Quarter Report 1/2008

KEY FIGURES

			1-3/2008	1-3/2007	1-3/2006
Rosenbauer Group	Revenue	m€	**94.0**	76.0	61.8
	thereof Austria	m€	**6.9**	7.2	9.3
	thereof international	m€	**87.1**	68.8	52.5
	EBIT	m€	**5.4**	1.7	1.1
	EBIT margin		**5.7%**	2.3%	1.8%
	EBT	m€	**3.9**	0.5	0.3
	Consolidated profit[1]	m€	**3.1**	0.4	0.3
	Cash flow from operating activities	m€	**(17.2)**	(25.7)	(17.2)
	Investments	m€	**2.4**	1.9	2.7
	Order backlog as at March 31	m€	**383.0**	397.6	292.6
	Order intake	m€	**104.7**	126.3	109.5
	Employees (average)[2]		**1,661**	1,540	1,413
	Employees (March 31)		**1,664**	1,545	1,409
Key balance sheet data	Total assets	m€	**254.9**	238.9	204.8
	Equity[3] in % of total assets		**29.2%**	26.5%	30.1%
	Capital employed (average)	m€	**141.0**	141.4	109.4
	Return on capital employed		**3.8%**	1.2%	1.0%
	Return on equity[3]		**5.3%**	0.8%	0.6%
	Net debt	m€	**50.5**	66.8	29.5
	Working capital	m€	**66.3**	58.1	46.5
	Gearing ratio		**40.4%**	51.4%	32.3%
Key stock exchange figures[4]	Highest share price	€	**33.8**	31.8	16.8
	Lowest share price	€	**21.1**	24.0	15.4
	Closing price	€	**28.3**	31.5	16.5
	Number of shares	m units	**6.8**	1.7	1.7
	Market capitalization	m€	**192.4**	214.2	111.9
	Earnings per share	€	**0.3**	(0.3)	(0.3)

1) Before profits/losses on minority interest.

2) Average number of employees in the quarter.

3) Including minority interest and subordinated (mezzanine) capital 2006.

4) The highest share price, lowest share price and closing price for the periods 2007 and 2006 have been recalculated on the basis of the 4-for-1 share split.

GROUP SITUATION REPORT

ECONOMIC ENVIRONMENT

Fire-equipment market stable

Overall, developments on the world fire-equipment market were fairly stable in the first quarter of 2008, although certain regions experienced more pronounced fluctuations. The critical factors affecting the health of the world economy – the US dollar, the oil price and the property crunch in the USA – are having only a minor impact on the fire-equipment sector; nevertheless, a careful watch will need to be kept on further developments.
The Rosenbauer Group is an active player on the global market with its products and services in the fields of fire protection and civil defense. Its comprehensive product and service portfolio means that all in all, the Rosenbauer Group is only affected by these cyclical developments to a small degree. Moreover, potential cyclical risks in the established markets are mitigated by the trend towards increased infrastructure investment in emerging markets. Indeed, it is this very trend which is driving the Rosenbauer Group's growth ambitions in these markets.
The US dollar has lost yet more ground against the Euro in recent months, reaching a low of 1.58 to the Euro by the end of March 2008. Thanks to its international span, with production facilities in both the Euro and US dollar zones, the Rosenbauer Group is strategically well placed to largely balance out any exchange-rate fluctuations.

REVENUES AND RESULTS TRENDS

Growth in revenues and results

The Rosenbauer Group continued to expand in the first quarter of 2008, achieving significant increases in both revenues and result. Revenues were lifted 24% to 94.0 m€ (1-3/2007: 76.0 m€). At 5.4 m€ (1-3/2007: 1.7 m€), first quarter EBIT more than tripled over the figure for the same period last year. The increase in the EBIT margin from 2.3% to 5.7% is mainly attributable to the positive effects of the present high level of capacity utilization, and to the fixed-cost degression which this entails.
Once more, it was the export business of Rosenbauer International AG, the Group's US business and stepped-up shipments of aerials from the German subsidiary Metz Aerials that were responsible for the organic growth achieved in the first three months of 2008.

Owing to the nature of the Group's client structure, in this financial year – as in previous years – the lion's share of all shipments will be effected towards the year-end. Accordingly, a disproportionately large share of both revenues and result will be realized only in the last few months of the financial year.
Due to the increased financing requirements for fulfilling the high volume of orders, the finance cost increased slightly to -1.3 m€ (1-3/2007: -1.2 m€). The pro-rata result from the joint venture in China came to -0.2 m€ (1-3/2007: -0.1 m€).
EBT for the first quarter of this year nevertheless rose to 3.9 m€ (1-3/2007: 0.5 m€).

Although Group order intake, at 104.7 m€ (1-3/2007: 126.3 m€) was below the record level of this period last year, it still reached a very satisfactory figure. Thanks to the very substantial volume of new orders taken during the last quarter of 2007, the reserve of unfilled orders at March 31, 2008 remained at a high level, namely 383.0 m€ (March 31, 2007: 397.6 m€). This gives the Rosenbauer Group a fairly clear view of the likely course of revenues in the months ahead.

SEGMENT DEVELOPMENT

The segment statements refer to the revenues and results earned by the individual companies both on their respective local market and from export sales.

Austria

The Austrian Group companies' revenues rose 35% on the back of increased export shipments, reaching 57.5 m€ (1-3/2007: 42.5 m€). With EBIT of 3.6 m€ (1-3/2007: 1.4 m€), the Austrian locations made a very substantial contribution to the Group result. The strong international position of the Rosenbauer Group, and its technological leadership in specialty vehicles, both contributed to this positive development. International business thus continues to be a significant factor underlying the Group's organic growth.

Expansion program in Austria

With demand continuing at a brisk pace, capacity utilization at the production facilities in Leonding and Neidling/St. Pölten remains high. The sustained high order volumes, and the delivery times that are usual in the sector, together mean that the additions to capacity made in recent years are already being used to the full. For this reason, a start is being made on enlarging the manufacturing capacity at both Austrian production locations. The expansion program at the Leonding location is scheduled for completion by 2009 and will entail an investment volume of 4.5 m€. Capacity is also set to be enlarged again at the Neidling production location, the Group's center of expertise for compact vehicles weighing up to 11 tonnes. These extensions to capacity will be carried out in several phases, with the aim of bringing about a 50% increase in production volumes.
Whether the forecast revenue and result targets can be met will depend in large part on there being a smooth supply of materials and chassis. With demand still so strong in the world economy, this continues to present a considerable challenge.

USA

In spite of rather restrained demand for municipal vehicles over the past few months, Rosenbauer has been successful in further consolidating its strong position on the US market, raising its revenues slightly to 24.9 m€ (1-3/2007: 24.0 m€). Despite the slide in the US dollar, the US segment's EBIT rose to 2.4 m€ (1-3/2007: 1.7 m€). The buoyant order intake trend of recent months has led to high capacity utilization, and thus to longer delivery times, at the US companies as well. In response, a start has been made on expanding production capacity at Central States in Lyons, SD and at General Safety in Wyoming, MN.

Germany

Thanks to higher shipments, the German segment – comprising Metz Aerials in Karlsruhe, Rosenbauer Feuerwehrtechnik in Luckenwalde and Rosenbauer Deutschland in Passau – scored a 64% increase in its revenues, to 19.7 m€ (1-3/2007: 12.0 m€). Owing to the structure of shipments at Metz Aerials, the German segment posted a result which, while an improvement, was still negative at -0.9 m€ (1-3/2007: -1.8 m€).

Spain

The Spanish segment more than doubled its first-quarter revenues to 7.0 m€ (1-3/2007: 3.3 m€) on the back of continued high shipment volumes from major orders. EBIT in the first quarter of 2008 came to 325.7 k€ (1-3/2007: 253.9 k€).

Switzerland

The Swiss segment consists of the sales company Rosenbauer AG in Zurich, which increased its revenues in the first three months to 1.5 m€ (1-3/2007: 1.3 m€), but so far has only achieved slightly negative EBIT of -47.4 k€ (1-3/2007: -14.8 k€).

Asia

The Asian segment, comprising SK Fire, Singapore and Eskay Rosenbauer, Brunei, posted EBIT of 0.1 m€ (1-3/2007: 0.1 m€) on revenues of 2.9 m€ (1-3/2007: 2.4 m€).

FINANCIAL POSITION AND ASSET SITUATION

The Group's financial position and asset situation were influenced once again in the first three months of 2008 by the higher production and shipment volumes referred to above. The increase in the balance-sheet total from 238.9 m€ (March 31, 2007) to 254.9 m€ is attributable to higher receivables as a result of stepped-up shipments, and to high levels of inventories and production orders in progress. Largely because of the higher prepayments received from customers, the interest-bearing liabilities needed for financing the high production volumes were reduced from 74.4 m€ (1-3/2007) to 58.3 m€.

Organic growth leads to high financing requirements

The cash flow from operating activities, which also represents changes in the current assets, improved to -17.2 m€ in the period under review (1-3/2007: -25.7 m€). The high financing volumes still required by the Group are a reflection of its present vigorous growth.

INVESTMENTS

Investment outlays in the first quarter came to 2.4 m€ (1-3/2007: 1.9 m€). As a result of the capacity enlargement projects at the Austrian and American facilities, year-2008 capital investments are set to rise to around 12.0 m€ (1-12/2007: 7.1 m€).

EMPLOYEES

At the end of the 1st quarter, the Rosenbauer Group employed a total of 1,664 people (March 31, 2007: 1,545). Manpower numbers were boosted mainly in the production operations and in production-related areas. In Austria, the workforce grew by 6% to 783 employees, and increased by 9% outside Austria to a total of 881.

OUTLOOK

Overall, the situation on the world fire-equipment market is expected to remain stable through 2008, although certain regions will be prone to greater fluctuations.

2008 to bring growth in revenues and results

For 2008, Rosenbauer Group Management expects that market volume will remain at a high level. In view of the high volume of orders on hand, and the resulting high degree of capacity utilization at the production companies, it is reasonable to suppose that the current year will bring a continuation of both top and bottom-line growth.

OTHER EVENTS

No other material events have occurred before this report went to print.

MATERIAL RISKS AND UNCERTAINTIES IN THE FIRST QUARTER 2008

As a globally active company, Rosenbauer is exposed to a variety of risks in the course of its business operations. Essentially risks are seen at Rosenbauer as potential deviations from the corporate objectives; this view of "risk" encompasses not only the possibility of a loss but also the failure to seize potential opportunities. Rosenbauer is constantly addressing the strategic and operational risks. The risk management policy of the Rosenbauer Group and the principal categories of risk – sectoral and company-specific risks, operational and financial risks, product risks and personnel risks – are explained in detail in the 2007 Annual Report (see "Risk Management" on pages 36 to 38 of the Rosenbauer Group Annual Report 2007).

In Rosenbauer's view, the most significant risks which might militate against the positive trend in the Group's business continuing unbroken throughout the current financial year relate to provision of the requisite resources for continued growth and to future developments in exchange rates and interest rates. In view of the considerable increase in production output, special precautions have been taken to ensure that customers' high expectations are met.

The risk-management system is an integral part of the management, planning and controlling process. The thorough reporting provided by the Controlling Department means that there is a high probability of any more sizeable risks being identified at a very early stage, enabling timely counter-measures to be initiated.

On the basis of the information known today, there are no existential risks which might weigh decisively upon the asset, financial and income situation.

CONSOLIDATED BALANCE SHEET

in k€	Mar 31, 2008	Dec 31, 2007	Mar 31, 2007
ASSETS			
A. Non-current assets			
I. Tangible assets	42,219.8	41,253.1	40,376.8
II. Intangible assets	365.1	370.5	484.2
III. Securities	213.6	213.6	202.5
IV. Joint venture	2,249.8	2,447.7	2,056.0
V. Receivables	1,502.8	1,370.9	1,196.4
VI. Deferred tax assets	1,841.2	2,582.1	5,822.7
	48,392.3	**48,237.9**	**50,138.6**
B. Current assets			
I. Inventories	93,124.8	102,175.3	78,121.2
II. Production contracts	29,503.8	24,386.7	29,840.5
III. Receivables	76,293.2	47,674.7	73,453.6
IV. Cash and short-term deposits	7,635.8	6,314.5	7,370.3
	206,557.6	**180,551.2**	**188,785.6**
Total assets	**254,949.9**	**228,789.1**	**238,924.2**
EQUITY AND LIABILITIES			
A. Equity			
I. Share capital	13,600.0	13,600.0	12,359.0
II. Capital reserves	23,703.4	23,703.4	24,944.4
III. Other reserves	(670.8)	(549.9)	197.0
IV. Accumulated results	26,598.5	24,876.4	14,497.2
	63,231.1	61,629.9	51,997.6
V. Minority interest	11,322.3	11,026.8	11,234.2
Total Equity	**74,553.4**	**72,656.7**	**63,231.8**
B. Other non-current liabilities			
I. Non-current interest-bearing liabilities	18,417.2	13,533,2	23,098.9
II. Other non-current liabilities	1,756.8	1,997.0	1,197.9
III. Non-current provisions	19,631.8	20,107.0	19,829.8
IV. Deferred income tax liabilities	291.5	660.4	912.6
	40,097.3	**36,297.6**	**45,039.2**
C. Current liabilities			
I. Current interest-bearing liabilities	39,893.4	23,571.4	51,269.4
II. Advance payments received	26,296.9	22,159.6	15,732.0
III. Trade accounts payable	31,781.6	31,417.4	26,869.8
IV. Other current liabilities	30,878.9	30,685.3	24,211.4
V. Provisions for taxes	913.5	1,143.5	459.1
VI. Other provisions	10,534.9	10,857.6	12,111.5
	140,299.2	**119,834.8**	**130,653.2**
Total equity and liabilities	**254,949.9**	**228,789.1**	**238,924.2**

CONSOLIDATED INCOME STATEMENT

in k€	1-3/2008	1-3/2007
1. Revenue	93,970.0	75,962.3
2. Other income	512.9	305.3
3. Change in inventories of finished goods and work in progress	8,214.6	9,923.6
4. Expenses for materials and services	(68,707.3)	(56,981.8)
5. Personnel expenses	(20,149.5)	(19,510.4)
6. Depreciation on intangible and tangible assets	(1,302.6)	(1,236.6)
7. Other expenses	(7,160.0)	(6,742.3)
8. Operating result (EBIT) before result of joint venture	**5,378.1**	**1,720.1**
9. Financing expenses	(1,612.9)	(1,446.7)
10. Financial income	345.7	290.6
11. Profits/losses on joint venture	(197.9)	(75.0)
12. Profit before tax (EBT)	**3,913.0**	**489.0**
13. Taxes on income	(841.3)	(123.5)
14. Consolidated profit	**3,071.7**	**365.5**
thereof		
– Profits on minority interest	1,264.8	923.3
– Profits/losses shareholders of parent company	1,806.9	(557.8)
Average number of shares issued	6,800,000.0	1,700,000.0
Basic earnings per share	0.27 €	(0.33 €)
Diluted earnings per share	0.27 €	(0.33 €)

CONSOLIDATED CASH FLOW STATEMENT

in k€	1-3/2008	1-3/2007
Net cash flow from operating acitivities	(17,164.4)	(25,730.3)
Net cash flow from investing acitivities	(2,409.5)	(1,872.9)
Net cash flow from financing acitivities	20,937.5	31,041.7
Net change in cash and cash equivalents	**1,363.6**	**3,438.5**
Cash and cash equivalents at the beginning of the period	6,314.5	3,945.6
Adjustments from currency translation	(42.3)	(13.8)
Cash and cash equivalents at the end of the period	**7,635.8**	**7,370.3**

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to shareholders in parent company								
			Other reserves						
in k€	Share capital	Capital reserve	Currency translation	Re-evaluation reserve	Hedging reserve	Accumulated results	**Subtotal**	Minority interest	**Equity**
As at Jan 1, 2008	13,600,0	23,703.4	(1,112.1)	(8.2)	570.4	24,876.4	61,629.9	11,026.8	72,656.7
Total income and expense for the year recognized directly in equity			**(538.5)**	**0.0**	**417.6**	**(84.8)**	**(205.7)**	**(700.8)**	**(906.5)**
Consolidated profit			0.0	0.0	0.0	1,806.9	1,806.9	1,264.8	3,071.7
Total income and expense for the year			**(538.5)**	**0.0**	**417.6**	**1,722.1**	**1,601.2**	**564.0**	**2,165.2**
Dividend			0.0	0.0	0.0	0.0	0.0	(268.5)	(268.5)
As at Mar 31, 2008	**13,600.0**	**23,703.4**	**(1,650.6)**	**(8.2)**	**988.0**	**26,598.5**	**63,231.1**	**11,322.3**	**74,553.4**
As at Jan 1, 2007	12,359.0	24,944.4	(341.2)	0.0	486.0	15,039.0	52,487.2	10,884.4	63,371.6
Total income and expense for the year recognized directly in equity			**(92.8)**	**0.0**	**145.0**	**16.0**	**68.2**	**(99.9)**	**(31.7)**
Consolidated profit			0.0	0.0	0.0	(557.8)	(557.8)	923.3	365.5
Total income and expense for the year			**(92.8)**	**0.0**	**145.0**	**(541.8)**	**(489.6)**	**823.4**	**333.8**
Dividend			0.0	0.0	0.0	0.0	0.0	(473.6)	(473.6)
As at Mar 31, 2007	**12,359.0**	**24,944.4**	**(434.0)**	**0.0**	**631.0**	**14,497.2**	**51,997.6**	**11,234.2**	**63,231.8**

SEGMENT OVERVIEW

in k€	**Revenue 1-3/2008**	Revenue 1-3/2007	**EBIT 1-3/2008**	EBIT 1-3/2007
Austria	57,508.2	42,537.4	3,561.1	1,445.5
USA	24,888.4	24,016.6	2,344.6	1,661.5
Germany	19,652.1	12,012.8	(922.3)	(1,773.3)
Spain	6,995.1	3,347.1	325.7	253.9
Switzerland	1,455.5	1,347.5	(47.4)	(14.8)
Asia	2,880.9	2,448.1	116.4	147.3
Consolidation	(19,410.2)	(9,747.2)	–	–
Group	**93,970.0**	**75,962.3**	**5,378.1**	**1,720.1**

DECLARATION BY THE LEGAL REPRESENTATIVES

These condensed interim consolidated financial statements of Rosenbauer International AG as at March 31, 2008 have been drawn up in accordance with IFRS (as adopted in the European region) and, to the best of our knowledge, convey a true and fair view of the asset, financial and income situation of all the enterprises included in the consolidation.

The situation report gives a true and fair view of the asset, financial and income situation in terms of the information required pursuant to §87 Sects. 2 and 4 of the Austrian Stock Exchange Act ("Börsegesetz").

In the case of the present report, it was decided to dispense with audit or review by an external auditor.

Leonding, May 27, 2008
Executive Board of Rosenbauer International AG

NOTES

1. Information on the company and on the basis of preparation

The Rosenbauer Group is an internationally active corporate grouping with an Austria-based parent company, Rosenbauer International AG. Its main focus is on the production of fire fighting vehicles, the development and manufacture of fire fighting components and the equipping of both vehicles and their crews. The Group's head office is at Paschinger Strasse 90, 4060 Leonding, Austria.

These unaudited interim financial statements as at March 31, 2008 have been drawn up in conformity with International Financial Reporting Standards (IFRS), notably IAS 34 (Interim Financial Reporting). Hence the condensed interim financial statements do not contain all the information and explanatory notes stipulated by IFRS for an end-of-financial-year set of consolidated financial statements, but should be read in conjunction with the IFRS-compliant consolidated financial statements published by the Company for the financial year 2007.

These interim financial statements have been drawn up in thousands of Euros (k€), and unless expressly stated, this also applies to the figures quoted in the Notes.

2. Main effects of new accounting standards

With the exception of standards that have since come into force, the interim financial statements have been prepared on the basis of the same reporting and valuation methods as those applied as at December 31, 2007.

No use has been made of new standards prior to their coming into force, nor, from today's perspective, are these expected to have any significant effect upon the consolidated financial statements.

3. Scope of consolidation

Pursuant to IAS 27, the scope of consolidation includes the same 2 domestic and 17 foreign subsidiaries as at December 31, 2007, all of which are under the legal and actual control of Rosenbauer International AG and are thus fully consolidated. The joint venture founded in China in 2005 (Rosenbauer YongQiang Fire Fighting Vehicles Ltd., China) has been reported in the balance sheet on the basis of the equity method.

4. Seasonal fluctuations

Due to the high degree of dependency on public-sector clients, the usual pattern in the fire-equipment sector is for a very high proportion of its shipments to be made in the second half of the year, and especially in the last quarter. This may give rise to very considerable differences – in terms of revenues and results – between interim reporting periods. In the period under review, there were no unusual developments over and above the seasonal fluctuation that is characteristic of the industry. More information on developments in the period under review may be found in the situation report.

5. Main effects of estimates

In preparing the consolidated financial statements, the Executive Board made certain assumptions and estimates which have influenced the figures and recognition methods for assets, debts, income and expenses in the period under review. The actual figures may deviate from these estimates. Estimation errors had no significant effect on the financial statements in the reporting period.

6. Related party disclosures

There has been no change in the composition of the related parties since December 31, 2007. The following transactions were conducted with related parties in the period under review, the structure of these transactions having remained unchanged since the previous year.

in k€	1-3/2008	1-3/2007
Sale of goods	53.7	0.0
Purchase of goods	2,314.9	447.1
Receivables	9.5	0.0
Liabilities	1,017.7	518.7
Rental agreement for land	766.5	914.1
Rental agreement for office	19.9	22.9
The following transactions were made with the joint venture in China:		
Sale of goods	395.3	107.8
Purchase of goods	128.8	243.0
Receivables	1,097.4	159.5
Liabilities	218.0	79.6

7. Taxes on income

Taxes on income for the period under review have been recognized on the basis of the best available estimate of the weighted average annual income-tax rate expected for the financial year as a whole. Taxes on income for 1-3/2008 breaks down into 611.4 k€ (1-3/2007: 224.0 k€) of expense for current taxes on income, and 229.9 k€ (1-3/2007: -100.5 k€) of changes in deferred income taxes.

8. Segment reports

The Group's internal reporting places great emphasis on keeping track of developments at the Group companies. For this reason, it is the geographical segments that constitute the uppermost segmentation level in the Rosenbauer Group. An outline of these segments, condensed in accordance with IAS 34, and explanations regarding developments in the segments, may be found in the situation report.

9. Events after the balance-sheet date

No events of any consequence occurred prior to the drawing up of the quarter report.

10. Contingent claims and contingent liabilities

Rosenbauer International AG issued no letters of indemnity in favour of third parties outside the Group. Moreover, in the same way as at the year-end, there are no contingent claims and liabilities from which material claims and liabilities will result.

11. Other notes

Interest-rate and foreign-exchange risks are hedged by means of derivative financial instruments such as foreign-exchange forwards and interest-rate cap instruments. At March 31, 2008, the fair value of the hedging transactions recognized in the income statement was 1,584.4 k€ (March 31, 2007: 248.8 k€), and that of the hedges recognized under equity was 1,317.3 k€ (March 31, 2007: 841.3 k€).

CORPORATE CALENDAR 2008

May 30, 2008	General Shareholders' Meeting, 2:00 pm Altes Rathaus (City Hall) Hauptplatz 1, 4020 Linz, Austria
June 9, 2008	Ex-dividend day
August 22, 2008	Publication of the Report on the first half of 2008
November 21, 2008	Publication of the Quarter Report 1-3/2008

DETAILS OF THE SHARE

ISIN	AT0000922554
Reuters	RBAV.VI
Bloomberg	ROS AV
Class of shares	Non-par-value shares made out to bearer
ATX prime weighting	0.1%

Minimal arithmetical differences may arise from the application of commercial rounding to individual items and percentages in the Rosenbauer Quarter Report.

The English translation of the Rosenbauer Quarter Report is for convenience. Only the German text is binding.

Published by
Rosenbauer International Aktiengesellschaft, Paschinger Strasse 90, 4060 Leonding, Austria

Information
Gerda Königstorfer, Phone: +43 732 6794-568, Fax: +43 732 6794-89
E-Mail: ir@rosenbauer.com, www.rosenbauer.com