure a role as a main contractor in the ESA research program.

OHB bidding for Galileo
The European Space Agency ESA selected OHB System AG as one of two bidders for the construction of 28 satellites for the European Galileo navigation system. Accordingly, OHB prevailed over three other parties in this first important stage of the bidding process.

November

Kayser-Threde implementing EnMAP
On November 11, Kayser-Threde signed a contract worth EUR 90 million with the German Aerospace Center (DLR) for the next German EnMAP satellite mission. It was the largest contract which Kayser-Threde had ever received.

OHB embarking on first Small Geo mission
On November 20, the European Space Agency ESA and OHB-System signed a contract for the development, construction and testing of the Luxor satellite platform for the first Small GEO mission with a total volume of around EUR 115 million.

December

SAR-Lupe officially handed over
On December 4, the Strategic Reconnaissance Command (SRC) officially took over the reins of the satellite-based radar reconnaissance system "SAR-Lupe". The transfer was celebrated in the presence of the inspector of the Joint Support Service, Vice-Admiral Wolfram Kühn, and around 60 representatives of the German Federal Office of Defense Technology and Procurement (BWB), the German Federal Armed Forces and industry in Gelsdorf.

MEMBERS OF THE MANAGEMENT BOARD

Ulrich Schulz,
Born 1951, engineer
Member of the Management Board since 2000
COO Telematics of OHB Technology AG

Marco R. Fuchs,
Born 1962, attorney
Member of the Management Board since 2000
CEO of OHB Technology AG

Prof. Dott. Ing. h.c. Manfred Fuchs,
Born 1938, engineer
Member of the Management Board since 2002
COO Space of OHB Technology AG

DEAR SHAREHOLDERS, CUSTOMERS AND BUSINESS ASSOCIATES,

OHB Technology AG continued on its successful growth trajectory again last year. To provide a brief overview of some of the figures: in 2008 total revenues rose to EUR 260 million (previous year EUR 223 million), with EBIT climbing to EUR 18.7 million (previous year EUR 17.5 million). The Management Board and the Supervisory Board will be asking the shareholders to approve a dividend of EUR 0.25 per share for 2008 (previous year: EUR 0.25). With a currently large high order backlog worth over EUR 700 million, we will be maintaining high capacity utilization beyond the current year.

Space Systems + Security

With OHB-System AG as the core company, the Space Systems + Security business unit is able to look back with pride and satisfaction on an extremely successful year in 2008. OHB's largest and most important project to date, the SAR-Lupe system, was officially handed over to the customer, the German Federal Armed Forces, after successful final acceptance. Prior to this, the last two satellites in the system had been placed in their low-altitude orbits without any problems and successfully put into operation. OHB will be guaranteeing operation of the satellite array up until 2017. Europeanization efforts have also commenced, with OHB recently awarded a contract to support the establishment of the German ground station of the French Helios system. Pending the commencement of operations of the E-SGA reconnaissance system in early 2010, an interim solution will permit the simple exchange of image data between Germany and France.

OHB's plans for small geostationary European satellites are entering the next phase. OHB and the European Space Agency ESA have signed the contract for the development, construction and testing of the Luxor platform for the first Small GEO mission as part of the ARTES 11 program with a total volume of around EUR 115 million. Spanish satellite operator HISPASAT will be the first to use the new Small GEO platform as of 2013. I am convinced that with the Small GEO model and the Luxor platform OHB is holding in its hands an excellent solution for accommodating the rising demand for small geostationary satellites.

OHB also has a good position in the current selection process for the Galileo European navigation system. In fact, it has already been nominated by the customer, the European Commission, as one of the two preferred bidders for the satellite segment. A first tentative bid has also met with a favorable response. At the moment, OHB and ESA in its capacity as the EU's procurement agency, are engaged in talks as a basis for improving the bid.

Payloads + Science

Kayser-Threde GmbH, which is the core company in the Payloads + Science business unit, was consolidated for the first full year in the OHB Technology Group after being acquired in 2007. And this acquisition is already beginning to bear fruit. In the year under review, Kayser-Threde received the largest order in its history after signing an agreement under the terms of which it is acting as main contractor in the EnMAP program initiated by the German Aerospace Center (DLR). With a volume of some EUR 90 million, EnMAP is the first satellite mission to be handled under the supervision of the Munich-based technology company. In addition, DLR has instructed Kayser-Threde to test the technology to be incorporated in the TET-1 satellite mission in a contract worth around EUR 21 million.

Space Transportation + Aerospace Structures

The year under review was also very successful for the Transportation + Aerospace Structures business unit and MT Aerospace. The Augsburg-based company recently signed the next PB lot delivery contract for the Ariane 5 entailing components for a further 35 Ariane 5 launch vehicles with a total volume worth EUR 370 million. In addition, six Ariane 5 vehicles were successfully launched in 2008. With up to seven launches planned for the years ahead, the largest German supplier of components for the Ariane 5 is assured of solid order intake.

Extensions to aviation business are also proving to be promising, with MT Aerospace already supplying preliminary structural parts for the Airbus A400M. In addition, it has signed a contract with Eurocopter for the delivery of 103 shipsets for the Tiger helicopter. On the other hand, OHB/ MT Aerospace abandoned the talks with Airbus for the purchase of the Varel, Nordenham and Augsburg facilities as the two parties were unable to agree on a mutually acceptance economic solution.

Telematics + Satellite Operations

The Telematics business unit is suffering from the effects of the financial crisis afflicting the truck industry. The delivery of the telematics systems for Dutch commercial vehicle producer DAF has been delayed on account of what in some cases are substantial declines in orders for

Marco R. Fuchs
Chairman of the
Management Board

new trucks. Even so, OHB Teledata was able to convince a further renowned truck maker of the benefits of our innovative telematics solutions. In addition, DAF issued a guarantee to buy the 15,000 units already purchased.

Disappointing stock performance

With a decline of some 40 percent, our stock did not perform well in 2008 and was unable to escape the general trends in the international stock markets. The stock hit a low of EUR 4.82 at the end of October but was able to recover by the end of 2008, closing the year at EUR 8.00. We are confident that the stock will perform well this year on the strength of our operating business.

All told, however, we have every reason to be pleased. One key factor is the Company's relative lack of exposure to the current economic conditions. In these times of economic turmoil, OHB Technology has the decisive advantage of being able to plan and operate on a long-term and sustained basis.

Outlook for 2009

This year as well OHB Technology faces major opportunities for further development. We expect total revenues to rise to around EUR 300 million accompanied by a projected increase in EBIT to some EUR 21 million. The chief challenges will entail the launch of Phase C/D of the Small GEO project, participation in the space segment of the Galileo navigation system and Phase C/D of the EnMAP project. In the medium to long term, we are seeking a key role in the further development of the Ariane upper stage, which was recently approved at the ESA council of ministers conference, as well as the German "Heinrich Hertz" telecommunications mission.

I would like to express my particular gratitude to our employees at all companies throughout the OHB Technology Group. Their creative and innovative ideas, their ambitious projects and their unceasing dedication form the basis for our success.

I would also like to take this opportunity to thank our customers, business partners and shareholders most sincerely for their confidence in us. Looking forward, we will continue to pursue new, successful and innovative routes together.

We will continue to follow the successful trajectory that we have adopted with great commitment and dedication. Although we have already achieved a great deal in all of the Group's business units, we are determined to be even better in the future.

Bremen, March 19, 2009

Marco R. Fuchs
Chairman of the Management Board

DEAR SHAREHOLDERS,

For OHB Technology, 2008 was a year with a great deal of light and few shadows. The Group was able to achieve great successes and is continuing on its growth trajectory, as can be seen from the most important indicator of success, namely post-tax earnings, which came to EUR 9 million.

In 2008, the SAR-Lupe system was officially handed over to the customer after the successful launch of the final two satellites. With this project, the Group has proved to be a capable and reliable partner to the German Federal Armed Forces. November saw the commencement of Phase C/D of the ESA Small Geo project, which will be continuing until the end of 2012. With its Luxor platform, OHB will be entering the lucrative market for small communications satellites. Work on ESA's lunar landing program has already commenced. However, the national lunar orbiter mission has unfortunately been postponed by the responsible ministries due to budgetary restraints.

Subsidiaries Kayser-Threde and MT Aerospace also achieved stable growth. While Kayser-Threde is lead-managing the DLR EnMAP mission, MT Aerospace has been awarded a further contract for the delivery of components for 35 new Ariane 5 launch vehicles, thus giving it a very comfortable pipeline of regular business. All told, the Group has an order backlog worth over EUR 700 million, a fact which testifies to OHB Technology's efficiency and innovativeness. Only the Telematics business unit came under pressure from the difficulties facing the commercial vehicle industry, which is suffering heavily from the effects of the financial crisis.

Prof. Dr.-Ing. Hans J. Rath, born in 1947, graduate engineer, member of the Supervisory Board since 2001; deputy chairman of the Supervisory Board, professor of Mechanics and Fluid Mechanics at the University of Bremen, Production Technology Faculty, managing director of ZARM Fallturm-Betriebsgesellschaft mbH

Christa Fuchs, Chairwoman of the Supervisory Board of OHB Technology AG, born in 1938, business woman, member of the Supervisory Board since 2002, managing shareholder of VOLPAIA Beteiligungs-GmbH

Prof. Heinz Stoewer, born in 1940, graduate engineer, M. Sc., member of the Supervisory Board since 2005, Emeritus Professor of Space Systems Engineering, Technical University of Delft, Netherlands, managing director of Space Associates GmbH

During the year under review, the Supervisory Board performed its duties with great care in accordance with the applicable statutory requirements, the provisions of the Company's bylaws and its rules of conduct, monitoring and advising the Company's Management Board. The Supervisory Board is responsible for overseeing the Management Board by monitoring its activities and exerting influence. This latter function plays a decisive role in the Company's success not only in the short term but also on a medium and long-term basis.

Ordinary meetings of the Supervisory Board in 2008 were held on March 12, May 7, September 12 and December 19. In addition, an extraordinary meeting was convened on April 16.

The Supervisory Board regularly discussed the application and further development of the principles of corporate governance within the Company. The Management Board and the Supervisory Board have updated the declarations of conformance in accordance with the German Corporate Governance Code.

Approval of the annual financial statements

The parent-company and consolidated financial statements and related management report of OHB Technology AG for 2008 were audited by BDO Deutsche Warentreuhand AG Wirtschaftsprüfungsgesellschaft, Hamburg, and issued with an unqualified auditors' report.

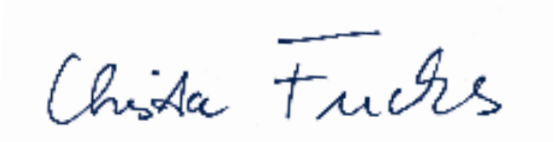
These documents were made available to all members of the Supervisory Board in sufficient time. At the Supervisory Board's balance sheet meeting held on March 18, 2009, these documents were discussed in the presence and with the involvement of the statutory auditor.

The Supervisory Board did not raise any objections and accepted the results of the audit. The Supervisory Board approved the consolidated financial statements, as a result of which they have been duly adopted. The Supervisory Board concurred with the Management Board's proposal for the allocation of the Company's unappropriated surplus. The related parties report prepared by the Management Board was audited by BDO Deutsche Warentreuhand AG Wirtschaftsprüfungsgesellschaft, Hamburg, and given the following unqualified audit certificate:

"Having examined and assessed the related parties report in accordance with our duties, we hereby confirm that the actual disclosures of the report are correct and the Company did not pay inordinately high amounts relating to the transactions mentioned in the report." The Supervisory Board raises no objections following its own examination and therefore approves the Management Board's related parties report.

The Supervisory Board wishes to thank the Management Board, all employees and the employee representatives for the work performed. They have once more made a contribution to a very successful year for OHB Technology AG.

Bremen, March 19, 2009

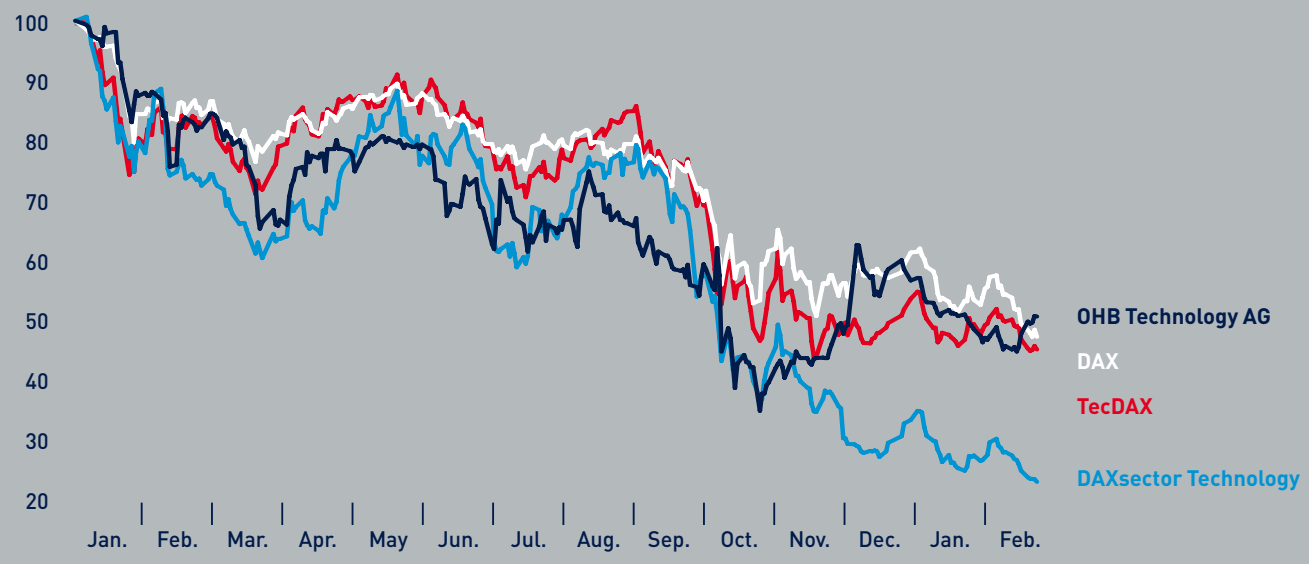


Christa Fuchs
Chairwoman of the Supervisory Board

Part of the extension to the OHB Group's headquarters

OHB TECHNOLOGY STOCK

OHB Stock 2008 (Relative Performance)



OHB STOCK DRAGGED DOWN BY WEAKNESS IN THE OVERALL MARKET

Global slump in stock markets in 2008

Stock markets around the world fell sharply in 2008. Thus, the German benchmark index DAX closed the year down 40 %, while the Dow Jones lost 34 % and the Japanese Nikkei 42 % in the same period. This trend was initially triggered by the worsening bank crisis in many industrialized nations. In the second half of the year, however, it was accompanied by a massive slump in the economy, causing numerous countries to enter a recession. As there is no sign yet of conditions returning to normal in 2009, stocks have continued to slide on a broad front. Since the beginning of the year, the three aforementioned indices have lost a further 18 - 20 % as of February 27, 2009.

OHB stock exhibiting relative strength in a generally weak market

OHB stock closed 2008 at a price of EUR 8.00 (Xetra), equivalent to a decline of 41 % for the year as a whole and thus mirroring the DAX. However, the stock exhibited relative strength compared with the technology stocks included in the TecDAX (down 48 %) and DAXsector Technology (down 67 %). This trend has also continued in 2009 to date, with the stock dropping by only a comparatively mild 13 % to EUR 6.96 (Xetra) as of February 27, 2009. As a result, the Company has market capitalization of some EUR 104 million. By comparison, DAXsector Technology slid by a further 30 % as of February 27, 2009.

Average trading volumes for OHB stock came to around 8,900 shares (Xetra + floor trading) in 2008, i.e. around 48 % down on the previous year (just under 17,000).

The shareholder structure as of December 31, 2008 was largely unchanged over the previous year. 64.6 % of the Company's capital is held by the Fuchs Family shareholder pool, with the balance of 35.4 % constituting free float.

OHB stock data

ISIN	DE0005936124
Ticker	OHB
Trading segment	Prime Standard
DAXsector	Technology
DAXsubsector	Communications Technology
Indices	Prime All Share, Tec All Share, CDAX, GEX
Designated Sponsor	DZ BANK AG, HSBC Trinkaus & Burkhardt KGaA
Issued capital	EUR 14,928,096
Share type	No-par-value ordinary bearer shares

OHB stock is covered by a number of renowned banks and brokers. Reflecting trends in the overall markets, the price targets for OHB stock were lowered over the previous year. Even so, most of the analysts have confirmed their "Buy" recommendations. A regularly updated list of analyst ratings can be found in the Investor Relations section of our web site.

Investor relations activities

Our aim is to highlight the Company's long-term prospects of growth and to position OHB stock as an attractive investment in the high-tech segment. Continuous, reliable and open communications strengthen the trust which capital market participants place in OHB stock and form a basis for a fair valuation of the Company.

During road shows in London (May) and Frankfurt (June), we discussed the Company and its performance in numerous one-on-ones with investors. In August, OHB made itself available to numerous investors at the Capital Goods & Steel Conference organized by Commerzbank in Frankfurt am Main. OHB also attended the annual Deutsches Eigenkapitalforum in Frankfurt am Main in November 2008, where it held talks with individual investors and held presentations for investors and analysts. The publication of the quarterly interim reports was accompanied by regular telephone conferences held by the Management Board and the investor relations team with analysts and investors. Throughout the year, the investor relations department dealt with numerous inquiries received from private investors and financial journalists.

The new year was commenced once more with the Capital Market Day, which OHB held for the fifth year running on February 11, 2009. Roughly 40 analysts, bankers, investors and journalists followed the invitation issued by the Management Board. The addresses held particularly concentrated on the Group's current space projects and its Ariane 5 business.

OHB stock parameters in EUR (Xetra)

	2008	2007	2006	2005
Closing price	8.00	13.59	11.55	7.70
Year high	13.92	15.45	11.89	10.60
Year low	4.82	9.65	7.0	6.50
Market capitalization (Ultimo)	119 million	203 million	172 million	115 million
Average daily trading volumes (Xetra + floor)	8,868 shares	16,984 shares	21,760 shares	35,615 shares
Price/earnings ratio (P/E) (Ultimo)	13.1	16.2	14.3	10.7
Earnings per share	0.61	0.84	0.81	0.72
Dividend per share	0.25 *	0.25	0.23	0.20
Dividend yield	3.13 %	1.84 %	1.99 %	2.60 %

* Proposal to the Annual Meeting

Against the backdrop of the turmoil in the capital markets, direct dialog with analysts as well as private and institutional investors will be amongst the main investor relations activities in 2009. In addition to personally contacting OHB's investor relations team, interested investors are able to learn more about the Company in general at www.ohb-technology.de and obtain details on capital-market related matters in the investor relations section of the website. In particular, the "Publications" section contains the annual and interim reports, adhoc bulletins and press releases for viewing and downloading. The "Annual General Meeting" section contains details of the agenda and any counter-motions for the annual general meeting and, after the completion of the meeting, the results of voting.

Dividend of EUR 0.25 per share paid out

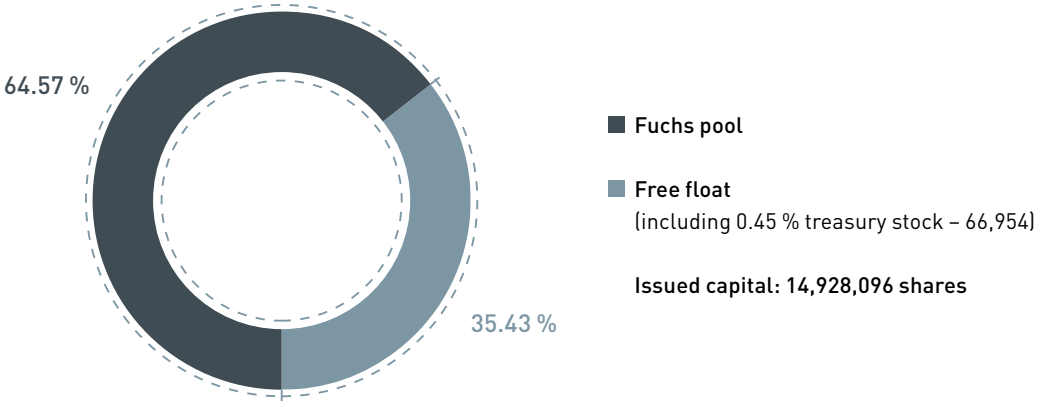
OHB Technology AG's 8th annual general meeting was held in Bremen on May 7, 2008. One of the resolutions passed authorized the distribution of a dividend of EUR 0.25 per dividend-entitled share from the Company's unappropriated surplus of EUR 5.7 million for 2007. Total dividends of around 3.7 million were distributed.

The Management Board and the Supervisory Board will be asking the shareholders to authorize the distribution of EUR 0.25 per dividend-entitled share for 2008, thus marking a continuation of the Company's steady dividend policy.

Treasury stock

The stock buy-back program has been ongoing since November 1, 2007 and has not yet been completed. A total of 39,560 shares were bought back in this period at an average price of EUR 11.79. As of December 31, 2008, the Company already held 27,394 treasury shares from earlier buybacks. Consequently, it holds a total of 66,954 treasury shares as of December 31, 2008, equivalent to around 0.45 % of its share capital.

OHB Technology AG shareholder structure on December 31, 2008



Marco Fuchs (left) outlining the latest developments at OHB Technology to analysts and investors at the fifth Capital Market Day

Analyst ratings

Date	Bank	Target price in EUR	Rating
February 2009	HSBC Trinkaus & Burkhardt	10.00	Overweight
February 2009	DZ BANK	8.00	Buy
February 2009	Sal. Oppenheim	12.00	Buy
February 2009	Commerzbank	10.00	Buy
February 2009	Viscardi Securities	12.00	Buy
November 2008	Berenberg Bank	15.00	Buy

SMALL GEOS: SETTING NEW STANDARDS IN THE SATELLITE MARKET

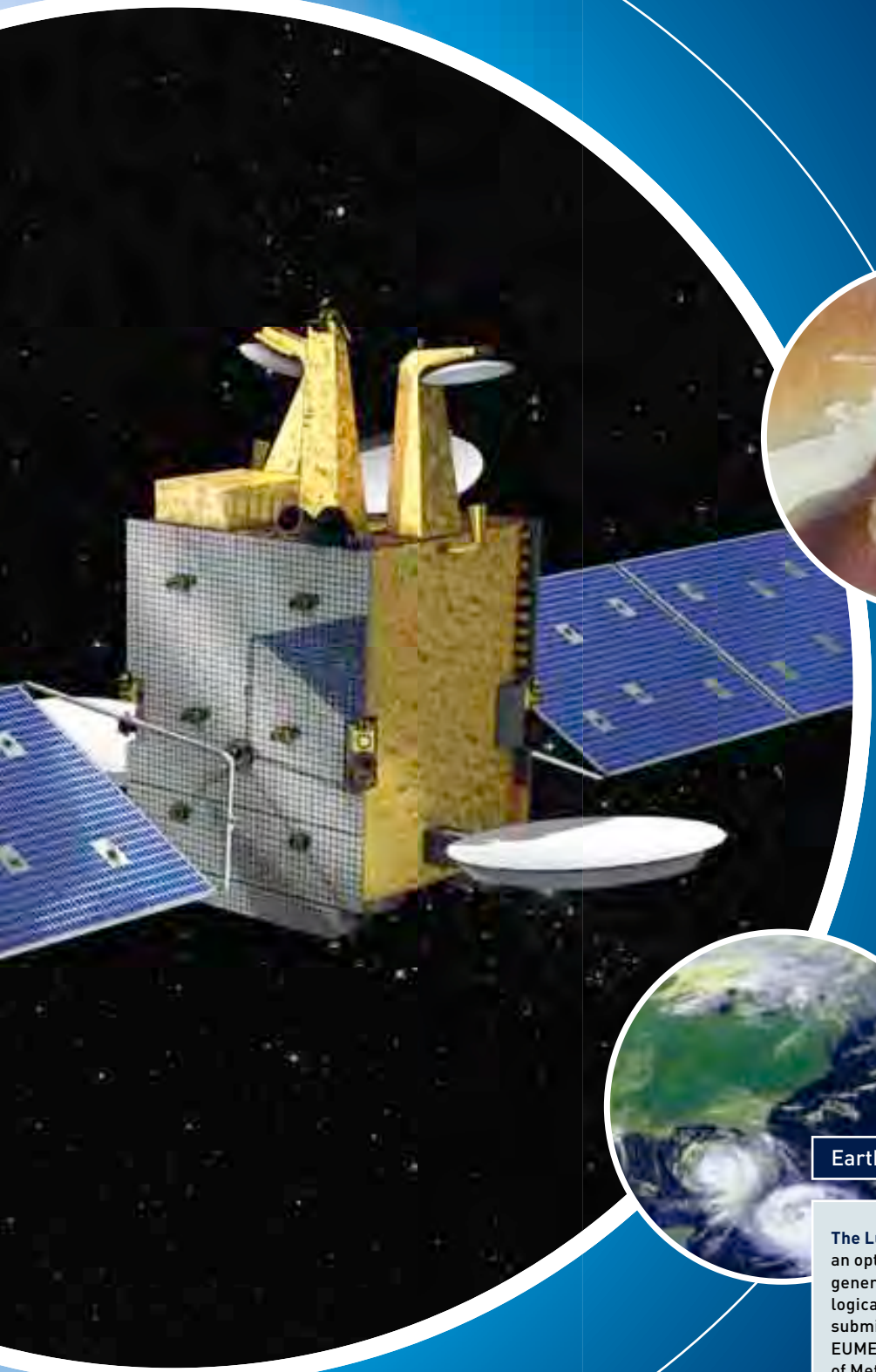
The market for geostationary telecommunications and research satellites is calling for smaller, cost-effective alternatives, such as the Small GEO, which is based on OHB's Luxor platform and is being developed and fabricated as part of ESA's ARTES 11 program.

Telecommunications

OHB is developing and building the first Small GEO for Spanish operator HISPASAT. Luxor is also specially configured for DLR's upcoming "Heinrich Hertz" national telecommunications mission and numerous future commercial and institutional communications missions.

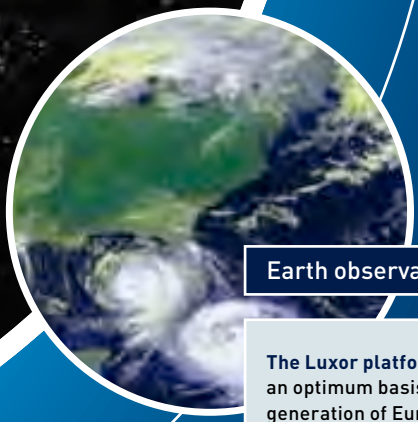
Data transmission

Using Luxor as a basis, it is possible to build Small GEOs for deployment as data relay satellites for the next generation of reconnaissance systems such as SAR-Lupe. In addition, Luxor offers an ideal basis for cost-effective relay missions such as ESA's European Data Relay Satellite (EDRS).



Exploration / research

Using Luxor as a basis, OHB has already formulated proposals for a Lunar Exploration Orbiter (LEO) as well as further space exploration missions. In this connection, Luxor will be modified for utilization on interplanetary missions.



Earth observation

The Luxor platform also provides an optimum basis for the next generation of European meteorological satellites. OHB will be submitting a proposal to ESA and EUMETSAT for the development of Meteosat Third Generation (MTG) on the Luxor platform.

Discussing the Small GEO program:
Dr. Rüdiger Schönfeld, system engineer, OHB-System AG

CREATING BENEFITS – OPENING UP MARKETS

SMALL GEOS: THE NEW STANDARD IN THE SATELLITE MARKET

"Greater possibilities together with lower costs – Small GEOs offer satellite operators cost-optimized constellations."

Prof. Manfred Fuchs,
CEO of OHB-System AG

Under the lead management of OHB-System AG, the new Luxor platform is currently being implemented for the first European mission for a compact geostationary satellite. With a total volume of EUR 115 million, the contract awarded by the European Space Agency is able to convincingly demonstrate the practical viability and commercial benefits of European space technology.

Experts agree that, taking account of the entire value chain, satellite communications is commercially by far the most successful sector of the space industry. It is for good reason that the European Space Agency (ESA) and the German Aerospace Center (DLR) have launched ARTES-11 (Advanced Research in Telecommunication Systems), one of the most important projects in European satellite communications. This is because the program is aimed at developing small geostationary satellites – Small GEOs for short – and closes a gap in the range offered by European satellite producers.

With the completion of the satellite bus and the execution of a preliminary mission at the end of 2012, Europe will cover the full range of communications satellites from 3 to 18 kilowatts. ESA and DLR are aiming to solely incorporate competitive European-made hardware in the system, thus developing a product possessing the "Made in Europe" seal of quality.

Greater possibilities – reduced costs

What makes compact geostationary satellites so attractive? The new, series-produced satellite has a greater payload component relative to its total weight of 1.6 – 3.0 tons compared with the models produced by US rivals in particular. Electricity consumption stands at around 3 kilowatts. As a result, satellite operators will be able to offer a greater number of services. Other advantages include a shorter production period of around 24 months, the ability to deliver the satellite to any destination around the world, greater reliability and the high life expectancy of up to 15 years, all of which contribute to efficient operations. "As far as the final customer is concerned, this will result in a greater range of products and reduced costs," explains Prof. Manfred Fuchs, CEO of OHB-System AG and a long-standing advocate of Small GEOs. Thanks the flexible system for incorporating the latest technology in the satellite bus in the light of customer requirements, the satellite will establish itself quickly in the global market.

An interesting market

This is expressly confirmed in independent market analyses. A study published by Booz Allen Hamilton in 2006 stresses the advantages of Small GEOs and the sustained prospects in this segment of the market. Commercial satellite operators constitute the most attractive target group.

"Our modular product design and customer-oriented features ensure maximum flexibility."

Dr. Thomas Görlach,
Director of the telecommunications program,
OHB-System AG

Looking ahead over the next few years, demand for geostationary satellites with a payload weight of around 300 kilos is particularly set to strengthen. Analysts see a market for three to five of these satellites a year. Not least of all, additional demand will emerge as a result of replacement spending in 2012/2013.

Backed by the program initiated by ESA and DRL, the European industry – and, along with it, OHB Technology – stands to benefit from this. It is no coincidence that renowned satellite operators have expressed their interest in the compact geostationary satellite at an early stage. "I see a good chance of marketing the Small GEO successfully in the global telecommunications market," says Prof. Fuchs.

HISPASAT to be the first user

As part of a selection process for the first Small GEO mission, ESA has accepted the proposal submitted by Spanish satellite operator HISPASAT. The "HISPASAT Advanced Generation 1" (HAG1) communications satellite will be placed in a geostationary orbit where it will supply Spain, Portugal, the Canary Islands and South America with TV programs. HISPASAT will be integrating the HAG1 satellite in its existing fleet of geostationary communications satellites. The satellite is scheduled for a late 2012 launch.

New center of competence at OHB

The new satellite platform for payloads with a mass of up to 300 kilograms and power requirements of 3 kilowatts is being implemented by a European syndicate. At the same time, system management for telecommunications satellites will be based in Germany again for the first time in more than 25 years. Alongside OHB as the system manager, another German company, namely Tesat-Spacecom, will also be contributing to the development of the payload. The participating companies include Swedish Space Corporation (Sweden), Oerlikon Space AG (Switzerland), Carlo Gavazzi Space SpA (Italy) and LUXSPACE Sàrl (Luxembourg).

"To be successful, a producer of Small GEOs must offer flexibility in the form of a modular product design and equipment but also with respect to its business model and ability to forge partnerships. OHB meets these requirements to a particular extent," explains Dr. Thomas Görlach, the responsible director of the telecommunications program at OHB-System. With the support of ESA, OHB is currently establishing a center of competence in Bremen specializing in the fabrication of small geostationary communications satellites.

"Renowned operators have already expressed their interest in the small geostationary satellite."

Dr. Andreas Winkler,
Small GEO project manager,
OHB-System AG

This closes the circle which has its origins at OHB as Prof. Manfred Fuchs was one of the first to recognize the potential offered by Small GEOs. Thus, the fact that the Small GEOs are about to mark a further successful chapter in commercial space flight is materially due to his vision and the technological impetus generated at OHB.

European perspectives

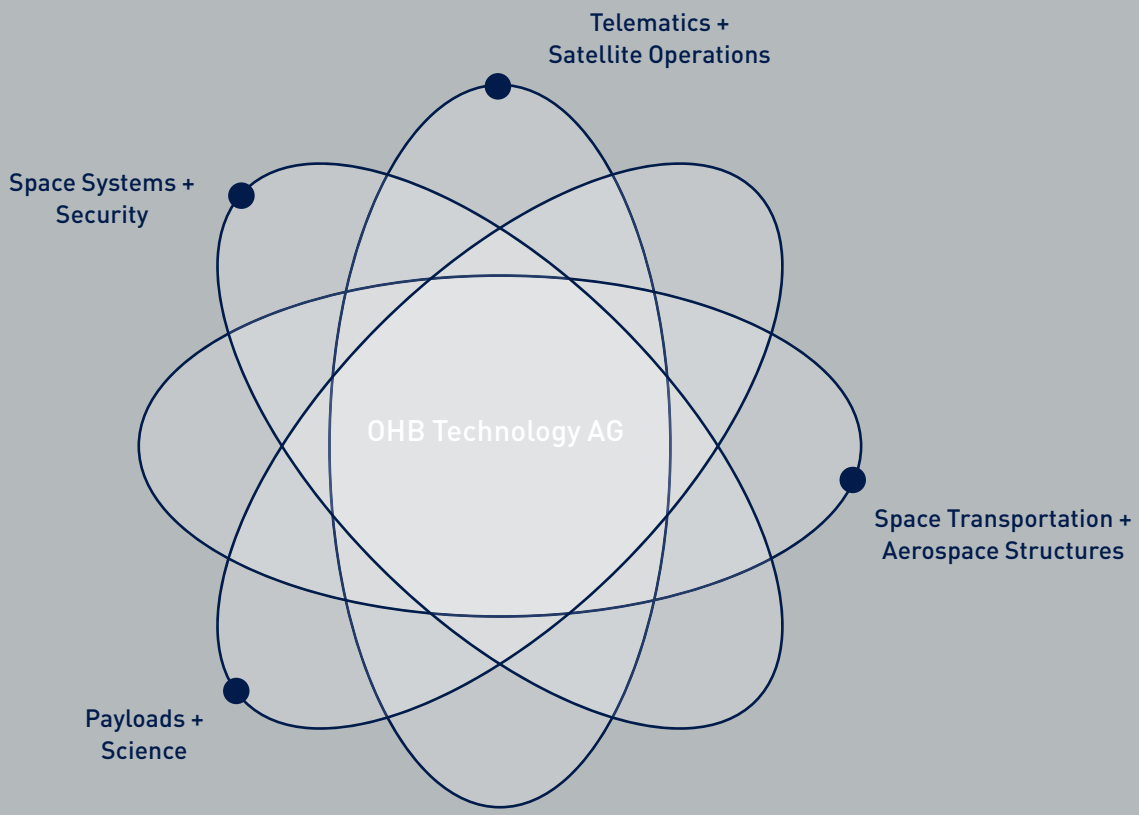
In the meantime, the partnership forged between ESA and OHB has entered new dimensions, with ESA nominating OHB as one of the two preferred bidders for the construction of 28 satellites for the European Galileo navigation system. Accordingly, OHB prevailed over three other parties in this first important stage of the bidding process. "This decision marks the culmination of our successful work over the past few years. With SAR-Lupe we have demonstrated our skills in building satellite constellations, something which is standing us in good stead for such an important program as Galileo," says Prof. Fuchs.

On top of this, OHB is now also involved as a principal contractor in the European Space Agency's science program. The ESA Science Directorate awarded OHB a contract for the execution of a Phase A feasibility study for the "Marco Polo" asteroid mission. Explains Prof. Fuchs: "Marco Polo is a particularly appealing project for OHB. With the award of the contract for this study, we have received an opportunity for the first time of contributing the experience which we have gained from building satellites over many years in the interests of scientific research on space. We want to prove that we are an innovative and reliable partner for ESA for this demanding mission."

The purpose of the future "Marco Polo" mission will be to retrieve rock samples from a close asteroid and to bring them back to earth for scientific evaluation. The aim is to obtain a new understanding of the origins of our solar system by examining the soil samples. In its study, OHB-System will be developing an industrial model for the entire mission and for the construction and launch of the landing module together with the return capsule containing the soil samples. The launch has been scheduled for 2017.

Advancing projects constructively (from left): Dr. Rolf Janovsky, Dr. Wei Sun and Dr. Marco Berg, OHB-System AG

BUSINESS UNITS



Fabricating the harness for the third Automated Transfer Vehicle (ATV): Josef Rudkowski, OHB-System AG

SPACE SYSTEMS + SECURITY
FAR FROM THE EARTH – CLOSE TO THE USER

Today, OHB's Space Systems + Security business unit is one of the leading European operators in the area of low-orbit and geostationary small satellites for science, communications, terrestrial observation and security as well as manned space flight.

With its technological leadership, OHB has successfully positioned itself in the European satellite market. As well as this, it has gained a unique status in the manned space flight segment as the only European company to be involved in all the laboratories for the Columbus module of the International Space Station ISS.

Industrial lead management for Small GEOs

OHB has made a crucial contribution to European efforts to discover and occupy the growth market for small geostationary satellites. Prior to this, this important system expertise had been absent in Germany for one-and-a-half decades. The currently most important project in this area is the Small GEO with the European Space Agency ESA as the customer and HISPASAT of Spain as the user. Here, OHB has assumed industrial lead management of a European-wide syndicate. The marketing of small reconnaissance and communications satellites in particular will grow in importance for OHB as an area of business expansion.

World champion in radar reconnaissance

OHB has also provided ample proof of its skills and expertise with the SAR-Lupe satellite-based radar reconnaissance system for the German Federal Armed Forces. With the technology developed and the skills gained in this area of space-based radar technology, OHB has become one of the leading global operators in this area.

Ever since the launch of the first SAR-Lupe satellite in December 2006, Germany has been able to capture radar images from almost any location in the world. With their high resolution, these images currently provide the world's most precise radar data. After the launch of a further four satellites at intervals of four to five months, OHB was able to officially hand over the entire system to the German Federal Armed Forces. Prior to this, it had been successfully accepted in September 2008 by the German Federal Office of Defense Technology and Procurement.

With SAR-Lupe, OHB's Space Systems + Security business unit has become established as a reliable system partner to the German Federal Armed Forces. At the moment, OHB is conducting studies into the future technologies to be deployed in the second generation of SAR-Lupe, which is scheduled to go into operation in 2017.

PROJECTS

Project: Small GEO/Luxor

Company: OHB-System AG

A European geostationary platform for communications applications is being developed under the lead management of OHB and is to be marketed commercially under the name Luxor. Initiated by OHB, it has been established as a separate component of the long-term ESA schedule under the ARTES-11 program. The technical specifications for Luxor are based on a proposal submitted by OHB-System AG.

Status

Commissioned in January 2007, the project is currently in Phase C/D. The satellite will be ready in 2012. At the same time, the contract for the first SGEO mission has been signed with ESA.

Partners

ESA (customer); SSC, Oerlikon and LUXSPACE (partners)

Project: HISPASAT AG 1

Company: OHB-System AG

The first Small GEO mission based on the new Luxor satellite platform will be launched with a payload for the Spanish satellite operator HISPASAT as "HISPASAT Advanced Generation 1". HISPASAT AG1 will be placed in a geostationary orbit at an altitude of 36,000 kilometers, where it will supply Spain, Portugal, the Canary Islands and South America with multimedia services. The operator will be integrating HISPASAT AG1 in its existing fleet of geostationary communications satellites.

Status

The contract between OHB-System and HISPASAT for Phase C/D/E is to be signed in spring 2009 and will assign to OHB the status of principal contractor for the entire satellite. The payload will be supplied by Tesat-Spacecom. HISPASAT AG1 is scheduled for a 2012 launch.

Partners

HISPASAT (customer),Tesat-Spacecom, LUXSPACE, Swedish Space Corporation, Oerlikon, DLR GSOC

Project: Galileo

Company: OHB-System AG

In December 2007, the EU Conference of Ministers of Transport approved the implementation of the new Galileo navigation system with improved procedural rules and a balanced economic plan to strengthen competition and to permit dual sourcing. OHB and Surrey Satellite Technology Ltd. (SSTL) have signed a contract providing for the performance of joint activities in connection with the Galileo program. For this purpose, OHB will be acting as general contractor and providing the satellite platforms, while SSTL will be supplying the payloads for the satellites.

Status

OHB/SSTL reached a preliminary milestone with the submission of a response to a request to participate in November 2008. Currently, ESA is holding a constructive "competitive dialog" with all suppliers of the six program segments. OHB and SSTL are seeking to submit a competitive proposal for the development of the satellites.

Partner

ESA/EU (customer), SSTL

Project: EnMAP-Bus

Company: OHB-System AG

Under the industrial management of OHB Technology subsidiary Kayser-Threde, OHB-System AG is developing and building the satellite base for the next German satellite mission EnMAP (Environmental Mapping and Analysis Program). The bus will be based on the already proven SAR-Lupe satellites.

Status

The German Aerospace Center (DLR) and Kayser-Threde signed a contract in November 2008 providing for the commencement of the implementation phase. The launch of the satellite is scheduled for 2013.

Partners

DLR (customer), Kayser-Threde (prime contractor)

Project: SAR-Lupe operations

Company: OHB-System AG

The German satellite-based radar reconnaissance system was completed with the successful launch of Satellite 4 and 5 in March and July 2008. All five satellites are producing superb images. The entire system was officially accepted by the customer in September 2008. The German Federal Armed Forces have in SAR-Lupe the world's most advanced radar reconnaissance system.

Status

The entire system was officially handed over to the Strategy Reconnaissance Command (SRC) of the German Federal Armed Forces in December 2008. The start-up of the system by SRC in December 2008 marked the commencement of a ten-year contract with OHB-System covering the operation of the satellites.

Partners

SAR-Lupe; BMVg, BWB (customer) as well as Thales Alenia Space Toulouse, Carlo Gavazzi Space, COSMOS International, EADS Defence & Security, Rosoboronexport, RST, RTG, Saab Space, Tesat Spacecom and Thales Electronic Devices Ulm as subcontractors.

Project: E-SGA/FSLGS

Company: OHB-System AG

The German radar-based SAR-Lupe system and the French Helios II optical satellite system are being integrated in a project which marks a preliminary step towards European strategic reconnaissance. Further partners will also be able to join the system.

Status

As part of Europeanization efforts, an interim solution was implemented at the beginning of 2008 allowing the simple exchange of images between Germany and France. In addition, OHB-System was awarded a contract in October 2008 for the construction of the German ground station for the Helios system. The final system is due to be completed at the beginning of 2010.

Partners

BMVg, BWB, DGA (customers), EADS Dornier subcontractor

Project: ARDS/military image data transmission

Company: OHB-System AG

ARDS (Aerial Reconnaissance Data System), OHB-System's innovative radio transmission system for high-resolution image data from aircraft to ground stations, is being enhanced with the addition of relay transmission over a distance of around 400 km so that it is able to provide real-time wide-range reconnaissance. In addition, the ARDS high-rate data link system is to be deployed in the innovative new Agile UAV flight system, among other things.

Status

Work on adding real-time wide-range reconnaissance capabilities to the ARDS system has been commenced. Flight demonstrations and delivery are scheduled for autumn 2009. The ARDS ground test system and the flight system were delivered to EADS in 2008 for the Agile UAV. Preliminary flights with the overall system are planned for mid 2009.

Partner

BWB (customer), EADS MAS

Project: CONDOR flight system

Company: OHB-System AG

Fitted out with the latest camera technology and the ARDS image data transmission system, the modular tracking and reconnaissance aircraft CONDOR I is being deployed by the German Federal Armed Forces and for research purposes. CONDOR I is to be equipped with additional cameras to ensure full monitoring from the air for additional purposes. As part of future real-time wide-range reconnaissance tasks, CONDOR II will fly at altitudes of up to 10 km on missions lasting 10 hours each.

Status

Successful CONDOR I flights as part of the NATO harbor protection trials were completed at the beginning of 2009. As of spring 2009, the system will be used in maritime research again. CONDOR I is to be fitted out with new cameras by mid-summer 2009, while OHB will be readying CONDOR II for real-time wide-range reconnaissance as of spring 2009, with initial flights scheduled for summer 2009. The joint deployment of CONDOR I and II in relay transmission with ARDS is planned for autumn 2009.

Partners

BWB (customer),
AWI (customer), DLR, STEMME

Program: NEXT Lunar Lander

Company: OHB-System AG

Back in 2005, OHB financed its own study to look into the potential for lunar exploration programs. This laid the foundations for key involvement in national and European lunar landing mission projects.

Status

In January 2008, ESA awarded OHB the contract for the NEXT Lunar Lander Phase A studies. Since then, the Company has been managing an international team responsible for examining the viability of research missions to the lunar south pole. The core elements comprise a landing craft as well as a mobile rover system to extend the coverage of the scientific instruments to a radius of several kilometers. The current study has a term expiring in June 2009 but is expected to be extended until the end of the year. Bids are to be invited for the follow-up phase in 2010.

Partners

ESA (customer) GMV, MDA, Carlo Gavazzi, von Hoerner & Sulger, SEA, Oerlikon Space, DFKI, SAS, SpinWorks

Officially handed over:
SAR-Lupe satellite during inverted testing in Bremen.

Assembling the harness for a Galileo trial satellite:
Mario Lang, Kayser-Threde GmbH

PAYLOADS + SCIENCE
HIGH TECH FOR SPACE AND INDUSTRY

Acquired in 2007, Kayser-Threde GmbH specializes in managing and implementing complex high-tech solutions for space and industry. These solutions help customers to record, utilize and manage information derived from research and measurement technology around the world as well as in space.

Successful transfer of technology

The company's space activities encompass satellite missions, scientific payloads and infrastructure for manned and unmanned space flight, satellite navigation and technology testing. Further core skills include process control technology and communications systems for the supply of electricity for railways and the collection of crash test data for the automotive sector. At the same time, this represents the successful transfer of space technology for use in established products and services in the market.

Global customer base

Kayser-Threde GmbH is a leading German systems specialist engaging in activities around the world via associates and subsidiaries in Europe, the United States, Russia and China, among other places. The Munich-based company has around 130 customers in more than 20 countries including industrial companies, space agencies and research institutes.

Successes

Incorporated in 1967, the company has become an established partner to science. Its successes include over 100 scientific instruments and systems for space stations, satellites and interplanetary missions. To date, it has implemented optical systems for nine space telescopes and cameras for astronomy and terrestrial observation.

In the process control technology segment, the company has installed seven process coupling systems for the monitoring centers operated by Deutsche Bahn together with over 250 station signaling technology systems and 130 remote control nodes with a combined total of more than 7,000 embedded systems to control the supply of electricity. This portfolio is being extended with new applications such as a system for managing the replacement communication routes via mobile telecommunications.

Kayser-Threde operates in the automotive crash segment via its spun-off subsidiary KT Automotive GmbH, which with its MINIDAU® system is the global market leader for on-board data recording systems. This measuring technology is implemented all around the world in around 70 percent of all crash testing systems. Sophisticated in-dummy data recording systems as well as new hardware and software developments, the operation of a dummy laboratory and extended services will strengthen the new subsidiary's position on a sustained basis.

High product reliability

In response to the stringent requirements of space technology, Kayser-Threde has established the highest standards of quality, something which is reflected in the extreme reliability of its products, system solutions and processes. This encompasses studies, analyses and system designs as well as special developments, testing and production right through to implementation and operation.

PROJECTS

Project: Environmental Mapping and Analysis Program (EnMAP)

Company: Kayser-Threde GmbH

EnMAP is the next German optical satellite mission. It incorporates an innovative instrument system with outstanding optical characteristics for observing the earth. As the principal contractor for the construction and launch of this hyperspectral environmental satellite, Kayser-Threde is overseeing the entire project including the development and assembly of the optical instrument. The company's affiliate OHB-System has been awarded the contract for the construction of the satellite bus. The contract for the construction and launch of EnMAP has a total value of EUR 90 million.

Status

Phase C/D commenced in November 2008

Partners

DLR (customer), German Geological Research Center (scientific supervision), DLR-GSOC/-DFD, OHB-System AG

Project: EXPOSE-E Columbus payload

Company: Kayser-Threde GmbH

Kayser-Threde has made key contributions to the life support system and the MELFI freezing equipment on board the European Columbus research module, also supplying the standard payload computer and the on-board video system.

The EXPOSE-E experimental facility for investigating the long-term biological effects of radiation exposure has also been installed in Columbus on board the International Space Station. Kayser-Threde is the principal contractor for this system, which is capable of holding hundreds of biological samples. The relatively young discipline of astrobiology explores the origins, development, distribution and future of life in space. There is a possibility that organic compounds and simple life forms such as seeds or spores may have reached the earth from outer space.

Status

EXPOSE-E has been in operation successfully since February 2008 and is to be returned to the earth in August 2009. Its replacement, EXPOSE-R, has already been transported to the ISS and is to go into operation in the first quarter of 2009.

Partners

ESA (customer), DLR Institute of Aerospace Medicine, RUAG Aerospace AG, Switzerland

Product: nxt32

Company: Kayser-Threde GmbH

After the successful spin-off of the company's automotive activities into a separate subsidiary known as KT Automotive GmbH, work on a further new development commenced in 2008: nxt32 is a data-measuring system which can be used in both on-board and in-dummy systems. Development of this product, which achieves the greatest degree of miniaturization in this segment, will be completed at the beginning of 2009. The new nxt32 will join the successfully established crash data recording systems MINIDAU® Classic, MINIDAU® Advanced and MICRODAU®.

In this market niche, business success will increasingly hinge on the service provided alongside the delivery of hardware and software systems. In line with its corporate strategy, KT Automotive acquired all the operations of a dummy laboratory in Germany in 2008 to accumulate further competence in crash test dummies and to gain a possibility of integrating nxt32 systems directly in dummies and sensors.

Status

Prototype development completed at the beginning of 2009.

Project: Switching unit Lutherstadt-Wittenberg

Company: Kayser-Threde GmbH

The Lutherstadt-Wittenberg switching unit was a key project for the process control technology segment. For one thing, Deutsche Bahn AG (DB) is moving away from direct contracting in favor of the appointment of general contractors. For another, it introduces decentralized station signaling technology as a technical standard. Kayser-Threde was affected by both new developments for the first time. The switching unit contract was not awarded directly by DB as the final customer but via the general contractor Balfour Beatty Rail. At the same time, Lutherstadt-Wittenberg was the pilot project for Kayser-Threde's decentralized station signaling technology.

Status

After successful trial operations, Kayser-Threde now has decentralized station signaling technology with DB approval. This project marks an important stepping stone for future collaboration with Balfour Beatty Rail.

Partners

Balfour Beatty Rail (customer and general contractor), Deutsche Bahn AG (final customer)

Product: SUNRISE telescope

Company: Kayser-Threde GmbH

SUNRISE is a telescope which is carried on a stratospheric balloon for research into the secret of solar turbulence. Kayser-Threde was responsible for developing, assembling and integrating the telescope structure and the optical units. The one-meter mirror telescope is integrated in a balloon nacelle with a height of 4 meters. The telescope system excluding the nacelle has a mass of some 550 kilograms. SUNRISE will go into operation in North Sweden at an altitude of 40 kilometers in mid 2009. Kayser-Threde will be overseeing and supporting the mission.

Status

SUNRISE was delivered to the Max Planck Institute of Solar System Research at the end of 2008.

Partners

Max Planck Institute of Solar System Research (customer and scientific supervision), Freiburger Kiepenheuer-Institut für Sonnenphysik, Sagem/ France, Invent, Feinmess Dresden

Project: Techological Testing Vehicle (TET)

Company: Kayser-Threde GmbH

In July 2008, DLR awarded Kayser-Threde a contract for the implementation of the TET satellite mission. Of a total project volume of EUR 21 million, a sum of EUR 10.1 million was committed for the first phase in 2008. TET forms the core element of the national "On-Orbit Verification of New Techniques and Technologies" project. Under this project, eleven different payloads will be launched in 2010 and tested in space conditions for a period of twelve months.

As the prime contractor, Kayser-Threde is responsible for all aspects including the assembly of the satellites, qualification testing for space flight, the infrastructure required for the satellite mission and all pre-launch preparations including the actual lift-off.

Status

The first phase of the decisive satellite design review was completed at the end of 2008. After the second part has been finished at the end of 2009, the contract for the second phase will be awarded.

Partners

DLR (customer), Astro- und Feinwerktechnik Adlershof, GSOC

Production of Ariane 5 components at MT Aerospace in Augsburg:
(from left) Josef Apolloner and Andreas Nashold

SPACE TRANSPORTATION + AEROSPACE STRUCTURES
SPACE FLIGHT, AIRCRAFT CONSTRUCTION AND MECHATRONICS

This OHB business unit is the largest German supplier of components for the successful Ariane 5 program. At the same time, it has evolved into a significant supplier of components for aerospace and aeronautical applications as well as being a successful systems specialist for antennas and mechatronics.

Widening base in aircraft engineering

Via MT Aerospace, OHB produces fresh and waste water tanks and structures for Airbus, thus creating a broader business basis which is independent of space technology projects.

MT Aerospace puts its skills to good use in both passenger and cargo aircraft construction. Thus, the company is supplying a large part of the floor struts for the Airbus A380, the world's largest passenger aircraft. Following the delays in the program, MT Aerospace's involvement in the future military transport aircraft A400M is posing heightened challenges. The company is supplying the central input and output manifolds for the ventilation and air conditioning system as well as cladding for the aircraft hull. These structural components will make a crucial contribution to MT Aerospace's efforts to extend its aviation activities in the technologically important CFRP segment over an expected period of more than 20 years.

Good position in mechatronics

OHB subsidiary MT Mechatronics GmbH is making a name for itself around the world as an engineering expert and general contractor for antennas and telescopes as well as in medical technology. Key projects currently being worked on include ALMA (Atacama Large Millimeter Array) and SRT (Sardinia Radio Telescope).

The company has also secured an excellent position in the medical technology market after completing the world's first rotary heavy ion gantry for its customer HIT (Heidelberg Ion Radiation Therapy Center) in 2007. This system permits the ultra-precise treatment of patients suffering from internal tumors.

Strong partner in the Ariane program

Deliveries for the Ariane 5 program continue to be gratifying, as evidenced by six launches each in 2007 and 2008. Following the advance approval received in 2007 for materials and parts with long delivery periods, a contract has since been received for the delivery of 35 Ariane 5 shipsets with a production run up until 2013. With its involvement in the development of a more efficient upper stage, the Group is reinforcing its position as a crucial partner to the Ariane program. At the same time, MT Aerospace expects to be significantly involved in the development of a new more powerful Ariane 5 upper stage.

PROJECTS

Project: Ariane 5 structures

Company: MT Aerospace AG

MT Aerospace AG, Augsburg, develops and produces key structural components for the Ariane 5. These are load-bearing structures which link the main tank in the upper stage with the boosters. In addition, it produces protective thermal cladding for the brackets. made from carbon fiber reinforced plastic (CFRP) and high-tensile metallic materials to which thermal insulation is added. In 2008, series production stability was achieved at a high technical level with a cadence of seven shipsets. The Delta qualification for new materials was completed for the high-pressure tanks which achieve an operating pressure of 450 bar. Further qualification programs are planned for the coming years.

Status

Series production is proceeding according to schedule. Preliminary preparations for the follow-up lot for a further 35 sets of components have been commenced.

Partner

ASTRIUM (customer)

Project: ATV

Company: MT Aerospace AG

In 2008, the first ESA Automated Transfer Vehicle (ATV) was successfully launched on board an Ariane 5, docked with the International Space Station ISS and was then incinerated as planned around six months later upon re-entering the earth's atmosphere. MT Aerospace developed, assembled and supplied the eight fuel tanks, three gas tanks, three water tanks and the thruster platform. Following the completion of this qualification flight, further units were approved for production. The next flight is scheduled for 2010.

Status

Tanks for ATV 2 have been delivered, with the thruster platform to be completed in summer 2009. Components for ATV 3 and 4 are currently under production.

Partners

ASTRIUM (customer for fuel tank), Thales Alenia, Italy (customer for water and gas system), Oerlikon Contraves, Switzerland (customer for thruster platform)

Project: Airbus A380 aviation structures

Company: MT Aerospace AG

MT Aerospace AG is producing a large part of the floor struts, which are made from carbon fiber reinforced plastic (CFRP), for the Airbus A380 program. The preliminary development phase was successfully completed in 2007. In this way, MT has proved that the intelligent use of CFRP can help to substantially reduce mass in the floor structures. In addition to the German part, there is also a possibility of securing the French part as well.

Status

The preliminary development phase was successfully completed in 2007. The qualification phase is currently ongoing. Production of the first aviation parts commenced on schedule, with the initial shipsets to be delivered in May 2009.

Partner

Airbus (customer)

Project: Boosters

Company: MT Aerospace AG

A production rate of over 14 boosters was achieved for the first time in 2008, equivalent to a flight cadence of over seven launches a year. The excess volume over the contractual amount of 14 boosters was necessary to cover the requirements for the burn-out test planned for 2011. This test is conducted once every three years or so in French-Guyana using a full-scale model. In 2008, it was possible to significantly improve quality, with an absolute reduction in the number of construction deviations of relevance for the customer compared with 2007 – despite the increased number of components and the tight tolerances.

Status

Series production of the booster is being executed at high engineering levels.

Partner

Europropulsion (customer for booster casing)

Project: ALMA (Atacama Large Millimeter Array)

Company: MT Mechatronics GmbH

The Atacama Large Millimeter/Submillimeter Array (ALMA) is one of the largest stationary astronomy projects over the next few decades and will be an important new facility for astronomy. ALMA is a gigantic array of 12 m submillimeter antennas which is being constructed in the Atacama desert in Chile at an altitude of 3,000 meters. ALMA is a joint European, Japanese and North American project in cooperation with the Republic of Chile. The European part of ALMA comprises 25 antennas, the contract for which ESO has awarded to a syndicate. MT Mechatronics is responsible for fabricating 25 antenna components in Spain and for assembling and commissioning 25 antennas in Chile.

Status

MTM has commenced series production in Spain; the commencement of integration in Chile is scheduled for the beginning of the second quarter of 2009.

Partners

European Organization for Astronomical Research in the Southern Hemisphere (ESO) (customer), Thales Alenia Space (France and Italy) and European Industrial Engineering (EIE – Italy) as the syndicate partner

Project: SRT (Sardinia Radio Telescope)

Company: MT Mechatronics GmbH

The world's largest radio telescope currently under construction, SRT has been initiated by INAF (Italian Institute of Astrophysics). The main reflector of the telescope comprises an active surface and has a diameter of 64 meters and a total weight of some 3,200 tons. The telescope is being assembled in the South East of Sardinia. MT Mechanics is responsible for the detail engineering, production, transportation, assembly and start-up and will be handing the telescope over to the customer on a turn-key basis at the end of 2009.

Status

Production of the components has largely been completed, with assembly on site in Sardinia currently ongoing.

Partners

Istituto Nazionale di Astrofisica, Italy (customer), DSD Ferrometalco, Egypt, ICOM/Sardinia

Final assembly of one of the most user-friendly telematics systems in the European commercial vehicle market, Kay Antorski, OHB Teledata GmbH.

TELEMATICS + SATELLITE OPERATIONS AN EVOLVING TECHNOLOGY

Transparency and networking form central requirements for efficient and competitive logistics. That's why transportation and logistics companies are increasingly sourcing telematics straight from the OEM. As a result, OHB has evolved into a leading supplier of factory-fitted telematics systems for commercial vehicles.

In the past, commercial vehicle OEMs tried to integrate more and more functions in telematics terminals. However, this merely served to render the equipment more expensive and cumbersome. Accordingly, fitting rates are to be substantially increased in the future by integrating basic telematic systems in nearly all vehicles at considerably lower prices. These basic devices will come equipped with all main interfaces with the vehicle and GSM communications and will be capable of being extended with additional equipment. In addition to this, there is a trend towards adding service and maintenance functions to telematics systems.

Navigation systems for commercial vehicles

Despite the current difficult market conditions, OHB prevailed in a request for proposals by a Scandinavian truck maker for the development of a navigation system suitable for deployment in commercial vehicles. The open and modular platform model allows the navigation system to be customized for different markets and continents. It features the latest energy-saving processors and will also be ready for future voice-control functions.

Technological breakthrough with DAF

With the establishment of a telematics portal for DAF Trucks, Eindhoven, Netherlands, OHB has achieved a further technological breakthrough. The new solution incorporates functions for which separate devices were previously required. This makes it the most advanced and user-friendly telematics terminal available for series-produced trucks in the European market. A contract with DAF ensures that OHB will be able to supply the systems for series production from April 2008 until the end of 2011 and also provides for a guaranteed order quantity of 15,000 units.

New EU project for monitoring transport chains

The EU project INTEGRITY, in which OHB is also involved, is seeking to develop a door-to-door system solution for sea and road transport to make greater use of the possibilities of telematics for monitoring global logistics chains. It is to be used to control the entire transport route from China to Europe via the ports of Yantian, Rotterdam and Felixstowe right up to the final destinations by rail, road and inland waterways.

Satellite operations: new applications for monitoring shipping

The global satellite communications services which OHB offers for worldwide telematics applications have undergone further enhancements. The CDS and QL ORBCOMM satellites were placed in orbit in mid 2008. The additional AIS service, which records the movements of all registered ships with a tonnage of more than 500 BRT, will open up scope for interesting new applications in the private and public sector.

PROJECTS

Project: Navigation system

Company: OHB Teledata GmbH

At the end of 2008, OHB was awarded a contract for the development of a navigation system for commercial vehicles. This is to be an open platform on which various navigation applications can be mounted for individual markets. The navigation system is to include specific vehicle elements and communicate with the existing telematics terminal. In the future, higher volume sales are to be achieved as the system is to be marketed on a global basis. The market launch is scheduled for mid 2011.

Status

Project commencement in January 2009; completion in 2011

Partner

Scandinavian commercial vehicle maker (customer)

Project: INTEGRITY (Intermodal Global Door-to-door Container Supply Chain Visibility)

Company: OHB Teledata GmbH

Industry, the logistics sector and port operators are faced with challenges such as the strong growth in container transport, bottlenecks in hinterland access, complex logistic chains as well as information gaps and new security requirements.

Against this backdrop, INTEGRITY is to develop a method and an IT system for rendering the logistics chain transparent. A greater degree of security, general access to vehicle and freight data and the results of freight checks will facilitate trade and ensure earlier release of containers for international sea transport. A door-to-door system solution is to be used to control the entire transport route from China to Europe via the ports of Yantian, Rotterdam and Felixstowe right up to the final destinations by rail, road and inland water ways. The syndicate includes customs authorities, logistics companies, cargo owners, port operators and system integrators.

Status

Project period: 2008 through 2011

Partners

EU Commission (customer), Hutchinson, ISL etc. (project partners)

Project: Battery management for electric drivetrains in cars

Company: OHB Teledata GmbH

OHB has been awarded a contract for the development of battery management systems for Li-ion batteries in hybrid vehicles. The technical challenge entails the management of batteries with an extremely flat characteristic curve. The first few vehicles will be field-tested in summer 2009.

Status

Under development; completion in summer 2009

Partner

GAIA GmbH (customer)

Project: RFID for Frankfurt Airport

Company: megatel GmbH

megatel GmbH is assisting Hamburg-based company Dakosy AG in connection with ATLAS export customs handling. For the Dakosy ZAPP-Air product, megatel has fitted out customs warehouses monitored with active RFIDs at Cargo City at Frankfurt Airport and implemented seamless integration in the automated customs clearance process. As a result, the truck drivers no longer have to present the transit papers in person to the customs authorities but are automatically reported wirelessly by RFID upon arrival. The customs authorities then notify the driver if the goods must first be inspected or can be released directly to the handling agents at the airport.

Status

Pilot operations

Partners

Dakosy, Fraport

Project: Global monitoring of maritime emissions

Company: ORBCOMM Deutschland AG

ORBCOMM Germany has successfully completed the KOSAS/SEISMESS study, which examined the extent to which satellite communications can support future emissions trading for ships. The feasibility was demonstrated with an ORBCOMM-based prototype.

Status

Completed in 2008

Partners

OHB Teledata, OHB-System, GAUSS, State of Bremen

Project: Satellite-based AIS data

Company: ORBCOMM Inc.

Using the six new ORBCOMM satellites CDS + 5 Quick Launch, which were placed in orbit on June 19, 2008, the signals emitted by ships as part of the Automatic Identification System (AIS) can now be picked up in low earth orbits.

Status

ORBCOMM Inc. provides this data

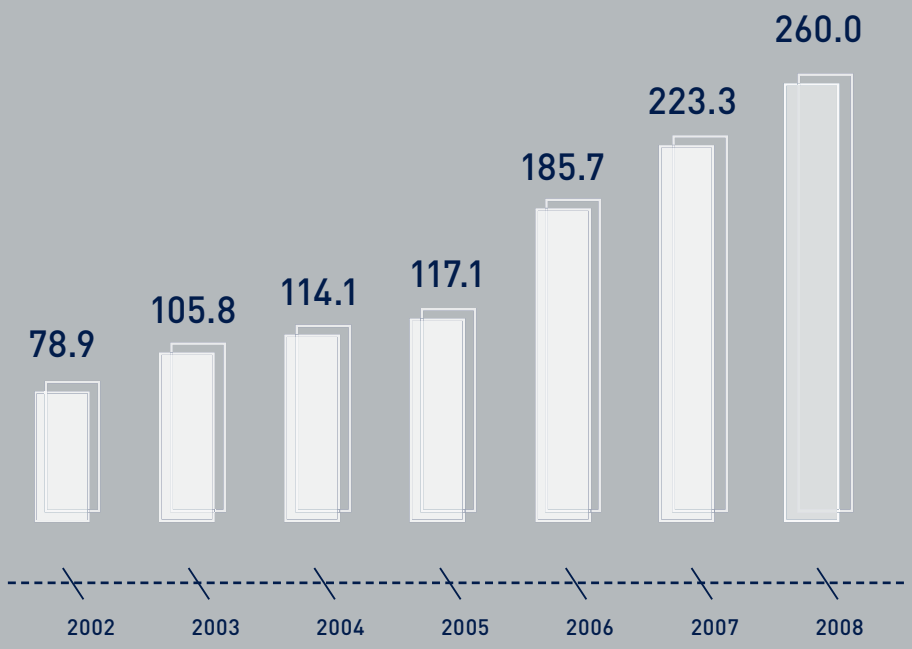
Partners

U.S. Coast Guard, LUXSPACE etc.

Working together on innovative solutions: (from left) Carsten Tobehn, Dr. Fritz Merkle, Prof. Dr. Klaus Slenzka and Markus Katzkowski, OHB-System AG

MANAGEMENT REPORT

Consolidated Total Revenues over seven years in EUR million



MANAGEMENT REPORT FOR THE YEAR FROM JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

BUSINESS PERFORMANCE AND UNDERLYING CONDITIONS

Highlights in 2008

Increase in total revenues to EUR 260 million

In 2008, total revenues rose by EUR 37 million to EUR 260 million, an increase of some 16 % over the previous year (EUR 223 million). This is due to growth contributed by the Space Transportation + Aerospace Structures business unit and also Kayser-Threde GmbH, which was consolidated for the first full year.

Order backlog a record EUR 534 million as of December 31, 2008

At EUR 534 million (previous year EUR 447 million), the order backlog reached a new record as of December 31, 2008. In fact, by February 11, 2009, it had climbed to over EUR 700 million in value, thus providing a high degree of reliability in future planning and guaranteeing strong capacity utilization throughout all parts of the Group.

Operating profit continuing to rise

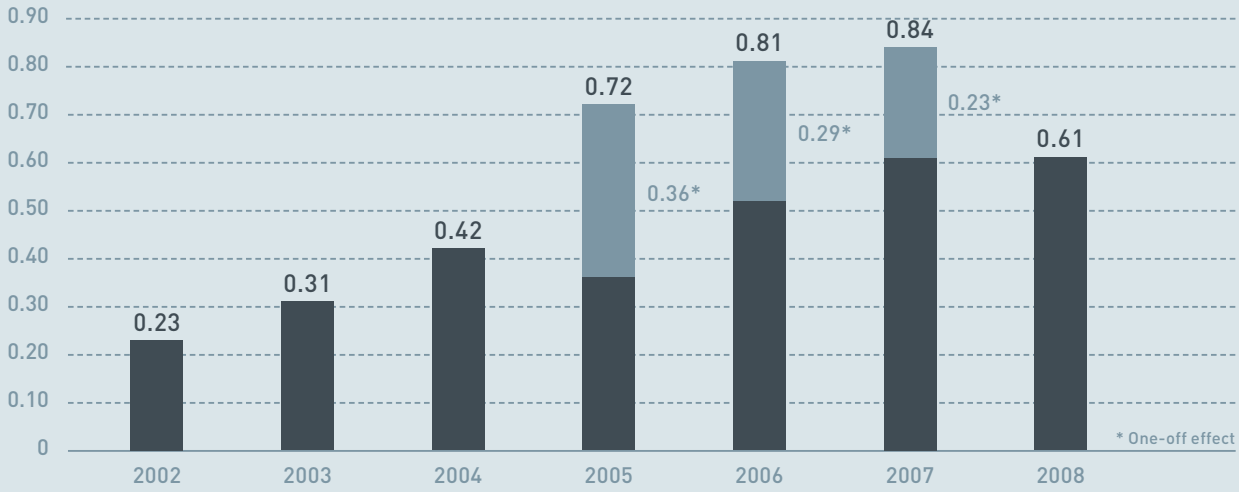
The steady growth in operating profit since the Company's stock-market flotation in 2001 continued again in the year under review, with EBITDA climbing by some 11 % to EUR 28.7 million (previous year EUR 25.9 million). EBIT increased in the year under review to EUR 18.7 million, up from EUR 17.5 million in the previous year. Post-tax profit came to around EUR 9.0 million (previous year EUR 12.5 million), translating into earnings per share of EUR 0.61 (basic and diluted) for fiscal 2008, down from EUR 0.84 in the previous year. In this connection, it should be noted that earnings per share were reduced by EUR 0.04 due to the non-recurring results of an external tax audit performed at one of the Group members. Adjusted for this effect, earnings per share came to EUR 0.65. Adjusted for the exceptionals occurring in 2005, 2006 and 2007, earnings per share on a like-for-like basis stood at EUR 0.36 in 2005, EUR 0.52 in 2006 and EUR 0.61 in 2007.

New projects and operating business ensuring a bright future

In 2008, the SAR-Lupe system was officially handed over to the customer. Meanwhile, OHB-System AG was selected as a candidate for the space segment of the Galileo program. In the 4th quarter of 2008, contracts for the development and construction of the Small GEO satellite platform (contract volume EUR 115 million) and the scientific research satellite EnMAP (contract volume EUR 90 million) were received. At the same time, six Ariane 5s were successfully launched. By the end of the year under review, negotiations

Earnings per Share

Over seven years in EUR



for the Ariane 5 PB lot had very largely been completed. With the contract signed at the beginning of 2009, the Space Transportation + Aerospace Structures business unit is assured of high long-term capacity utilization.

Underlying conditions in the economy as a whole and industry

Space Technology

The improvement in underlying national and international conditions for the Space Systems + Security and Space Transportation + Aerospace Structures business units has proved to be sustainable and continued to stabilize, underpinned in Germany by the innovation and technology offensive launched in 2005 and additions to the research and technology budget. On top of the national satellite missions which have already commenced, DLR has launched a further initiative for a national telecommunications mission ("Heinrich Hertz").

The market for commercial communications satellites and, in particular, demand for small geostationary satellites (Small GEOs) is growing all around the world. In this regard, the development of a platform optimized for this market, which is being materially financed by ESA, is playing a crucial role, with OHB holding a strong position to make the most of this market. For this purpose, a contract was signed with ESA in December for the development and construction of the satellite platform, with the satellite scheduled for launch 2012.

The underlying conditions for the planned European "Galileo" satellite-based navigation system have been revised. The European Commission has instructed the European Space Agency ESA to establish the operating system and to ensure full operational capability of Galileo in the future. Bids for 28 operational satellites for the Galileo space segment have been invited. OHB will be submitting a bid and has already commenced the necessary preliminary work both technically and with respect to the bid. A final decision is expected for the second half of 2009.

In the area of manned spaceflight, the European Columbus module was transported to the ISS in February 2008 after technical delays had been overcome following the successful resumption of US Shuttle operations. The operation of the module with all its industrial support services is assured in the medium term. ATV had its first successful maiden voyage in 2008, with further sorties to follow.

Generally speaking, demand in the satellite launch market is continuing to rise. The substantial recovery in the market driven by the growing number of satellite programs as well as the stable technical success of the Ariane-5 program will result in a further reliable launch cadence at Arianespace in 2009.

An important milestone was reached for spaceflight in Europe at the ESA council of ministers conference in Den Haag, Netherlands, on November 24-25, 2008, which confirmed ESA's previous strategy, approving and initiating innovative programs.

For the first time, Germany committed a sum of EUR 2.7 billion out of the total of around EUR 10 billion earmarked for the new ESA projects.

Automotive

The rising number of measurement channels in crash tests, new legislation and consumer protection programs as well as carmakers' growing model diversity is ensuring steady demand for measuring technology. As in the last few years, permanent demand for crash test products in countries such as China, India and Brazil will continue to fuel growth despite the temporary stagnation in the traditional markets of the United States and Europe. Further cost-cutting and outsourcing in the automotive industry are currently providing a good basis for further extensions to service for hardware and software products as well as dummy technology.

Telematics + Satellite Operations

Following the sustained boom in commercial vehicles in the past few years, business weakened substantially as of the second half of the year. With the economy declining, demand for transportation capacity and new commercial vehicles has shrunk markedly. In fact, some commercial vehicle OEMs hardly received any new orders at all in the 4th quarter of 2008.

This also left traces on sales volumes of factory-fitted telematics devices, which fell short of targets. Despite the current difficult conditions in the market, commercial vehicle OEMs are still committed to the growing trend towards factory-fitted telematics and navigation terminals.

Demand for data-based satellite services continued to grow again in 2008, although it did slow substantially in the 3rd and 4th quarters in the wake of the crisis afflicting the global economy. OEM business with long-standing customers General Electric, Caterpillar, Komatsu and Hitachi was also affected. Despite this, however, the total number of active models rose again with the pleasant effect that exposure to the major OEM customers was reduced slightly.

Organizational and legal structure of the Group

OHB Technology AG is Germany's first listed space technology company. Four business units offer international customers sophisticated solutions and systems: The Group is guided on the basis of the following parameters: segment sales, total revenues, EBIT and EBT. With over 25 years of experience in high technology together with its integrated skills in the areas of aviation, aerospace and telematics, the Group is ideally positioned in Europe.

Space Systems + Security

This business unit's activities encompass satellites, manned spaceflight, exploration and security/reconnaissance tech-

nologies. Thus, OHB-System develops, builds, launches and operates low-orbiting and geostationary small satellites for scientific applications, communications and terrestrial observation. The manned space flight segment includes work on constructing the International Space Station ISS/Columbus and fitting it out with research equipment. Exploration primarily entails research of outer space, particularly the moon. Reconnaissance satellites and broadband radio transmission of image data form the core of the security and reconnaissance activities.

Payloads + Science
This business unit specializes in developing and implementing payloads, scientific equipment and devices for aeronautics/aerospace, research institutes and industry. The Automotive and Process Control Technology segments are responsible for systems for recording and managing data derived from crash tests and for monitoring and controlling railway power supplies. The Automotive segment develops, produces and supplies outstanding data recording solutions for crash test facilities around the world. With a share of some 70 %, KT Automotive is the global market leader. KT Automotive has branches in the United States and China as well as a large international sales network.

Space Transportation + Aerospace Structures
This business unit is primarily a key supplier of components for aerospace and aviation products and possesses system skills in the antenna and mechatronics segment. Thus, MT Aerospace currently contributes around 10 % of the hardware (particularly structural and drive components) for the Ariane-5 launch vehicle, making it the largest German supplier for this project. In addition, MT Aerospace supplies fresh and waste water tanks, primarily for the Airbus fleet, and develops and produces components for the A380 passenger aircraft.

Telematics + Satellite Operations
The Telematics business unit develops comprehensive solutions for the efficient management of transportation activities. The main focus of its activities is on OEM solutions for commercial vehicle producers, applications for government agencies and security organizations as well as geographical information systems and web-based database solutions.

OHB Technology AG offers satellite services via its share in the US-based operator of the global ORBCOMM satellite system. ORBCOMM Europe and ORBCOMM Germany distribute and market these satellite services on an exclusive basis in Europe.

Business performance in 2008

OHB Technology AG can look back on a successful year in 2008, with business strong in all segments. Total consolidated revenues rose by 16 % to EUR 260 million (previous year EUR 223 million), with sales coming to EUR 232 million, up 6 % on the previous year (EUR 219 million). In this connection, it should be noted that Kayser-Threde GmbH was consolidated for the first full year in 2008. The delayed receipt of orders for the major Small GEO and EnMAP projects is the main reason for the difference between actual and forecast total revenues for 2008. Among other things, the postponed ramp-up of the ORBCOMM satellites meant that EBIT came to EUR 18.7 million, instead of the forecast figure of EUR 23 million. Earnings per share equaled EUR 0.61 in the year under review, down from EUR 0.84 in 2007, which had been inflated by non-recurring effects of EUR 0.23, whereas the figure for 2008 includes a negative exceptional of EUR 0.04 per share. In like-for-like terms, earnings per share came to EUR 0.65 (previous year EUR 0.61). The Management Board and Supervisory Board will be asking the shareholders to approve a dividend of EUR 0.25 per share for 2008 at this year's annual general meeting.

Space Systems + Security

In the Space Systems and Security business unit, order backlog and business performance remained favorable despite the decline in total revenues over the previous year. Thus, non-consolidated total revenues came to EUR 62.9 million in 2008 (previous year EUR 69.8 million), with non-consolidated sales dropping to EUR 59.2 million (previous year EUR 69.3 million).

OHB-System AG works on long-term projects which are generally awarded by public-sector customers. This affords a high degree of planning reliability over extended periods of time.

Earth observation and reconnaissance
The largest single contract to date, the SAR-Lupe project, successfully entered the operational phase in 2008. After the first three SAR-Lupe satellites had been successfully placed in orbit by a COSMOS 3M lifting off from the Plesetsk space center in 2006 and 2007, the final two satellites were launched on March 19 and July 22, 2008. These launches also added further chapters to the SAR-Lupe success story. All the satellites went into operation without any problems with the superb image quality and volume testifying to the quality of the system. The ten-year operational phase for the German Federal Armed Forces commenced in December 2007.

Testing of the entire SAR-Lupe system was successfully completed by the customer, the German Federal Office of Defense Technology and Procurement (BWB), on September 26, 2008, with the system officially handed over to the final user, the Strategic Reconnaissance Command, on December 4, 2008. SAR-Lupe gives the German Federal Armed Forces the world's most modern and powerful satellite reconnaissance system.

Back in 2002, the Federal Republic of Germany signed an agreement with France providing for a joint European reconnaissance satellite system to be developed on the basis of the SAR-Lupe (radar images) and French Helios II (optical images) programs. A contract for the realization phase of the Europeanization of the SAR-Lupe project was signed on December 1, 2006. Work on the project is proceeding according to schedule, with the preliminary components going into operation in 2008. This reconnaissance system can be viewed as a type of precursor to the MUSIS system currently being planned by six European countries (Germany, France, Italy, Spain, Belgium and Greece). In this connection, OHB worked on two multinational studies examining the architecture and requirements of the future ground facilities.

The national EnMAP (Environmental Mapping and Analysis Program), an innovative satellite for optical observation of the earth, is to be launched in 2012. Equipped with several hyperspectral sensors, it will be primarily used to map the state of the planet and to continue monitoring its condition. It is an innovative system which can be used for many new areas of application. Worth a total of EUR 90 million, the contract was awarded in the 4th quarter, with Kayser-Threde responsible for the instrument, the hyperspectral camera and overall management, while OHB-System is supplying the platform.

As a result, OHB Technology is ideally positioned for the future in a spectrum ranging from radar satellites to electro-optical satellites.

Communications

In December 2008, a contract worth around EUR 115 million was entered into with ESA for the development and construction of the Small GEO geostationary small satellite platform. Under the name LUXOR, this platform forms the basis for OHB's further new institutional and commercial business development in this segment. The project is being executed in conjunction with European partners Swedish Space Corporation (Sweden), Oerlikon Space AG (Switzerland) and LUXSPACE Sárl (Luxembourg).

Spanish satellite service provider HISPASAT has been selected for the first mission and will be supplying the payload for the ESA platform. Negotiations with OHB are ongoing (expected contract volume approx. EUR 55 million). The contract governing the provision of the satellite platform has already been signed by HISPASAT and ESA, with the satellite scheduled for a 2012 launch.

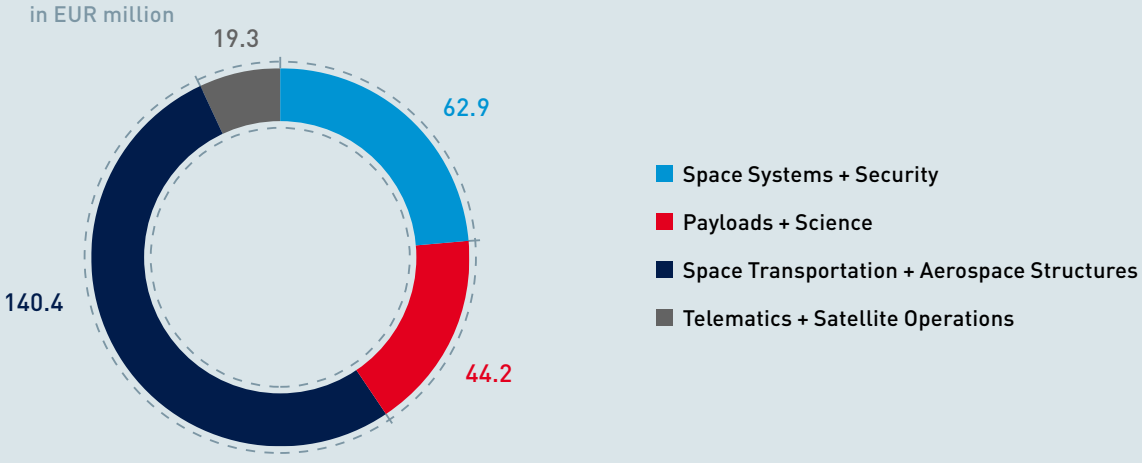
On the basis of market analyses, OHB expects global demand for up to eight satellites per year and will be able to supply at least one satellite a year. Potential customers include small countries, telecommunications carriers and up-and-coming satellite operators. This development gives Europe an ultramodern platform. One of the special features of this development is that these Small GEOs can be launched using any available carrier. The satellites have a modular structure.

This OHB-developed platform has already been adopted by DLR as the basis for a national telecommunications mission. In this connection, a series of studies will be performed to define the mission objectives for a German communications satellite (Heinrich-Hertz satellite).

ESA is also planning to use the Small GEO platform as a basis for the European Data Relay Satellite (EDRS). Accordingly, a further two institutional customers intend to use this satellite system as a basis for their projects.

In August 2007, OHB received a contract for the onboard security box for the German Federal Armed Forces' SATCOMBw satellite. The communications network used by

Total Revenues by Business Units before Consolidation and Holding



the German forces must be able to send and receive encrypted messages. Thanks to the experience gained with SAR-Lupe, OHB has built up extensive expertise in the area of cryptology. The units certified for integration in the satellites were supplied to the customer in 2008. Bids for a Galileo version are being prepared.

In addition to these communication satellite activities in geostationary orbits, OHB-System launched six ORBCOMM satellites on board a COSMOS 3M from Kasputin Yar, Russia. Based on a Russian platform and fitted with a US payload, these satellites will enable the operator ORBCOMM Inc. to offer AIS (Automatic Identification System) ship positioning data on a commercial basis for the first time. Activities to start up the six satellites and to position them in their final orbits were still ongoing at the end of 2008.

Navigation

In 2008, the EU and ESA invited proposals for the 28 operational satellites of the Galileo space segment. OHB has initiated the necessary groundwork for this project at both a technical and a commercial level. In a preliminary qualification process, OHB was selected by the EU and ESA as one of the two preferred bidders, followed seamlessly by the bidding process based on the competitive dialog. In this connection, a preliminary proposal was lodged in the 4th quarter and met with a favorable response, resulting in an invitation to take part in the dialog process and the submission of a refined proposal at the beginning of 2009. A final decision is expected for the second half of 2009.

Space exploration

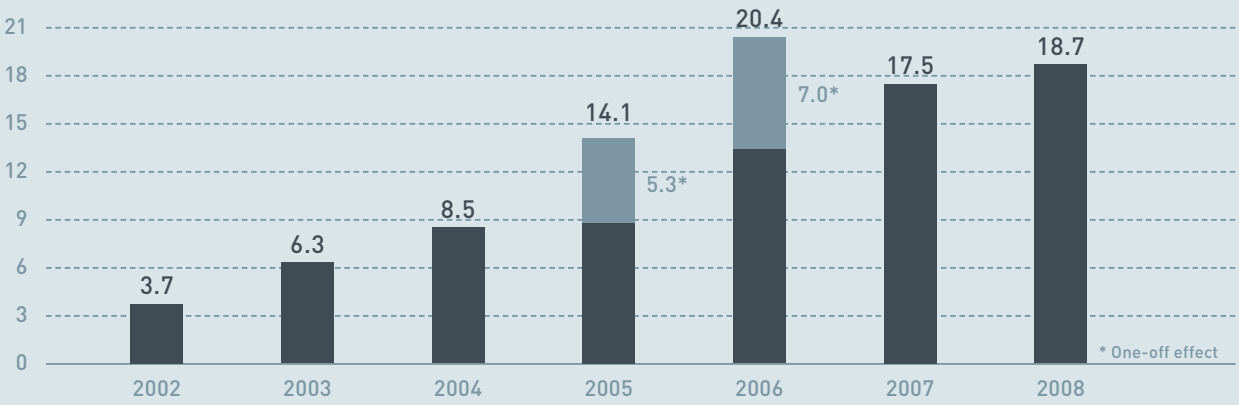
Back in 2007, OHB-System submitted to DLR the Mona Lisa study complete with preliminary results concerning plans for and the execution of a space exploration program. The main focus is initially on the moon as a research and test field for the development and demonstration of the technology required for exploration as a basis for planning and executing Mars missions. The core element of the first step in the Mona Lisa exploratory activities entails a lunar orbiter which, among other things, will be used to map the surface of the moon. At the beginning of 2008, OHB-System was awarded a contract for a Phase A study for the Lunar Exploration Orbiter (LEO) under the lead-management of Astrium. OHB was tasked with examining the orbiter platform and designing the function model of a scientific instrument. However, this project was cancelled by the responsible ministries in mid 2008 due to budgetary constraints. In addition to this national approach, OHB is conducting ESA studies on lunar and Mars exploration with great success. The main aspects entail the NEXT Moon, NEXT Mars and Exomars projects. The first project particularly entails the analysis of a lunar landing mission including a model for an unmanned lunar vehicle.

Space research

In 2008, OHB was awarded a contract for the examination of a mission to an asteroid. Known as Marco Polo, this mission provides for a vehicle to travel to an asteroid, take samples and return them to the earth. This is the first time that OHB is acting as main contractor in ESA's science program.

EBIT

Over seven years in EUR million



Payloads + Science

The Payloads + Science business unit was added to the OHB Group on July 1, 2007 and was consolidated for the first full year in 2008. The business unit generated non-consolidated total revenues of EUR 44.2 million in the year under review (previous year pro forma EUR 41.3 million), accompanied by sales of EUR 43.2 million (previous year pro forma EUR 47.4 million).

Space Technology

The business unit's core space technology competence entails the development of scientific instruments for orbital and interplanetary space missions. One area of focus concerns optical equipment of all kinds. This includes large telescopes as well as spectrometers and cameras covering the entire frequency range from X-rays to infrared. This business unit also has a traditionally strong position in the development of instruments for research under micro-gravitation conditions. This entails research apparatus and equipment for the International Space Station (ISS) as well as for unmanned missions with returnable capsules or research rockets.

In addition to scientific instruments, the space technology segment has recently also broadened its business development activities to include small and micro-satellite projects. This primarily involves small satellites for earth observation and for scientific studies as well as platforms for the orbital verification of new technologies.

During the year under review, numerous instruments developed by the space technology segment were launched into space on board various vehicles. The highlight was doubtless the European space laboratory Columbus, which went into operation at the beginning of 2008 as part of the International Space Station. Kayser-Threde developed numerous sub-systems for the laboratory, including the complete piping system with the module, control units for the cabin temperature and external humidifiers as well as parts of the video system. Examples of the payloads include the Geoflow apparatus and the external EXPOSE-E research equipment. A TEXUS campaign was executed again in the spring with two launches involving the deployment of telemetric and, for the first time, recovery systems supplied by Kayser-Threde. All the systems and instruments completed their measuring programs on schedule and are continuing to operate without any errors.

Significant progress was achieved with all major ongoing projects. This was reflected in a large number of successful design reviews, after completion of which approval to commence the next phase of the project was received in all cases. Examples include the OLEV (Orbital Life Extension Vehicle) and ExoMars-SPDS projects. Crucial milestones were also achieved with contributions to the European Galileo project, the Precise Timing Facility (PTF) – a ground unit for synchronizing the on-board clocks of all Galileo satellites – and the cabling of the first four Galileo satellites. With respect to the PTF, the CDR cycle was largely completed, while work on cabling the Galileo satellites commenced in August with the delivery of the flight units, with these activities to continue until mid 2009. This gave rise to a very strong position for follow-up contracts in connection with the construction of the remaining 28 Galileo satellites.

At almost EUR 90 million, order receipts reached a level more than three-fold the mean for the previous year. Of outstanding importance in this connection was the signing of development and launch contracts for the EnMAP and TET satellites by the national space agency and related sub-awards. The remaining volumes will be assigned in 2009. However, the PK4 from the ESA program was also a significant order receipt. This was joined by further sub-contracts under ESA's ExoMars program, which could be followed by considerable additional business over the next few years.

To summarize, it is fair to say that the Space Travel segment obtained several outstanding contracts, which were the culmination of many years of preparation. In the course of the year, the Company's position in this segment was reinforced on an enduring basis in all key areas.

Process control technology

This segment develops, produces and installs systems for monitoring and managing the supply of electricity along the electrified railway lines in Germany with a total length of some 18,000 km. The main customer is currently DB Energie.

It has been playing a leading role in innovative systems for the remote control and automation of DB's own signaling technology (station signaling systems) since 1976. In 2008, eleven new construction and conversion projects (worth a total of around EUR 2.5 million) were completed and numerous existing signaling systems equipped with new functions. At the end of the year, the order backlog for 2009/2010 included eleven new station signaling technology projects (also valued at around EUR 2.5 million).

As of the date of this report, 278 out of the 437 existing DB Energie signaling units have already been or are being fitted out with Kayser-Threder technology, in some cases with second-generation equipment.

Since 1986, this segment has set up all second and third-generation central electronic signaling systems for DB in conjunction with other companies. In this connection, Kayser-Threde primarily concentrates on linking the process with the signaling computers as well as data entry and management. Of the total of seven central electronic signaling systems, five are currently operating outside the guarantee period. As a result, service contracts have been entered into or extended for them.

Since 1996, the German railway company Deutsche Bahn has been using public communications networks for remote monitoring and maintenance tasks. In this way, a new area of activity entailing the provision of facilities for the secure transmission of data has arisen. This business

proved very strong again in 2008, making a considerable contribution to new order receipts. The new system offers the customer considerable savings potential in the services area. Following the successful implementation of the radio connection in the pilot Cologne project, this technology has since been fitted to a further four central electronic signaling systems. In the 4th quarter of 2008, orders were received for the radio connection for the final two of the total of seven central electronic signaling systems. As an additional service for DB Energie, the company is also handling the management of and first-level support for the radio VPN established in conjunction with T-Mobile.

Automotive Test Solutions

Kayser-Threde GmbH's automotive test solutions segment, which has been operating very successfully for 30 years, was spun off into a separate company known as KT Automotive GmbH in 2008. KT Automotive is a wholly owned subsidiary of Kayser-Threde GmbH. The spin-off was an important step towards positioning the company to optimum effect in the light of customers' requirements and the markets of the future. In this way, KT Automotive is able to focus even more effectively on innovative technologies such as in-dummy measuring technology and the related dummy service.

With its high-quality products and solutions, KT Automotive is the global market leader for crash-test data recording systems. In addition to hardware and software products, service is becoming an increasingly more important part of the company's core business. For this reason, a further service center was established in China. Consequently, customers have access to a unique international network comprising seven service centers in the United States, Europe and Asia. In 2008, KT Automotive GmbH received an important contract for the operation of the dummy laboratory of a leading European car maker. In this way, it is able to demonstrate and extend its own skills and also utilize the facilities for other customers.

After the successful launch of the premium MINIDAU® Advanced in 2007, a further new development called nxt32 was readied for the market in 2008. nxt32 is an entry-level data-recording system for use in both on-board and in-dummy applications. With this product, KT Automotive is the only supplier able to offer both distributed and central in-dummy data recording systems.

Space Transportation + Aerospace Structures

The Space Transportation + Aerospace Structures business unit recorded total non-consolidated revenues of EUR 140.4 million (previous year EUR 119.4 million) and non-consolidated sales of EUR 123.7 million (previous year EUR 110.6 million) in 2008.

The year under review saw further stabilization in the European space technology industry. As in the previous year, six Ariane 5 launches were executed, five with the enhanced ECA version with a payload of around 9.5 t and one with the GS version (launch of the ATV in March 2008). Negotiations on the Ariane 5 PB lot entailing the production and delivery of 35 shipsets, were largely competed in 2008, with the signing of the delivery contracts postponed until the 1st quarter of 2009.

In 2008, business in aircraft products primarily entailed the delivery of fresh and waste water tanks for Airbus aircraft. No sales were generated from the business in lightweight structures for the A380 passenger aircraft and the A400M military transporter, with the delays incurred by Airbus feeding through to the components industry.

The steel structure for the Sardinia radio telescope with a diameter of 64 m was largely completed in Egypt and dispatched to Sardinia. The first construction stage was completed at the site with the assembly of the 35 meter high Alidadc reflector support structure.

In connection with the ALMA radio telescope project, which comprises 25 individual antennas each with a reflector diameter of 12 m, the first antenna was fabricated and pre-assembled in Spain and underwent extensive testing. At the same time, the site in the Atacama Desert in Chile at an altitude of 2,800 meters was prepared. In the final stage, seven antennas are to be mounted simultaneously. After the completion of testing of the individual antennas at an altitude of 2,800 meters by the customer, they will be transported to their final location at an altitude of 5,000 meters and put into operation. The contract is being performed by a European syndicate.

In addition, extensive engineering studies were performed for the next generation of optical large-scale telescopes with a diameter of 42 meters and a weight of 5,000 tons for the ESO (European Southern Observatory) together with an engineering study for a 2 meter solar telescope in India.

Telematics + Satellite Operations

Non-consolidated total revenues in the Telematics + Satellite Operations business unit came to EUR 19.3 million in 2008, up on the previous year's figure of EUR 16.5 million. Non-consolidated sales reached EUR 12.6 million (previous year EUR 14.5 million).

Telematics

As in the previous year, the key mainstay of telematics business was the joint activities with commercial vehicle OEMs. The telematics system developed for DAF Trucks, Eindhoven, Netherlands, passed all of the OEM's tests in June 2008 and has been officially on sale since July 2008. Accompanying marketing activities together with a portal service were commenced at the IAA commercial vehicles shows in Hannover in 2008. However, with the downswing in the economy in the final quarter of 2008 and the worsening of the financial crisis, business and deliveries of the telematics products

dropped sharply in September 2008. As OHB continued to supply the devices up until the end of October in line with the provisions of the contract, negotiations for the acquisition of all the inventories have been commenced.

The volume of devices stipulated in the forecast for 2008 was shipped to commercial vehicle maker MAN.

Supplies of telematics systems for military vehicles account for roughly two thirds of total deliveries. In view of the extraordinarily good quality of the telematics deliveries, MAN renewed the contracts for civil vehicles by a further two years until the end of 2010.

Despite the international competition, OHB was able to gain a contract from a Scandinavian commercial vehicle maker for the development of its future navigation system. This situation is to be implemented all around the world and will feature the latest processor technology as well as a special navigation software specifically targeted at the requirements of commercial vehicles. The market launch is scheduled for mid 2011.

As part of the EU INTEGRITY project, a door-to-door system solution is to be developed to control the entire transport route from China to Europe via the ports of Yantian, Rotterdam and Felixstowe right up to the final destinations by rail, road and inland water ways. The syndicate comprises customs authorities, logistics companies, cargo owners, port operators and system integrators in order to implement and complete the project successfully.

Satellite Operations

ORBCOMM Inc. also felt the effects of the general economic recession, particularly in the United States, in 2008, with aftermarket business especially bearing the brunt. Demand also weakened on the part of the most important OEM customers, leaving sizeable traces in modems sold and registered. Although the total number of modems registered continued to rise, the growth was slower than had previously been assumed.

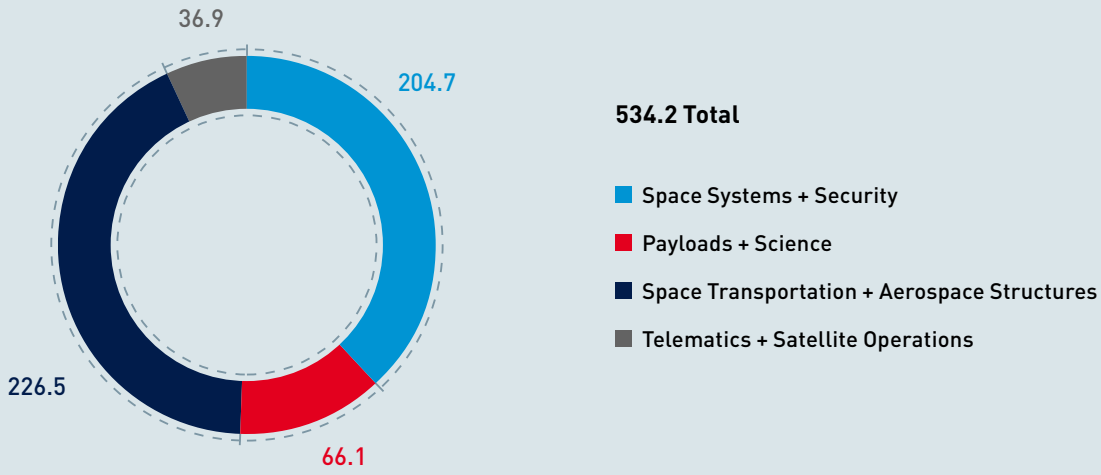
In June 2008, the CDS and QL ORBCOMM satellites were successfully placed in orbit and will provide a substantial improvement in worldwide service. The additional new AIS service, which tracks the movements of all registered ships around the world with a size of over 500 GRT, will offer scope in the future for a series of interesting applications for private and government users.

In addition, ORBCOMM placed a contract for a further 18 next-generation satellites.

In 2008, the number of billable subscriber communicators increased by 108,784 (or 31 %) to 459,784 units.

Order Backlog by Business Units

12/31/2008 in EUR million



SALES AND ORDERS

The OHB Technology Group's total revenues came to EUR 260.0 million (previous year EUR 223.3 million) and sales to EUR 232.5 million (previous year EUR 218.8 million). Thus, total revenues were up 16.4 %. Since the stock market flotation in 2001 and the integration of OHB-System AG in the OHB Group in 2002 as well as the acquisition of MT Aerospace AG in 2005 and Kayser-Threde GmbH in 2007, total revenues have risen from EUR 15.0 million (2001) to EUR 260.0 million.

In the Space Systems + Security business unit, order backlog and business performance remained very favorable despite the decline in total revenues over the previous year. Total revenues came to EUR 62.9 million in 2008 (previous year EUR 69.8 million).

The Payloads + Science business unit generated non-consolidated total revenues of EUR 44.2 million in the year under review (previous year pro forma EUR 41.3 million), accompanied by sales of EUR 43.2 million (previous year pro forma EUR 47.4 million).

The Space Transportation + Aerospace Structures business unit continued to perform well, with sales rising to EUR 123.7 million (previous year EUR 110.6 million) and total revenues climbing to EUR 140.4 million (previous year EUR 119.4 million).

In 2008, growth in the Telematics + Satellite Operations business unit was hampered by the effects of the financial crisis on the commercial vehicles industry.

Total revenues came to EUR 19.3 million in 2008 (previous year EUR 16.5 million). Sales contracted slightly from EUR 14.5 million to EUR 12.6 million in 2008.

At EUR 534.2 million as of the balance sheet date, the order backlog reached a new record (previous year EUR 446.7 million), with Space Transportation + Aerospace Systems contributing EUR 226.5 million, Space Systems + Security EUR 204.7 million, Payloads + Science EUR 66.1 million and Telematics + Satellite Operations EUR 36.9 million.

RESULTS OF OPERATIONS

Post-tax profit came to around EUR 9.0 million in the year under review (previous year EUR 12.5 million), translating into earnings per share of EUR 0.61 (basic and diluted) for fiscal 2008, down from EUR 0.84 in the previous year.

Adjusted for the exceptionals occurring in 2005, 2006 and 2007, earnings per share came to EUR 0.36 in 2005, EUR 0.52 in 2006, EUR 0.61 in 2007 and EUR 0.65 in 2008. Earnings per share for 2008 were dragged down by EUR 0.04 as a result of the effects of an external tax audit conducted at a Group subsidiary and thus stand at EUR 0.61.

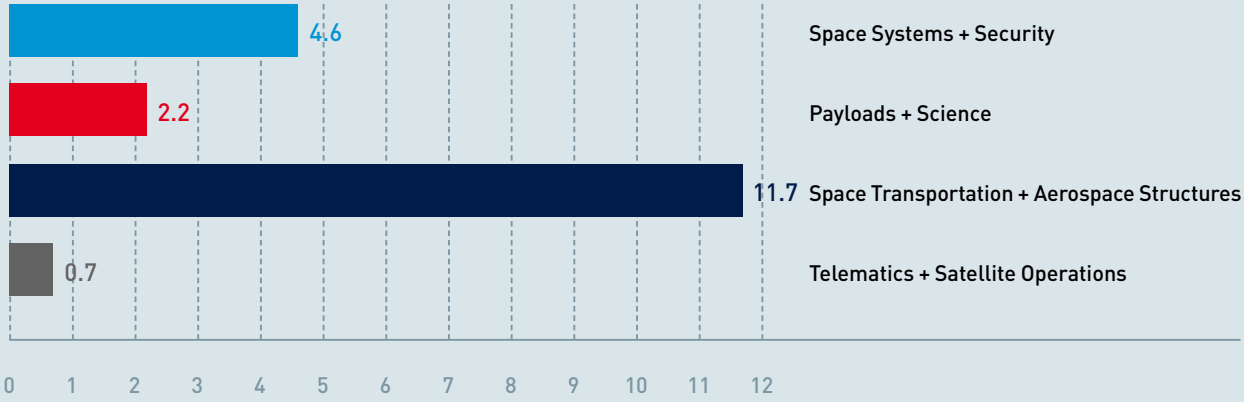
The steady growth in operating profit since the Company's stock-market flotation in 2001 is thus continuing, with earnings before interest, taxes, depreciation and amortization (EBITDA) climbing by some 11 % to EUR 28.7 million (previous year EUR 25.9 million). This resulted in higher earnings before interest and taxes (EBIT) of EUR 18.7 million in the year under review, compared with EUR 17.5 million in the previous year.

Before consolidation, the Space Systems + Security business unit generated EBIT of around EUR 4.6 million in 2008 (previous year: EUR 6.4 million), translating into an EBIT margin of 7.3 % (previous year 9.2 %).

EBIT before consolidation in the Space Transportation + Aerospace Structures business unit stood at EUR 11.7 million (previous year: EUR 9.3 million), equivalent to an EBIT margin of 8.3 % (previous year 7.8 %).

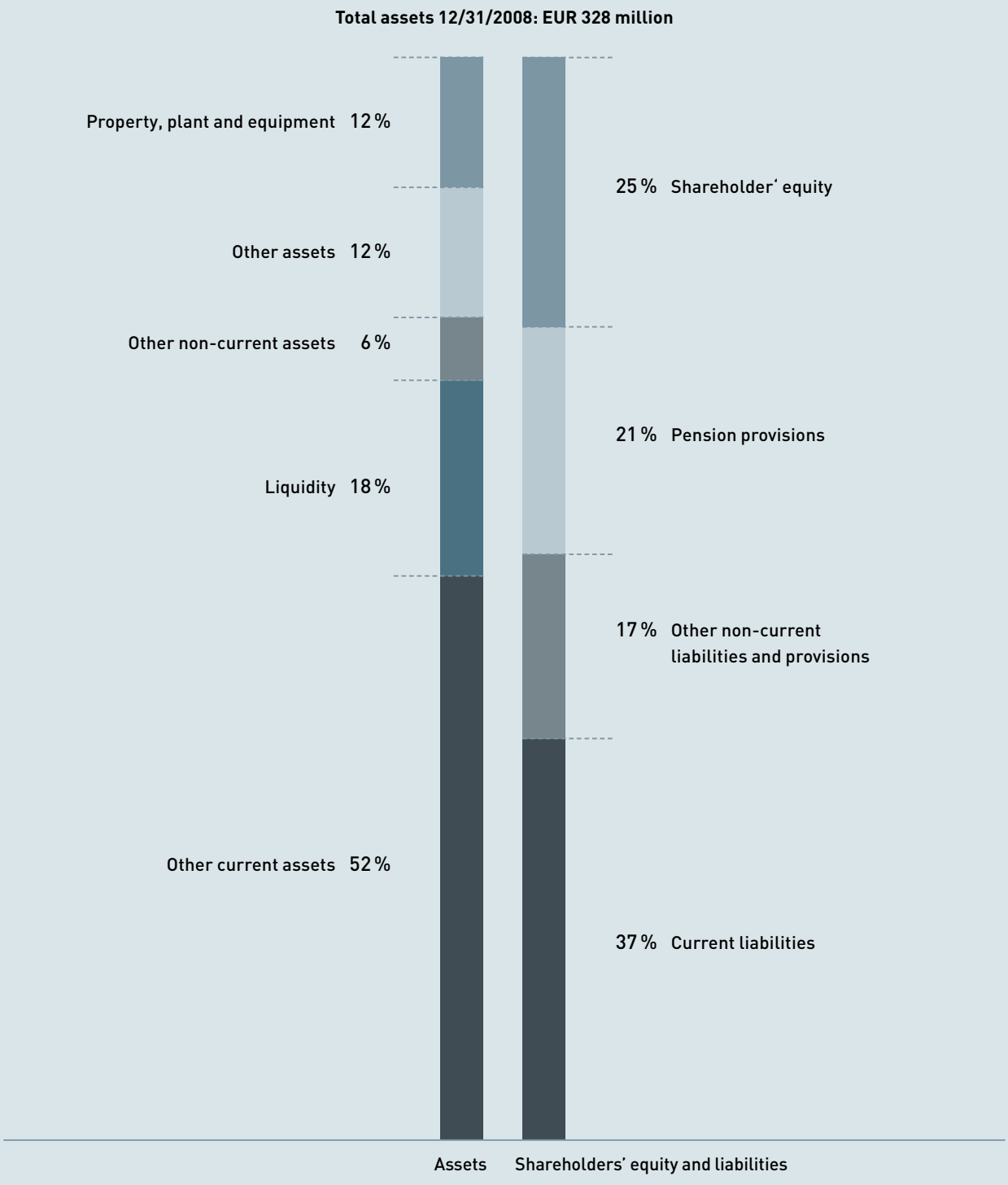
EBIT by Business Unit before Consolidation and Holding

2008 in EUR million



Asset Structure

As a percentage of total assets



EBIT in the Payloads + Science business unit came to EUR 2.2 million, translating into an EBIT margin of 5.0 %. The Telematics + Satellite Operations business unit achieved EBIT of EUR 0.7 million (previous year EUR 0.1 million).

The OHB Technology Group recorded net finance expense of EUR 2.6 million in 2008, reversing the previous year's net finance income of EUR 0.9 million, which had arisen as a result of exceptionals. This is chiefly due to interest expense of EUR 3.5 million in connection with pension provisions recognized by one Group member, net of currency translation gains, investment income and the share of profit of associates.

The parent-company financial statements prepared according to German GAAP (HGB) for OHB Technology AG carry an unappropriated surplus of EUR 9.3 million for 2008.

ASSETS AND FINANCIAL CONDITION

In 2008, total assets rose from EUR 315.0 million to EUR 328.1 million. Group capital spending stood at EUR 16.3 million in 2008 (previous year EUR 20.1 million).

Inventories rose in value from EUR 69.9 million to EUR 79.3 million; on the other hand, advance payments received from customers climbed to EUR 88.3 million (previous year: EUR 75.6 million).

Cash and cash equivalents including securities were valued at EUR 60.6 million as of December 31, 2008, down from EUR 73.1 million in the previous year. The Group had sufficient liquidity to fund all main planned investments internally.

At EUR 81.4 million on December 31, 2008, equity capital was virtually unchanged over the previous year. The withdrawals from equity as a result of the dividend distribution and changes in the revaluation reserve over the previous year reflecting the decline in the stock price of ORBCOMM Inc., Dulles (United States), were more than made up for by the net profit for the year, resulting in an equity ratio of around 25 % as of the balance sheet date (previous year 26 %).

The pension provisions of EUR 68.6 million at the end of 2008 constitute the main item on the right-hand side of the balance sheet after equity. They did not change materially compared with the previous year.

Trade receivables of EUR 77.8 million (previous year EUR 71.8 million) were offset by trade payables of EUR 31.4 million (previous year EUR 28.9 million).

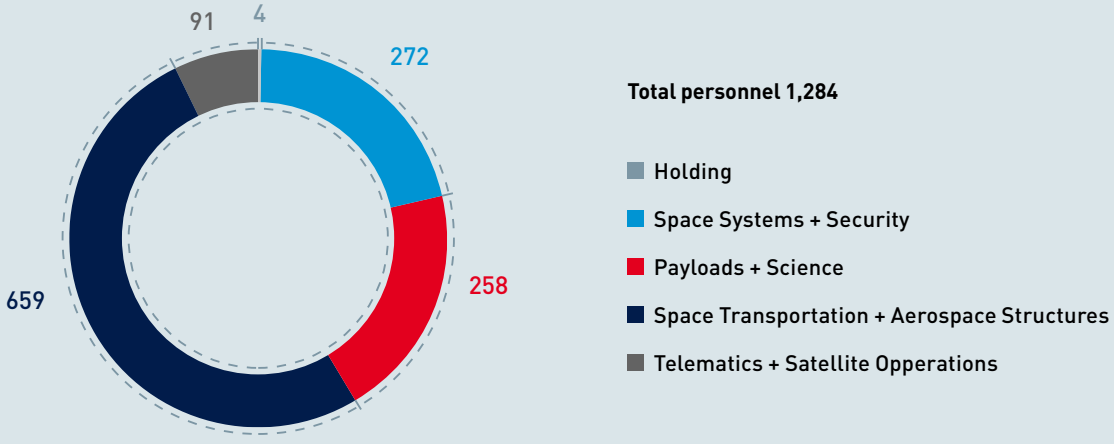
EMPLOYEES

In 2008, the OHB Technology Group recruited a total of more than 50 university graduates in technical disciplines alone. In contrast to the trends in other sectors, recruiting also continued in the 3rd and 4th quarters. This not only reflects the strong order situation but also constitutes a crucial contribution to ensuring sufficient human resources in the Group companies' areas of expertise for the future. The aim is to handle new and sophisticated projects using internal personnel resources and also to ensure that the Group has the qualified and experienced staff necessary for its future growth. Given the high complexity of the projects, it is crucial for new staff to receive necessary training and experience in the medium and long term. For this reason, new employees are assigned responsible tasks and duties in projects and departments at an early stage and receive support from experienced colleagues. This encourages a high degree of motivation and performance.

As of December 31, 2008, the OHB Technology Group had 1,284 (previous year 1,189) employees. The innovative skills and dedication of our staff are reflected in the following breakdown: As of the end of the year, 374 employees were assigned to the development/system engineering area, 464 to the HW production, mechanical engineering,

Staff

Total personnel by Business Units 12/31/2008



service area, 239 to the distribution/project management area, 162 to the commercial and system administration area and 45 to quality management.

COMPENSATION REPORT

The compensation paid to the members of the Management Board comprises fixed and variable components. The Compensation Report included in the Corporate Governance Report on pages 64-65 forms an integral part of the Management Report. The basic elements of the compensation system are described in the corporate governance report as well as in the notes to the financial statements.

RESEARCH AND DEVELOPMENT

In the year under review, OHB spent roughly EUR 16.7 million (previous year EUR 12.2 million) on research and development (R+D). Part of the R+D activities are funded by various institutions such as the European Union, the German Federal Government and the German states. In accordance with European Union directives, subsidies account for between 25 % and 75 % of the total costs depending on the market proximity of the development project.

In its research and development activities, the Space Systems + Security business unit concentrates on space exploration, particularly the moon. The preliminary results of a detailed program proposal provide for the deployment of a national lunar orbiter to map the moon and a European lunar lander capable of performing various technological experiments in the areas of biology, life sciences, automation and robotics on the surface of the moon.

A further key aspect entails participation in the GMES initiative, in connection with which OHB Technology is primarily developing satellite-based demonstration applications for monitoring shipping and for measuring ship emissions.

R+D activities in the Payloads + Science business unit centered for the most part on additional enhancements to station signaling technology and basic research in the space segments, while automotive activities focused on the development of a data recorder for use both inside and outside dummies for crash testing in the automobile industry. As well as this, work is progressing on the further development of station signaling technology for managing the new generation of switching systems currently being rolled out by DB Energie.

In the Space Transportation + Aerospace Structures business unit, special attention was paid to tanks/tank components in the year under review to build up and extend subsystem skills for tanks for use in space and aviation projects.

Work on developing the fuel tank for the new Alphabus satellite platform continued at an intensive rate. The technical complexity and specific customer wishes pose major challenges for on-time and in-budget completion of projects. The qualification model was built with the series of qualification activities currently ongoing at the same time as the fabrication of the two tanks for the Alphasat's first flight.

CFRP activities concentrated primarily on the search for and evaluation of niche technologies for CFRP production, the consolidation of our competitiveness in this area as well as improvements to skills in riveted and glued links.

The main focus of research and development activities in the Telematics + Satellite Operations business unit concerned further technical enhances to on-board telematics computers.

QUALITY, ENVIRONMENT MANAGEMENT AND DATA PROTECTION

Quality Management

Quality management is monitored on a non-centralized basis by the individual companies.

OHB-System AG monitors quality management for OHB Technology and the necessary current certificates for the following companies:

- OHB-System AG
- OHB Teledata GmbH
- megatel GmbH
- Kayser-Threde GmbH
- LUXSPACE Sàrl
- MT Aerospace AG

Legal responsibility for implementation of the certificate requirements in product-related operational quality management processes rests with the individual companies.

OHB-System AG, OHB Teledata GmbH, megatel GmbH

Certification by Germanischer Lloyd encompasses distribution, systems management, development, procurement, production and maintenance of products for space and environmental technology, information and communications technology as well as software products and services.

DIN EN ISO 9001:2000 quality management system (base certification)

OHB-System, OHB Teledata and megatel have current base certification for a quality management system in accordance with DIN EN ISO 9001:2000 as well as the following additional certificates:

- **EN ISO 9100:2003 quality management system (aerospace/aeronautics)**
  OHB-System AG has been additionally certified in accordance with EN ISO 9100:2003 for quality management in the same and aerospace segments since 2004. This certification involves inclusion on the BDLI supplier list and in the global OASIS database. Certificate QS-3674 HH issued by Germanischer Lloyd remains in force until May 2009, with the certificate renewal process to be implemented in April 2009.

- **AQAP Standards (Military and NATO projects)**
  It was necessary for the AQAP 2110 (quality management) and AQAP 2210 (software quality assurance) certificates to be modified in 2008 for development, production, distribution, system implementation in military space and aerospace activities, reconnaissance as well as satellite and communications technologies. Following the successful completion of the audit by the German Federal Office of Defense Technology and Procurement (BWB), the new certificate was issued on September 23, 2008 and remains in force until May 2011.

Kayser-Threde GmbH

DIN EN ISO 9001:2000 quality management system (base certification)

The certificate issued by DEKRA encompasses distribution, systems management, development, procurement and production and maintenance of space technology products and remains in force until July 2009.

ISO 14001 environmental management

Observance of the environmental management requirements stipulated by DIN EN ISO 14001 is overseen by an environmental management officer; formal certification is currently not necessary.

LUXSPACE Sàrl

DIN EN ISO 9001:2000 quality management system (base certification)

The certificate issued by Germanischer Lloyd covers the development, procurement and distribution of space components and systems. The certificate remains in force until June 2011.

MT Aerospace

DIN EN ISO 9001:2000 quality management system (base certification)

EN ISO 9100:2003 quality management system (Aerospace/aeronautics)

Compliance with the certificates issued to MT Aerospace AG and MT Mechatronics GmbH is overseen locally by the corresponding quality management officers.

MT Aerospace's Augsburg facility is certified pursuant to DIN EN ISO 9001:2000 and EN ISO 9100:2003 for the distribution, development and production of aviation technology as well as pursuant to EASA Part 21 G as a manufacturing site for aircraft equipment and Part 145 as a maintenance provider.

Environmental management

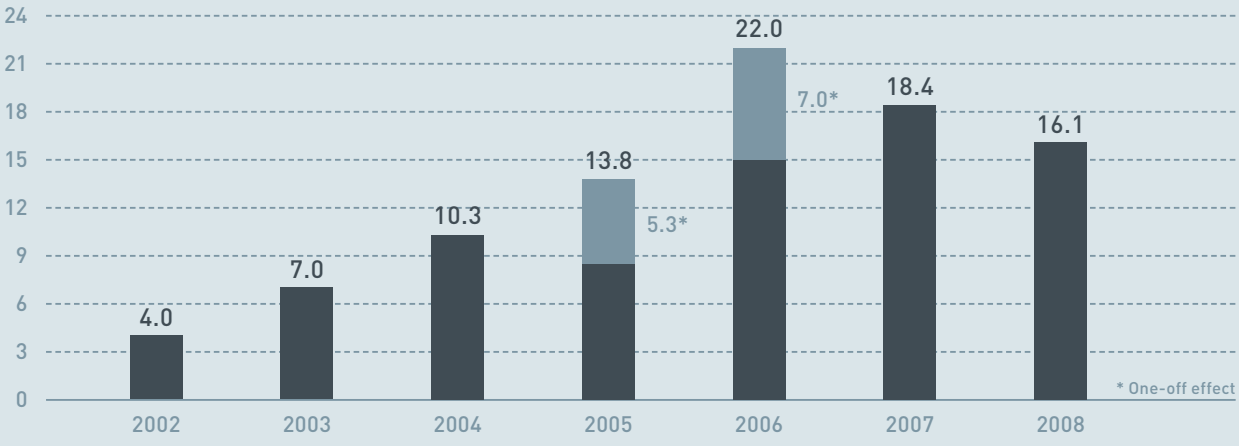
DIN EN ISO 14001 (environmental management)

According to Germanischer Lloyd, environmental management certification in accordance with DIN EN ISO 14001 is not necessary for the Bremen site. Consumables as well as special wastes, e.g. metallic substances and electronic scrap, are disposed of in a controlled manner under standard contracts with certified external waste management companies or are recycled. In the case of projects in which potentially hazardous substances are used, e.g. fuel for satellites, the operators of the launching pads handle the supervision and disposal of such materials.

Certification for OHB Teledata became necessary as a result of customer requirements. Following the successful completion of the audit by Germanischer Lloyd, OHB Teledata received an environmental management certificate on November 20, 2008 expiring in November 2011.

EBT

Over seven years in EUR million



Data privacy

Audit in accordance with the German Federal Data Privacy Act

Data privacy in accordance with the German Federal Data Privacy Act of January 14, 2003 is safeguarded by the data privacy officers at the individual company sites who are formally registered with the responsible state data privacy agencies. The companies based in Bremen are overseen by OHB-System's data privacy officer.

The requirements stipulated by the German Federal Data Privacy Act are set out in data privacy policies and rules which are binding for all companies based in Bremen.

RISK REPORT

OHB Technology's Management Board permanently monitors the Group's operating, market and financial risks and is integrated in all main business and capex decision-making processes in order to ensure the Group's sustained business success.

The risk management system used by the OHB Group is primarily supported by the central Quality Management and Finance/Controlling departments. Assisted by the central departments, the Management Board observes and analyzes trends in the sector, market and economy as a whole on an ongoing basis.

The basis for risk management is formed by a detailed monthly report for overseeing orders and costs. Reporting also covers all business development, research and development activities and allows potential risks to be identified at an early stage.

The subsidiaries submit standardized monthly reports to OHB-Technology AG covering all processes and risks of relevance.

The individual business units deploy different software systems for generating reports, e.g. SAP or business intelligence solutions.

Quality management for the management and quality management processes accords with DIN EN ISO 9001:2000 and EN ISO 9100:2003 and is documented in a manual; the Management Board receives annual Group quality reports.

We consider the following types of risk to be relevant for OHB Technology AG's business activities:

Sector risks, risks in underlying conditions

The Space Systems + Security and Payloads + Science business units primarily work for public-sector customers. Accordingly, order receipts depend on public-sector budgets. This market has been consolidating over the past few years. However, this situation is, if anything, favorable for OHB Technology AG in view of its special position as a German systems provider for space technology.
The telematics sector is also experiencing extreme market consolidation, as a result of which the number of commercial vehicle producers has dropped to a handful in the past few years. This has caused the number of potential OEM customers to shrink. There has also been considerable consolidation on the part of our competitors. The global financial crisis is affecting the economic situation of commercial vehicle OEMs and, hence, the prospects for business in the telematics sector. The Space Transportation + Aerospace Structures business unit is particularly exposed to risks in connection with the procurement of raw materials for the production of boosters for the Ariane-5 launch vehicle. Business success hinges directly on the success of the Ariane program.

Strategic risks

Space Transportation + Aerospace Structures business unit is heavily exposed to the fortunes of the Ariane 5 program. In the Space Systems + Security business unit, the SAR-Lupe and ORBCOMM launch missions were successfully completed in the year under review. Accordingly, the risks have initially shifted to the proper functioning of the satellites in orbit. No major launch campaigns are planned for the next three years. The successful launch of the European Columbus module for the ISS space station and the ATV in the year under review will also initially ensure a reliable supply of follow-up orders. A further main determinant is the successful completion of development projects within the stipulated periods and in line with the contractual prices.

It is crucial for new business to be gained in competition with large companies in the aviation and aerospace industry in particular to ensure the OHB Group's continued growth and to achieve satisfactory capacity utilization.

Sourcing risks

The cost of raw materials, particular for booster production, remained steady in the year under review. The delivery periods agreed upon with the suppliers are very largely observed. The sourcing of produced parts remains problematic. However, long-term delivery agreements are in force for the main commodities.

The OHB Group is addressing this situation by monitoring the buy-side market continually, tracking inventories constantly and increasingly taking measures to safeguard the local availability of supplies. In addition, it is continuing to tap new sources particularly in the Eastern European countries.

Project risks

The risk management system used for bid-costing and ongoing project management involves regular escalated reporting to the project managers, the directors and the Management Board of OHB Technology AG.

All projects are subject to regular review by the Management Board and form part of a continuous monitoring process covering technical performance, schedule compliance and budget checking.

Personnel risks

The OHB Group employs a large number of highly qualified people. Its success hinges on the motivation and dedication of these employees. However, Group expertise is spread over many people, meaning that there is only very limited dependence on individual specialists. Staff fluctuation is low at the OHB Group. Employee numbers rose as a result of organic growth in 2008. Despite the difficult state of the labor market in the highly specialized aviation and aerospace industry, the OHB Group was able to find suitable specialists to cover its personnel requirements. Looking forward, it will be necessary to step up efforts to cover growing personnel requirements, particularly by means of international recruiting.

Financial risks

The operations risk management system ensures detailed cost checks and monitoring in the light of public-sector pricing law. The Product Quality and Purchasing departments particularly monitor suppliers so that operating and technical risks can be assessed more reliably and suitable precautions taken. Monthly and quarterly reporting forms an integral part of OHB Technology AG's risk management operations.

Budgeting, regular forecasts and ongoing reporting discussions supplement standardized reporting in the four business units.

Customer payment practices are monitored on an ongoing basis to minimize financial risks. In addition to a multi-level reminder system, controlling methods include regular reports to the Management Board.

The OHB Group's customer base comprises both directly and indirectly a large proportion of public-sector customers. For this reason, the risk of payment defaults is extremely small. Over the past few years, there have been virtually no payment defaults, meaning that adjustments to or the prolongation of individual receivables have not been necessary.

Payments on account received comprise part payments remitted upon the completion of specific project milestones. In this way, it is possible to minimize liquidity risks and working capital requirements.

Most goods and services procured are invoiced in euro. Foreign-currency transactions in the dollar region may result in translation gains or losses. The condition of the US dollar led to currency-translation gains but also impaired competitiveness in individual cases last year. In the aviation segment, the dollar-denominated orders and receivables were hedged. The securities entail long-term investments with acceptable risks. A conclusive assessment of the risk situation is not possible due to the current situation in the financial markets.

Summary

In fiscal 2008, the OHB Technology Group's exposure was for the most part confined to the risks described. In the light of current market trends and the outlook for business as well as the financial situation, the Management Board considers future risks to the Group as a going concern to be acceptable.

RELATED PARTIES REPORT

The OHB Technology Group is effectively controlled by the Fuchs family via its direct and indirect equity interests. For this reason, the Management Board has prepared a related parties report in accordance with Section 312 of the German Stock Corporations Act, which was audited and certified as part of the audit procedures for the annual financial statements. In this related parties report, the Management Board makes the following declaration: "No transactions or activities impairing the Company's interests pursuant to Section 312 of the German Stock Corporation Act have been engaged in."

DISCLOSURES IN ACCORDANCE WITH SECTION 315 (4) OF THE GERMAN COMMERCIAL CODE

Breakdown of the subscribed capital

The share capital stood at EUR 14,928,096.00 on the balance sheet date and was divided into 14,928,096 no-par-value bearer shares.

Restrictions to voting rights or the transfer of shares

Prof. Dott. Ing. h.c. Manfred Fuchs, Christa Fuchs and Marco R. Fuchs, who are also shareholders of VOLPAIA Beteiligungs- GmbH, and VOLPAIA Beteiligungs- GmbH in their capacity as shareholders of OHB Technology AG, entered into a pooling contract on December 20, 2001 providing for the coordinated exercise of voting rights with respect to present and future share holdings. A total of 64.57 % of the share capital is held.

On February 4, 2009, the parties signed an addendum to this pooling contract imposing on them sales restrictions, particularly rights of first refusal, with respect to the shares held in the pooling contract.

Shares exceeding 10 % of the voting capital

Prof. Dott. Ing. h.c. Manfred Fuchs holds 23.40 % and Christa Fuchs 13.40 % of the subscribed capital of OHB Technology AG. VOLPAIA Beteiligungs- GmbH holds a further 24.99 % of the Company's shares. Together with the shares held by Marco R. Fuchs, 64.57 % of the Company's shares are subject to a pooling contract providing for the coordinated exercise of voting rights.

Statutory stipulations and provisions contained in the Company's Articles of Incorporation with respect to the appointment and dismissal of members of the Management Board and amendments to the Articles of Incorporation

With respect to the appointment and dismissal of members of the Management Board, reference is made to the statutory provisions contained in Sections 84 and 85 of the German Stock Corporation Act. In addition, Article 7 (1) and (2) of the Articles of Incorporation of OHB Technology AG in the May 2008 version stipulate that the Supervisory Board is to appoint the members of the Management Board and determine their number. A member of the Management Board may be appointed Chairman. In addition, the Supervisory Board is empowered to appoint members of the Management Board as deputy to the Chairman of the Management Board.

The procedure for amending the Articles of Incorporation is governed by Sections 133, 179 of the German Stock Corporation Act. Article 20 of the Articles of Incorporation of OHB Technology AG also empowers the Supervisory Board to make amendments to the Articles of Incorporation affecting only their version.

Powers of the Management Board to issue or buy back shares

At the annual general meeting held on May 7, 2008, the shareholders passed a resolution authorizing the Management Board to buy back up to 10 % of the Company's share capital outstanding as of the date of the resolution on or before November 6, 2009.

Authorization was granted to use the Company's shares for all purposes permitted by law including but not limited to:

- the placement of the Company's shares in foreign stock exchanges
- the acquisition of all or parts of other companies or shares therein,
- offering and transferring shares to the employees of the Company or other companies related with it in accordance with Sections 15 et seq. of the German Stock Corporation Act.

The Company held 66,954 shares as treasury stock as of the balance sheet date. This is equivalent to around 0.45 % of the share capital.

At the annual general meeting held on May 10, 2007, the shareholders authorized the Management Board to increase with the Supervisory Board's approval the Company's share capital by up to EUR 7,464,048.00 on a cash or non-cash basis by issuing new shares once or several times on or before May 9, 2012.

In addition, the Company's Management Board was authorized – subject to the Supervisory Board's approval – to exclude the shareholders' subscription rights

- for part of the authorized capital up to a maximum of EUR 1,492,809.00 provided that the new shares are issued in return for cash capital contributions at a price not materially less than the stock-market price;
- for a part of the authorized capital up to a maximum of EUR 7,464,048.00 if the shares are issued as consideration for the acquisition of all or part of other companies and such acquisition is in the interests of the Company; or as consideration for cash capital contributions to have the Company's stock listed in a foreign market in which it has previously not been admitted to trading (authorized capital).

The Management Board is additionally authorized subject to the Supervisory Board's approval to determine the extent and nature of the option rights and the other conditions of issue.

Please refer to the corresponding parts of the notes on the consolidated financial statements for further information.

SIGNIFICANT EVENTS OCCURRING AFTER THE END OF THE PERIOD UNDER REVIEW

On February 11, 2009, MT Aerospace entered into long-term delivery contracts for components for a further 35 Ariane-5 launch vehicles one week after launch service provider Arianespace had awarded a contract to the European industrial syndicate. The delivery contracts have a total value of EUR 370 million.

OUTLOOK

The OHB Technology Group will remain on its growth trajectory in fiscal 2009 again.

Space Systems + Security

This year, the Space Systems + Security business unit will be concentrating on project work for the small geostationary satellite Small GEO, including the contract for the payload with the Spanish satellite service provider HISPASAT. EnMAP, an optical satellite with hyperspectral instruments based on the SAR-Lupe platform, is currently also in phase B.

The Small GEO/Luxor program constitutes a special strategic thrust. OHB has set itself the target of becoming the leading European supplier of small geostationary satellites. After being awarded a contract by ESA to develop and build a demonstrator, OHB-System has taken a major step forward towards achieving this goal. Negotiations for the award of a contract by Spanish satellite operator HISPASAT for the payload for this demonstration have commenced and are expected to be concluded towards mid-year. Efforts to generate follow-up contracts have started with the aim of selling at least one satellite a year.

OHB will continue to prepare intensively for the bidding process for ESA's Galileo space segment, for which it has already qualified as a bidder. ESA plans to procure up to 28 satellites for full operational capability. The EU and ESA

plan to continue the bidding process in 2009 with a call for refined proposals, followed by a BAFO ("best and final offer") round in the second half of the year. Accordingly, the contract will be awarded before the end of the year. There are two options for sourcing these satellites: one of the two remaining bidders will be awarded the entire contract for all units or, alternatively and expressly stated in the bidding rules, the contracts may be dual-sourced by splitting them between the two bidders.

In the exploration area (moon/Mars), we assume that OHB will secure a strong share of the ESA EXOMARS program (Mars orbiter/carrier).

As in the previous year, the Management Board is convinced that OHB will continue to take part in the follow-up jobs assigned and promised by ESA for further extensions to the International Space Station ISS.

In addition to these military projects, OHB-System is paying key attention to generating business in connection with the ESA/EU GMES activities. In this connection, the Sentinel 4 and 5 and Sentinel S are of particular interest.

The work on the satellite security development and production contracts commenced with SAR-Lupe and continued with the security systems for SATCOMBw II will constitute a key element of OHB's core competence in 2009 as well. They will also be able to provide Galileo with the necessary protection. Highly reliable protection of orbiting satellites from external access is of crucial importance not only for military customers.

This forecast has been additionally confirmed with the decisions made at the ESA Conference of Ministers, which create the necessary basis for budgeting and provide foundations for planning over the next three years.

Payloads + Science

Kayser-Threde is continuing to pursue a strategy of concentrating on selected areas for which it holds the necessary technology. The purpose of this is to prepare on a scheduled and long-term basis for system leadership in the small and microsatellite programs as well as the development of complex scientific instruments. This approach has been extraordinary successful, as the new business gained in the year under review indicates.

Looking ahead over the next few years, the increase in the German space budget will create favorable conditions particularly in the national space program with an increased likelihood of projects being implemented. Kayser-Threde has already submitted specific proposals in this respect. Although these projects are subject to competition, we assume that we have a good chance of being awarded a contract.

In addition to stabilizing DLR business at a high level, efforts will increasingly be directed at garnering more contracts under ESA programs. In this respect, the focus is on gaining orders directly from ESA.

The OLEV project is also receiving special attention. This is one of the most promising projects for commercializing space. At the same time, it is of strategic interest for the German space industry and the German economy as a whole given the technology used (robotics). The purpose of this project is to extend the life cycle of satellites by attaching an ancillary satellite to them. Kayser-Threde is the system partner responsible for the docking payload. With respect to this project, the agenda for 2009 entails securing the finance, after which the immediate customer can award contracts. These activities will keep order receipts steady at current levels over the next few years and ensure solid long-term capacity utilization.

We expect this to result in an enduring increase in output and further improvements to the earnings situation in the Space segment, with additional support coming from ongoing improvements to internal processes.

Based on the experience gained with secure data transmission with the customer DB Energie, the process control technology segment is seeking to extend its business in the automation market as well as with other customers within the DB Group. Key aspects here concern safety and security applications, which provide a basis for gaining a foothold in existing markets including via closed partnerships.

In connection with an open bidding process, DB AG will be increasingly awarding contracts for complete switching systems to general contractors. In this connection, the company was able to implement projects with ELPRO and ETO in 2008 alongside the existing partnerships with switching facility builders BBRail and SAG. Looking forward, these partnerships will also provide a stepping stone for joint activities in other markets.

KT Automotive expects to receive two important large-scale contracts from India and Europe in 2009 and will be able to further extend its excellent position in the market.

Space Transportation + Aerospace Structures

In the Space Transportation segment, the existing order backlog will ensure a key proportion of production and delivery of parts for the Ariane 5 in 2009. With the contracts for the Ariane 5 PB lot now signed, a seamless transition from PA to PB production should be possible. The completion and invoicing of the Alphabus development project is expected for 2009 but still requires considerable effort given the complexity of the project.

In the aviation segment, the production of fresh and waste water tanks for Airbus will remain a steady source of business, albeit with unsatisfactory margins. The supply of light-weight structures for the Airbus A380 is expected to generate preliminary sales in 2009. The challenge here entails ensuring that the series start-up is completed as smoothly as possible. Serial delivery of structural parts for the A400M military transporter has been postponed until later years on account of the serious problems which Airbus is experiencing with this program.

Telematics + Satellite Operations

The Telematics + Satellite Operations business unit will be particularly exposed to general market conditions in 2009. Thus, commercial vehicle OEMs have adjusted their sales forecasts substantially downwards for 2009. In some cases, production has been halted so that inventories can be reduced.

The commercial vehicle industry as a whole does not expect a slight recovery to emerge until the second half of 2009 at the earliest. However, fitting rates for telematic systems are not likely to rebound substantially and return to old levels until 2010 according to OEM estimates. At the moment, commercial vehicle makers are working on programs aimed at encouraging the factory fitting and utilization of telematic systems. However, these programs will not start having any effect until the end of 2009.

OHB has entered into an agreement with DAF for the acquisition of all inventories of devices, which will be handed over to DAF by the summer. It is assumed that the ordering obligations will be met.

Despite the general market situation, volumes for delivery to MAN in 2009 will be down only slightly as military business with its fixed orders and delivery periods accounts for a substantial portion of the business with that company.

Following the receipt of an order from a Scandinavian truck maker for the development of a navigation device to be linked to the company's own telematic terminals, OHB will be able to further strengthen its presence in the OEM market. Generally speaking, OHB expects OEM business to have recovered by the time this device is launched in 2011, with corresponding sales figures then likely.

In addition, OHB will be further extending its position in battery management systems for hybrid vehicles.

The OHB Technology Group projects total revenues of around EUR 300 million for 2009, with EBITDA expected to rise to EUR 31 million. EBIT (net of exceptionals) should also climb to around EUR 21 million in 2009. Turning to 2010, the Group forecasts moderate growth in total revenues and EBIT across all business units.

It should be expressly noted in connection with forward-looking statements that actual events may differ materially from expectations of future performance.

CORPORATE GOVERNANCE REPORT

In June 2002, a commission installed by the German Federal Government published recommendations known jointly as the "German Corporate Governance Code" setting out standards of conduct and behavior for companies. Corporate governance includes the entire management and supervision system and seeks to make the rules applicable in Germany more transparent to national and international investors in the interests of strengthening confidence in the management of German companies. The Supervisory Board and the Management Board of OHB Technology AG are committed to the principles embodied in the Code as a means of ensuring value-oriented corporate governance and supervision and welcome the adoption of these principles in Germany.

Compensation report

The following compensation report individualizes the compensation paid to the members of the Management Board and the Supervisory Board of OHB Technology AG and forms part of the Group management report for 2008. The compensation paid to the members of the Management Board comprises fixed and variable components. The variable components are based on the extent to which the targets defined by the Supervisory Board are achieved. The Supervisory Board defines the targets to be achieved by the Management Board members Marco R. Fuchs and Prof. Dott. Ing. h.c. Manfred Fuchs on the basis of the planned consolidated net profit per year and those to be achieved by Management Board member Ulrich Schulz on the basis of the business success of two subsidiaries in the Telematics + Satellite Operations business unit. There are currently no share-based compensation components or compensation components with a long-term incentive effect. In the event of the death of a Management Board member, his surviving dependents are entitled to receive continued payment of that member's fixed-rate compensation for a period of six months. The compensation paid to Management Board members Marco R. Fuchs and Ulrich Schulz was allocated to OHB Technology AG and that payable to Prof. Dott. Ing. h.c. Manfred Fuchs to OHB-System AG. It breaks down as follows: The fixed-rate remuneration paid in 2008 came to EUR 0.652 million (previous year EUR 0.658 million), while the variable component for the entire Management Board came to EUR 0.240 million (previous year EUR 0.245 million). Mr. Marco R. Fuchs received a sum of EUR 0.215 million (previous year EUR 0.214 million) as fixed remuneration including all benefits as well as advances towards health and pension insurance and the non-cash benefit in the form of a company car as well as contributions of EUR 1,700 (EUR 1,700) towards an endowment policy. Variable remuneration of EUR 0.120 million (previous year EUR 0.120 million) was paid for the previous calendar year. Prof. Dott. Ing. h.c. Manfred Fuchs received a sum of EUR 0.241 million (previous year EUR 0.247 million) as fixed compensation including all benefits such as advances towards health and pension insurance and a non-cash benefit in the form of a company car. In addition, payments of EUR 37,000 were made pursuant to a pension commitment assumed in 1988 under which he is to receive a sum of EUR 3,000 a month upon turning 65. Variable remuneration of EUR 0.120 million (previous year EUR 0.120 million) was paid for 2007. Mr. Ulrich Schulz received a sum of EUR 0.156 million (previous year EUR 0.156 million) as fixed remuneration including all benefits as well as advances towards health and pension insurance and a non-cash benefit in the form of a company car as well as contributions of EUR 1,200 (EUR 1,200) towards an endowment policy. He did not receive any variable compensation in 2008 (previous year EUR 5,000). Provisions of EUR 0.270 million were set aside for the payment of variable compensation to the Management Board in 2008. Mrs. Christa Fuchs as chairwoman of the Supervisory Board received a sum of EUR 20,000 for 2008 (previous year EUR 20,000), Prof. Dr.-Ing. Hans J. Rath EUR 10,000 (previous year EUR 10,000) and Prof. Heinz Stoewer EUR 10,000 (previous year EUR 10,000). Variable compensation components were dispensed with. Mrs. Christa Fuchs received compensation of EUR 0.127 million (previous year EUR 0.122 million) for her advisory services for members of the OHB Technology Group in the year under review. Prof. Stoewer received compensation totaling EUR 20,500 (previous year EUR 5) in the year under review for the provision of consulting services.

Management Board and Supervisory Board shareholdings

As of the balance sheet date, Christa Fuchs, chairwoman of the Supervisory Board, held 2,000,690 shares, Prof. Heinz Stoewer, a member of the Supervisory Board, 1,000 shares and Marco R. Fuchs, chairman of the Management Board, 414,796 shares. The other members of the Management Board Prof. Dott. Ing. h.c. Manfred Fuchs and Ulrich Schulz held 3,493,064 and 54 shares, respectively. On December 31, 2008, VOLPAIA Beteiligungs- GmbH held 3,730,170 shares. Christa Fuchs held 20 %, Marco R. Fuchs 25 % and Prof. Dott. Ing. h.c. Manfred Fuchs 35 % of the capital of VOLPAIA Beteiligungs- GmbH as of the balance sheet date.

Directors' dealings

In the year under review, members of the Company's Management Board and Supervisory Board as well as related legal entities reported a total of eight securities transactions subject to compulsory disclosure. VOLPAIA Beteiligungs-GmbH, which is controlled by the Fuchs family, bought 11,591 OHB Technology AG shares (ISIN DE0005936124) via Xetra at a price of EUR 8.94607 on March 20, 2008. Professor Manfred Fuchs (member of the Management Board) bought 10,000 shares (price: EUR 11.50 each) via Xetra on 15 January 2008 and a further 10,000 shares (price: EUR 7.8016 each) via Xetra on between December 5 and December 12, 2008.

DECLARATION OF CONFORMITY BY OHB TECHNOLOGY AG PURSUANT TO SECTION 161 OF THE GERMAN STOCK CORPORATIONS ACT CONCERNING THE GERMAN CORPORATE GOVERNANCE CODE

OHB Technology AG welcomes the German Corporate Governance Code and the fact that it is embodied in statutory law. The Management Board and the Supervisory Board of OHB Technology AG declare that the Company conformed to the recommendations of the Corporate Governance Code Commission appointed by the German Federal Government and will continue to do so in the future. This declaration of conformity is based on the June 2008 version of the Corporate Governance Code. OHB Technology AG deviates from the principles of the German Corporate Governance Code in only a small number of points:

Age limits for the Management Board (5.1.2)

OHB Technology AG does not set a maximum age for members of the Management Board as this would limit the availability of Management Board members for appointment by the Supervisory Board.

Formation of Supervisory Board committees (5.3)

OHB Technology AG has not formed any committees on account of the small number of members on its Supervisory Board (three).

Age limits for the Supervisory Board (5.4.1)

The Corporate Governance Code recommends defining maximum ages for the members of the Supervisory Board. The Supervisory Board is elected by the shareholders of OHB Technology; accordingly, a defined age limit is not a desirable factor for selection purposes.

Inclusion of the deputy chairman of the Supervisory Board for compensation purposes (5.4.5)

OHB Technology AG takes the view that this recommendation makes little sense with a Supervisory Board comprising only three members. Accordingly, OHB Technology AG's bylaws do not provide for any particular compensation for the deputy chairman of the Supervisory Board.

Performance-tied compensation for members of the Supervisory Board (5.4.6)

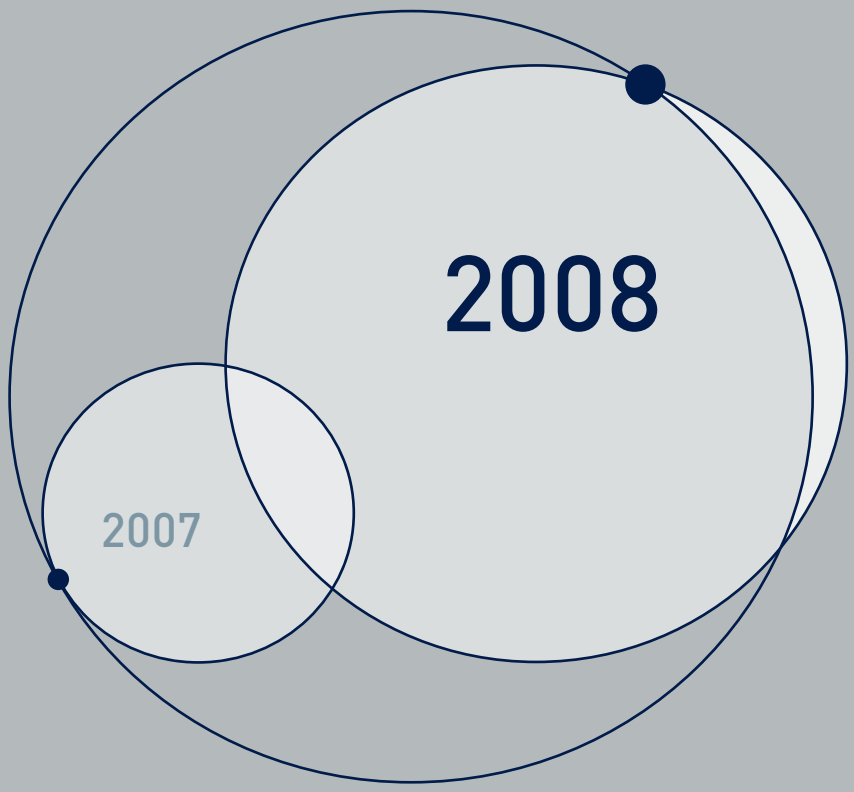
OHB Technology AG takes the view that this is currently not appropriate. Accordingly, OHB Technology AG's Articles of Incorporation do not provide for any performance-related compensation for members of the Supervisory Board.

Management Board and Supervisory Board
of OHB Technology AG

Bremen, December 19, 2008

Stable growth:
Part of the extension to the OHB Group's headquarters

CONSOLIDATED FINANCIAL STATEMENTS



Consolidated Income Statement

EUR millions

	Notes	2008	2007
1. Sales	(1)	232.473	218.801
2. Changes in inventories of finished goods and work in progress	(2)	11.700	–7.669
3. Other own work capitalized		7.664	6.006
4. Other operating income	(3)	8.192	6.202
5. Total revenues		**260.029**	**223.340**
6. Cost of materials	(4)	122.590	109.733
7. Staff costs	(5)	82.889	66.060
8. Depreciation and amortization	(6)	10.028	8.417
9. Other operating expenses		25.814	21.644
10. Operating profit (EBIT)		**18.708**	**17.486**
11. Other interest and similar incom	(7)	1.700	2.623
12. Interest expense and similar charges	(7)	5.798	4.385
13. Exchange-rate gains/losses		563	–906
14. Net profit/loss from shares carried at equity	(7)	571	359
15. Investment income	(7)	348	3.196
16. Net financial income		**–2.616**	**887**
17. Earnings on ordinary activities		**16.092**	**18.373**
18. Exceptional expenses	(8)	5.160	4.397
19. Consolidated net income for the year		**10.932**	**13.976**
20. Minority interests	(9)	–1.934	–1.498
21. Consolidated net income for the year after minority interests		**8.998**	**12.478**
22. Consolidated profit carried forward*		37.406	28.324
23. Additions to retained earnings		0	0
24. Consolidated profit*		**46.404**	**40.802**
25. Number of shares		14.861.142	14.870.279
26. Earnings per share (basic, EUR)		0,61	0,84
27. Earnings per share (diluted, EUR)		0,61	0,84

* 2007 restated

Consolidated Balance Sheet

EUR millions

	Notes	12/31/2008	12/31/2007*
Assets			
Goodwill	(10)	8.163	8.341
Other intangible assets	(10)	19.948	16.099
Property, plant and equipment	(11)	39.806	38.868
Shares carried at equity	(12)	2.798	2.227
Other financial assets	(13)	8.315	17.791
Non-current assets		**79.030**	**83.326**
Other receivables and assets	(14)	4.326	4.138
Securities	(16)	6.514	0
Deferred taxes		7.545	8.077
Other non-current assets		**18.385**	**12.215**
Property, plant and equipment/non-current assets		**97.415**	**95.541**
Inventories	(15)	79.291	69.877
Trade receivables	(14)	77.794	71.839
Other receivables and assets	(14)	13.042	4.696
Securities	(16)	13.997	29.429
Cash and cash equivalents	(17)	46.565	43.629
Current assets		**230.689**	**219.470**
Total assets		**328.104**	**315.011**
Shareholders' equity and liabilities			
Subscribed capital	(18)	14.928	14.928
Additional paid in capital	(19)	15.148	15.145
Retained earnings	(20)	520	520
Other comprehensive income	(21)	–4.014	2.591
Treasury stock	(22)	–632	–539
Consolidated profit after minority interests		46.404	40.802
Shareholders' equity excluding minority interests		**72.354**	**73.447**
Minority interests	(23)	9.008	8.094
Shareholders' equity		**81.362**	**81.541**
Provisions for pensions and similar obligations	(24)	68.584	67.308
Other non-current provisions		2.145	2.039
Non-current financial liabilities	(25)	2.992	6.040
Non-current advance payments received on orders	(26)	37.831	41.363
Deferred tax liabilities		13.458	13.469
Non-current liabilities and provisions		**125.010**	**130.219**
Current provisions		22.517	23.832
Current financial obligations	(27)	10.525	2.476
Trade payables	(28)	31.441	28.861
Current advance payments received on orders	(29)	50.496	34.212
Other current liabilities	(30)	6.753	13.870
Current liabilities		**121.732**	**103.251**
Total equity and liabilities		**328.104**	**315.011**

* restated

Asset Movement for the period January 1 to December 31, 2008	Production and acquisition costs					
	Balance 01/01/2008	Other comprehensive income	Additions first-time consolidation	Additions	Disposals	Balance 12/31/2008
	EUR millions	EUR millions	EUR millions	EUR millions	EUR millions	EUR millions
I. Goodwill	8.998	0	0	25	16	9.007
II. Intangible assets						
Concessions and industrial property rights	1.955	0	0	0	0	1.955
Software acquired	10.125	0	0	481	1.060	9.546
Software produced	24.090	0	115	8.228	0	32.433
III. Property, plant and equipment						
Operating and business equipment	64.820	0	27	5.113	2.556	67.404
Property and plant	38.650	0	0	893	103	39.440
IV. Financial assets						
Investments in related companies	63	0	0	0	0	63
Investments in associated companies	2.227	0	0	571	0	2.798
Other investments	36.382	–6.065	–13	949	4.347	26.906
Total	**187.310**	**–6.065**	**129**	**16.260**	**8.082**	**189.552**

Asset Movement for the period January 1 to December 31, 2007	Production and acquisition costs					
	Balance 01/01/2007	Other comprehensive income	Additions first-time consolidation	Additions	Disposals	Balance 12/31/2007
	EUR millions	EUR millions	EUR millions	EUR millions	EUR millions	EUR millions
I. Goodwill	3.954	0	16	5.028	0	8.998
II. Intangible assets						
Concessions and industrial property rights	487	0	0	1.468	0	1.955
Software acquired	6.124	0	3.688	384	71	10.125
Software produced	17.702	0	566	5.822	0	24.090
III. Property, plant and equipment						
Operating and business equipment	54.366	0	9.015	2.929	1.490	64.820
Property and plant	38.559	0	0	91	0	38.650
IV. Financial assets						
Investments in related companies	63	0	0	0	0	63
Investments in associated companies	1.868	0	0	359	0	2.227
Other investments	41.491	581	1.029	3.972	10.691	36.382
Total	**164.614**	**581**	**14.314**	**20.053**	**12.252**	**187.310**

Accumulated depreciation					Book values	
Balance 01/01/2008	Additions First-time consolidation	Additions	Disposals	Balance 12/31/2008	Balance 12/31/2008	Balance 12/31/2007
EUR millions	EUR millions	EUR millions	EUR millions	EUR millions	EUR millions	EUR millions
657	0	203	16	844	8.163	8.341
602	0	661	0	1.263	692	1.353
8.397	0	654	1.044	8.007	1.539	1.728
11.072	0	3.644	0	14.716	17.717	13.018
54.219	19	2.923	2.387	54.774	12.630	10.601
10.383	0	1.943	62	12.264	27.176	28.267
0	0	0	0	0	63	63
0	0	0	0	0	2.798	2.227
18.654	0	0	0	18.654	8.252	17.728
103.984	**19**	**10.028**	**3.509**	**110.522**	**79.030**	**83.326**

Accumulated depreciation					Book values	
Balance 01/01/2007	Additions First-time consolidation	Additions	Disposals	Balance 12/31/2007	Balance 12/31/2007	Balance 12/31/2006
EUR millions	EUR millions	EUR millions	EUR millions	EUR millions	EUR millions	EUR millions
641	16	0	0	657	8.341	3.313
210	0	392	0	602	1.353	277
4.606	3.206	653	68	8.397	1.728	1.518
8.275	0	2.797	0	11.072	13.018	9.427
46.875	6.094	2.637	1.387	54.219	10.601	7.491
8.445	0	1.938	0	10.383	28.267	30.114
0	0	0	0	0	63	63
0	0	0	0	0	2.227	1.868
18.111	543	0	0	18.654	17.728	23.380
87.163	**9.859**	**8.417**	**1.455**	**103.984**	**83.326**	**77.451**

Consolidated Cash Flow Statement

EUR millions

	2008	2007
Operating EBIT	18.708	17.486
Income from first-time consolidated taken to equity	0	0
Operating profit	**18.708**	**17.486**
Income taxes paid	–5.160	–4.397
Other non-cash expenses (+)/income (–)	0	5
Depreciation/amortization	10.028	8.417
Changes in pension provisions	1.276	1.402
Gross cash flow	**24.852**	**22.913**
Increase (–)/decrease (+) in own work capitalized	–7.664	–6.007
Increase (–)/decrease (+) in inventories	–9.368	–2.246
Increase (–)/decrease (+) in receivables and other assets	–4.732	–9.034
Increase (+)/decrease (–) in liabilities and current provisions	–6.166	–2.379
Increase (+)/decrease (–) in advance payments received	12.208	1.104
Profit (–)/loss (+) from the disposal of non-current assets	223	31
Cash inflow/outflow from operating activities	**9.353**	**4.382**
Payments made for investments in non-current assets	–8.026	–7.193
Payments made for the acquisition of consolidated companies	0	–5.527
Payments received from disposal of non-current assets	3.812	2.084
Interest and other investment income	2.048	5.824
Payments received from/made for items not assigned to operating or financing activities	–18	5.195
Cash inflow/outflow from investing activities	**–2.184**	**383**
Dividend payout	–3.715	–3.428
Changes in reserves	3	5
Decrease (–)/increase (+) in financial liabilities	5.001	–6.648
Changes in treasury stock	–93	–372
Minority interests	–1.020	–329
Interest and other financial expenses	–5.798	–4.390
Cash inflow/outflow from financing activities	**–5.622**	**–15.162**
Cash equivalents	**1.547**	**–10.397**
Consolidation-related changes to cash and cash equivalents	826	998
Exchange-rate related changes to cash and cash equivalents	563	–906
Cash and cash equivalents at the beginning of the period	43.629	53.934
Cash and cash equivalents at the end of the period	**46.565**	**43.629**

Cash and cash equivalents including securities		
January 1	**73.058**	**89.382**
Changes to cash and cash equivalents including securities	–5.981	–16.324
December 31	**67.077**	**73.058**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

General information

The Company has its head office at Karl-Ferdinand-Braun-Str. 8 in 28359 Bremen, Germany. OHB Technology AG exercises the function of an active holding company which manages the subsidiaries within the OHB Group. The Group is primarily engaged in the production and distribution of products and projects as well as the provision of high-technology services particularly in the areas of space and aeronautic technology, telematics and satellite services.

Accounting principles and methods

In accordance with Regulation (EC) 1606/2002 issued by the European Parliament and the Council on July 19, 2002, OHB Technology AG is required to prepare consolidated financial statements in accordance with international accounting standards (IFRS/IAS). The consolidated financial statements have been compiled in accordance with the International Financial Reporting Standards (IFRS/IAS) applicable in the EU in the light of the interpretations of the International Financial Reporting Interpretations Committee (IFRIC/SIC) as well as the supplementary provisions contained in Section 315 a of the German Commercial Code. In addition to the consolidated balance sheet and consolidated income statement, the consolidated annual financial statements include a consolidated cash flow statement, a statement of changes in consolidated equity and a statement of changes in consolidated assets. The segment report is included in the notes. In addition, the notes contain the declaration required by Section 285 No. 16 of the German Commercial Code confirming that the disclosures stipulated by Section 161 of the German Stock Corporations Act have been made. The income statement has been compiled using the total-cost method.

The reporting currency is the euro. Unless otherwise stated, all amounts are reported in millions of euros (EUR million). It should be noted that the use of rounded figures and percentages may result in differences due to commercial rounding.

Consolidation methods

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. All material subsidiaries under the legal or constructive control of OHB Technology AG have been consolidated. In the case of financial assets, the respective shares are generally recognized at cost plus any applicable writeups. An annual impairment test is performed. The carrying values of companies consolidated at equity are adjusted to allow for prorated profit/loss attributable to such companies. Any remaining positive difference between the cost of acquiring the shareholdings and the net assets calculated at their fair values is recognized as goodwill under IAS 3.51.

Sales, expenses, income as well as receivables and liabilities between consolidated companies are netted and any inter-Group profits eliminated.

Acquisitions / sales

The OHB Group sold its roughly 19 % share in listed company SpaceDev Inc., Poway (Califlornia), USA. As part of the acquisition of SpaceDev Inc. by a subsidiary of Sierra Nevada Corporation (SNC), SNC acquired a total of 7,973,129 shares from OHB Technology AG and MT Aerospace AG at a price of USD 0.72658 per share. The proceeds from the sale of the shares came to around USD 5.8 million, resulting in a book profit before tax of EUR 0.423 million for the OHB Group. In 2007, the changes in the fair value of this investment had been recognized within equity. On January 30, 2008, a 50 % share in RST Raumfahrt-Systemtechnik GmbH in Salem was acquired at a price of EUR 0.184 million.

Consolidation

OHB Technology AG's consolidated financial statements include OHB Technology AG as well as 13 domestic and two foreign subsidiaries as well as a further non-domestic investment carried at equity. The table entitled "Consolidation perimeter" sets out the subsidiaries and associates together with the relative size of the share held. In addition, shares were held in other companies (see table entitled "Further equity interests and financial assets"). In accordance with the principle of materiality pursuant to the IFRS/IAS framework, the companies stated in the table, which are fundamentally subject to compulsory consolidation (OHB share › 20 %), are not included in the consolidation perimeter. Luxspace Sàrl was consolidated for the first time as of January 1, 2008 following a revised consideration of its materiality. Established in 2004, it is a wholly owned subsidiary of OHB Technology AG. First-time consolidation did not give rise to any goodwill. The company was consolidated with retroactive effect and its profit prior to the date of first-time consolidation allocated to profit carried forward. Following the spin-off of Kayser-Threde's automotive business, KT Automotive GmbH has been additionally consolidated since January 1, 2008. The share holdings shown in the tables entitled "Consolidation perimeter" and "Further investments and financial assets" correspond to the voting rights held.

Consolidation perimeter

Name of Company	Share held (%)	Consolidation
Telematic Solutions S.p.A., Milan (Italy)	51.0	fully consolidated
OHB Teledata GmbH, Bremen (Germany)	100.0	fully consolidated
megatel Informations- und Kommunikations-systeme GmbH, Bremen (Germany)	74.9	fully consolidated
Timtec Teldatrans GmbH, Bremen (Germany)	100.0	fully consolidated
OHB-System AG, Bremen (Germany)	100.0	fully consolidated
STS Systemtechnik Schwerin GmbH, Schwerin (Germany)	100.0	fully consolidated
ORBCOMM Deutschland AG, Bremen (Germany)	100.0	fully consolidated
MT Aerospace Holding GmbH, Bremen (Germany	70.0	fully consolidated
MT Aerospace AG, Augsburg (Germany)*	100.0	fully consolidated
MT Aerospace Grundstücks GmbH & Co. KG, Munich (Germany)**	94.9	fully consolidated
MT Mechatronics GmbH, Mainz (Germany)**	100.0	fully consolidated
ELTA S.A., Toulouse (France)	34.0	at equity
KT Beteiligungs GmbH & Co. KG, Bremen (Germany)	100.0	fully consolidated
Kayser-Threde GmbH, Munich (Germany)***	100.0	fully consolidated
KT Automotive GmbH, Munich (Germany)****	100.0	fully consolidated
Luxspace Sàrl, Betzdorf (Luxembourg)	100.0	fully consolidated

* held by MT Aerospace Holding GmbH
** held by MT Aerospace AG
*** held by KT Beteiligungs GmbH & Co. KG
**** held by Kayser-Threde GmbH

Further investments and financial assets

Name of Company	Share held %	EUR 000
Telemondo International GmbH, Bremen (Germany)*	100.0	26
OHB Marine Technologies GmbH, Bremen (Germany)*	100.0	25
COSMOS International Satellitenstart GmbH, Bremen (Germany)*	49.9	13
OHB France S.A., Paris (France)*	100.0	37
ORBCOMM Inc., Dulles (USA)	6.0	3,460
beos GmbH, Bremen (Germany)	12.0	60
ATB GmbH, Bremen (Germany)	5.0	26
KT Verwaltungsgesellschaft mbH, Bremen (Germany)*	100.0	25
OHB-ELectroOPtics GmbH, Bremen (Germany)*	50.0	13
Cosmos Space Systems AG, Bremen (Germany)*	33.3	20
RST Raumfahrt Systemtechnik GmbH, Salem (Germany)*	50.0	184
MT Aerospace Guyane S.A.S., Kourou (French Guiana)*	100.0	152
MT Aerospace Satellite Products Ltd., Wolverhampton (UK)*	100.0	161
Arianespace S.A., Evry (France)	7.8	1,789
MT Dezentrale Energiesysteme GmbH, Munich (Germany)*	100.0	1,022
Kayser-Threde NA Inc., Flint (USA)*	100.0	1
VRS-Verkehr Raumfahrt Systemtechnik GmbH, Leipzig (Germany)*	60.0	31
Kayser-Threde Trading (Shanghai) Co., Ltd., Shanghai (China)*	100.0	200
ENERGIA Deutschland GmbH, Munich (Germany)*	40.0	10
RapidEye AG, Munich (Germany)	2.9	17
ORC Orbital Recovery Corporation, Grand Cayman (Cayman Islands)	2.9	95
OSSL Orbital Satellite Services Ltd., London (UK)	14.6	119
OSSAB Orbital Satellite Services AB, Stockholm (Sweden)*	25.0	618

* not consolidated in the year under review for materiality reasons

Currency translation

Most outgoing invoices are denominated in euro. Incoming and outgoing invoices denominated in a foreign currency are converted and recognized on the balance-sheet date. Foreign-currency bank balances were translated at the end-of-year exchange rate.

Recognition and measurement

The International Accounting Standards Board (IASB) and IFRIC have revised existing standards and interpretations and adopted new ones which are subject to compulsory application as of the 2008 fiscal year:

- **IFRIC 11** "IFRS 2 – Group and Treasury Share Transactions". Not applicable to the OHB Group.
- **IFRIC 14** "IAS 19 – The Limit on a Defined Benefit Asset, Minimal Funding Requirements and their Interaction". Not applicable to the OHB Group.
- **IFRS 7 A and IAS 39 A** "Reclassification of Financial Assets". The application of IFRS 7 A and IAS 39 A result in the reclassification of financial assets in the balance sheet as well as additional disclosures in the notes to the financial statements (see additional disclosures on financial assets).

First-time application of the aforementioned standards did not have any material effect on OHB Technology's consolidated financial statements.

The IASB has issued the following standards, interpretations and revisions to existing standards which are not yet compulsory and which OHB Technology AG did not adopt on a voluntary early basis. Application of these IFRS is subject to their being accepted by the EU in the IFRS endorsement procedure.

IFRS 1 A Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	Compulsory as of annual periods beginning on or after January 1, 2009
IFRS 1 R First-time Adoption of International Financial Reporting Standards	Compulsory as of annual periods beginning on or after January 1, 2010
IFRS 3 R Business Combinations	Compulsory as of annual periods beginning on or after January 1, 2010
IFRS 2 A Vesting Conditions and Cancellations	Compulsory as of annual periods beginning on or after January 1, 2009
IFRS 8 Operating Segments	Compulsory as of annual periods beginning on or after January 1, 2009
IAS 1 A (2009) Presentation of Financial Statements	Compulsory as of annual periods beginning on or after January 1, 2009
IAS 1 A Puttable Financial Instruments and Obligations Arising on Liquidation	Compulsory as of annual periods beginning on or after January 1, 2009
IAS 23 A Borrowing Costs	Compulsory as of annual periods beginning on or after January 1, 2009
IAS 27 A Consolidated and Separate Financial Statements	Compulsory as of annual periods beginning on or after January 1, 2010
IAS 27 A Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	Compulsory as of annual periods beginning on or after January 1, 2009
IAS 32 A Puttable Financial Instruments and Obligations Arising on Liquidation	Compulsory as of annual periods beginning on or after January 1, 2009
IFRIC 12 Service Concession Arrangements	Compulsory as of annual periods beginning on or after January 1, 2008
IFRIC 13 Customer Loyalty Programmes	Compulsory as of annual periods beginning on or after July 1, 2008
IFRIC 15 Agreements for the Construction of Real Estate	Compulsory as of annual periods beginning on or after January 1, 2009
IFRIC 16 Hedges of a Net Investment in a Foreign Operation	Compulsory as of annual periods beginning on or after January 1, 2009
IFRIC 17 Distributions of Non-cash Assets to Owners	Compulsory as of annual periods beginning on or after July 1, 2009
IFRIC 18 Transfers of Assets from Customers	Compulsory as of annual periods beginning on or after July 1, 2009

The first-time application of IAS 1 A and IFRS 8 as of January 1, 2009 will necessitate adjustments to the presentation of the financial statements. On the basis of a preliminary assessment, the application of the other standards and applications will not exert any material influence on the presentation of the financial statements. The Management Board of OHB Technology AG has decided not to apply the aforementioned standards before the accounting periods in which application becomes mandatory.

Changes in accounting policy

There have been no changes in the recognition or measurement principles compared with the previous year.

Corrections to items of the balance sheet

Individual items of the balance sheet as of December 31, 2007 have been adjusted on account of errors occurring at the Italian subsidiary Telematic Solutions S.p.A. in earlier years. The adjustments have been recognized within equity in accordance with IAS 8. The specific reasons for the adjustments and also their timing cannot be determined. The main adjustments to the balance sheet as of December 31, 2007 are as follows: inventories are adjusted downwards by EUR 2.433 million, trade receivables upwards by EUR 2.503 million, consolidated profit downwards by EUR 0.277 million, minority interests downwards by EUR 0.266 million and current advance payments received upwards by EUR 0.522 million.

Recognition of sales

Sales and other operating income are recognized on the date on which the services or goods are provided or risk passes to the customer. The percentage-of-completion method provided for in IAS 11 was applied allowing for reasonable discounts on the basis of a true and fair view to allow for unexpected future risks to the extent that it was possible to calculate the partial profit with adequate precision on the basis of the percentage of completion. For this purpose, the degree of completion is determined on the basis of the contract costs which have arisen as of the balance sheet date relative to the expected total contract costs. Long-term projects in progress on the balance-sheet date (durations of between one and ten years) are recognized as assets on the basis of production costs plus refundable administrative overhead costs provided that a partial profit can be estimated with a reasonable degree of reliability. Partial profits are recognized in other projects using generally accepted principles.

Borrowing costs

Borrowing costs are not included in the cost of production.

Own work capitalized

Development expenditure is recognized as an asset pursuant to IAS 38.57 if a newly developed product or process can be clearly delineated, is technically feasible and is intended either for the Company's own use or for sale. A further condition is that it must be sufficiently likely for the development expenditure to be recouped from future cash flows. Such expenditure is recognized on the basis of the production costs incurred, primarily development hours multiplied by the applicable hourly rate.

Finance income net of finance expenditure

Finance income includes the share of profits of associates accounted for at equity as well as other investments including profit from the sale of financial assets, interest expenditure on liabilities, dividends, interest income on receivables and currency gains and losses. Interest income is taken to the income statement in accordance with the effective interest method. Dividends are reported in the income statement upon a resolution to distribute a dividend being passed. Interest expenditure on pension provisions is also reported as finance cost.

Intangible assets

As of each balance sheet date, OHB Technology reviews the carrying amounts of its intangible assets to identify any evidence of impairment. In this case, the recoverable amount of the asset in question is calculated to determine the amount of any impairment loss. The recoverable amount is defined as the fair value less possible costs of sale or the value in use, whichever is the greater. Goodwill undergoes impairment testing on a regular basis once a year and additionally at other times in the event of any evidence pointing to possible impairment. If the recoverable amount of the goodwill is less than its carrying amount, it is written down immediately and the resultant impairment loss taken to the income statement. In this case, the recoverable amount equals the cash value of the expected cash flows discounted using the current market rate for a similar asset before tax.

Intangible assets acquired from third parties primarily comprise software programs, order books acquired and licenses. These are written down on a straight-line basis over a period of between one and six years. Internally generated developments are written down on a straight-line basis over the expected useful life of four years.

Property, plant and equipment

As of each balance sheet date, OHB Technology reviews the carrying amounts of its property, plant and equipment to identify any evidence of impairment. In this case, the recoverable amount of the asset in question is calculated to determine the amount of any impairment loss. The recoverable amount is defined as the fair value less possible costs of sale or the value in use, whichever is the greater.

Assets classed as property, plant and equipment are carried at cost less scheduled straight-line depreciation over their expected useful lives. Subsequent expenditure on assets which does not increase their value or materially extend their useful lives is expensed. Material additions and improvements are recognized as assets. Disposals are reflected in historical acquisition costs as well as accumulative depreciation. Profit and loss from the disposal of assets are recognized as other operating income/expenses. Property, plant and equipment are written down over periods of between three and 33 years.

Property, plant and equipment held under finance leases are reported at the lower of the fair value or the present value of the minimum lease payments and written down over the shorter of their expected useful lives or the term of the lease.

Financial assets

Shares in associates

Shares in associates are reported at cost net of the share in their profit/loss for the year. Assets are for the most part recognized at their fair values. Accordingly, as a precautionary measure, no writeups are included.

Other financial assets

Other financial assets are reported at cost and measured in accordance with their fair value. This item primarily comprises the investments in ORBCOMM Inc., details of whose stock market prices were available as of the balance sheet date. Adjustments resulting from fair value accounting are recognized under equity. The deferred tax arising from this is reported under deferred tax liabilities.

Inventories

Inventories are recognized at historical cost or the lower net recoverable value prevailing on the balance sheet date. In the case of consolidated companies with construction contracts as defined in IAS 11 on their books, the percentage-of-completion method is applied allowing for reasonable discounts on the basis of a true and fair view to take account of unexpected future risks as far as

it is possible to calculate the partial profit with adequate precision on the basis of the percentage of completion. Long-term construction projects in progress on the balance sheet date (durations of between one and ten years) are recognized as assets on the basis of production costs plus pro-rated refundable administrative overhead costs provided that a partial profit can be estimated with a reasonable degree of reliability. Projects for which partial profits have been recognized are reported under revenues pursuant to IAS 11.22. The corresponding contract costs are recognized as cost of materials/services in the fiscal year in question.

Receivables

Receivables and other assets are reported at their settlement amount. If in individual cases there are justified doubts as to whether receivables can be retrieved, they are written down or shown at the lower recoverable value.

Securities/financial instruments

The fair values are determined on the basis of the stock market prices as of the balance sheet date. Non-current securities are measured in accordance with the revised versions of IAS 39 and IFRS 7 (Reclassification of Financial Assets)

Deferred taxes

Pursuant to IAS 12, temporary differences between the carrying amount of assets or liabilities on the balance sheet and their tax base in accordance with IFRS/IAS give rise to deferred taxes. The OHB Group applies a uniform domestic tax rate of 32 % for calculating deferred taxes.

Equity

IAS 32 (Financial Instruments: Disclosure and Presentation) stipulates that equity must not include any contractual obligation to deliver cash or any other financial asset to another entity. OHB defines equity as subscribed capital, the share premium, unrealized gains and losses recognized within equity, retained earnings and accrued profit brought forward.

Provisions for pensions and similar obligations

Obligations under defined-benefit plans are calculated using the projected unit credit method in accordance with IAS 19 (Employee Benefits). The expected benefits are deferred over the entire period of service of the employees.

Other provisions

Other provisions have been reliably assessed for matters resulting in an outflow of enterprise resources to settle present obligations in accordance with IAS 37. Estimates are primarily based on detailed calculations.

Liabilities

Liabilities comprise financial liabilities, trade payables and other liabilities. Financial liabilities are reported at amortized cost. Any differences between historical cost and the settlement amount are reported in accordance with the effective interest method. Liabilities are recognized at their nominal or settlement amount.

IAS 32 (Financial Instruments: Disclosure and Presentation) stipulates that equity must not include any contractual obligation to deliver cash or any other financial asset to another entity. As the dormant shareholders of a fully consolidated company hold a right of termination giving rise to compensation claims which may be asserted against the company, the capital contributions made by these shareholders are reported as liabilities in accordance with IAS 32. This also applies notwithstanding the fact that under local accounting rules it may be recognized as equity.

Estimates

Proper and full preparation of the consolidated financial statements requires to some degree the use of estimates and assumptions, which affect the assets and liabilities reported, the disclosure of contingent liabilities and receivables on the balance sheet and the income and expenses recognized. The actual amounts may vary from these estimates and assumptions in individual cases. Any adjustments are taken to the income statement upon further knowledge becoming available. The value of goodwill is determined in an annual impairment test. This test involves estimates of future cash inflows. Future changes in the general economic environment and the situation of the sector or Company may result in a reduction in net cash inflows and, hence, impair the value of the goodwill. Technical progress, deterioration in the market situation or damage may necessitate non-scheduled depreciation of property, plant and equipment. Pension provisions are calculated on the basis of a number of premises and assumed trends, the application of biometric probabilities as well as generally accepted approximation methods to determine pension obligations. Actual payment obligations arising over time may vary from these. Tax provisions and impairment testing of deferred tax assets are also based on estimates. In determining the value of deferred tax assets, uncertainty may arise with respect to the interpretation of complex tax legislation as well as the amount and timing of future taxable income. In view of the current conditions in the economy and the financial markets, it is not possible at this stage to make any reliable assumptions on the range of possible adjustments which may need to be made to the estimates in 2009.

NOTES ON CONSOLIDATED INCOME STATEMENT

(1) Sales

Sales break down by business unit as follows:

in EUR millions	2008	2007
Space Systems + Security	59.183	69.272
Payloads + Science	43.208	29.932
Space Transportation + Aerospace Structures	123.677	110.568
Telematics + Satellite Operations	12.608	14.478
Consolidation	–6.203	–5.449
Total	**232.473**	**218.801**

Sales from construction contracts as defined in IAS 11 came to EUR 97.155 million in the year under review (previous year EUR 89.350 million). The related contract costs stood at EUR 88.013 million (previous year EUR 81.129 million). The resultant earnings before interest and taxes (EBIT) for fiscal 2008 equaled EUR 9.142 million (previous year EUR 8.221 million).

(2) Changes in inventories of finished goods and work in progress

The decline in inventories of finished goods and work in progress is due primarily to the Space Transportation + Aerospace Structures business unit (EUR 8.4 million). All told, inventories rose by EUR 11.7 million.

(3) Other operating income

This includes income from the reversal of provisions (EUR 3.630 million) as well as income from grants of EUR 3.008 million (previous year EUR 2.279 million). At the moment, there is no evident indicating that the conditions imposed by the providers of grants cannot be satisfied.

(4) Cost of materials

in EUR millions	2008	2007
Expenditure on raw materials and consumables	92.218	87.062
Expenditure on services purchased	30.372	22.671
Total	**122.590**	**109.733**

(5) Personalaufwand

in EUR millions	2008	2007
Wages and salaries	70.589	55.466
Social security charges and expenditure on old age pensions and support	12.300	10.594
Total	**82.889**	**66.060**

Pension and pension provisions came to EUR 3.039 million.

(6) Depreciation and amortization

No impairment losses were recognized in the year under review. Further details on depreciation/amortization are set out in the consolidated statement of changes in assets.

(7) Finance income net of finance expenditure

Interest

The finance income of EUR 1.700 million (previous year EUR 2.623 million) primarily comprises interest earned on the investment of cash in fixed-term deposits; this item also includes interest income of EUR 0.090 million earned on impaired financial investments.

Finance expenditure came to EUR 5.798 million (previous year EUR 4.385 million) and chiefly relates to interest expenditure on pension provisions of EUR 3.335 million (previous year EUR 3.081 million).

Share of profit of associates

The share of profit of associates comprises the shares in the profit earned by ELTA S.A. (EUR 0.571 million), which is consolidated at equity, as well as the proceeds of EUR 0.423 million from the sale of the shares in SpaceDev Inc., Poway (United States).

(8) Income taxes

Actual income tax of EUR 4.767 million arose with respect to the consolidated German companies; income tax of EUR 0.217 million arose outside Germany. Domestic income taxes in 2008 were calculated in detail using different tax rates. Deferred tax assets are recognized pursuant to IAS 12. As a result of the 2008 corporate tax reform, domestic deferred taxes were calculated using a tax rate of 32 %. The weighting of the individual tax rates results in an average tax rate of 32 %.

Reconciliation of tax expense

in EUR millions	2008	2007
Taxes at a tax rate of 32 %	5.149	7.028
Reduction due to tax exempted income	–858	–1.336
Effects of tax reform	0	–954
Tax losses utilized	0	–341
Non-deductible operating expenses	310	–14
Other effects	100	0
Tax expenses relating to other periods	459	0
Additional non-domestic taxes	0	14
Effective tax expense	**5.160**	**4.397**

Deferred taxes

The deferred tax assets primarily arise from the difference in provisions for pension commitments in accordance with German GAAP on the one hand and IFRS on the other. In addition, deferred tax assets relate to tax credits arising from the expected use of existing loss carryforwards in future years whose realization is sufficiently assured. In 2008, deferred tax assets of EUR 0.227 million (previous year EUR 0.300 million) were recognized in profit and loss.

Analysis of deferred taxes and assets:

in EUR millions	2008		2007	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets and property, plant and equipment	165	5.181	164	4.618
Financial assets	123	245	0	1.376
Current assets	49	5.203	0	5.157
Provisions	4.590	0	4.950	–84
Liabilities	0	1.685	0	2.405
Tax losses and credits	2.393	0	2.735	–3
Netting effects	225	1.144	228	0
Total	**7.545**	**13.458**	**8.077**	**13.469**

(9) Minority interests

Minority interests are valued at EUR 1.934 million (previous year EUR 1.498 million) and relate to Telematic Solutions SpA, MT Aerospace Holding GmbH and megatel GmbH.

IFRS/IAS earnings per share

Basic earnings per share are calculated by dividing the post-tax earnings attributable to the shares in question by the total number of shares with dividend entitlement. This indicator may be diluted by so-called potential shares – particularly options and subscription rights. There were no comparable rights as of the balance sheet date. Accordingly, there is no difference between basic and diluted earnings per share. The calculations were based on 14,861,142 shares as the Company held 66,954 treasury shares as of the balance sheet date. The consolidated net income of EUR 8.998 million was used for calculation purposes. Earnings per share for 2008 came to EUR 0.61 (previous year EUR 0.84).

NOTES ON THE CONSOLIDATED BALANCE SHEET

(10) Goodwill and other intangible assets

The balance sheet for the year ending December 31, 2008 includes goodwill of EUR 8.163 million (see table entitled "Goodwill"). The goodwill attributable to Telemondo was adjusted to reflect its expected business performance.

Firmenwerte

in EUR millions	2008	2007
Goodwill from the transfer of Telemondo International GmbH's business operations from the single-entity accounts for OHB System AG	426	629
Goodwill from consolidation of:		
STS Systemtechnik Schwerin GmbH	566	566
Timtec Teldatrans GmbH	115	115
ORBCOMM Deutschland AG	556	556
Telematic Solutions S.p.A.	801	801
megatel GmbH	646	646
KT Beteiligungs GmbH & Co. KG	4.825	4.800
Kayser-Threde GmbH	228	228
Total	**8.163**	**8.341**

In connection with the allocation of the purchase price of Kayser-Threde, orders of EUR 1.467 million were identified and capitalized in 2007. Orders in the space technology segment are written down over three years, those in the process control technology segment over two years and those in the automotive segment over one year.

The amounts written down are set out in the consolidated statement of changes in assets. Unrestricted ownership rights are held for intangible assets. No liens have been granted as collateral for liabilities. Research and development costs totaled EUR 16.670 million (previous year EUR 12.211 million). Of this, an amount of EUR 7.459 million (previous year EUR 5.735 million) comprises capitalized development costs.

(11) Property, plant and equipment

Additions in the fiscal year under review primarily entailed technical/electronic laboratory equipment, technical equipment and machinery, hardware, operating and business equipment and minor-value assets.

There are unrestricted ownership rights to the remaining assets classed as property, plant and equipment. The depreciation amounts are set out in the consolidated statement of changes in assets. No impairment losses were recognized. The residual carrying amounts of the assets under finance leases stand at EUR 1.025 million (previous year EUR 0.918 million).

(12) Investments carried at equity

This item includes the cost of acquiring the investment in ELTA S.A. Toulouse, plus the share in its profit/loss for the year. The majority shareholder exercises a controlling influence on this entity's business model.

(13) Other financial assets

Changes in the carrying amounts of the other financial assets are as follows:

in EUR millions	2008	2007
Amount on January 1	17.791	23.443
Adjustments to fair value recognized under equity	–6.065	581
Changes in consolidation perimeter	–13	486
Additions	949	3.972
Disposals	4.347	10.691
Amount on December 31	**8.315**	**17.791**

The change in fair value recognized within equity relates to the remeasurement of the shares held in ORBCOMM Inc.

(14) Receivables and other assets

Receivables and other assets are recognized at amortized cost. Receivables of EUR 4.326 million are due for settlement in more than one year. The carrying amounts of other current assets and liabilities primarily match their fair value. Receivables of EUR 18.140 million (previous year EUR 18.469 million) relate to construction contracts recognized using the percentage-of-completion method.

Receivables and other assets mainly comprise claims under reinsurance. In addition, this item includes current and non-current loan receivables. There is no material interest risk or risk of default.

As of the balance sheet date, currency forwards worth USD 10.3 million had been transacted to cover the exports of a consolidated company. This hedge did not make any contribution to profit or loss.

Trade receivables are due for settlement in less than one year and are reported at amortized cost, which generally equals their nominal value net of any adjustments. Reasonable adjustments are made to allow for discernible risks. As of the balance sheet date, adjustments of a total of EUR 0.346 million had been made.

(15) Inventories

Inventories increased over the previous year to EUR 79.291 million (previous year EUR 69.877 million). Advance payments are not netted with inventories.

in EUR millions	2008	2007
Raw materials and supplies	16.803	15.931
Unfinished goods and services	50.002	43.112
Finished goods	2.943	1.227
Payments on account made	9.543	9.607
Total	**79.291**	**69.877**

(16) Securities

As of the balance sheet date, the securities portfolio was valued at EUR 20.511 million (previous year EUR 29.429 million). This breaks down as follows: financial assets at fair value through profit or loss EUR 13.685 million (previous year EUR 29.135 million), available-for-sale financial assets EUR 0.312 million (previous year EUR 0.294 million) and loans and receivables EUR 6.514 million (previous year nil).

Financial risks primarily comprise liquidity, market price and counterparty default risks. There are no material short-term liquidity or counterparty default risks as low-risk investment funds are selected for the most part. In the interests for averting market price risks, virtually all cash is invested in funds, which can be redeemed at short notice in order to achieve broad risk diversification.

(17) Cash and cash equivalents

Cash and cash equivalents were valued at EUR 46.565 million (previous year EUR 43.629 million) on the balance sheet date and comprised cash in hand and cash at banks. The cash at banks is due within three months and is exposed to only a minimal risk of any change in value.

Shareholders' equity

Consolidated Statement of Equity

in EUR millions	Subscribed capital	Additional paid in capital	Retained earnings
Dividends (EUR 0.23 per share)	0	0	0
Consolidated net income for the year	0	0	0
Other comprehensive income	0	0	0
Additional paid in capital	0	4	0
Changes in treasury stock	0	0	0
Other changes to minority interests	0	0	0
Restatements for earlier years	0	14	0
12/31/2007*	**14.928**	**15.145**	**520**
Dividends (EUR 0.23 per share)	0	0	0
Consolidated net income for the year	0	0	0
Other comprehensive income	0	0	0
Additional paid in capital	0	3	0
Changes in treasury stock	0	0	0
Changes in consolidation perimeter	0	0	0
Payments to minority shareholders	0	0	0
12/31/2008	**14.928**	**15.148**	**520**

* restated

Consolidated statement of recognized income and expenses

in EUR millions	2008	2007
Fair value remeasurement gains/losses recognized directly under equity relating to securities as well as expenditure from the disposal of assets	–6.646	–7.029
Deferred taxes on the fair value remeasurement gains/losses recognized directly under equity	41	144
Sum total of the fair value remeasurement gains/losses recognized directly under equity	–6.605	–6.885
Net income for the year before minority interests	**10.932**	**13.976**
Sum total of recognized income and expenses	**4.328**	**7.091**
of which attributable to		
– equity holders of OHB Technology AG	2.394	5.593
– other equity holders	1.934	1.498

(18) Subscribed capital

The Company's share capital of EUR 14,928,096.00 is divided into 14,928,096 no-par-value ordinary bearer shares equivalent to a notional share of EUR 1.00 in the Company's share capital. There is one vote for each share held.

(a) Contingent capital

At their annual general meeting held on January 23, 2001, the Company's shareholders increased the Company's share capital by approving the issue of a total of EUR 516,404.00 in the form of up

Revaluation surplus	Consolidated profit	Treasury stock	Shareholders' equity excluding minority interests	Minority interests	Shareholders' equity
0	–3.428	0	–3.428	0	–3.428
0	12.478	0	12.478	1.498	13.976
–6.885	0	0	–6.885	0	–6.885
0	0	0	4	0	4
0	0	–372	–372	0	–372
0	0	0	0	–329	–329
0	–277	0	–263	–266	–529
2.591	**40.802**	**–539**	**73.447**	**8.094**	**81.541**
0	–3.715	0	–3.715	0	–3.715
0	8.998	0	8.998	1.934	10.932
–6.605	0	0	–6.605	0	–6.605
0	0	0	3	0	3
0	0	–93	–93	0	–93
0	319	0	319	0	319
0	0	0	0	–1.020	–1.020
–4.014	**46.404**	**–632**	**72.354**	**9.008**	**81.362**

to 516,404 bearer shares on a contingent basis. The contingent capital increase is to be used for granting options to entitled persons under the staff compensation system. The contingent capital increase may only be executed if the holders of such options exercise these. The new shares are dividend-entitled for the first time in the fiscal year in the course of which they are issued. The Management Board is authorized subject to the Supervisory Board's approval to determine the specific conditions for such contingent capital increase. In the event that options are granted to members of the Company's Management Board, the Supervisory Board is authorized to determine the specific conditions for such contingent capital increase.

(b) Authorized capital

At their annual general meeting held on May 10, 2007, the shareholders passed a resolution authorizing the Company's Management Board – subject to the Supervisory Board's approval – to raise the share capital once or repeated times by a total of up to EUR 7,464,048.00 on a cash or non-cash basis on or before May 9, 2012. The new shares may also be issued to the Company's employees. In addition, the Company's Management Board was authorized – subject to the Supervisory Board's approval – to exclude the shareholders' pre-emptive subscription rights for fractional amounts, for part of the capital authorized in 2007 up to a maximum of EUR 1,492,809.00 provided that the new shares are issued in return for cash capital contributions at a price not materially less than the stock-market price; for a part of the authorized capital in 2007 up to a maximum of EUR 7,464,048.00 if the shares are issued as consideration for the acquisition of all or part of other companies and such acquisition is in the interests of the Company; or as consideration for cash capital contributions to have the Company's stock listed in a foreign market in which it has previously not been admitted to trading. The Management Board is additionally authorized subject to the Supervisory Board's approval to determine the extent and nature of the option rights and the other conditions of issue.

(c) Authorization to acquire and sell treasury stock

At the annual general meeting held on May 7, 2008, the shareholders authorized the Company to buy back treasury stock of up to a total of 10 % of the Company's share capital on or before November 6, 2009. Upon this authorization taking effect, the authorization granted on May 10, 2007 for the acquisition and utilization of treasury stock was revoked.

If the Company buys back its own shares via the stock market, the purchase price paid per share (net of transaction costs) may not be any more than 10 % above or below the average closing price of the stock in XETRA trading (or an equivalent replacement system) on the Frankfurt stock exchange on the last three trading days prior to acquisition of the shares.

Subject to the Supervisory Board's approval, these shares may be used for all purposes permitted by law. In particular, they may be:

- used to place the Company's shares in foreign stock exchanges to which they have previously not been admitted for trading,
- offered or transferred to third parties for the purpose of acquiring companies, parts of companies or equity interests including but not limited to additions to existing equity interests,
- offered to the employees of the Company or other entities related to it in accordance with the definition in Sections 15 et seq. of the German Stock Corporation Act as employee shares,
- sold also other than publicly or in the form of an offer to the shareholders – without any obligation for a further resolution to be passed by the shareholders – provided that the sale is for cash and the price offered is not materially less than the price at which equivalent stock issued by the Company is trading on the stock market on the date of the sale. In this case, the stock market price is defined as the arithmetic mean of the price fixed for the Company's stock in the closing auctions in XETRA trading (or an equivalent replacement system) on the Frankfurt/Main stock exchange on the last five trading days before the date of the sale. This authorization is limited to a total of 10 % of the Company's share capital.

For the purposes of the above authorizations, the shareholders' pre-emptive subscription rights have been excluded for treasury stock bought back. In addition, treasury stock may be redeemed with the approval of the Supervisory Board without any need for a resolution of the shareholders approving such redemption or the actions required to execute such redemption. The aforementioned authorizations may be utilized once or repeatedly, in part or in full, individually or jointly.

(19) Additional paid-in capital

The additional paid-in capital primarily comprises the cash proceeds from the stock-market flotation.

(20) Retained earnings

Retained earnings include the negative goodwill arising from the consolidation of newly acquired companies up until 2002.

(21) Unrealized gains and losses recognized under equity

This equity item relates to the fair-value measurement of the shares held in ORBCOMM Inc. on the basis of the stock price on the balance sheet date net of the carrying values. This adjustment was recognized under equity.

(22) Treasury stock

On October 19, 2007, the Management Board of OHB Technology AG decided to implement a stock buyback program and to acquire up to 100,000 of the Company's shares in accordance with a resolution passed by the shareholders at the annual general meeting on May 10, 2007. The shares

are to be used to acquire all or part of other companies and businesses and/or for employee bonus programs for the Company and its affiliates as well as for executive remuneration schemes. The Company started buying back shares on the stock market floor on November 1, 2007.

On the balance sheet date, treasury stock comprised 66,954 shares (previous year: 57,817), meaning that a total of 14,861,142 shares were outstanding as December 31, 2004. The treasury stock was measured at an average price of EUR 9.439 per share and shown separately from the Company's share capital on the face of the balance sheet.

(23) Minority interests

The minority interests are valued at EUR 9.008 million (previous year EUR 8.094 million) and relate to the co-shareholders in the MT Aerospace subgroup, megatel GmbH and Telematic Solutions SpA.

Provisions

Statement of Changes in Provisions

in EUR millions	Amount on January 1, 2008*	Additions	Amount used	Reversals	Changes in	Amount on December 31, 2008
Pension provisions	67.308	4.374	3.098	0	0	68.584
– of which non-current	67.308	4.374	3.098	0	0	68.584
Tax provisions	4.082	3.358	4.360	0	0	3.080
– of which non-current	0	0	0	0	0	0
Deferred taxes	13.469	2.167	2.258	0	80	13.458
– of which non-current	13.469	2.167	2.258	0	80	13.458
Other provisions	21.789	14.613	11.349	3.630	159	21.582
– of which non-current	2.039	783	677	0	0	2.145
Total	**106.648**	**24.512**	**21.065**	**3.630**	**239**	**106.704**

* restated

(24) Provisions for pensions and similar obligations.

OHB Group has made arrangements for post-retirement benefits for entitled employees in the Space Transportation + Aerospace Structures business unit.

The amount of the future benefits is generally based on the length of service, amount of remuneration and position held within the Company. The direct and indirect obligations encompass those under existing pensions and entitlement to future pensions and post-retirement benefits.

There were no extraordinary expenses or income as a result of the termination of any plans or on account of the curtailment or transfer of benefits in the year under review. The calculation of post-retirement benefit obligations takes account of market interest rates as well as trends in wages and salaries, pensions and fluctuations on the basis of the following actuarial assumptions:

- Discount rate: 6.00 % (previous year 5.20 %)
- Wage/salary trend: 3.00 % (previous year 2.00 %)
- Wage drift: 0.00 % (previous year 0.50 %)
- Pension drift: 2.50 % (previous year 1.75 %)

These parameters are also applied in the following year to the calculation of the cost of the entitlement acquired. The total cost of defined benefit pension commitments breaks down as follows:

- Expense for the pension entitlement acquired in the year under review: EUR 0.822 million (previous year EUR 0.996 million)
- Interest expenditure on entitlement already acquired: EUR 3.335 million (previous year EUR 3.081 million).

Unfunded defined-benefit obligations are valued at EUR 65.357 million (previous year EUR 65.629 million). The actuarial losses arising in the year under review equal EUR 0.772 million (previous year EUR 7.446 million). Accordingly, the pension provisions are valued at EUR 66.400 million (previous year EUR 65.038 million).

On the basis of defined-benefit obligations as of December 31, 2007 of EUR 65.629 million (previous year EUR 72.485 million), provisions of EUR 66.400 million (previous year EUR 65.039 million) including non-realized actuarial losses of EUR 0.772 million (previous year EUR 7.446 million) were set aside at the beginning of the year The expense of EUR 4.155 million (previous year EUR 4.096 million) reported in the income statement is offset by payments from the provisions of EUR 3.039 million (previous year EUR 2.735 million). Accordingly, the provisions stand at EUR 67.493 million as of December 31, 2008 (previous year EUR 66.400 million).

The present values of the defined-benefit obligations stood at EUR 72.895 million as of December 31, 2005, EUR 72.485 million as of December 31, 2006, EUR 65.629 million as of December 31, 2007 and EUR 65.357 million as of December 31, 2008.

As a matter of principle, actuarial gains and losses not exceeding 10 % of the present value of the obligations and the fair value of the fund assets are not recognized in accordance with the corridor method (IAS 19). The 10 % corridor will not be exceeded in the current fiscal year.

Throughout the rest of the OHB Group, pension provisions and similar obligations stand at EUR 1.091 million (previous year EUR 0.908 million) and are reported in accordance with the applicable tax rules. They are valued using the fractional-value method. The fractional values are computed using actuarial principles on the basis of the 2005 G mortality tables compiled by Prof. Dr. Klaus Heubeck and an interest rate of 6 %. With respect to these provisions, it is assumed that the application of the projected unit credit method provided for in IAS 19 does not result in any major differences in this item.

Other provisions (current and non-current)

Non-current provisions primarily comprise provisions for reduced pre-retirement working commitments in the Space Transportation and Aerospace Structures segment. Current provisions of EUR 8.977 million were set aside for the cost of purchased materials and services for which deliveries had already been received but for which the corresponding invoices were still outstanding. Other provisions primarily relate to obligations towards employees (EUR 9.981 million) and income tax (EUR 3.080 million).

(25) Non-current financial obligations

These comprise non-current liabilities to banks held by the Italian subsidiary Telematics Solutions S.p.A. (EUR 0.890 million) and liabilities under finance leases of EUR 0.575 million. These liabilities are due for settlement in more than 12 months after the balance sheet date. The average interest rate on these liabilities stands at 5.2 %.

(26) Non-current advance payments received on orders

This entails advance payments made by customers for contracts under construction which are due for completion in more than twelve months.

(27) Current financial obligations

This primarily entails current liabilities to banks held by the Italian subsidiary Telematic Solutions S.p.A (EUR 5.334 million) as well as the capital contributions of dormant shareholders at Kayser-Threde GmbH (EUR 4.000 million). These liabilities are due for settlement in less than 12 months after the balance sheet date. The average interest rate on these liabilities stands at 8.5 %.

(28) Trade payables

Liabilities are reported at their settlement amount. All liabilities are due for settlement within one year.

(29) Current advance payments received on orders

This item comprises advance payments made by customers for contracts under construction due for completion in less than twelve months.

(30) Other current liabilities

This mostly comprises tax liabilities and liabilities under finance leases of EUR 0.245 million. It also includes liabilities to minority and former shareholders.

Additional disclosures on financial instruments

Originated financial assets primarily comprise other financial assets, receivables, securities available for sale and held to maturity and cash and cash equivalents. The available-for-sale financial assets are reported at their fair value and the other financial asset at amortized cost. Originated financial liabilities primarily comprise liabilities measured at amortized cost. Holdings of originated financial instruments are reported on the face of the balance sheet and measured at their maximum default risk. Adjustments are made for all discernible risks of default in financial assets.

In October 2008, the IASB released revisions to IAS 39 "Financial Instruments: Recognition and Measurement", and IFRS 7, "Financial Instruments: Disclosures" entitled "Reclassification of Financial Assets". The revisions to IAS 39 permit reclassification of non-derivative financial assets recognized as financial assets at fair value through profit or loss in certain circumstances. The revisions to IAS 39 and IFRS 7 take retroactive effect as of July 1, 2008. The Company identified securities to which these revisions may apply as those which it clearly did not intend to sell and which were to be held to maturity as of July 1, 2008. These securities were previously recognized as "held for trading" and are now categorized as "loans and receivables".

As of December 31, 2008, these securities were valued at EUR 6.249 million in accordance with the revised provisions in IAS 39 and IFRS 7. They had a fair value of EUR 4.939 million as of that date. Correspondingly, this accounting policy change resulted in an increase of EUR 1.310 million in earnings before tax. The effective interest rates of the reclassified securities are between 2 % and 6 % with an expected cash flow of EUR 6.548 million.

Carrying value of financial instruments by type

in EUR millions	Financial assets	Trade receivables	Other receivables and assets	Securities and cash and cash equivalents	Total	Previous year
Held-to-maturity assets (HtM)	0	0	0	0	0	0
Loans and receivables (LaR)	0	77.794	17.368	46.565	141.727	121.842
Available-for-sale assets (AfS)	3.460	0	0	312	3.772	14.142
Trading assets (FAHfT)	0	0	0	13.685	13.685	29.135

	Financial liabilities	Trade payables	Advance payments received on orders	Other liabilities	Total	Previous year*
Financial liabilities measured at amortised cost (FLAC)	13.517	31.441	88.327	6.753	140.038	126.822
Trading liabilities (FLHfT)	0	0	0	0	0	0

* restated

Segment Reporting

in EUR millions	Space Systems + Security		Payloads + Science		Space Transportation + Aerospace Structures	
	2008	2007	2008	2007	2008	2007
Sales	59.183	69.272	43.208	29.932	123.677	110.568
of which internal sales	173	1.368	115	182	11	0
Total revenues	62.903	69.843	44.193	23.060	140.371	119.429
Cost of purchased materials and services	33.161	42.130	14.417	7.308	69.802	56.923
EBITDA	**6.672**	**8.568**	**4.108**	**3.326**	**16.313**	**13.115**
Depreciation	2.106	2.171	1.897	1.134	4.623	3.771
EBIT	**4.566**	**6.397**	**2.211**	**2.192**	**11.690**	**9.344**
Non-current assets	10.408	9.529	6.334	4.935	43.459	44.457
Current assets	53.933	42.324	33.022	23.585	141.988	148.073
Total assets	**64.341**	**51.853**	**39.356**	**28.520**	**185.447**	**192.530**
Shareholders' equity	18.948	17.944	4.569	1.116	22.171	19.286
Liabilities	45.393	33.909	34.787	27.404	163.276	173.244
Total equity and liabilities	**64.341**	**51.853**	**39.356**	**28.520**	**185.447**	**192.530**
Capital spending	2.956	1.706	2.787	1.264	6.825	7.170

* restated

Net gains/losses by type

in EUR millions		Cost	Fair value	Adjustments to fair value recognized under equity	Gains/losses for period
Financial assets at fair valuethrough profit and loss	FAFVPL	18.540	18.540	0	0
of which financial instruments designated using the fair value option		0	0	0	0
of which held for trading		13.722	13.685	0	436
Held-to-maturity assets	HtM	0	0	0	0
Loans and receivables	LaR	141.727	141.727	0	0
Available-for-sale financial assets	AfS	7.470	3.772	–6.065	–1
Financial liabilities at fair value through profit and loss	FLFVPL	0	0	0	0
of which financial instruments designated using the fair value option		0	0	0	0
of which held for trading		0	0	0	0
Financial liabilities at amortized cost	FLAC	140.038	140.038	0	0

Telematics + Satellite Operations		Holding		Consolidation		Total	
2008	2007*	2008	2007	2008	2007	2008	2007*
12.608	14.478	0	0	–6.203	–5.449	232.473	218.801
2.359	2.946	0	0	–2.658	–4.496	0	0
19.346	16.518	2.097	1.543	–8.881	–7.053	260.029	223.340
10.846	8.577	0	0	–5.637	–5.205	122.590	109.733
1.864	**1.442**	**–221**	**–547**	**0**	**0**	**28.736**	**25.904**
1.209	1.358	41	34	152	–51	10.028	8.417
655	**84**	**–261**	**–581**	**–153**	**51**	**18.708**	**17.487**
6.213	4.699	32.562	36.145	–19.946	–16.439	79.030	83.326
20.328	16.440	15.486	12.113	–15.683	–10.850	249.074	231.685
26.541	**21.139**	**48.048**	**48.258**	**–35.629**	**–27.289**	**328.104**	**315.011**
8.519	8.596	44.583	46.800	–17.428	–12.201	81.362	81.541
18.022	12.543	3.465	1.458	–18.201	–15.088	246.742	233.470
26.541	**21.139**	**48.048**	**48.258**	**–35.629**	**–27.289**	**328.104**	**315.011**
2.901	2.198	792	7.716	0	0	16.260	20.053

Credit risks

Credit risks are generally low, the portfolio of receivables is broadly diversified (no risk clustering) and business is transacted only with investment-grade counterparties.

The securities held are exposed to risk on account of the current financial crisis.

Currency risks

The USD/EUR exchange rate influences income in aviation business. All orders and receivables denominated in US dollars have been hedged by means of currency forwards for 2009.

In the Space Systems + Security segment, only a single contract is exposed to the USD exchange rate. The budget for 2009 assumes an exchange rate of USD/EUR 1.28. If the exchange rate increases by USD 0.10 over the end-of-year exchange rate, this would cause the planned income to drop by EUR 0.159 million.

Interest risks

Generally speaking, investments with low interest rates are preferred so as to avert interest risks and are subject to normal market fluctuation. One Group member has credit facilities of EUR 9.5 million with various banks. Depending on the extent of utilization, these facilities are subject to normal market fluctuation in interest rates. Assuming average utilization of a maximum of EUR 1 million, a change by one percentage point in the interest rate would result in additional expenditure of EUR 10,000.

The risk report included in the management report describes in detail the liquidity and market risks.

OTHER DISCLOSURES

Segment reporting

The Group comprises the following business units:

- Space Systems + Security
- Payloads + Science (as of July 1, 2007)
- Space Transportation + Aerospace Structures
- Telematics + Satellite Operations

A report by secondary segment, e.g. geographic breakdown, has been dispensed with as it is not possible to reasonably assign sales to geographic region on account of the structure of the Group's customers (international organizations). Segment income, expenses and earnings also entail business relations between the business units. These transfers were netted in full. The holding company is shown separately as most of the equity interests are held on this level. OHB Technology AG exercises the function of an active holding company. The share of profit of ELTA S.A., which is carried at equity, was assigned to the holding company's net financial result (EUR 0.571 million). The carrying amount of the investment in ELTA S.A. of EUR 2.798 million was allocated to the holding company's assets. As of December 31, 2008, ELTA S.A. had assets of EUR 29.888 million, equity of EUR 7.934 million and debt capital of EUR 21.954 million. ELTA S.A. reported net profit for 2008 of EUR 1.679 million.

The activities of LUXSPACE Sàrl are allocated to the Space Systems + Security segment.

Other financial obligations

Other financial obligations under leases are valued at EUR 58.471 million (previous year EUR 54.805 million); of this, an amount of EUR 38.276 million (previous year EUR 34.945 million) is due for settlement in 1-5 years and EUR 20.195 million (previous year EUR 19.870 million) in more than five years. Operating leases entail financial obligations of EUR 0.433 million (previous year EUR 0.508 million) with terms of 1-5 years. There are no operating leases with a term of more than five years.

In addition, this item includes remuneration of EUR 0.160 million (previous year EUR 0.320 million) for the capital contributions of the dormant shareholders with a term of 1-5 years as well as obligations totaling EUR 1.106 million (previous year EUR 0.871 million) for fees, maintenance contracts and licenses, of which an amount of EUR 0.063 million has a term of more than five years.

Following the transfer of business activities held by a Group company to a newly incorporated subsidiary, other financial obligations of EUR 69.646 million (previous year EUR 66.126 million) with a term of up to five years have arisen in the form of letters of comfort. In addition, letters of comfort have been issued to third parties for a Group subsidiary to guarantee the execution of individual contracts.

There are no other obligations necessitating an outflow of resources. No use was made of financial derivatives. OHB-Technology AG has issued a declaration of subordination for Timtec Teldatrans GmbH towards third-party debtors with respect to its own receivables for an amount of EUR 1.296 million. The Company has not issued any guarantees for liabilities held by ELTA SA. As of the balance sheet date, there were obligations under guarantees of EUR 17.320 million. OHB Technology AG issued letters of comfort as collateral for current account facilities of a total of EUR 9.5 million granted to a Group member. As of the balance sheet date, these current account facilities had not been utilized.

OHB Technology AG has issued a letter of comfort in favor of a customer for the completion of a project by a Group member.

Kayser-Threde GmbH has issued a declaration of subordination for Rapid Eye AG towards third-party debtors with respect to its own receivables for an amount of EUR 0.389 million. It has also issued a letter of comfort limited to EUR 0.120 million for VRS Verkehr Raumfahrt Systemtechnik GmbH.

Risk report on financial instruments

Financial risks and their management within the Group are described in detail in the risk report set out in the management report.

Staff

The average head count stood at 1,258 in the year under review (previous year 1,009).

MANAGEMENT BOARD AND SUPERVISORY BOARD

The Company's Management Board comprises:

- Mr. Marco R. Fuchs, Lilienthal, chairman
- Prof. Dott. Ing. h.c. Manfred Fuchs, Bremen
- Mr. Ulrich Schulz, Bremen

The Company's Supervisory Board comprises:

- Mrs. Christa Fuchs, Bremen, managing shareholder of VOLPAIA Beteiligungs- GmbH, Bremen, chairwoman
- Prof. Dr.-Ing. Hans J. Rath, Wilstedt, Professor at the University of Bremen; Deputy Chairman
- Prof. Heinz Stoewer, St. Augustin, Professor em. Space Systems Engineering, Technical University of Delft, Netherlands, managing director of Space Associates GmbH, St. Augustin

Offices held by members of the Company's Management Board and Supervisory Board in other supervisory boards and management bodies as defined in Section 125 (1) 3 of the German Stock Corporation Act in fiscal 2008:

- Mr. Marco R. Fuchs, beos GmbH, Bremen, member of the supervisory board; ZARM Technik AG, Bremen, member of the supervisory board; Space Tec Capital PARTNERS AG, Munich, member of the supervisory board; MT Aerospace AG, Augsburg (Group office), deputy chairman
- Prof. Dott. Ing. h.c. Manfred Fuchs, ATB GmbH, Bremen, member of the supervisory board; beos GmbH, Bremen, member of the supervisory board; MT Aerospace AG, Augsburg (Group office)
- Prof. Dr. Ing. Hans J. Rath, ZARM Technik AG, Bremen, chairman of the supervisory board; beos GmbH, Bremen, member of the supervisory board

Securities held by Member's of the Company's Corporate Governance Bodies

12/31/2008	Shares	+/– 2008/07
Christa Fuchs, Chairwoman of the Supervisory Board	2,000,690	–
Professor Heinz Stoewer, Member of the Supervisory Board	1,000	–
Marco R. Fuchs, Chairman of the Management Board	414,796	–
Professor Manfred Fuchs, Member of the Management Board	3,493,064	+20,000
Ulrich Schulz, Member of the Management Board	54	–

Exemption from the duty to disclose the financial statements of the Group companies

At their meeting of March 12, 2008, the shareholders of OHB-System AG passed a resolution to adopt the exemption provisions in Section 264 (3) of the German Commercial Code with respect to disclosure of the annual financial statements.

Related parties disclosures

Related parties as defined in IAS 24 comprise Christa Fuchs, Prof. Dott. Ing. h.c. Manfred Fuchs, Marco R. Fuchs, Ulrich Schulz, Dr. Fritz Merkle, Hans J. Steininger and Walter H. Köppel.
The following companies are related parties:

- OHB Grundstücksgesellschaft, Achterstraße GmbH & Co. KG, Bremen
- OHB Grundstücksgesellschaft, Kitzbühler Straße GmbH & Co. KG, Bremen
- OHB Grundstücksgesellschaft, Universitätsallee GmbH & Co. KG, Bremen
- OHB Grundstücksgesellschaft, Karl-Ferdinand-Braun-Str. GmbH & Co. KG, Bremen
- Carlo Gavazzi Space S.p.A, Milan
- VOLPAIA Beteiligungs- GmbH, Bremen
- Apollo Capital Partners GmbH, Munich
- KT Grundstücksverwaltungs GmbH &Co. KG, Munich

Business transactions with related parties are conducted on arm's length terms. In the year under review, sales and other income of EUR 0.023 million (previous year: EUR 0.004 million) arose from transactions with related parties, while expenditure on goods and services purchased and rentals came to around EUR 2.742 million (previous year: EUR 2.268 million). Outstanding receivables as of the balance sheet date were valued at EUR 2.691 million (previous year EUR 0.041 million). Outstanding liabilities on the same date stood at EUR 2.054 million (previous year: EUR 2.322 million).

References should also be made to the Company's explanations on the related parties report included in the management report in accordance with Section 312 of the German Stock Corporation Act.

Declaration of conformity with the Corporate Governance Code pursuant to Article 161 of the Joint Stock Companies Act

The Management Board and the Supervisory Board have published the declaration required pursuant to Section 161 of the Joint Stock Companies Act confirming that save for a few small exceptions (see Corporate Governance on page 64-65) the Group already conforms to the German Corporate Governance Code and will continue to do so in the future.

The declaration of conformance is available on the Internet at:
www.ohb-technology.de/en/investor-relations/corporate-governance/declaration.html

Allocation of earnings

The single-entity financial statements prepared for OHB Technology AG pursuant to German GAAP (HGB) for the year ending December 31, 2008 carry net income for the year of EUR 9,310,591.65. OHB Technology AG exercises the function of an active holding company. Its main assets comprise investments which were reported at a value of EUR 33.767 million on the balance sheet date. OHB Technology AG's equity stood at EUR 46.721 million on December 31, 2008. The Company's single-entity financial statements carry cash and cash equivalents of EUR 0.190 million. The net profit for 2008 was particularly derived from income from profit transfer agreements of EUR 4.361 million as well as investment income and the partial repayment of a loan of EUR 2.667 million.

The Management Board will be asking the shareholders to pass a resolution providing for the Company's unappropriated surplus of EUR 9,310,591.65 for fiscal 2008 to be allocated as follows: The figures stated for the total dividend and the amount to be carried forward are based on the number of dividend-entitled shares as of the date of the Management Board's allocation proposal.

Pursuant to Section 71b of the German Stock Corporation Act, the Company's treasury stock (66,954 shares) as of the balance sheet date is not dividend-entitled. If the number of shares held as treasury stock on the date on which the shareholders pass a resolution adopting the proposal for the allocation of the Company's unappropriated surplus is greater or smaller than on the balance sheet date, the amount payable to the shareholders will be increased or, as the case may be, decreased by the amount attributable to the difference in the number of shares. The amount to be carried forward will be adjusted accordingly. However, the distributable dividend per dividend-entitled share will change.

If necessary, the shareholders will be presented with a correspondingly modified proposal for the allocation of the Company's unappropriated surplus.

Proposed allocation of earnings

in EUR	2008
Distribution of a dividend of EUR 0.25 for each dividend-entitled share (14,861,142 shares)	3,715,285.50
Amount to be carried forward	5,595,306.15
Unappropriated surplus	9,310,591.65

Compensation

The compensation paid to the members of the Management Board comprises fixed and variable components. There are currently no share-based compensation components or compensation components with a long-term incentive effect.

The principles of the compensation system as well as the individualized compensation paid to the Management Board are described in detail in the compensation report, which forms part of the management report (page 64).

The total compensation paid to members of the Supervisory Board for fiscal 2008 came to EUR 0.040 million (previous year: EUR 0.040 million). Of this, the Chairwoman of the Supervisory Board received EUR 0.020 million and the other two members of the Supervisory Board EUR 0.010 million each. Variable compensation components were dispensed with.

Mrs. Christa Fuchs received compensation of EUR 0.127 million for her advisory services for members of the OHB Technology Group in the year under review. Prof. Heinz Stoewer received compensation totaling EUR 20,500 in the year under review for the provision of consulting services.

Auditor fees and services

In the period under review, the OHB Group recorded the following fees paid to BDO Deutsche Warentreuhand AG, Hamburg, the auditors of its financial statements:

- Statutory audit of the annual financial statements: EUR 0.159 million
- Auditing-related services: EUR 0.012 million
- Tax consulting services: EUR 0.040 million

Events after the balance sheet date

On February 11, 2009, MT Aerospace entered into long-term delivery contracts for components for a further 35 Ariane-5 launch vehicles one week after launch service provider Arianespace had awarded a contract to the European industrial syndicate. The delivery contracts have a total value of EUR 370 million.

The consolidated financial statements were approved for publication on March 18, 2009.

The Management Board
Bremen, March 13, 2009

Marco R. Fuchs

Prof. Dott. Ing. h.c. Manfred Fuchs

Ulrich Schulz

AUDITOR'S CERTIFICATE

"We have audited the consolidated annual financial statements prepared by OHB Technology AG, Bremen, comprising the balance sheet, income statement, cash flow statement, statement of equity movements and notes, as well as the Group management report for the fiscal year commencing on January 1, 2008 and ending on December 31, 2008. The preparation of the consolidated annual financial statements and the Group management report in accordance with the IFRSs, as they are to be applied in the EU, the supplementary provisions of German commercial law in accordance with Section 315 a (1) HGB are the responsibility of the Company's statutory representatives. Our responsibility is to express an opinion on the consolidated annual financial statements and the Group management report on the basis of our audit.

We conducted our audit of the consolidated annual financial statements in accordance with Section 317 HGB and the German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated annual financial statements in accordance with the applicable principles of proper accounting and in the Group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and evaluations of possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the Group annual financial statements and the Group management report are examined primarily on a test basis within the framework of the audit. The audit includes an assessment of the financial statements of the companies included in the Group, the definition of the consolidation perimeter, the accounting and consolidation principles applied and the significant estimates made by the statutory representatives as well as an appraisal of the overall situation presented by the consolidated annual financial statements and the Group management report. We believe that our audit provides a reasonable basis for our opinion. Our audit has not led to any reservations. In our opinion based on the results of our audit, the consolidated annual financial statements comply with the IFRSs as they are to be applied in the EU, the supplementary provisions of German commercial law in accordance with Section 315 a (1) and in the light of these provisions give a true and fair view of the net assets, financial position and results of operations of the Group. The Group management report is consistent with the consolidated annual financial statements and on the whole provides a suitable understanding of the Group's position and suitably presents the risks to future development."

Hamburg, March 16, 2009
BDO Deutsche Warentreuhand
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

DECLARATION OF THE MANAGEMENT BOARD

To the best of our knowledge, and in accordance with the applicable reporting principles, 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.

The Management Board
Bremen, March 13, 2009

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◀ Glossary

Calendar of events in 2009

Annual press conference and release of annual report for 2008, Bremen	→ March 19
Analyst conference, Frankfurt/Main	→ March 19
3 month report/analyst conference call	→ May 13
Annual general meeting, Bremen	→ May 13
6 month report /analyst conference call	→ August 6
9 month report /analyst conference call	→ November 10
Analyst presentation at Deutsches Eigenkapitalforum, Frankfurt/Main	→ November 9–11

GLOSSARY

Agile Astrorivelatore Gamma ad Immagini Leggero; italian astronomy research satellit

AQAP Allied Quality Assurance Publications; Norm series for quality assurance standards derived of NATO military standard

ARDS Aerial Reconnaissance Data System; broadband system for transmitting aerial reconnaissance images

ARTES-11 ESA long-term plan for the development of small geostationary telecommunications satellites

ATV Automated Transfer Vehicle; unmanned space transporter for supply flights to the ISS

BMVg German Federal Ministry of Defense

BMWi German Federal Ministry of Economics and Technology

BWB German Federal Office of Defense Technology and Procurement

CNES Centre national d´études spatiales; French Space Agency

COLUMBUS Name of the European module of the International Space Station

DBO Defined Benefit Obligation

DGA Délégation Générale pour l'Armement; French millitary procurement agency

DLR German Aerospace Center

D-WERDAS Demonstrator- Extensive relay-based data transmission system

EBIT Earnings Before Interest and Taxes

EBITDA Earnings Before Interests, Taxes, Depreciation and Amortisation

EBT Earnings Before Taxes

EnMAP Environmental Mapping and Analysis Program; satellite for hyper spectral terrestrial observation

EPM European Physiology Modules; human-physiology research payload for the ISS Columbus module

ESA European Space Agency

E-SGA German acronym for Europeanization of satellite-based reconnaissance

EPS Earnings Per Share

ETC European Transport Carrier; transport rack for sensitive scientific experiments on board the Columbus module of the ISS

ExoMars ESA Mars Exploration mission

FM flight modell

FSLGS French SAR-Lupe Ground Segment-configuration of French Helios ground segment to receive SAR-Lupe reconnaissance images

Galileo European global satellite-based navigation system Galileo is a trademark of the European Commission, and the Galileo space programme is a joint initiative of the European Commission and the European Space Agency (ESA)

GIS Geographic Information System

GMES European initiative for the Global Monitoring for Environment and Security

GRADFLEX GRAdient Driven FLuctuations EXperiment

IAS International Accounting Standards

IFRS International Financial Reporting Standards

IOT Industrial Operator Team; the team responsible for preparing the start-up of the Columbus module for the ISS

ISS International Space Station

KSA Strategic Reconnaissance Command, Central information authority for the German Armed Forces, User of the SAR-Lupe system

NASA National Aeronautics and Space Administration

OEM Original Equipment Manufacturer

ORBCOMM CDS ORBCOMM Concept Demonstration Satellite; first second-generation ORBCOMM satellite

PSLV Polar Satellite Launch Vehicle

R+D Research and Development

SAR-Lupe Synthetic Aperture Radar-Lupe; system of small satellites with a process for enhancing the quality of radar images

Small GEOs Small geostationary satellites for telecommunications and multimedia applications

TET TechnologieErprobungsTräger; Core element of the national „On-Orbit-Verification program for new technologies

WAICO Waving and Coiling Response of Arabidopsis Roots; biological experiment for the International Space Station

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