Innovation in Motion

Shareholder Information 1 2008-09

First Quarter Results for 2008-09

General Economic Setting

Economic growth has slowed down since the start of the year. In April, the International Monetary Fund (IMF) had to revise its forecast for 2008 due to high oil prices and the financial crisis in the USA and is now predicting worldwide economic growth of 3.7 percent for this year. It is forecasting an increase of 0.5 percent for the USA and 1.75 percent for the euro zone. South East Asia will remain the motor for growth: the IMF is still expecting just under double-digit growth figures for China and India.

This situation is also reflected in Miba's most important customer markets. According to forecasts, worldwide production of cars and light commercial vehicles will increase by three percent this year, and production of heavy commercial vehicles by five percent, whereby this growth will largely take place in the emerging markets of Asia and Eastern Europe.

As a strategic partner to the international engine and automotive industry, Miba started the 2008-09 business year in this challenging environment on a good footing.

Sales and Performance Analysis

Miba sustained the momentum from the previous business year and continued its dynamic growth in the first quarter of 2008-09. During the reporting period (February 1 – April 30), sales rose to 102.2 million euros, up by around seven percent compared with the previous year. Adjusted for sales loss resulting from the disposal of the sinter plant in Spain, the increase was in fact 20.2 percent, which is significantly higher. Miba Sinter Group accounted for the largest proportion (40.4 percent) of group sales, followed by Miba Bearing Group (38.9 percent) and Miba Friction Group (20.4 percent).

Sales growth resulted in a significant increase in EBIT, which rose to 13.3 million euros (previous year: 9 million euros) in the reporting period. Earnings before taxes increased from 8.7 to 12.8 million euros, underlining Miba's long-term orientation towards technologically sophisticated products.

Financial Position

Although inventories rose by 7.8 million euros compared to the previous year – as a result of a far-sighted purchasing policy with regard to raw materials – the balance sheet total remained almost the same as in the previous year at 345.4 million euros.

Net indebtedness (cash and cash equivalents minus current and non-current interest-bearing liabilities) is at 30.6 million euros, up 4.5 million euros on the previous year, which is primarily due to the high level of investment activities in the first quarter. In comparison to the previous year, investments (excluding financial assets) rose by 43.2 percent to 11.3 million euros. The main focus of investment in the first quarter was on the expansion of production capacity both in Austria and in Slovakia in order to meet increased demand efficiently.

Despite negative effects in the amount of 1.9 million euros due to exchange rate fluctuations, group equity rose by approximately 4 percent to 183.6 million euros (previous year: 176.5 million euros). The equity ratio of 53.2 percent is a sign of the economic and financial stability of the Miba Group.

Cash flow from operations was particularly affected by the increase in inventories and the decrease in current trade payables and amounted to 0.6 million euros in the first quarter.

Order Situation

As of April 30, 2008, the order status was at a record level of 181.8 million euros and thus 10.9 percent higher than the previous year's figure (164.1 million euros).

Employees

Employee headcount for the Miba group worldwide was 2,813 as of April 30, 2008. After adjustment for changes in headcount resulting from the sale of the Spanish site, this constitutes an increase of 14 percent or 352 employees compared to the previous year. The increase in staff headcount took place largely at the Austrian sites, which employed 1,632 people at the end of April 2008.

Other Events

The dollar continued to fall significantly against the euro during the first quarter. As of April 30, 2008 the dollar was at 1.58 to the euro. This corresponds to a six percent decrease in comparison with the balance sheet date and 16 percent compared to the reporting date of the previous year. The Management Board is expecting the dollar to recover slightly in the business year 2008-09.

The sustainable fulfillment of the Maastricht criteria in March 2008 and the Convergence Report of the European Commission and the European Central Bank published on May 7, 2008 form the basis for the introduction of the euro in Slovakia. Miba considers this development to be very positive, as the large majority of the Slovakian sites' business transactions are already conducted in euros. The exchange rate risks which have been present until now will then cease, as will the continuous revaluation of the Slovak koruna (by more than 20 percent in the last two years).

Segment

Miba Sinter Group

Since the start of the year, production of automobiles in Europe (Western Europe and CEE countries) has risen by 1.2 percent. During the reporting period, the sales volume of Miba Sinter Group amounted to 41.3 million euros, four percent down on the previous year. This decrease results from the sale of the sinter site in Spain. After adjustment for sales loss from the disposal of this site, Miba Sinter Group achieved a 27.2 percent increase in sales. This is due to the new strategic orientation towards technologically sophisticated components and the resulting start-ups of new products in the areas of engine and transmission.

Miba Bearing Group

Miba Bearing Group further bolstered its strong market position in the first quarter. In comparison with the previous year, sales volume increased by 11.4 percent to 39.8 million euros. Orders on the books and new orders were once again above targeted levels on April 30, and business in all the important market segments remained strong. Demand from the Far East for truck and ship bearings was particularly high. Forecasts regarding the further development of locomotive bearings in the USA remain cautious.

Miba Friction Group

Demand in Miba Friction Group's customer markets developed well during the first quarter of the year. The order status on April 30, 2008 was 42 percent up on the previous year. Sales volume in the reporting period increased by 26.1 percent to 20.9 million euros. Miba Friction Group counteracted further increases in the prices of raw materials, particularly steel, with a far-sighted purchasing policy and necessary price adjustments vis-à-vis its customers.

Significant Risks and Uncertainties

In the first quarter of the current business year, there were no major changes to the risk categories listed in the annual report 2007-08. In light of the information currently available, Management does not foresee any significant individual risks which could pose a threat to the Miba Group's financial position and financial performance.

Segment Reports

Primary segments (segment information according to business segment)

	Sinter		Bearing		Friction		Other		Consolidation		Total Group	
TEUR	Q1 2008-09	Q1 2007-08	Q1 2008-09	Q1 2007-08	Q1 2008-09	Q1 2007-08	Q1 2008-09	Q1 2007-08	Q1 2008-09	Q1 2007-08	Q1 2008-09	Q1 2007-08
Revenue from sales (External sales)	41,317	43,023	39,817	35,740	20,871	16,557	4,066	3,661	3,832	3,389	102,239	95,592
EBITDA	7,769	4,290	8,321	9,110	2,246	1,310	1,294	503	63	35	19,567	15,178
EBIT	5,024	1,438	6,445	7,226	1,227	437	698	-66	63	35	13,331	9,000
Investments (excluding financial assets)	7,712	4,238	2,793	2,687	313	848	489	123	0	0	11,307	7,896
Number of employees (April 30)	1,146	1,307	990	888	578	529	99	89	0	0	2,813	2,813

Outlook

The mood in Miba‘s target markets is restrained but optimistic as regards 2008. Miba‘s order books do not yet indicate any decline in demand. The Management Board of Miba is therefore expecting its profitable growth to continue in the current business year, although the increases will not be as great as in the past year.

Trends on customer markets will continue to be shaped by the prices of crude oil and steel and by the euro/dollar exchange rate. Price pressure also continues to be high in Miba‘s target markets. Miba is meeting these challenges by continuously increasing productivity, fully utilizing machine capacities and making adjustment to prices for its customers.

The Miba Share

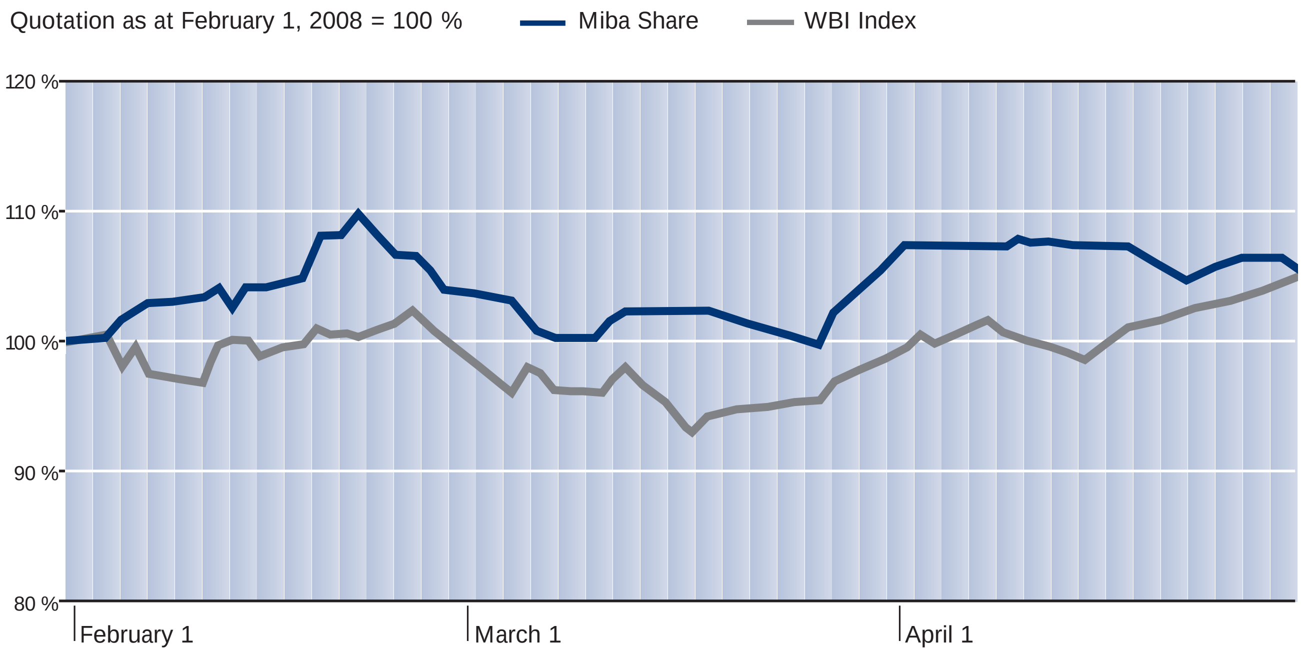
In the first quarter of 2008-09, the Miba share price moved sideways within a range of 119.1 and 132 euros. The share price at the beginning of February was 120.15 euros, and finished the first quarter on 127 euros.

During its meeting on February 19, 2008, the Management Board of Miba AG decided to extend its share buyback program to 30,000 Category B preferred shares. The buyback program will end on July 31, 2008. The repurchase price lies between 80 and 180 euros, and the intended repurchase volume corresponds to approximately 2.3 percent of the share capital.

As of April 30, 2008, 21,057 shares had been bought back at an average price of 126.78 euros. That represents about 1.6 percent of the share capital.

Development of the Miba Share during the first quarter of 2008-09

Quotation as at February 1, 2008 = 100 %



Consolidated Balance Sheet

in TEUR	04/30/2008	01/31/2008	04/30/2007
Assets			
A. Fixed assets			
Intangible assets	22,043	22,214	28,054
Property, plant and equipment	136,068	128,448	130,681
Equity interests in associated companies	7,729	7,502	7,493
Other financial investments	4,776	6,559	6,885
Deferred tax assets	12,858	13,000	9,260
	183,475	**177,723**	**182,374**
B. Current assets			
Inventories	59,300	53,307	51,533
Accounts receivable and other receivables	81,477	77,300	84,339
Cash and cash equivalents	21,104	22,587	22,809
	161,882	**153,194**	**158,681**
	345,357	**330,917**	**341,055**
Liabilities			
A. Consolidated shareholder´s equity			
Share capital	9,500	9,500	9,500
Additional paid-in capital	18,089	18,089	18,089
Retained earnings	158,587	151,320	148,828
Treasury stock	–2,672	–1,315	0
Minority interests	88	101	83
	183,593	**177,695**	**176,499**
B. Long-term liabilites			
Post-retirement benefits and severance payments	19,155	18,845	17,496
Deferred taxes	1,313	1,121	981
Interest-bearing liabilities	29,521	26,628	39,149
Other long-term liabilities	14,271	13,886	15,738
	64,260	**60,480**	**73,365**
C.Current liabilities			
Current accruals	35,703	33,597	37,078
Accounts payable	28,566	30,576	32,675
Current portion of interest-bearing liabilities	22,194	15,650	9,768
Other current liabilities	11,041	12,919	11,670
	97,504	**92,742**	**91,192**
	345,357	**330,917**	**341,055**

The use of automatic data processing equipment can lead to rounding differences.

TEUR = EUR in thousands.

Consolidated Income Statement

in TEUR	Q1 2008-09	Q1 2007-08
Revenue from sales	102,239	95,592
Changes in inventory of finished and unfinished products	4,050	597
Internally produced and capitalized assets	621	674
Operating result	**106,911**	**96,863**
Other operating income	1,773	3,451
Expenses for materials and other purchased manufacturing services	–42,786	–35,770
Personnel expenses	–30,230	–30,586
Other operating expenses	–16,101	–18,780
Earnings before interest, taxes and depriciation (EBITDA)	**19,567**	**15,178**
Depreciation	–6,236	–6,178
Earnings before interest, taxes and goodwill amortization (EBITA)	**13,331**	**9,000**
Goodwill amortization	0	0
Earnings before interest and taxes (EBIT)	**13,331**	**9,000**
Income and losses from investments in associated companies	313	360
Net interest income	–837	–694
Other financial income	0	0
Financial results	**–524**	**–334**
Earnings before taxes (EBT)	**12,807**	**8,666**
Taxes on income and earnings	–3,478	–2,767
Earnings after taxes (EAT)	**9,328**	**5,900**
Attributable to minority shareholders	–12	6
Attributable to parent company shareholders	9,341	5,894
Weighted average of the number of shares issued (in units)	1,283,995	1,300,000
Earnings per share in EUR	7,27	4,53
Diluted earnings per share in EUR = Undiluted earnings per share in EUR	7,27	4,53

The use of automatic data processing equipment can lead to rounding differences.

TEUR = EUR in thousands.

Changes in Shareholders' Equity

TEUR	Share capital	Additional paid-in capital	Currency translation gain/loss	Retained earnings	Treasury stock	Minority shares	Total
As of February 1, 2007	**9,500**	**18,089**	**–9,946**	**154,667**	**0**	**781**	**72,388**
Foreign currency translation	0	0	–1,789	0	0	0	–1,789
Other neutral changes	0	0	0	0	0	0	0
Annual consolidated net income	0	0	0	5,894	0	6	5,900
As of April 30, 2007	**9,500**	**18,089**	**–11,735**	**160,561**	**0**	**84**	**176,499**
As of February 1, 2008	**9,500**	**18,089**	**–16,278**	**167,598**	**-1,315**	101	177,695
Foreign currency translation	0	0	–1,890	0	0	0	–1,890
Other neutral changes	0	0	0	–185	0	0	–185
Changes in treasury stock					–1,356		–1,356
Annual consolidated net income	0	0	0	9,341	0	–12	9,328
As of April 30, 2008	**9,500**	**18,089**	**–18,168**	**176,754**	**–2,671**	**89**	**183,593**

Consolidated Cash Flow Statement

in TEUR	Q1 2008-09	Q1 2007-08
Consolidated cash flow from operations	594	12,311
Consolidated cash flow from investment activities	–10,732	–7,339
Consolidated cash flow from financing activities	8,656	2,777
Change in cash and cash equivalents and consolidated marketable securities	–1,482	7,750

The use of automatic data processing equipment can lead to rounding differences.

TEUR = EUR in thousands.

Notes on the Interim Consolidated Financial Statements as at April 30, 2008

Information on the Company and Basis for the Preparation of the Statements

Miba Aktiengesellschaft is an internationally active group with headquarters in Austria. The Group's core business is composed of the product segments sintered components, engine bearings and friction materials. The Group's head office is located at Dr.-Mitterbauer-Strasse 3, 4663 Laakirchen, Austria. The company is registered under FN 107386 x at the regional court Wels as commercial court.

The present interim statements of April 30, 2008 (February 1, 2008 to April 30, 2008) were prepared in accordance with the guidelines of the International Financial Reporting Standards (IFRS) applicable on the balance sheet date, in particular IAS 34 (Interim Financial Reporting). The reporting and valuation principles of January 31, 2008 are applied unchanged. For additional information on the reporting and valuation methods, please refer to the consolidated financial statements of January 31, 2008.

For the purpose of clarity, all figures are shown in thousands of euros (TEUR).

Consolidated Group

The consolidated group was established according to the principles of IAS 27 (Consolidated and Separate Financial Statements). Accordingly, it includes 10 domestic and 13 foreign subsidiaries in which Miba Aktiengesellschaft directly or indirectly holds the majority of the voting rights.

Business Seasonality

The sales of the Miba Group are approximately equally divided over the four quarters of the business year.

Subsequent Events

Any events occurring after the balance sheet date which are relevant to the valuation at the balance sheet date, such as pending legal disputes or claims for damages, and any other obligations or anticipated losses to be reported or disclosed in accordance with IAS 10, are reflected in the present interim report or are unknown.

Estimates and Uncertainties

With regard to discretionary decisions and uncertainties resulting from estimates, please consult the Miba Group's consolidated financial statements as at January 31, 2008.

Statement by the Management Board

To the best of our knowledge, the abbreviated consolidated financial statements of Miba Aktiengesellschaft as of April 30, 2008, compiled in accordance with the International Financial Reporting Standards (IFRS), truly represent the Group's financial position and financial performance.

The quarterly report truly represents the Group's financial position and financial performance with respect to the information required as per article 87, paragraphs 2 and 4 of the Austrian stock exchange act. For the present report, the implementation of an audit or an audited examination by an auditor was waived.

Laakirchen, June 2008

The Management Board

DI DDr. h. c. Peter Mitterbauer (Chairman), hon.
Dr.-Ing. Norbert Schrüfer, hon.
Dr. Wolfgang Litzlbauer, hon.

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