

FIRST HALF-YEAR REPORT 2009/10.

bede

KEY MESSAGES.

- Economic environment negatively impacts on sales and earnings
- Drop in sales by 24.1 % to EUR 95.8 million
- EBIT decreased to EUR -6.4 million in the second quarter
- Cost cutting measures show first effects
- Balance sheet structure with equity ratio of 34.2 % still solid

ECONOMIC ENVIRONMENT.

The second quarter of 2009 was characterised by the improvement of the economic outlook for the global economy as well as by the stabilisation of the economy at a low level. After the drastic drop of the second half-year of 2008, the international economic climate calmed down in the second quarter of 2009. In fact, the world trade and the economic performance in the industrial countries were still declining, however after the sharp decrease of the second half-year of 2008, the downturn was relatively slight.

Likewise, in the USA, the economic downturn slowed down in the second quarter of 2009. Compared to the previous quarter, the GDP dropped by 0.3 % in the second quarter of 2009 (first quarter -1.6 %). The, for the American economy important, private consumption – however stabilised on a very low level. In the euro zone, the development was primarily subdued by Germany, Spain and Italy: compared with the prior quarter, in the euro zone the GDP decreased by 0.1 % in the second quarter of 2009 (first quarter -2.5 %).

In line with the international economic situation, in the second quarter of 2009, the Austrian GDP declined only by 0.4 % (seasonally adjusted) compared to the previous quarter. In the first quarter of 2009, the decrease still amounted to 2.7 %.

In comparison with the previous period, likewise **Austria's economy** shrank actually only slightly by 0.4 % in the second quarter of 2009 after -2.7 % in the first quarter of 2009. The WIFO-economic test from July reports a stabilisation of incoming orders for Austria, along with an improvement in production expectations. The situation on the Austrian job market, which traditionally reacts delayed to fluctuations in economic activities, deteriorated further in the second quarter of 2009. According to the Austrian definition, the seasonally adjusted unemployment rate was 7.4 % in July and thus exceeded the previous year's value by 1.6 percentage points.

In the second quarter, the **German economy** had to struggle with a record drop in export figures (-35.5 % at the end of May compared to 2008). At the end of the second quarter, inflation reached a new low (Germany: 0.2 %; France -0.5 %). Overall, Germany, which was particularly hit by the economic slump, even reported an increase in GDP by 0.3 % (first quarter of 2009 -3.5 %). The surveys show mainly a further stabilisation of the international industrial economy in the third quarter of 2009. Particularly the production expectations of the companies and the evaluation of the stock levels steadily improved during the last months.

Compared to the prior year, in the **United Kingdom (UK)** the economy shrank by more than 5 % in the second quarter of 2009. In comparison with the first quarter of 2009, the GDP dropped by 0.8 %, more than twice as strong as predicted by economists. However, experts of the Deutsche Bank expect that the British economy has overcome the worst with the second quarter figures – even if it has to be feared that the recovery will be slow.

In **Russia**, in the second quarter of 2009, the economic performance remained by 10.9 % below the previous year's level (first quarter of 2009: -9.8 % compared to prior year). Thus, for the first time since more than a decade it undergoes a recession.

The strong export orientation as well as the dependence on international capital streams brought numerous **CEE-countries** into difficulties. With -5 % for 2009, the economic development of the CEE-region will be significantly weaker than still expected a few months ago.

Overall, the experts of the WIFO expect a further stabilisation of the international economy in the third quarter of 2009. That can be derived from the slowed decline in growth in the second quarter of 2009 and from the company surveys. Yet, it is expected that the global economy will be subject to higher volatilities for a while longer.

Sources: OeNB, WIFO, IWF, Deutsche Bank

BUSINESS PERFORMANCE IN THE FIRST HALF-YEAR OF 2009/10.

In the second quarter of 2009/10, sales and earnings of the Bene Group – after record sales and excellent earnings in the second quarter of 2008/09 – were still considerably impacted by the difficult economic environment in most of the sales markets. Against this background, compared to the reference period of the previous year, in the first six months, sales of the Bene Group decreased by 24.1 % in total to EUR 95.8 million. In the same period, the Company reported an EBIT of EUR -6.4 million.

SALES DEVELOPMENT.

In the second quarter of 2009/10, the sales development of the Bene Group reflected the weak economic environment, particularly in Europe. Year-to-date sales dropped by 24.1 % to EUR 95.8 million in the first half-year of 2009/10 (first half-year of 2008/09: EUR 126.2 million). Most segments had to report declines in sales in the first six months. Only the Russia segment could improve sales compared to the first half-year of 2008/09 due to the realisation of several major projects.

In **Austria**, in the first six months of the business year 2009/10 sales dropped by 28.3 % to EUR 26.8 million. Thus, sales were by EUR 10.6 million lower than the previous year's reference value (first half-year of 2008/09: EUR 37.4 million). Despite the difficult market environment, Bene has successfully realised notable projects such as for Voest Alpine Stahl, Rechnungshof or Wiener Städtische Versicherung.

Compared to the previous period, in the first half-year of 2009/10, in **Germany** sales fell by 19.3 % to EUR 27.0 million (first half-year of 2008/09: EUR 33.4 million), whereas the individual sales regions showed clearly different development trends. Both the north region (projects for VHV Versicherungen in the Hanover area and Unilever in Hamburg) and also the south region (projects for Burda and Voith Paper in the Stuttgart area) kept sales stable.

As already in the first quarter of the current business year 2009/10, in the **UK** segment Bene had to report losses due to the continuing weak investment climate: Accumulated, in the first half-year of 2009/10, sales dropped by 32.0 % to EUR 8.3 million (first half-year of 2008/09: EUR 12.3 million). Despite the tense environment, Bene succeeded in realising projects with Shell International and Lombard Technology Services.

Since the beginning of the year 2009, the slowed demand and the bad investment climate continued in **Russia**. However, in spite of the negative market development, Bene could implement large orders for Mospromstroj and Aeroflot and thus increased sales by 18.3 % to EUR 17.2 million in the first half-year of 2009/10 (first half-year of 2008/09: EUR 14.6 million).

The individual sales regions of the „other markets“ segment developed heterogeneously in the second quarter. The ongoing difficult economic environment in the CEE-region and in the markets France and Ireland led to a decline in sales. The „Middle East“ region could counteract this development through acquired and realised major projects. However, compared to the historical first six months of the previous year, sales of the „other markets“ segment fell by 42.6 % to EUR 16.4 million (first half-year of 2008/09: EUR 28.6 million).

For the subsequent quarters, the Bene Management expects a continuation of the tense environment.

EARNINGS DEVELOPMENT.

The continuing weak economic environment as well as the increased price competition for large-scale projects and on the individual sales markets led to a significant decrease in the Bene Group's earnings figures of the first half-year of 2009/10 compared to the reference value of the previous period. The personnel and non-personnel cost-cutting measures already implemented in the first quarter of 2009/10 partly absorbed this decrease in earnings, however could not compensate it.

The still good gross profit margin of the first quarter of 2009/10 could not be achieved in the second quarter of 2009/10. However, compared to the second quarter of the prior year, the year-to-date gross profit margin dropped only slightly and amounted to 53.6 % in the first half-year of 2009/10 (first half-year of 2008/09: 53.9 %). The Bene Group defines the gross profit as difference between revenue, inventory changes, capitalised services and expenses for materials and supplies. Expenses for materials and supplies decreased by EUR 14.0 million to EUR 46.5 million (first half-year of 2008/09: EUR 60.5 million). Bene achieved this reduction also by extensive measures related to purchasing and procurement.

The measures for the personnel adjustment implemented at the end of the first quarter resulted in a reduction of personnel expenditure by 7.3 % to EUR 35.6 million in the first half-year of 2009/10. In addition to attrition through natural fluctuation and non-replacement of individual jobs, until the end of June 2009, the headcount of the Bene Group was reduced by 125 persons in the context of a social plan. Additionally, another 60 workers were filed for lay-off, who however got a guarantee for re-employment after two months at the latest. The overall savings of these measures and of the work time model started in August for salaried employees in Austria and the majority of the sales organisation in Germany will have their full effect only in the course of the third and fourth quarter of 2009/10.

The Bene Group has already implemented an extensive cost-cutting program in the first quarter of 2009/10. In the first half-year of 2009/10, other expenses dropped by 7.2 % from EUR 21.8 million in the first half-year of 2008/09 to EUR 20.2 million.

Compared to the reference period of the previous year, the EBITDA decreased by EUR 11.9 million to EUR -2.3 million in the first six months. In the first half-year of 2009/10, amortisations amounted to EUR 4.1 million (first half-year of 2008/09: EUR 3.5 million). In the same period, the EBIT fell by EUR 12.6 million in total to EUR -6.4 million (first half-year of 2008/09: EUR 6.2 million).

In the **Austria** segment, the decline in sales in combination with more price sensitive projects resulted in a drop in EBIT. Compared to the first half-year of 2008/09, the EBIT decreased by EUR 2.8 million to EUR -1.8 million. The Bene Group already reacted to these developments in the first quarter and implemented extensive personnel and non-personnel cost-cutting measures.

Also in the **Germany** segment, the EBIT decreased in the first half-year of 2009/10 and reached a value of EUR -1.9 million (first half-year of 2008/09: EUR 0.8 million). As a reaction to this development, since the beginning of the second quarter of 2009/10, the Bene Group implemented short-time work at all sites in Germany.

In the **UK** segment, the cost and efficiency optimisation measures already initiated in the last business year 2008/09 showed their effects. Thus, the negative impacts of the sales decrease by 32.0 % could be absorbed

to a certain extent. However, compared to the first half-year of 2008/09, the EBIT dropped by EUR 1.6 million to EUR -0.6 million (first half-year of 2008/09: EUR 1.0 million).

As a result of the ongoing pressure on prices for large-scale projects, the **Russia** segment could not reflect the sales increase of 18.3 % in the EBIT. In comparison with the first half-year of the previous year, in the first six months of the business year 2009/10 the EBIT dropped by EUR 1.7 million to EUR -0.3 million (first half-year of 2008/09: EUR 1.4 million).

In the „**other markets**“ segment, the negative earnings effect in the EBIT, caused by the decline in sales by 42.6 % could not be compensated by cost savings. In comparison to the historical record half-year of the previous period 2008/09, the EBIT fell by EUR 3.7 million to EUR -1.7 million (first half-year of 2008/09: EUR 2.0 million).

In the second quarter of 2009/10, the corporate bond issued in April 2009 led to increased interest charges. Additionally, impairment losses of financial instruments available for sale negatively influenced the financial result. During the first six months of the current business year, the year-to-date financial result deteriorated by EUR 1.0 million to EUR -1.3 million (first half-year of 2008/09: EUR -0.3 million).

Hence, in the first half-year of 2009/10 the EBT was reduced by EUR 13.6 million to EUR -7.7 million (first half-year of 2008/09: EUR 5.9 million).

ASSETS AND CAPITAL STRUCTURE.

Compared to the balance sheet date January 31, 2009, the total of assets and liabilities as of July 31, 2009 increased by EUR 27.9 million to EUR 173.5 million (January 31, 2009: EUR 145.6 million). At the end of the second quarter, the equity ratio was 34.2 % (January 31, 2009: 46.8 %).

As of July 31, 2009, non-current assets slightly increased to EUR 68.7 million mainly due to additions to property, plant and equipment. The financing structure of the Bene Group was and will increasingly be striving for longer-term debt and the creation of strategic liquidity reserves. The issue of a corporate bond in the amount of EUR 40.0

million as well as the borrowing of a long-term investment credit subsidised by the ERP-fund (European Recovery Programme) led to a massive increase in long-term financial liabilities to EUR 51.0 million (January 31, 2009: EUR 3.7 million).

As a result of an active accounts receivable management and the sales related decrease in inventories and in trade receivables, as of the reference date July 31, 2009 the working capital dropped by EUR 1.7 million to EUR 33.3 million (January 31, 2009: EUR 35.0 million). The cash inflow from the bond is particularly evident in the change of the balance sheet position „cash and cash equivalents“ by EUR 37.5 to EUR 49.3 million (January 31, 2009: EUR 11.8 million).

The current financial liabilities slightly increased by the use of working credit lines.

INVESTMENTS.

In the first half-year of 2009/10, additions to property, plant and equipment and to intangible assets amounted to EUR 6.9 million (first half-year of 2008/09: EUR 9.5 million). The finalisation and the start-up of the research and innovation centre at the side in Waidhofen an der Ybbs as well as the modernisation and the expansion of the distribution sites in Munich, Belgium and Ljubljana represented the most important positions.

CASH FLOW & FINANCES.

The negative operating result in the amount of EUR -7.7 million could not be compensated by the current amortisations and the change in working capital. This results in a negative operating cash flow of EUR -3.6 million in the first six months of the business year 2009/10 (first half-year of 2008/09: EUR 7.6 million).

The cash flow from investing activities predominantly determined by expenditures for property, plant and equipment and intangible assets (CAPEX) amounted to EUR -6.6 million in the first half-year of 2009/10 (first half-year of 2008/09: EUR -9.1 million). In the first half-year of 2009/10, expenditures for property, plant and equip-

ment and intangible assets added up to EUR -6.7 million (first half-year of 2008/09: EUR -8.7 million). The substantial changes in the cash flow from financing activities were resulting from the issue of the corporate bond in the amount of EUR 40.0 million and the borrowing of a long-term investment credit subsidised by the ERP-fund. In total, the cash flow from financing activities came to EUR 47.8 million in the first six months of the business year 2009/10 (first half-year of 2008/09: EUR -1.6 million).

In the first half-year of 2009/10, total changes in cash (incl. cash flow from investing and financing activities) amounted to EUR 37.6 million (first half-year of 2008/09: EUR -3.2 million).

As of July 31, 2009, net debt of the Bene Group added up to EUR 18.9 million (January 31, 2009: EUR 8.1 million). At the same reference date, net gearing was 31.9 % (January 31, 2009: 11.9 %).

EMPLOYEES.

On the reporting date July 31, 2009, the Bene Group employed 1,401 persons – and thus 78 persons or 5.3 % less than on July 31, 2008. As already earlier mentioned, as a result of the personnel measures implemented, the headcount of almost all segments was adjusted to the changed economic environment. Compared to the second quarter of 2008/09, until the end of the second quarter of 2009/10 the headcount of the different segments decreased as follows: Austria -7.5 %, Germany -12.0 %, UK -17.6 %, other markets -10.8 %. However, in the Russia segment, the ongoing insourcing of logistics and assembly personnel led to an increase in the number of employees (+46 employees).

BUSINESS TRANSACTIONS WITH RELATED PARTIES.

Regarding the transactions with related parties during the first six months of the business year 2009/10, we refer to the notes to the condensed consolidated interim financial statements of the Bene AG according to IFRSs.

RISKS IN THE REMAINING MONTHS OF THE BUSINESS YEAR AND RISK MANAGEMENT.

In the context of its business activities as internationally operating company, the Bene Group is exposed to a variety of risks. These risks basically result from the economic development of the target markets. A weak economy with a low investment activity of the companies has a major influence on the Bene Group's sales situation.

As a result of the longstanding international experience in the core business as well as the Bene Group's significant market position, risks can be detected at an early stage and can be evaluated appropriately. Due to the geographic diversification, specific market or product risks can never threaten the entire Group, but only local partial organisations. Thus, the Bene business model contributes to a natural balancing of risks.

The group-wide controlling, accounting and treasury systems of Bene ensure the control and the management of finance risks. Permanent controlling and regular reporting guarantee the identification of major risks at a very early stage and – if necessary – the introduction of counter measures.

For a major part of the business transactions, the payment risk is minimised by an active and permanent credit monitoring of the Bene customers.

The group-wide finance and liquidity planning of the Bene Group ensures that sufficient liquidity is available or that a necessary financing is guaranteed by an adequate credit line to fulfil the Group's financial obligations.

OUTLOOK.

Worldwide, the markets are still at a low level. Compared to the last downturns, presently virtually all regions are more or less affected. According to the current economic forecasts, no improvement of the environment is expected for the current business year 2009/10. Due to the general uncertainty of the markets, the Management of the Bene Group keeps focusing on appropriate scenario models to quickly and extensively react to any further development. From today's point of view, no reliable outlook for the overall year 2009/10 may be provided.

Based on its broad geographic spread, the strategically right positioning in the growth markets and the market proximity through the strong direct sales net, particularly in times of uncertainty, the Bene Group has clear competitive advantages. With the proceeds from the emission of the corporate bond, the financial structure was sustainably strengthened. The Bene Group benefits thereof to consolidate its market position or to further expand it through acquisitions.

Note

Among others, this report contains statements on potential future developments, which were made on the basis of currently available information. Such statements, which reflect the current assessment of future developments by our Management, cannot be construed as guarantees for future performance and bear unforeseeable risks and uncertainties. There may be a variety of reasons for actual results and conditions to diverge from the assumption, on which the statements were based.

Key figures Q1-Q2 2009/10

in TEUR and %	Q1-Q2 2009/10	Q1-Q2 2008/09	Changes in %	Changes absolut	Q2 2009/10	Q2 2008/09	Changes in %	Changes absolut
Revenue	95,778	126,242	-24.1 %	-30,464	48,141	66,521	-27.6 %	-18,380
EBITDA	-2,295	9,652	-123.8 %	-11,947	-3,459	4,669	-174.1 %	-8,129
EBITDA margin	-2.4 %	7.6 %	-	-	-7.2 %	7.0 %	-	-
EBIT	-6,404	6,172	-203.7 %	-12,576	-5,568	2,854	-295.1 %	-8,421
EBIT margin	-6.7 %	4.9 %	-	-	-11.6 %	4.3 %	-	-
Employees (as of the reporting date)	1,401	1,479	-5.3 %	-78	1,401	1,479	-5.3 %	-78
CAPEX	6,942	9,691	-28.4 %	-2,749	3,225	5,538	-41.8 %	-2,313
Cash flow from operating activities	-3,606	7,593	-147.5 %	-11,198	-4,708	10,103	-146.6 %	-14,811

Interim financial report of the Bene AG as of July 31, 2009
(Comparison period as of July 31, 2008).

CONSOLIDATED BALANCE SHEET.

As of July 31, 2009 (unaudited) and January 31, 2009 (audited).

in TEUR	2009/10 as of July 31, 2009	2008/09 as of Jan. 31, 2009
Assets		
Intangible Assets	14,230	13,140
Property, plant and equipment	47,037	45,283
Investments in affiliated companies	371	391
Non-current financial assets	334	319
Deferred tax assets	6,754	6,736
Non-current assets	68,725	65,868
Inventories	17,371	19,116
Trade receivables	28,560	39,228
Other receivables and assets	5,868	5,919
Current financial assets	3,709	3,711
Cash and cash equivalents	49,258	11,763
Current assets	104,766	79,736
TOTAL ASSETS	173,491	145,604
Equity and liabilities		
Capital stock	24,347	24,347
Capital reserves	26,935	26,935
IAS 39 reserve	193	0
Currency translation reserves	-2,478	-2,166
Accumulated profit/loss	10,216	18,742
Stockholders equity	59,213	67,858
Minority interests	191	216
Equity	59,403	68,073
Liabilities to employees	11,855	11,546
Long-term financial liabilities	51,046	3,658
Long-term tax provisions	316	316
Long-term government grants and subsidies	480	546
Deferred tax liabilities	122	118
Non-current liabilities	63,818	16,185
Trade payables (incl. prepayments received)	12,674	23,309
Current financial liabilities	20,859	19,923
Current provisions	225	235
Current tax provisions	902	688
Other liabilities	15,477	17,058
Current government grants and subsidies	134	134
Current liabilities	50,271	61,346
TOTAL EQUITY AND LIABILITIES	173,491	145,604

CONSOLIDATED INCOME STATEMENT.

For the first half-year of 2009/10 (unaudited) and
the first half-year of 2008/09 (unaudited).

in TEUR	Q1-Q2 2009/10	Q1-Q2 2008/09	Changes in %	Q2 2009/10	Q2 2008/09	Changes in %
Revenue	95,778	126,242	-24.1 %	48,141	66,521	-27.6 %
Inventory changes finished / semi-finished goods	820	583	40.6 %	718	-209	-443.0 %
Other capitalised services	1,317	1,725	-23.6 %	567	932	-39.1 %
Other income	2,163	1,786	21.1 %	928	851	9.0 %
Materials and supplies	-46,545	-60,499	-23.1 %	-25,415	-32,891	-22.7 %
Personnel expenses	-35,618	-38,408	-7.3 %	-17,712	-19,074	-7.1 %
Other expenses	-20,211	-21,778	-7.2 %	-10,686	-11,459	-6.7 %
Earnings before interest and taxes, depreciation and amortisation (EBITDA) and result from affiliated companies	-2,295	9,652	-123.8 %	-3,459	4,669	-174.1 %
Depreciation and amortisation	-4,109	-3,479	18.1 %	-2,108	-1,816	16.1 %
Earnings before interest and taxes (EBIT) and result from affiliated companies	-6,404	6,172	-203.7 %	-5,568	2,854	-295.1 %
Interest expense	-1,184	-476	148.7 %	-874	-261	234.6 %
Income from interest	139	143	-3.0 %	120	79	51.4 %
Other financial expenses	-259	0	-	0	0	-
Financial result	-1,304	-333	291.4 %	-755	-182	314.1 %
Result from affiliated companies	-20	16	-229.5 %	-34	10	-438.5 %
Earnings before taxes (EBT)	-7,728	5,855	-232.0 %	-6,356	2,682	-337.0 %
Taxes on income	-737	-1,456	-49.4 %	-221	-680	-67.5 %
Net income	-8,465	4,399	-292.4 %	-6,577	2,001	-428.6 %
Thereof:						
Shareholders of parent company	-8,518	4,375	-294.7 %	-6,568	2,003	-428.0 %
Minority interests	53	24	124.4 %	-9	-2	498.2 %
	-8,465	4,399	-292.4 %	-6,577	2,001	-428.6 %
Earnings per share (diluted = basic) in € 000:	-0.35	0.18	-294.7 %	-0.27	0.08	-428.0 %

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME.

For the first half-year of 2009/10 (unaudited) and the first half-year of 2008/09 (unaudited).

in TEUR	Q1-Q2 2009/10	Q1-Q2 2008/09	Q2 2009/10	Q2 2008/09
Valuation profit / loss of available for sale financial instruments taken to equity	257	-43	257	35
Taxes on income taken to equity	-64	11	-64	-8
Adjustment from foreign currency translation	-312	-88	164	81
Other comprehensive income	-120	-121	356	107
Net income	-8,465	4,399	-6,577	2,001
Total comprehensive income for the period	-8,584	4,277	-6,220	2,107
thereof shareholders of parent company	-8,645	4,262	-6,219	2,118
thereof minority interests	61	15	-1	-11
	-8,584	4,277	-6,220	2,107

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY.

For the first half-year of 2009/10 (unaudited) and the first half-year of 2008/09 (unaudited).

in TEUR	Capital stock	Capital reserves	IAS 39 reserve	Currency translation reserves	Consolidated net income/loss	Shareholders' equity	Minority interests	Equity
as of Feb. 01, 2008	24,347	26,886	-275	-1,031	19,048	68,976	213	69,188
Payment of dividends					-5,356	-5,356	0	-5,356
Share based payments		32				32	0	32
Total comprehensive income for the period			-33	-73	4,368	4,262	15	4,277
Acquisition of minority interests						0	-56	-56
as of July 31, 2008	24,347	26,919	-308	-1,104	18,059	67,913	172	68,084
as of Feb. 01, 2009	24,347	26,935	0	-2,166	18,742	67,858	216	68,073
Total comprehensive income for the period			193	-312	-8,526	-8,645	61	-8,584
Acquisition of minority interests						0	-86	-86
as of July 31, 2009	24,347	26,935	193	-2,478	10,216	59,213	191	59,403

CONSOLIDATED CASH FLOW STATEMENT.

For the first half-year of 2009/10 (unaudited) and the first half-year of 2008/09 (unaudited).

in TEUR	Q1-Q2 2009/10	Q1-Q2 2008/09
Earnings before taxes (EBT)	-7,728	5,855
Depreciation and amortisation	4,109	3,479
Impairment of available for sale financial instruments	259	0
Net interest income and income from securities	1,045	333
Profit/loss from disposal of property, plant & equipment and intangible assets	-66	-36
Result from affiliated companies	20	-16
Share based payments	0	32
Other non-cash expenses/income	-366	-94
Changes in inventory	1,745	-2,396
Changes in receivables and other assets	10,095	-333
Changes in trade payables	-10,635	2,549
Changes in other liabilities	-1,782	-1,462
Changes in long-term provisions (incl. employees)	309	852
Changes in current provisions	-10	67
Cash flow from continuing operations	-3,004	8,830
Taxes paid on income	-479	-1,237
Withholding taxes paid	-122	0
Cash flow from operating activities	-3,606	7,593
Proceeds from disposal of property, plant & equipment and intangible assets	193	200
Expenditures for property, plant & equipment and intangible assets	-6,675	-8,724
Expenditures for financial assets	-16	-226
Expenditures for the acquisition of minority interests	-199	-541
Interests received	139	143
Cash flow from investing activities	-6,558	-9,147
Raising of interest-bearing financial liabilities	56,499	4,999
Repayments of interest-bearing financial liabilities	-8,175	-848
Interests paid	-561	-435
Payment of dividends to shareholders of parent company	0	-5,356
Cash flow from financing activities	47,763	-1,640
Changes in cash and cash equivalents	37,599	-3,193
Cash and cash equivalents at beginning of period	11,763	16,139
Adjustment from foreign currency translation	-103	-63
Cash and cash equivalents at end of period	49,258	12,884

SEGMENT REPORTING.

For the first half-year of 2009/10 (unaudited) and the first half-year of 2008/09 (unaudited).

FIRST HALF-YEAR OF 2009/10.

	Austria	Germany	UK	Russia	Other markets	Adjustment for intra-group transactions	Total
in TEUR							
Revenue	52,189	26,971	8,343	17,226	16,417	0	95,778
from third parties	26,820	26,971	8,343	17,226	16,417	0	95,778
from other segments	25,369	0	0	0	0	-25,369	0
EBIT per segment	-1,840	-1,942	-637	-283	-1,702	0	-6,404

FIRST HALF-YEAR OF 2008/09.

	Austria	Germany	UK	Russia	Other markets	Adjustment for intra-group transactions	Total
in TEUR							
Revenue	74,270	33,441	12,263	14,561	28,581	0	126,242
from third parties	37,396	33,441	12,263	14,561	28,581	0	126,242
from other segments	36,874	0	0	0	0	-36,874	0
EBIT per segment	1,002	816	1,035	1,358	1,961	0	6,172

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ACCORDING TO IFRSs.

1.1 COMPANY INFORMATION.

The Bene AG is a company according to Austrian law, with its headquarters in Schwarzwiesenstraße 3, 3340 Waidhofen/Ybbs. The Company is registered in the commercial register of St. Pölten under FN 89102h.

The Bene Group develops, produces and sells office furniture and integrated office concepts, primarily for the European market. In its Austrian home market, the Company is market leader and on the European market it is one of the leading suppliers.

The present interim report of the Bene AG and its subsidiaries for the first half-year of 2009/10 (as of July 31, 2009) has been compiled under the responsibility of the Management Board with the date of signing and was released for publication on September 18, 2009.

1.2 PRINCIPLES OF ACCOUNTING, FINANCIAL REPORTING AND VALUATION METHODS.

1.2.1 Principles of accounting

The interim report as of July 31, 2009 was compiled in compliance with the principles of the International Financial Reporting Standards (IFRSs), regulations for interim reports (IAS 34) applicable in the European Union. It was neither subject to a full audit nor to an auditor's review.

The interim report does not contain all information and notes of the balance sheet date and thus should be read in combination with the consolidated financial statements of the Bene AG as of January 31, 2009.

1.2.2 Principles of consolidation

As of April 1, 2009, the Bene Deutschland GmbH has sold the Bene GmbH based in Munich, the Bene GmbH based in Hamburg, the Bene GmbH based in Bonn and the Bene GmbH based in Villingen-Schwenningen to the Bene AG. For the interim financial statements of the Bene Group as of July 31, 2009 no effects with regard to the profit, financial and earnings situation are resulting from this transaction.

Against the background of a consistent market appearance, as of April 1, 2009, the Office Technology BVBA, Brussels changed its name. The Belgian company now operates under the name of Bene Belgium BVBA, Brussels.

Compared to the balance sheet date January 31, 2009, in the first six months of the business year 2009/10, the number of companies included in the consolidated interim financial statements of the Bene AG remained unchanged. As of July 31, 2009 the number is 22 (January 31, 2009: 22).

Due to the acquisition of additional shares from other shareholders, in the second quarter of 2009/10, the participating interest of the Bene AG in the Bene London plc increased from 84.74 % (January 31, 2009) to 89.47 % (July 31, 2009) (see 1.4 Acquisitions and change of minority interests).

There were no further changes (e. g. changes in the method of consolidation of individual companies).

1.2.3 Judgemental decisions and uncertainties from estimates

With regard to judgemental decisions and uncertainties from estimates we refer to the consolidated financial statements of the Bene AG as of January 31, 2009.

1.2.4 Accounting and valuation principles

Except the following listed amendments, the accounting and valuation principles valid as of January 31, 2009 were applied unchanged. The following IFRSs and IFRICs mandatory applicable for the first time in business years starting on or after January 1, 2009 however led to effects on the consolidated interim financial statements of the Bene AG as of July 31, 2009:

- **IAS 1 – Presentation of financial statements (revised):**

The revised standard requires separate presentation of changes in equity, resulting from transactions with shareholders in their capacity as equity investors and other changes in equity. The adoption of the revised IAS 1 led only to changes in the presentation. The Bene Group will continue to report the statement of comprehensive income in two presentations.

- **IAS 23 – Borrowing costs (revised):**

The revised IAS 23 requires the capitalisation of borrowing costs, which can directly be attributed to the acquisition, the construction or the production of qualified assets. So far, the Bene Group recognises borrowing costs in the income statement in the period, in which they have arisen. According to the transitional provisions of the revised IAS 23, the Bene Group will adopt the standard prospectively. Thus, borrowing costs, which are related to qualified assets, of which the initial capitalisation was on or after February 1, 2009 are capitalised. In the first half-year of 2009/10, there was no such capitalisation of borrowing costs.

The changes of IFRS 2 – Share based payments (revised), of IFRS 8 – Operating segments, of IAS 32 – Financial instruments: Presentation and IAS 1 presentation of financial statements – Puttable instruments and obligations arising on liquidation, of the improvements to IFRS 2008, of IFRIC 12 – Service concession arrangements, of IFRIC 13 – Customer loyalty programmes, IFRIC 14 IAS 19 – Limit on a defined benefit asset, minimum funding requirements and their interaction and IFRIC 16 – Hedges on a net investment in a foreign operation had no essential effects on the financial and earnings situation of the Bene Group in the reporting and comparison period. In addition to this, there were no further changes of accounting and valuation principles.

1.3 SEASONALITY.

Seasonal variations of sales and EBIT may arise from the different progress of large-scale projects. As a result of the intensification of the worldwide recession, in the first half-year of 2009/10, the Bene Group had to record a considerable decrease in sales and earnings. Thus, with the exception of the Russia segment, all other segments reported a drop in sales. The EBIT of all segments remained below the one of the previous year's comparison period.

The Bene Management tries to take account for the general uncertainty in the market by different scenarios. Nevertheless, from today's point of view no reliable outlook for the overall business year 2009/10 may be provided.

1.4 ACQUISITIONS AND CHANGE OF MINORITY INTERESTS.

1.4.1 Business year 2009/10

As of the reference date June 30, 2009, the company has acquired 4.74 % of shares held by other shareholders of the Bene London plc (exercise of the second call option). Thus, the Bene AG's shareholding increased from 84.74 % (January 31, 2009) to 89.47 % (July 31, 2009). Comparing the cash paid purchase price (TEUR 199) with the book value of the additional acquired shares (TEUR 86), goodwill amounts to TEUR 113.

1.4.2 Business year 2008/09

Due to the acquisition of additional shares from other shareholders of the Bene London plc as of June 30, 2008, the shareholding increased from 80.00 % (January 31, 2008) to 84.74 % (July 31, 2008). Comparing the cash paid purchase price (TEUR 541) with the book value of the additional acquired shares (TEUR 56), goodwill amounted to TEUR 485.

1.5 GOODWILL.

As a result of the acquisition of additional minority interests in the Bene London plc, the Bene Group's goodwill increased in the first half-year of 2009/10. Furthermore, exchange gains in the amount of TEUR 70 from the con-

version of the goodwill of the Bene London plc were taken into account. Within the Bene Group, the book value of goodwill reported as of July 31, 2009 amounts to TEUR 4,443 (January 31, 2009: TEUR 4,259).

in TEUR	Bene London plc		Bene GmbH, Villingen-Schwenningen		Bene GmbH, Hamburg		Bene Belgium, BVBA	
	July 31, 2009	Jan. 31, 2009	July 31, 2009	Jan. 31, 2009	July 31, 2009	Jan. 31, 2009	July 31, 2009	Jan. 31, 2009
Book value of goodwill	3,186	3,002	684	684	518	518	55	55

The development of goodwill during the first half-year of 2009/10 is as follows:

in TEUR	
as of Jan. 31, 2009	4,259
Acquisition of minority interests (Bene London plc)	113
Foreign currency effects (Bene London plc)	70
as of July 31, 2009	4,443

With regard to the applied accounting and valuation principles, we refer to the consolidated financial statements of the Bene AG as of January 31, 2009.

1.6 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS.

Additions to and disposals of assets

Until July 31, 2009, the Bene Group acquired property, plant and equipment and intangible assets in the amount of TEUR 6,926 (July 31, 2008: TEUR 9,465). The largest individual investments in property, plant and equipment were related to the research and innovation centre in Waidhofen/Ybbs (TEUR 2,102) and the re-equipment of the show rooms of the subsidiaries in Munich, Belgium and Laibach (TEUR 286).

Additions to intangible assets (capitalisation of development services, modernisation of the IT-environment etc.) amounted to TEUR 2,265 (July 31, 2008: TEUR 3,418).

During the first half-year of 2009/10, the Bene Group disposed of property, plant and equipment and intangible assets with a net book value of TEUR 127 (July 31, 2008: TEUR 163). The realised net profit from sale amounts to TEUR 66 (July 31, 2008: TEUR 37).

1.7 LONG-TERM AND CURRENT FINANCIAL ASSETS.

In the first six months of the business year 2009/10 no current or long-term financial instruments available for sale were bought or sold. Valuation losses of the first quarter 2009/10 (TEUR 259) were reported in the income statement (position 'other financial expenses'). As the available for sale instruments of the Bene group are classified as equity instruments, valuation gains of the second quarter 2009/10 in the amount of TEUR 193 were recognised in the IAS 39 reserve (first half-year of 2008/09: recognition of accumulated losses in the IAS 39 reserve in the amount of TEUR 33 not affecting net income).

1.8 LONG-TERM AND CURRENT FINANCIAL LIABILITIES.

Long-term financial liabilities

With the pricing of April 28, 2009, the Bene AG has successfully closed the issue of a corporate bond in the amount of TEUR 40,000. The term of the, with 6.875 % fixed interest bearing bond (denomination of TEUR 50), which was placed with Austrian institutional investors, is five years. The intended purpose is the medium-term securing of the corporate financing, the consistent pursuit of the corporate strategy and the possible use of acquisition potentials.

In addition to regular repayments (of TEUR 207), export promotion credits increased by TEUR 7,500 (first half-year of 2008/09: regular repayments in the amount of TEUR 848, but no anticipated repayments or changes in terms and other conditions).

Current financial liabilities

As a result of the increase of agreed credit lines and cash advances resp. the repayment of used credit lines in the first six months of the business year 2009/10 current financial liabilities changed by TEUR 936 (the existing terms and conditions remained unchanged) (first half-year of 2008/09: usage of agreed credit lines in the amount of TEUR 5,006).

1.9 DIVIDEND PROPOSED AND DISTRIBUTED.

At the shareholder's meeting on June 3, 2009, the Management Board has decided not to distribute a dividend for the business year 2008/09. The proposed dividend for the business year 2007/08 (TEUR 5,356) was authorised for distribution by the shareholders' meeting on June 04, 2008 and paid out on June 12, 2008.

in TEUR	July 31, 2009	July 31, 2008
<i>Proposed and paid dividend during the first half-year:</i>		
Dividend per ordinary share:		
Dividend for 2008/09: 0 EUR (2007/08: 0.22 EUR)	0	5,356

The calculation of earnings per share is based on the following, weighted average number of common shares:

In thousands	2008/09	2007/08
Weighted average number of common shares	24,347	24,347

1.10 DERIVATIVE FINANCIAL INSTRUMENTS.

As of July 31, 2009, the Bene Group uses three forward exchange dealings to hedge future currency risks arising

in EUR	Market value as of July 31, 2009	Fair value as of July 31, 2009	Term until
GBP 1,500.000 exchange sales	1,725.129	-27,541	30/10/2009
GBP 1,500.000 exchange sales	1,726.122	-26,267	29/01/2010
AED 416,500 exchange sales	85,974	5,507	06/10/2009
Total	3,537.225	-48,301	

As of July 31, 2009, the fair value was recognised in the income statement (position 'other expenses', 'other income').

from existing projects, which will be invoiced in GBP and AED (July 31, 2008: 3 forward exchange dealings in USD and AED).

Derivative financial instruments are included in the balance sheet under 'other receivables and assets' resp. 'other liabilities'.

As of July 31, 2008, the situation was as follows:

in EUR	Market value as of July 31, 2008	Fair value as of July 31, 2008	Term until
USD 500,000 exchange sales	341,297	20,525	29/08/2008
AED 5,800.000 exchange sales	1,037.938	23,329	28/08/2008
AED 360,000 exchange sales	63,683	709	28/08/2008
Total	1,442,918	44,564	

In both reporting periods no derivative financial instruments were used for speculative purposes.

Within the Bene Group, the requirements for the accounting of hedging relationships according to IAS 39 are not met.

1.11 BUSINESS TRANSACTIONS WITH RELATED PARTIES.

in TEUR	Sales proceeds from associated companies and persons	Acquisitions from associated companies and persons	Amounts due from associated companies and persons	Amounts due to associated companies and persons
Affiliated companies	3	76	0	15
Associated persons	23	320	11	10
as of July 31, 2009	26	396	11	25

in TEUR	Sales proceeds from associated companies and persons	Acquisitions from associated companies and persons	Amounts due from associated companies and persons	Amounts due to associated companies and persons
Affiliated companies	2	78	0	4
Associated persons	6	261	5	2
as of July 31, 2008	8	339	5	5

Sales to and purchases from related parties were realised at common market conditions.

Purchases from related parties as of July 31, 2009, are mainly resulting from consultancy services of Mr. Manfred Bene.

1.12 CONTINGENCIES AND OTHER OBLIGATIONS.

1.12.1 Litigation

The provision in the amount of TEUR 100 for the title of contract termination of a former distribution partner for the region Serbia and Montenegro as of January 31, 2009, is still in place in the unchanged amount, since there were no new findings during the first six months of 2009/10.

As of July 31, 2009, there are no further major pending legal proceedings (i.e. lawsuits resulting from ordinary business activities, legal disputes concerning product liability, legal actions due to delivery contracts or other contracts as well as patent issues).

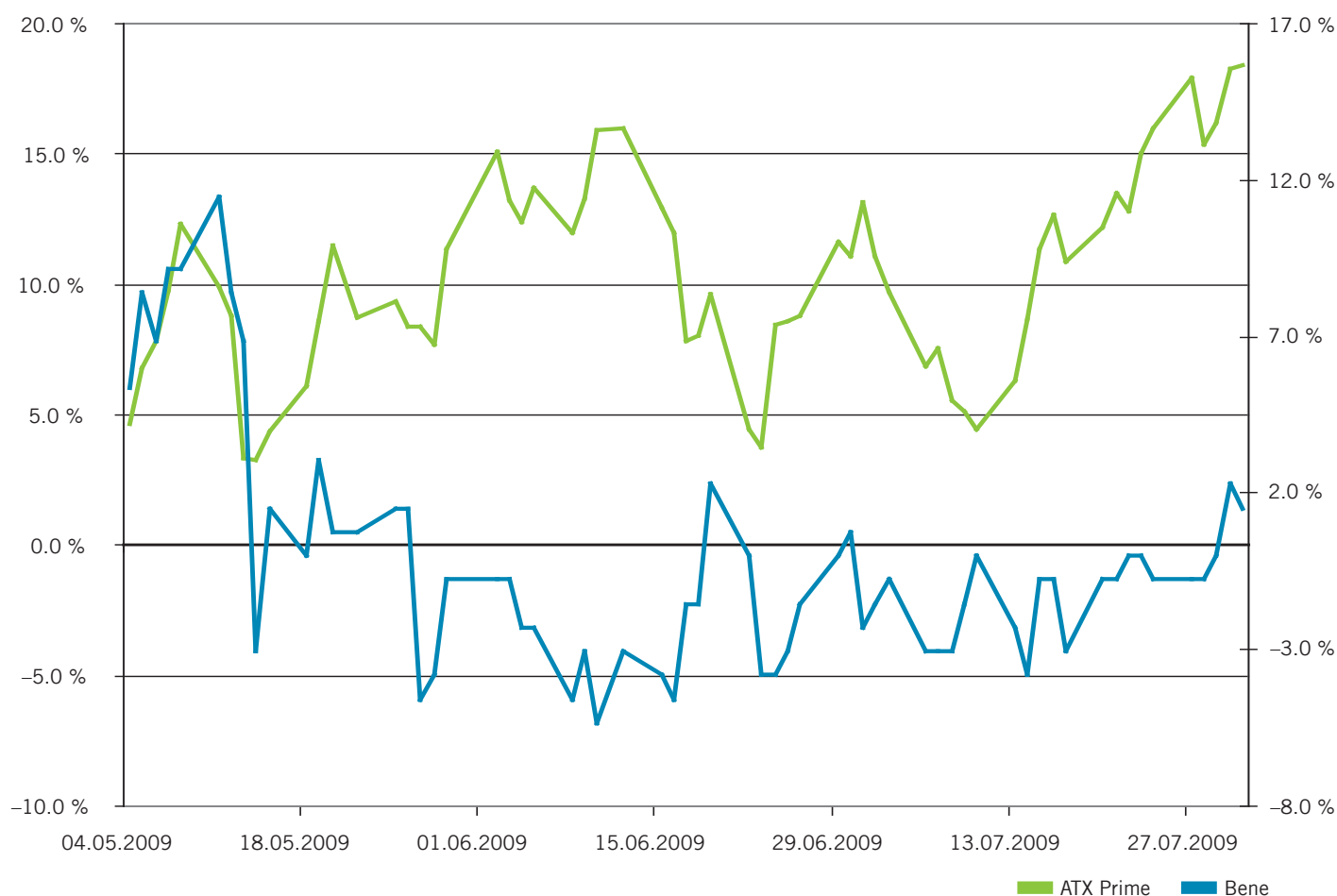
1.13 SUBSEQUENT EVENTS.

There were no major events between the reporting date of the interim consolidated financial statements of the Bene AG (July 31, 2009) and their publication.

BENE SHARE.

The Bene share is listed at the Vienna stock exchange since November 3, 2006 and is part of the ATX Prime Market and of the Vienna stock index since November 20, 2006. Thus, the Bene AG is the only office furniture

manufacturer quoted at the Vienna stock exchange and in Europe it belongs to a handpicked choice of listed office furniture suppliers.



SHARE PERFORMANCE.

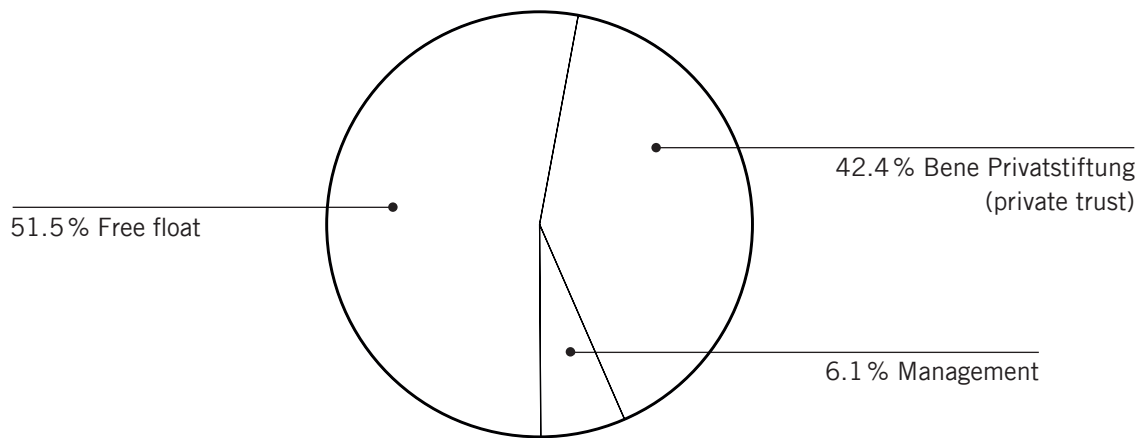
In the second quarter of 2009/10, the Bene share reflected the difficult economic environment, however stabilised again towards the end of the reporting period with a gain of 1.5 % (ATX Prime: + 18.4 %).

In the reporting period, the highest closing price amounted to EUR 1.46 (May 11, 2009), the lowest closing price was EUR 1.24 (June 10, 2009).

TRADING VOLUME.

In the course of the first six months of the business year 2009/10, the average trading volume amounted to 42,788 shares. The highest daily trading volume of 277,490 shares was realised on May 27, 2009, the lowest number of shares traded was 996 shares on July 21, 2009.

SHAREHOLDER STRUCTURE.



ISIN code: AT00000BENE6
Market issued: Vienna Stock Exchange, Prime Market
Type of shares: Ordinary no-par value voting bearer shares
Total number of shares: 24,347.352

Authorised capital : none
Other dual listings: none
Indices: ATX Prime, WBI
Ticker symbols: BENE
Free float: 51.5%

INVESTOR RELATIONS.

Active and transparent communication with the financial community is of central importance to the Management of the Bene AG. The Bene Group will continue to build up an intense exchange of thoughts and information between the Company and its interested shareholders and new, interested investors. Moreover, such communication is regarded to be an essential part of the communication policy.

The Management Board and the Investor Relations Department will be readily available for road shows, investor conferences and individual meetings.

FINANCIAL CALENDAR.

Third quarter results 2009/10 December 16, 2009

CONTACT.

Investor Relations

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 Chairman of the Management Board of the Bene AG

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DECLARATION OF THE MANAGEMENT BOARD ACCORDING TO § 87 ABS. 1 BÖRSEG (AUSTRIAN STOCK EXCHANGE ACT).

We hereby confirm that the condensed consolidated interim financial statements compiled according to the applicable reporting standards, to the best of our knowledge, are a fair representation of the financial and earnings situation of the Group and that the Group's first half-year status report gives a fair picture of the financial and earnings situation with regard to the most important

events during the first six months of the business year and their impact on the condensed consolidated interim financial statements, with respect to the major risks and uncertainties in the remaining six months of the current business year and concerning disclosable essential business transactions with related parties.

Waidhofen, September 18, 2009



Frank Wiegmann
Chairman of the Management Board
Finance and Technology



Thomas Bene
Member of the Management Board
Marketing and portfolio



Roland Marouschek
Member of the Management Board
Sales and Personnel