

Press release

ATB Austria Antriebstechnik AG continues to grow rapidly in first half 2005

Spielberg, Austria, 27 September 2005 — Vienna listed ATB Austria Antriebstechnik AG (ATB) continued its rapid growth in the first half of 2005 and posted healthy increases in revenues, operating profit (EBIT) and order intake.

Revenues, EBIT and order intake up significantly on first half 2004

Consolidated revenue climbed by approximately 26% as compared with the same period last year, from EUR 91.11m to EUR 114.75m. The breakdown by business units was as follows: Industrial Motors contributed EUR 55.73m or 49% of total revenue, House and Garden EUR 37.89m or 33%, Explosion-proof Motors EUR 17.53m or 15%, and ATB Technology Centre EUR 3.60m or 3%. Order intake also grew strongly in the first six months and, at EUR 113.07m, was 19% higher than the EUR 94.66m achieved in the same period last year. At 30 June 2005 the order book stood at EUR 37.68m, 12% higher than a year earlier.

Despite the attention devoted to integration, ATB Group's operating profit (EBIT) increased from EUR 3.47m in first-half 2004 by 12% to EUR 4.55m in the first half of 2005. Profit from ordinary activities (POA) was affected by the cost of financing the acquisitions and, at EUR 3.14m, was 5% less than the EUR 3.31m earned in the same period last year. Integration and restructuring expenses meant that subsidiaries ATB Selni (France) and ATB Sever (Serbia) were not yet able to contribute to the profits of the Group. As at 30 June 2005 ATB Group had 3,845 employees, as compared with 1,620 at the same time last year.

Industrial Motors posts double digit growth

Industrial Motors, ATB's largest business unit, made particularly good progress in the first half of 2005. Order intake was pushed up by 13%, to EUR 57.59m. The increase in the business's revenue was equally satisfactory, up 13% to EUR 55.73m.

House and Garden: successful ramp-up of assembly line in China

House and Garden revenue has also grown strongly since the beginning of the year: from EUR 27.72m a year ago, it advanced an impressive 37% to EUR 37.89m. This is primarily attributable to strong sales of appliance motors and to consolidation of ATB Selni revenues for the first time. The Group's new subsidiary, ATB MOTORS Co. (Shanghai) Ltd., successfully started lawnmower motors assembly at the beginning of the second quarter in its facility near Shanghai.

Explosion-proof Motors lands two new major projects

Explosion-proof Motors, with its facilities in Nordenham (Germany) and Leeds (UK), boosted order intake by some 48% to EUR 16.30m and revenues by roughly 69% to EUR 17.53m. This is largely attributable to the acquisition of ATB Morley (Leeds). In a fiercely competitive market environment, ATB successfully landed two major projects for high voltage motors for new refineries in Russia and Saudi Arabia despite intense international competition.

ATB Technology Centre: construction of new technology centre starts

Construction of the new technology centre in Lustenau Millennium Park (Vorarlberg, Austria) began in May: over the coming months, a state-of-the-art facility will be created. New orders for the period of EUR 4.27m were some 14% down on the EUR 4.98m taken in the first six months of 2004, while revenue of EUR 3.60m was only slightly less than the comparable figure of EUR 3.79m.

Outlook for 2005 as a whole

“In the second half of 2005, ATB Group will press on with the integration of the businesses acquired in earlier years. Despite the expenses of integration and restructuring and the continuing burden of high material costs, we are optimistic about ATB Group's prospects for the second half of the year and are counting on meeting our revenue and earnings targets,” says Christian Schmidt, ATB Austria Antriebstechnik's CEO, with confidence. Schmidt continues: *“Further acquisitions are planned, to provide strategic additions to the product range or access to under-developed markets.”*

ATB Group's financial highlights for the first half of 2005

EUR '000

EUR '000	1 Jan. to 30 June 2005	1 Jan. to 30 June 2005
Revenue	114,753	91,112
Operating profit (EBIT)	4,554	3,469
Profit from ordinary activities (POA)	3,139	3,310
Order book	37,677	33,703
Order intake	113,072	94,663
Employees (including apprentices)	3,845	1,620
Total equity and liabilities	162,234	108,321

The interim report can be downloaded from www.atb-motors.com

About Austria Antriebstechnik AG (ATB)

Austria Antriebstechnik AG (ATB), headquartered in Spielberg, Austria, is listed on the Vienna Stock Exchange, and has the following subsidiaries: ATB Austria Antriebstechnik, Welzheim, Germany; ATB Motorenttechnik, Nordenham, Germany; ATB Technologies, Rankweil, Austria; ATB Components, Czech Republic; ATB Selni, France And ATB Sever, Serbia and Montenegro. ATB is a leading manufacturer of electrical drive systems for industrial applications and appliances, and currently has around 4,000 employees.

About A-TEC Industries

A-TEC Industries AG is a privately owned international industrial group headquartered in Vienna with successful operations in the electric motor, plant engineering, machine tool and metallurgical industries. The Group currently has around 7,000 employees in Austria, Germany, Switzerland, France, Spain, Italy, Croatia, the Czech Republic, Slovakia, the UK, Serbia and Montenegro, the USA, India and China.

For further information visit www.a-tecindustries.at and www.atb-motors.com.

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