

+++Ad-hoc announcement regarding KTM Power Sport AG's preliminary annual result of fiscal year 2006/07 +++

KTM continuing road to success!

- >> Revenue: 566.1 Mio. EUR (+12.2 % compared to last year)
- >> EBIT: 39.8 Mio. EUR (+16.9 % compared to last year)
- >> Profit per share: 3.57 EUR (+23.1% compared to last year)
- >> Motorcycle sales: 90,306 units (+7.0 % compared to last year)
- >> Equity ratio: 38.5 %

Mattighofen, October 16 2007 – KTM Power Sports AG improved its revenue, profit and sales in the fiscal year 2006/07.

Highest revenue in the corporate history

The KTM group revenue increased by 12.2% from 504.5 Mio. EUR to 566.1 Mio. EUR compared to last year. The EBIT increased by 16.9% to 39.8 Mio. EUR compared to last year. The profit per share increased by 23.1% to 3.57 EUR/share. Besides the sustained high demand for Off-Road models, this victory attributes to the successful launch of new street models (690 Supermoto, 990 Super Duke R, 950 Supermoto R) and the increase in sales of Related Products.

9.3 % more employees compared to last year

The company's growth was realized by an average of 1.775 employees (1.931 as of closing date), 449 of which are employed abroad.

Outlook

KTM finished a fiscal year with strong growth. The main focus of the next fiscal year lies on the development of new innovative products and the start of the X-Bow's serial production. Furthermore, an expansion of capacities within the two-wheel and four-wheel segments is planned in order to be able to also warrant lasting growth in the future.

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<u>Mil. EUR (IFRS)</u>	<u>BY 06/07</u>	<u>BY 05/06</u>	<u>V</u>
Revenue	566.1	504.5	12.2%
EBIT	39.8	34.0	16.9%
Equity ratio	38.5%	39.1%	-
Earnings per share	3.57	2.90	23.1%
EBIT Margin	7.0%	6.7%	-
Employees (as of closing date)	1,931	1,697	234

FOR FURTHER INFORMATION

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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 operation core company, KTM-Sportmotorcycle AG, develops and manufactures competition off-road and street motorcycles. KTM-Sportcar AG 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 18 sales subsidiaries distribute KTM products to their 1,400 independent KTM dealerships worldwide.

www.ktm.com

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