QUARTERLY REPORT 1|07

INCOME FIGURES

in EUR million	Q1 2007	Q1 2006	CHANGE
Sales	134.0	134.2	-0.2%
EBITDA	13.5	13.3	1.0%
EBIT	9.1	8.8	2.7%
Net income	5.6	5.2	7.8%
EBITDA margin	10.1%	9.9%	
EBIT margin	6.8%	6.6%	
Earnings per share (in EUR)	0.25	0.27	-7.8%

FINANCIAL FIGURES

in EUR million	Q1 2007	Q1 2006	CHANGE
Cash flow			
Cash flow from operating activities	-7.4	-3.7	-198.7 %
Cash flow from investing activities	-3.2	-4.4	71.5 %
Cash flow from financing activities	0.4	6.2	-93.7 %
Capital expenses	3.8	4.4	-12.4 %

BALANCE SHEET RATIOS

in EUR million	MARCH 31, 2007	DECEMBER 31, 2006
Balance sheet total	280.6	278.9
Equity	132.8	127.4
Net debt	15.1	4.2
Net working capital	60.1	41.7
Gearing	0.11	0.03
Equity ratio	47.3 %	45.7 %
Employees (average period)	3,427	3,624

RESULTS FOR THE FIRST QUARTER 2007

INDUSTRY DEVELOPMENT

In Europe the number of registrations decreased by 0.2 % to a total of 1,822,180 vehicles in the first quarter 2007. Regarding the essential markets it turns out that the number of registrations of new vehicles has raised significantly in the new EU member states by 13.8 %, whereas the number has shrunk in Western Europe by 1.1 %.

In Germany – an important market for the POLYTEC GROUP – the number of passenger car sales unsurprisingly decreased by 10 % to 721,000 units in the first quarter 2007. In this way the effect of the preponed purchases of passenger cars in the fourth quarter, caused by the value-added tax increase, have been largely compensated. In the first quarter 2007 a new record in exports of passenger cars compensated the decrease in the number of registrations of new vehicles to a great extend. With 1.16 million passenger cars the already high export numbers of last year have been exceeded by 12 %. The export quota, too, has reached an all-time high with more than 76 % in the first quarter 2007. Supported by the strong export business the output increased by 7 % to 1.53 million units in the first three months and thus reached the highest rate in a first quarter.

There were clearly positive developments in the commercial vehicle industry. The number of registrations of new HGVs (with more than 16 tonnes payload) increased by 10.1 % to a total of 75,721 vehicles in Europe in the first quarter of 2007. The German manufacturers increased their output by 12 % in the first three months of the current financial year. The numbers of new registrations as well as the exports have contributed to this record.

Source: VDA, ACEA

GROUP RESULTS

in EUR million	Q1 2007	Q1 2006	CHANGE
Sales	134.0	134.2	-0.2%
EBITDA	13.5	13.3	1.0%
EBIT	9.1	8.8	2.7%
Net income	5.6	5.2	7.8%
EBITDA margin	10.1 %	9.9 %	
EBIT margin	6.8 %	6.6 %	
Earnings per share (in EUR)	0.25	0.27	-7.8%

Compared with the corresponding period of 2006, GROUP sales decreased only marginally by 0.2 % to EUR 134.0 million in the first quarter of 2007. As expected for the first quarter of 2007, sales of the AUTOMOTIVE SYSTEMS DIVISION decreased by 5.2 % compared to the first quarter 2006 due to two project run outs in the third quarter 2007. This decrease in sales could be compensated nearly completely by the other DIVISIONS of POLYTEC GROUP. Especially the brilliant development of the CAR STYLING DIVISION, which was able to increase its sales by EUR 3.3 million or 19.1 %, contributes to this sales development. On the GROUP level EBITDA increased by 1.0 % to EUR 13.5 million and is basically a logical result of measures for an increasing efficiency of the current production but also of the sales development in the DIVISIONS. The result equals an EBITDA margin of 10.1 % (2006: 9.9 %). Due to reduced depreciation EBIT increased by 2.7 % to EUR 9.1 million in the first quarter 2007. Despite a higher net income of EUR 5.6 million, the earnings per share decreased to EUR 0.25 – a result of the higher number of shares outstanding in 2007. It is a fact that the result of the first quarter 2007 is on no account influenced by the acquisition projects of POLTEC GROUP (see outlook for the financial year 2007).

SEGMENT REPORTING

AUTOMOTIVE SYSTEMS DIVISION

in EUR million	Q1 2007	Q1 2006	CHANGE
Sales	92.5	97.6	-5.2 %
EBITDA	9.2	10.2	-10.3 %
EBIT	6.0	7.0	-14.6 %
EBITDA margin	9.9 %	10.5 %	

The share of group sales decreased to 69.0 % (2006: 72.7 %) in the first quarter 2007. In the first quarter 2007, the AUTOMOTIVE SYSTEMS DIVISION reduced its sales by 5.2 % to EUR 92.5 million due to the effects already communicated (run out of two door panel projects in the third quarter 2006). Therefore, sales with GM Group, which generally had a weak call-off order situation in the first quarter 2007, correspondingly decreased by 40.5 %. Sales with the customer Land Rover did hardly apply.
However, there was a positive development especially in the case of the delivery quantities of door panels for the BMW X3. Moreover the tools for the face lift of this model, which contribute to sales by EUR 6.9 million, were accounted in the first quarter 2007. Despite the decline in sales the decrease of EBITDA with 10.3 % could be kept within a limit, due to the efficient prodcution of the current orders and the timely introduced adaptation measures at the subsidiaries. The only slightly declining EBITDA margin (0.6 percentage points) confirms that.

PROJECT SITUATION:

In February the AUTOMOTIVE SYSTEMS DIVISION received the follow-up project for the door panels of the next OPEL Meriva which will be produced starting in 2009 with an expected sales volume of roughly EUR 11.0 million per year.

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CAR STYLING DIVISION

in EUR million	Q1 2007	Q1 2006	CHANGE
Sales	20.2	16.9	19.1 %
EBITDA	2.3	1.8	26.3 %
EBIT	1.9	1.3	43.0 %
EBITDA margin	11.6 %	10.9 %	

The CAR STYLING DIVISION could significantly increase its share of group sales in the first quarter 2007. It increased from 12.6 % to 15.1 %. The basis for this development is the significant sales growth of 19.1 % to EUR 20.2 million. Especially the customer FORD has contributed positively to this development with a sales growth of 80.7 % which was achieved with tooling sales, and, in particular, with genuine accessories for the model FORD Focus ST. Also the other customers of the division such as VOTEX and SUZUKI demonstrated a very positive sales development.

Due to a reduced material quota EBITDA increased by 26.3 % to EUR 2.3 million. This equals an EBITDA margin of 11.6 %. The UK plant of the division has to be pointed out in particular as it delivers solide results again, after suffering problems in the first half of 2006. Basically the division continues the positive development of the fourth quarter 2006.

AUTOMOTIVE COMPOSITES DIVISION

in EUR million	Q1 2007	Q1 2006	CHANGE
Sales	16.4	15.9	3.4 %
EBITDA	0.7	0.4	85.6 %
EBIT	0.2	-0.2	
EBITDA margin	4.4 %	2.4 %	

With 12.3 % the AUTOMOTIVE COMPOSITES DIVISION was able to keep its contribution to group sales constantly on the previous year's level. In the reference period, sales increased by 3.4 % to EUR 16.4 million. The pleasant sales increase is a result of the lasting positive development in the European commercial vehicle industry. Therefore mainly sales with the customer increased which are decisive for the division, namely IVECO (+26.1 %) and VOLVO Truck/Powertrain (+21.5 %).

Due to a lower material and personal quota EBITDA increased by 85.6 % to EUR 0.7 million.

Decisive factors for the archieving of the breakeven point in the first quarter 2007 were the restructuring measures started at the Swedish plant in the second half of 2006. Due to the common structure of costs adapted to the sales level a positive contribution to operating income can be expected also for the next quarter.

INDUSTRIAL DIVISION

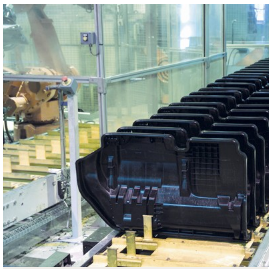
in EUR million	Q1 2007	Q1 2006	CHANGE
Sales	4.9	3.8	29.1 %
EBITDA	1.0	0.9	8.9 %
EBIT	0.9	0.8	8.1 %
EBITDA margin	21.1 %	25.0 %	

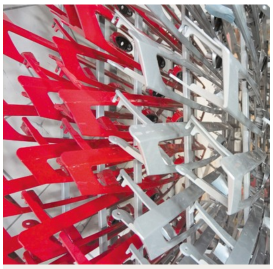
The INDUSTRIAL DIVISION was able to increase its sales by 29.1 % to EUR 4.9 million in the first quarter 2007. Especially in the field of special purpose machinery construction and the original- and spare parts delivered for special purpose vehicles performed excellent in the first quarter 2007. Therefore EBITDA increased by 8.9 % to EUR 1.0 million. Due to the changed product mix compared to the previous year a slightly declining margin situation could be recorded.

EMPLOYEES

	End of period			Average period		
	Q1 2007	Q1 2006	CHANGE	Q1 2007	Q1 2006	CHANGE
Automotive Systems Division	2,304	2,418	-114	2,326	2,412	-87
Car Styling Division	572	578	-6	573	579	-7
Automotive Compostites Division	399	427	-28	400	422	-22
Industrial Division	102	94	8	102	94	8
Holding	27	30	-3	27	29	-2
Group	**3,404**	**3,547**	**-143**	**3,427**	**3,536**	**-109**

The headcount of POLYTEC GROUP shrank by 143 to 3,404 employees in the first quarter 2007 compared with last years period. The decline in the AUTOTMOTIVE SYSTEMS DIVISION was caused by adjustments corresponding to the order situation which was connected with the run out of the door panel projects. The headcount development in the AUTOMOTIVE COMPOSITES DIVISION was exclusively triggered by the communicated measures at the Swedish site of the division.





CAPITAL EXPENDITURES

in EUR million	Q1 2007	Q1 2006	CHANGE
Automotive Systems Division	2.7	3.5	-22.9%
Car Styling Division	0.3	0.5	-40.0%
Automotive Compostites Division	0.3	0.2	50.0%
Industrial Division	0.3	0.1	200.0%
Holding	0.2	0.1	
Group	**3.8**	**4.4**	**-13.6%**

CAPEX declined by 13.6 % to EUR 3.8 million in the first quarter 2007. The decline in the AUTOMTOTIVE SYSTEMS DIVISION has to be seen in connection with the project-related investments in the first quarter 2006. No major investments were made in the first quarter 2007.

FINANCIAL SITUATION

	MARCH 31, 2007	DECEMBER 31, 2006
Asset ratio	37.8%	38.9%
Equity ratio	47.3%	45.7%
Net working capital (in EUR mill.)	60.1	41.7
Net working capital to sales	11.4%	7.9%
Net debt (in EUR mill.)	15.1	4.2
Net debt to EBITDA	0.3	0.1
Gearing (Net debt to Equity)	0.11	0.03
Capital employed (in EUR mill.)	160.7	140.3

Due to the results of the first quarter of 2007 the equity ratio of the group could again be increased by 1.6 percentage points. The net debt increased by EUR 10.9 million compared with the last balance sheet date – this trend was mainly caused by the seasonal development of the working capital - plus EUR 18.4 million. The net debt of POLYTEC GROUP, however, is still very low and will only increase by the upcoming acquisitions and the prospective dividend.

INVESTOR RELATIONS

Key figures		MARCH 31, 2007
Closing price	in EUR	8.45
Market capitalisation	in EUR mill.	188.7
		Q1 2007
Highest price	in EUR	9.23
Lowest price	in EUR	7.34
Average turnover per day[1]	in shares	198,182
Average turnover value per day[1]	in EUR	1,677,601

1) Doublecounted

SHARE PRICE DEVELOPMENT

The good development of the company and also the generally favourable environment at the stock market had a positive effect on the development of the share of POLYTEC HOLDING AG. A significant share price development of 15.1 % could be achieved in the first quarter 2007. On April 23, 2007 the Polytec share reached its All-Time-High of EUR 9.44. The liquidity of the share – so the value of the daily traded shares – could continue to improve in the first quarter, too. The average number of the daily traded shares amounted to 198,182.

	Q1 2007	Q1 2006	CHANGE
Earnings per share[1] (in EUR)	0.25	0.27	-7.8%
Number of shares outstanding	22,329,585	19,329,585	

1 As there are no financial instruments with a dilution, diluted earnings per share equal undiluted earnings per share.

ANNUAL GENERAL MEETING

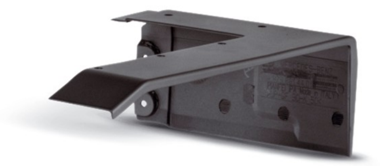
The Annual General Meeting of POLYTEC HOLDING AG is taking place in the Design Center in Linz on June 6, 2007 - 2 p.m. A dividend of EUR 0.25 per share will be proposed to the shareholders.
All shareholders can take advantage of the opportunity to take part on a tour through the new headquarters of the POLYTEC HOLDING AG as well as through the associated production site of POLYTEC GROUP on the day of the Annual General Meeting. Details about the Annual General Meeting and the agenda as well as about the possibility of a plant tour at the location in Hörsching can be found on the company´s website – www.polytec-group.com – or can be received by phone at +0049 (0) 7221 701-292.

OUTLOOK FOR THE FINANCIAL YEAR 2007

As a result of the acquisition of the moulding business of MENZOLIT FIBRON on March 30, 2007, the results for 2007 will include the results of MENZOLIT FIBRON starting in Q2 2007.
Due to the first consolidation of MEZOLIT FIBRON, starting with the second quarter, POLYTEC HOLDING AG expects a significant increase in sales for the financial year 2007.
Besides the results of MENZOLIT FIBRON also the net income is expected to improve and hence an increase of the earnings per share is expected.
On a comparable basis POLYTEC HOLDING AG expects a decrease in sales and in EBITDA due to communicated effects which burden sales of 2007 with around EUR 30.0.

INCOME STATEMENT
(in thousand Euro)

	Q1 2007	Q1 2006
Net Sales	**133,997.1**	**134,235.8**
Other operating income	1,707.5	4,402.1
Changes in inventory of finished and unfinished goods	-3,566.9	752.4
Own work capitalised	210.9	109.0
Expenses for materials and services received	-69,938.9	-78,019.3
Personal expenses	-32,704.0	-32,532.8
Other operating expenses	-16,233.7	-15,611.5
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**13,472.0**	**13,335.7**
Depreciation	-4,399.5	-4,504.3
Earnings before interest, taxes, depreciation and amortisation of goodwill (EBITA)	**9,072.5**	**8,831.4**
Amortisation of goodwill	0.0	0.0
Earnings before interest and taxes	**9,072.5**	**8,831.4**
Income from associated companies	0.0	0.0
Financial expenses	-391.5	-808.5
Other financial results	-21.1	23.8
Financial result	**-412.6**	**-784.7**
Earnings before tax	**8,659.9**	**8,046.7**
Taxes on income	-2,954.8	-2,868.9
Profit of the year after tax	**5,705.1**	**5,177.8**
Minority interest	-148.8	-21.7
Net profit (Result after minority interest)	**5,556.3**	**5,156.1**
Earnings per share	**0.25**	**0.27**



BALANCE SHEET AS OF MARCH 31, 2007

(in thousand Euro)

ASSETS	MARCH 31, 2007	DECEMBER 31, 2006
A. FIXED ASSETS		
I. Intangible assets	4,822.9	4,656.8
II. Goodwill	25,611.5	25,611.5
III. Tangible assets	69,499.9	71,001.0
IV. Investments in affiliated companies	155.7	155.0
V. Investments in associated companies	45.2	45.2
VI. Other finacial assets	3,112.6	3,378.3
VII. Deferred tax assets	2,942.6	3,585.8
	106,190.4	**108,433.6**
B. CURRENT ASSETS		
I. Inventories	50,048.2	47,402.6
II. Trade accounts	91,646.6	80,212.8
III. Cash and cash equivalents	32,714.7	42,870.1
	174,409.5	**170,485.5**
	280,599.9	**278,919.1**

LIABILITIES	MARCH 31, 2007	DECEMBER 31, 2006
A. SHAREHOLDERS EQUITY		
I. Share capital	22,329.6	22,329.6
II. Capital reserves	57,783.5	57,783.5
III. Treasury stock	-215.5	-215.5
IV. Minority interests	734.9	591.4
V. Retained earnings	52,149.1	46,912.6
	132,781.6	**127,401.6**
B. LONG-TERM LIABILITIES		
I. Interest bearing liabilities	29,746.2	31,582.7
II. Provision for deffered taxes	2,717.0	2,374.7
III. Long term provisions for personnel	10,778.8	10,653.9
IV. Other long term liabilities	2,563.0	2,872.2
	45,805.0	**47,483.5**
C. SHORT-TERM LIABILITIES		
I. Trade accounts payable	38,693.2	51,227.2
II. Short-term interest-bearing liabilities	12,553.6	10,142.5
III. Short-term portion of long-term loans	7,873.2	7,999.3
IV. Income tax liabilities	2,661.9	1,688.4
V. Other short-term liabilities	40,231.4	32,976.6
	102,013.3	**104,034.0**
	280,599.9	**278,919.1**

CASH FLOW STATEMENT

(in thousand Euro)

		MARCH 31, 2007	MARCH 31, 2006
	Earnings before tax	8,659.9	**8,046.7**
-	Income taxes	-859.7	-1,047.4
+(-)	Depreciation (appreciation) of fixed assets	4,399.5	4,504.3
+(-)	Other non-cash expenses/income	585.4	215.5
=	**Consolidated financial Cash flow**	**12,785.1**	**11,719.1**
+(-)	Changes in net working capital	-20,155.5	-15,428.4
=	**Cash flow from operating activities**	**-7,370.4**	**-3,709.3**
+(-)	**Cash flow from investing activities**	**-3,175.1**	**-4,443.8**
+(-)	**Cash flow from financing activities**	**390.1**	**6,216.0**
=	**Changes in cash and cash equivalents**	**-10,155.4**	**-1,937.1**
+	Opening balance of cash and cash equivalents	42,870.1	11,235.4
=	**Closing balance of cash and cash equivalents**	**32,714.7**	**9,298.3**

STATEMENT OF CHANGES IN SHAREHOLDERS´ EQUITY

(in thousand Euro)

	SHARE CAPITAL	CAPITAL RESERVES	TREASURY STOCK	MINORITY INTERESTS	RETAINED EARNINGS	TOTAL
Balance as of January 1, 2007	**22,329.6**	**57,783.5**	**-215.5**	**591.4**	**46,912.6**	**127,401.6**
Consolidated profit for the year				148.8	5,556.3	5,705.1
Capital increase						
Treasury stock						
Dividend				25.0	-350.1	-325.1
Currency translation				25.0	-350.1	-325.1
Other changes				-30.3	30.3	0.0
Balance as of March 31, 2007	**22,329.6**	**57,783.5**	**-215.5**	**734.9**	**52,149.1**	**132,781.6**

	SHARE CAPITAL	CAPITAL RESERVES	TREASURY STOCK	MINORITY INTERESTS	RETAINED EARNINGS	TOTAL
Balance as of January 1, 2006	**19,329.6**	**38,530.4**		**307.0**	**29,207.9**	**87,374.9**
Consolidated profit for the year				21.7	5,156.1	5,177.8
Capital increase						
Treasury stock			-215.5			-215.5
Dividend						
Currency translation					-336.6	-335.7
Other changes						
Balance as of March 31, 2006	**19,329.6**	**38,530.4**	**-215.5**	**329.6**	**34,027.4**	**92,001.5**

SEGMENT REPORTING

(in thousand Euro)

AUTOMOTIVE SYSTEMS	Q1 2007	Q1 2006	CHANGE
Sales	92,521.3	97,646.1	-5.2%
EBITDA	9,188.8	10,245.9	-10.3%
EBIT	5,969.6	6,986.3	-14.6%
Net income	3,564.8	4,169.3	-14.5%
Capital expenditures	2,723.0	3,483.0	-21.8%

CAR STYLING	Q1 2007	Q1 2006	CHANGE
Sales	20,173.4	16,935.9	19.1%
EBITDA	2,336.1	1,849.7	26.3%
EBIT	1,903.6	1,331.6	43.0%
Net income	1,301.6	857.6	51.8%
Capital expenditures	329.0	518.3	-36.5%

AUTOMOTIVE COMPOSITES	Q1 2007	Q1 2006	CHANGE
Sales	16,418.3	15,871.8	3.4%
EBITDA	715.7	385.6	85.6%
EBIT	162.5	-173.9	-
Net income	-222.3	-440.7	49.6%
Capital expenditures	331.0	168.1	96.9%

INDUSTRIAL	Q1 2007	Q1 2006	CHANGE
Sales	4,884.1	3,782.0	29.1%
EBITDA	1,028.3	944.5	8.9%
EBIT	892.2	825.2	8.1%
Net income	579.7	585.1	-0.9%
Capital expenditures	271.0	131.2	106.6%

HOLDING / CONSOLIDATION	Q1 2007	Q1 2006	CHANGE
Sales	0.0	0.0	
EBITDA	203.1	-90.0	
EBIT	144.6	-137.8	
Net income	481.3	6.5	
Capital expenditures	160.0	50.8	

GROUP	Q1 2007	Q1 2006	CHANGE
Sales	133,997.1	134,235.8	-0.2%
EBITDA	13,472.0	13,335.7	1.0%
EBIT	9,072.5	8,831.4	2.7%
Net income	5,705.1	5,177.8	10.2%
Capital expenditures	3,814.0	4,351.4	-12.4%

NOTES TO THE INTERIM FINANCIAL STATEMENT

BASIS OF PREPARATION

The interim report as of March 31, 2007 was prepared in accordance with the principles set forth in International Financial Reporting Standards, Guidelines for Interim Reporting (IAS 34). The accounting and valuation methods in effect on December 31, 2006 remain unchanged.

For additional information on the accounting and valuation principles, see the financial statements as of December 31, 2006, which form the basis for these interim financial statements.

SEASONALITY

The allocations of group sales of a financial year on its four quarters are correlating with POLYTECs customers in the automotive industry on a high level. According to this circumstance, plant holidays on the customer side will result in lower quarterly sales. Further the accounting of considerable projects for tooling or development will have its impact on quarterly sales.

CONSOLIDATION RANGE

The number of companies included in the interim financial statement is reduced by one company compared with the last balance sheet date. POLYTEC Interior UK Ltd Birmingham is, after closing its business operations, no longer included in the consolidation. There is no limitation of comparability regarding assets and liabilities on the reporting date March 31, 2007 compared with the last balance sheet date.

On March 30, 2007 POLYTEC GROUP has signed an agreement on the acquisition of the moulding business of Menzolit Fibron Group. As the conditions precedent of the agreement were not complied on reporting date March 31, 2007, in particular the satisfaction of the Austrian and German Regulatory Authority, a merger according to IFRS 3 was not to balance. The conditions precedent will be fullfiled during the second quarter 2007.

The Managing Board

Hörsching in May 2007

POLYTEC GROUP

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