

INTERIM REPORT

for the first nine months of 2006 (1 January – 30 September)

2006

- 9.5 million Euros revenue from the sale of shares
- EBIT of 1.4 million Euros

Dear Shareholders,

in the first nine months of this business year DEWB has generated revenues of 9.5 million Euros from share sales. We sold all our shares in MediGene, approx. 60 percent of our shares in SMSC and the company unique m.o.d.e. AG. With the sale of the MediGene shares we recorded an average price of 8.69 Euros. For the entire MediGene investment, including the shares sold in 2005, DEWB actually recorded an average sales price of 9.71 Euros and posted a gross profit of 3.2 million Euros. Our expectation of a rise in the price of the SMSC share towards 30 US Dollars was fulfilled in the 2nd half of 2006. After having placed an initial tranche of the shares at slightly over 24 US Dollars in the 2nd quarter, in the third quarter we succeeded in selling a further tranche of the SMSC shares at above 29 US Dollars. The remaining shares were sold in October, once again at a price in excess of 29 US Dollars. In this business year DEWB has therefore generated total revenues of 5.4 million Euros and a gross profit of 2.1 million Euros from the sale of the SMSC shares.

The development of the DEWB share price during this business year has been very unsatisfactory. This is likely to be attributable on the one side to a special effect arising from the ruling by the Federal Judicial Court (BGH) on the 8th May 2006. This ruling rejected a claim in which a DEWB shareholder had filed a demand for payment from the former controlling shareholder JENOPTIK AG for shares tendered to JENOPTIK AG in connection with an earlier dependency agreement, a right which had been reserved for the then entitled shareholders. On the date of the ruling more than 2 million DEWB shares were traded on the stock exchange, representing a volume many times the normal daily turnover. As a result of this the DEWB share price fell sharply. During the course of the widespread fall in the equity markets during the 2nd quarter the share lost further ground which it has so far been unable to regain. This may also be due to the announcement by JENOPTIK AG that it intended to further reduce its shareholding in DEWB for strategic reasons. At the beginning of this year JENOPTIK AG and JENOPTIK Pension Trust e.V. together held approx. 65 percent of DEWB. At the end of the quarter covered by the report JENOPTIK AG's stake was approx. 11 percent. The JENOPTIK Vermögensverwaltungsgesellschaft mbH shareholding was reduced to less than 5 percent. In our opinion the opportunities for our investment portfolio are not accurately reflected in the current price level.

For the fourth quarter we are continuing with our preparations for the exit of KSW Microtec AG, although we are currently also looking at other options for exploiting the value potential of the investment for DEWB. In our acquisition projects we are at an advanced stage with one company. We are confident that we will shortly be able to announce the conclusion of a transaction.

Sincerely,

Bertram Köhler

Falk Nuber

Mirko Wäckerle

KEY INDICATORS

	01.01.–30.09.2006	01.01.–30.09.2005
in TEUR		
Sales from investment business	9,650	37,684
EBITDA	1,481	11,427
EBIT	1,439	945
Earnings after taxes	1,352	1,004
Earnings per share (in Euros)	0.09	0.07
New investments	781	3,831
	30.09.2006	31.12.2005
in TEUR		
Shareholder's equity per share (in Euros)	2.56	2.63
Share price (in Euros)	2.10	3.90
Number of shares	15,230,000	15,230,000
Invested capital	40,551	52,439
No. of portfolio companies	13	15

Revenues from the sale of shares. In the first nine months of the current business year DEWB generated revenues of 9.5 million Euros from the sale of shares. In this context, the company sold all its shares in MediGene AG, approximately 60 percent of its SMSC shares as well as unique m.o.d.e. AG. During the comparison period in the previous year DEWB generated revenues of 37.3 million Euros from the sale of shares. These were primarily the result of the sale of shares in OASIS SiliconSystems AG. Comparisons with periods in previous years are only of limited relevance at DEWB AG as the result of its business model. Significant fluctuations in revenue totals and financial results are a characteristic feature of the investment business since sales and consequently the realisation of earnings from share sales arise on an irregular basis.

DEWB sold its shares in MediGene AG between February and April 2006 at an average price of 8.69 Euros over the stock market, generating gross earnings of 1.2 million Euros. Following the end of the lock-up period for the SMSC shares on the 30th of March 2006, DEWB sold an initial tranche during the second quarter and in the third quarter, following the anticipated rise in the price towards 30 US dollars, a further tranche over the NASDAQ. Consequently, by the 30th of September 2006 a total of some 60 percent of the SMSC shares had been sold. This generated revenues of 2.9 million Euros and gross earnings of 1.0 million Euros. As of the report date DEWB still held approximately 100,000 SMSC shares with a market value of 2.3 million Euros.

unique m.o.d.e. AG was acquired by the Jenoptik Group. Although the sale was concluded in December 2005 it did not come into financial effect until this business year. DEWB generated revenues of 3 million Euros from this transaction. During the lead-up to the sale DEWB acquired all the shares from all other shareholders and a loan from the Technologie-Beteiligungs-Gesellschaft mbH (tbg). Jenoptik proved to be an ideal partner for our investment on account both of the mutually complimentary technology, its access to markets

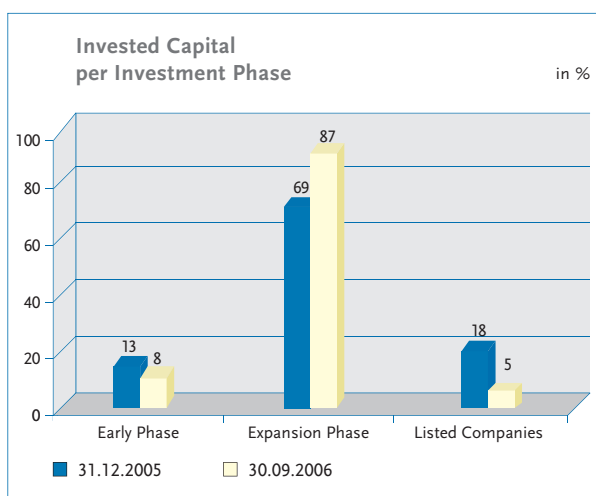
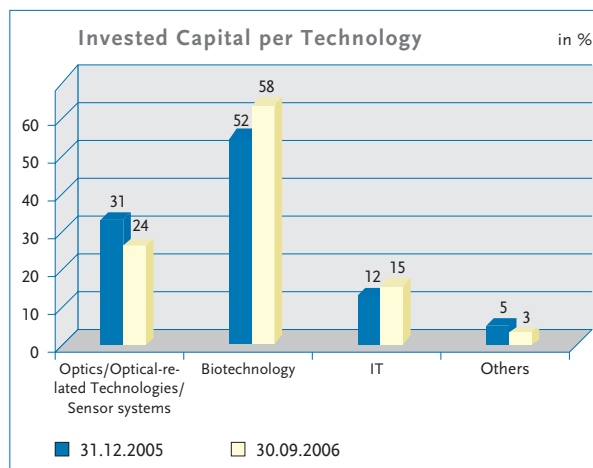
and associated willingness to allow strategic aspects to be included in the purchase price.

Earnings. Gross earnings of 2.8 million Euros (previous year 3.4 million Euros) were achieved from investments. DEWB realised a positive contribution to earnings from all of its exits in this business year. A minor value adjustment of 0.03 million Euros to receivables due from DEWB-IT GmbH had become necessary in order to allow for risks of legal proceedings and creditworthiness in respect of claims that DEWB-IT GmbH has to assert through the courts. In the previous year value adjustments to investments, primarily affecting the biotechnology area, had a negative impact on earnings in the sum in excess of 10 million Euros. The structural costs of DEWB AG fell by around 29 percent compared with the first nine months of 2005 to 1.5 million Euros. In this context, the administration costs in the comparable period for 2005 had already been adjusted for the costs of restructuring and for structural costs which will no longer be incurred in the future. In the first nine months of 2006 DEWB posted total Earnings Before Interest and Taxes (EBIT) of 1.4 million Euros (comparable period for 2005: 0.9 million Euros).

As a result of the marked fall in debt in the period covered by the report, the financial result improved by 66 percent or 0.5 million Euros compared with the same period in the previous year, to minus 0.3 million Euros. As a result of the realisation of deferred taxes, a tax income of 0.2 million Euros was generated. After interest and taxes this produced a profit for the period of 1.4 million Euros (comparison period for the previous year: 1.0 million Euros). Based on the 15.23 million DEWB bearer non-par shares, this represents earnings of 0.09 Euros per share (first nine months 2005: 0.07 Euros).

	Optics/Optical-related technologies/ Sensor systems		Biotechnology		IT	
Listed investment holdings	Standard Microsystems Corporation	0.4				
Expansion phase	KSW Microtec AG	29.7	EPIDAUROS Biotechnologie AG	81.3	4flow AG	65.7
	OLPE Jena GmbH	44.8	Integrated Genomics, Inc.	75.2	iTAC Software AG	8.4
Early phase	µ-sen Mikrosystemtechnik GmbH	40.2	NOXXON Pharma AG	61.8		
	SensorDynamics AG	9.8	Sloning BioTechnology GmbH	14.3	IVISTAR Kommunikationssysteme AG	29.3
					DEWB-IT GmbH	100.0

Portfolio. DEWB has investments in 13 companies in the technology areas of Optics/Optical-related technologies/Sensor systems, Biotechnology and IT. These investment holdings, including listed securities and receivables in the investment business, were valued at 40.6 million Euros as of the 30th September 2006 (31st December 2005: 52.4 million Euros). The fall compared with the beginning of the year resulted from the share sales as well as from the repayment of loans to investment holdings.



The sales of unique m.o.d.e. AG, MediGene and SMSC shares have produced minor changes in the distribution of the invested capital by technology. The high proportion of biotechnology companies is attributable to the higher than average investments in this area of technology in the past as well as to the typically longer period during which shares are held. For new investments DEWB will concentrate on Optics/Optical-related technologies/Sensor systems and over the coming years prepare its Biotechnology and IT investments for exit.

One of the key developments in the DEWB portfolio this year was the conclusion of a strategic alliance between NOXXON Pharma AG and Pfizer Inc. NOXXON will develop product candidates for new drugs for Pfizer using its Spiegelmer technology. In this context, Pfizer can give NOXXON up to three targets per year over a period of five years. In addition, Pfizer has obtained a license for the drug NOX-B11, a Spiegelmer developed at NOXXON for the treatment of obesity. For the co-developments and the NOX-B11 license NOXXON will receive payments in advance, milestone payments and royalties from the marketing of the products. Pfizer has additionally taken a stake in NOXXON in the form of a capital increase. In the period leading up to the conclusion of the contracts with Pfizer, DEWB exercised its existing conversion rights in order to increase its shareholding from 23.0 percent to 61.8 percent.

The company KSW Microtec AG from Dresden has been offering its semi-active smart label "KSW-VarioSens® Basic" as a mass-produced product since the second quarter 2006. This label, with an integrated, paper-thin and environmentally friendly battery provides for simple and low-cost monitoring of temperature-sensitive goods and therefore is a low-cost alternative to the temperature loggers which are used as standard. The addition of a water-repellent surface and self-adhesive reverse side enables the label to be applied directly to individual products and the low costs open up the possibility of use in high volume applications or as a disposable product. Successful trials with the KSW-VarioSens® on blood bags have already been conducted in a joint project with the Blood Donation Department of the German Red Cross. In the Passive Labels business area KSW Microtec AG had to compensate for the loss of two major customers whose business model had been unsustainable. As a result, the company had to reduce its growth forecast for the business year 2006 but is simultaneously keeping to its sales targets for the subsequent years. The high level of profitability achieved in the previous business year is expected to be repeated this year.

4flow AG succeeded in gaining the chemicals company Lanxess as a customer. Following the successful conclusion of a pilot project Lanxess will be using the software 4flow vista, in order to optimise its logistic structures. This has enabled 4flow AG to gain a successful foothold in the chemical industry market. In the past, the company's customers were primarily obtained from the automotive industry. As one of just two European providers, thanks to its logistics planning software 4flow has succeeded in being included in the well respected Supply & Demand Chain Executive 100 which annually award the 100 best supply & demand chain solution providers in the USA who, through the solutions they offer, enable their customers to achieve a genuine change in the added value chain.

With the issue of the basic patent for the gene synthesis technology in Europe, Sloning BioTechnologie GmbH is another biotech company from the DEWB portfolio to have reached an important milestone. The company is currently preparing

for the market entry of its platform for industrial gene synthesis. Sloning already offers customer-specific mutation libraries on the basis of its innovative technology. In this context, these libraries exclusively contain the required mutations in precisely defined ratios. Only Sloning currently offers mutation libraries in such a high level of quality.

Balance sheet. In comparison with the 31st of December 2005 the balance sheet total as of the end of the quarter covered by the report fell by 16 percent to 55.9 million Euros. Due to the sales of shares the value of investments fell by 9.6 million Euros in the first nine months of 2006, to 38.1 million Euros. This figure includes listed shares with a market value of 2.3 million Euros as of the end of the quarter covered by the report. Short-term receivables from the investment business fell by 48 percent compared with the 31st of December 2005 to 2.5 million Euros as the result of loan repayments. Cash and cash equivalents increased by 1.3 million Euros compared with the start of the year, to 11.8 million Euros as of the 30th of September 2006.

As of the 30th of September 2006 equity fell slightly by 1.1 million Euros compared with the start of the year to 39.0 million Euros. The profits from share sales realised in the first nine months of 2006 had for the most part already been taken into account in the equity as of the 31st of December 2005 as a revaluation surplus and consequently did not increase the equity in the period covered by the quarterly report. The equity ratio increased from 60.1 percent as of the 31st of December 2005 to 69.8 percent as of the 30th of September 2006. The equity per share as of the 30th of September 2006 was 2.56 Euros (31st of December 2005: 2.63 Euros).

As planned, bank liabilities in the sum of 5.0 million Euros were repaid. DEWB's financial liabilities as of the 30th of September 2006 were 14.7 million Euros. Short-term liabilities were reduced in the first nine months of 2006 by 4.8 million Euros, primarily attributable to the realisation of the sale of unique m.o.d.e. AG and the utilisation of provisions. The purchase price for unique m.od.e. AG had already been paid in December 2005 and was shown under liabilities as a deposit received as of the 31st December 2005.

Outlook. The remaining shares in SMSC were sold in October 2006. This produced sales of 2.3 million Euros and a gross profit of 1.0 million Euros. DEWB is continuing to work on the sale of KSW Microtec AG during the fourth quarter of this business year but is currently also looking at other options.

The available liquidity and funds received from sale transactions will be used for investments in new investment holdings in the focal technology area of Optics/Optical-related technologies/Sensor systems as well as for further planned debt repayments. DEWB will continue to explore opportunities to expand its investment fund.

BALANCE SHEET AS OF THE 30TH SEPTEMBER 2006

ASSETS

	30.09.2006 TEUR	31.12.2005 TEUR
A. Short-term assets	14,679	16,880
Cash and cash equivalents	11,848	10,525
Receivables from goods and services	41	613
Short-term receivables from the investment business	2,468	4,771
Other short-term assets	322	971
B. Long-term assets	41,254	49,900
Financial investments of the investment business	38,083	47,668
Other long-term financial assets	625	663
Tangibles assets	42	71
Deferred tax assets	2,504	1,498
Total assets	55,933	66,780

BALANCE SHEET AS OF THE 30TH SEPTEMBER 2006

LIABILITIES

	30.09.2006 TEUR	31.12.2005 TEUR
A. Short-term liabilities	11,390	16,162
Short-term liabilities to banks	9,660	9,637
Liabilities from goods and services	18	406
Provisions for pensions	597	597
Short-term provisions	903	1,741
Other short-term liabilities	194	3,273
Short-term liabilities to shareholders	18	508
B. Long-term liabilities	5,500	10,500
Long-term liabilities to banks	5,000	10,000
Other long-term liabilities	500	500
C. Shareholders' equity	39,043	40,118
Subscribed capital	15,230	15,230
Capital reserve	45,752	45,752
Revaluation reserve	1,227	3,654
Net result	-23,166	-24,518
Total liabilities	55,933	66,780

STATEMENT OF INCOME FROM 1ST JANUARY TO 30TH SEPTEMBER 2006

	01.01.2006 – 30.09.2006 TEUR	01.01.2005 – 30.09.2005 TEUR	01.07.2006 – 30.09.2006 TEUR	01.07.2005 – 30.09.2005 TEUR
Income from the investment business				
Income from share sales	9,465	37,291	1,698	6,909
Interest and dividend income	185	393	17	140
Expenses for share sales	6,833	23,880	1,118	5,154
Value reductions in the investment business	33	10,406	33	4,475
Gross profit from the investment business	2,784	3,398	564	–2,580
Administrative expenses	1,482	2,077	449	469
Other operating income	187	2,809	40	29
Other operating expenses	50	3,185	26	660
Earnings before interest and taxes (EBIT)	1,439	945	129	–3,680
Financial result	–262	–773	–83	–177
Earnings before taxes	1,177	172	46	–3,857
Taxes on income and earnings	–175	–832	7	–392
Earnings after taxes	1,352	1,004	39	–3,465
Earnings per share – undiluted (in Euros)	0.09	0.07	0.00	–0.23
Earnings per share – diluted (in Euros)	0.09	0.07	0.00	–0.23
Weighted number of shares – undiluted	15,230,000	15,230,000	15,230,000	15,230,000
Weighted number of shares – diluted	15,230,000	15,230,000	15,230,000	15,230,000

STATEMENT OF CHANGES IN EQUITY

	Subscribed- capital	Capital reserve	Revalu- ation reserve	Own shares	Net result	Share- holder's equity
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Balances as of 01.01.2005	15,230	43,252	7,042	-128	-25,637	39,759
Transactions with Shareholders		2,500				2,500
Change in value of own shares				128		128
Change in revaluation reserve			-4,226			-4,226
Net result					1,004	1,004
Balances as of 30.09.2005	15,230	45,752	2,816	0	-24,633	39,165
Balances as of 01.01.2006	15,230	45,752	3,654	0	-24,518	40,118
Change in revaluation reserve			-2,427			-2,427
Net result					1,352	1,352
Balances as of 30.09.2006	15,230	45,752	1,227	0	-23,166	39,043

STATEMENT OF CASH FLOWS FROM 1ST JANUARY TO 30TH SEPTEMBER 2006

	01.01.2006 – 30.09.2006 TEUR	01.01.2005 – 30.09.2005 TEUR
Period result	1,352	1,004
Cash flow from the investment business		
Profits from the sale of investments	–2,732	–13,638
Receipts from the sale of investments and the repayment of loans	9,838	35,129
Payments made for investments	–1,504	–4,931
Value adjustments to investments	33	10,406
Depreciation on fixed assets	9	76
Profits/losses from the sale of fixed assets	–20	1
Other non-cash expenses and income	–209	–46
Changes in other operating assets and liabilities		
Receivables from goods and services	–15	9
Other receivables and assets	63	–8
Provisions	–339	–73
Liabilities from goods and services and other liabilities	–247	–864
Cash flow from operating activities	6,229	27,065
Receipts from the sale of tangible assets	27	5
Receipts for investments in financial assets	0	–12
Payments from the disposal of financial assets	555	528
Cash flow from investing activities	582	521
Receipts from the sale of own shares	0	226
Repayment of loans	–5,487	–13,395
Payments for finance leases	0	–72
Cash flow from financing activities	–5,487	–13,241
Change in cash and cash equivalents	1,324	14,345
Cash and cash equivalents at the beginning of the period	10,525	3,634
Cash and cash equivalents at the end of the period	11,849	17,979

Information on the Notes for the first nine months of 2006

1. BASES

These individual financial statements of DEWB AG were prepared in accordance with the International Financial Reporting Standards (IFRS) of the IASB, taking into account the interpretations of the International Financial Reporting Interpretations Committee (IFRIC). All standards applicable as of the reporting date were taken into consideration. These interim financial statements were not subject to any audit review.

2. ACCOUNTING AND VALUATION METHODS

The financial statements as of the 30th September 2006 were prepared in accordance with the International Accounting Standard (IAS) 34 "Interim Reporting". The same accounting methods were used as in the annual financial statements for the business year 2005. These methods are disclosed and described in detail in the Notes to the Management Report 2005.

3. EXPLANATION OF THE BUSINESS DEVELOPMENT; EVENTS OF SPECIAL IMPORTANCE SINCE THE QUARTER END

The explanation of the business development in the first nine months of 2006 is provided in the front section of this report. At DEWB AG the investment business is operated internally on a standardized basis, without any segmentation into business areas or regions. Sales and earnings are essentially generated from the sale of investment companies. The purchasers' place of origin does not create any differences with regard to risk for the company's business activity. Consequently there is no distinction drawn between any segments. There were no events of special importance at DEWB AG or within its environment after the end of the quarter covered by the report.

4. FURTHER INFORMATION

In the first nine months of 2006 there were no personnel changes in the composition of management and supervisory bodies of DEWB AG.

As of the 30th September 2006 the company employed 8 personnel.

No dividend payments were made in the period covered by the report.

As of the 30th September 2006 DEWB AG did not hold any of its own shares nor did it acquire or sell any of its own shares in the first nine months of 2006.

DATES FOR 2006/2007

Analysts' Conference at the German Shareholders' Equity Forum	29TH NOVEMBER 2006
Publication of the Annual Financial Statements for 2006	29TH MARCH 2007
Publication of the Report for the First Quarter 2007	10TH MAY 2007
Annual General Meeting 2007	JUNE 2007
Publication of the Half-Yearly Report 2007	9TH AUGUST 2007
Publication of the Report for the First Nine Months 2007	9TH NOVEMBER 2007

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