THE NEXT LEVEL

ANNUAL REPORT
2015

OHB

OHB SE FIGURES

THE GROUP

in EUR 000		2015	2014	2013	2012	2011
1.	Revenues	719,706	728,147	680,121	615,982	555,689
2.	Total revenues	730,368	772,954	700,063	632,729	555,292
3.	EBITDA	52,135	53,416	52,803	46,110	43,101
4.	EBIT	40,214	40,400	36,353	30,997	27,276
5.	EBT	36,698	33,874	29,728	23,979	19,517
6.	Net income for the period	20,975	25,713	19,436	14,818	13,523
7.	Earnings per share (EUR)	1.21	1.48	1.12	0.85	0.78
8.	Total assets	638,725	640,613	585,407	538,757	528,239
9.	Equity	168,751	145,402	132,705	117,332	113,577
10.	Cash flow from operating activities	3,591	–35,020	–34,111	17,559	21,137
11.	Equity investments	24,616	25,048	23,632	21,571	15,533
12.	thereof capital spending	39	40	1,046	760	156
13.	Employees on December 31	2,056	2,086	2,412	2,493	2,352

THE SHARE

in EUR		2015	2014	2013	2012	2011
1.	Closing price	20.97	19.70	17.55	15.15	11.40
2.	Year high	23.60	25.06	18.63	16.50	17.45
3.	Year low	16.59	17.45	14.76	11.16	8.25
4.	Market capitalization at year-end	366	344	307	265	199
5.	Number of shares	17,468,096	17,468,096	17,468,096	17,468,096	17,468,096

730
EUR MILLION
Consolidated total revenue

52
EUR MILLION
EBITDA

40
EUR MILLION
EBIT

CONTENTS

FOR THE YEAR 2015

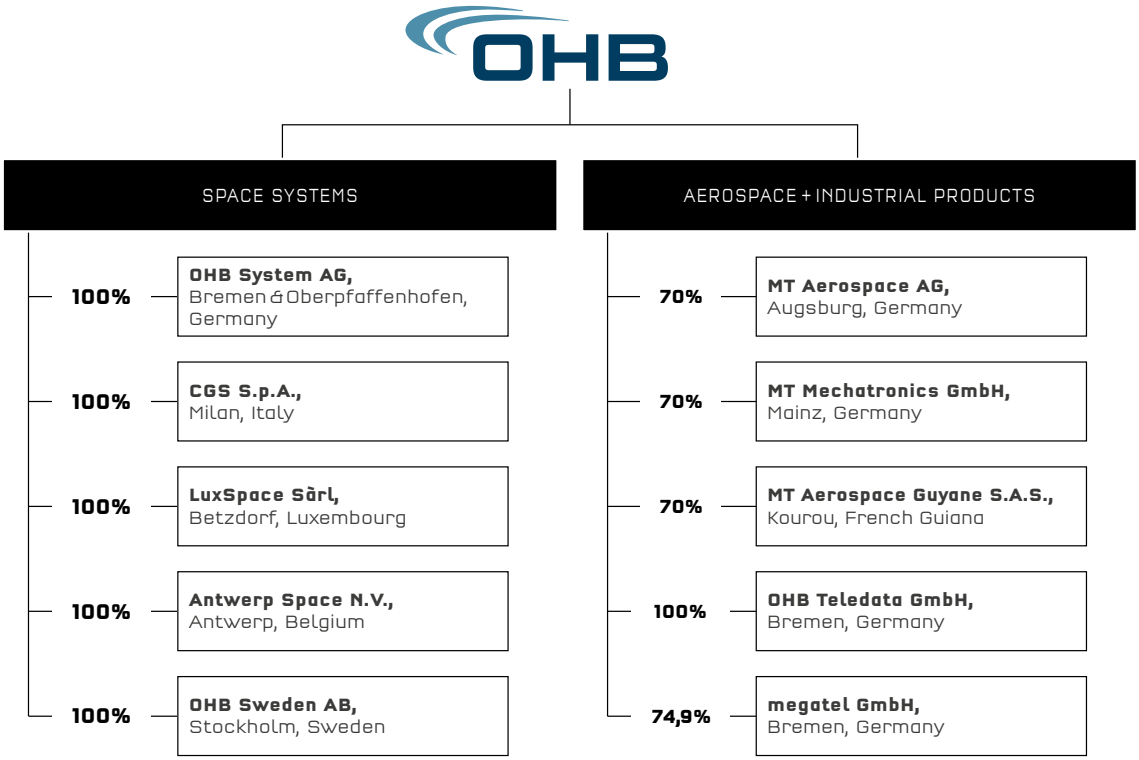
OHB SE
AT A GLANCE

OHB SE is a European space flight and technology group and one of the most important independent forces in European aviation/aerospace. With 35 years of experience in developing and executing innovative space technology systems and projects and its range of specific aviation/aerospace and telematics products, the OHB Group is superbly positioned to face international competition.

Over the last few years, it has broadened its geographic footprint within Europe and now has facility in many important ESA member countries. These strategic decisions on locations and the deliberate separation of functions across Europe allow the Group to participate in numerous European programs and missions. The two "Space Systems" and "Aerospace+Industrial Products" business units reflect the convergence of these activities and the focus on specific core skills.

The "Space Systems" business unit focuses on developing and executing space projects. In particular, it is responsible for developing and fabricating low-orbiting and geostationary small satellites for navigation, research, communications and earth observation including scientific payloads. Its manned space flight activities chiefly entail the assembly and operation 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. In addition, efficient reconnaissance satellites and broadband wireless transmission of image data form core technologies for security and reconnaissance.

The "Aerospace+Industrial Products" business unit is primarily responsible for fabricating aviation and space products as well as engaging in other industrial activities. In this area, OHB has established itself as a leading supplier of aerospace structures for the aviation and space industry; among other things, it is the largest German vendor of components for the Ariane-5 program. In addition, OHB is an experienced vendor of mechatronic systems for antennas and telescopes and is involved in several major radio telescope projects. OHB telematics systems serve the logistics industry around the world by offering efficient transport management and consignment tracking facilities.



SUBSIDIARIES OF OHB SE IN EUROPE

OHB SYSTEM AG
Bremen

MT AEROSPACE AG
Bremen

OHB SWEDEN AB
Stockholm

LUXSPACE SÀRL
Luxembourg

MT MECHATRONICS GMBH
Mainz

ANTWERP- SPACE N.V
Antwerp

MT AEROSPACE GUYANE S.A.S
Kourou

MT MECATRONICA LIMITADA
Santiago de Chile

MT AEROSPACE AG
Augsburg

OHB SYSTEM AG
Oberpfaffenhofen

CGS SPA
Milan

MANAGEMENT
BOARD

Dr. Fritz Merkle,
born in 1950, Dipl.-Phys., member of the Management Board of OHB SE since 2014

Marco Fuchs,
born in 1962, attorney, Chief Executive Officer of OHB SE since 2000

Klaus Hofmann,
born in 1960, Dipl.-Kfm., member of the Management Board of OHB SE since 2015

Ulrich Schulz,
born in 1951, engineer, member of the Management Board of OHB SE since 2000

DEAR SHAREHOLDERS, CUSTOMERS AND BUSINESS ASSOCIATES,

Last year, our operations particularly focused on activities in our three major projects Galileo, MTG (Meteosat Third Generation) and SARah. The MTG project progressed from the design phase to the integration phase, while the SARah project, which is still at an early stage, successfully reached all milestones in 2015. Moreover, the progress being made on the Galileo project is demonstrated by the three launches comprising a total of six satellites. As the industrial prime contractor, OHB System AG is responsible for supplying a total of 22 Galileo-FOC* navigation satellites. The successful launch of six satellites in 2015 brings the number of OHB-built satellites in orbit to a new total of eight, with a further 14 to follow in 2016 and 2017. OHB in Bremen is working in parallel on the assembly of the Galileo FOC* satellites at a total of seven production islands in its clean rooms. At the same time, our Group is continuously preparing for new projects. By executing space studies, we are able to lay the foundations for new large-scale contracts in the medium term.

The legal transition of the OHB Group from a German joint-stock company to a Societas Europaea (SE) reflects in organizational terms the position which it has established for itself as the third European system integrator for the European Space Agency ESA.
Reflecting the broader range of management duties at OHB SE, the Supervisory Board appointed Mr. Klaus Hofmann to the Management Board effective November 1, 2015. Mr. Hofmann is in charge of human resources, a function which is of crucial importance given the need to compete for the best talent across the entire OHB Group.

"FOLLOWING THE ERROR-FREE LAUNCH OF THE GALILEO FOC* SATELLITES LAST YEAR, WE HAVE BEEN ABLE TO ADDITIONALLY REINFORCE OUR POSITION AS A EUROPEAN SYSTEM INTEGRATOR."

Marco Fuchs, Chief Executive Officer

* European global satellite-based navigation system; the FOC (full operational capability) phase of the Galileo program is being funded and executed by the European Union. The European Commission and the European Space Agency ESA have signed a contract under which ESA acts as the development and sourcing agency on behalf of the Commission. The view expressed here does not necessarily reflect the official position of the European Union and/or ESA. Galileo is a registered trademark owned by the EU and ESA and registered under OHIM application number 002742237.

The OHB System AG staff, who had previously been based at two different locations in Munich, moved to the new, now finished facility in Oberpfaffenhofen in the immediate vicinity of the German Space Agency in December of last year. Among the first visitors to the new facility were the analysts and institutional investors, who attended the OHB Group's now traditional capital market day in February of this year. The presentations provided an overview of the development work on the European launch vehicle Ariane 6 as well as future and planned missions to Mars.
A comparison of the absolute performance indicators between 2015 and the previous year should take account of the effects arising from the deconsolidation of our former subsidiary Aerotech Peissenberg GmbH & Co. KG in May 2014.
Dear shareholders, your company's business success is also reflected in the dividend which you receive. The Management Board and the Supervisory Board will be asking the shareholders to approve an increased dividend of EUR 0.40 (previous year: EUR 0.37) per share at this year's annual general meeting.

2016

OUTLOOK

Looking forward to 2016, OHB SE will remain on the course on which it has embarked, continuing to observe market trends and exploring possible opportunities, concentrating on developing new technologies and intensifying its efforts to network European space skills. By securing follow-up contracts for existing projects as well as new business in the European market in particular, we will be ensuring continued high capacity utilization across all parts of the Group. Based on the current high order backlog of around EUR 1.7 billion (previous year: EUR 2.1 billion), the Management Board expects consolidated total revenues of EUR 750 million in 2016 as a whole. At EUR 54 million and EUR 42 million, respectively, EBITDA and EBIT should also remain stable at their current high level.
The Management Board would like to thank our entire staff at all of the Group's companies for their services, dedication and innovative ideas last year. Looking forward to the current year, we will continue to drive forward the performance of all OHB companies with enthusiasm and commitment.

Bremen, March 16, 2016
Marco Fuchs, Chief Executive Officer

DEAR SHAREHOLDERS,

SUPERVISORY BOARD

Robert Wethmar,
Member of the Supervisory Board since 2012, born in 1961, attorney at law, Partner at law firm Taylor Wessing

Christa Fuchs,
Chairwoman of the Supervisory Board of OHB SE, Member of the Supervisory Board since 2002, born in 1938, business woman, Managing shareholder of VOLPAIA Beteiligungs-GmbH

Prof. Heinz Stoewer,
Member of the Supervisory Board since 2005, born in 1940, Dipl.-Ing., M. Sc., Professor em. Space Systems Engineering, Technical University of Delft, Netherlands, Managing director of Space Associates GmbH

In 2015, we concentrated on creating the strategic and operational basis for continued success in future years. The transition from a German joint-stock company to a Societas Europaea (SE), which was completed in the first half of the year, reflects the growing Europeanization of space technology and the Group's increasingly intercultural structures. Moreover, the change of corporate status will permit more uniform and clearer governance and promote the development of an open and European corporate culture. The two former Munich facilities operated by the subsidiary OHB System AG were combined at a new site in the immediate vicinity of the space technology cluster in Oberpfaffenhofen.

In 2015, 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. 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. The Management Board briefed the Supervisory Board regularly and comprehensively on order intake, total revenues, earnings and capacity utilization at OHB SE well as within the individual business units. The Management Board answered all of the Supervisory Board's questions in full and comprehensively. The Supervisory Board sought and received ongoing information on corporate planning, strategic development and the main acquisition projects and advised the Management Board on individual matters such as project tenders.

The Supervisory Board held five scheduled meetings at which it deliberated on the Group's performance, the reports submitted by the Management Board, the status of current projects, pending tender processes, planned acquisitions and the corporate budget for 2016. Scheduled meetings of the Supervisory Board in 2015 were held on February 9, March 18, May 21 and September 3 at the Company's headquarters in Bremen. The fifth meeting on December 18 was held at OHB System's new building in Wessling/Oberpfaffenhofen. Detailed discussion of the financial situation of individual large-scale projects and of the Group as a whole culminated in a revised budget for 2015 and the related guidance, which were unanimously adopted at the Supervisory Board's first meeting in 2015 on February 9. Similarly, the rules of procedure for internal auditing and the internal auditing schedule for 2015 were unanimously approved and Mr. Wethmar appointed as the contact person on the Supervisory Board for the head of internal auditing. The Management Board reported on the favorable talks with the employee representative council in Munich concerning the reconciliation of conflicting interests in connection with the relocation to Oberpfaffenhofen.

The meeting held on March 18, 2015 was chiefly devoted to the Management Board's report on the Group's performance in the period commencing January 1, 2014 and ending December 31, 2014, the current state of business as well as forecasts for 2015. For this purpose, the Management Board submitted the annual financial statements, the consolidated financial statements and the management reports for OHB AG and the Group for 2014. The statutory auditors from BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg, personally presented the audit report and elaborated on it at this meeting. The Supervisory Board approved the annual financial statements and the consolidated financial statements of OHB AG. The Report of the Supervisory Board including the declaration of consent of the Related Parties Report prepared by the Management Board was also approved. At this meeting, the agenda of the annual general meeting of May 21, 2015 including proposed resolutions for the utilization of the unappropriated surplus, the distribution of an unchanged dividend of EUR 0.37 as well as the authorization to acquire treasury stock and to establish authorized capital was finalized.

The Management Board reported on the agreement signed with the employee representatives under which the Supervisory Board of OHB SE currently does not have any employee representatives but may be converted to a codetermination-based supervisory board in the future in accordance with the One-Third Participation Act provided that certain conditions are satisfied. The Supervisory Board approved this agreement in accordance with the rules of the Management Board's rules of procedure.

"WITH THE ACTIVITIES COMPLETED LAST YEAR, WE HAVE CREATED THE BASIS FOR THE GROUP'S CONTINUED SUCCESS IN FUTURE YEARS."

Christa Fuchs, Chairwoman of the Supervisory Board

At the meeting held on May 21, 2015, the Management Board reported on the Group's business performance in the first quarter of 2015, the current state of business and the challenges arising from individual projects. The Management Board and the Supervisory Board engaged in a preliminary review of the annual general meeting, which had been held on the same day in a constructive and open atmosphere.

The Supervisory Board renewed Mr. Marco Fuchs' appointment to the Management Board for a further three years, confirming his position as Chief Executive Officer. The appointment commenced on July 1, 2015 and expires at the end of the day on June 30, 2018 on unchanged terms.

The Supervisory Board approved the rules of procedure for the Management Board of OHB SE which had been submitted to it. The main business conducted at the Supervisory Board's meeting of September 3, 2015 entailed brief reports on the individual major projects as well as status reports on conditions at the subsidiaries. In addition, the Management Board reported on business performance in the first half of 2015 as well as the current state of business.

Particular attention was paid to the performance of OHB System AG and MT Aerospace AG (MT). Additional contracts awarded to MT for the development of the Ariane-6 launch vehicle in addition to the still ongoing production of the Ariane-5 will ensure continued favorable business performance.

The Management Board reported on the strategy discussion which had been conducted with Prof. Stoewer in an advisory capacity. Additional future opportunities are seen in the "new space" market segment including "Internet in space". The Management Board and Supervisory Board discussed OHB SE's new corporate structure in the light of plans to appoint a human resources director at the level of OHB SE to centrally coordinate and oversee the personnel matters of all the Group companies. Mr. Klaus Hofmann was subsequently appointed to this position in a circulating resolution, thus becoming human resources director of OHB SE effective November 1. In addition, Mr. Fuchs reported that Mr. Schulz had expressed his willingness to renew his service contract as a member of the Management Board of OHB SE by a further year. Accordingly, the Supervisory Board passed a resolution to duly renew

Mr. Marco Fuchs' appointment to OHB SE's Management Board for a further year upon the expiry of his current contract on June 30, 2016, reconfirming his position as Chief Technology Officer, New Space and IT. The appointment expires at the end of the day on June 30, 2017.

The Management Board reported on the planned relocation date for the Munich employees of OHB System AG to Oberpfaffenhofen in the fourth quarter of 2015, stating that this would not commence until all building activities had been completed.

The Management Board submitted the annual report on the leases between the OHB operating companies and the Fuchs Family's real estate companies. The legal officer outlined the new legislative requirements governing the targets for the proportion of women on the Management Board and the Supervisory Board. The Supervisory Board unanimously approved a target share of women of 33% for the Supervisory Board and 0% for the Management Board. These targets are to apply until December 31, 2016.

Held shortly before the end of the year on December 18, 2015, the Supervisory Board's fifth meeting dealt primarily with the Group's business performance in the first nine months of 2015 and expected earnings for 2015. In addition, the current budget for 2016 including a detailed analysis of individual subsidiaries was presented. A report was also submitted on the internal audits which had been performed.

The Management Board and the Legal department tabled the compliance report for 2015 and briefed the Management Board on material events. The Management Board and the Supervisory Board also jointly issued the declaration of conformity to the German Corporate Governance Code stipulated by Section 161 of the Stock Corporation Act.

OHB SE together with its Supervisory Board and Management Board is committed to good and responsible corporate governance. This commitment is shared by the majority shareholders and the Group's entire management. In addition to observing all statutory and high ethical standards, employees with their keen sense of responsibility attach top priority to minimizing environmental impact, the achievement of the greatest possible quality as well as the safety, health and equality of all staff.

Looking ahead over the next few years, one objective will be to interest more women in the exciting and interesting career opportunities awaiting them in aviation/aerospace, a sector which is still heavily dominated by men, and to encourage more girls and women to embark on a technical career. For this reason, OHB will again be organizing its traditional "Girls Day" this year, which will be taking place on April 28, 2016. Training and skills development for women and the targeted development of female staff right up to the management and executive level will provide additional ongoing support for this program in the future. In addition, the Group companies have forged special partnerships with universities. In line with its commitment to corporate social responsibility, OHB System AG finances foundation professorships at the University of Bremen as well as the University of the Armed Forces in Munich.

Corporate Governance

The Management Board also submitted a corporate governance report to the Supervisory Board in accordance with Section 3.10 of the German Corporate Governance Code in connection with the corporate governance declaration stipulated by Section 289a of the German Commercial Code. The corporate governance declaration can be examined at OHB SE's website.

The Supervisory Board regularly discussed the application and further development of the principles of corporate governance within the Company. On December 18, 2015, the Management Board and the Supervisory Board issued an updated declaration of conformance in accordance with Section 161 of the German Stock Corporation Act and made this available permanently to shareholders at the Company's website.

Approval of the annual financial statements for 2015

The annual financial statements, the consolidated financial statements and the related management reports of OHB SE for 2015 were audited by BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg, and issued with an unqualified auditor's 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 16, 2016, 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. It approved the consolidated financial statements, as a result of which they are now deemed to 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 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
1. the actual disclosures of the report are correct and
2. the Company's transactions as detailed in the Report were not unreasonably high."
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 SE.

Bremen, March 16, 2016
Christa Fuchs,
Chairwoman of the Supervisory Board

SPACE **PROJECTS**

OHB is active in all phases of space flight from design work and integration, such as the Hispasat 36W-1 in the picture to the right, though to the planned launch and in-orbit operation.

IN ALL PHASES OF **SPACE FLIGHT**

Developing and implementing space projects always calls for top human and technological performance. Space is characterized by extreme conditions. Back on earth, the projects are hotly contested. OHB has been growing successfully for 35 years as it offers convincing answers to key strategic issues.

Within the OHB Group, work is progressing at full speed on numerous projects at different stages of completion. The Asteroid Impact Mission, for example, is assessing the scope for technical implementation within a defined budget and scheduling framework. Telecommunications satellites such as Heinrich Hertz, Electra and Hispasat 36W-1 are in differing phases of completion - ranging from the design stage to planned launch in the course of the year. Eight of the 22 Galileo FOC satellites for the European navigation system are already in orbit. The remaining 14 are being readied step by step for launch from Kourou in French-Guayana. Development work on the new European launch vehicle Ariane 6 is ongoing. The German SAR-Lupe radar satellite reconnaissance system has been operating successfully since 2007, while an extensive system analysis was completed last year for the follow-up SARah system, thus passing an important milestone in its development.

THE NEXT LEVEL

STARTING OVER AND OVER AND OVER AGAIN.

THE ABC OF **PROJECT PHASES**

Space projects are sprawling and complicated. As with other types of major projects, they are therefore split into standardized project phases with different targets. In a comparative evaluation of various mission proposals, the customer decides whether the program can move forward to the next phase after a formal review of the results of the previous phase of the project. This ensures that the best mission concepts are selected and that the business and technical risks are minimized for all parties involved.

Among other things, the OHB Group owes its success to a consistent approach taken to the selection of projects for considering new missions, studies and definitions. The OHB companies specifically address matters allowing the two business units "Space Systems" and "Industrial&Aerospace Products" to be reinforced and expanded. With its two sites in Bremen and Oberpfaffenhofen, OHB System AG operates as a general systems specialist in the development, assembly and operation of satellite systems and in the development of scientific payloads and instruments. The subsidiaries in Luxembourg, Sweden and Italy contribute broad-based expertise on micro- and minisatellites as well as selected subsystems. Meanwhile, Belgian company AntwerpSpace possesses core skills in ground segments and specific components for communications subsystems.

With its structural and volume production and long program terms, MT Aerospace engages in a different kind of business. As the largest German supplier of components for the Ariane program, the Augsburg-based company provides the Group's second mainstay, supporting the OHB Group's other activities to optimum effect.

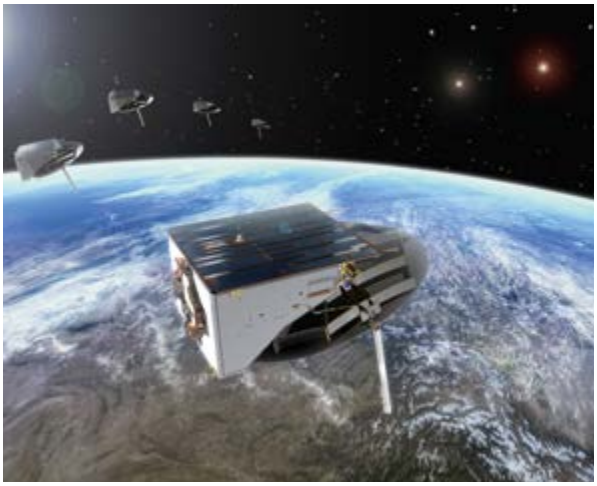
When considering new projects, all OHB companies first determine whether the capabilities and capacity required are available within the Group. This is supplemented by a detailed analysis of the competition. Within OHB, the studies are seen as a basis for preparing and implementing strategic projects. OHB optimized its structures at all levels last year to work on an even more networked basis.

PHASE 0/A

IN THE 0/A PHASE, VARIOUS INDUSTRIAL TEAMS EXAMINE USER REQUIREMENTS AND DEFINE A PRELIMINARY MISSION AND SYSTEM DESIGN.

The project schedule and budget for the asteroid impact mission (AIM) is being determined.

Phase B2/C/D Eight of the 22 Galileo FOC satellites for the European navigation system are already in orbit.



Phase E OHB has set new standards in satellite-based radar reconnaissance with SAR-Lupe.

PHASE B1

PROJECT **PHASES**

This is followed by the Phase B1 in which the extended system definition is drawn up together with a detailed proposal for the implementation of the mission. In a bidding process, a decision is then made on which of the mission implementation proposals is to be accepted. The winner, which nearly always submits its bid in a consortium with other companies, then enters the Phase B2/C/D, in which the final design is fixed and the ultimate product is designed in detail, assembled, integrated and tested. Depending on the project, this may also be followed by Phases E 1+2: system start-up and operations. At the end of the life cycle (Phase F), the satellite is disposed of or placed in a dedicated "graveyard" orbit.


ALONGSIDE TECHNOLOGICAL EXPERTISE, BUSINESS PRAG-MATISM IS ALSO NECESSARY.
THE LAUNCHING PAD FOR NEW PROJECTS
PHASE A

STUDIES

PHASE A STUDIES

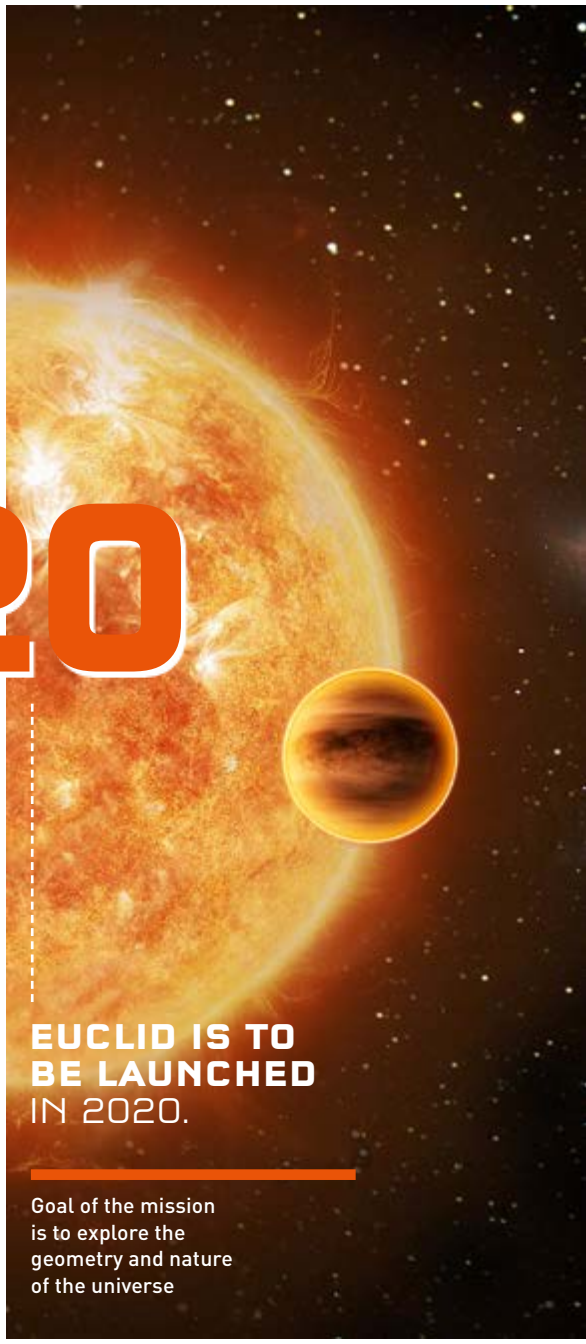
At the beginning there is always one overriding question to be answered: Is the project feasible in terms of technology, finance and scheduling for all parties involved?

PHASE **A STUDIES**

When customers invite bids for their complex space projects, it is initially necessary to determine how their requirements can be implemented in a technically feasible space system within an acceptable time frame and budget.

THE GOAL OF THE **EUCLID MISSION** IS TO EXPLORE THE UNIVERSE WITH GREATER PRECISION.

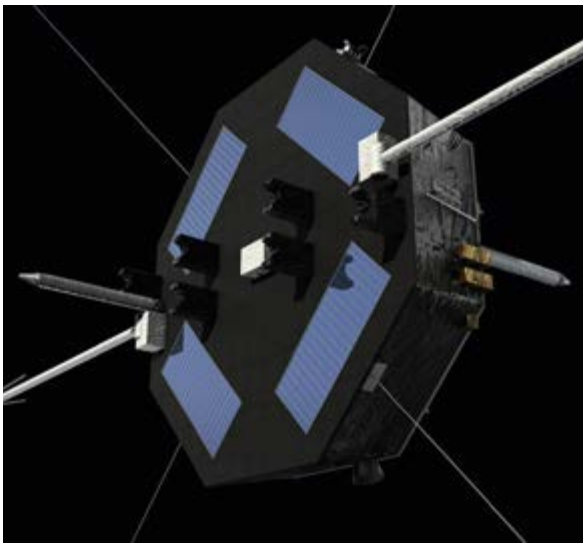
2020



In addition to technological skills, this calls for business pragmatism. This is a further strength of the OHB companies. If proposals are requested for a Phase A study, the first decisive question always to be answered is this: Is the project feasible in technical, financial and scheduling terms for all parties involved?

OHB is particularly skilled at answering these questions, as the European Space Agency ESA has repeatedly confirmed. This is because the Companies take a very pragmatic, hands-on and, above all else, solutions-oriented approach to these tasks. In addition to its pronounced innovativeness, OHB benefits from its ability to focus on the main aspects of the project and to find the most suitable components and project partners in the German, European or world market in the light of the customer's requirements. It fills any gaps with proprietary developments, which are then also of benefit in follow-up projects. These systematic studies prepare the groundwork for later phases of the project.

In performing these tasks, OHB primarily moves within the scope of its business segments and proven skills. Yet, it is in the nature of space flight not only to harness its benefits for humanity but also to continue exploring it step by step. For this reason, a further aspect of project selection is to focus on the future of space utilization and research as a basis for securing the Company's long-term success.



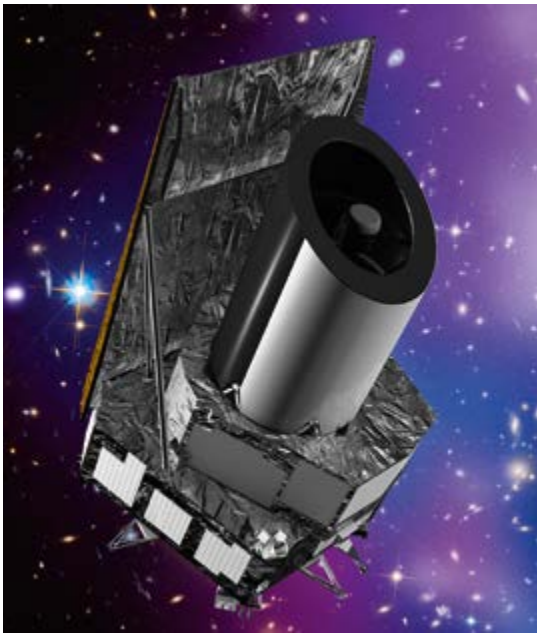
OHB is the lead manager for THOR, a mission with which ESA wants to solve an important question in plasma physics.

TAPPING GROWTH POTENTIAL

For this reason, OHB is working intensively on the definition of mid-size scientific M4 missions in the ESA Cosmic Vision Program. OHB System, OHB Sweden and CGS in Italy have already amassed extensive experience in this area. The next step is to harness this growth potential even more effectively across the Group.

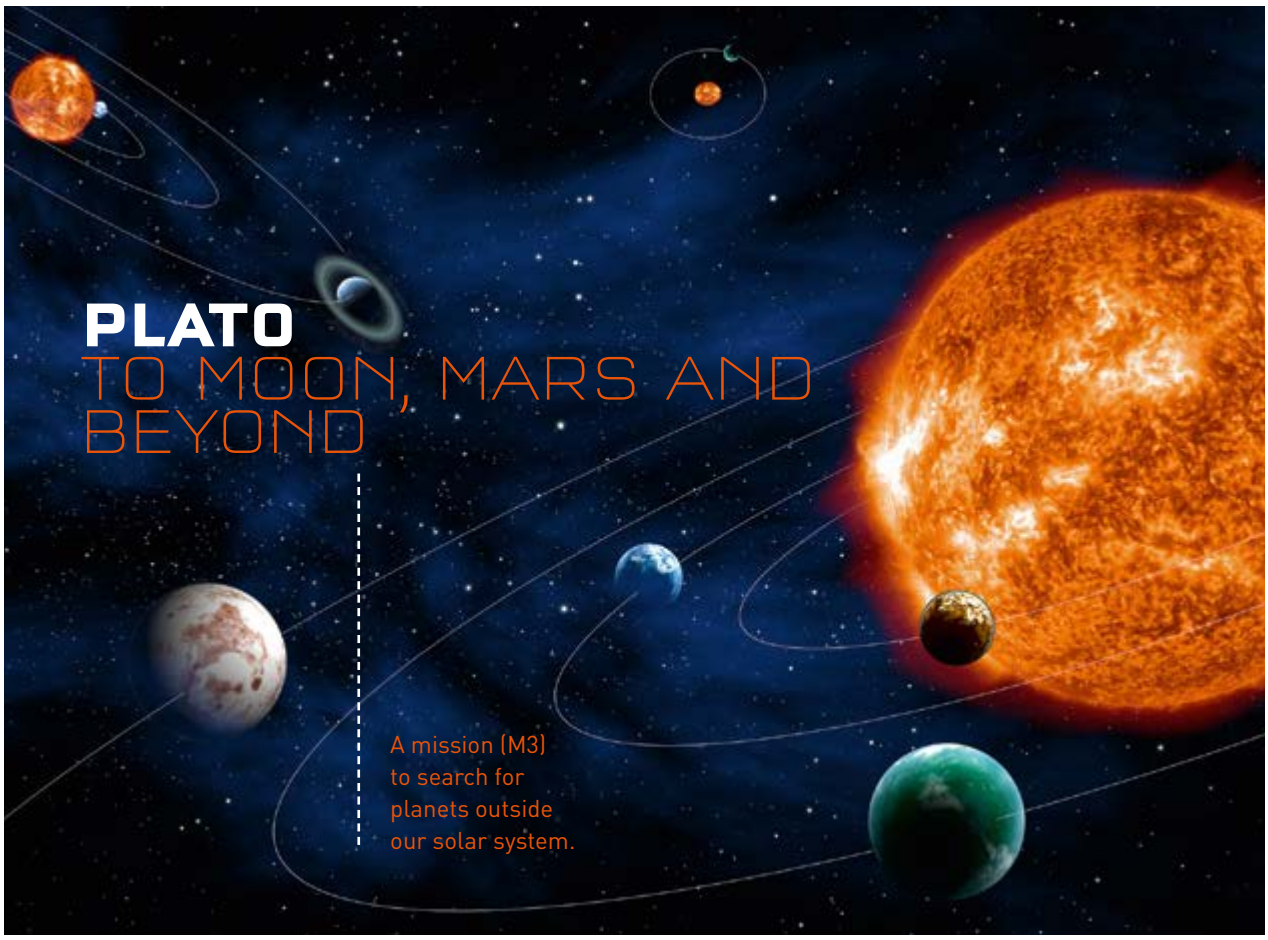
In a project known as THOR, in which OHB is acting as the system prime contractor, ESA wants to explore a significant problem of plasma physics, namely the increase in the temperature of plasmas in the earth's magnetic field and its interrelation with solar winds. ARIEL, in which OHB System is acting as a subcontractor, has been tasked with examining the chemical composition and physical state of the atmosphere of around 500 extrasolar planets to learn more about their origins. In a further subcontract, OHB is also involved in the XIPE space telescope. This mission is exploring the X-ray radiation of high-energy sources such as supernovas, galactic jets, black holes and neutron stars to gain further insights into the conduct of material under extreme environmental conditions. The scientific and technical models are currently being drawn up. Following the completion of the Phase A studies, ESA will then make a decision of which of these three possible candidates will qualify as further M4 missions for launch in 2025, thus joining the list of approved projects. One of these is PLATO – Planetary Transits of Oscillating Stars – an M3 mission searching for planets outside our solar system.

PHASE **A STUDIES**



OHB System in Oberpfaffenhofen is supporting the scientific management and overseeing the development of the instrument, while OHB System in Bremen is responsible for the system definition. PLATO is scheduled to be launched in 2024. Known as "Euclid", mission number 2 (M2) is to get under way in 2020 to explore the geometry and nature of the universe. OHB System is developing the spectrometer and the optical systems of the photometer, while OHB Sweden is contributing the propulsion systems.

Work on the Solar Orbiter, for which CGS is supplying the METIS telescope and OHB Sweden the attitude and orbit control system and the chemical propulsion system, has already reached a more advanced stage. The Solar Orbiter is to commence its journey towards the sun in 2018 to conduct research into space weather.



2016

is the year in which the first ExoMars mission is being launched with the OHB-built MTP (mechanical, thermal and propulsion) system for the trace gas orbiter (below).

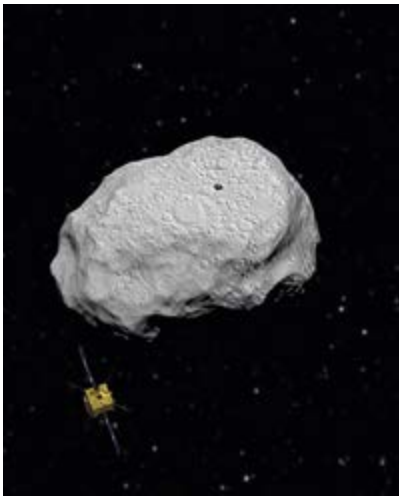
SPACE EXPLORATION

The strategy of gaining new large-scale projects via studies has paid off. When space exploration gained renewed life in the early 2000s as a result of the US "To the Moon, Mars and Beyond" program, OHB had already been working intensively on possible mission scenarios. The upshot of this was that OHB was closely involved in the European ExoMars program comprising two missions for exploring Mars. In the first mission, a trace gas orbiter and landing module commenced their journey on March 14, 2016. The most important German contribution comes from OHB, which has supplied the propulsion system, the structural elements and the thermal protection system for the Orbiter. In the follow-up mission in 2018, OHB System has taken over the overall responsibility for the carrier, which will be transporting a rover to Mars. As well as this, OHB System is working on various instruments for the rover, while Antwerp Space is responsible for its communications system.

MOVING ASTEROIDS

The OHB Group has amassed far-reaching exploration skills and become an internationally acknowledged partner in the execution of complex missions. Given the experience which it has gained, it was only logical for OHB to turn its attention to characterization of asteroids and investigation of ways to protect Earth from their impact in the AIM (Asteroid Impact Monitoring) mission study. The purpose of this study is to demonstrate how the earth can be protected from asteroid impacts in concerted international efforts. In 2022, the Didymos double asteroid will be approaching the earth, passing it within a distance of 11 million kilometers and, hence, close enough for the project to be implemented. NASA will be launching DART, a probe in the form of a projectile, the impact of which will slightly modify one of the two asteroids' trajectory. ESA will be sending out the AIM probe as an observation and communications post. If this mission will be realized, it will take OHB further into the depths of outer space than ever before.

This mission is feasible in terms of time and also technically. As the system manager of the European part, OHB successfully completed an overall model as part of a feasibility study, meaning that work just commenced with the Phase B1. The European consortium under the lead management of OHB System is now working on the detailed specifications, the risk analysis, the budgets and the schedule. A final decision on the implementation of the project will be made at the end of the year at the ESA Conference of Ministers.



ESA IS LAUNCHING
THE AIM PROBE

to serve as an observation and communications post. If this mission for protecting the earth reaches fruition, OHB will have traveled further into space than ever before.

ASTEROID IMPACT MISSION

THE EUROPEAN PART OF THE JOINT ESA AND NASA AIDA MISSION.

PHASE **A STUDIES**

DEVELOPMENT OF THE SMALLGEO RANGE

EVOLU

THE PIONEER SATELLITE IS TO BE LAUNCHED THIS YEAR.

UTION

SMALL**GEO** RANGE

The innovative design is based on the strategy of offering smaller specialized satellite systems at inexpensive prices.

PHASE **B/CD**

The goal being pursued with studies is clear: To ensure that projects can successfully enter the next phase and to strengthen existing areas of business and open up new ones. Of the projects currently under development, one is particularly special, namely the SmallGEO range initiated by OHB.

The innovative concept is based on the strategy of offering satellite systems which are smaller and less expensive and suitable for specific activities. Everything began with systems for low earth orbits, a market in which the Group has long since established a firm position. The idea behind the geostationary orbit is to offer relatively small, less expensive telecommunications and research satellites.

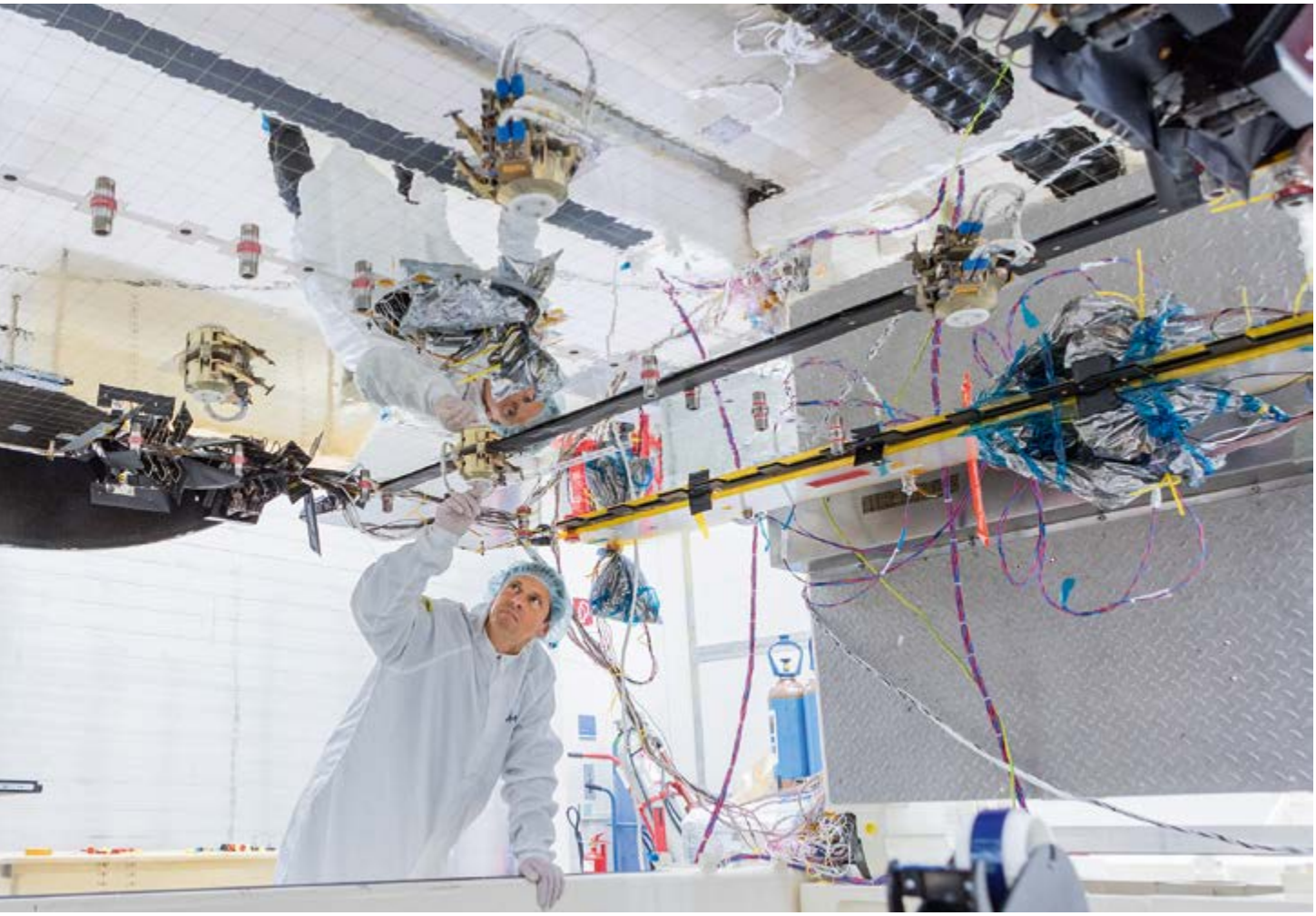
Despite the demand, however, no satellites from Europe worth mentioning were available in this segment of the market. Consequently, OHB took the initiative and quickly convinced the German Aerospace Center DLR and ESA to bring competence in this area back to Europe and, more specifically, Germany. Sweden and Luxembourg also quickly expressed interest in acting as partners.

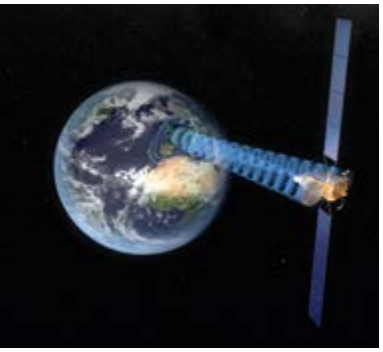
2016

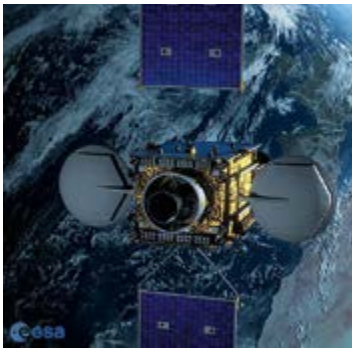
THE PIONEER HISPASAT 36W-1 SATELLITE IS BEING LAUNCHED THIS YEAR.

HARNESSING **SYNERGISTIC BENEFITS**

The pioneer SmallGEO satellite, Hispasat 36W-1, is to be launched this year as the lower passenger on board an Ariane 5. In addition to OHB System as the prime contractor, the core team also includes material contributions from affiliates OHB Sweden and Luxspace. Apart from the joint activities of the OHB companies, special mention should also be made of the technological scope and intermeshing of the product line, which is something of a departure from the customary once-off solutions typical of space business. At the moment, six MTG weather satellites based on the SmallGEO platform are being assembled. Similarly, valuable knowledge gained from the development of SmallGEO has also been incorporated in ExoMars 2016 and the Carrier for ExoMars 2018. Known as "EDRS", a European data relay communications system based on the SmallGEO platform is also being developed at the moment, with OHB to contribute the EDRS-C satellite. Additional design improvements will reinforce the competitiveness of the system for geostationary applications in the future. This is also the purpose of the Heinrich Hertz mission. This research satellite is carrying numerous test series on board and, among other things, will be testing new communications technologies under real space conditions as a basis for addressing demand for increasingly higher data rates more effectively.







ELECTRA
SATELLITES

With Electra, OHB is entering the market for commercial telecommunications satellites and adding an innovative propulsion system to the SmallGEO range.

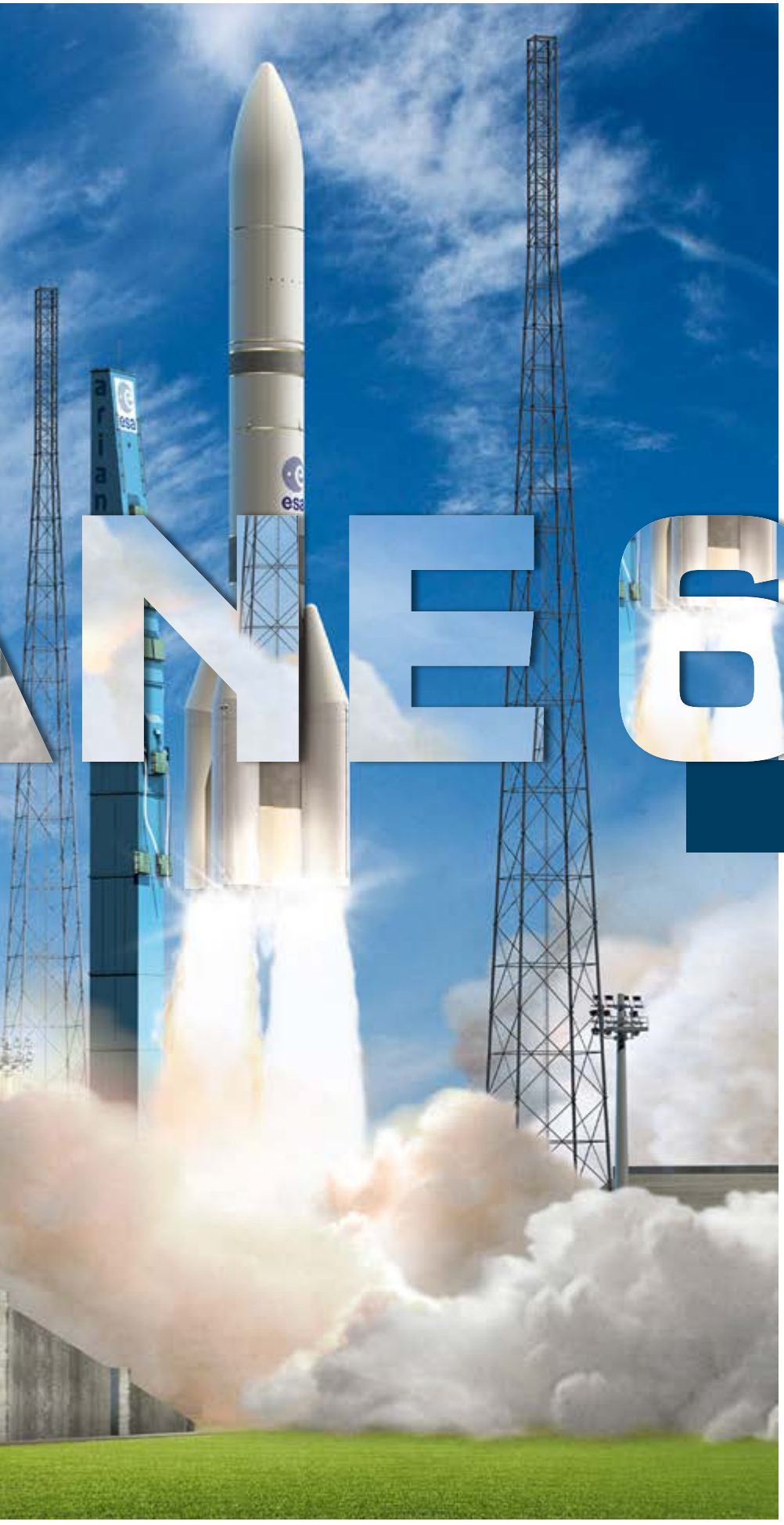
PHASE **B/CD**

TWICE THE PERFORMANCE

All SmallGEO satellites are at different stages of development and are mutually benefiting from each other in evolutionary-like fashion. One version being worked on already marks the next promising level of development of this range and is of particular relevance for the global commercial satellite market: Electra, a SmallGEO powered solely by electricity. OHB has been able to gain ESA and SES, one of the world's largest operators of communications satellites, as customers. This satellite in the three-ton weight class offers a payload mass which is almost twice the size. With an output of around ten kilowatts, it is also more than twice as powerful as its predecessors. The advantages are plain to see: The improved electrical output can be used for improved payload performance, resulting in extremely good value for money for the customer. Alternatively, launch costs per satellite can be reduced significantly as it is possible to launch two satellites at the same time. Such a system has previously not been available in Europe. With Electra, OHB is extending its reach into the market for commercial communications satellites and adding an innovative propulsion concept to its SmallGEO lineup.

EUROPE'S GATEWAY TO SPACE

THE NEXT GOAL:
TO LAUNCH THE NEW DRIVING FORCE IN EUROPEAN SPACE FLIGHT.

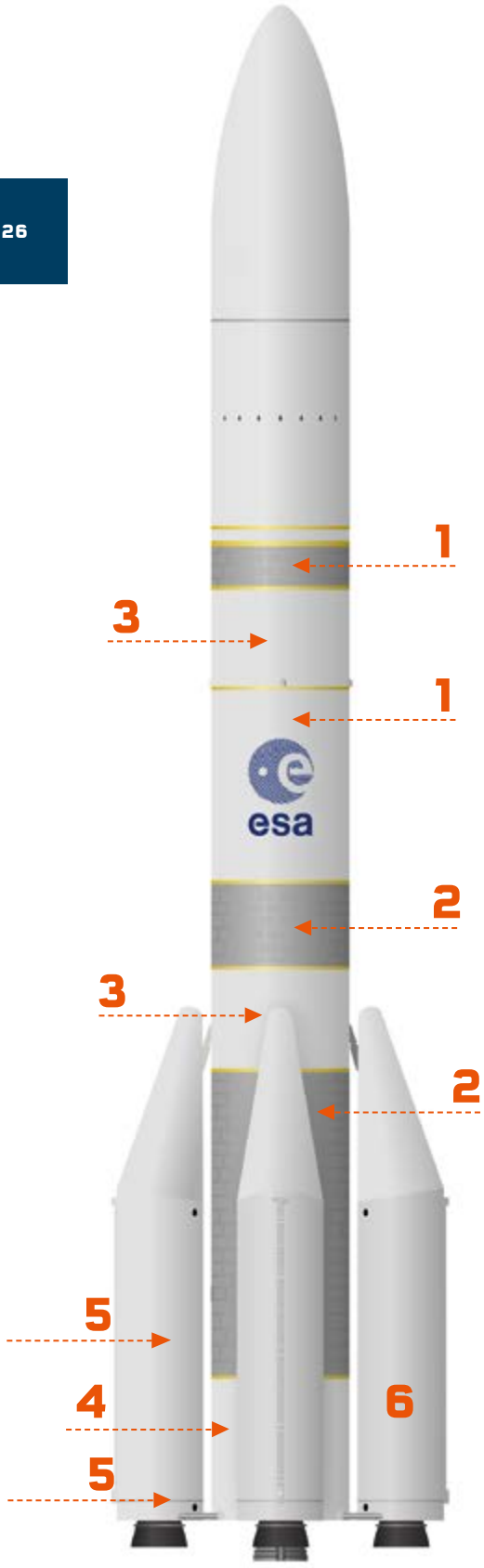


ARIANE 6
THE EUROPEAN LAUNCHER

The Ariane 6 is to complete its maiden flight in 2020, after which the annual launch cadence will be ramped up to eleven within three or four years.

PHASE-**CD**

With the approval of the Ariane program in 1973, a decision was made to provide Europe with its own gateway to space. From the outset, Germany had played a leading role in this joint European project. Then as now, the availability of a reliable, flexible and competitive launch vehicle was one of the key elements of the European space strategy. In response to global competition, a new-generation launch vehicle known as Ariane 6 is now under development.

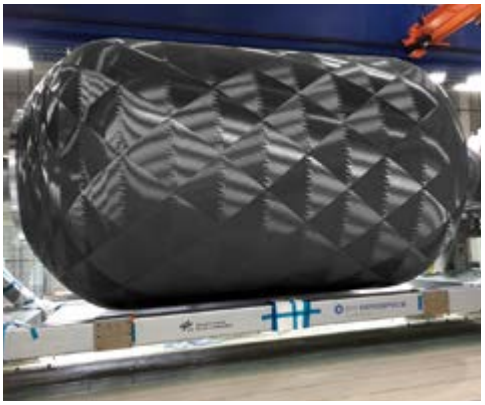


1 Upper stage tanks for LOx and LH2 **2** Dome and cylinder panels for the lower stage tanks **3** Intertank structures for the upper and lower stage **4** Cylinder panels for the lower load introduction structure **5** Front and rear structures of the solid-fuel boosters **6** Solid-fuel booster casing

At the last ESA Conference of Ministers, the member states decided to move forward with the development of Ariane 6. After it became clear that a second booster production line would be constructed in Augsburg, Germany decided to increase its contribution to Ariane 6 to 23 percent. This decision marked an important milestone in European space flight and for MT Aerospace. With the strong German involvement in Ariane 6, the viability of the Augsburg production facility is secured on a long-term basis.

It will be building the new Airbus Safran Launcher, a 50/50 joint venture between Airbus DS and Safran. Ahead of the Conference of Ministers, MT Aerospace and Airbus had already agreed on the future contributions to the production of the Ariane 6 and the allocation of the expected budget.

The total work package being sought by MT and comprising the upper stage tanks, booster casing and structural elements roughly matches the share of 11.5 percent targeted for the production of Ariane 6.



Pressurized container for the FORC test article

23

PERCENT

is the total German contribution to Ariane 6.

GOAL: INTERNATIONAL COMPETITIVENESS

To ensure its sustained international competitiveness, the Ariane program is to be enhanced technically and improved structurally. Over the last few years, the economic viability of the European launch vehicle has grown in importance. It is currently no longer possible to market Ariane 5 in such a way that costs are covered without government support.

Studies conducted ahead of the last Conference of Ministers showed that on the basis of previous experience with the Ariane 5 and development work on the Ariane 5ME the components are available for implementing a promising new launch vehicle concept which is internationally competitive. MT Aerospace has forged a partnership with the Augsburg-based Center for Lightweight Production Technology (ZLP) to optimize the industrial production processes. With the help of a robot system, a booster demonstrator is currently being built to almost original scale in nearly all areas.

To speed up the development of the boosters, ESA has agreed to award industrialization contracts, e.g. for the assembly of demonstrator models directly to MT Aerospace. The development program for the production of the CFRP casing will be running until the end of 2017.

AMBITIOUS SCHEDULE

The combination of existing components and the development of new elements should ensure that the development of Ariane 6 is completed in only five years. The launcher configuration of the new Ariane 6 uses a combination of liquid hydrogen and oxygen as propellant for both the upper and the lower stage. Technologically, the new lower stage is based on the "old" Ariane 5 lower stage. The upper stage is a modified version of the new upper stage planned for the Ariane 5ME with the re-igniteable Vinci engine.

Greater flexibility compared with the Ariane 5 will be afforded by the same solid-fuel-based booster engines. Depending on the configuration, the Ariane 6 can transport payloads weighing five or eleven tons into space, in which case it is fitted with either two or four boosters. With a length of around 70 meters, Ariane 6 is to have its maiden flight in 2020.

In the 64 version with four boosters, the Ariane 6 can handle almost the same payload as the Ariane 5ME. The main reason for the decision in favor of Ariane 6 is the strong competition prevailing in the global market. In the medium term, this would have meant that greater subsidization was necessary for the European launch vehicle. As Europe is unwilling and unable to provide such financial support, the Ariane 6 must be inexpensive enough to permanently safeguard Europe's gateway to space.

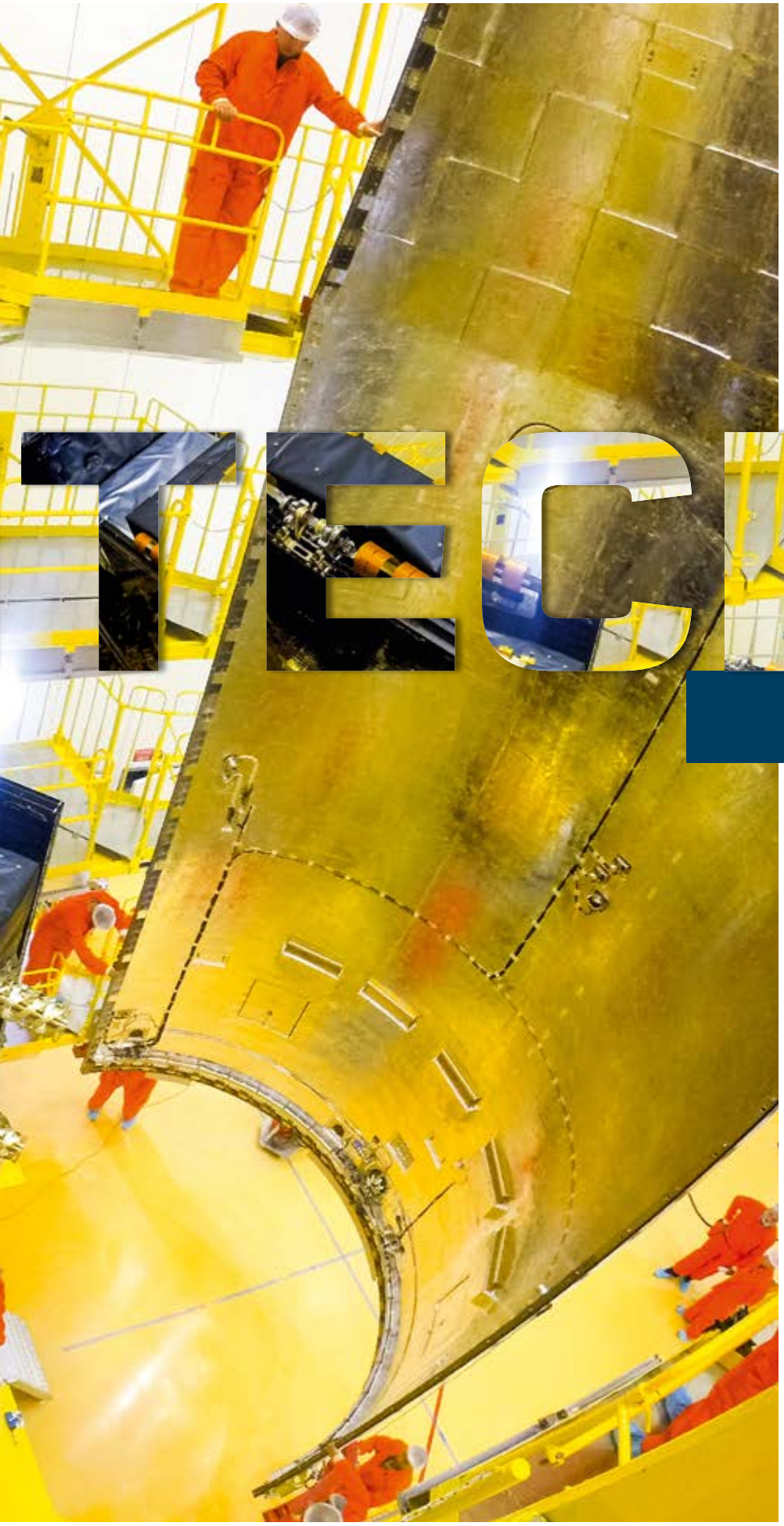
PHASE **CD**

THE CHALLENGE:
MASTERING THE TRANSITION PHASE

Under current plans, Ariane 5 production will continue until 2021 with a cadence of six. Ariane 5 launchers are expected to remain in use until 2023. Ariane 6 will be embarking on its maiden flight at 2020, with the annual cadence to be ramped up to eleven within three or four years. This transition phase between 2018 and 2021 will pose major challenges for production. MT Aerospace has already commenced the planning phase even though a final decision on Ariane 6's ultimate size has not yet been made.

The next goal facing MT Aerospace is to sign a contract with ESA for the period through to the end of 2017 for the development of the booster technology. The course which has been adopted is to be approved at the next ESA Conference of Ministers at the end of 2016. Assuming that approval is given, a final decision will be made to complete testing of the launch vehicle by 2019 and to put the new driving force behind European space technology into operation.


HIGH
IN SERIES



TECH

PHASE **CD**

GALILEO
NAVIGATION SATELLITES

Awarded in early 2010, the first contract for series production of the Galileo* FOC satellites marked a further chapter in the development of the OHB Group.

OHB is not only impressive in its ability to submit proposals. It also takes an extremely successful – albeit occasionally unconventional – approach to the implementation of large-scale projects, such as the series production of the Galileo*-FOC-Satelliten.

Awarded in early 2010, the first contract for series production of the Galileo FOC satellites marked a further chapter in the development of the OHB Group. OHB System AG had prevailed over its competitors in the bid for the construction of an initial 14 Galileo FOC navigation satellites as well as in the follow-up bid for a further eight navigation satellites. The new challenge which OHB faced for the first time in its history was to build a total of 22 identical satellites.

To this end, it built a further integration hall to provide the space required for this project, implementing an island solution as a basis for series production. All eight satellites already orbiting in space have demonstrated the necessary functional capabilities and performance. The next quartet is ready for transportation to a medium earth orbit. This year, four Galileo FOC satellites are to be launched on board an Ariane 5 for the first time as well as a further two on board a Soyuz. Series production of these 22 navigation satellites will be completed successfully in the foreseeable future. And the next step has already been taken as the entire Galileo system requires a total of 30 satellites for full operation. Accordingly, OHB System submitted its bid for the third lot for the outstanding Galileo FOC satellites at the beginning of February.

22

identically constructed satellites will be built in total.

THE NEXT-GENERATION **NAVIGATION SATELLITES**

Even though the first independent European navigation system has not yet been fully implemented, work has already commenced on the second generation. In a project named "Galileo Evolution", the engineers at OHB System are already giving serious thought to the follow-up constellation which will be required after the expiry of the 12-year operating period of the first generation. OHB System submitted its request to participate for the bid of a third lot for the outstanding Galileo FOC satellites at the beginning of February. The experience gained in several projects will result in technical enhancements. Navigation satellites powered solely by electricity are also conceivable given the experience gained with the development of the Electra telecommunications satellite (see page 23). This would result in a substantial reduction in launch costs due to the lower weight.

Although "Galileo Evolution" is still in its early days, it is already allowing OHB to tap further development potential in its familiar cycle: selecting promising studies and executing projects effectively, inexpensively and with technical expertise while at the same time not losing sight of the future.

The project in which this cycle has already been implemented is known as SAR-Lupe, the first satellite-based radar space reconnaissance system for the German federal armed forces. OHB System also received the contract for the development of the follow-up system SARah in summer 2013.

* The FOC (full operational capability) phase of the Galileo program is being funded and executed by the European Union. The European Commission and the European Space Agency ESA have signed a contract under which ESA acts as the development and sourcing agency on behalf of the Commission. The view expressed here does not necessary reflect the official position of the European Union and/or ESA. **Galileo** is a registered trademark owned by the EU and ESA and registered under OHIM application number 002742237.

PHASE **CD**

SARAH – SECOND-GENERATION RECONNAI FROM SPACE

SSANCE

SAR-Lupe AND SARah

After OHB had been prime contractor for SAR-Lupe, it is currently also prime contractor for the follow-up system SARah.

PHASE **E 1+2**

WITH SAR-LUPE, OHB SYSTEM AG HAS SET NEW STANDARDS IN SATELLITE-BASED RADAR RECON-NAISSANCE.

Known as SARah, the replacement system will be even more capable. SARah is currently being developed by the Satellite Reconnaissance department at OHB System and, with the completion of a comprehensive system analysis, has already passed a crucial milestone towards realization.

Five SAR-Lupe satellites have been orbiting the earth for around eight years now, reliably supplying real-time images from virtually any location in the world regardless of the time of day or night and weather conditions. The images collected from the five identical satellites by the ground station in Gelsdorf near Bonn, Germany, are invariably of superb quality and, therefore, of extreme value for the German federal armed forces' global reconnaissance activities.

The German federal armed forces, which engaged OHB System to develop, build and also operate the SAR-Lupe system, greatly appreciates the images especially when it needs to detect potential crises at an early stage for example. This is because satellite images are obtained without violating any territorial sovereign rights and, thus, without the risk of exacerbating an already critical situation.

In addition, SAR-Lupe has been modified to allow it to work with the French optical Helios II system, thus providing a shared European satellite system for strategic reconnaissance.

FIVE SAR-Lupe
SATELLITES

The images collected from the five identical satellites by the ground station in Gelsdorf near Bonn, Germany, are invariably of superb quality and, therefore, of extreme value for the German federal armed forces' global reconnaissance activities.

SARah A MAJOR ADVANCE OVER SAR-Lupe

In July 2013, OHB System AG also received the contract to build the second-generation satellite-based radar reconnaissance system. Awarded by Bundeswehr Equipment, Information Technology and In-Service Support (BAAINBw) in Koblenz, the contract has a value of a good EUR 800 million. As the prime contractor, OHB System AG is responsible for executing the entire system, which comprises three satellites and the related ground segment.

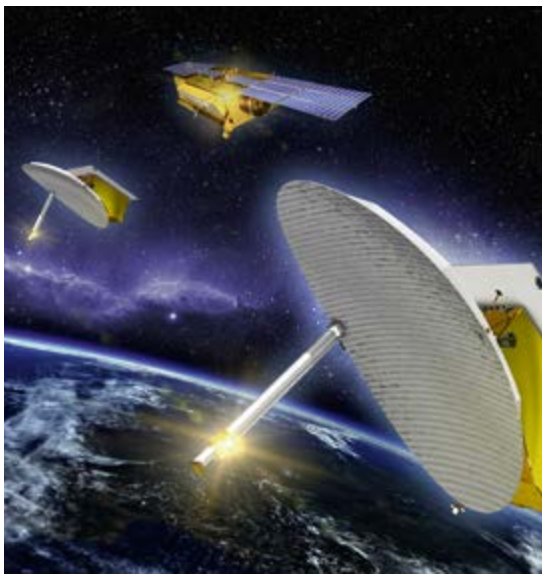
As with SAR-Lupe, the first three letters form the abbreviation of "Synthetic Aperture Radar". Whereas the two SARah satellites built by OHB System constitute a further development of the SAR-Lupe satellites and are based on reflector technology, the satellite provided by Airbus DS will be fitted with phased-array technology.

Both technologies have already proved themselves in space. This first-time combination of two different technologies as well as the use of a further receiving station will make SARah a good deal more efficient than SAR-Lupe and permit a further improvement in the resolution of the radar images, swifter data downloads from the satellites and appreciably shorter system response times. The challenge is to combine two entirely different systems to achieve a harmonious whole.

SARah
TAKING ON FORM

Development of the new system is making good progress. This is not least of all reflected in the extensive system analysis which the SARah project team presented to experts from the German federal armed forces. In this way, the SARah project team was able to achieve a further major milestone, thus ensuring that the project is proceeding fully according to schedule.

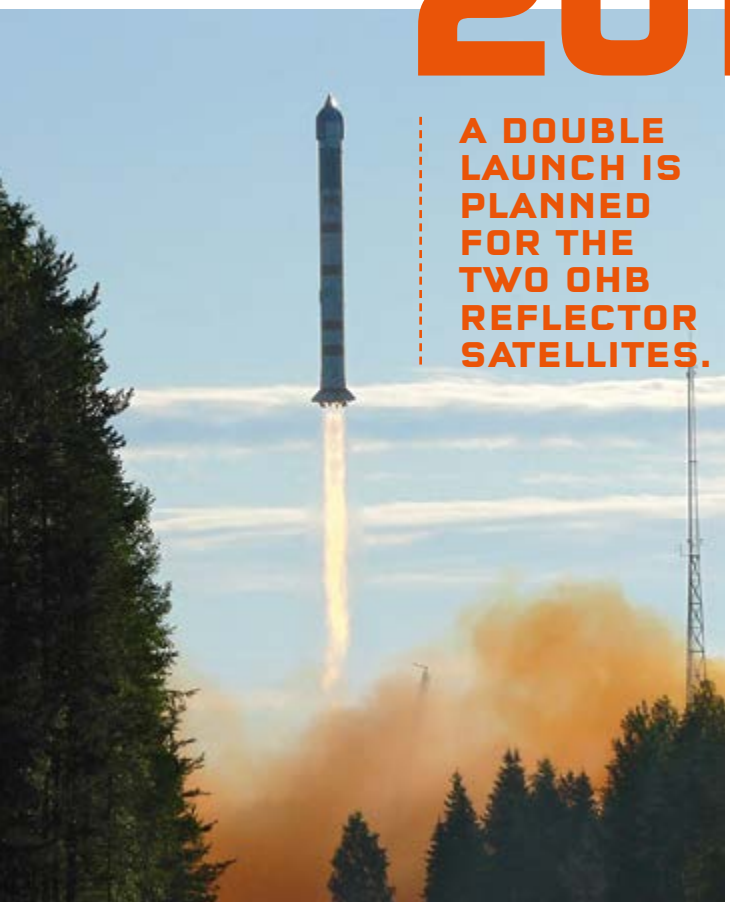
The first hardware components were delivered at the end of 2015 as planned. These components are required for the development model of the satellites as well as for the assembly of the Stage 1 ground segment as the ground segment in Gelsdorf will be ready to take over the operation of the previous SAR-Lupe system in autumn 2016. Pending the completion of the final stage in 2019, the ground segment will be expanded step by step. Looking forward, OHB's ground segment will also be able to operate two other satellite systems alongside SAR-Lupe and SARah.



PHASE **E 1+2**

2019

A DOUBLE LAUNCH IS PLANNED FOR THE TWO OHB REFLECTOR SATELLITES.



DOUBLE LAUNCH FOR
OHB SATELLITES

SAR-Lupe will continue to be operate during the transition period from the end of nominal SAR-Lupe operations until the commencement of full SARah operations.

The three SARah satellites will be launched on board "Falcon 9" vehicles provided by US space technology company SpaceX.

The traditional Vandenberg Air Force Base in California is planned as a launch pad. This is where space satellites were launched back in 1959.

SUPPORT FOR TOMORROW'S ENGINEERS

The German CanSat competition gives interested school students an opportunity of exploring the technical challenges of a space mission.

Engineers are a valuable and scarce resource. To ensure that it has sufficient clever minds to execute future space projects, OHB is promoting academic education in the area of space technology and attempting to arouse school students' enthusiasm for technical disciplines. To this end, it is funding two professorships and providing targeted support for projects aimed at fostering young adults' interest in all things technical.

The Bremen OHB foundation professorship for space technology was established in 2012 at the ZARM Center of Applied Space Technology and Microgravity in the Production Technology faculty. From the outset, the holder of the professorship, Prof. Dr. Claus Braxmaier, has forged close ties with the DLR Institute of Space Systems, where he is simultaneously head of System Enabling Technologies.

His research activities focus on the development of space-enabled technologies for implementing current and future space missions. In this connection, the high-precision measurement of physical parameters, the search for new effects and the validation of physical theories, basic research and underlying assumptions is calling for increasingly accurate methodologies. A good example of this is the detection of gravity waves. Mission success hinges on the precise measurement of the distance (approx. one million kilometers) within the satellites with a tolerance of one billionth of a meter. Such missions require high-precision optical instruments such as interferometers and frequency references for measuring distance and time and are being developed under the OHB foundation professorship. Particular attention is paid to ensuring that the structure and quality of these instruments are able to withstand the conditions prevailing during launch and in space without any impairment of measurement precision. In addition, work is being conducted under the foundation professorship on the development of ultra-small screws, the characterization of which calls for new measurement methods, which are also being developed. The same thing applies to quality examinations of mirror surfaces and the examination of the thermal expansion of dimensionally highly stable materials for space applications.

In addition, Prof. Dr. Claus Braxmaier is overseeing specific satellite missions, such as the ESA STE-QUEST (Space-Time Explorer and Quantum Equivalence Principle Space Test), which is being funded by the German Space Agency DLR. The purpose of this mission is to check the basis for and predictions made by Einstein's theory of relativity with unrivaled precision by reference to the quantum mechanic condition of the material.

NEW OHB FOUNDATION PROFESSORSHIP: SECURE WIRELESS COMMUNICATIONS FOR SPACE APPLICATIONS

Last year, OHB funded a new chair of Secure Space Communications at the University of the Armed Forces in Munich. The endowment deed was signed by Marco Fuchs, the Chief Executive Officer of OHB SE, and Prof. Merith Niehuss, the President of the University of the Armed Forces Munich, in March 2015.

143

SCHOOL STUDENTS
HAVE PARTICIPATED SINCE THE FIRST GERMAN CANSAT COMPETITION IN 2014.

A CanSat is a "satellite" the size of a can, which is developed, built and programmed by teams of school students.

The junior endowment chair is responsible for addressing scientific issues related to the implementation of secure satellite communications. In today's information society, the development of efficient and secure communications channels is increasingly growing in importance.

Against this backdrop, OHB is funding secure information transmission and information processing with a particular focus on space applications. The endowment of the chair is being provided for six years to promote scientific research at the University of the Armed Forces in Munich.

INTERESTED SCHOOL STUDENTS CAN TRY THEIR HAND AT SPACEFLIGHT WITH CANSAT.

The junior endowment chair is being established at the Faculty of Electrical Engineering and Information Technology and will be assigned to the Chair of Information Processing at the Institute of Information Technology due to the nature of the studies.

Since its establishment, the University of the Armed Forces in Munich has particularly been focusing on aviation and space research. It has been conducting research into earth observation and navigation as well as autonomous systems and robotics for many years, thus addressing two of the three main elements of this high-level technology specified in the German federal government's space strategy.

OHB SUPPORTING CANSAT: SCHOOL TEAMS DEVELOPING THEIR OWN MINI-SATELLITES

The German CanSat competition gives interested school students from all over Germany an opportunity of exploring the technical challenges of a space mission. Working in a team, they receive a unique chance to develop a fully functional mini satellite the size of a can. As in a genuine space mission, the small-scale research satellite is launched on board a rocket and propelled to a height of 1,000 meters, where it is activated. With their independently developed payload, the winning team qualify for entry in the ensuing Europe-wide competition. This team will be taking part as the current German title-holder.

The third Germany-wide final will be held in Bremen again in September 2016. CanSat allows young people from all over the country to work on a complete space project on a hands-on basis outside the classroom. Normally abstract mathematical and physical knowledge is applied as the teams do not only develop the idea for the scientific function of the satellite but also assume independent responsibility for designing the components and integrating them in the CanSat module. In addition, they develop a parachute system to recover the payload and experience live the climax of the competition: the launch of their own satellites on board a rocket at the Rotenburg Wümme airfield.

OHB has been supporting the project together with many other institutional and industrial co-organizers and sponsors since the first German CanSat competition in 2014.

ERASMUS PLUS: OHB SUPPORTING INTERNATIONAL SCHOOL STUDENT EXCHANGE

Under the European Erasmus Plus project, an international conference attended by school students from Scotland, Sweden and the Netherlands was held in December 2015 at the Waldschule school in Schwanewede near Bremen. The purpose of this forum was to provide school students with an insight into the opportunities of the European job market and career openings at international companies such as OHB.

From the outset, the school students were required to work in teams to prepare the project, this being a crucial skill in day-to-day work for an international company at which employees from different countries work together on shared projects. The purpose of Erasmus Plus, in which the Waldschule school in Schwanewede is participating alongside three partner schools, is to provide an intensive introduction to the world of work at international companies. The project is to encourage cooperation between schools and companies and to teach school students the skills that they will need in their future careers. During the two-year project, school students were able to find out more about OHB and four other companies. Guided tours of OHB gave the school students an insight into the structure and function of the space technology industry as well as the training and career opportunities it offers.

To prepare for the project, a task force was established at all the participating schools to give the students of the partner schools an opportunity of finding out more about the space industry in Europe as a whole and in their own country. Two students from the Waldschule school paid advance visits to the participating companies to find out more. Small groups each comprising eight school students from all the partner schools then toured the companies. They then presented the companies to the other participants.

The project is being continued with visits to companies in Sweden in March 2016. This will be followed by further meetings in the Netherlands and Scotland in October 2016 and March 2017. The project will be concluded in May and June 2017 with job fairs at all four schools attended by representatives of the partner companies.

THE HIGHLIGHTS OF 2015 AT A GLANCE

To mark the commencement of the first SpaceTechExpo in Bremen, professional football player and Werder defender Santiago Garcia visited the Bremen-based space company and Team11 sponsor OHB.

1 QUARTER

ESA DECIDES TO MOVE FORWARD WITH EDRS PROGRAM

26. January ESA decided to continue with the deployment of the entire EDRS program including the launch of the EDRS-C satellite.

The EDRS infrastructure is made up of two space segments and the related ground segment: The first of the two EDRS payloads (EDRS-A) will be carried on board the EUTELSAT 9B satellite. The second EDRS payload, as well as the payload from Avanti Communications of London, will be flown on the EDRS-C satellite which is being built by OHB System AG.

EDRS is a strategic asset for Europe, a new space data highway to relay large volumes of data very quickly so that information from Earth-observing missions can be available even more readily.

IXV SPACE GLIDER FLIES WITH MT AEROSPACE STEERING FLAPS

Augsburg, 11. February The test flight of the European Space Agency ESA's Intermediate eXperimental Vehicle IXV space glider was a complete success. Re-entry into the earth's atmosphere and the ensuing landing in the Pacific were completed with great precision.

As development partner to the principal contractor Thales Alenia Space, Turin, MT Aerospace was responsible for the thermal-mechanical design, development and testing of the steering flaps. MT Aerospace applied for patents for the innovative composition material, which is light but extremely heat resistant, used for the flaps.

Hispasat 36W-1

OHB COMPLETES INTEGRATION OF THE FIRST GEOSTATIONARY COMMUNICATIONS SATELLITE

Bremen, 18. February Developed and built by OHB System, the Hispasat 36W-1 geostationary communications satellite has left the integration hall in Bremen. After successful system testing at the end of the integration phase, Hispasat 36W-1 is now undergoing environmental impact testing at IABG in Ottobrunn.

Spanish communications service provider and satellite operator Hispasat will be using Hispasat 36W-1 to supply Spain and Portugal, the Canary Islands and America with multimedia services.

OHB SWEDEN AWARDED CONTRACT FOR INNOSAT AND MATS

Stockholm, 19. February OHB Sweden, Stockholm, and ÅAC Microtec, Uppsala, received a contract from the Swedish National Space Board (SNSB) for the delivery of a highly capable "InnoSat" small satellite platform and for the execution of an advanced scientific mission known as MATS (Mesospheric Airglow/Aerosol Tomography and Spectroscopy).

MATS will be the first science mission to be based on the InnoSat platform. The mission launch is scheduled for 2018.

3 QUARTER

ANTWERP SPACE IS DEVELOPING A NEW SATELLITE MODEM FOR MDA

13. March Antwerp Space was awarded a contract by the UK subsidiary of MacDonald, Dettwiler and Associates Ltd. (MDA) for the supply of equipment as part of the development and construction of a Ka band data relay terminal flight model (ColKa). ColKA is to be used in the ESA Columbus module of the International Space Station (ISS).

The equipment developed by Antwerp Space consists of an advanced modem utilizing a high-performance encoding technology for the very first time in Europe. This modem will enable substantially faster communications from the ISS to the earth via the new European Data Relay Satellite System (EDRS).

GALILEO FOC SATELLITES ADAM AND ANASTASIA SUCCESSFULLY LAUNCHED

Kourou, 28. March Developed and built by OHB System AG, Galileo FOC satellites number three and four were successfully launched on board a Soyuz rocket, which lifted off from the Kourou space center in French-Guayana at 22:46 hours Central European Time on March 28, 2015. They reached their planned orbit at an altitude of around 23,000 kilometers just under four hours later.

Galileo control center

2 QUARTER

Orion of the future

ANTWERP SPACE DEVELOPS A TESTING SYSTEM FOR THE EUROPEAN SERVICE MODULE

July Antwerp Space was awarded a contract of around EUR 9 million by Airbus Defence & Space in Bremen for the development of a new generation of electrical ground support equipment (EGSE) for supporting the European Service Module (ESM) of the Orion Multi-Purpose Crew Vehicle (MPCV).

Airbus Defence & Space selected Antwerp Space for the development, industrialization and assembly of the entire EGSE consisting of a series of power-related special check-out equipment (SCOE) based on the reference system developed by Airbus Defence & Space.

SUCCESSFUL LAUNCH OF THE NEXT GALILEO FOC SATELLITES

Kourou, 11. September Developed and built by OHB System AG, Galileo FOC satellites number five and six were successfully launched on board a Soyuz rocket, which lifted off from the Kourou space center in French-Guyana at 04:08 hours Central European Summer Time on September 11, 2015.

They reached their planned orbit at an altitude of around 23,000 kilometers just under four hours later. Shortly after this, they sent their first "sign of life" to the ESOC control center in Toulouse.

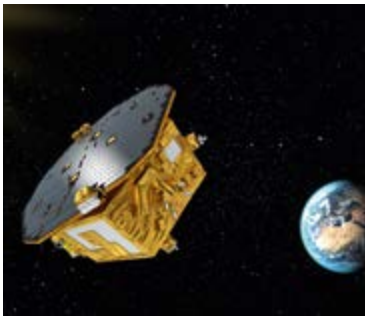
ALBA AND ORIANA HANDED OVER TO OBERPFAFFENHOFEN

19./20. September After passing the important preliminary in-orbit tests, Alba and Oriana were handed over to the Galileo control center in Oberpfaffenhofen.

OHB PRESENTS DESIGN OF THE ASTEROID IMPACT MISSION

Madrid, 23. September OHB System AG unveiled the design for the Asteroid Impact Mission (AIM) at the European Space Astronomy Center (ESAC) near Madrid. With the AIM design study, OHB is now part of the world's first attempt to demonstrate how to protect the earth from an asteroid impact.

4 QUARTER



LISA Pathfinder in space

October 19: Minister Dobrindt visited OHB Bremen.

OHB AWARDED CONTRACT FOR THE EXPANSION OF THE GERMAN FEDERAL ARMED FORCES' LARGE SATELLITE GROUND STATION

Bremen, 10. November OHB System AG was awarded a contract by the Federal Republic of Germany, represented by the Federal Office of Bundeswehr Equipment, Information Technology and In-Service Support (BAAINBw), to expand the capabilities of the SATCOM anchor station in Gerolstein with the addition of UHF-DAMA (ultra high frequency-demand assigned multiple access) functionality.

SUCCESSFUL LAUNCH OF LISA PATHFINDER WITH INERTIAL SENSORS PROVIDED BY CGS

Kourou, 3. December LISA Pathfinder was launched at 4:04 hours Greenwich Mean Time on December 3, 2015 on board a Vega rocket, which lifted off from the European space center in Kourou.

The inertial sensor successfully developed by CGS constitutes the heart of the high-precision metrology required for the observatory.

ADAM AND ANASTASIA NOW IN OPERATIONAL DEPLOYMENT

Bremen, 4. December Having completed their intensive test campaigns in space, two more of Europe's Galileo satellites are now fully operational. Adam and Anastasia, satellites number 3 and 4, are broadcasting navigation signals and additionally relaying search and rescue messages from across the globe.

A FURTHER TWO GALILEO FOC SATELLITES SUCCESSFULLY LAUNCHED

Kourou, 17. December Known as "Andriana" and "Liene", a further two Galileo FOC satellites developed and built by OHB System AG were successfully launched on board a Soyuz vehicle, which lifted off from the Kourou space center in French-Guayana at 12:51 hours Central European Time on December 17, 2015.

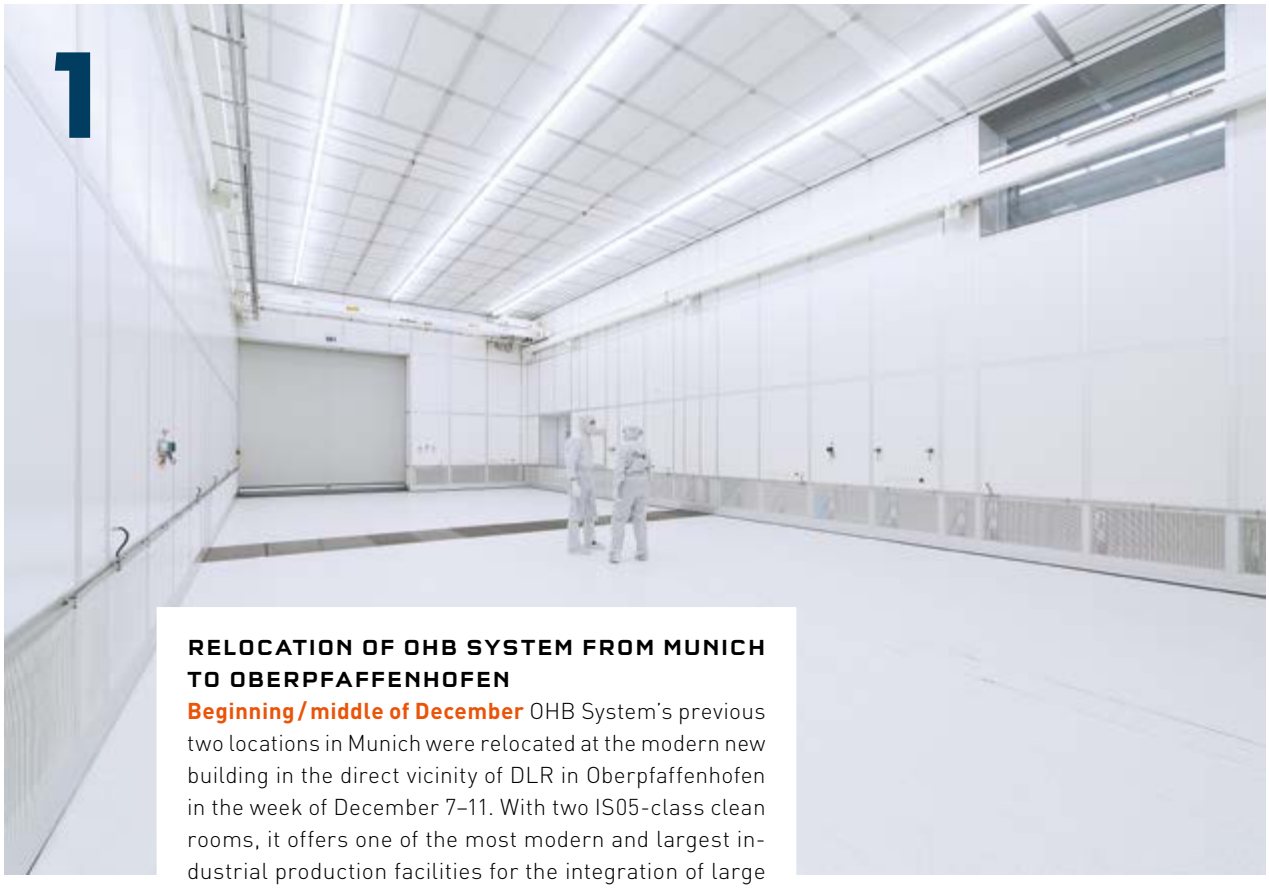
They reached their planned orbit at an altitude of around 23,000 kilometers just under four hours later.

ELEVEN ORBCOMM OG2 SATELLITES SUCCESSFULLY LAUNCHED

December The second Orbcomm OG2 satellite mission was successfully launched on board a Falcon 9 from Cape Canaveral at 2:29 hours Central European Time on December 22, 2015. All satellites were released from the launcher as planned and reached their intended orbit. With the eleven satellites, the OG2 constellation is now complete.

OHB has been a strategic investor in Orbcomm Inc. for many years, holding 50 percent of the capital of ORBCOMM Europe LLC.

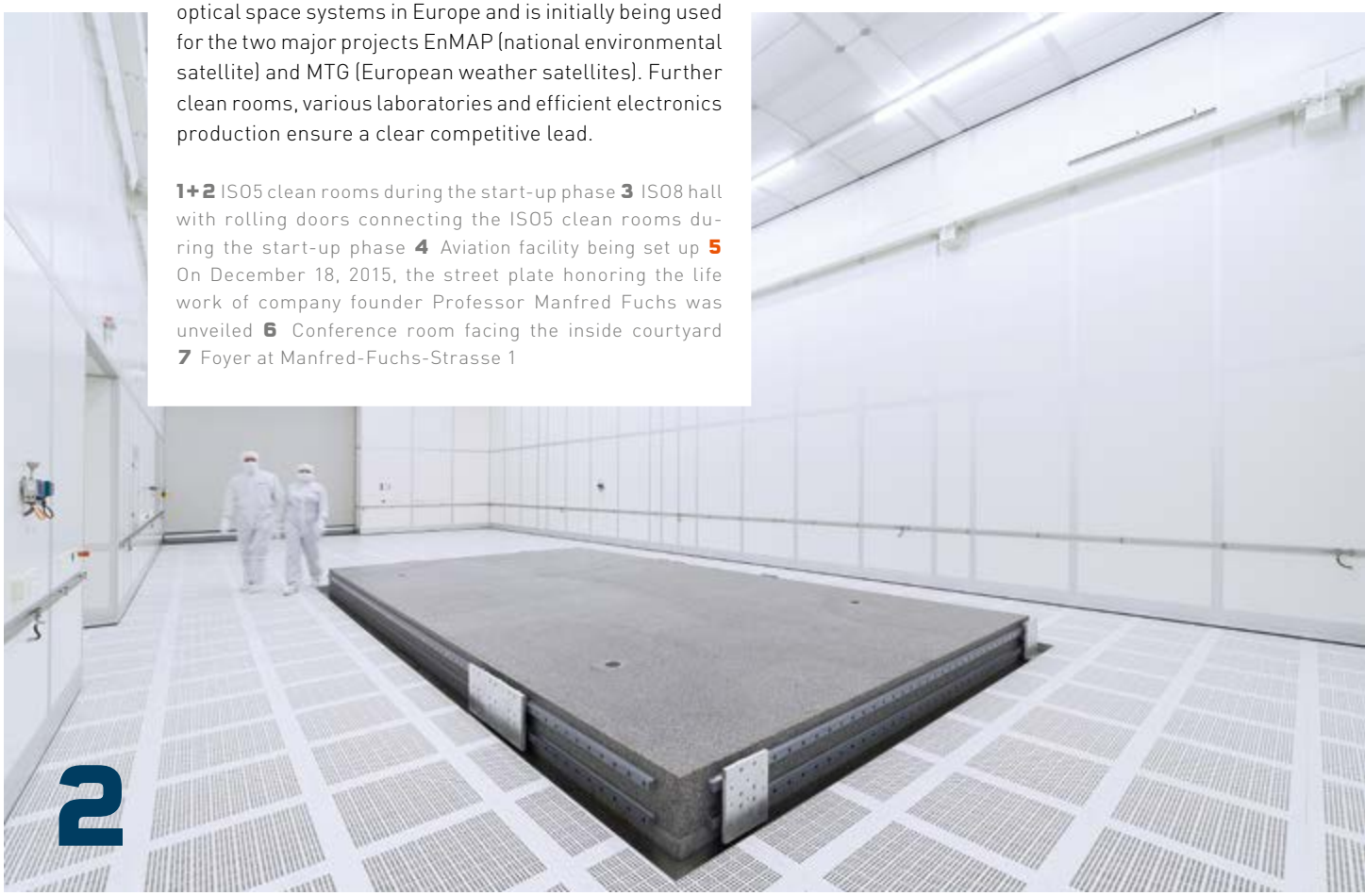
Galileo antenna at the space center in French-Guayana.



RELOCATION OF OHB SYSTEM FROM MUNICH TO OBERPFAFFENHOFEN

Beginning / middle of December OHB System's previous two locations in Munich were relocated at the modern new building in the direct vicinity of DLR in Oberpfaffenhofen in the week of December 7–11. With two ISO5-class clean rooms, it offers one of the most modern and largest industrial production facilities for the integration of large optical space systems in Europe and is initially being used for the two major projects EnMAP (national environmental satellite) and MTG (European weather satellites). Further clean rooms, various laboratories and efficient electronics production ensure a clear competitive lead.

1+2 ISO5 clean rooms during the start-up phase **3** ISO8 hall with rolling doors connecting the ISO5 clean rooms during the start-up phase **4** Aviation facility being set up **5** On December 18, 2015, the street plate honoring the life work of company founder Professor Manfred Fuchs was unveiled **6** Conference room facing the inside courtyard **7** Foyer at Manfred-Fuchs-Strasse 1



3

4

5

6

7

GIVEN THE HISTORICALLY LOW CENTRAL BANK RATES, SHARES REMAINED A GOOD ALTERNATIVE TO OTHER ASSET CLASSES IN THE HECTIC TRADING YEAR OF 2015.

DAX UP ALMOST 10% IN THE COURSE OF THE YEAR, REACHING AN ALL-TIME HIGH OF 12,390 POINTS

In 2015, the main German indices fluctuated sharply due to numerous factors. Aside from geopolitical events such as the wars in Syria and Ukraine, these entailed economic trends including the situation in the emerging markets and also monetary activities of the central banks. As well as this, corporate news, such as the "VW scandal", which was revealed in September, left traces on the automotive industry, triggering significant moves in share prices. Despite this negative example, investors generally closed the year with a positive return. The German bluechip DAX index rose almost 10% in the course of the year, reaching an all-time high of 12,390 points in mid-April. After entering the year on an upbeat note on expectations of further easing of monetary policy, mounting uncertainties at the middle of the year concerning the outlook for the global economy exerted pressure, causing the DAX to drop to a low-for-the-year of 9,325 points in September. A turning point was reached in the US Federal Reserve's monetary policy in mid-December, when it decided to raise its key rates for the first time in almost ten years. Although this increase was only a very moderate 0.25 percentage points, it did mark the end of the long-standing "zero-rate" policy and aroused expectations of a further recovery in the economy.

6%

ADVANCE IN OHB STOCK IN THE COURSE OF 2015

OHB stock substantially outperformed the benchmark DAX and TecDAX indices at the beginning of the year. However, this changed from the middle of February, as a result of which the stock significantly underperformed the benchmark indices in the rest of the year. As a result, OHB stock closed the year up 6%, moving in a range between the low for the year of EUR 16.59 on June 29 and the high for the year of EUR 23.60 on February 12. Average daily trading volumes dropped over the previous year to 9,600 shares (previous year: 13,771). SEE CHART C 01.

OHB STOCK DATA

ISIN	DE0005936124
Ticker	OHB
Trading segment	Prime Standard
Sector	Technology
Subsector	Communications Technology
Indices	Prime All Share, Tec All Share, CDAX
Designated Sponsor	DZ Bank AG, HSBC Trinkaus & Burkhardt KGaA
Issued capital EUR	EUR 17.468.096
Share type	Nennwertlose Inhaber-Stammaktien

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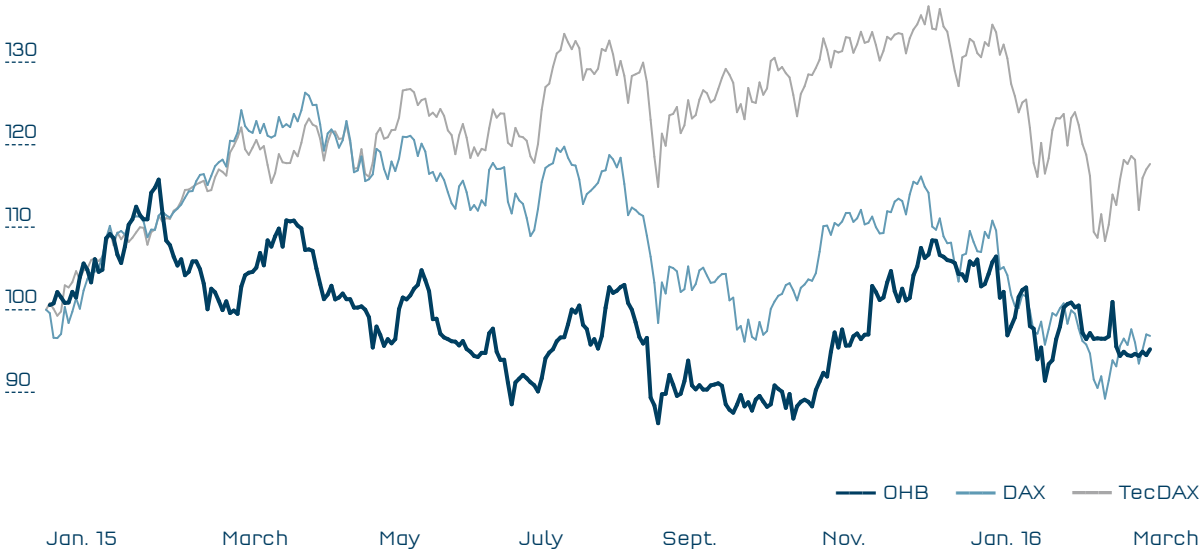
Fax: +49 (0)421 2020-613
Email: ir@ohb.de

C01

PERFORMANCE OF OHB SHARE PRICE IN COMPARISON TO DAX AND TECDAX

FOR THE PERIOD FROM JANUARY 1, 2015 TO FEBRUARY 29, 2016 (INDEXED)



OHB STOCK PARAMETERS IN EUR (XETRA)

in EUR	**2015**	2014	2013	2012
End-of-year price	20.97	19.70	17.55	15.15
High for the year	23.60	25.06	18.63	16.50
Low for the year	16.59	17.45	14.76	11.16
Market capitalization (end of year)	366	344	307	265
Average daily trading volumes (Xetra + floor)	9,600	13,771	13,322	11,580
Price / earnings ratio (P/E) (final trading day of the year)	17.33	13.31	15.67	17.82
Earnings per share (EPS)	1.21	1.48	1.12	0.85
Dividend per share	0.40*	0.37	0.37	0.37
Dividend yield (end of year)	**1.76%**	**1.88%**	**2.11%**	**2.44%**

* Subject to approval by the shareholders

ANALYST RATINGS

Date	Bank	Target price in EUR	Rating
February 2016	HSBC Trinkaus & Burkhardt	22,00	Buy
February 2016	DZ Bank	23,00	Buy
February 2016	WGZ Bank	21,00	Hold
February 2016	Equinet Bank	20,00	Neutral

TREASURY STOCK

As of December 31, 2015, OHB SE's treasury stock comprised a total of 80,496 shares, equivalent to 0.46% of its issued capital, i.e. unchanged in number since December 31, 2014. SEE CHART C02.

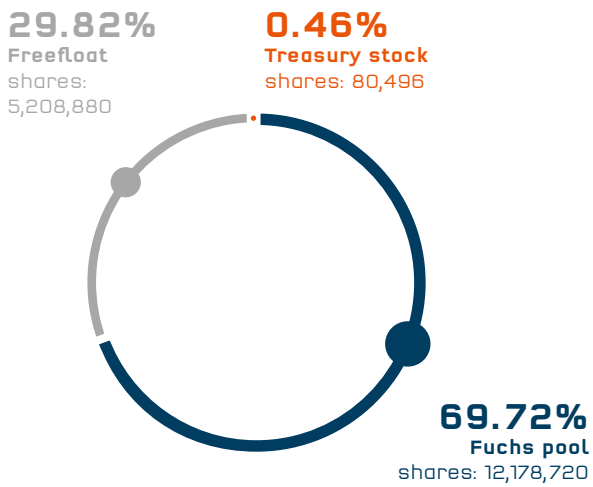
INVESTOR RELATIONS ACTIVITIES

Traditionally held in February, the capital market day marked the beginning of the investor relations year again. On February 12, various members of the Management Board provided an overview of the current projects being conducted by OHB SE's subsidiaries and guidance for the main financials for 2015. The final results for the previous year were announced on the morning of March 19 at the annual press conference held in Bremen and during the analyst conference taking place on the afternoon of the same day in Frankfurt. After publication, the quarterly figures for the year under review were presented and discussed in telephone conferences on the same day. In the course of the year, the Management Board and the investor relations department attended roadshows and capital market conferences in Paris and Frankfurt am Main.

DIVIDEND OF EUR 0.37 APPROVED BY THE SHAREHOLDERS

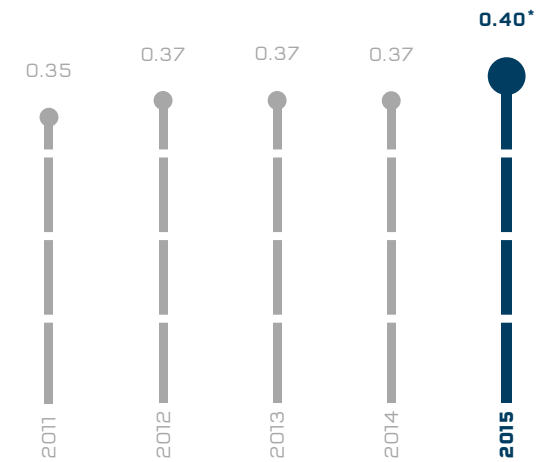
The annual general meeting was held on May 21, 2015 at the Company's offices in Bremen once again, approving a dividend of EUR 0.37 per share for 2014 (unchanged over the previous year). Accordingly, the total distribution amount for the 17,387,600 dividend-entitled shares came to EUR 6.4 million again. The remaining unappropriated surplus of EUR 22.9 million as shown in the financial accounts prepared in accordance with German GAAP (HGB) was carried forward. The shareholders also passed a resolution approving the creation of authorized capital and renewing the authorization to acquire and use the Company's treasury stock. The other items of the agenda, specifically the ratification of the actions of the Management Board and Supervisory Board and the appointment of an auditor for the annual and consolidated financial statements, were also passed with large majorities. SEE CHART C03.

C02
SHAREHOLDER STRUCTURE
ON DECEMBER 31, 2015



IN %
Issued capital: 17,468,096 shares

C03
DIVIDEND PERFORMANCE
2011–2015



IN EUR
* Subject to approval by the shareholders

IMPRESSIONS

CAPITAL MARKET DAY FEBRUARY 16, 2016 IN OBERPFAFFENHOFEN

1 Welcome coffee in the foyer **2** Presentation by Marco Fuchs with Dr. Fritz Merkle **3** On the stage: Dr. Fritz Merkle and Hans Steininger **4** Discussion in the foyer **5** Auditorium **6** The stage with Alain Bories, Roberto Aceti, Kurt Melching, Marco Fuchs

1

GROUP MANAGEMENT REPORT

MANAGEMENT REPORT
FOR THE YEAR
FROM JANUARY 1, 2015
UNTIL DECEMBER 31, 2015

I. BUSINESS PERFORMANCE AND UNDERLYING CONDITIONS

1. OHB SE'S BUSINESS PERFORMANCE IN 2015

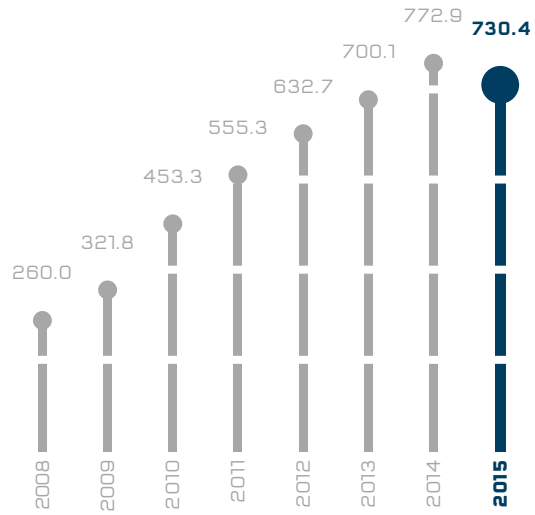
The Company's business performance in the year under review and the resultant stabilization of its performance indicators largely lived up to the Management Board's positive expectations. In February 2015, the Company published full-year guidance for total revenues, EBITDA and EBIT.

The EBIT forecast of EUR 40 million was achieved, while EBITDA fell short of the target by only EUR 1 million (EUR >52 million instead of EUR >53 million). Total revenues in the period under review SEE CHART C04 came to EUR >730 million, thus remaining below our expectations (EUR >800 million) due to delays in the recognition of revenues, something which is not unusual given our business model. Margins widened in the period under review. Consolidated net profit after non-controlling interests declined from EUR 25.7 million to EUR 21.0 million and earnings per share from EUR 1.48 to EUR 1.21 compared with the previous year. SEE CHART C05 The high volume of orders on hand dropped from EUR 2,106 million in the previous year to EUR 1,684 million in the year under review due to the progress made in project execution.

2. UNDERLYING ECONOMIC CONDITIONS

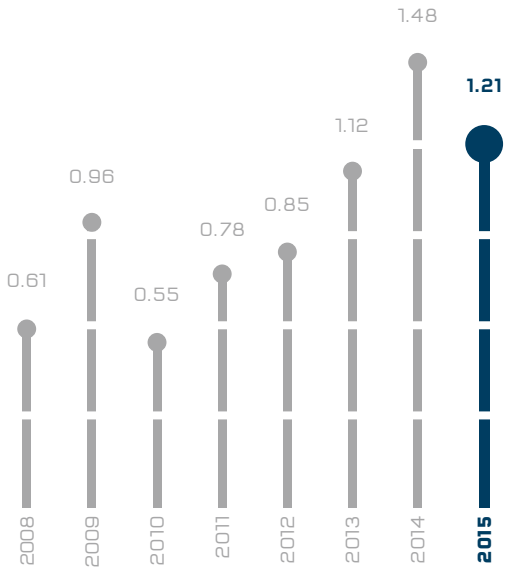
Last year, German gross domestic product (GDP) expanded by 1.7% and, hence, a good deal more quickly than in earlier years (1.6% in 2014, 0.3% in 2013) and the average for the last ten years (1.3%). The proportion of German nominal gross domestic product (EUR 3,027 billion) in European gross domestic product (EUR 10,380 billion) stands at 29%. Nearly all sectors contributed to GDP growth, with the greatest gains recorded in communications and information technology, while corporate service providers also recorded significant gains. On the utilization side, consumer spending accounted for the greatest proportion as in the previous year, followed by public-sector spending. The number of domestic employees rose again over the previous year, reaching a new high of almost 43 million for the eighth consecutive year. This positive trend in the labor market was accompanied by a declining inflation rate, which receded from 0.9% in the previous year to 0.3% in 2015 in Germany.

C04
CONSOLIDATED TOTAL REVENUES
2008–2015



IN EUR MILLION

C05
EARNINGS PER SHARE
2008–2015



IN EUR

3. UNDERLYING CONDITIONS IN THE SECTOR

Measured in terms of direct annual sales, the space industry largely only holds a niche position compared with other industries in Europe but is indirectly of crucial importance for the economy as a whole. Navigation satellites, for example, allow IT systems to be synchronized globally, providing the basis for international financial transactions to be executed and documented reliably. The data collected by weather satellites ensures safe flying conditions and more frequent flights, improved efficiency in agriculture, the avoidance of poor harvests and plannable leisure travel. Space travel makes an important contribution to improving environmental protection and plays a decisive role in civil and military security. Thus, space may be a small industry but it is of crucial importance for a modern and efficient economic system. The role played by space activities varies from region to region. However, they are recognized as being a key industry both politically and by society at large in Europe and North America in particular. Given the long-term nature of the programs and projects, macroeconomic conditions in individual countries have only a limited direct impact on current programs and projects. Moreover, depending on the region in question, commercial, civil and military space programs are often linked with each other to very differing extents or are completely independent of each other.

In Europe, the programs initiated by the European Space Agency (ESA) and the European Union (EU) remained stable thanks to their multi-year planning horizons with a volume of EUR 3.2 billion and around EUR 1.7 billion, respectively.

MULTI-YEAR PLANNING HORIZONS FOR ESA AND THE EU ENSURING STABLE CONDITIONS IN EUROPE.

After years of drastic cuts and the related termination of international partnerships, the situation in the United States has been stabilizing substantially since 2014. The US space agency's budget will be in excess of USD 18.5 billion in 2016, increasing by another EUR 0.3 billion or so in the following year.

After two decades of uncertainty as to their future direction, space activities in the Russian Federation have received a new perspective again. That said, it is not possible to assess the ramifications for space programs of the current situation in the Russian economy following the measures taken by the West in response to the Ukraine conflict and the continued decline in oil prices. In particular, the United States has substantially scaled back joint activities with the Russian Federation but still remains dependent on Russia for the transportation of supplies and astronauts to the International Space Station ISS. It expects to regain the independence which it had held prior to the termination of the Shuttle program from 2017, when national commercial operators become available.

China, India, South Korea, Turkey and Brazil are still pursuing their ambitions of establishing their own national space flight programs and infrastructures. The establishment of a national space station and a long-term successful lunar landing initially with a rover and later with national astronauts form key elements of the Chinese space program.

In the year under review, a further six satellites for the European satellite navigation system Galileo lifted off from the Kourou space center on board Soyuz launchers. This time, no problems arose during the launch and start-up of the full operational capability (FOCC) satellites. All the satellites are operating perfectly. A further highlight in European space exploration was marked by the launch of the LISA-Pathfinder mission on December 3, 2015 and the positioning of the probe at Lagrange point L1 on January 22, 2016. The sensational demonstration of the existence of gravitational waves in September 2015 and the announcement of this discovery on February 11, 2016 has placed the focus on this mission, which is paving the way for ESA's large LISA mission for which CGS has contributed key components.

Held on December 2 and 3, 2014, the ESA Conference of Ministers was of crucial importance for European space technology both economically and in terms of programs. Work on implementing the decisions made at the conference was commenced in 2015 and particularly also includes the development of the new European launch vehicle Ariane 6. In Germany, the national space technology budget remained unchanged at EUR 273 million, while the country's contributions to the ESA programs came to around EUR 714 million and were thus increased slightly as planned.

THE GERMAN NATIONAL SPACE BUDGET IS VALUED AT EUR

273 MILLION.

The German federal government remains committed to space technology and this position is expected to be demonstrated at the next ESA Conference of Ministers in December 2016. Developments in the "new space economy" particularly attracted media attention in 2015. This term refers to the monetarization of space technology projects by private-sector investors, particularly those with a close affinity to "Silicon Valley". Programs such as Oneweb, also generally known as "megaconstellations", have moved into the limelight. Looking ahead over the next few years, the extent to which they can be implemented and are economically viable will become evident. In addition to plans for broadband Internet communications from space, numerous earth observation systems such as Skybox, Planet Labs and others, are taking on form. These developments are being accompanied by the ongoing commercialization of launch vehicles such as the SpaceX, which demonstrated for the first time the possibility for re-using the lower stage or engines and which is being driven by companies such as Blue Origin and Virgin Galactic with an air-launch system.

Demand for Ariane 5 launch services remains steady. The Ariane 5 program owes its sustained technical success to the unique reliability of this launch vehicle, which is unrivaled anywhere in the world. 82 out of 84 launches were successfully executed, 70 of these consecutively – the most recent launch being in January 2016. The two missions which were not completed in the year under review due to satellite availability restrictions have been rescheduled for the current year in addition to the six launches already planned. Order books point to a consistently high launch cadence for this vehicle over the coming years as well. With the commencement of the new-generation Ariane 6 launcher on the basis of the resolutions of the ESA Conference of Ministers in 2014, Europe is now addressing global competition: Space-X is enjoying success with the Falcon 9 and achieved a major step forward with the recovery of a lower stage. Meanwhile China and India are at the threshold of building launch vehicles for larger payloads and missions. Together, they are generating pressure on launch vehicle prices which the new-generation Ariane 6 is addressing by pursuing the goal of lowering launch costs to a competitive level and ensuring adaptability for different orbits and payloads. In this way, it will be providing Europe with its own independent gateway to space.

4. ORGANIZATIONAL AND LEGAL STRUCTURE OF THE GROUP

As an aerospace and space group, OHB SE combines activities from different areas of high technology. In addition to space flight activities, aircraft components business forms a key element of its activities. The individual companies are able to retain their individuality and corporate culture within the Group, while still being bound by the decisions made by the Group holding company. The Group manages its financial condition on the basis of total revenues, EBIT and EBITDA. These parameters are defined in an annual budget and tracked during the year by means of forecasts and reports on actual figures together with deviation analyses. OHB SE itself does not engage in any operating business but supports the subsidiaries in their sales and marketing activities and thus assumes the role of an active holding company.

In May and July 2014, the Supervisory Board and the shareholders approved the Management Board's decision to convert the Company into a Societas Europaea (SE). Conversion was completed in the year under review upon registration of the transaction in the commercial register on March 25, 2015. By adopting SE status, the Company is responding to the growing Europeanization of space technology and the Group's increasing intercultural structures. The change of corporate status will permit more uniform and clearer governance and promote the development of an open and European corporate culture.

THE COMPANY'S CONVERSION INTO A SOCIETAS EUROPAEA (SE) WAS COMPLETED ON MARCH 25, 2015.

Established in the second half of 2014, the Executive Committee held three meetings in the year under review during which it deliberated on matters concerning Group strategy and its implementation by the operating units. The Executive Committee comprises members of the Management Board of OHB SE and the managing directors of individual subsidiaries. OHB SE comprises two business units:

"SPACE SYSTEMS"
This business unit focuses on developing and executing space projects. In particular, it is responsible for developing and fabricating low-orbiting and geostationary small satellites for navigation, research, communications, earth and weather observation and reconnaissance including scientific payloads. Its human space flight activities chiefly entail projects for the assembly and outfitting of the International Space Station ISS. The exploration segment works on studies and models for exploring our solar system, primarily the moon, asteroids and Mars. Reconnaissance satellites and broadband wireless transmission of image data form core technologies for security and reconnaissance.

"AEROSPACE+INDUSTRIAL PRODUCTS"
This segment is primarily responsible for fabricating aviation and space products as well as performing other industrial activities. In this area, OHB has established itself as a significant supplier of aerospace structures for the aviation and space industry; among other things, it is the largest German supplier of components for the Ariane-5 program and an established producer of structural elements for satellites. In addition, OHB is an experienced vendor of mechatronic systems for antennas and telescopes and is involved in major radio telescope projects. OHB telematics systems serve the logistics industry around the world by offering efficient transport management and consignment tracking facilities.

II. BUSINESS PERFORMANCE

The OHB Group's favorable business performance stabilized in 2015. Total revenues dropped by 6% over the previous year from around EUR 773 million to roughly EUR 730 million in the year under review. This was accompanied by a 1% decline in sales to around EUR 720 million, down from EUR 728 million the previous year. The transformation of the space industry from what was once a solely research or politically/ideologically driven segment into a user-oriented and economically significant market has formed the basis for OHB SE's continuous and sustained growth over the last one-and-a-half decades. The areas in which it engages via its subsidiaries place it in an excellent position: Space flight is a growth market in which new possibilities for using existing or new technologies are unleashing new demand. The existing applications are based on satellite systems already in operation which have a limited life expectancy and must therefore be replaced with new systems offering potentially improved technology or efficiency.

1. "SPACE SYSTEMS" BUSINESS UNIT

Business in the "Space Systems" business unit is chiefly characterized by long-term projects which are generally awarded by public-sector customers. The very high order backlog of EUR 1,466 million (December 31, 2015) and the broad potential for generating new project business provide the basis for high forward planning visibility.

HIGH FORWARD PLANNING VISIBILITY THANKS TO LARGE ORDER BOOKS WORTH EUR 1,466 MILLION.

A) EARTH OBSERVATION AND RECONNAISSANCE
Developed and built by OHB System and put into operation between 2006 and 2008, the SAR-Lupe system with its five radar satellites, ground segments and the combined German-French reconnaissance satellite system made up of SAR-Lupe (radar images) and Helios 2 (optical images) has so far shown no signs of any degradation and is still operating with a high degree of stability and to the full satisfaction of the customer (Federal Office of Bundeswehr Equipment, Information Technology and In-Service Support (BAAINBw)) and the German armed forces.

LAUNCHED BETWEEN THE YEARS 2006 AND 2008, THE SAR-LUPE SYSTEM IS STILL OPERATING STABLY.

This ensures that the German armed forces will continue to have a highly modern, reliable and capable radar satellite reconnaissance system even after almost eight years pending the implementation of the follow-up system SARah, which is scheduled for 2018/2019.

The five SAR-Lupe satellites will be operated by the SARah ground segment from the end of 2016/beginning of 2017. Work on the SAR-Lupe successor SARah with substantially improved performance is proceeding according to plan, with all project milestones passed on schedule. The design comprises three satellites, namely two satellites based on OHB System's reflector antenna technology and one satellite using the Airbus phased-array technology. The necessary ground equipment will be supplied by OHB System and also used for controlling the SAR-Lupe satellites.

The national optical earth observation program EnMAP (Environmental Mapping and Analysis Program) for DLR is making stable progress and is scheduled for launch at the beginning of 2018. With its new type of hyperspectral sensors, the EnMAP environmental satellite is primarily designed to characterize and monitor the condition of the earth. It is an innovative system which can be used for many new applications, e.g. security. Alongside this program, CGS is working on the PRISMA project, an Italian program similar to EnMAP. Work was delayed over a substantial period due to funding shortfalls on the part of the Italian space agency ASI.

The contract signed by OHB System and Thales Alenia Space in 2012 for the development and construction of the third-generation European weather satellite MTG (Meteosat Third Generation) is being implemented. Consequently, realization of the MTG satellites is entering the final phase. Among other things, the central satellite structure has already been shipped to OHB System AG's clean rooms in Bremen. At CGS, development work on the microwave imager (MWI) for the METOP mission is well under way. With these activities, OHB is active in all areas of earth and weather observation and reconnaissance with products ranging from radar satellites to optical observation systems.

B) COMMUNICATIONS

Following the completion of integration work, the Hispasat-36W-1 has been with IABG in Ottobrunn since February 22, 2015, where it is undergoing extensive environmental impact testing. Under the present schedule, it is to be shipped to the Kourou space center in the third quarter of 2016. This marks the first time that the OHB-developed SmallGEO platform has been deployed directly in a satellite operator's commercial system. ESA has also selected the SmallGEO platform as a basis for the European Data Relay Satellite (EDRS-C) within the ARTES-7 program. Development work is continuing at full speed. At the same time, work on assembling the satellite has commenced. The enhancements to the SmallGEO model for use as a specialized data relay satellite in ultra-high-speed satellite-to-satellite communications are creating an important new strategic segment for OHB System in both the civilian and military market. SmallGEO has been defined by DLR as the basis for a national telecommunications mission ("Heinrich Hertz"). "Heinrich Hertz" will be used to test new types of satellite communications technology under real conditions to safeguard national system competence in geostationary communications satellites. Among other things, it is also to support the military communications of the German federal armed forces. In 2014, the German Federal Ministries of Defense and Economics finally agreed on the terms of the joint procurement of the satellite. At the end of 2015, OHB was invited to submit a proposal by February 2016 for the development and assembly of the satellite.

Commenced in 2012, the preliminary studies on "Electra", the "All Electric Spacecraft", culminated in the award of a contract for the definition phase in October 2013 by SES-Astra from Luxembourg. As these satellites do not require any chemical propellant, they will be substantially lighter. This will lower the launch costs on the one hand and permit substantially larger payloads on the other. The final decision by ESA on whether to go ahead with the joint activities with SES and OHB System as contractors was made at the end of 2015 and the contract signed on March 11, 2016. The two Vesselsat satellites designed and assembled by LuxSpace completed their three-year contractual period in the year under review, supplying AIS (automatic identification system) data to the customer on a 24/7 basis.

C) NAVIGATION

In 2015, a further six of the 22 satellites for the Galileo*-FOC (full operational capability) space segment were placed in orbit on behalf of ESA on board a Soyuz launcher lifting off from the French space center Kourou. The two control centers in Oberpfaffenhofen and Fucino were able to satisfy themselves that the satellites were operating in perfect technical condition. The next two satellites have now been tested and are expected to be shipped to Kourou in May 2016. A further two satellites are currently undergoing testing at ESTEC, while another 10 are in production at differing stages of completion. Preparations were commenced in the fourth quarter of 2015 for a bid for the third lot of an expected eight satellites. The details are expected to be received from the customer EC and ESA at the beginning of 2016. A study on the follow-up generation for the current Galileo* satellites has entered the final stage. This study will ensure that after the expiry of its planned 12-year service life the Galileo* system will be equipped with new satellites on the basis of an as yet undeveloped technology aimed at preserving its leading position.

A FURTHER

6

GALILEO SATELLITES WERE PLACED IN ORBIT IN 2015.

D) SPACE EXPLORATION

The central unit for the Trace Gas Orbiter developed and built under the ESA ExoMars 2016 program was completed in 2013 and shipped to the prime contractor Thales Alenia Space in Cannes, France, in February 2014. The space vehicle was built with OHB's support and has since been shipped to Baikonour, where it is to embark on its journey to Mars in March 2016. Work on the carrier and a central system of the payload fitted to the Mars Rover for the ExoMars 2018 mission has commenced. Final authorization of the ExoMars 2018 mission is expected to be given by the Conference of Ministers in December 2016.

E) SPACE RESEARCH AND ROBOTICS

OHB was again involved in several studies in connection with ESA's next European scientific research missions in 2015. In this way, it is also building up a position for itself in this classic segment of space technology. It is particularly focusing on the mid-sized PLATO mission. In 2015, intensive work was conducted on the two studies on PLATO which had commenced in 2014; one study on the overall mission was awarded by ESA to OHB System Bremen and another one by DLR on the payload instrument package. The purpose of the PLATO mission is to search for exoplanets, i.e. planets that orbit around other stars, and to determine the extent to which they are comparable to the earth. OHB Sweden is continuing to work intensively on subsystems for the ESA Solar Orbiter research satellite. April 2015 saw the 51st flight of a TEXUS rocket from the ESTRANGE launch Kiruna in North Sweden. OHB System has been participating in this national DLR program, which conducts research in weightless conditions, since 1976.

F) HUMAN SPACEFLIGHT

OHB System continued to support work on board the ISS International Space Station in 2015. This included the management of experiments as well as maintenance and repair work for the equipment developed and supplied by OHB System. A central role was played by the PK4 project for research into plasma crystals. Developed and built by OHB System Munich, this instrument was transported to the space station in October 2014 and went into operation in 2015, collecting a large volume of scientific data. OHB System has performed several internal studies analyzing possible scenarios for transporting supplies to the ISS after the expiry of the ATV program and exploring potential alternatives in microgravitation research following the decommissioning of the ISS in 2024 or later. This has yielded a very attractive concept involving the use of the DreamChaser® currently being developed by Sierra Nevada Corporation (SNC) in the United States. SNC and OHB have signed a corresponding partnership agreement and are working on a joint program for the utilization and potential commercial marketing of this gateway to space.

G) SPACE SITUATIONAL AWARENESS

OHB System is conducting the "Asteroid Impact Mission" study for ESA. The aim is to minimally shift the trajectory of an asteroid in 2022. In this way, ESA is working with NASA on the groundwork for a mission which may become necessary at some time in the future to shield the earth from the impact of an asteroid. In a contract awarded by ASI and ESA, CGS has developed and patented the core technology for a new and innovative telescope for detecting space debris in low and geostationary orbits. Known as the "Fly Eye", the telescope combines a very large field of

view with very high resolution. ESA is currently discussing the possibility of assembling a global optical network comprising up to 27 telescopes to monitor space.

H) GROUND STATIONS

At the end of 2015, the five SAR-Lupe radar satellites completed around 41 of the 50 contractual cumulative years of operation in space. All five satellites remain in excellent condition and show no signs of any age-related degradation of their performance. OHB System's SAR-Lupe operations are scheduled to expire in 2017 but will be integrated in 2016 and 2017 in the SARah ground stations, where they will continue to operate simultaneously for SARah and SAR-Lupe. In November, OHB System was awarded a contract to expand the large SATCON ground station operated by the German federal armed forces in Gerolstein. Under this contract, the station is to be extended with the addition of UHF-DAMA capabilities.

IN NOVEMBER 2015, OHB SYSTEM WAS AWARDED A CONTRACT TO EXPAND THE LARGE SATCON GROUND STATION.

2. "AEROSPACE + INDUSTRIAL PRODUCTS" BUSINESS UNIT

In the year under review, a total of six successful Ariane 5 launches from the Kourou space center again testified to the capabilities of the European industry with Arianespace as the leading international marketer of commercial satellite launches. In this connection, the consistently "on time – on quality" delivery of flight sets by MT Aerospace AG provides the underpinnings for the successful continuation of this business. In response to Arianespace's ongoing efforts to improve the competitiveness of Ariane 5, MT Aerospace established a multi-year cost-optimization program, which had already helped to improve earnings in 2014. In a Europe-wide competition announced by ESA for the Ariane 6 development program, MT Aerospace was able to qualify for key structures and tanks. The decision made by the ESA Conference of Ministers in December 2014 on the development of the Ariane 6 launch vehicle was materially supported by Germany as the second largest partner. Given a national share of 23% in the total budget of EUR 3.75 billion, Germany can expect to receive contracts worth over EUR 600 million from 2015 through 2021. To this end, MT Aerospace AG conducted negotiations last year with the Airbus Safran Launchers joint venture, to which ESA had awarded the contract for the development of the launcher in August. A contract is expected to be signed in 2016.

MT Aerospace expects to receive a contract to supply the upper stage tanks, the tank components for the central stage, parts of the lower structure of the central stage, the metallic structure of the solid-fuel propulsion and 50% of the composite booster casing. The main purpose behind strong German participation in the Ariane 6 program is to safeguard technologically advanced jobs in Germany.

ESA is funding the composite booster casing project for the P120C solid-fuel engine in its technology phase up until 2017. Work inside the company is currently proceeding at full speed on the preparatory FORC technology project. The schedule, financial framework and technical targets of all the A6 projects are highly ambitious. Contractual negotiations with Airbus Safran Launchers as well as with ESA are still ongoing. In the year under review, more than 40 tanks were produced in three families at the satellite tank center in Augsburg.

Development work was commenced on the tanks for future electric propulsion platforms. In the aviation segment, production of the fresh and wastewater tanks for the Airbus A320/330 continued according to schedule. Substantial improvements to earnings were achieved in some areas thanks to cost optimization. Production of the sample A350 and A400M tanks was also ramped up according to schedule.A contract was signed with Airbus Helicopter Germany to extend the production of components for the TIGER sample by a further two years. In the year under review, a comprehensive program was implemented to secure the future viability and strengthen the competitiveness of aviation activities with the goal of reinforcing core skills within the Company and optimizing costs along the entire value chain.

Key elements of this program are to be rolled out this year. In the antenna/mechatronics segment, the first reference systems for the Satcom product range, three 6.2m Ka band antenna systems, were assembled in Germany in 2015 and handed over to the customer Stellar in Hürth. A contract for a further modern 7.4m LEO antenna system was successfully gained in a bidding process in which other competitors also participated. The EU-funded modernization of the large Ventspils antennas RT16 and RT32 (servo, reflector, feed) was completed on schedule in 2015. The currently largest solar telescope DKIST (formerly ATST) completed all works tests with outstanding results. The ensuing assembly on the volcano in Hawaii is scheduled for mid-2017. The design for

an antenna array developed by MT Mechatronics in conjunction with its Chinese partner CETC54 prevailed over competing bids for the SKA (Square Kilometre Array) project. It was reviewed by a committee of international experts in December 2015 and released for further development work. The first antenna will now be assembled in South Africa and undergo intensive testing this year. MT Mechatronics will be contributing its own servo system. Up to 133 antennas are to be installed in an initial phase in South Africa from 2018, followed by a second phase from 2022 in which as many as 3,000 antennas will be installed.

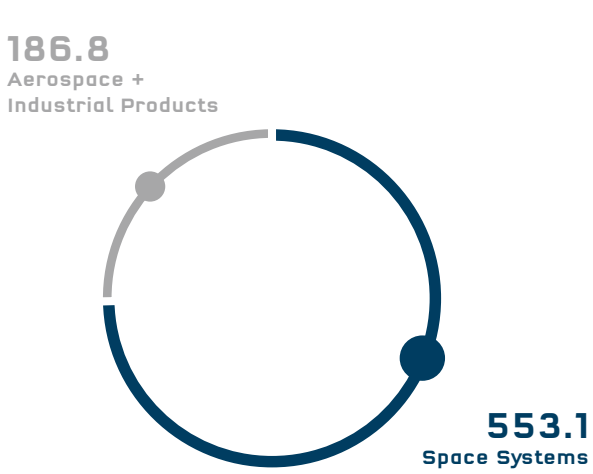
Key milestones were achieved in the VLBI (Very Long Baseline Interferometry)/VGOS (Global Observing System) contracts from Norway and Sweden in 2015. The antennas will be installed as planned in 2016. A contract awarded in an international request for proposals from South Africa (13.2m VLBI 2010) and a further contract for a VGOS servo system from Shanghai were placed in the order books. A paid study to draft a fixed-price proposal for a high-precision 25m radio telescope for Cornell University was completed in 2015.

Only two companies worldwide were invited to submit a proposal. The contract is to be awarded in the second half of 2016. In the mechatronics sector, MT Mechatronics completed the contract for the Soyuz (F-Cube) fueling facility in 2015, handing it over to Arianespace as the customer. At the same time, it was awarded the contract for the modernization of the booster integration building BIP.

In the telematics segment, OHB Teledata shipped almost 18,000 navigation terminals to its customer Volvo in 2015, thus substantially exceeding the original plans again.

C06

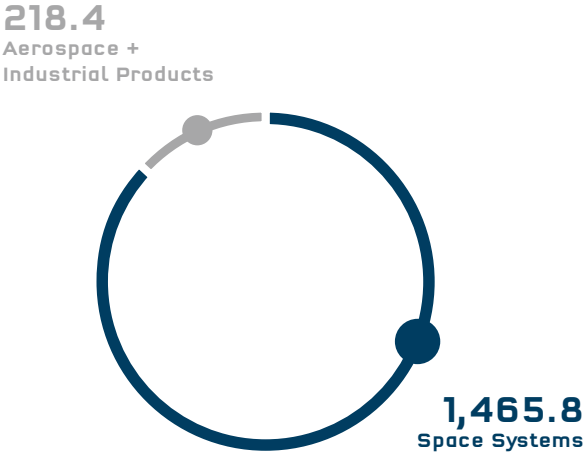
TOTAL REVENUES BY BUSINESS UNITS BEFORE CONSOLIDATION AND HOLDING



IN MIO. EUR

C07

ORDER BACKLOG BY BUSINESS UNITS AS OF 12/31/2015



IN MIO. EUR
Total order backlog: 1,684.2

III. SALES AND ORDERS

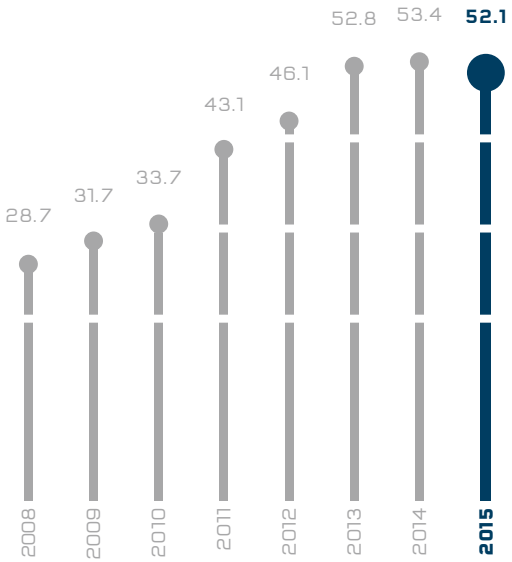
In 2015, the OHB Group's total revenues dropped by EUR 42.6 million or 6% over the previous year to EUR 730.4 million. Consolidated sales came to EUR 719.7 million (previous year: EUR 728.1 million). Non-consolidated total revenues in the "Space Systems" business unit reached EUR 553.1 million in 2015 (previous year: EUR 564.0 million). Non-consolidated sales SEE CHART C06 came to EUR 532.7 million (previous year: EUR 545.3 million). This performance is particularly due to the shift in sales from the satellite programs to later quarters. At EUR 186.8 million in 2015, non-consolidated total revenues in the "Aerospace + Industrial Products" business unit were down EUR 26.8 million on the previous year. The lower total revenues in this business unit are attributable to the deconsolidation of Aerotech Peissenberg in May 2014.

With a value of EUR 1,684 million as of the reporting date (previous year: EUR 2,106 million), the OHB Group's order backlog SEE CHART C07 was down on the previous year. Of this, the "Space Systems" business unit accounted for EUR 1,465.8 million (previous year: EUR 1,797.7 million) and the "Aerospace + Industrial Products" business unit EUR 218.4 million as of the reporting date (previous year: EUR 308.7 million).

IV. RESULTS OF OPERATIONS

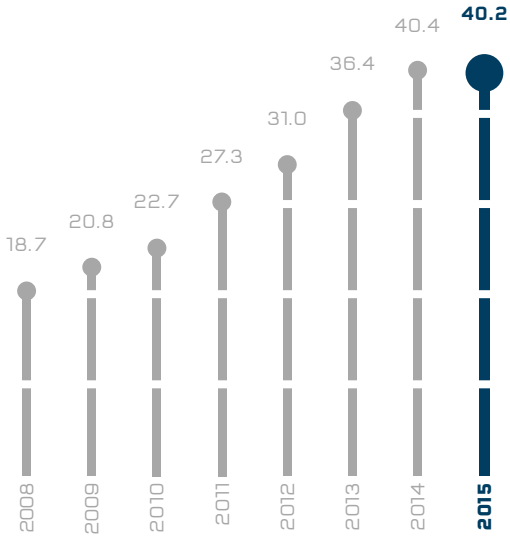
In the period under review, the OHB Group generated EBITDA SEE CHART C08 of EUR 52.1 million (previous year: EUR 53.4 million) and EBIT SEE CHART C09 of EUR 40.2 million (previous year: EUR 40.4 million). Net profit after tax and non-controlling interests stood at around EUR 21.0 million in the year under review (previous year: EUR 25.7 million), while earnings per share equaled EUR 1.21 in 2015, down from EUR 1.48 in 2014. In the previous year, a non-recurring effect on earnings arising from the sale of a company's participation occurred on holding level amounting to EUR 6.8 million. EBIT before consolidation in the "Space Systems" business unit rose from EUR 14.0 million in the previous year to EUR 24.0 million primarily as a result of the good progress made on the major satellite programs. EBIT in the "Aerospace + Industrial Products" business unit declined

C08
EBITDA
2008–2015



IN EUR MILLION

C09
EBIT
2008–2015

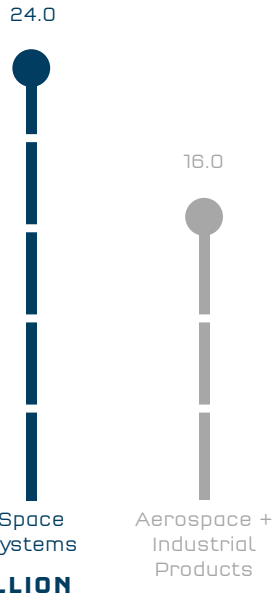


IN EUR MILLION

from EUR 19.4 million to EUR 16.0 million, this decline is due to deconsolidation of the former subsidiary Aerotech Peissenberg GmbH & Co. KG during business year 2014.

The OHB Group recorded net finance expense of EUR 3.5 million in 2015 (previous year: net expense of EUR 6.5 million). This includes other finance expense of EUR 5.677 million (previous year: EUR 7.824 million) chiefly comprising interest expense on pension provisions of EUR 2.081 million (previous year: EUR 3.323 million) and interest expenses of EUR 2.887 million (previous year: EUR 3.013 million). The parent-company financial statements prepared according to German GAAP (HGB) for OHB SE carry an inappropriate surplus of around EUR 26.8 million for 2015. The Management Board and Supervisory Board will be asking the shareholders to approve a dividend of EUR 0.40 per share for 2015 at this year's annual general meeting.

C10
EBIT BY BUSINESS UNITS BEFORE CONSOLIDATION AND HOLDING

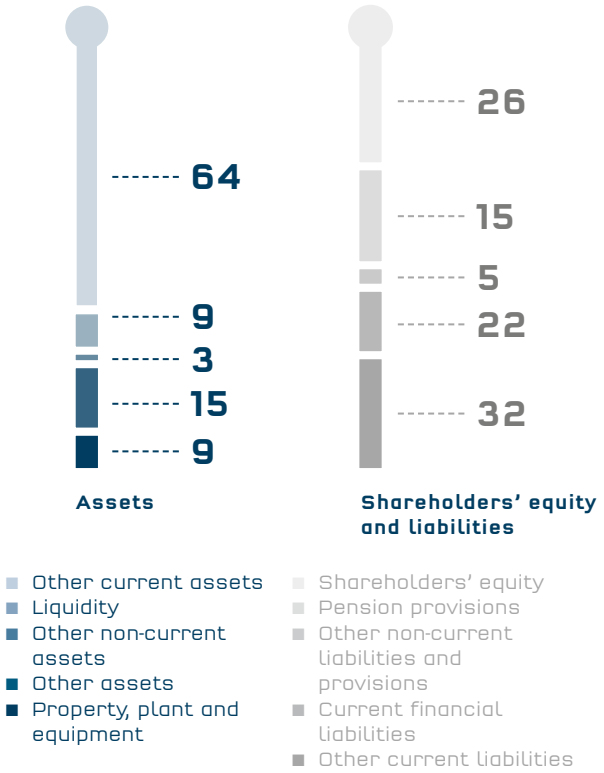


IN EUR MILLION

V. ASSETS AND FINANCIAL CONDITION

In the year under review SEE CHART C11, the OHB Group's total assets contracted from EUR 640.6 million to EUR 638.7 million. Equity rose by EUR 23.3 million over the previous year, standing at EUR 168.8 million as of December 31, 2015 (previous year: EUR 145.4 million). As a result, the equity ratio widened to 26.41% as of the reporting date, up from 22.69% in the previous year. Group capital spending totaled EUR 24.6 million in 2015 (previous year: EUR 25.0 million). Inventories dropped in value from EUR 76.4 million to EUR 54.1 million; on the other hand, prepayments received from customers came to EUR 61.1 million (previous year: EUR 131.5 million).

C11
ASSET STRUCTURE/ TOTAL ASSETS 12/31/2015: EUR 639 MILLION



IN A PERCENTAGE OF TOTAL ASSETS

Cash and cash equivalents including securities were valued at EUR 60.4 million as of December 31, 2015, up from EUR 53.3 million in the previous year. A detailed analysis of the cash flow can be found in the cash flow statement in the consolidated financial statements. Cash flow from operating activities improved substantially over the previous year and is now in positive territory. The pension provisions of EUR 93.6 million at the end of 2015 continue to constitute the largest item on the right-hand side of the balance sheet.

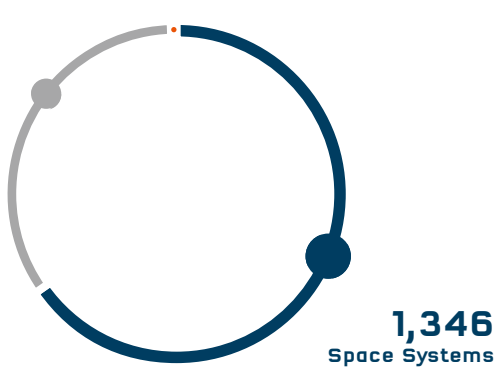
The increase in current financial liabilities from EUR 113.8 million to EUR 139.5 million is due to the utilization of a credit facility established in December 2013. This is related to the timing differences between the services completed under projects measured using the percentage-of-completion method and the corresponding payment schedules for these projects. Trade receivables, which are also significant in this connection, dropped slightly by EUR 5.4 million over the previous year to EUR 326.4 million. They were accompanied by trade payables of EUR 100.9 million (previous year: EUR 84.0 million). The Management Board generally considers OHB SE's net assets and financial condition to be solid.

VI. EMPLOYEES

Following the previous year's substantial reduction following SEE CHART C12 the deconsolidation of Aerotech Peissenberg GmbH & Co. KG, the OHB Group's employee numbers remained largely stable in 2015. All told, 2,056 employees were based at companies in Germany, in other European countries (Italy, Sweden, Belgium, Luxembourg, France) and in Chile and French-Guyana as of the reporting date. SEE CHART C13.

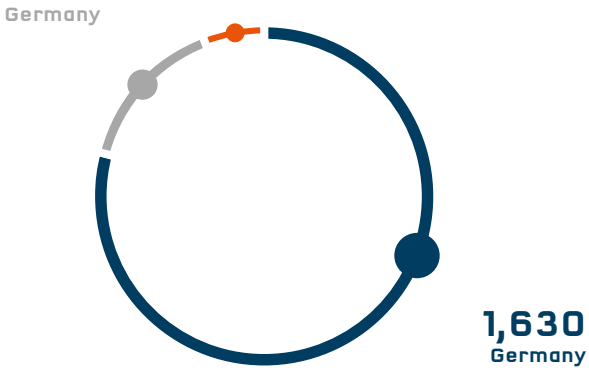
Despite the tight conditions in the market for engineers, it was possible to fill vacancies thanks to OHB SE's good reputation as a high-tech employer. In the previous year, the Company had been converted into a Societas Europea (SE) to underscore its position as a European prime contractor. Plans to integrate employee representatives at an international level were put into practice in 2015. The results of the first meeting of the SE employee representative council on November 24 and 25, 2015 with global participation underscore the benefits of this measure in terms of employee representation.

C12
NUMBER OF EMPLOYEES BY BUSINESS UNITS
AS OF DEC. 31, 2015



Total personnel: 2,056

C13
NUMBER OF EMPLOYEES BY REGIONS
AS OF DEC. 31, 2015



Total personnel: 2,056

VII. RESEARCH AND DEVELOPMENT

In the year under review, OHB spent roughly EUR 23.9 million (previous year: EUR 20.1 million) on internally funded research and development (R+D). Part of the R+D activities (EUR 5.0 million; previous year: EUR 4.0 million) are being funded by various institutions such as the European Union, the German Federal Government and the German states and Italy.

Development work of EUR 16.8 million was capitalized in the year under review, up from EUR 13.9 million in the previous year. In accordance with European Union directives, subsidies account for between 25% and 75% of the total costs depending on the proximity to completion of the development project. In the "Space Systems" business unit, one of the main focuses was on basic space research. In addition to new and enhanced technologies, the focus was on new types of mission concepts, such as low-flying satellite constellations for ultra-high-resolution earth observation.

A further aspect entailed technologies for enhancing and future-proofing the SmallGEO platform particularly in the light of commercial customers' requirements. One particular thrust of activities in Space Systems involved internal studies and conceptual work on "New Space". In order to ensure the necessary segregation from day-to-day and agency work required for such matters, which primarily involve conventional technical approaches and processes which are more akin to aircraft and automotive engineering and the consumer goods industry, coordination and management responsibility in this area was allocated to the OHB SE level. Innovative ideas for low-flying satellite constellations for broadband Internet and multimedia communications are being developed in conjunction with potential investors. In this way, OHB is preparing for the paradigm change in certain parts of space technology, in which satellites will become a standard industrial product for certain aspects of telecommunications and earth observation.

In the "Aerospace+Industrial Products" business unit, the technological development of a number of projects was completed in the year under review. In September 2015, the final seam of the A5ME MV model was welded in Bremen, thus demonstrating the functional capabilities of the S23 basic welding machine as well as related fixings. The achievement of this milestone is of crucial importance in connection with the development of the Ariane 6 as the welding machine and also the fixing system are to be used in the future production of the A6 tanks. In addition, Airbus Safran Launchers is using the MV model for the verification of a new surface finish process.

Funded under the ESA FLPP program, the CRONUS (CRyogenic Optimized New Upper Stage) project was completed. CRONUS is a demonstrator for an upper stage tank system featuring a sandwich common bulkhead, welded using the FSW process and tested under realistic cryogenic conditions. The project impressively verified the first cryogenic FSW closing seam and the necessary sealing of the end hole. This successfully demonstrated the TRL6 technological readiness level, thus marking a decisive milestone in the development of the technology. With the preparation of documents suitable for the PDR of a full-scale demonstrator on this basis (SCOUT) a crucial basis was created for continuing the work on this technology in a further DLR- and ESA-funded project.

FUNDED UNDER THE ESA FLPP PROGRAM, THE CRONUS PROJECT WAS COMPLETED.

On October 7, a Black Brant IX altitude-research rocket lifted off from the NASA Wallops Flight Facility in Virginia, carrying on board a new cylindrical component developed by MT Aerospace with integrated stringers in the support structure. Backed by funding provided by NASA and ESA, MT Aerospace enhanced the flow-turning process for producing cylindrical aluminum components with integrated longitudinal stingers. This production process offers very considerable potential for cutting costs and enhancing performance in the assembly of cylinder and tanks for launchers: Both agencies are equally interested in continuing the work on this technology in a full-scale model. In a decision jointly made with the customer ESA after the CDR, the design of the composite booster demonstrator FORC was modified to incorporate a differential structure with an elastic coupling element (shear ply) between the pressurized tank and the valance. At this stage, the interior insulation of the booster demonstrator had already been applied to the spindle and vulcanized. The new design has now been finalized, with ESA releasing it for production

on January 12, 2016. Completion of the test article is planned for 2016. This will be followed by testing under interior pressure to breaking point in September 2016. The test results provide necessary input for the development of the P120C for Ariane 6, which was commenced at the same time. The MeHR program is a new DLR-funded project which was commenced in 2015. With this project, MT Aerospace is turning its attention to technologies aimed at optimizing production and joining processes for metallic components which supplement and extend the aforementioned development programs. In this connection, it has identified four aspects for further attention:

1. Further development of friction stir welding (FSW) for use with circumferential seams and the related problem of sealing the final hole/point repairs.

2. Cost and mass-optimized production of large rings from segments for the fabrication of large tanks.

3. Mass optimization of tank domes by shot-blasting lighter Al-Li alloys (e.g. AA2195) using Gore-Panel technology.

4. Cost-efficient production of reinforced cylinder segments for producing tank components; reduction of the milling, molding and welding process by means of spin-forming (ISC).

The work was commenced in the year under review in accordance with the individual schedules and will be continuing into 2017 in some cases. The development of the tank domes for the main stage of the US Space Launch System for Boeing was completed. All components for the qualification model and for the first flight set were delivered. In the area of spacecraft tanks, the development of the 65 ltr helium HPV was successfully completed with the conclusion of the "leak-before-burst" (LBB) test campaign. In this way, an entire family of tanks with a volume ranging from just under 60 liters to 75 liters covering the requirements of the current standard satellite platforms was qualified. At the same time, the LBB tests demonstrated that the configuration tools are correct, thus closing a decisive gap in the configuration philosophy. In a concentrated incremental process, the production of rubber-based diaphragms for the satellite propellant tanks was analyzed, evaluated and aggregated into a new set of process step to minimize the reject rate. This will help to lower tank fabrication costs decisively, thus rendering production profitable following the takeover of MT-Satellite Products. A new product development process has been established to ensure optimum execution of the project for the new-generation fresh-water tank for the Airbus A320NEO. Following the difficulties experienced with the development of the A350 water tank, it was particularly important to ensure successful completion of this project, something which rendered this step absolutely necessary.

Moreover, the aerospace segment successfully deployed the new hybrid technology, the forced-closure link, for a fiber-composite component with metal elements in a "single-shot" procedure for a technology project. The prototypes of a tail-rotor cam assembled for a new helicopter will undergo testing in spring 2016. A contract for volume production can be expected after the successful completion of testing. The CFRP booster casing in the KoLiBri project has almost been completed. The aim is to gain a contract for the supply of CFRP booster casings together with EAST-4D in order to become a supplier to Rolls Royce. In the antenna/mechatronics segment, plans for an extended range of products were drawn up in 2015. In 2016, the development of optical laser range systems and ground station terminals is to be continued under ESA programs. Software development and porting to modern real-time operating systems is to be stepped up under the SKA project.

VIII. QUALITY AND ENVIRONMENTAL MANAGEMENT, DATA PROTECTION AND PROCESSES

1. QUALITY AND ENVIRONMENTAL MANAGEMENT

Quality and environmental management is monitored and regularly updated on a non-centralized basis by the individual companies.

Working on behalf of OHB SE, OHB System keeps track of the validity of the necessary certificates for coordinating selected individual processes and for harnessing synergistic benefits arising from the implementation of these processes at the following companies:

- OHB System AG, Site Bremen and Munich/ Oberpfaffenhofen, Germany
- CGS S.p.A., Milan, Italy
- LuxSpace Sàrl, Betzdorf. Luxembourg
- Antwerp Space N.V., Antwerp, Belgium
- OHB Sweden AB, Stockholm, Sweden
- MT Aerospace AG, Augsburg, Germany
- MT Mechatronics GmbH, Mainz, Germany
- OHB Teledata GmbH, Bremen, Germany
- megatel Informations- und Kommunikationssysteme GmbH, Bremen, Germany

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

Certification of the individual companies' quality management encompasses the sum total of 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.

A) OHB SYSTEM AG – SITE BREMEN AND MUNICH/OBERPFAFFENHOFEN

EN 9100:2009 Quality Management System (aviation/aerospace) based on ISO 9001:2008 Quality Management System

The certification of both sites in accordance with EN 9100 (Several Site) was completed in November 2015.

OHB System is certified for system guidance, design development, production and operations for aerospace and space products as well as reconnaissance and communication technologies and industrial applications. This certification involves inclusion in the BDLI supplier list for the aviation industry and in the global OASIS database managed by IAQG.

The certificate no. 881115025 issued by DEKRA is valid until November 2018.

AQAP 2110/-2210 (military products)

The site Bremen holds a valid certification issued by the German Federal Office of Bundeswehr Equipment, Information Technology and In-Service Support (BAAINBw) in accordance with AQAP 2110 (NATO quality assurance requirements for design, development and production) and AQAP 2210 (software quality assurance) for the development, production, sales & marketing in the area of aerospace, reconnaissance and satellite and communication technology.

For the beginning of 2016 (re-)certification is planned at both sites by the BAAINBw.

ISO 14001:2004 Environmental Management

Observance of the environmental management requirements stipulated by this standard is at the site Munich/ Oberpfaffenhofen overseen by an environmental management officer; formal certification is not necessary.

B) CGS S.P.A.

EN 9100:2009 Quality Management System (aviation/aerospace) based on ISO 9001:2008 Quality Management System

GGS is certified for design, construction and integration of satellites, payload and ground equipment. Design and development of hardware and software solutions for aerospace applications. Research and development of innovative technologies for aerospace applications.

The certificate no. AS/77/13/S issued by RINA Services covers the CGS sites in Milan, Tortona and Rome and is valid until December 2016.

C) LUXSPACE SÀRL

ISO 9001:2008 Quality Management System (base certification)

LuxSpace is certified for the design and development, procurement and sales of space systems and related services.

The certificate no. 158377-2014-AQ-GER-DAkkS issued by DNV GL is valid until June 2017.

D) ANTWERP SPACE N.V.

ISO 9001:2008 Quality Management System (base certification)

Re-certification for a quality management system in accordance with ISO 9001:2008 was successfully completed in August 2015.

The certificate no. 174050-2015-AQ-BEL-RvA issued by DNV GL is valid until August 2018.

E) OHB SWEDEN AB

ISO 9001:2015 Quality Management System (aviation/space and defence)

The relocation to Kista brought both new facilities and new/revised processes, leading to a revision of the quality management system.

With the release of ISO 9001:2015 in November 2015, certification to this new standard will occur in Q4/2016.

F) MT AEROSPACE AG

EN 9100:2009 Quality Management System (aviation/aerospace) based on ISO 9001:2008 Quality Management System

MT Aerospace is certified for the development, production and tests of components and subsystems for aerospace, aviation, defence and industrial applications. This certification involves inclusion in the BDLI supplier list for the aviation industry and in the global OASIS database managed by IAQG.

The certificate no. 158607-2014-AQ-GER-DAkkS issued by DNV GL is valid until February 2018.

Valid approval certifications have been issued by the German Federal Aviation Office for the production (LBA EASA Part 21, Section A, Subpart G, Reference DE.21G.0048) and for maintenance (LBA EASA Part 145, Reference DE.145.0253) of airborne vehicles.

G) MT MECHATRONICS GMBH

ISO 9001:2008 Quality Management System (base certification)

MT Mechatronics GmbH is certified for consultancy, conceptual and design and feasibility studies, detailed design, manufacturing, installation, commissioning, system integration and service for turn-key communication antennas, radio- and optical large telescopes, mechatronical devices for institutional and industrial applications, launch facilities for the European Space Program.

The certificate no. 455233 QM08 issued by DQS is valid until September 2018

H) OHB TELEDATA GMBH

ISO 9001:2008 Quality Management System (base certification)

ISO 14001:2009 Environmental Management

OHB Teledata is certified for sales, procurement, development and service for products and projects of telematics, telecommunications and system engineering.

The certificate no. 187585-2015-AE-GER-DAkkS issued by DNV GL is valid until September 2018.

I) MEGATEL INFORMATIONS- UND KOMMUNIKATIONSSYSTEME GMBH

ISO 9001:2008 Quality Management System (base certification)

megatel is certified for sales, development and service for information technology products and projects.

The certificate no. 163223-2014-AQ-GER-DAkkS issued by DNV GL is valid until July 2017.

2. DATA PRIVACY

COMPLIANCE WITH THE GERMAN FEDERAL DATA PRIVACY ACT

The data privacy officers at the individual companies in Germany who are formally registered with the responsible state data privacy agencies safeguard the privacy of personal data in accordance with the German Federal Data Privacy Act as most recently amended. Local implementation of the data privacy requirements is set forth in manuals and process descriptions and monitored by the responsible data privacy officers.

3. PROCESSES

OHB System and CGS are maintaining qualified processes in accordance with ECSS (European Cooperation for Space Standardization) for welding of surface-mounted devices (SMDs), including FPGA with 352 connectors.

OHB System actively supports the following standardization boards:

- Eurospace Standardization Working Group (e.g. ECSS)
- EAQG Space Forum (EN 9100)
- DIN Normenausschuss Luft- und Raumfahrt
- DGLR Fachausschuss Qualitätsmanagement in Luft- und Raumfahrt

REACH (REGISTRATION, EVALUATION, AUTHORIZATION AND RESTRICTION OF CHEMICALS)

Regulation (EC) No. 1907/2006 (REACH)

EU rules came into effect on June 1, 2007 governing the management of chemical substances in the EU for all industrial products. These rules primarily set out regulations for the registration and monitoring of hazardous substances accounting for more than 0.1 percentage by weight in the product (according with registration in the REACH database).

All OHB companies are aware of this registration duty. There is a continuous compliance of this requirement which is also passed over to our subcontractors.

IX. SIGNIFICANT EVENTS OCCURRING AFTER THE END OF THE PERIOD UNDER REVIEW

EXOMARS 2016 LIFTED OFF FROM BAIKONUR

The ExoMars 2016-Mission, including the Trace Gas Orbiter and Schiaparelli, was launched on March 14, 2016 at 09:31 GMT (10:31 CET) aboard a Russian Proton rocket from Baikonur Cosmodrome in Kazakhstan.

ExoMars2016 is a joint endeavour between ESA and Russia's Roscosmos space agency, and comprises the Trace Gas Orbiter (TGO) and Schiaparelli, an entry, descent and landing demonstrator.

As a part of the European industrial team, OHB System AG was responsible for developing the core module of the TGO, which comprises the structure as well as the thermal and propulsion system. The prime contractor Thales Alenia Space Italia is leading the industrial team with contractors from many ESA Member and Cooperating States, while OHB System, as member of the core industrial team, is responsible for the major German contribution to ExoMars.

ESA, SES AND OHB AGREE ON REALISATION OF ELECTRA

SES S.A. and OHB System AG announced on March 11, 2016 the signature of contracts for the next phase of the development of a new-generation satellite programme which was launched in 2013. Under the Electra programme name, OHB will be developing a fully electric satellite platform to reduce mass and launch costs.

The Electra programme is based on the SmallGEO range, a European Space Agency (ESA) and German Aerospace Center (DLR) funded project with the objective to develop a general-purpose small geostationary satellite platform. The contract signed on March 11, 2016 is an element of ESA's ARTES (Advanced Research in Telecommunications Systems) programme. It calls for the development of a highly competitive generic small geostationary platform for satellite launch mass below 3 tonnes.

X. FORECASTING REPORT

1. "SPACE SYSTEMS" BUSINESS UNIT

In 2016 and beyond, the "Space Systems" business unit will be concentrating on the continuation of its successful work on the Galileo*, Hispasat 36W-1, EDRS-C, ELECTRA, Meteosat Third Generation (MTG), EnMAP and SARah projects. The proposal for the national telecommunications satellite "Heinrich Hertz" has been submitted to DLR. ESA is systematically continuing the ExoMars program. Following the commencement of the 2016 mission, work on the 2018 mission is still ongoing. EC and ESA will be inviting proposals for the third lot of Galileo satellites in 2016. A series of requests for proposals for elements of the ESA earth observation and science mission as well as contracts for further studies are expected for 2016. Depending on the program, OHB plans to submit proposals either as a principal or subcontractor. With respect to national Italian programs, CGS plans to systematically broaden its role as second player in Italy for satellite missions, both for science and remote sensing. Budgetary decisions in the EU, on the part of ESA and in the national space programs in Germany and Italy as well as the other countries in which OHB companies are located point to largely stable underlying conditions and a sufficiently firm

basis for future planning. With its current and planned projects and programs, OHB SE's "Space Systems" business unit is ideally positioned to maintain the level which it has achieved on a sustained basis and to continue growing successfully.

2. "AEROSPACE + INDUSTRIAL PRODUCTS" BUSINESS UNIT

In the launch vehicle segment, the existing order backlog will ensure continued production and delivery of components for the Ariane 5 in 2015 and 2016. The cost-optimization program which has already been commenced will be systematically continued. The development of launch vehicle components will be dominated by the ramp-up of the Ariane 6 development program on the one hand and the phasing-out of the A5ME program on the other. Acceptance testing and qualification of the production facilities already designed for the Ariane 6 will be completed as planned. The development program for the US Space Launch System could be enlarged with additional involvement in the development of the new upper stage; preliminary talks have already been held with Boeing and a development proposal submitted. With respect to satellite tanks, we expect work on the ELECTRA xenon tank to commence alongside the completion of the tanks for Iridium and the Eurostar platform, marking a decisive expansion in the tank range towards large fully electric platforms. The technology programs will be focusing on the development of composite technology for the Ariane 6 booster. To this end, the first model on a scale of 1:1 will be assembled and tested. At the same time, a DLR-funded project will be commenced in 2016 for the purpose of configuring and building three solid-fuel booster casings for testing in the Brazilian VLM launcher. A combustion test of this internally insulated boosted is planned for 2018; in this way, it will be possible to demonstrate at an early stage the technological readiness of the MT concept and production.

In the aviation segment, the program for achieving cost efficiency and enhancing competitiveness will be implemented. This also involves the transfer of work to more inexpensive suppliers. The production rate for the A350 and A400M products will be increased substantially in 2015, accompanied by intensive optimization measures for production. Development work will primarily concentrate on the successful development of the A320NEO tank for volume production. The successful completion of the KoLiBri project will open up opportunities for MT Aerospace to position itself as a supplier of composite booster casings. The order backlog is sufficient to ensure utilization of the existing capacity in the antenna and mechatronics segments in 2016. Further orders are expected in the radio telescope segment in 2016. Positioning in the SKA radio astronomy project with the MT Mechatronics servo system will be systematically implemented in 2016 with a preliminary prototype in South Africa. Existing business in antennas for satellite communications is stable and should be boosted with the expansion of activities in turnkey ground station systems. In ground station business, contracts for material mechanical elements of the ELA4 project in Kourou are expected to be received in 2016.

With respect to truck navigation terminals, the Volvo project will be expiring at the end of 2016 after a period of four years; a further 11,000 units are expected to be shipped in 2016. Preliminary models of the container tracking units were completed in the year under review and successfully tested in conjunction with potential customers. The related ESAP IAP project will be successfully completed in the first few months of 2016. OHB-Teledata has established OHB Logistic Solutions GmbH with investors to commercialize the container tracking product. This new company will be going into operation in March 2016.

3. OUTLOOK

The Management Board expects consolidated total revenues in the OHB Group of EUR 750 million in 2016. EBITDA should come to EUR 54 million and EBIT to EUR 42 million in 2016. Given the higher order backlog and upbeat outlook for the current year, we assume that the Group's net assets and financial condition will also remain strong.

THE MANAGEMENT BOARD EXPECTS EBIT OF EUR 42 MILLION IN 2016.

In 2015, EBIT matched the forecast for the year, while total revenues didn't match the forecast and EBITDA fell slightly short of it. It should be expressly noted in connection with forward-looking statements that actual events may differ materially from expectations of future performance.

XI. INTERNAL CONTROL AND RISK MANAGEMENT

The control and risk management system forms an integral part of the corporate, planning, accounting and control processes and constitutes a material component of the management system. 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 constitutes an integral part of OHB SE's risk management operations and has been widened to include all of the Group's companies. Group-wide controlling instruments supported by business intelligence software are used for reporting purposes. This primarily entails comparisons of the actual/required figures and deviation analyses. Budgeting, regular forecasts and ongoing reporting discussions supplement standardized reporting in the two business units. Appropriate precautions are taken in the accounting and consolidation process to ensure full implementation of the double-sign-off principle. Access restrictions to the IT system ensure a high degree of data security. In addition, the accounting system complies with the requirements of public-sector contract awarding rules. 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 a large proportion of public-sector customers both directly and indirectly. For this reason, the risk of payment defaults is very 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. Following the credit facility agreement signed in December 2013 for EUR 250 million, funding requirements can now be covered inexpensively.

XII. OPPORTUNITY AND RISK REPORT

OHB SE'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 opportunities and risk management system used by the OHB Group is primarily supported by the 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 opportunities and 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 opportunities and risks to be identified at an early stage. The subsidiaries submit standardized monthly or quarterly reports to OHB SE covering all processes, opportunities and risks of relevance. The individual business units deploy different software systems for generating reports, e.g. SAP or business intelligence solutions. We consider the following types of risk to be relevant for OHB SE's business activities:

1. SECTOR RISKS, RISKS IN UNDERLYING CONDITIONS

The "Space Systems" business unit primarily works for public-sector customers. Order intake is exposed to risks arising from the budgets of public-sector customers (chiefly the EC, the European Space Agency ESA, national ministries such as the German Federal Ministries of Economics, Defense and Transportation as well as the national space agencies). This market has been consolidating over the past few years. However, this situation is, if anything, favorable for OHB SE in view of its special standing as a German systems provider for space technology. Consequently, further significant growth is not possible in the institutional market and can only be found in the commercial and export markets. This segment has been closely observed and analyzed for a number of years and preliminary activities in this direction are being prepared. The focus is on projects in the areas of telecommunications satellites as well as radar satellites for earth observation. In the "Aerospace + Industrial Products" business unit, the greatest market risk is in mechatronic systems for antennas and telescopes due to the heavy dependency on the global market for scientific radio and optical telescopes as the award of such contracts is materially determined by the provision of the necessary funding by the national governments involved.

2. STRATEGIC RISKS

In the "Space Systems" business unit, current risks relate to the scheduled completion of the currently ongoing programs. A further main factor is the successful completion of development projects within the stipulated periods and in line with the contractual prices. Advance outlays have been made for the development of strategically important product segments, the costs of which must be recouped from the development of business in the corresponding applications. Looking ahead, sufficient order receipts will be necessary to maintain the current high order backlog. The "Aerospace + Industrial Products" business unit is heavily exposed to the fortunes of the ARIANE program. A further challenge entails securing market share in the aviation components industry.

3. SOURCING RISKS

The OHB Group constantly optimizes its supply chain by monitoring the buy-side market continually, auditing local development and production activities and increasingly taking measures to safeguard the local availability of supplies. As a result, it has been possible to reduce turnaround times for typical space technology series. In addition, efforts have been taken to identify alternative procurement sources on a global basis, particularly in Asia. The "Space Systems" business unit is exposed to only sporadic supply-side risks in the sourcing of subsystems. As a rule, there is sufficient advance notice of these risks, meaning that shortfalls occur only rarely as inventories can be duly increased. In the "Aerospace + Industrial Products" business unit, the cost of some raw materials remained predominantly steady in the course of 2015. The agreed delivery periods were very largely observed by the suppliers.

4. PROJECT RISKS

The risk management system used for bid-costing and ongoing project management involves regular escalated reporting to the project managers, the directors, the Management Board of OHB SE and the management of the operating companies. All projects as of a specific size 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. Given the systems underlying our business model, there are inherent risks in the observance of schedules as well as development risks.

5. IT RISKS

The Group's business processes rely on information services and systems in all areas. The primary purpose is to ensure smooth operations of all IT systems and networks to support development and production processes as well as commercial application software. A further key aspect of the IT security strategy is to control access to data and to monitor data traffic both inside and outside the enterprise. The "Information Security Policy" and related guideline were implemented to coordinate and implement the measures for achieving basic BSI-IT protection. The intensive activities being performed at the Bremen site in this connection are being systematically continued to ensure the confidentiality, availability and integrity of internal data. Encrypted data transfers between the various facilities across virtual private networks have been improved and expanded to ensure compliance with the more stringent IT security requirements. As a result of the ongoing modernization and expansion of the IT infrastructure in line with requirements as well as the measures implemented in accordance with BSI-IT basic protection, the Company is addressing the steadily rising threats posed by cybercrime to ensure the integrity of operating processes within the Company and the protected sharing of data with business partners.

6. FINANCIAL RISKS

Most goods and services procured are invoiced in euro. Foreign-currency transactions in the dollar region may result in translation gains or losses. In the aerospace segment, dollar-denominated orders and receivables are hedged. The securities entail long-term investments with acceptable risks. Working capital requirements can be reduced substantially by means of progress billings. A credit facility agreement was signed in December 2013 with a syndicate of seven banks to avert liquidity risks.

With respect to retirement benefit provisions, we do not expect to see any further significant change in interest rates in the future. Market interest rates have dropped significantly over the past few years.

7. PERSONNEL RISKS

As a supplier of high-tech solutions, the OHB Group attaches key importance to motivating employees and bonding them on a long-term basis. In a heavily international business environment, the high proportion (14%) of foreign employees is a competitive advantage on the one hand but also a source of fluctuation on the other. This latter aspect primarily relates to the numerous engineers from European periphery countries. Given the economic recovery of their home countries, they are repatriating after only a short period of time to a greater extent than before.

The OHB Group will therefore be paying heightened attention to ensuring that this important group of employees in particular is encouraged to remain with the Company. As a general rule, OHB's internal and external appeal as an employer results in a steady inflow of applications from qualified candidates. Internal bonding is being materially strengthened by the sustained focus on further training and upskilling. In addition, personnel risks can be minimized through proven instruments such as flexible capacity management, the temporary use of external staff and/or the outsourcing of work packages.

8. SUMMARY

Throughout 2015, the OHB Group's exposure was for the most part confined to the risks described. In the light of current market trends and the outlook for the Company's business, its order backlog and its financial situation, the Management Board considers future risks to the Group to be manageable. No risks to the Group's going-concern status are currently discernible.

9. OPPORTUNITY AND RISK REPORT

The observance and evaluation of and business response to opportunities and the potential which they harbor as well as the response to risks call for professional management, which is combined in the OHB Group's opportunity and risk management system.

10. MATERIAL OPPORTUNITIES

The space market offers interesting opportunities for growth in view of the constant addition of new technical areas of relevance. Systematic observation of all relevant requests for proposals on a European and also a national level within the EU allows the OHB Group to take part in virtually all major bidding processes in Europe. With its European-wide presence and strong national companies specializing in selected technologies and applications in the space industry, OHB additionally has the opportunity of bidding for space contracts which are awarded to individual nations in accordance with the geographic return principle within ESA alongside EU-wide bids. In the individual countries, the Group's national companies are additionally able to bid for contracts and projects awarded by the national space agencies. The high degree of specialization of the individual companies within the OHB Group generally means that when it bids for a major ESA project it receives the status of lead-manager or subcontractor of the lead-manager.

OHB's specific space expertise is based on the long-standing experience of the responsible persons within the Group as well as basic research and development performed in this area allowing promising future areas and developments in space flight to be identified and responses to them adopted. However, in addition to public-sector contracts and development projects, the sharp worldwide rise in the commercialization of space is the main growth driver. Telecommunications, navigation, cartography and the increasing exploration of the earth by means of space technology are of key importance in this connection. OHB also sees good opportunities for entering the nascent "new space economy" market. For this purpose, the Group will also be applying a considerable volume of its own funds in close consultation with its customers. As with business risks, project management may also generate opportunities from systematic claim management based on the project review process.

XIII. COMPENSATION REPORT

The compensation paid to the members of the Management Board comprises fixed and variable components. Klaus Hofmann is a member of the management board since November 2015 (duration of contract: October 31, 2018). The service contracts currently in force with the members of the Management Board (duration of contracts for Marco Fuchs until June 30, 2018; duration of contract for Ulrich Schulz until June 30, 2017, duration of contract for Dr. Fritz Merkle until August 31, 2017) provide for variable compensation to be determined on the basis of a direct share in profit (percentage of EBT) in the case of Marco Fuchs and Ulrich Schulz. In Dr. Fritz Merkle's and Klaus Hofmann's case, the variable compensation is based on a combination of agreed personal targets and the Company's business performance. There is currently no provision for any share-based compensation components or compensation components with a long-term incentive. 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 compensation for a further period of six months. In the business year 2015, a company car was provided to the members of the management board Marco Fuchs, Dr. Fritz Merkle and Ulrich Schulz. The compensation paid to the members of the Management Board breaks down as follows: The total fixed compensation paid in 2015 came to EUR 0.856 million (previous year EUR 0.799 million), while the variable component equaled EUR 0.719 million (previous year EUR 1.041 million). The comparison period contained compensation also for Prof. Manfred Fuchs who passed away in April 2014. The breakdown by members of the Management Board is as follows: Marco Fuchs received a sum of EUR 0.345 million (previous year: EUR 0.345 million) as fixed compensation including all benefits as well as advances towards health and pension insurance and a

non-cash benefit in the form of contributions of EUR 1.7k (previous year: EUR 1.7k) towards an endowment policy. Variable compensation equaled EUR 0.508 million (previous year: EUR 0.446 million). Ulrich Schulz received a sum of EUR 0.217 million (previous year: EUR 0.217 million) as fixed compensation including all benefits as well as advances towards health and pension insurance. Variable compensation equaled EUR 0.169 million (previous year: EUR 0.149 million). Dr. Fritz Merkle received a sum of EUR 0.247 million as fixed compensation including all benefits as well as advances towards health and pension insurance. In addition to that, he received a variable compensation due to his position as a member of the management board of OHB System AG. Klaus Hofmann received a sum of EUR 0.047 million as fixed compensation including all benefits as well as advances toward health and pension provisions.

In her capacity as chairwoman of the Supervisory Board, Mrs. Christa Fuchs received a sum of EUR 0.030 million in 2015 (previous year: EUR 0.030 million), while Mr. Robert Wethmar received EUR 0.020 million (previous year: EUR 0.020 million) and Prof. Heinz Stoewer EUR 0.020 million (previous year: EUR 0.020 million). Variable compensation components were dispensed with for the members of the Supervisory Board. Mrs. Christa Fuchs was paid compensation of EUR 0.043 million (previous year: EUR 0.064 million) for her advisory services for members of the OHB Group in the year under review. Under the frame contract with the law office TaylorWessing where Robert Wethmar helds the position of a partner, legal fees were charged at the amount of EUR 0.123 million for the period under review with regard to advisory services in favor of companies of the OHB group.

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

BREAKDOWN OF THE SUBSCRIBED CAPITAL (NO. 1)

Issued capital stood at EUR 17,468,096.00 on the balance sheet date and was divided into 17,468,096 no-par-value bearer shares.

RESTRICTIONS TO VOTING RIGHTS OR THE TRANSFER OF SHARES (NO. 2)

Prof. Dott. Ing. h.c. Manfred Fuchs, Christa Fuchs and Marco Fuchs, who are also shareholders of VOLPAIA Beteiligungs-GmbH, and VOLPAIA Beteiligungsgesellschaft mbH in their capacity as shareholders of OHB AG (as the Company was then known), 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. On February 4, 2009, the parties signed an addendum to this pooling contract imposing on them restrictions with respect to the sale of the shares held in the pooling contract. On July 10, 2009, the parties signed a revised version of the pooling contract. Romana Fuchs Mayrhofer joined this pool in January 2010. A total of 69.72% of the Company's issued capital is held in this pooling contract. There are no changes in the total number of pooled voting rights as a result of Prof. Manfred Fuchs' death in April 2014.

SHARES EXCEEDING 10% OF THE VOTING CAPITAL (NO. 3)

As of the reporting date, Marco Fuchs held 18.23% of OHB SE's subscribed capital (3,184,796 shares). The share of 16.39% (2,863,064 shares) previously held by Prof. Manfred Fuchs is currently in the possession of Marco Fuchs (status 2015/31/12) but still under estate administration as of the reporting date. VOLPAIA Beteiligungs GmbH held a further 21.35% of the Company's shares. Together with the shares held by Christa Fuchs (8.02%, 1,400,690 shares) and Romana Fuchs Mayrhofer (5.72%, 1,000,000 shares), 69.72% (12,178,720) of the Company's shares are subject to a pooling contract providing for the coordinated exercise of voting rights as of the balance sheet date. Romana Fuchs Mayrhofer holds additional shares in OHB SE (2.17%, 378,626 shares) outside the scope of the pooling contract.

STATUTORY STIPULATIONS AND PROVISIONS CONTAINED IN THE COMPANY'S BYLAWS WITH RESPECT TO THE APPOINTMENT AND DISMISSAL OF MEMBERS OF THE MANAGEMENT BOARD AND AMENDMENTS TO THE BYLAWS (NO. 6)

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. Under Article 8 (2), the Supervisory Board is empowered to appoint a member of the Management Board as Chairman and further members of the Management Board as Deputy Chairman.

The procedure for amending the bylaws is governed by Sections 133, 179 of the German Stock Corporation Act. Article 21 of OHB SE's bylaws also authorizes the Supervisory Board to make amendments to the bylaws affecting only their wording.

POWERS OF THE MANAGEMENT BOARD TO ISSUE OR BUY BACK SHARES (NO. 7)

At the annual general meeting held on May 21, 2015, the

shareholders passed a resolution authorizing the Management Board to buy back up to 10% of the Company's share capital in existence as of the date of the resolution on or before May 20, 2020. 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 entities or shares therein,
- offering and transferring shares to the employees of the Company or other related entities in accordance with Sections 15 et seq. of the German Stock Corporation Act.
- redeeming treasury stock without any need for a resolution of the shareholders.

The Company held 80,496 shares as treasury stock as of the balance sheet date. This is equivalent to around 0.46% of the share capital. At the annual general meeting held on May 21, 2015, the shareholders authorized the Management Board to increase with the Supervisory Board's approval the Company's share capital by up to EUR 8,734,048.00 on a cash or non-cash basis by issuing new shares once or several times on or before May 20, 2020. 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' subscription rights

- for fractional amounts;
- for part of the authorized capital up to a maximum of EUR 1,746,809.00 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 8,734,048.00 provided the new shares
- are issued as consideration for the acquisition of all or part of other companies or entities or other assets and such acquisition is in the interests of the Company; or
- are issued 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. Please refer to the corresponding parts of the notes on the consolidated financial statements for further information.

XV. CORPORATE GOVERNANCE DECLARATION

The corporate governance declaration was officially published on OHB SE's website in March 2016. The website can be found at www.ohb.de > Investor Relations > Corporate governance > Corporate governance declaration.

THE INTERNET ADDRESS IS:
www.ohb.de > Investor Relations > Corporate Governance > Corporate governance declaration

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 SE 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.

MANAGEMENT BOARD AND SUPERVISORY BOARD SHAREHOLDINGS

As of the balance sheet date, Christa Fuchs, chairwoman of the Supervisory Board, held 1,400,690 shares, Prof. Heinz Stoewer, a member of the Supervisory Board, 1,000 shares and Marco Fuchs, chairman of the Management Board, 3,184,796 shares. The 2,863,064 shares previously held by Prof. Manfred Fuchs were in the possession of Marco Fuchs (status 2015/31/12), but were still under estate administration as of the reporting date.

The other members of the Management Board Dr. Fritz Merkle and Ulrich Schulz held 1,000 and 54 shares, respectively. On December 31, 2015, VOLPAIA Beteiligungs-GmbH held 3,730,170 shares. Christa Fuchs held 20% and Marco Fuchs 25% of the capital of VOLPAIA Beteiligungsgesellschaft as of the reporting date. The 35% share in VOLPAIA Beteiligungs- GmbH previously held by Prof. Manfred Fuchs was still under estate administration as of the reporting date.

DIRECTORS' DEALINGS

In the year under review, members of the Company's Management Board and Supervisory Board as well as related legal entities did not report any securities transactions.

OBJECTIVES REGARDING THE COMPOSITION OF THE SUPERVISORY BOARD

OHB SE seeks to implement the principle of diversity in the composition of the Supervisory Board and has formulated the following objectives in this connection. The members of the Supervisory Board as a whole (i.e. in its entirety and not necessarily each individual member of the Supervisory Board) should meet the following requirements:

- knowledge of the aviation/aerospace industry, particularly space technology
- several years of practical experience in industry and public organizations/agencies
- extensive knowledge gained over many years in finance, accounting, bookkeeping and administration.

In addition, the principle of diversity is implemented by ensuring an appropriate degree of female representation on the Supervisory Board. As well as this, a combination of members from technical and commercial backgrounds is sought. The number of independent members as defined in Article 5.4.2 of the Corporate Governance Code is to equal at least one.

STATUS OF IMPLEMENTATION

A high degree of diversity in terms of gender, expertise and international experience has been achieved with the appointment of Mrs. Christa Fuchs, the founder of OHB System and commercial managing director with many years of experience, to the position of chairwoman of the Supervisory Board, Professor Heinz Stoewer as an internationally renowned space technology expert and former leading manager of ESA and managing director of the German Space Agency and Robert Wethmar as a partner in an internationally active law firm.

DECLARATION OF CONFORMITY BY OHB SE PURSUANT TO ARTICLE 161 OF THE GERMAN JOINT-STOCK COMPANIES ACT CONCERNING THE GERMAN CORPORATE GOVERNANCE CODE

OHB SE welcomes the German Corporate Governance Code and its legally binding nature. The Management Board and the Supervisory Board of OHB SE declare that the Company already conforms with 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 refers to the new version of the Corporate Governance Code dated May 5, 2015.

OHB SE deviates from the principles of the German Corporate Governance Code in only a small number of points:

INFORMATION CONCERNING THE COMPENSATION FOR THE MANAGEMENT BOARD (4.2.5)

The OHB SE annually reports the compensation paid to the members of the Management Board within the compensation report as part of the group management report. In our opinion, further disclosures, as recommended to state under point 4.2.5, are not beneficial in the sense of reporting oriented by relevance.

AGE LIMITS FOR THE MANAGEMENT BOARD (5.1.2)

OHB will not be setting a maximum age for the members of the Management Board as this would limit the availability of suitable Management Board members for appointment by the Supervisory Board.

FORMATION OF SUPERVISORY BOARD COMMITTEES (5.3)

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

AGE LIMITS FOR THE THE SUPERVISORY BOARD/REGULAR LIMIT OF LENGTH OF MEMBERSHIP (5.4.1.)

The Corporate Governance Code recommends defining maximum ages for the members of the Supervisory Board as well as a regular limit of length of membership. The Supervisory Board is elected by the shareholders of OHB SE; accordingly, such specified time limits are not desirable parameters for selection purposes.

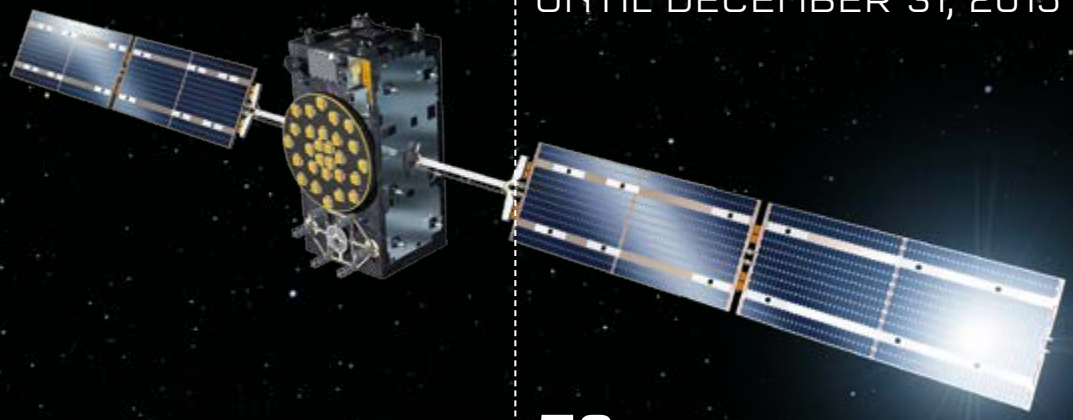
Management Board and Supervisory Board of OHB SE

Bremen, December 18, 2015

2

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD
FROM JANUARY 1, 2015
UNTIL DECEMBER 31, 2015



I. CONSOLIDATED INCOME STATEMENT

	in EUR 000	Note	2015	2014 (adjusted)
1.	Sales	(1)	719,706	728,147
2.	Increase/decrease in inventories of finished goods and work in progress	(2)	–14,570	11,707
3.	Other own work capitalized		16,820	14,732
4.	Other operating income	(3)	8,412	18,368
5.	**Total revenues**		**730,368**	**772,954**
6.	Cost of materials	(4)	462,353	497,265
7.	Staff costs	(5)	168,320	176,322
8.	Depreciation and amortization	(6)	11,921	13,016
9.	Other operating expenses		47,560	45,951
10.	**Operating profit**		**40,214**	**40,400**
11.	Other interest and similar income	(7)	1,690	1,601
12.	Other financial expenses	(7)	5,677	7,824
13.	Currency translation gains/losses		702	–210
14.	Net profit/loss from shares carried at equity	(7)	0	0
15.	Investment income	(7)	–231	–93
16.	**Net financial income/expense**		**–3,516**	**–6,526**
17.	**Earnings before taxes**		**36,698**	**33,874**
18.	Income taxes	(8)	11,313	4,706
19.	**Consolidated net income for the year**		**25,385**	**29,168**
20.	Minority interests	(9)	–4,410	–3,455
21.	**Consolidated net income for the year after minority interests**		**20,975**	**25,713**
22.	Consolidated profit carried forward		104,967	85,687
23.	**Consolidated profit**		**125,942**	**111,400**
24.	Number of shares		17,387,600	17,387,600
25.	Earnings per share (basic. EUR)		1.21	1.48
26.	Earnings per share (diluted. EUR)		1.21	1.48

II. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in EUR 000	Note	2015	2014
CONSOLIDATED NET INCOME FOR THE YEAR		**25,385**	**29,168**
Exchange difference on translating foreign operations	(21)	99	–130
Net gains/losses from the measurement of financial assets recorded under equity	(21)	2,743	1,732
Cashflow Hedges	(21)		
Recycling		0	0
Gains/losses arising during the year		–2	–45
Actuarial gains/losses		1,622	–7,625
Other comprehensive income after tax		**4,462**	**–6,068**
Comprehensive income		**29,847**	**23,100**
Of which attributable to			
equity holders of OHB SE		25,130	21,676
other equity holders		4,717	1,424

III. CONSOLIDATED BALANCE SHEET

in EUR 000	Note	31/12/2015	31/12/2014 (adjusted)	01/01/2014 (adjusted)
ASSETS				
Goodwill	(10)	7,687	7,687	7,687
Other intangible assets	(10)	61,057	48,278	42,174
Property, plant and equipment	(11)	54,188	54,270	70,282
Shares carried at equity	(12)	0	0	683
Other financial assets	(13)	26,335	23,539	22,591
Non-current assets		**149,267**	**133,774**	**143,417**
Other non-current receivables and assets	(14)	2,338	1,611	2,277
Securities	(16)	1,702	1,665	1,631
Deferred taxes	(8)	12,468	14,758	10,398
Other non-current assets		**16,508**	**18,034**	**14,306**
Property, plant and equipment / non-current assets		**165,775**	**151,808**	**157,723**
Inventories	(15)	54,051	76,354	83,048
Trade receivables	(14)	326,446	331,823	269,355
Other tax receivables	(14)	3,312	1,968	1,201
Other non-financial assets	(14)	28,791	25,336	16,800
Securities	(16)	401	2,846	3,021
Cash and cash equivalents	(17)	59,949	50,478	54,259
Current assets		**472,950**	**488,805**	**427,684**
Total assets		**638,725**	**640,613**	**585,407**

in EUR 000	Note	31/12/2015	31/12/2014 (adjusted)	01/01/2014 (adjusted)
SHAREHOLDERS' EQUITY AND LIABILITIES				
Subscribed capital	(18)	17,468	17,468	17,468
Additional paid-in capital	(19)	14,923	14,923	14,923
Retained earnings	(20)	521	521	521
Other comprehensive income	(21)	–2,721	–6,876	–3,593
Treasury stock	(22)	–781	–781	–781
Consolidated profit		125,942	111,400	93,197
Shareholders' equity excluding minority interests		**155,352**	**136,655**	**121,735**
Minority interests	(23)	13,399	8,747	9,173
Shareholders' equity		**168,751**	**145,402**	**130,908**
Provisions for pensions and similar obligations	(24)	93,575	96,974	96,290
Other non-current provisions	(25)	2,091	2,757	3,269
Non-current financial liabilities	(26)	934	5,012	12,898
Non-current advance payments received on orders	(27)	5,747	395	3,038
Deferred tax liabilities	(8)	23,166	19,410	18,114
Non-current liabilities and provisions		**125,513**	**124,548**	**133,609**
Current provisions	(25)	26,391	24,627	29,764
Current financial liabilities	(28)	139,517	113,784	67,965
Trade payables	(29)	100,896	83,967	80,950
Current advance payments received on orders	(30)	55,368	131,128	119,123
Tax liabilities		6,006	3,909	6,797
Other current liabilities	(31)	16,283	13,248	16,291
Current liabilities		**344,461**	**370,663**	**320,890**
Total equity and liabilities		**638,725**	**640,613**	**585,407**

IV. CONSOLIDATED CASH FLOW STATEMENT

in EUR 000	2015	2014
Operating EBIT	40,215	40,400
Income taxes paid	–5,019	–9,188
Other non-cash expenses (+)/income(–)	0	–3,804
Depreciation/amortization	11,921	13,016
Changes in pension provisions *	–3,424	–4,018
Gross cash flow	**43,693**	**36,406**
Increase(–) in own work capitalized	–16,626	–13,944
Increase(–)/decrease (+) in inventories	22,303	–17,642
Increase(-)/decrease(+) in receivables and other assets incl. accruals and deferrals	3,647	–80,968
Increase(+)/decrease (–) in liabilities and current provisions	21,063	33,467
Increase(+)/decrease (–) in advance payments received	–70,408	14,466
Profit (–)/loss (+) from the disposal of assets	–81	–6,805
Cashflow from operating activites	**3,591**	**–35,020**
Payments made for investments in non-current assets	–8,029	–11,104
Payments received from the disposal of assets	170	918
Net reduction from loss of control	0	–4,701
Payments received from decrease of financial assets	0	7,550
Interest and other financial income	1,560	1,472
Cashflow from investing activites	**–6,299**	**–5,865**
Dividend payout	–6,433	–6,433
Payments made/received for other financial instruments	0	192
Payments made for the settlement of financial liabilities	–4,530	–32,857
Payments received from raising borrowings	26,184	83,196
Minority interests	–65	–2,173
Interest and other financial expenses	–3,717	–4,501
Cashflow from financing activities	**11,439**	**37,424**
Changes to cash and cash equivalents	8,731	–3,461
Currency-related changes to cash and cash equivalents	740	–320
Cash and cash equivalents at the beginning of the period	50,478	54,259
Cash and cash equivalents at the end of the period	**59,949**	**50,478**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD AND CURRENT FINANCIAL INSTRUMENTS		
January 1	**54,989**	**58,911**
Changes in cash and cash equivalents including securities and current financial instruments	7,063	–3,922
December 31	**62,052**	**54,989**

V. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in EUR 000	Subscribed capital	Additional paid-in capital	Retained earnings	Other comprehensive income	Consolidated profit	Treasury stock	Shareholders' equity excluding minority interests	Minority interests	Shareholders' equity
Note	(18)	(19)	(20)	(21)		(22)		(23)	
January 1, 2014	17,468	14,923	521	–3,593	94,994	–781	123,532	9,173	132,705
Restatement from accounting error	0	0	0	0	–1,797	0	–1,797	0	–1,797
January 1, 2014 adjusted	**17,468**	**14,923**	**521**	**–3,593**	**93,197**	**–781**	**121,735**	**9,173**	**130,908**
Dividend payment (EUR 0.37 per share)	0	0	0	0	–6,433	0	–6,433	0	–6,433
Comprehensive income	0	0	0	–4,360	25,713	0	21,353	1,748	23,101
Other changes	0	0	0	1,077	–1,077	0	0	–2,174	–2,174
January 1, 2014 adjusted	**17,468**	**14,923**	**521**	**–6,876**	**111,400**	**–781**	**136,655**	**8,747**	**145,402**
Dividend payment (EUR 0.37 per share)	0	0	0	0	–6,433	0	–6,433	0	–6,433
Comprehensive income	0	0	0	4,155	20,975	0	25,130	4,717	29,847
Other changes	0	0	0	0	0	0	0	–65	–65
December 31, 2015	**17,468**	**14,923**	**521**	**–2,721**	**125,942**	**–781**	**155,352**	**13,399**	**168,751**

NOTES

VI. 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 SE 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 SE 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 315a of the German Commercial Code.

The consolidated financial statements have been prepared in accordance with the going-concern principle. The Group manages its capital with the aim of ensuring that all Group members are able to operate in accordance with the going-concern principle and with the aim of maximizing income from its investments by optimizing its equity and debt capital. Managed capital comprises solely the equity of EUR 169 million (previous year: EUR 145 million) shown on the face of the consolidated financial statements. The overall strategy pursued by the Group was unchanged over 2014.

In addition to the consolidated balance sheet, consolidated income statement and the consolidated statement of comprehensive income, the consolidated annual financial statements include a consolidated cash flow statement and a statement of changes in consolidated equity.

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 Corporation Act have been duly 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 SE have been consolidated.

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 3.32. The full goodwill method is applied.

Sales, expenses, income as well as receivables and liabilities between consolidated companies are netted and any inter-Group profits eliminated. The carrying amounts of companies consolidated using the equity method are adjusted to allow for the proportionate profit/loss attributable to such companies.

ACQUISITIONS

No acquisitions were executed during this period.

COMPANIES CONSOLIDATED

OHB SE's consolidated financial statements include OHB SE, eight domestic and five non-domestic subsidiaries and a further equity-accounted non-domestic associate.

The table entitled "Consolidation perimeter" sets out the subsidiaries and associates together with the relative size of the share held. Compared with the year-ago period, there was no change in the number of companies consolidated.

In addition, shares were held in other companies (see table entitled "Further equity interests and financial assets", page 84).

Companies consolidated

Name of company	Share held (%)	Consolidation
OHB System AG, Bremen (Germany)	100.0	Fully consolidated
ORBCOMM Deutschland Satellitenkommunikation AG, Bremen (Germany)[1]	100.0	Fully consolidated
CGS S.p.A., Milan (Italy)	100.0	Fully consolidated
OHB Sweden AB, Stockholm (Sweden)	100.0	Fully consolidated
Antwerp Space N.V., Antwerp (Belgium)	100.0	Fully consolidated
LuxSpace Sàrl, Betzdorf (Luxembourg)	100.0	Fully consolidated
MT Aerospace Holding GmbH, Bremen (Germany)	70.0	Fully consolidated
MT Aerospace AG, Augsburg (Germany) [2]	100.0	Fully consolidated
MT Aerospace Grundstücks GmbH & Co. KG, Munich (Germany) [3]	100.0	Fully consolidated
MT Mechatronics GmbH, Mainz (Germany) [3]	100.0	Fully consolidated
MT Aerospace Guyane S.A.S., Kourou (French Guiana) [3]	100.0	Fully consolidated
Aerotech Peissenberg GmbH & Co. KG, Peissenberg (Germany) [2]	43.3	At Equity
OHB Teledata GmbH, Bremen (Germany)	100.0	Fully consolidated
megatel Informations- und Kommunikationssysteme GmbH, Bremen (Germany)	74.9	Fully consolidated

1 held by OHB System AG
2 held by MT Aerospace Holding GmbH
3 held by MT Aerospace AG

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 of greater than 20%), are not consolidated. These companies' cumulative current sales and EBIT are not considered to make any material contributions to consolidated earnings. Subsidiaries with discontinued or minimal business activities which are of only minor importance for obtaining a true and fair view of the OHB Group's net assets, financial condition and results of operations as well as its cash

flow are not consolidated. The share holdings shown in the tables entitled "Consolidation perimeter" and "Further investments and financial assets" correspond to the voting rights held. OHB SE's consolidated financial statements include the following companies: see table.

Further investments and financial assets

Name of company	Share held (%)	Share in capital EUR 000	Shareholders' equity EUR 000	Profit/loss EUR 000	Latest annual financial statement
RST Radar Systemtechnik GmbH, Salem (Germany) *	24.0	190	1,107	89	2014
OHB France S.A., Paris (France) *	100.0	37	6	–4	2015
OHB-ElectroOPtics GmbH, Bremen (Germany) *	50.0	13	10	–1	2013
beos GmbH, Bremen (Germany)	12.0	60	249	–2	2013
ATB GmbH, Bremen (Germany)	5.0	26	503	27	2013
OHB Marine Technologies GmbH, Bremen (Germany) *	100.0	25	602	–1	2014
COSMOS International Satellitenstart GmbH, Bremen (Germany) *	49.9	13	213	9	2014
Cosmos Space Systems AG, Bremen (Germany) *	66.6	40	75	17	2014
Telemondo International GmbH, Bremen (Germany) *	100.0	26	12	–2	2014
KT Verwaltungsgesellschaft mbH, Bremen (Germany) *	100.0	25	22	0	2014
Antares S.c.a.r.l., San Giorgio Del Sannio (Italy) *	24.0	58	190	43	2014
Arianespace Participation, Evry (France)	8.3	8,328	n/a	n/a	n/a
MT Dezentrale Energiesysteme GmbH, München (Germany) *	100.0	1,022	1,022	0	2014
MT Mecatronica Limitada, Santiago de Chile (Chile) *	99.9	530	–164	–176	2014
MT Mecatronica s.r.l., Cagliari (Italy) *	100.0	10	8	–2	2014
MT Management Service GmbH, Augsburg (Germany) *	100.0	26	0	–403	2014
M2M Europe Network and Solutions Ges.mbH, Bregenz (Austria) *	100.0	35	n/a	n/a	n/a
Nexus Space LLC, Centennial CO (USA) *	45.0	n/a	n/a	n/a	n/a
ORBCOMM Inc., Rochelle Park, NJ (USA)	3.2	7,382	276,044	–11,971	2015

* 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 reporting date. Any hedges in existence are translated at the hedge rate. Foreign-currency bank balances were translated at the end-of-year exchange rate. The annual financial statements of the independent non-domestic subsidiary OHB Sweden AB were prepared in its domestic currency (SEK) and translated using the functional currency principle in accordance with IAS 21. The foreign-currency difference arising from the translation of equity is recorded within equity from unrealized gains/losses.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The International Accounting Standards Board (IASB) and IFRIC have revised the following standards and interpretations which are subject to compulsory application from 2015:

ANNUAL IFRS IMPROVEMENTS CYCLE 2011 – 2013

IFRS 1

First-time adoption of the International Financial Reporting Standards – the amendment clarifies the option which a company has between applying the currently applicable IFRS and the early adoption of new or amended IFRS which are not yet mandatory in the preparation of its first IFRS financial statements. However, it is necessary to apply the same version of a standard across all periods. The application of this amended standard did not give rise to any changes to the consolidated financial statements.

IFRS 3

Business combinations – the scope of IFRS 3 is clarified: Joint arrangements of all kinds do not come within the scope of IFRS 3. However, this exception applies only to the joint arrangement itself and not to the financial statements of the participating companies. The application of this amended standard did not give rise to any changes to the consolidated financial statements.

IFRS 13

Fair-value measurement – the amendments provide additional guidance on the scope of the portfolio exceptions provided for in IFRS 13.52. This does not apply to any contracts accounted for in accordance with IAS 39 or IFRS 9 regardless whether they satisfy the definition of a financial asset or liability in accordance with IAS 32. The application of this amended standard did not give rise to any changes to the consolidated financial statements.

IAS 40

Investment property – additional guidance is given on the distinction between IFRS 3 and IAS 40. If the transaction satisfies the conditions for a business combination in accordance with IFRS 3 and includes an investment profit, both IFRS 3 and IAS 40 must be applied to this transaction independently of each other (IAS 40.14A). Accordingly, the acquisition of an investment property may constitute a condition for the acquisition of a single asset (or group of assets) or for a business combination in accordance with IFRS 3. The application of this amended standard did not give rise to any changes to the consolidated financial statements.

IFRIC 21 – LEVIES

IFRIC 21

This interpretation provides guidance on when a liability is to be recognized for a levy imposed by a government. It applies to levies which are accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as those the timing and amount of which are known. IFRIC 6 remains in force and is consistent with IFRIC 21. The application of this amended standard did not give rise to any changes to the consolidated financial statements.

The IASB has issued the standards, interpretations and revisions to existing standards set out in the table on page 86 which are not yet compulsory and do not become so until future reporting periods and which OHB SE has not adopted on a voluntary early basis. On the basis of a preliminary assessment, the application of the above-mentioned standards and interpretations will not exert any material influence on the presentation of the financial statements. The Management Board of OHB SE has decided not to apply the aforementioned standards before the accounting periods in which application becomes mandatory.

IFRS adopted in European law	Effective date (EU)
Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)	To be applied in accounting periods beginning after February 1, 2015
Annual improvement of IFRS - period 2010-2012	To be applied in accounting periods beginning after February 1, 2015
Agriculture: Bearer plants (Amendments to IAS 16 and IAS 41)	To be applied in accounting periods beginning after January 1, 2016
Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)	To be applied in accounting periods beginning after January 1, 2016
Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)	To be applied in accounting periods beginning after January 1, 2016
Annual improvement of IFRS - period 2012-2014	To be applied in accounting periods beginning after January 1, 2016
Disclosure Initiative (Amendments to IAS 1)	To be applied in accounting periods beginning after January 1, 2016
Equity Method in Separate Financial Statements (Amendments to IAS 27)	To be applied in accounting periods beginning after January 1, 2016

IFRS not yet adopted in European law	Effective date
IFRS 9 Financial Instruments	January 1, 2018
IFRS 14 Regulatory Deferral Accounts	January 1, 2016
IFRS 15 Revenue from Contracts with Customers	January 1, 2018
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	January 1, 2016
Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)	January 1, 2016

CHANGES IN ACCOUNTING POLICIES

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

CORRECTIONS TO ITEMS ON THE BALANCE SHEET

One Group company corrected a liability arising from the utilization of industrial property rights which had inadvertently not been accounted for in earlier periods. The correction as of January 1, 2014 for earlier periods results in a change of EUR 1.797 million in consolidated profit carried forward (reduction from EUR 94.994 million to EUR 93.197 million) and in other liabilities (increase from EUR 14.494 million to EUR 16.291 million).

RECOGNITION OF REVENUES

Revenues and other operating income from series production 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 is applied to long-term construction contracts, allowing for reasonable discounts on the basis of a true and fair view to factor in unexpected future risks to the extent that it is possible to calculate the partial profit with adequate precision on the basis of the percentage of completion. For this purpose, the percentage of completion is determined on the basis of the contract costs which have arisen as of the reporting date relative to the expected total contract costs. Revenues from contracts are calculated by multiplying the percentage of completion with the contractually agreed proceeds

including any subsequently agreed additions. Long-term projects in progress on the reporting date (remaining durations of between one and seven years) are recognized as revenue 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.

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. In the year under review, research and development costs of EUR 2.281 million (previous year: EUR 2.168 million) were recorded as expense as the criteria provided for in IAS 38.57 were not satisfied. Of the total development costs of EUR 23.9 million (previous year: EUR 20.1 million), an amount of EUR 16.6 million (previous year: EUR 13.9 million) was capitalized and EUR 5.0 million (previous year: EUR 4.0 million) received in the form of grants. The income from development grants is recognized upon the occurrence of the related costs. Income from grants is reported gross, i.e. it is not netted with expenses. At the moment, there is no evidence indicating that the conditions imposed by the providers of grants cannot be satisfied.

NET FINANCE INCOME/EXPENSES

Net financial income/expense includes the share of profits of associates accounted for at equity as well as other investments including profit from the sale of financial assets, adjustments to the value of financial assets, other interest expenditure on liabilities, dividends, interest income on receivables and currency gains and losses. Interest income is recorded in 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 are also reported as other interest expenditure.

INTANGIBLE ASSETS

As of each reporting date, OHB 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. The recoverable amount is defined as the fair value less possible costs of sale or the value in use, whichever is the greater. Intangible assets acquired from third parties primarily comprise software programs and licenses.

These are written down on a straight-line basis over a period of between one and fifteen years. Internally generated assets are written down on a straight-line basis over the expected useful life of four to eight years. For the purpose of identifying any impairment, goodwill must be allocated to each cash-generating unit within the Group expected to derive any benefit from the synergistic effects of the business combination. Cash-generating units to which part of the goodwill is allocated are subject to annual impairment testing. If there is any evidence of impairment of a cash-generating unit, it is tested more frequently for impairment. If the recoverable amount of a cash-generating unit is less than its carrying amount, the impairment loss is initially assigned to the carrying amount of all goodwill allocated to the unit and then on a proportionate basis to the other assets on the basis of the carrying amount of each asset within the unit. The use of growth rates is of only subordinate importance as planning is primarily influenced by specific projects.

PROPERTY, PLANT AND EQUIPMENT

As of each reporting date, OHB 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. 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 historical 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 recorded within operating income/expenses. The following depreciation periods are applied to property, plant and equipment: between ten and 33 years for buildings, five to ten years for machinery and technical equipment and three to ten years for other equipment as well as operating and business equipment.

SHARES IN ASSOCIATES

Shares in associates are reported at cost net of the share in their profit/loss for the year.

OTHER FINANCIAL ASSETS

Other financial assets are reported at cost (less any impairments) or, if market prices can be identified, at their fair value. A test to identify any objective evidence of impairment is performed as of each reporting date. This item comprises the investments in ORBCOMM Inc., details of whose stock market prices were available as of the reporting date. Adjustments resulting from fair value accounting are recognized under equity. The deferred tax arising from this is reported under deferred tax liabilities. Other financial assets are set out in the table entitled "Further investments and financial assets".

INVENTORIES

Inventories are recognized at historical cost or the lower net recoverable value prevailing on the reporting date. Production costs comprise the individual costs of material and production, overhead costs of material and production as well as depreciation and amortization expense in connection the production equipment. They also include overhead administration costs. Part of the inventories were measured using the moving average method.

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 recorded at the lower recoverable value. 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. Construction projects in progress on the reporting date (remaining durations of between one and seven years) are recognized as assets on the basis of production costs plus prorated 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 reporting year in question.

SECURITIES/FINANCIAL INSTRUMENTS

The fair values are determined on the basis of the market prices as of the reporting date. Non-current securities are measured in accordance with IAS 39 and IFRS 7 (Reclassification of Financial Assets). Any changes in the value of hedging relationships are reported within comprehensive income prior to settlement and in equity from unrealized gains/losses.

DEFERRED INCOME 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 income taxes. The OHB Group applies a uniform domestic tax rate of 32% for calculating deferred income 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 SE defines equity as subscribed capital, the share premium, unrealized gains and losses recognized within equity, retained earnings and accrued profit brought forward.

PROVISIONS FOR RETIREMENT BENEFITS 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. Other liabilities are recognized at their nominal or settlement amount.

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. Internally funded development expenses are capitalized on the basis of estimated future cash flows. 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 conditions within the sector or the 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. The percentage-of-completion method is applied to long-term construction contracts provided that the applicable conditions are satisfied. For this purpose, the costs incurred are divided by the total costs to calculate the percentage of completion. 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. Other provisions are recognized in the light of available knowledge and using the customary scope for discretion. 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 2016.

VII. NOTES ON THE CONSOLIDATED INCOME STATEMENT

(1) SALES

Revenues from construction contracts as defined in IAS 11 came to EUR 598.308 million in 2015 (previous year: EUR 619.819 million). The related contract costs stood at EUR 563.764 million (previous year: EUR 597.591 million). The resultant earnings before interest and taxes (EBIT) for 2015 equaled EUR 34.544 million (previous year: EUR 22.228 million).

Sales break down by business unit as follows:

in EUR 000	**2015**	2014
Space Systems	532,747	545,286
Aerospace + Industrial Products	196,586	193,993
Consolidation	–9,627	–11,131
Total	**719,706**	**728,147**

Additional disclosures on POC measurement (IAS 11)

2015 in EUR 000	Net assets	Net liabilities	Total
Expenses + profit	1,734,589	607,172	**2,341,761**
Prepayments received	1,468,383	641,687	**2,110,070**
Amount shown on balance sheet	**266,206**	**–34,515**	**231,691**

2014 in EUR 000	Net assets	Net liabilities	Total
Expenses + profit	1,585,879	376,020	**1,961,899**
Prepayments received	1,302,305	447,938	**1,750,243**
Amount shown on balance sheet	**283,574**	**–71,918**	**211,656**

(2) INCREASE/DECREASE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

The decrease in inventories of finished goods and work in progress primarily relates to the decline of EUR 13.1 million in the "Aerospace + Industrial Products" business unit (previous year: increase of EUR 11.0 million). All told, inventories dropped by EUR 14.6 million (previous year: increase of EUR 11.7 million).

(3) OTHER OPERATING INCOME

The other operating income of EUR 8.412 million (previous year: EUR 18.368 million) primarily comprises income from grants of EUR 5.039 million (previous year: EUR 3.975 million). In the previous year, this item had included gains from the sale of an equity interest of EUR 6.8 million and income of EUR 3.8 million from the deconsolidation of Aerotech Peissenberg GmbH & Co KG.

(4) COST OF MATERIALS

in EUR 000	2015	2014
Cost of raw materials and goods purchased	315,632	325,787
Cost of services bought	146,721	171,478
Total	**462,353**	**497,265**

(5) STAFF COSTS

in EUR 000	2015	2014
Wages and salaries	139,716	146,330
Social security and expenditure on retirement benefits	28,604	29,992
Total	**168,320**	**176,322**

Retirement benefits and retirement benefit provisions came to EUR 4.890 million (previous year: EUR 4.734 million).

(6) DEPRECIATION AND AMORTIZATION

No non-scheduled depreciation/amortization was required in the year under review. Further details on depreciation/amortization are set out in the consolidated statement of changes in assets.

(7) NET FINANCE INCOME/EXPENSE

Net finance income/expense includes income of EUR 1.690 million (previous year: EUR 1.601 million). The other finance expense of EUR 5.677 million (previous year: EUR 7.824 million) chiefly relates to interest expenditure on retirement benefit provisions of EUR 2.081 million (previous year: EUR 3.323 million) and borrowing costs of EUR 2.887 million (previous year: EUR 3.013 million).

Share of profit/loss of associates

The proportionate share in the profit or loss of Aerotech Peissenberg GmbH & Co. KG stands at EUR 0 in 2015 (previous year: EUR 0).

(8) INCOME TAXES

Actual income tax of EUR 5.475 million (previous year: EUR 5.078 million) arose with respect to the consolidated German companies; income tax of EUR 0.297 million (previous year: EUR 0.439 million) arose outside Germany. Domestic income taxes in 2015 were calculated in detail using different tax rates. Deferred tax assets are recognized pursuant to IAS 12. Domestic deferred income taxes are calculated on the basis of a tax rate of 32%.

Reconciliation of tax expense

in EUR 000	2015	2014
Taxes at a tax rate of 32.00%	11,743	10,840
Reductions in tax expenses as a result of partially tax-exempt income	–19	–3,332
Tax losses utilized	–769	–5,154
Non-deductible operating expenses	567	1,316
Other tax effects	–53	–452
Off-period tax expense	–47	1,768
Differences in foreign tax rates	–109	–280
Effective tax expense	**11,313**	**4,706**

Deferred income taxes

The deferred income tax assets primarily arise from the difference in provisions for pension commitments in accordance with tax laws on the one hand and IFRS on the other. In 2015, deferred income tax assets of EUR 5.543 million (previous year: EUR 0.811 million) were recognized in profit and loss. Two subsidiaries recognized deferred income tax assets on unused tax losses of EUR 0.441 million (previous year: EUR 1.754 million).

Analysis of deferred income taxes and assets:

in EUR 000	2015		2014		2015	2014
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities	Change effecting net income	Change effecting net income
Intangible assets and property, plant and equipment	23	16,018	50	13,126	–2,919	–914
Financial assets	371	381	382	337	–11	–8
Current assets	1	14,628	12	13,248	–1,392	538
Provisions	12,319	38	13,424	135	–548	–1,503
Liabilities	327	0	403	0	–76	254
Tax losses and credits	7,603	277	8,044	121	–597	1,683
Consolidation	–8,176	–8,176	–7,557	–7,557	0	0
Total	**12,468**	**23,166**	**14,758**	**19,410**	**–5,543**	**50**

(9) NON-CONTROLLING INTERESTS

Non-controlling interests are valued at EUR 4.410 million (previous year: EUR 3.455 million) and chiefly relate to MT Aerospace Holding GmbH. The MT Holding subgroup, in which OHB SE holds a 70% share, generated total revenues of EUR 169.481 million (previous year: EUR 199.150 million), EBIT of EUR 15.513 million (previous year: EUR 19.489 million) and EBITDA of EUR 18.880 million (previous year: EUR 24.209 million).

Earnings per share under IFRS/IAS

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 reporting date. Accordingly, there is no difference between basic and diluted earnings per share. The Company's share capital stands at EUR 17,468,096.00. The calculations were based on 17,387,600 shares as the Company held an annual average of 80,496 treasury shares. The consolidated net profit of EUR 20.975 million (previous year: EUR 25.713 million) net of non-controlling interests was used for calculation purposes. Earnings per share for 2015 came to EUR 1.21 (previous year: EUR 1.48).

VIII. NOTES ON THE CONSOLIDATED BALANCE SHEET

(10) GOODWILL AND OTHER INTANGIBLE ASSETS

The balance sheet for the year ending December 31, 2015 includes goodwill of EUR 7.687 million (previous year: EUR 7.687 million).

Goodwill

in EUR 000	2015	2014
GOODWILL FROM CONSOLIDATION OF:		
OHB System Munich	5,003	5,003
CGS S.p.A.	801	801
OHB System Bremen	681	681
megatel GmbH	646	646
Orbcomm Deutschland AG	556	556
Total	**7,687**	**7,687**

Goodwill was tested for impairment at the level of the cash generating units as designated in the above table. Goodwill underwent impairment testing as of December 31, 2015. No impairments were identified. The recoverable amount was calculated on the basis of the value in use, which in turn was determined by using a discounted cash flow method. This was based on the forecasts covering a period of five years approved by management for the companies concerned. A pre-tax weighted average cost of capital (WACC) of 10.43% (previous year: 9.10%) was applied to domestic goodwill and of 12.82% (previous year: 12.80%) to non-domestic goodwill.

The other intangible assets chiefly comprise own work capitalized for the development of a range of geostationary communications satellites (carrying amount: EUR 31.0 million, previous year: EUR 21.0 million) scheduled for completion in 2017 and software purchased (see consolidated statement of changes in assets). Goodwill and other intangible assets are analyzed on pages 108/109. An increase of 1 percentage point in the WACC would not result in an impairment.

(11) PROPERTY, PLANT AND EQUIPMENT

Additions in the year under review primarily entailed technical/electronic laboratory equipment, technical equipment and machinery, hardware, operating and business equipment and minor-value assets. With the exception of the land charges referred to in "Other financial obligations", 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. Property, plant and equipment are analyzed on pages 108/109.

(12) SHARES IN ASSOCIATES

This item comprises the share in the equity of Aerotech Peissenberg GmbH & Co. KG, Peissenberg. The majority shareholder exercises a controlling influence on this entity's business model. ATP recorded total revenues of EUR 119.967 million, EBIT of EUR 4.354 million and EBITDA of EUR 7.882 million in 2015. It had non-current assets of EUR 28.598 million and current assets of EUR 37.997 million as of December 31, 2015. As the company had negative equity as of the reporting date, this item stands at EUR 0 (previous year: EUR 0).

(13) OTHER FINANCIAL ASSETS

The increase in fair value recognized within equity of EUR 2.788 million (previous year: EUR 1.760 million) relates to the remeasurement of the shares held in ORBCOMM Inc. It was remeasured on the basis of the stock market price of ORBCOMM Inc. as of December 31, 2015 and the USD/EUR exchange rate as of the same date. The statement of comprehensive income includes net gains/losses from the measurement of financial assets of EUR 2.743 million (previous year: EUR 1.732 million).

(14) RECEIVABLES AND OTHER ASSETS (CURRENT AND NON-CURRENT)

Receivables and other assets are recognized at amortized cost. Receivables of EUR 2.338 million (previous year: EUR 1.611 million) are due for settlement in more than one year. The carrying amounts of current assets and other receivables primarily match their fair value. Receivables of EUR 213.285 million (previous year: EUR 202.988 million) relate to construction contracts recognized using the percentage-of-completion method. Receivables and other assets mainly comprise current and non-current loans; there are no material interest or default risks. As of the reporting date, currency forwards worth USD 7.0 million (previous year: EUR 11.2 million) had been transacted to hedge underlying contracts of USD 5.6 million (previous year: EUR 10.7 million) to cover the exports of a consolidated company. The difference is reported as cashflow hedges for expected order receipts in 2016. Trade receivables are due for settlement in less than one year and are reported at amortized cost, which generally equals their settlement amount net of any adjustments. Reasonable adjustments are made to allow for discernible risks. As of the reporting date, impairments of a total of EUR 0.235 million (previous year: EUR 1.563 million) had been recognized. Other tax receivables chiefly comprise income tax refund claims.

(15) INVENTORIES

Inventories dropped over the previous year to EUR 54.051 million (previous year: EUR 76.354 million). Prepayments received are not netted with inventories.

in EUR 000	2015	2014
Raw materials and supplies	17,726	11,249
Unfinished goods and services	33,829	48,153
Finished goods and merchandise	1,028	1,828
Prepayments made	1,468	15,124
Total	**54,051**	**76,354**

Prepayments made were allocated to inventories due to their close relationship.

(16) SECURITIES

As of the reporting date, the securities portfolio was valued at EUR 2.103 million (previous year: EUR 4.512 million). This breaks down as follows: financial assets at fair value through profit or loss EUR 0.401 million (previous year: EUR 2.846 million) and loans and receivables EUR 1.702 million (previous year: EUR 1.666 million). Financial risks primarily comprise liquidity, market price and counterparty default risks. There are no material short-term liquidity or counterparty default risks.

(17) CASH AND CASH EQUIVALENTS

Cash and cash equivalents were valued at EUR 59.949 million on the reporting date (previous year: EUR 50.478 million) 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.

(18) SUBSCRIBED CAPITAL

Since September 30, 2009, the Company's issued capital has equaled EUR 17,468,096.00 and is divided into 17,468,096 no-par-value ordinary bearer shares equivalent to a notional share of EUR 1.00 each in the Company's issued capital. Of these shares, an unchanged number of 5,208,880 shares compared with the previous year is free float. 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 to 516,404 bearer shares on a contingent basis. The contingent capital increase is to be used for granting options to entitled persons under a staff compensation system. No such staff compensation systems are currently in operation. The contingent capital increase may only be implemented if the holders of such options exercise these. The new shares are dividend-entitled for the first time in the 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 21, 2015, the shareholders passed a resolution authorizing the Company's Management Board – with the Supervisory Board's approval – to raise the share capital once or repeatedly by a total of up to EUR 8,734,048.00 on a cash or non-cash basis on or before May 20, 2020 (authorized capital 2015). The new shares may also be issued to the Company's employees. The Company's Management Board was authorized – subject to the Supervisory Board's approval – to exclude the shareholders' subscription rights in the following cases:

(1) for fractional amounts;

(2) for part of authorized capital 2015 up to a maximum of EUR 1,746,809.00 provided that the new shares are issued in return for cash capital contributions at a price not materially less than the stock-market price (Section 186 (3) Sentence 4 of the German Stock Corporation Act);

(3) for a part of authorized capital 2015 up to a maximum of EUR 8,734,048.00 provided the new shares

– are issued as consideration for the acquisition of all or part of other companies or entities or other assets and provided that such acquisition is in the interests of the Company; or

– are issued 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.

(c) Authorization to acquire and sell treasury stock

At the annual general meeting held on May 21, 2015, 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 May 20, 2020. Upon this authorization taking effect, the authorization granted on May 19, 2010 for the acquisition and utilization of treasury stock was revoked.

a) The Company is authorized to buy back a total of up to 10% of its own share capital in the amount existing as of the date on which the resolution was passed. At no time may the shares acquired by the Company together with other treasury stock already acquired or still held by it or attributable to it in accordance with Sections 71d, 71e of the German Stock Corporation Act exceed more than ten percent (10%) of its share capital. The authorization may be exercised by the Company in full or in part, once or repeatedly or for different purposes and may also be exercised by dependent companies or companies in which OHB SE holds a majority stake for their account or for third-party account.

b) The acquisition of shares must comply with the equal treatment principle (Section 53a of the Stock Corporation Act) and is executed at the Management Board's discretion either via the stock market (1) or in a public offering addressed to all shareholders (2). In the second case, the provisions of the Securities Acquisition and Transfer Act must be observed where applicable.

1) 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.

(2) If the Company buys back its own shares in a public offering addressed to all shareholders, 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 fifth, fourth and third trading days prior to the publication of the offer. If such a public offering is oversubscribed, the shares must be bought back on a quota system. Provision may be made for the preferred acceptance of a lower volume of up to 100 shares offered per shareholder and rounding in accordance with commercial provisions.

c) The Management Board is authorized to utilize the treasury stock acquired through the exercise of the authorization mentioned above for all purposes permitted by law, including but not limited to the following:

(1) Acting with the approval of the Supervisory Board it may use the treasury stock to have the Company's stock traded on foreign stock exchanges to which it has hitherto not been admitted.

(2) Subject to the approval of the Supervisory Board, it may offer or transfer the treasury stock 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.

(3) It may offer the treasury stock 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.

(4) Acting with the approval of the Supervisory Board, it may redeem the treasury stock without any need for a resolution of the shareholders approving such redemption or related activities.

d) The Management Board is authorized – subject to the approval of the Supervisory Board and without any obligation for a further resolution to be passed by the shareholders – to sell the treasury stock acquired in accordance with the above authorization or in any other manner either publicly or in the form of an offer to 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. For the purposes of the above rule, 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. The maximum of 10% is reduced by the prorated share in the share capital accounted for by shares which are issued during the term of this authorization as part of an equity issue in which pre-emptive shareholder rights are excluded in accordance with Section 186 (3) Sentence 4 of the German Stock Corporation Act. The volume covered by the authorization is also reduced by an amount equaling the prorated share in the share capital accounted for by conversion and/or option rights under bonds issued on or after the date on which this authorization takes effect in connection with which pre-emptive shareholder rights are excluded in accordance with Section 186 (3) Sentence 4 of the German Stock Corporation Act.

e) The aforementioned authorizations may be utilized once or repeatedly, in part or in full, individually or jointly.

f) The shareholders' pre-emptive subscription rights with respect to the Company's treasury stock are excluded in cases in which it is used in accordance with the authorizations described in c) (1) – (3) and d) above.

(19) SHARE PREMIUM

The share premium 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 primarily relates to actuarial losses from the measurement of retirement benefit obligations and the fair-value measurement of the shares held in ORBCOMM Inc. on the basis of the stock price on the reporting date net of the carrying amounts. This adjustment was recognized within equity. In the year under review, no provisions which had been set aside in earlier years were released to profit and loss or netted against acquisition costs. It also includes the foreign currency translation differences arising in connection with independent subsidiaries.

Changes in equity not recognised through the income statement

in EUR 000	2015			2014		
	before tax	tax effects	net	before tax	tax effects	net
Exchange difference on translating foreign operations	99	0	99	–130	0	–130
Net gains/losses from the measuremenmt of financial assets recorded under equity	2,788	–45	2,743	1,760	–28	1,732
Cashflow Hedges	–3	1	–2	–65	20	–45
Actuarial gains/losses	2,084	–461	1,623	–10,648	3,024	–7,624
Total	**4,968**	**–505**	**4,463**	**–9,083**	**3,016**	**–6,067**

(22) TREASURY STOCK

On September 13, 2011, the Management Board of OHB SE decided to implement a stock buyback program and to acquire up to 250,000 of the Company's shares in accordance with a resolution passed by the shareholders at the annual general meeting on May 19, 2010. This authorization expired on May 18, 2015. The purpose of the treasury stock was to place the Company's shares in foreign stock markets, to pay for the acquisition of other companies, parts of companies or shares in such companies and to issue shares to the Company's employees. The Company had been buying back shares on the stock market floor since September 14, 2011. Since the beginning of the buyback program, a total of 13,542 shares had been acquired at an average price of EUR 11.0145. No shares were bought back in the year under review. As of December 31, 2015, OHB SE's treasury stock comprised a total of 80,496 shares, equivalent to 0.46% of its issued capital.

(23) NON-CONTROLLING INTERESTS

The non-controlling interests are valued at EUR 13.399 million (previous year: EUR 8.747 million) and primarily relate to the co-shareholders in the MT Aerospace subgroup. The non-controlling interests received dividends of EUR 0.065 million in the year under review (previous year: EUR 2.173 million). As of the reporting date, MT Holding, in which OHB SE holds a 70% interest, had non-current assets of EUR 51.655 million (previous year: EUR 54.642 million), current assets of EUR 145.602 million (previous year: EUR 166.403 million), equity of EUR 25.575 million (previous year: EUR 14.107 million), non-current debt capital of EUR 106.732 million (previous year: EUR 104.914 million) and current debt capital of EUR 64.950 million (previous year EUR 102.023 million).

(24) RETIREMENT BENEFIT PROVISIONS AND SIMILAR OBLIGATIONS

Retirement benefit obligations break down as follows:

in EUR 000	2015	2014
Retirement benefits	90,646	93,994
Similar obligations	2,929	2,979
Retirement benefit obligations	**93,575**	**96,974**

OHB Group has made arrangements for retirement benefits for entitled employees in both business units. 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 retirement benefits. Reinsurance has been taken out to cover retirement benefit obligations. Not all of these reinsurance policies satisfy the conditions for classification as plan assets. The latter are reported within other non-current assets. The reinsurance policies which satisfy the conditions for classification as plan assets are netted with the retirement benefit obligations. 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. A net cash outflow comparable to the previous year is expected for 2016 (Note 5). 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: 2.30% (previous year: 2.15%)
- Estimated future salary/wage increase: 2.75% (previous year: 2.75%)
- Wage and salary drift: 0.00% (previous year: 0.00%)
- Estimated future pension increase 1.25% (previous year: 1.25%)

In some cases, differing assumptions were made for small volumes in foreign subsidiaries. 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:

in EUR 000	2015	2014
Current service cost	879	874
Interest expense	2,081	3,323
Expect income (-) from plan assets	–105	–203
Total	**2,854**	**3,994**

The present values of the defined benefit obligations changed as follows:

in EUR 000	2015	2014
Present value of the defined benefit obligations on January 1	100,035	100,282
Changes in the companies consolidated	–34	–10,120
Present value of the entitlement acquired in the year	879	874
Interest expenditure on entitlement already acquired	2,081	3,323
Payments from provisions	–4,890	–4,734
Actuarial gains (–)/losses (+)	–2,002	10,410
Present value of the defined benefit obligations on December 31	**96,068**	**100,035**

The plan assets break down as follows:

in EUR 000	2015	2014
Value of plan assets on January 1	6,041	6,497
Changes in the companies consolidated	0	0
Payments received	0	0
Payments made	–801	–680
Expected income	105	203
Actuarial gains (+)/losses (–)	77	21
Value of plan assets on December 31	**5,423**	**6,041**

Actual income from plan assets came to EUR 0.182 million (previous year: EUR 0.224 million). The present value is reconciled with the defined benefit (defined benefit liability (+)/defined benefit asset (–)) as follows:

in EUR 000	2015	2014
Actual present value of the defined benefit obligation on December 31	96,068	100,035
Fair value of plan assets	–5,423	–6,041
Retirement benefit obligations recorded on the balance sheet	**90,646**	**93,994**

The retirement benefit obligation breaks down into a defined benefit liability and defined benefit asset as follows:

in EUR 000	2015	2014
Defined benefit asset	0	0
Defined benefit liability	90,646	93,994

The present value of the defined benefit obligations of EUR 0.423 million (previous year: EUR 0.407 million) was calculated in accordance with the entry age normal method. The fractional values are computed using actuarial principles on the basis of the 2005 G biometric tables compiled by Prof. Dr. Klaus Heubeck and an interest rate of 3.89%. 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. If the discount rate were 0.25% lower, the present value of the retirement benefit obligations would increase by EUR 3.161 million. If the discount rate were 0.25% higher, the present value of the retirement benefit obligations would decrease by EUR 3.000 million. If the rate by which pensions rise were 0.25% higher, the present value of the retirement benefit obligations would increase by EUR 2.614 million. If the rate by which pensions rise were 0.25% lower, the present value of the retirement benefit obligations would decrease by EUR 2.515 million.

(25) OTHER PROVISIONS (CURRENT AND NON-CURRENT)

Non-current provisions primarily comprise provisions for phased retirement scheme obligations in the "Aerospace + Industrial Products" business unit. Current provisions of EUR 7.274 million (previous year: EUR 4.597 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 of EUR 12.609 million (previous year: EUR 13.395 million).

Statement of changes in provisions

in EUR 000	Balance on December 31, 2014	Added	Utilized	Released	Balance on December 31, 2015
Pension provisions	96,974	2,854	4,732	1,521	93,575
– of which non-current	96,974	2,854	4,732	1,521	93,575
Other provisions	27,384	23,470	20,703	1,669	28,482
– of which non-current	2,757	1,178	1,534	310	2,091
Total	**124,358**	**26,324**	**25,435**	**3,190**	**122,057**

(26) NON-CURRENT FINANCIAL LIABILITIES

This mostly entails non-current liabilities towards banks owed by the Italian subsidiary CGS S.p.A. in an amount of EUR 0.824 million (previous year: EUR 4.855 million). These liabilities are due for settlement in more than twelve months after the reporting date. The average interest rate on these liabilities stands at 1.0%.

(27) NON-CURRENT PREPAYMENTS RECEIVED

This entails prepayments made by customers for contracts under construction which are due for completion in more than twelve months. They are measured at their nominal amounts.

(28) CURRENT FINANCIAL LIABILITIES

This entails current liabilities towards banks held by OHB SE (EUR 33.000 million), OHB System AG (EUR 100.023 million), OHB Sweden AG (EUR 0.564 million) and CGS S.p.A. (EUR 5.930 million). There were no liabilities under operating leases as of the reporting date.

(29) TRADE PAYABLES

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

(30) CURRENT PREPAYMENTS RECEIVED

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

(31) OTHER CURRENT LIABILITIES

These primarily entail personnel-related obligations.

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 and held-for-trading financial assets are reported at their fair value and equity investments that are not measured at fair value and the other financial assets are reported 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. Financial instruments for which market prices are available are classified as available-for-sale financial assets; this category comprises solely such assets. Current financial liabilities chiefly comprise amounts drawn on a credit facility, utilization of which is subject to compliance with two financial covenants at the level of the OHB Group.

The historical cost of loans and receivables mostly equals their fair value (nominal amount less any impairment). The fair value of financial liabilities at amortized cost is derived from their discounted settlement amounts. Otherwise, fair values are determined by reference to listed prices.

Measurement hierarchy for financial assets at fair value through profit and loss

Level 1: Financial instruments traded in active markets, the listed prices of which are applied for measurement purposes.

Level 2: Financial instruments are measured using methods with parameters that are derived directly or indirectly from observable market data.

Level 3: Financial instruments are measured using methods with parameters which are not based solely on observable market data.

Financial assets at fair value through profit and loss comprise current securities of EUR 0.401 million (previous year: EUR 2.846 million) allocated to Level 1. The fair values of the available-for-sale financial assets of EUR 14.795 million (previous year: EUR 12.008 million) are calculated in accordance with Level 1. The other fair values of EUR 11.540 million (previous year: EUR 11.531 million) were calculated using Level 3.

Loan settlement periods

in EUR 000	Less than one year	One to two years	Three to five years	More than five years	Total
Non-current financial obligations	110	622	202	0	934
Non-current prepayments received	0	5,747	0	0	5,747
Current financial liabilities	139,517	0	0	0	139,517
Trade payables	75,432	0	0	0	75,432
Current prepayments received on orders	54,550	818	0	0	55,368
Tax liabilities	6,006	0	0	0	6,006
Other current liabilities	16,283	0	0	0	16,283
Total	**291,898**	**7,187**	**202**	**0**	**299,287**

Carrying amounts of financial instruments by type in 2015

in EUR 000	Financial assets	Trade receivables	Other receivables and assets	Securities and cash and cash equivalents	Balance on December 31, 2015
Held-to-maturity assets (HtM)	0	0	0	0	0
Loans and receivables (LaR)	0	326,446	33,017	61,651	421,114
Available-for-sale assets (AfS)	26,335	0	0	0	26,335
Trading assets (FAHfT)	0	0	0	401	401

in EUR 000	Financial liabilities	Trade payables	Advance payments received on orders	Other liabilities	Balance on December 31, 2015
Financial Liabilities Measured at Armortised Cost (FLAC)	140,451	100,896	61,115	21,383	323,845
Trading liabilities (FLHfT)	0	0	0	0	0

Carrying amounts of financial instruments by type in 2014

in EUR 000	Financial assets	Trade receivables	Other receivables and assets	Securities and cash and cash equivalents	Balance on December 31, 2014
Held-to-maturity assets (HtM)	0	0	0	0	0
Loans and receivables (LaR)	0	330,328	29,372	50,478	410,178
Available-for-sale assets (AfS)	23,539	0	0	0	23,539
Trading assets (FAHfT)	0	0	0	2,846	2,846

in EUR 000	Financial liabilities	Trade payables	Advance payments received on orders	Other liabilities	Balance on December 31, 2014
Financial Liabilities Measured at Armortised Cost (FLAC)	118,796	83,967	130,027	16,613	349,403
Trading liabilities (FLHfT)	0	0	0	0	0

Net gains/losses by category in 2015

in EUR 000		Historical cost	Fair value	Net fair-value gains/ losses recognized in equity	Net profit/ loss for the period
Financial assets at fair value through profit and loss	FAFVPL	512	401	0	2
of which financial instruments designated using the fair value option		0	0	0	0
of which held for trading		512	401	0	
Held-to-maturity financial assets	HtM	0	0	0	0
Loans and receivables	LaR	419,412	419,412	0	37
Available-for-sale financial assets	AfS	19,009	26,335	2,788	0
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	323,845	323,845	0	0

Net gains/losses by category in 2014

in EUR 000		Historical cost	Fair value	Net fair-value gains/ losses recognized in equity	Net profit/ loss for the period
Financial assets at fair value through profit and loss	FAFVPL	2,920	2,846	0	28
of which financial instruments designated using the fair value option		0	0	0	0
of which held for trading		2,920	2,846	0	28
Held-to-maturity financial assets	HtM	0	0	0	0
Loans and receivables	LaR	410,178	410,178	0	35
Available-for-sale financial assets	AfS	18,813	23,539	1,760	0
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	349,403	349,403	0	0

CREDIT RISKS

Credit risks are generally considered to be small. However, general risks of default may always occur as a result of specific economic conditions. Receivables comprise a large proportion of amounts owed by public-sector customers free of any credit risk, while there is no risk clustering with respect to the other amounts owed. For this reason, the Group as a whole does not take out any credit insurance for receivables.

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 2016.

INTEREST RISKS

Generally speaking, investments with low interest rates are preferred so as to avert interest risks and are subject to normal market fluctuation. Short-term loans are raised to cover requirements of current assets arising from project payment cycles. For this purpose, funds under a loan facility agreement with a market-based floating interest rate component are used. A 1% change in the interest rate on such drawings would result in additional expense of around EUR 1.400 million.

IX. OTHER INFORMATION

SEGMENT REPORTING

IFRS 8 stipulates that operating segments are to be defined on the basis of internal segment reporting which is regularly reviewed by the Company's chief operating decision maker with respect to the allocation of resources to these segments and the assessment of their profitability. The main management indicators used within the OHB Group are total revenues, EBIT and EBITDA. Information reported to the Management Board as the chief operating decision maker for the purposes of allocating resources to the Company's segments as well as the assessment of their profitability mostly covers the types of goods and services which are produced or provided. The Group comprises the following reportable segments as defined in IFRS 8:

- Space Systems
- Aerospace + Industrial Products

The "Space Systems" segment chiefly develops and executes space projects. The "Aerospace + Industrial Products" segment is primarily responsible for fabricating aviation and space products as well as other industrial activities. The segments are described in detail in the Group management report Segment income, expenses and earnings also entail business relations between the business units. These transfers were netted in full. The measurement principles applied in segment reporting are identical to those applied in the preparation of the consolidated financial statements. The holding company is shown separately as most of the equity interests are held on this level. OHB SE exercises the function of an active holding company. Sales (non-consolidated) break down by product group as follows:

Segment reporting

	Space Systems		Aerospace + Industrial Products	
in EUR 000	**2015**	2014 [1]	**2015**	2014
Sales	532,747	545,286	196,586	193,993
of which internal sales	1,527	2,744	8,100	8,387
Total revenues	553,140	563,972	186,778	213,537
Cost of materials and services purchased	375,777	402,292	94,748	102,578
EBITDA	**31,534**	**21,031**	**20,454**	**25,493**
Depreciation and amortization	7,524	6,985	4,434	6,052
EBIT	**24,010**	**14,046**	**16,020**	**19,441**
Non-current assets	82,589	68,755	47,264	48,345
Current assets	377,090	350,346	165,090	186,700
Total assets	**459,679**	**419,101**	**212,354**	**235,045**
Equity	95,888	80,603	34,569	22,998
Liabilities	363,791	338,498	177,785	212,047
Total equity and liabilities	**459,679**	**419,101**	**212,354**	**235,045**
Investments net of financial assets	21,830	20,728	2,777	4,271

1 adjusted

Non-consolidated sales by product group:

in EUR 000	**2015**	2014
Space technology	737,303	732,066
Aviation	15,178	56,129
Antennas	14,488	9,329
Telematics	9,438	7,217
Process control technology	5,864	5,155
Total	**782,271**	**809,896**

Non-consolidated sales by region:

in EUR 000	**2015**	2014
Germany	297,673	267,990
Rest of Europe	471,233	510,501
Rest of the world	13,365	31,405
Total	**782,271**	**809,896**

With sales of EUR 177.932 million, EUR 148.230 million and EUR 111.121 million, respectively, three customers in the "Space Systems" segment each account for more than 10% of the OHB Group's total sales. Non-current assets with a carrying amount of EUR 128 million (previous year: EUR 116 million) are located in Germany and those with a carrying amount of EUR 38 million (previous year: EUR 37 million) are located in other countries.

	Reconciliation					
	Holding		Consolidation		Total	
	2015	2014	**2015**	2014	**2015**	2014 [1]
	0	0	–9,627	–11,131	719,706	728,147
	0	0	–9,627	–11,131	0	0
	6,015	13,847	–15,566	–18,403	730,367	772,954
	0	0	–8,172	–7,610	462,353	497,265
	147	**6,893**	**0**	**0**	**52,135**	**53,417**
	14	30	–51	–51	11,921	13,016
	133	**6,862**	**51**	**51**	**40,214**	**40,400**
	58,842	53,513	–39,428	–36,839	149,267	133,774
	44,660	51,997	–97,382	–82,204	489,458	506,839
	103,502	**105,510**	**–136,810**	**–119,043**	**638,725**	**640,613**
	66,603	67,925	–28,308	–26,125	168,751	145,401
	36,899	37,585	–108,502	–92,918	469,974	495,212
	103,502	**105,510**	**–136,810**	**–119,043**	**638,725**	**640,613**
	10	9	0	0	24,617	25,008

NOTES ON THE CASH FLOW STATEMENT

Liquidity comprises cash and cash equivalents.

OTHER FINANCIAL OBLIGATIONS

Financial obligations under leases are valued at EUR 74.668 million (previous year: EUR 91.856 million); of this, an amount of EUR 11.538 million (previous year: EUR 12.589 million) is due for settlement in less than one year, an amount of EUR 29.172 million (previous year: EUR 37.662 million) in one to five years and an amount of EUR 33.958 million (previous year: EUR 41.605 million) in more than five years. Operating leases entail financial obligations of EUR 1.269 million (previous year: EUR 1.471 million) due for settlement in one to five years; of this, an amount of EUR 0.582 million (previous year: EUR 0.659 million) is due for settlement in less than one year, an amount of EUR 0.687 million (previous year: EUR 0.801 million) is due for settlement in one to five years and an amount of EUR 0 million (previous year: EUR 0.011 million) in more than five years. The main operating leases are for buildings and have a term of one to five years. There are no purchase options. As of the reporting date, there were obligations under guarantees of EUR 34.681 million (previous year: EUR 36.332 million). The participating companies have assumed joint and several liability for obligations under the credit facility. OHB SE has issued a letter of comfort in favor of a customer for the completion of two projects/contracts by Group members and, in one case, a guarantee in favor of the customer.

Consolidated statment of changes in assets

In EUR 000	Production and aquisition costs						
For the year from January 1 until December 31, 2015	Balance on January 1, 2015	Re-valuations	Disposals deconsoli-dation	Additions	Disposals	Reclassifi-cations	Balance on December 31, 2015
I. Goodwill	8,957	0	0	0	0	0	8,957
II. Intangible assets							
Concessions and industrial property rights	2,057	0	0	10	0	0	2,067
Software acquired	11,967	0	0	1,061	187	0	12,841
Software produced	86,855	0	0	16,626	66	0	103,415
III. Property, plant and equipment							
Operating and business equipment	97,933	0	0	6,913	3,954	–31	100,861
Property and plant	46,603	0	0	5	2	31	46,637
IV. Financial assets							
Investments in affiliated companies	89	0	0	0	0	0	89
Investments in associated companies	0	0	0	0	0	0	0
Other investments	42,009	2,788	0	39	31	0	44,805
Total	**296,470**	**2,788**	**0**	**24,654**	**4,240**	**0**	**319,672**

In EUR 000	Production and aquisition costs						
For the year from January 1 until December 31, 2014	Balance on January 1, 2014	Re-valuations	Disposals deconsoli-dation	Additions	Disposals	Reclassifi-cations	Balance on December 31, 2014
I. Goodwill	8,957	0	0	0	0	0	8,957
II. Intangible assets							
Concessions and industrial property rights	2,055	0	0	2	0	0	2,057
Software acquired	14,259	0	–3,181	1,212	338	15	11,967
Software produced	75,854	0	–2,931	13,944	12	0	86,855
III. Property, plant and equipment							
Operating and business equipment	105,382	0	–14,492	9,782	2,724	–15	97,933
Property and plant	58,557	0	–12,017	68	5	0	46,603
IV. Financial assets							
Investments in affiliated companies	63	0	0	26	0	0	89
Investments in associated companies	683	0	0	0	683	0	0
Other investments	41,087	1,760	–105	14	747	0	42,009
Total	**306,897**	**1,760**	**–32,726**	**25,048**	**4,509**	**0**	**296,470**

	Accumulated depreciation					Book values	
	Balance on January 1, 2015	Disposals deconsoli-dation	Additions	Disposals	Balance on December 31, 2015	Balance on December 31, 2015	Balance on December 31, 2014
	1,270	0	0	0	1,270	7,687	7,687
	1,989	0	13	0	2,002	65	68
	9,950	0	930	187	10,603	2,148	2,017
	40,662	0	3,970	61	44,571	58,844	46,193
	66,831	0	5,819	3,962	68,688	32,173	31,102
	23,435	0	1,189	2	24,622	22,015	23,168
	0	0	0	0	0	89	89
	0	0	0	0	0	0	0
	18,559	0	0	0	18,559	26,246	23,450
	162,696	**0**	**11,921**	**4,212**	**170,405**	**149,267**	**133,774**

	Accumulated depreciation					Book values	
	Balance on January 1, 2014	Disposals deconsoli-dation	Additions	Disposals	Balance on December 31, 2014	Balance on December 31, 2014	Balance on December 31, 2013
	1,270	0	0	0	1,270	7,687	7,687
	1,968	0	21	0	1,989	68	87
	10,802	–1,494	980	338	9,950	2,017	3,457
	37,224	–993	4,443	12	40,662	46,193	38,630
	70,259	–7,180	6,225	2,473	66,831	31,102	35,123
	23,398	–1,306	1,348	5	23,435	23,168	35,159
	0	0	0	0	0	89	63
	0	0	0	0	0	0	683
	18,559	0	0	0	18,559	23,450	22,528
	163,480	**–10,973**	**13,017**	**2,828**	**162,696**	**133,774**	**143,417**

EMPLOYEES

The average head count stood at 2,054 in the year under review (previous year: 2,174). As of December 31, 2015, there were 1,346 employees in the "Space Systems" business unit (previous year: 1,349), 701 employees in the "Aerospace + Industrial Products" business unit (previous year: 730) and 9 employees in the holding company (previous year: 7).

X. MANAGEMENT BOARD AND SUPERVISORY BOARD

The Company's Management Board comprises:

- Mr. Marco Fuchs, Lilienthal, Chief Executive Officer
- Dr. Fritz Merkle, Eching/Freising
- Mr. Ulrich Schulz, Bremen
- Mr. Klaus Hofmann, Bremen (since November 1, 2015)

The Company's Supervisory Board comprises:

- Mrs. Christa Fuchs, Bremen, managing shareholder of VOLPAIA Beteiligungs-GmbH, Bremen, chairwoman
- Prof. Heinz Stoewer, Munich, Professor em. Space Systems Engineering, Technical University of Delft, Netherlands, managing director of Space Associates GmbH, Munich
- Mr. Robert Wethmar, Hamburg, partner at law firm Taylor Wessing

Offices held by members of the Company's Management Board and Supervisory Board in other supervisory boards and management bodies in 2015:

- Mr. Marco Fuchs, Group mandates: MT Aerospace AG, Augsburg, chairman of the supervisory board; ORBCOMM Inc., Rochelle Park, NJ, United States, member of the board; CGS S.p.A., Milan, Italy, chairman of the board; OHB Sweden AB, Kista, Sweden, chairman of the board; Antwerp Space N.V., Antwerpen, Belgium, chairman of the board; Luxspace Sàrl, Betzdorf, Luxembourg, chairman of the board
  External mandates: SV Werder Bremen GmbH & Co. KGaA., Bremen, deputy chairman of the supervisory board; ZARM Technik AG, Bremen, chairman of the supervisory board; Jacobs University Bremen gGmbH, Bremen, member of the supervisory board
- Mrs. Christa Fuchs, ORBCOMM Deutschland AG, Bremen, chairwoman of the supervisory board (Group mandate); Cosmos Space Systems AG, Bremen, chairwoman of the supervisory board (Group mandate); OHB System AG, Bremen, chairwoman of the supervisory board

Securities held by members of the Company's Management Board and Supervisory Board

as of December 31, 2015	Shares	Changes 2014/15
Christa Fuchs, Chairwoman of the Supervisory Board	1,400,690	–
Professor Heinz Stoewer, Member of the supervisory board	1,000	–
Marco Fuchs, Chief Executive Officer	3,184,796 *	–
Dr. Fritz Merkle, Member of the Management Board	1,000	–
Ulrich Schulz, Member of the Management Board	54	–

* plus the 2,863,064 shares previously held by Prof. Manfred Fuchs, the rights from which passed to Marco Fuchs as of the reporting date.

EXEMPTION FROM THE DUTY TO DISCLOSE THE FINANCIAL STATEMENTS OF THE GROUP COMPANIES

At their meeting of March 23, 2015, 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, Romana Fuchs Mayrhofer, Marco Fuchs, Ulrich Schulz, Dr. Fritz Merkle, Klaus Hofmann, Prof. Heinz Stoewer and Robert Wethmar. 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-Straße GmbH & Co. KG, Bremen
- VOLPAIA Beteiligungs-GmbH, Bremen
- Apollo Capital Partners GmbH, Munich
- Immobiliare Gallarate S.r.l., Milan
- KT Grundstücksverwaltungs GmbH & Co. KG, Munich
- Schloß Annaberg GmbH, Latsch, Italy

Business transactions with related parties are conducted on arm's length terms. In the year under review, sales and other income of EUR 0 million (previous year: EUR 0 million) arose from transactions with related parties, while expenditure on goods and services purchased and rentals came to around EUR 4.901 million (previous year: EUR 4.673 million) at Group companies. Under an agreement with law firm TaylorWessing, in which Robert Wethmar is a partner, a fee of EUR 123 thousand was charged in connection with consulting services for Group companies. Outstanding receivables as of the reporting date were valued at EUR 0 million (previous year: EUR 0 million). As of December 31, 2015, there were liabilities of EUR 1.113 million (previous year: EUR 1.113 million).

DECLARATION OF CONFORMITY WITH THE CORPORATE GOVERNANCE CODE PURSUANT TO SECTION 161 OF THE GERMAN STOCK CORPORATIONS ACT

The Management Board and the Supervisory Board have published the declaration required pursuant to Section 161 of the German Stock Corporation Act confirming that save for a few small exceptions (see Corporate Governance on page 64) 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: http://www.ohb.de/Corporate-governance-declaration.html

ALLOCATION OF EARNINGS

The single-entity financial statements prepared by OHB SE pursuant to German GAAP (HGB) for the year ending December 31, 2015 carry net profit for the year of EUR 26,849,824.32. OHB SE exercises the function of an active holding company. Its main assets comprise investments which were carried at a value of EUR 44.549 million on the balance-sheet date. OHB SE's equity stood at EUR 66.087 million on December 31, 2015. The Company's single-entity financial statements carry cash and cash equivalents of EUR 0.488 million. Income of EUR 6.471 million under profit transfer agreements made a particular contribution to net profit for 2015. The Management Board will be asking the shareholders to pass a resolution providing for the allocation of the Company's unappropriated surplus of EUR 26,850 for 2015 (as specified in the table entitled "Allocation of unappropriated surplus").

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 (80,496 shares) as of the reporting 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 reporting 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. The dividend distributed for 2014 came to EUR 0.37 per dividend-entitled share (17,387,600 shares), resulting in a total payout of EUR 6,433,412.00. In addition, an amount of EUR 22,932,503.44 was carried forward. The unappropriated surplus came to EUR 29,365,915.44 in 2014.

Allocation of earnings

in EUR	2015
Dividend of EUR 0.40 proposed for each dividend entitled share (17,387,600 shares)	6,955,040.00
Amount to be carried forward	19,894,784.32
Unappropriated surplus	26,849,824.32

REMUNERATION

As a matter of principle, the compensation paid to the members of the Management Board comprises fixed and variable components. There is currently no provision for any share-based compensation components or compensation components with a long-term incentive. 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 compensation for a further period of six months. 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 70). The total compensation paid to the members of the Management Board for 2015 came to EUR 1.575 million (previous year: EUR 1.840 million). Of this, variable components account for EUR 0.719 million (previous year: EUR 1.041 million), fixed components for EUR 0.856 million (previous year: EUR 0.799 million) and contributions to endowment policies for EUR 1.7 thousand (previous year: EUR 3.3 thousand). The total compensation paid to members of the Supervisory Board for 2015 came to EUR 70 thousand (previous year: EUR 70 thousand). Of this, the chairwoman of the Supervisory Board received EUR 30 thousand (previous year: EUR 30 thousand) and the other members of the Supervisory Board a total of EUR 40 thousand (previous year: EUR 40 thousand). Variable compensation components were dispensed with. Mrs. Christa Fuchs received arms-length compensation of EUR 43 thousand (previous year: EUR 64 thousand) for advisory services rendered for OHB Group companies in the year under review. Under an agreement with law firm TaylorWessing, in which Robert Wethmar is a partner, a fee of EUR 123 thousand was charged in connection with consulting services for Group companies.

AUDITOR FEES AND SERVICES

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

- Auditing of annual and consolidated financial statements: EUR 0.222 million (previous year: EUR 0.226 million)
- Tax consulting services: EUR 0.083 million (previous year: EUR 0.056 million)
- Other services: EUR 0.038 million (previous year: EUR 0.019 million)

EVENTS AFTER THE BALANCE SHEET DATE

There were no significant reportable events between the reporting date and the date on which the annual report for 2015 was prepared. The consolidated financial statements were approved by the Management Board for publication following the Supervisory Board's meeting of March 16, 2016.

The Management Board


Dr. Fritz Merkle


Marco Fuchs

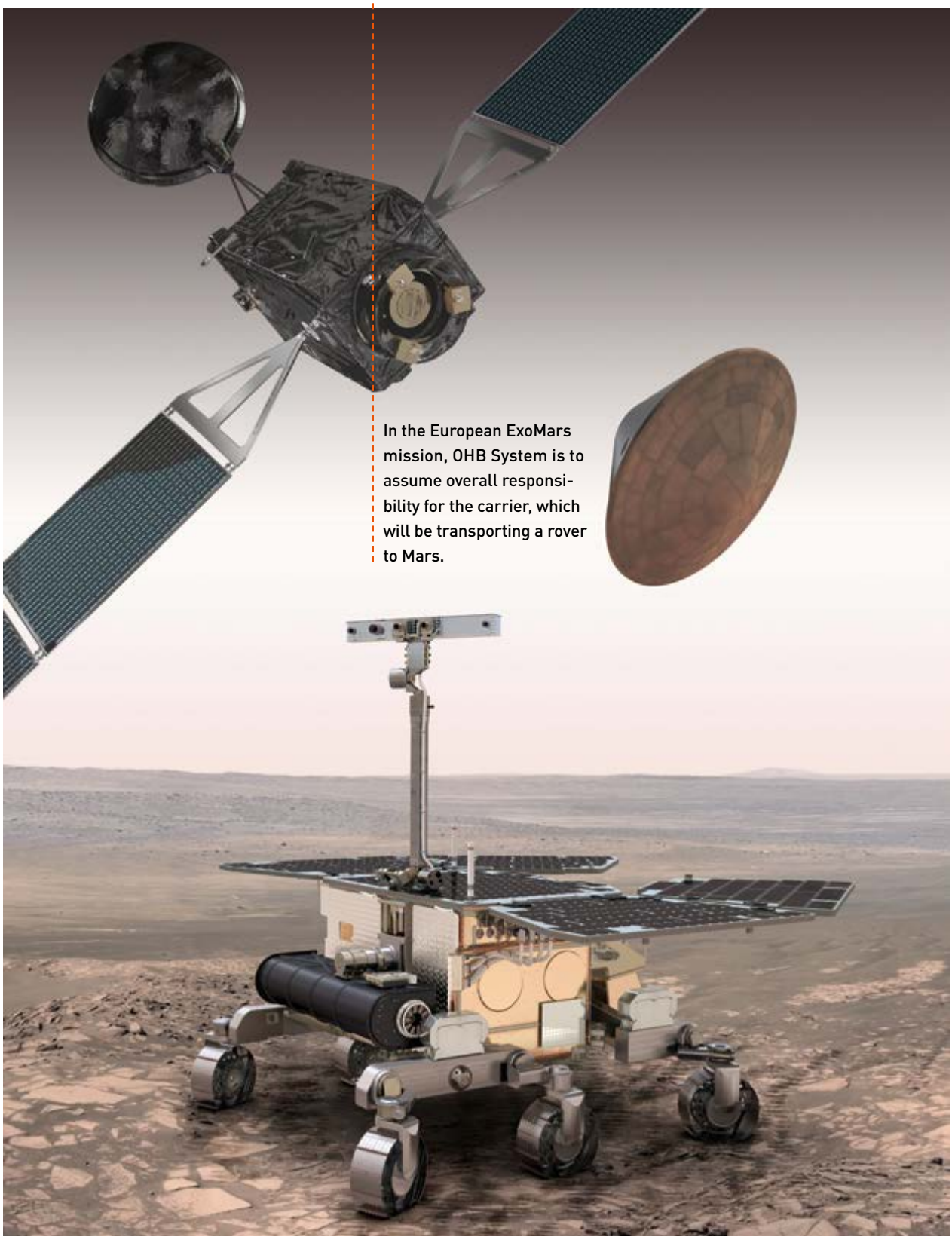

Klaus Hofmann


Ulrich Schulz

Bremen, March 15, 2016

2018

EXPLORING SPACE



In the European ExoMars mission, OHB System is to assume overall responsibility for the carrier, which will be transporting a rover to Mars.

AUDITORS' REPORT

We have audited the consolidated financial statements prepared by OHB SE, comprising the balance sheet, statement of comprehensive income, income statement, cash flow statement, statement of equity movements and notes, as well as the Group management report for the financial year commencing on January 1, 2015 and ending on December 31, 2015. The preparation of the consolidated 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 (1) HGB are the responsibility of the Company's statutory representatives. Our responsibility is to express an opinion on the consolidated financial statements and the group management report based on our audit. We conducted our audit of the consolidated financial statements in accordance with Section 317 HGB (Handelsgesetzbuch – German Commercial Code) and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany – 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 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 expectations as to 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 consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting information of the companies included in the consolidation, the definition of the companies to be included in consolidation, the accounting and consolidation principles used and significant estimates made by the legal representatives as well as evaluating the overall presentation of the consolidated financial statements. 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 financial statements comply with IFRS as they are to be applied in the EU, the supplementary provisions of German commercial law in accordance with Section 315a (1) of the German Commercial Code 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 financial statements and on the whole provides a suitable understanding of the Group's position and suitably presents the opportunities and risks to future development.

Hamburg, March 15, 2016

BDO AG
Wirtschaftsprüfungsgesellschaft

RESPONSIBILITY STATEMENT

"To the best of our knowledge, and in accordance with the applicable reporting principles for financial reporting, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the management report of the Group 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."

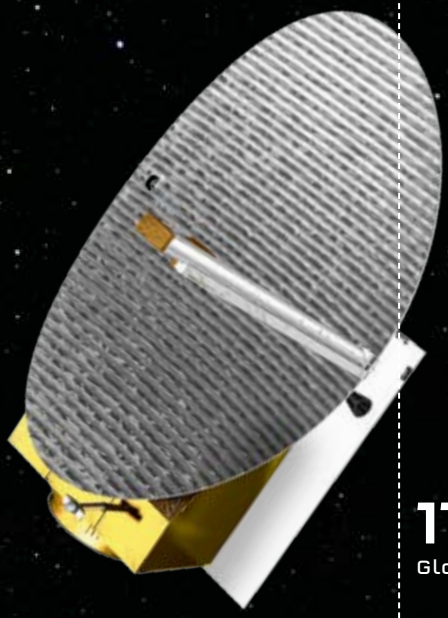
Bremen, March 15, 2016

The Management Board

3

SERVICE

FOR THE PERIOD
FROM JANUARY 1, 2015
UNTIL DECEMBER 31, 2015



GLOSSARY

ARIANE
SERIES OF EUROPEAN LAUNCHERS

being developed for the European Space Agency (ESA). Currently, the Ariane 5 is being used. The illustration shows a draft of the Ariane 6, which is to be launched for the first time at the end of 2019.

AQAP
Allied Quality Assurance Publications; series of standards developed by NATA from the military standard for quality assurance systems

ARIANE
Series of European launch vehicles for space launch use, developed on behalf of the European Space Agency (ESA). Ariane 5 is currently used, Ariane 6 will be the follow-up from 2019 on

ARTES-7
Long-term ESA plan for developing a European communications satellite network using the latest laser communications

ASI
Agenzia Spaziale Italiana; Italian space agency

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

BAAINBw
Federal Office of Bundeswehr Equipment, Information Technology and In-Service Support (formerly BWB German Federal Office of Defense Technology and Procurement)

BDLI
German Federal Aviation and Space Industry Association

BMVg
German Federal Ministry of Defense

BMWi
German Federal Ministry of Economics and Technology

CFRP
Carbon fiber-reinforced plastic

CPS
Chemical Propulsion System

DAX
German bluechip share index, tracking the performance of the 30 largest shares listed on the Frankfurt stock exchange

DEKRA
Testing body for determining the roadworthiness of vehicles, certification services, safety checks and examination of technical equipment

DLR
Deutsches Zentrum für Luft- und Raumfahrt; German Space Agency

DREAM CHASER®
The Dream Chaser Space System mission is to provide NASA with a transportation service for crew and cargo to the International Space Station

EBIT
Earnings before interest and taxes

EBITDA
Earnings before interest, taxes, depreciation and amortization

EBT
Earnings before taxes

EDRS-C
Dedicated satellite for the European Data Relay Satellite System for implementing a data network in space using optical satellite communications

EGSE
Electrical Ground Support Equipment for integration, operation and testing of satellites or rather components of satellites

ELECTRA
Fully electrically driven satellite based on the SmallGEO platform

EnMAP
Environmental Mapping and Analysis Programme; satellite for hyperspectral terrestrial observation

EPS
Earnings per share

ESA
European Space Agency

EU
European Union

ExoMars
Scientific mission of the European Space Agency and ROSCOSMOS to explore the Mars

FOC
Full operational capability; final satellite configuration for the operation of a system

GALILEO
European global satellite-based navigation system; the FOC (full operational capability) phase of the Galileo program is being funded and executed by the European Union. The European Commission and the European Space Agency ESA have signed a contract under which ESA acts as the development and sourcing agency on behalf of the Commission. The view expressed here does not necessarily reflect the official position of the European Union and/or ESA. Galileo is a registered trademark owned by the EU and ESA and registered under OHIM application number 002742237.

HEINRICH HERTZ
Satellite mission based on the SmallGEO platform to explore new communications technologies in space

HGB
German Commercial Code

HISPASAT 36W-1
(formerly: Hispasat Advanced Generation 1) telecommunication satellite for the Spanish satellite operator Hispasat

IAS
International Accounting Standards

IFRS
International Financial Reporting Standards

ISS
International Space Station

MTG
Meteosat Third Generation; programme to develop, build and launch third-generation weather satellites

NASA
National Aeronautics and Space Administration; US space agency

OG-2
Satellite of Orbcomm's commercial OG2 satellite network dedicated to M2M, that enables a reliable and cost-efficient M2M communication from and to the most remote areas of the world

R+D
Research and development

REACH
Registration, Evaluation, Authorization of Chemicals; EU chemicals regulation

ROSCOSMOS
Space Agency of Russia

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

SMALLGEOS
Small geostationary satellites for telecommunications and multimedia applications

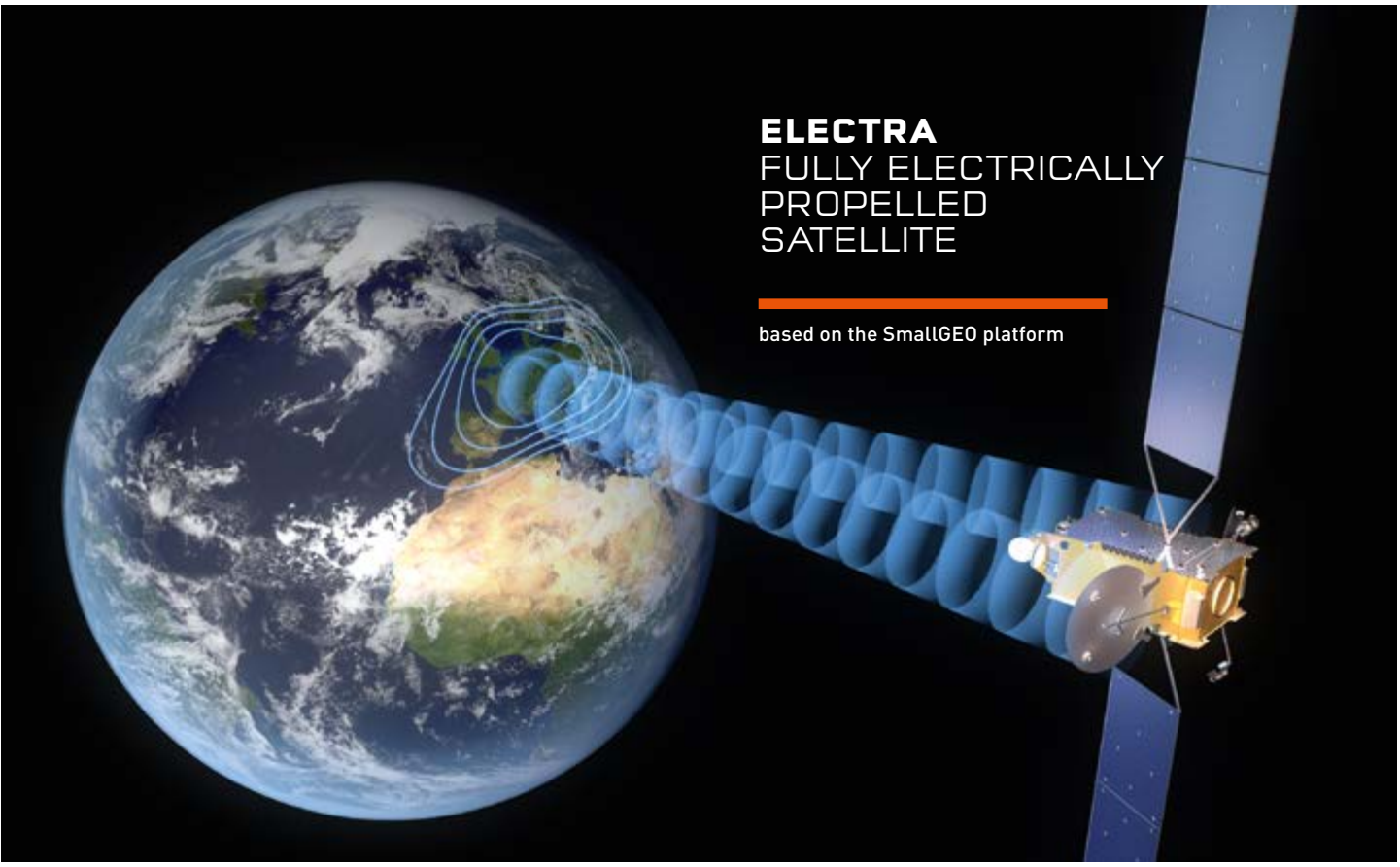
TecDAX
German stock index, that tracks the performance of the 30 largest German companies from the technology sector in terms of order book turnover and market capitalization

TELEMATICS
A system linking telecommunications and IT

TET
Technology mule; core element of the national "On-Orbit Verification of New Techniques and Technologies" Project

TRL
Technology Readiness Level; is a measure used to assess the maturity of evolving technologies

USD
US-Dollar



CALENDAR OF EVENTS 2016

ANNUAL PRESS CONFERENCE and publication of annual report for 2015, Bremen	**March 17**
ANALYST CONFERENCE on the annual financial statements for 2015, Frankfurt am Main	**March 17**
3-MONTH REPORT/ conference call with analysts	**May 12**
ANNUAL GENERAL MEETING, Bremen	**May 25**
6-MONTH REPORT/ conference call with analysts	**August 17**
9-MONTH REPORT/ conference call with analysts	**November 16**
ANALYST PRESENTATION, Frankfurt am Main	**November 21–23**

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