

KTM keeps running

Q1 2007/08

- >> Revenue: 149.4 million EUR (+15.3% compared to last year)
- >> EBIT: 18.9 million EUR (+64.7 % compared to last year)
- >> Profit per share: 2.18 EUR (+105.7% compared to last year)
- >> Equity ratio: 40.2%
- >> Cooperation with Bajaj Auto Ltd.

Mattighofen, January 24th, 2008 – KTM Power Sports AG, one of the world-wide leading manufacturers of Off-Road and On-Road motorcycle, ATVs and the sports car X-Bow, started full throttle into the business year 2007/08. During the first quarter of business year 2007/08, revenue increased by 15.3% to 149.4 million EUR and EBIT rose by 64.7% to 18.9 million EUR compared to last year. The profit per share doubled to reach 2.18 EUR. „Despite the difficult global economic circumstances we were able to continue our success from last year. The undertaking to jointly develop and produce 125cc and 250cc 4-stroke engines for street motorcycles with the second largest Indian motorcycle manufacturer Bajaj Auto Ltd., paved the way for further success“, says Stefan Pierer, CEO of KTM Power Sports AG.

Growth driver

The growth in revenue has been significantly influenced by increased sales in the Enduro Racing segment, higher revenues from Related Products (Spare Parts, Power Wear and Power Parts), as well as increased sales of OEM (Original Equipment Manufacturer) engines.

Expansion of Model range

In the first quarter of business year 2007/08, KTM launched its first Superbike the 1190 RC8 at the international motorcycle show EICMA in Milan. The response exceeded the expectations. Furthermore, the Dual-Sport segment has been broadened by a 690cc Enduro, the Supermoto segment by a 690cc and a 990 cc model.

WP on its own

For strategic reasons, KTM sold the WP group to CROSS Automotive GmbH. Being independent from KTM should allow the WP group in the future to fully explore its potential, the third party business with suspension elements. The KTM group shall continue to use WP suspension components on its products.

Outlook

Due to the expansion of the product range in the Off-Road and street segments, further increase in sales is also expected in the current business year. The growing demand for OEM engines and Related Products shall also contribute to a



Picture 1



Picture 2



Picture 3

FOR FURTHER INFORMATION

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successful business year. The assembly plant for the X-Bow in Graz will be ready to be moved into this Spring and the first vehicles shall be delivered this very business year.

Due to the continuously weak USD, the margin situation will worsen. Price adjustments and a selective product policy in North America shall partially compensate the negative exchange rate influences.

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Million EUR (IFRS)	Q1 2007/08	Q1 2006/07	V	BY 2006/07
Revenue	149.4	129.5	15.3%	566.1
EBIT	18.9	11.5	64.7%	39.8
Equity ratio	40.2%	40.2%	-	40.5%
Earning per share	2.18	1.06	105.7%	3.57
EBIT-Margin	12.7%	8.9%		7.0%
Employee (as of 11/30/2007)	1,863	1,720	+143	1,931

About KTM Power Sports AG

KTM Power Sports AG is a worldwide leading manufacturer of power sports vehicles. KTM has won more than 136 World Championship titles and seven times the Rallye Paris-Dakar. The operational core company, KTM-Sportmotorcycle AG, develops and manufactures competition off-road and street motorcycles. KTM-Sportcar GmbH builds the light-weight sports car X-Bow, KTM's first step into the automotive field. With more than 1,930 employees, the KTM group earned a revenue of 566.1 Mio. EUR in fiscal year 2006/07. Over 17 sales subsidiaries and five joint ventures distribute KTM products to their 1,400 independent KTM dealerships worldwide.

Pictures:

Picture 1: DI Stefan Pierer, CEO of KTM Power Sports AG

Fotocredits: KTM Power Sports AG; no charge for printing

Picture 2: 1190 RC8

Fotocredits: KTM Power Sports AG; no charge for printing

Picture 3: sports car X-Bow

Fotocredits: KTM-Sportcar GmbH, no charge for printing

The pictures are to download at www.ktmimages.com

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