



HIGH TECH INDUSTRIES AG



Half year report 2007

Key figures

Half year report 2007

	1 st half year 2007	1 st half year 2006	2006
Revenues and Earnings			
Total sales in TEUR	74,805	38,432	78,725
Plastics	38,343	38,432	78,725
Metal	28,887	0	0
Mechanical engineering	7,576	0	0
EBITDA in TEUR	8,419	4,683	8,794
EBIT in TEUR	3,247	779	2,119
EBT in TEUR	1,730	-409	304
Consolidated result in TEUR	1,647	-740	111
EBITDA margin in %	11.3	12.2	11.2
EBIT margin in %	4.3	2.0	2.7
EBT margin in %	2.3	-1.1	0.4
Consolidated result margin in %	2.2	-1.9	0.1
Financial situation			
Total assets in TEUR	196,265	93,212	101,821
Equity ratio in %	23	32	31
Gearing in %	115	53	75
Capital expenditure in TEUR	8,716	3,727	8,059
Depreciation/amortisation in TEUR	5,172	3,904	6,675
Gross cash flow in TEUR	6,965	3,049	7,102
Cash flow from operating activities in TEUR	7,866	2,249	-88

	1 st half year 2007	1 st half year 2006	2006
Share			
Issued shares	13,993,556	10,500,000	10,500,000
Weighted average number of shares	12,738,964	8,577,348	9,552,055
Share price at closing date in EUR	4.84	3.90	3.79
High in EUR	5.06	5.25	5.25
Low in EUR	3.58	3.40	3.30
Market capitalisation at closing date in TEUR	67,729	40,950	39,795
Earnings per share in EUR	0.13	-0.09	0.01
Employee related ratios			
Average annual headcount	1,063	657	669
Headcount at closing date	1,124	690	675
Sales per employee in TEUR	70	58	118
Total gross income per employee in TEUR	76	63	128
Personnel expenditure per employee in TEUR	21	19	36

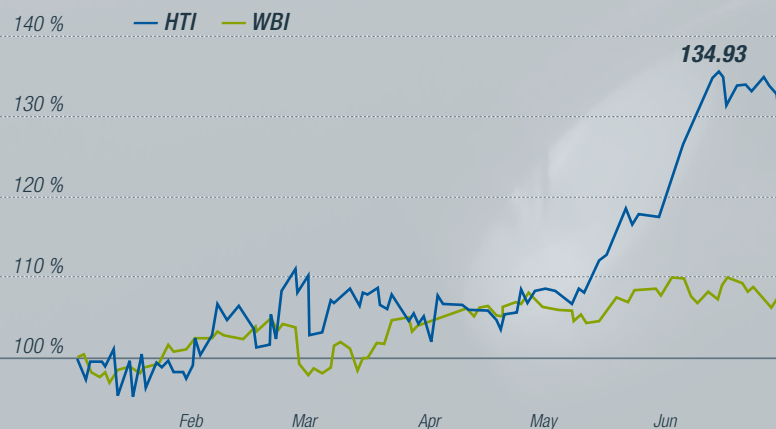
High Tech Industries AG

Half year report 2007

Highlights

- Further improvement of earnings – Consolidated result increased by 41.1% in the second quarter compared to the first quarter of 2007
- Private placement of EUR 20 million corporate bond for further growth financing
- Change to Prime Market segment of Vienna stock exchange – Price exceeds 4 euro mark
- Implementation of an own group wide technology and knowledge management group
- Start of expansion of the Gruber & Kaja Druckguss- und Metallwarenfabrik GmbH plant in St. Marien

Chart "HTI share performance from January 1 – June 30, 2007"



Financial calendar

November 14, interim third quarter report 2007

Letter of the Management Board

Half year report 2007

Dear shareholders,

With the present half year financial report we look back on the first five months since the extensive strategic reorientation of the former HTP High Tech Plastics AG and, for the first time, we formally report under our new name **HTI High Tech Industries AG**. After the very positive business performance in the first quarter of 2007, we are pleased to present a further improvement of all earnings figures of the second quarter of 2007.

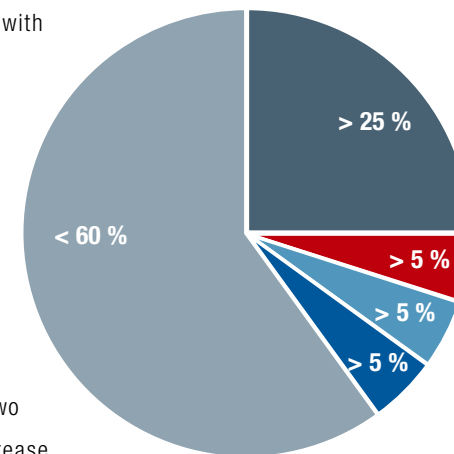
With the corporate integration of the newly acquired companies – effective as of February 1, 2007 – our field of industrial activities became significantly wider. In addition to our core business of plastics processing, two further industrial core business segments, first **metal** and **mechanical engineering** and second **other participating** interests were established.

The two new industrial segments „metal“, represented by the specialist for pressure tight metal casting parts Gruber & Kaja Druckguss- und Metallwarenfabrik GmbH and “mechanical engineering”, formed by the internationally successful niche supplier of pneumatic tools and special machinery for the pig iron and steel industry BBG Baugeräte GmbH, performed as scheduled and substantially contribute to the significantly improved profitability of the HTI Group. In the second quarter, consolidated results totalling TEUR 964 were 41% up compared with TEUR 683

in the first quarter. With a consolidated result of TEUR 1.647 for the first half year we achieved a consolidated result margin of 2.2%. For comparison: In the first half year of 2006, the consolidated result of the former HTP Group was negative with TEUR -740.

Likewise, the plastics segment develops very positively. The new building of our production facility in Slovakia is near completion and besides the production site optimisation, first new orders are already contracted. The process optimisation of the previous two years reflects in a considerable increase in EBIT, which improved from TEUR 779 to TEUR 1,083.

We are pleased, that all expected and intended positive effects of this strategy shift are reflected in sales and earnings performance.



- Management
- Androsch Privatstiftung
- Dörflinger Privatstiftung
- Donau Invest GmbH
- Freefloat

Letter of the Management Board

Half year report 2007



Due to the positive share performance this is well accepted by the market.

This positive development and the re-listing from the Standard Market Continuous to the Prime Market of the Vienna stock exchange, effective as of May 21, 2007, resulted in a significant increase in the share price.

Furthermore, in the first half year of 2007, we have set two other important measures for further growth of the Group. The Shareholder's Annual General Meeting authorised the Management Board to increase the company's nominal capital by up to EUR 6.95 million through the issue of 6.95 million no-par shares. On June 19, the company has issued a corporate bond via private placement amounting EUR 20 million for a term of five years. We consider this as a further sign of confidence of

the capital market in our business model. With the authorised capital and the additional financial resources, the HTI Group is able to flexibly implement the planned expansion strategy of the new business model.

The outlook for the entire year 2007 remains positive. For both, sales and earnings, we keep our forecast given within the framework of the restructuring announcement.

With best regards

The Management Board

Status report

Half year report 2007

Earnings situation

In the first half year, earnings of the HTI Group significantly improved in all segments. Compared to the first six months of the previous year, sales increased by 94.6% to TEUR 74,805 after TEUR 38,432 and thus almost reached the prior's year level of the total annual sales of the former HTP. This growth results entirely from the initial consolidation of the companies Gruber & Kaja and BBG Baugeräte as of February 1, 2007.

Likewise, earnings reflect the considerable increase expected. EBITDA (earnings before interest, tax, depreciation and amortisation) rose by 79.8% from TEUR 4,683 to TEUR 8,419. Because of the integration of the new, more profitable segments EBIT (earnings before interest and tax) increased by 316.8% from TEUR 779 to TEUR 3,247. The financial result grew unproportionately from TEUR -1,188 to TEUR -1,517. As a result of these factors, EBT (earnings before tax and non recurring items) turned positive. After TEUR -409 in the first half year of 2006, the HTI achieved an EBT of TEUR 1,730 in the first six months 2007.

Accordingly, the consolidated result developed positively. Whereas the "former" HTP still reported a minus of TEUR -740 in the first half year of the prior year, the HTI closed the first six months significantly positive with TEUR 1,647. It is particularly remarkable that the quarterly consolidated result for the period from April 1 to

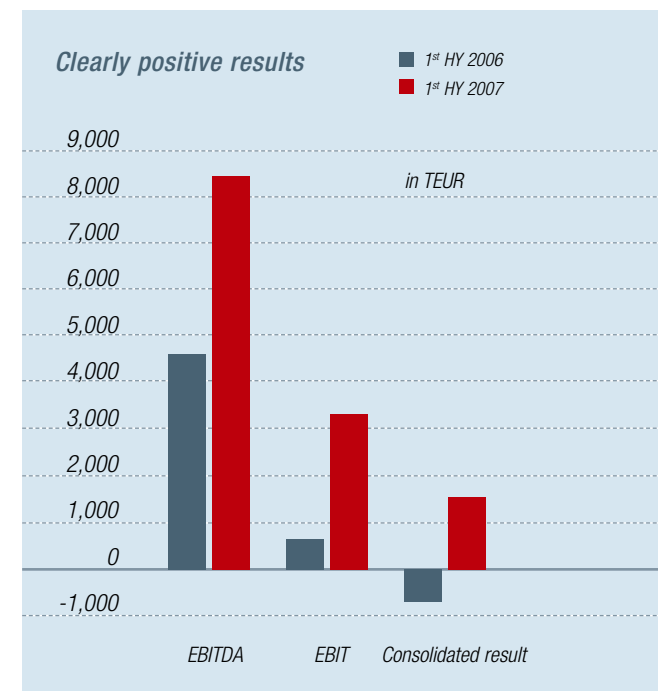
June 30, 2007 increased by 41.1% to TEUR 964 compared to the first quarter. This is an indicator that the earnings situation will further improve during the remaining financial year.

The positive impacts of the new business model become even more evident when comparing earning margins. EBIT margin rose from 2.0% in the first half year of 2006 to 4.3% in the first half year of 2007, thus more than doubled. EBIT margin improved from -1.1% to 2.3%, the consolidated result margin increased from -1.9% to 2.2%. All above mentioned margins improved in comparison with the first quarter 2007 and thus reflect the successful integration of the new companies into the Group.

Business fields

Plastics segment

After an upward sales performance in the first quarter, sales of the plastics segment slightly decreased in the second quarter. This is mainly due to sales of molds for





Status report

Half year report 2007

new projects, which overproportionately influenced the first quarter of the current business year.

Despite the continuing tense economic situation in the automotive industry, sales of parts are according to plan. Promising development projects with the packaging industry are near conclusion and we expect marketability for the end of 2007. Sales of the aircraft business were still slow and remained below plan. In the medium term no significant stimulation of the market is expected.

In the first half year of 2007, the segment sales totalled TEUR 38,343. This corresponds more or less to the previous year's sales amounting TEUR 38,432.

The new development of the plant in Slovakia is near completion and the production site optimisation will be finalised to a large extent until the end of the year. Considerably positive effects on sales are expected for the first quarter of the coming business year.

Thanks to the restructuring measures implemented in the course of the past business year, the profitability of today's plastics segment significantly and sustainably improved. Compared to prior year's period, EBIT rose by 39.0% from TEUR 779 to TEUR 1,083. Thus EBIT margin improved from 2.0% to 2.8%. EBT which turned

from TEUR -409 to TEUR +76 showed an even clearer turnaround.

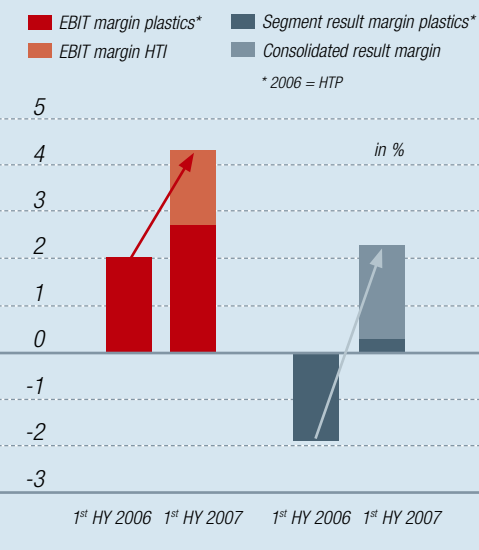
Other operating income totalling TEUR 4,454 among others results from the disposal of no longer used machinery.

Metal segment

With a share of 39%, the new metal segment emerging from the acquisition of Gruber & Kaja is the second largest segment of the Group. In the first half year of 2007, the segment sales of TEUR 28,887 contributed

TEUR 825 to the Group's EBIT, which corresponds to a segment EBIT margin of 2.9%. The expansion and modernisation of St. Marien have started. Planned costs and partly reduced operating performance will temporarily impact on the segment's profitability.

New business segments boost profitability of HTI



Status report

Half year report 2007

Mechanical engineering

The mechanical engineering segment clearly reflects the BBG Baugeräte GmbH's strength as niche supplier. With a sales share of 10.1% (TEUR 7,576), the company generated 43.6% of Group operating result. The achieved EBIT of TEUR 1,415 corresponds to an EBIT margin of 18.7%.

Segment report first half year 2007

TEUR	Plastics	Metal	Mechanical engineering	Other	Consol.	Total
Sales	38,343	28,887	7,576	0		74,805
in % of total sales	51	39	10	0		100
EBITDA	4,705	2,212	1,578	-76		8,419
Depreciation on intangible and tangible fixed assets	3,622	1,387	163	0		5,172
EBIT	1,083	825	1,415	-76		3,247
EBIT margin in %	2.8	2.9	18.7	n.a.		4.3
EBT	76	323	1,346	-16		1,730
Segment's assets	144,020	45,090	11,895	0	-4,739	196,265
Segment's liabilities	100,173	43,923	7,587	0	-851	150,831

Segment report first half year 2006

TEUR	Plastics
Sales	38,432
in % of total sales	100
EBITDA	4,683
Depreciation on intangible and tangible fixed assets	3,904
EBIT	779
EBIT margin in %	2.0
EBT	-409
Segment's assets	93,212
Segment's liabilities	63,112

Cash flow

In the first half year of 2007, the cash flow statement is on the one hand strongly influenced by the initial consolidation of Gruber & Kaja Druckguss- und Metallwarenfabrik GmbH and BBG Baugeräte GmbH. On the other hand it reflects the issuance of the corporate bond amounting EUR 20 million. In the first six months of the current business year, gross cash flow more than doubled from TEUR 3,049 to TEUR 6,965. In the reference period of the previous year, cash flow from operating activities increased from TEUR 2,249 to TEUR 7,866. As of June 30, 2007, cash and cash equivalents rose from TEUR 18,274 to TEUR 25,159 (mainly because of bond issuance).

TEUR	1 st half year 2007	1 st half year 2006
Gross cash flow	6,965	3,049
Changes in working capital	901	-800
Cash flow from operating activities	7,866	2,249
Net investing cash flow (ICF)	-28,225	-7,437
Net financing cash flow (FCF)	38,633	11,772
Changes in cash and cash equivalents	18,274	6,584



Status report

Half year report 2007

Financial situation

Since the balance sheet date on December 31, 2006, the balance sheet changed significantly as a result of the initial consolidation of the two companies. Total assets increased by 92.8% from TEUR 101,821 to TEUR 196,265. Equity rose – to a large extent as a result of the capital increase through contribution in kind (see first quarter report 2007) – by 45.7% to TEUR 45,434. Consequently, as a result of the expansion of the balance sheet total, as of June 30, 2007, the equity ratio slightly decreased from 31% to 23%. Within the new Group structure, as at the end of June, net debt increased from TEUR 23,487 to TEUR 52,040, which compared to the end of 2006, led to an increase of gearing from 75% to 115%.

Risk situation

In comparison with the consolidated financial statements as of December 31, 2006, there are no major changes regarding to risk situation of the HTI Group, neither after the strategic new orientation and the integration of the new industrial segments. Therefore we refer to the notes to the consolidated financial statements (note 23 “financial risks”) of the annual report 2006. However, as a result of the strategic reorientation the overall risk situation improved significantly.

Outlook

For the current year, the members of Management Board of the HTI AG address themselves to the utilisation of existing synergy potentials within the HTI Group’s companies. First discussions with customers – particularly from the automotive industry – about possible new orders for the new business segments are already in process.

Beyond this, the Management will focus on technology and knowledge management. The concentration will be on defining new product fields, which shall be generated and developed on the basis of existing know how from the three industrial core business fields. We thereby focus on customer requirements and global trends in connection with optimised usage of energy and resources. Hence, increased efforts will be made in the upcoming quarters.

Further acquisitions in the three industrial core business fields are planned in the medium term. Currently, several acquisition targets are under due diligence. In the plastics segment, the expansion shall be pushed in the strongly growing and profitable business fields of packaging and medical technology. For further expansion and rounding off of the existing technology competences, the Management strives for additional acquisitions in the metal and mechanical engineering segments.

Consolidated income statement

Consolidated financial statements according to the International Financial Reporting Standards (IFRS)

TEUR	1 st half year 2007	1 st half year 2006	2 nd quarter 2007	2 nd quarter 2006
Sales	74,805	38,432	40,573	20,172
Changes in finished goods and work in progress	974	507	-837	511
Own expenses capitalised	1,164	342	783	173
Other operating income	3,837	2,347	2,443	1,384
Total gross income	80,780	41,627	42,962	22,240
Cost of materials	-37,087	-18,070	-19,151	-9,114
Personnel expenses	-22,612	-12,645	-12,158	-6,822
Other operating expenses	-12,662	-6,229	-7,092	-3,672
Earnings before non recurring items (EBITDA)	8,419	4,683	4,561	2,632
Depreciation on intangible and tangible fixed assets	-5,172	-3,904	-2,748	-2,058
Goodwill amortisation	0	0	0	0
Earnings before interest and tax (EBIT)	3,247	779	1,813	574
Net interest result	-1,689	-1,181	-928	-648
Other net financial result	172	-6	101	83
Net financial result	-1,517	-1,188	-827	-564
Earnings before tax and non recurring items (EBT)	1,730	-409	986	10
Non recurring expenses	0	-330	0	-330
Income tax	-83	-25	-22	-15
Annual result	1,647	-764	964	-335
Minority interests	0	24	0	-9
Net result	1,647	-740	964	-344
Earnings per share (in EUR) non diluted	0.13	-0.09		
Earnings per share (in EUR) diluted	0.13	-0.09		
Weighted average number of shares	12,738,964	8,577,348		

Consolidated balance sheet

Consolidated financial statements according to the International Financial Reporting Standards (IFRS)

TEUR	June 30, 2007	Dec. 31, 2006
ASSETS		
Intangible assets	14,777	4,471
Goodwill	6,555	1,865
Property, plant and equipment	74,707	45,170
Shares in associated companies	873	893
Other financial assets	8,010	276
Other long-term receivables	255	3,079
Deferred tax assets	5,796	5,574
Long-term assets	110,973	61,328
Inventories	32,334	17,277
Trade receivables	22,461	11,370
Securities held as short-term assets	859	859
Cash and cash equivalents	25,159	6,884
Other short-term receivables and assets	4,479	2,587
Short-term assets	85,292	38,977
Assets for disposal	0	1,516
Total assets	196,265	101,821

TEUR	June 30, 2007	Dec. 31, 2006
SHAREHOLDERS' EQUITY AND LIABILITIES		
Issued capital	13,994	10,500
Share premium	49,961	40,878
Retained earnings	-23,217	-24,897
Secondary loan funds	4,696	4,696
Minority interests	0	0
Equity	45,434	31,177
Long-term pension and personnel provisions	5,442	1,838
Other long-term provisions	2,882	1,395
Long-term interest bearing borrowings	28,814	12,578
Bonds	20,005	5
Other long-term liabilities	22,597	18,030
Long-term liabilities	79,740	33,846
Short-term interest bearing borrowings	28,380	17,788
Trade payables and payments received	15,998	8,279
Tax and other short-term provisions	14,919	2,927
Other short-term liabilities	11,794	7,804
Short-term liabilities	71,091	36,798
Total shareholders' equity and liabilities	196,265	101,821

Consolidated statement of shareholders' equity

Consolidated financial statements according to the International Financial Reporting Standards (IFRS)

TEUR	Issued capital	Share premium	Retained earnings	Translation reserves	Secondary loan funds	Minorities	Total
Status as of January 1, 2007	10,500	40,878	-25,042	145	4,696	0	31,177
Consolidated result	-	-	1,647	-	-	-	1,647
Capital increase through contribution in kind	3,494	-	-	-	-	-	3,494
Agio	-	9,083	-	-	-	-	9,083
Currency translation adjustments	-	-	-	33	-	-	33
Status as of June 30, 2007	13,994	49,961	-23,395	178	4,696	0	45,434
2006							
TEUR							
Status as of January 1, 2006	8,500	35,715	-25,153	-7	4,696	-59	23,692
Consolidated result	-	-	-740	-	-	-	-740
Capital increase	2,000	-	-	-	-	-	2,000
Agio	-	6,000	-	-	-	-	6,000
Costs of capital increase	-	-837	-	-	-	-	-837
Currency translation adjustments	-	-	-	9	-	-	9
Acquisition / disposal minority interests	-	-	-	-	-	-24	-24
Status as of June 30, 2006	10,500	40,878	-25,893	2	4,696	-83	30,100



Notes to the interim report

Half year report 2007

Selected explanatory notes

The present condensed interim report for the first half year 2007 of the HTI High Tech Industries AG was compiled in compliance with the principles of the International Financial Reporting Standards (IFRS) applicable in the European Union. According to IAS 34, the interim statements do not contain all information and notes mandatory required in the annual financial statements and thus should be read in combination with the consolidated financial statements of the HTP High Tech Plastics AG as of December 31, 2006.

Accounting and valuation methods

The accounting and valuation methods in effect on December 31, 2006 remained unchanged.

Acquisitions and capital increase, own shares

The acquisition of the companies was partly realised through contribution in kind against new shares from the authorised capital and partly against cash payment. 100% of the shares in the Gruber & Kaja Druckguss- und Metallwarenfabrik GmbH were purchased against cash payment. The 74% share in the BBG Baugeräte GmbH was acquired in two tranches. 1,493,556 new HTP shares at an issue price of EUR 3.60 were granted for 47.5% of the BBG Baugeräte GmbH. The remaining 26.5% were bought against cash payment. The shares in the ProRegio Mittelstandsfinanzierungs AG were entirely acquired against granting of 2 million new shares. The

817,764 HTP AG shares held by the ProRegio become own shares of the HTI AG Group, held by a subsidiary.

Changes in the scope of consolidation

The companies Gruber & Kaja Druckguss- und Metallwarenfabrik GmbH and BBG Baugeräte GmbH were fully consolidated as of the reference date February 1, 2007. Until June 30, 2007, the ProRegio Mittelstandsfinanzierungs AG is recognised at proportionate equity interest and, due to the different reporting date for the annual financial statements, is initially consolidated as of July 1, 2007.

Segments

As a result of the new company structure, segmentation changed. The PIM and IT segments were pooled to the plastics segment. The new segments metal and mechanical engineering emerged from the acquisitions. The segment "other" represents holding expenditures. A detailed segment reporting is included in the status report (see pages 6-8).

Material expenses

TEUR	1 st half year 2007	1 st half year 2006
Material expenses		
(including merchandise)	26,208	14,217
Expenses for services bought	10,879	3,853
	37,087	18,070

Notes to the interim report

Half year report 2007

Personnel expenses

TEUR	1 st half year 2007	1 st half year 2006
Wages	10,893	6,084
Salaries	6,963	3,915
Severance payments and payments to employee provision funds (Vorsorgekassen)	404	541
Social security and salary related levies	4,242	2,020
Other social security related expenditure	110	84
	22,612	12,645

The increased personnel expenses are resulting from the newly acquired companies Gruber & Kaja and BBG Baugeräte GmbH. As of June 30, 2007, 1,124 persons were employed (December 31, 2006: 675).

Inventories

TEUR	June 30, 2007	Dec. 31, 2006
Raw materials and supply	11,397	7,028
Work in progress	11,903	4,245
Finished goods and merchandise	8,731	5,973
Prepayments made	303	31
	32,334	17,277

Long and short term financial liabilities

On June 19, 2007, the HTI High Tech Industries AG issued a fixed-rate bond with a nominal of EUR 20 million. The bond is guaranteed by the HTI AG. The term is five years; the interest rate is 6.875%.

Events after the balance sheet date

There were no subsequent disclosable events between the balance sheet date June 30, 2007 and the release for publication on August 8, 2007

Mandatory disclosure to waiver of auditor's review

The present half year financial report of the HTI Group was neither audited nor subject to an auditor's review.

Declaration of the Management Board according to § 87 stock exchange act (Börsegesetz)

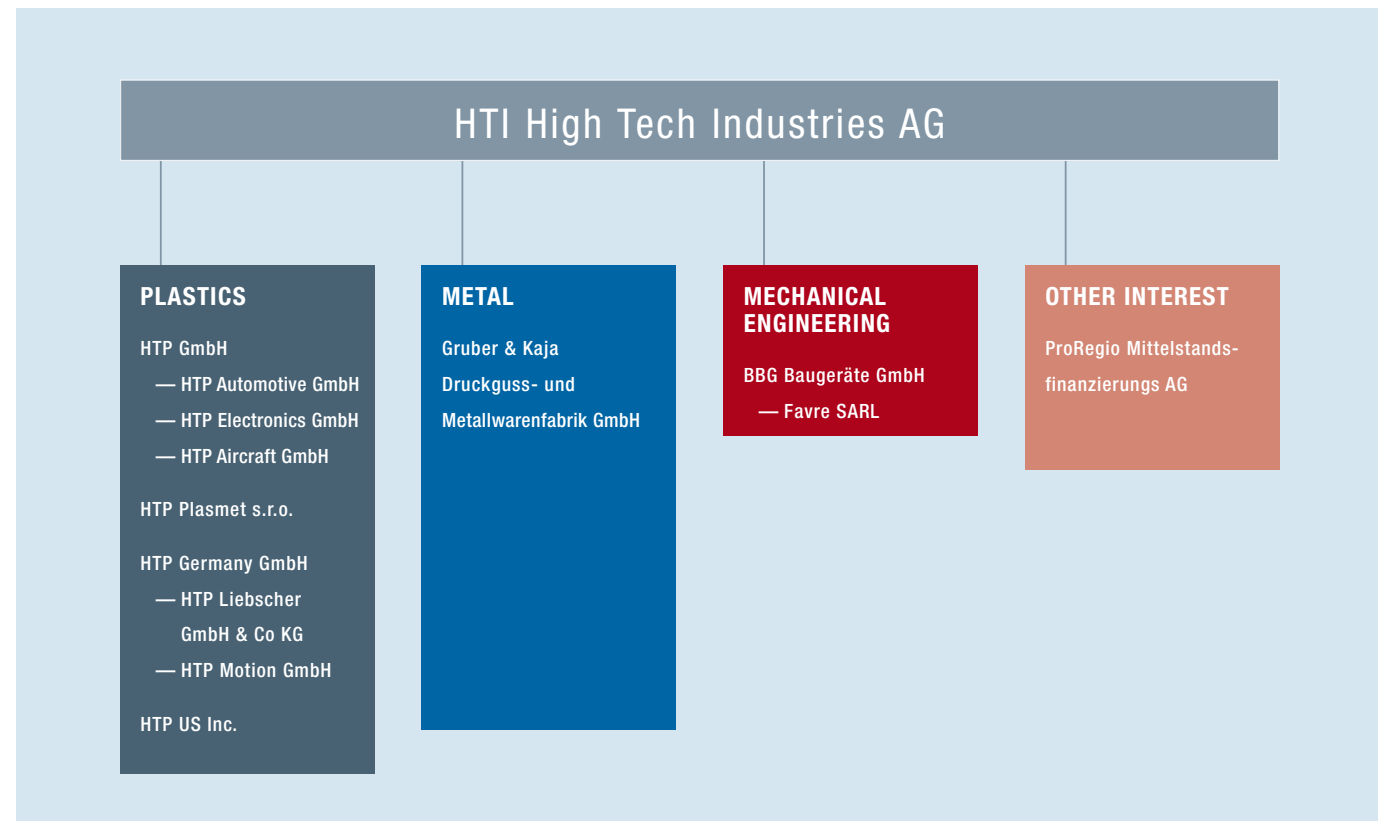
The Management Board declares that the half year financial statements of the HTI Group compiled according to the International Financial Reporting Standards (IFRS) are a fair representation of the financial and earnings situation of all companies included in the consolidation.

Likewise, the half year status report represents a fair picture of the financial and earnings situation of the HTI Group and provides information on the business performance and the consequences of existing or future risks on the business activities of the HTI Group.

Neudörfel, August 8, 2007 / The Management Board

HTI segment organisation

Half year report 2007





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