



Interim Report on the First Three Months of **2007**



January 1, 2007 to March 31, 2007

 AUGUSTA

Technologie AG

Interim Report on the First Three Months of 2007

AUGUSTA at a Glance

Income Statement	Q1 2007	Q1 2006
	Jan. 1 - Mar. 31, 2007	Jan. 1 - Mar. 31, 2006
Consolidated sales revenues	29,764	28,286
EBITDA	4,995	5,857
Depreciation, amortization, and impairment losses	571	1,216
EBIT	4,478	4,641
EBT	4,361	3,385
Taxes	-1,694	-1,443
Tax rate	39%	43%
Profit from continuing operations	2,667	1,942
Loss from discontinued operations, after taxes	-135	-805
Profit attributable to minority interest	-10	140
Profit after minority interest	2,522	1,277
Profit per share before minority interest, EUR	0.30	0.13
Average shares outstanding (diluted/basic), in thousands*	8,431	8,431
Balance Sheet		
Total assets	133,736	131,304
Noncurrent assets	64,068	64,563
Current assets	64,500	60,383
thereof cash and cash equivalents and other current financial assets	16,810	17,365
Equity	87,386	84,876
Debt	46,350	46,428
thereof equity component of the convertible bond	13,217	13,152
Other Key Figures		
Equity ratio	65.3%	64.6%
EBITDA margin	16.8%	20.7%
EBIT margin	15.0%	16.4%
Return on sales (ROS), based on EBT	14.7%	12.0%
Return on equity employed (ROE), based on EBT	5.0%	4.0%
Total equity ratio, based on EBT	3.3%	2.6%
Return on capital employed (ROCE)	4.7%	4.9%
Closing price at the close of the quarter, EUR	14.69	10.01
Net debt	5,251	5,882
Enterprise value (EV)	129,102	90,276
EV/EBITDA	25.8	15.4
EV/EBIT	28.8	19.5
Employees at reporting date**	464	425

All figures consolidated according to IFRSs, in EUR thou. or as indicated

* Total shares less 4,999 shares held by AUGUSTA

** Not including employees of the Dr. Keil Group, the Lauer Group or DMS (DCO as of December 31, 2006)

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Letter to our Shareholders

Dear Shareholders,

The first quarter of 2007 ended satisfactorily. AUGUSTA Technologie AG's operations continued on a profitable growth path and the Company was able to further strengthen its key balance sheet figures. The interest of investors and representatives of the press in the development of AUGUSTA Technologie AG remained unbroken after the publication of our new Group strategy on March 22, 2007 and the presentation of our 2006 Annual Report on March 30, 2007. Our new strategic direction of becoming a focused industrial holding company met with positive acceptance by the capital markets. This was reconfirmed by the encouraging development of the share price in the first quarter of 2007. We will systematically pursue our strategy for the rest of the year and work towards becoming a leading industrial holding company in the areas of sensor systems and automation (sensors and controls).

Group operational development on schedule

We reached our target figures in the first quarter of 2007 and clearly exceeded a number of the prior-year figures. We have adjusted last year's figures for the effects of the companies held for sale – the Lauer Group, the Dr. Keil Group, and DLoG Manufacturing Solutions GmbH – to enable comparison.

- Group sales revenues increased by EUR 1.48 million to EUR 29.76 million compared with the previous year.
- Segment EBIT was EUR 5.58 million, also up by EUR 0.24 million on the previous year.
- Consolidated profit for the period after minority interest was EUR 2.52 million for the first quarter and thus up 97% year-on-year (EUR 1.28 million).
- Incoming orders by segment rose to EUR 30.84 million and thus improved EUR 3.68 million (+13.6%) on the comparable prior-year period.
- Booked business also rose and is 9.0% over the figure of the first quarter of 2006, at EUR 39.47 million.

- We were able to reduce our net debt further compared with the December 31, 2006 reporting date. At the end of the first quarter of 2007, it was EUR 5.25 million.

In the Sensors and Controls segments, individual operating parameters did not develop uniformly, although they were also higher than the comparable quarterly figures of the previous year. We want to continue this growth path nationally and internationally in the coming quarters, especially in the second half of the year.

This fiscal year, we would like to implement the divestment of the Lauer Group and the Dr. Keil Group, as communicated to you at the end of 2006. However, this should take place with all due caution and without haste. Our priority is to find strategic partners whose aim is to further develop these subsidiaries. As an industrial holding company, we see it as our obligation to implement and finalize the required operational steps in order to maximize the value of the companies held for sale.

Strategic new positioning will be implemented operationally

Our stated aim is to develop AUGUSTA Technologie AG into a leading industrial holding company with a focus on technology over the next few years. In doing so, we will concentrate on the markets of sensor systems and automation, which are seeing growth worldwide, combining them in the Sensors and Controls segments. We want to double sales revenues and increase profits at an above-average rate by 2010. This means that we are divesting the current IT Systems segment almost in its entirety. We have already begun with the implementation of this measure. We have sold one company and we are now evaluating potential interested buyers for the other companies held for sale. A central part of our new realignment is the implementation of a buy-and-build strategy in the areas of sensor elements and systems and industrial image processing. We will use suitable acquisitions in these areas to assemble an integrated portfolio of companies and further enhance our earnings power in the segments and in the Group in the medium term. We are in the process of analyzing the market and combining the expertise of external service providers with the market knowledge of our management at the respective subsidiaries. We will leverage the synergy effects and exhaust all further potential for value creation as part of active portfolio management. This process of change also demands tighter management and harmonization with our subsidiaries than before. Because the majority of the AUGUSTA subsidiaries, and thus the main focus of our operating business, are located in southern Germany, the Managing Board has decided to relocate the headquarters of the AUGUSTA holding company from Frankfurt to Munich

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within fiscal year 2007. Along with a sustainable cost reduction at the holding company, this will result in closer proximity to key subsidiaries and simplified portfolio management.

Active communication and transparency regarding AUGUSTA's realignment is important to us as management. We have explained this strategy in several discussions with analysts, investors, and representatives of the press and also published the most important information on our homepage (www.augusta-ag.de). We will continue to apply this proactive and transparent communication policy.

Good growth potential for AUGUSTA shares

The capital markets responded positively to AUGUSTA's repositioning, and share performance in the first quarter of 2007 was up 22% compared with the end of 2006.

As a result of this, we were able to attract new investors in the Company. We have gained a new long-term investor, Lincoln Vale, which has now purchased around 9% of the share capital. The trading volume of the shares was also increased significantly in the first quarter of 2007. These factors are proof of institutional and private investor interest.

We are confident that implementing the measures announced will create further growth potential for our shares, based on the healthy operational foundation of our subsidiaries, a defined and communicated strategic realignment, and the positive reaction of the capital markets.

It is our goal to take a leading market position in the areas of sensor elements and systems as well as industrial image processing within three years. We expect that this realignment will contribute to further positive valuation of the Group.



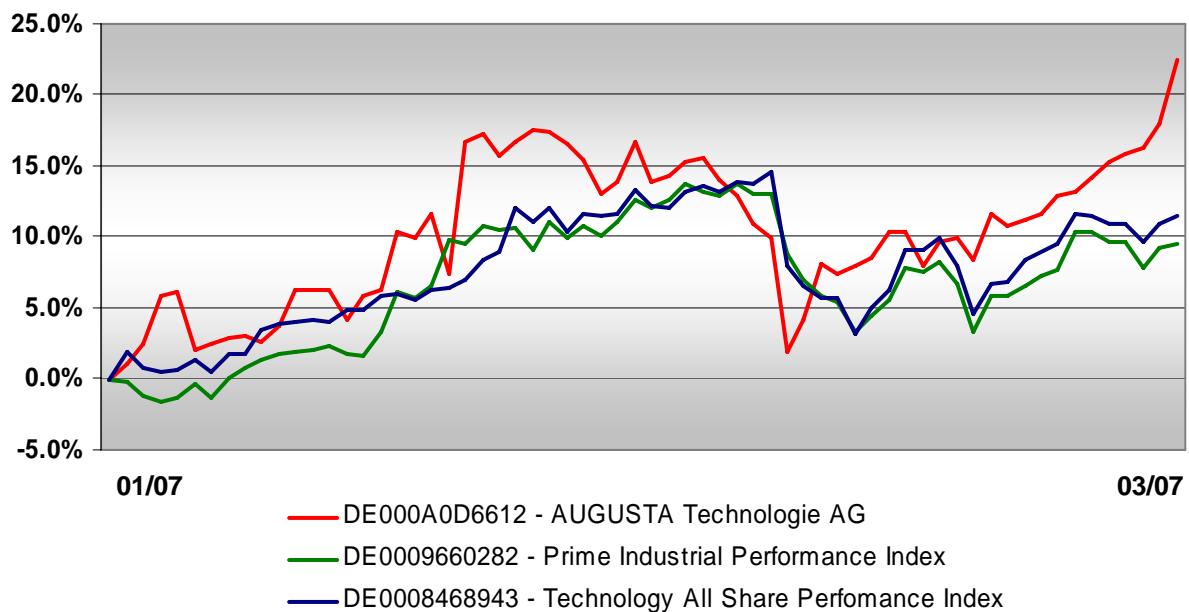
Amnon F. Harman
Chairman of the Managing Board



Berth Hausmann
Chief Financial Officer

AUGUSTA's Shares

Performance from January to March 2007



AUGUSTA shares have continued the positive developments of fiscal year 2006 into the first quarter of 2007. The share price rose during the first three months of 2007 by 22% to EUR 14.69 as of March 30, 2007, compared with the closing price for 2006 of EUR 12.12. As of March 31, 2007, the market capitalization of AUGUSTA Technologie AG was EUR 123.9 million. After the end of the reporting period, AUGUSTA shares reached another 52-week high of EUR 15.30 on April 24, 2007 – a very positive development compared with the benchmark indices.

Trading volume also increased significantly compared with the last quarter of 2006. An average of around 16,600 shares were traded daily in the first three months on all German stock exchanges – after only around 9,600 in the fourth quarter of the previous year.

In addition, the shareholder structure changed in the period under review. Trafalgar Asset Managers Ltd., London, reduced its stake from a previous 17.14% to 13.10%. EOS Partners, L.P., New York, fell below the 5% threshold as of March 13, 2007 and has since then sold its interest in

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full. By contrast, Lincoln Vale LLP, London, exceeded the 3% threshold in the first quarter to own 3.12% of AUGUSTA Technologie AG shares as of March 31, 2007. After the end of the reporting period, Lincoln Vale LLP, London, also reported exceeding the 5% threshold and now holds 8.82% of AUGUSTA Technologie AG shares as a more long-term investor. We are interpreting this development as a sign that some investors specializing in restructuring have sold shares in favor of long-term shareholders, and that there is more interest in AUGUSTA shares overall.

In February 2007, Berenberg Bank started including us in its research and M.M. Warburg also initiated coverage of our shares since April 2007. At the present time, four analysts are publishing regular studies on AUGUSTA, a sign of increased interest on the capital markets. All of the published studies are forecasting an upside target of the shares above their present value.

Management Report - Presentation of Business Development

After the Lauer Group and the Dr. Keil Group were classified as *held for sale* in the 2006 annual financial statements, the quarterly figures of the previous year were adjusted for these companies' figures in order to make a meaningful comparison possible. The figures for the subsidiaries held for sale are reported in a separate item in the income statement. Profit and loss for the 2006 period is reconciled to the new reporting structure as follows:

Old structure:				
2006 in EUR million	Group before DCO	Group after DCO	Sensor Systems segment	IT Systems segment
Sales revenues	132.9	111.3	95.4	15.9
EBT	11.6	11.5	16.7	-0.7

New structure:			
2006 in EUR million	Group after DCO	Sensors segment	Controls segment
Sales revenues	111.3	74.3	37.0
EBT	11.5	10.9	5.0

Results of Operations

Group

Sales revenues of the AUGUSTA Group rose 5.2% year-on-year to EUR 29.76 million in the first quarter of fiscal year 2007 (Q1 2006: EUR 28.29 million). At EUR 4.36 million, EBT was up by 28.6% year-on-year (Q1 2006: EUR 3.39 million). The Group's administrative expenses were EUR 2.3 million (Q1 2006: EUR 1.76 million). The holding costs of the AG amounted to EUR 1.1 million in the first quarter of 2007, an increase of EUR 0.4 million year-on-year. This is due to provisions recognized for the holding company's move to Munich and unbudgeted up-front costs for acquisition activities.

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The Group's EBITDA fell to EUR 5.0 million (Q1 2006: EUR 5.86 million). EBIT was EUR 4.48 million (Q1 2006: EUR 4.64 million). EBT improved by 28.6% year-on-year to EUR 4.36 million (Q1 2006: EUR 3.39 million).

The profit for the quarter before the loss from discontinued operations amounted to EUR 2.67 million (Q1 2006: EUR 1.94 million). Completed and planned disposals are presented cumulatively in the *Loss from discontinued operations after tax* item in the income statement and affected the profit for the quarter by EUR -0.14 million (Q1 2006: EUR -0.81 million). Earnings per share in the first quarter of 2007 were EUR 0.30 (Q1 2006: EUR 0.13).

In addition to encouraging overall financial parameters, incoming orders and booked business performed very well and demonstrate that the positioning of our subsidiaries in the markets is a good foundation for the future. Incoming orders amounted to EUR 30.84 million in the first quarter of 2007 (Q1 2006: EUR 27.16 million) and are therefore up by around 13.6% year-on-year. Booked business increased to EUR 39.47 million (Q1 2006: EUR 36.19 million).

Key figures for the Group at a glance

Key figures for the Group in EUR thou.	Q1 2007	Q1 2006	Change
	Jan. 1 - Mar. 31, 2007	Jan. 1 - Mar. 31, 2006	
Sales revenues	29,764	28,286	+5.2%
EBITDA	4,995	5,857	-14.7%
EBITDA margin	16.8%	20.7%	
EBIT	4,478	4,641	-3.5%
EBIT margin	15.0%	16.4%	
EBT	4,361	3,385	+28.8%
EBIT margin	14.7%	12.0%	
Incoming orders	30,836	27,155	+13.6%
Booked business (as of March 31)	39,468	36,194	+9.0%
Capital formation	2.3%	-12.6%	
Dynamic gearing	1.05	1.0	
ROCE	4.7%	4.9%	
Enterprise value	129,102	90,276	+43.0%
Price / free cash flow ratio	183.6	-23.8	
Free cash flow / share	0.08	-0.42	

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Sensors segment (sensor systems)

The following companies are in the sensor segment following the strategic realignment: Dewetron Elektronische Meßgeräte Ges.m.b.H., Graz (Austria), HE System Electronic GmbH & Co KG, Veitsbronn, and Sensortechnics GmbH, Puchheim.

The division generated sales revenues of EUR 19.36 million in the first quarter of 2007 (Q1 2006: EUR 18.19 million). One reason for the very positive development of sales revenues was that the commission-ready goods from 2006 were invoiced in January 2007. Segment EBITDA was EUR 3.44 million after the close of the first quarter of 2007, an increase of EUR 0.32 million year-on-year. Earnings before interest and taxes (EBIT) of EUR 3.14 million and EBT of 3.05 million were also up year-on-year. (EBIT Q1 2006: EUR 2.88 million, EBT Q1 2006: EUR 2.75 million). This is due, among other things, to the strong performance of the euro against the US dollar, which led to lower costs on the procurement side.

The return on sales rose from 15.1% in the first quarter of 2006 to 15.7%.

The growth in incoming orders and booked business is particularly noteworthy. Incoming orders improved by 2.3% year-on-year in the first quarter of 2007. Booked business even rose 8.2%. This reflects the quality of our products and our excellent sales structures, and makes us upbeat about further developments in the course of the year.

Key figures for the Sensors segment in EUR thou.	Q1 2007	Q1 2006	Change
	Jan. 1 - Mar. 31, 2007	Jan. 1 - Mar. 31, 2006	
Sales revenues	19,364	18,185	+6.5%
EBITDA	3,442	3,121	+10.3%
EBITDA margin	17.8%	17.2%	
EBIT	3,140	2,884	+8.9
EBIT margin	16.2%	15.9%	
EBT	3,049	2,752	+10.8%
EBT margin	15.7%	15.1%	
Incoming orders	19,523	19,082	+2.3%
Booked business (as of March 31)	31,421	29,045	+8.2%

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Controls segment (automation)

After the strategic realignment, the Controls segment now integrates Allied Vision Technologies GmbH, Stadtroda, and DLoG Ges. für elektronische Datentechnik mbH, Olching. Growth at the individual companies varied in the first quarter of 2007, but overall, the positive figures of the previous year were reached.

In the first quarter of 2007, the sales revenues of this division were EUR 10.40 million and therefore slightly over the prior-year level (Q1 2006: EUR 10.10 million). Segment EBITDA was EUR 2.64 million at the end of the first quarter of 2007 and remained almost constant year-on-year (Q1 2006: EUR 2.72 million). Earnings before taxes and interest (EBIT) of EUR 2.44 million and EBT of EUR 2.41 million were also above the prior-year level (EBIT Q1 2006: EUR 2.45 million, EBT Q1 2006: EUR 2.44 million).

The return on sales stabilized at a level of over 20%.

Incoming orders of EUR 11.31 million and booked business of EUR 8.05 million both improved significantly year-on-year. Even two major contracts that finished last year were compensated for accordingly.

Key figures for the Controls segment in EUR thou.	Q1 2007 Jan. 1 - Mar. 31, 2007	Q1 2006 Jan. 1 - Mar. 31, 2006	Change
Sales revenues	10,400	10,101	+3.0%
EBITDA	2,638	2,717	-2.9%
EBITDA margin	25.4%	26.9%	
EBIT	2,435	2,453	-0.7%
EBIT margin	23.4%	24.3%	
EBT	2,408	2,436	-1.1%
EBT margin	23.2%	24.1%	
Incoming orders	11,313	8,073	+40.1%
Booked business (as of March 31)	8,047	7,149	+12,6%

Net Assets and Financial Position

Assets

The total assets of the Group amounted to EUR 133.74 million at the end of the first quarter of 2007 (December 31, 2006: EUR 131.30 million).

Goodwill remained almost unchanged at EUR 52.47 million compared with the end of 2006. Noncurrent assets amounted to EUR 64.07 million as of the reporting date. Working capital of EUR 25.96 million grew by EUR 2.11 million compared with the end of fiscal year 2006. Days working capital (DWC) of 318 days remained almost unchanged compared with the prior-year period. This expansion simply reflects the expected growth in sales revenues for 2007. Cash and cash equivalents and other current financial assets held by the Group amounted to EUR 16.81 million as of the reporting date, down EUR 0.6 million or 3.2% compared with the 2006 annual financial statements.

Liabilities

Current liabilities of EUR 39.34 million remained virtually unchanged compared with December 31, 2006. The principal amount of the convertible bond due on November 4, 2007 is still EUR 13.2 million. The interest on this bond amounted to EUR 65 thousand as of March 31, 2007. Noncurrent liabilities fell slightly to EUR 7.01 million.

Net debt, i.e. interest-bearing debt less cash and cash equivalents and other current financial assets, amounted to EUR 5.25 million as of March 31, 2007 – a decline of EUR 0.63 million compared with December 31, 2006. Including its market capitalization as of March 31, 2007, the Company has an enterprise value of EUR 129.10 million. This indicator reflects the enterprise value from the point of view of all of its investors and lenders (equity and debt).

EUR thousand	Mar. 31, 2007	Dec. 31, 2006	Change
Goodwill	52,466	53,466	-1.9%
Cash and cash equivalents and other current financial assets	16,810	17,365	-3.2%
Total assets	133,736	131,304	+1.9%
Net debt	5,251	5,882	-10.7%
Enterprise value	129,102	90,276	+43.0%
Equity ratio	65.3%	64.6%	

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Cash flow

Net cash flows from operating activities amounted to EUR 1.11 million as of March 31, 2007 (2006: EUR -0.71 million). Due to the disposal of companies in fiscal year 2006 and further planned disposals, the cash flow statement contains subtotals presenting net cash flows from operating, investing and financing activities from continuing operations. A subsequent purchase price reduction of EUR 1.0 million should be mentioned, which is reported in cash flows from financing activities.

EUR thousand	Mar. 31, 2007	Mar. 31, 2006
Net cash flows from (used in) operating activities	1,111	-710
thereof from continuing operations	1,100	-710
thereof from discontinued operations	11	0
Net cash flows used in investing activities	-435	-2,830
thereof from continuing operations	-232	-2,830
thereof from discontinued operations	-203	0
Net cash flows used in (from) financing activities	-1,231	3,283
thereof from continuing operations	-1,370	3,283
thereof from discontinued operations	139	0
Free cash flow from continuing operations	868	-3,540

Investments

Investments in intangible assets and property, plant and equipment amounted to EUR 1.33 million in the first quarter of 2007 and are primarily replacement and expansion investments. Our subsidiary Allied Vision Technologies GmbH has started to significantly expand existing production capacity at the Stadtroda location.

Employees

The Group employed 464 staff at end of the first quarter of 2007. The number of employees increased by 39 compared with March 31, 2006. This growth in the number of employees was driven by the Sensors segment (+18 employees) as well as the Controls segment (+21

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employees). 7 people were employed at the Group's headquarters in Frankfurt am Main as of March 31, 2007.

Risk Report

Please refer to our 2006 Annual Report for information regarding Group-wide risks and risks at our subsidiaries. Possible risks are described in detail in that document. We are not aware of any additional risks at this time.

Significant Events after the Close of the First Quarter of 2007

The points worth mentioning in this context relate to topics that will be submitted for approval to the General Meeting on June 14, 2007.

Relocation of the headquarters to Munich

The Managing Board and Supervisory Board of AUGUSTA Technologie AG have decided to move the Company's headquarters to Munich by the middle of the year. This reflects our strategic realignment as a focused industrial holding company.

The holding company would like to be – also physically – closer to its subsidiaries. Three subsidiaries are located in greater Munich and the others can be reached more quickly from Munich than from Frankfurt. In addition, this step will allow us to reduce the number of employees at the holding company as well as rental costs. The new AUGUSTA Technologie AG holding company will be domiciled in Munich-Riem.

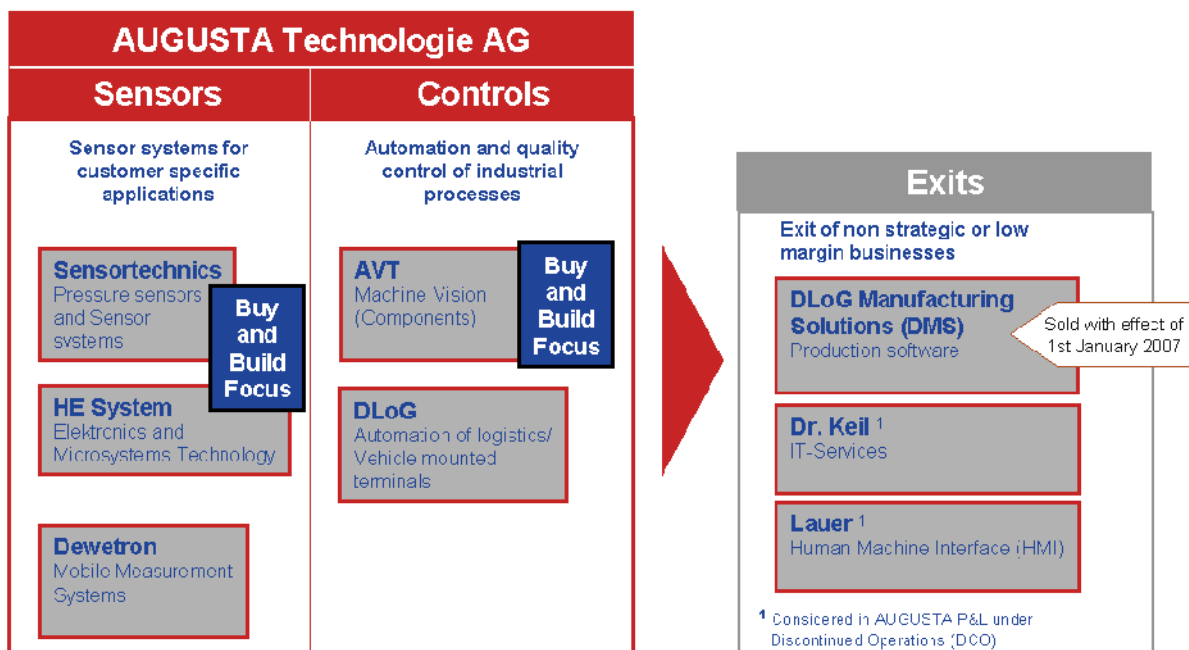
Buy-back of treasury shares

At this year's General Meeting, we will propose a share buy-back program to the shareholders. There are no concrete plans to implement this operationally as of yet. In the context of a buy-and-build strategy, which includes accretive growth, the shares that are bought back can be used as an acquisition currency. We would like to keep this option open.

Outlook

Restructuring and strategic development options

In its publications regarding the future strategic direction of the Group, management defined the framework for future activities. The reorganization of the previous divisions into the Sensors and Controls segments is the public face of our strategic restructuring and demonstrates AUGUSTA's future focus. The remaining subsidiaries will be developed within the new segment organization with the goal of achieving organic growth in excess of the market average. In addition, we will implement a buy-and-build strategy as of 2007 with the aim of achieving above-average growth through acquisitions. The focus will be on purchases in sensor elements and sensor systems, as well as in industrial image processing.



Our expanded portfolio management based on key performance indicators for more effective management of our subsidiaries' performance ensures increased transparency. With this quarterly report, we have started to give the capital markets a more transparent understanding of the Group.

Economic outlook for fiscal year 2007

Economic development in the first quarter of 2007 exceeded our expectations. We expect sales revenues and earnings growth to be somewhat weaker in the second quarter of 2007. However, we are reiterating the targets stated in the 2006 Annual Report for full-year 2007.

The following detailed presentation of our targets for fiscal year 2007 is an expression of our new transparency. In future, we will present both our Group and segment targets to the capital markets and report on our performance on a quarterly basis.

2007e in EUR million	Group forecast	Sensors forecast	Controls forecast
Sales revenues	116 - 120	76 - 80	37 - 40
EBT	13 - 15	11 - 13	5 - 7

These targets for fiscal year 2007 do not contain any acquisitions or costs resulting from acquisitions. Possible acquisitions not only serve to expand AUGUSTA's sales and technological expertise, but also to extend the value chain in Germany and abroad. Companies that have a track record of growth in line with market rates and that are able to outperform the market average going forward are potential targets for acquisition. Additionally, the companies must supplement the sensor elements and systems and industrial image processing segment portfolios, in order to facilitate medium-term synergy potential with existing activities.

AUGUSTA Technologie AG's strategic realignment will allow it to demonstrate its strengths going forward: faster growth than the market average, sound balance sheet structures, and a strengthened operating base. Increased communication and transparency vis-à-vis the capital markets is designed to strengthen the trust of the shareholders in the Group as well as the shares.

The Managing Board

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IFRS Consolidated balance sheet as of March 31, 2007

EUR thou.	Q1 2007 Mar. 31, 2007	Annual report Dec. 31, 2006
Assets		
Noncurrent assets		
Intangible assets, net	1,928	1,912
Goodwill, net	52,466	53,466
Property, plant and equipment, net	8,745	8,137
Noncurrent financial assets, net	929	1,048
Deferred tax assets	2,930	3,672
Other noncurrent assets	2,238	2,686
Total noncurrent assets	69,236	70,921
Current assets		
Inventories	16,592	16,163
Trade receivables, net	14,257	11,641
Receivables from related parties	1,021	1,105
Current financial assets	508	9
Noncurrent assets held for sale	12,753	12,721
Current tax receivables	1,392	605
Prepaid expenses and other current assets	1,167	774
Cash and cash equivalents	16,810	17,365
Total current assets	64,500	60,383
Total assets	133,736	131,304
Equity and liabilities		
Equity		
Ordinary shares with a notional value of EUR 1; as of Mar 31, 2007 and as of Dec 31, 2006: 0 authorized shares, 8,435,514 issued shares and 8,430,515 outstanding shares	8,435	8,435
Capital reserves	55,721	55,721
Retained earnings	16,986	16,986
Translation reserve	209	202
Revaluation reserves	-21	-10
Net retained profit	6,754	4,232
Treasury shares	-961	-961
Minority interest	263	271
Total equity	87,386	84,876
Noncurrent liabilities		
Long-term loans, excluding current portion	2,773	3,017
Convertible bond	0	0
Noncurrent post-employment benefit obligation	944	929
Other noncurrent provisions	211	209
Deferred tax liabilities	2,472	2,647
Other noncurrent liabilities	612	685
Total noncurrent liabilities	7,012	7,487
Current liabilities		
Trade payables	4,888	3,955
Short-term loans and current portion of long-term loans	6,071	7,078
Liabilities to affiliated parties	89	0
Liabilities to related parties	0	51
Convertible bond	13,217	13,152
Other current financial liabilities	179	144
Liabilities included in disposal groups classified as held for sale	5,629	5,592
Income tax provisions and liabilities	2,681	2,050
Other current provisions	2,983	2,438
Other current liabilities	3,601	4,481
Total current liabilities	39,338	38,941
Total equity and liabilities	133,736	131,304

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IFRS Consolidated income statement from January 1, 2007 - March 31, 2007

EUR thou.	Q1 2007 Jan. 1 - Mar. 31, 2007	Q1 2006 Jan. 1 - Mar. 31, 2006
Sales revenues		
Products	29,576	28,110
Services	188	176
	29,764	28,286
Cost of sales		
Products	-18,738	-17,995
Services	0	0
	-18,738	-17,995
	Gross profit	10,291
	11,026	10,291
Selling and marketing expenses	-3,223	-3,024
Research and development expenses	-1,153	-945
General and administrative expenses	-2,299	-1,757
Impairment of goodwill	0	0
Other income and expenses	127	76
	Profit/loss from operations	4,641
	4,478	4,641
Investment income	46	0
Share of profit and loss of associates accounted for using the equity method	0	0
Net interest expense	-173	-1,266
Foreign currency exchange gains / losses	10	3
Other financial income	0	7
	Net financing costs	-1,256
	-117	-1,256
	Profit before tax	3,385
	4,361	3,385
Income tax expense	-1,694	-1,443
	Profit from continuing operations	1,942
	2,667	1,942
Result from discontinued operations after tax	-135	-805
	Consolidated profit for the period	1,137
	2,532	1,137
Profit / loss attributable to minority interest	-10	140
	Consolidated profit for the period after minority interest	1,277
	2,522	1,277
Retained earnings / accumulated losses brought forward	7,026	-9,561
Dividends	-2,794	0
Appropriation to / withdrawal from reserves	0	-1
	Net retained profit/net accumulated losses	-8,285
	6,754	-8,285
Earnings per share from discontinued operations (diluted and basic) in EUR	-0.02	-0.10
Earnings per share (diluted and basic) in EUR	0.30	0.13
Weighted average shares outstanding (thou.), diluted and basic	8,431	8,431

IFRS Consolidated cash flow statement for the period January 1, 2007 - March 31, 2007

EUR thou.	Q1 2007	Q1 2006
	Jan. 1 - Mar. 31, 2007	Jan. 1 - Mar. 31, 2006
Cash flows from operating activities		
Consolidated profit / loss for the period	2,532	1,137
Adjustments to reconcile consolidated profit / loss for the period to cash flow from operations		
Amortization of intangible assets	154	598
Depreciation of property, plant and equipment	363	618
Gain(-) / loss(+) on disposal of property, plant and equipment	66	36
Gain(-) / loss(+) on disposal of noncurrent financial assets	220	43
Other noncash expenses	70	0
Changes in assets and liabilities		
Increase(-) /decrease(+) in deferred tax assets	742	-392
Increase(-) /decrease(+) in other noncurrent assets	448	3,178
Increase(-) /decrease(+) in inventories	-429	-2,960
Increase(-) /decrease(+) in trade receivables	-2,616	-7,526
Increase(-) /decrease(+) in receivables from related parties	84	-228
Increase(-) /decrease(+) in receivables included in disposal groups classified as held for sale	0	724
Increase(-) /decrease(+) in prepaid expenses and other assets	-1,679	802
Increase(+)/decrease(-) in other noncurrent financial liabilities	-73	7
Increase(+)/decrease(-) in noncurrent post-employment benefit obligations	15	312
Increase(+)/decrease(-) in provisions	547	46
Increase(+)/decrease(-) in deferred tax liabilities	-175	1,069
Increase(+)/decrease(-) in trade payables	933	3,897
Increase(+)/decrease(-) in liabilities to related parties	31	21
Increase(+)/decrease(-) in income tax provisions and liabilities	631	317
Increase(+)/decrease(-) in liabilities included in disposal groups classified as held for sale	0	-450
Increase(+)/decrease(-) in other current liabilities	-880	-1,959
= Net cash flows from (used in) operating activities from continuing operations	1,100	-710
= Net cash flows from (used in) operating activities from discontinued operations	11	0
= Net cash flows from (used in) operating activities	1,111	-710
Cash flows from investing activities		
Payments to acquire intangible assets	-297	-1,180
Payments to acquire property, plant and equipment	-1,037	-1,535
Payments to acquire noncurrent financial assets	-101	-115
Changes in goodwill AVT due to reduction of acquisition cost	1,000	0
= Net cash flows from (used in) investing activities from continuing operations	-232	-2,830
= Net cash flows from (used in) investing activities from discontinued operations	-203	0
= Net cash flows from (used in) investing activities	-435	-2,830
Cash flows from financing activities		
Change in short-term debt	-972	2,641
Changes in long-term debt	-244	642
Proceeds from (+) and payments to (-) shareholders	0	0
Dividend payments to minority interests	-15	0
= Net cash flows from (used in) financing activities from continuing operations	-1,370	3,283
= Net cash flows from (used in) financing activities from discontinued operations	139	0
= Net cash flows from (used in) financing activities	-1,231	3,283
Increase(+)/ decrease(-) in cash and cash equivalents	-555	-257
Effect of exchange rate changes on cash and cash equivalents	0	7
Cash and cash equivalents at beginning of period	17,365	14,444
Cash and cash equivalents from discontinued operations at beginning of period	0	0
Cash and cash equivalents at end of period	16,810	14,194
Supplemental cash flow information		
Income tax paid	911	651
Interest paid	248	1,643
Interest received	75	60

Interim Report on the first three months of 2007

IFRS Consolidated statement of changes in equity from January 1, 2007 - March 31, 2007

EUR thou.	Subscribed capital		Capital reserves	Retained earnings	Translation reserve	Revaluation reserves			Net retained loss / gain	Treasury shares	Minority interest	Total equity
	Number of shares	Amount				Financial instruments	Currency	CF hedges				
Balance at												
January 1, 2006	8,435,514	8,435	55,721	4,986	124	3	34	-193	-9,561	-961	5,658	64,246
Dividend												0
Stock option plan (Pandatel AG)												0
Sale of treasury stock												0
Purchase of treasury stock												0
Appropriation to / withdrawal from reserves				1					-1			0
Change in interest held in subsidiaries												0
Capital decrease												0
Capital increase												0
Non-cash contributions from convertible bond												0
Deduction of costs of capital increase, net of related tax												0
Profit / loss for the period									1,277		-140	1,137
Translation reserve												0
Revaluation reserves net of tax in the amount of EUR +1.115 thou.					-9		-13	136			24	138
Balance at												
March 31, 2006	8,435,514	8,435	55,721	4,987	115	3	21	-57	-8,285	-961	5,542	65,521
Balance at												
January 1, 2007	8,435,514	8,435	55,721	16,986	202	2	-12	0	4,232	-961	271	84,876
Dividend											-15	-15
Sale of treasury stock												0
Purchase of treasury stock												0
Appropriation to / withdrawal from reserves												0
Change in interest held in subsidiaries												0
Capital increase												0
Deduction of costs of capital increase, net of related tax												0
Profit / loss for the period									2,522		10	2,532
Translation reserve					7						-3	4
Revaluation reserves net of tax in the amount of -158 EUR thou.												-11
Balance at												
March 31, 2007	8,435,514	8,435	55,721	16,986	209	2	-23	0	6,754	-961	263	87,386

Notes

Explanatory Notes to the Quarterly Report

1. Accounting principles

With effect from January 1, 2005, AUGUSTA Technologie AG's consolidated financial statements and hence its interim financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs). The same accounting policies and computation methods are used as in the IFRS consolidated financial statements as of December 31, 2006.

The balance sheet (as of March 31, 2007 and December 31, 2006), the income statement (for the first quarter of both 2007 and 2006), the cash flow statement (for the first three months of both 2007 and 2006), and the statement of changes in shareholders' equity (for the first three months of both 2007 and 2006) contained in this report were prepared by the Managing Board of AUGUSTA Technologie AG and have not been audited or reviewed.

2. Changes in consolidation

Changes in consolidation arose in the following items compared with the prior-year period.

2.1 Deconsolidation of investments

In fiscal year 2006, AUGUSTA held investments in the former IT Systems division for sale as part of its strategic realignment. The sale of DLoG Manufacturing Solutions GmbH, a subsidiary of DLoG GmbH, was completed on February 13, 2007 with retroactive effect as of January 1, 2007. The sale of the Lauer Group and Dr. Keil Group are already underway and should be completed this fiscal year. This is reported in the income statement in *Result from discontinued operations after tax* (Q1 2007: EUR -135 thousand; Q1 2006: EUR -805 thousand).

The earnings effects are presented for 2007 and retrospectively for 2006. There are therefore differences between the prior-period figures contained in this report and those contained in the published report on the first quarter of 2006.

2.1.1 Cash flows from discontinued operations

Cash flows from discontinued operations in the first quarter of 2007 are reported in detail in this Interim Report. Due to the sale of companies in fiscal year 2006 and further planned disposals, the cash flow statement contains subtotals presenting net cash flows from operating, investing and financing activities from continuing operations. The decision to sell the companies was made at the end of 2006, therefore the cash flow for the first quarter of 2006 is shown unchanged.

3. Segment reporting

As part of the strategic realignment of AUGUSTA Technologie AG focusing on the systems and automation technology divisions, a restructuring of the former sensor systems and IT systems segments into the new Sensors and Controls segments was necessary. This is accompanied by the divestment of low-margin or non-strategic companies. These companies in the former IT systems segment that are categorized as held for sale, the Lauer Group and the Dr. Keil Group, and DLoG Manufacturing Solutions GmbH (already sold), are recorded in the *Result from discontinued operations* item (see note 2.1). The two active Sensors and Controls divisions will integrate high-yield middle-market companies and be further developed into an international technology group. The following information summarizes the sales revenues, earnings before tax and central administrative costs, the development of incoming orders and booked business, and the number of employees in each of the two divisions.

Segment reporting for the period January 1 - March 31, 2007 in accordance with IFRSs

EUR thou.	Q1 2007 Jan. 1 - Mar. 31, 2007	Q1 2006 Jan. 1 - Mar. 31, 2006
Sales revenues		
Sensors	19,364	18,185
Controls	10,400	10,101
Total sales revenues	29,764	28,286
Segment result		
Sensors	3,049	2,752
Controls	2,408	2,436
Total segment result	5,457	5,188
Incoming orders		
Sensors	19,523	19,082
Controls	11,313	8,073
Total incoming orders	30,836	27,155
Booked business as of March 31		
Sensors	31,421	29,045
Controls	8,047	7,149
Total incoming orders	39,468	36,194
Number of employees as of March 31		
Sensors	322	304
Controls	135	114
Total employees	457	418

4. Earnings per share

AUGUSTA Technologie AG's earnings per share are calculated on the basis of the 8,435,514 shares in issue, less the weighted average number of treasury shares held by AUGUSTA Technologie AG in the period under review. In the first three months of 2007, AUGUSTA Technologie AG continued to hold 4,999 treasury shares. As a consequence, there are 8.431 million shares outstanding.

Interim Report on the First Three Months of 2007
5. Statement of directors' holdings as of March 31, 2007

No members of executive bodies bought or sold any of the Company's securities in the first quarter of 2007. No executive body member or employee holds any preemptive rights relating to AUGUSTA Technologie AG shares in accordance with the requirements set out in section 160(1) of the Aktiengesetz (AktG – German Public Companies Act).

	Number of shares Mar. 31, 2007	Number of shares Mar. 31, 2006	Interest in share capital 2007 (%)
Managing Board			
Amnon F. Harman	2,500	n.a.	0.03
Berth Hausmann	0	n.a.	0.00
Supervisory Board			
Heinzwerner Feusser	4,999	4,999	0.06
Thomas Krüger	0	0	0.00
Dr. Daniel Wiest	0	0	0.00
Total executive bodies	7,499	4,999	0.09

6. Material shareholdings in accordance with section 21 of the WpHG (German Securities Trading Act)

The following material shareholdings existed in the first quarter of 2007:

	Mar. 31, 2007	Dec. 31, 2006	Change in Q1 2007
Deutsche Bank AG	18.10%	18.10%	No change
Trafalgar Asset Managers Limited	13.10%	17.14%	Shareholding notified as of January 20, 2007
EOS Partners, L.P.	4.9957%	7.24%	Notification as of March 13, 2007*
Stark Investments	5.83%	7.24%	Shareholding notified as of January 20, 2007**
Ennismore Fund Management	5.71%	5.71%	No change
TFG Capital AG	6.18%	5.19%	Shareholding notified as of January 20, 2007**
Lincoln Vale LLP	3.12%	n.a.	Notification as of March 16, 2007
Total	57.04%	60.62%	

* Notification as of April 18, 2006 that the shareholding fell below the 3% threshold. No further shares are held.

** AUGUSTA Technologie AG has not published a voting rights disclosure according to section 41(4a) sentences 1-4 of the WpHG because no investors reached, exceeded, or fell below any thresholds.

7. Treasury shares

4,999 treasury shares were held by AUGUSTA Technologie AG as of March 31, 2007. As the capital stock is composed of 8,435,514 shares with a notional value of EUR 1 each, the treasury shares held by AUGUSTA have a notional value of EUR 4,999.00.

	Number of shares Mar. 31, 2007	Number of shares Dec. 31, 2006	Interest in share capital 2007 (%)
Treasury shares	4,999	4,999	0.06

8. Changes in the Company's executive bodies

On 31 January 2007, the previous Chief Financial Officer Udo Zimmer left the Company. On February 1, 2007, Berth Hausmann assumed the duties of Chief Financial Officer. Mr. Hausmann has been a member of AUGUSTA Technologie AG's Managing Board since December 11, 2006.

9. Related party disclosures

A managing director and his wife lease premises to an investee, which resulted in lease expenses of EUR 20 thousand in the first quarter of 2007. The rent is in line with normal market conditions.

Disclaimer

This report contains forward-looking statements that are based on the beliefs of AUGUSTA Technologie AG's Managing Board and reflect its current opinions and assumptions. These forward-looking statements are subject to risks and uncertainties. Many presently unforeseeable factors could cause AUGUSTA Technologie AG's actual results to be materially different, including, among others, changes in general economic and business conditions, changes in interest rates and exchange rates, failure to meet efficiency and cost reduction targets, and the lack of acceptance of new products. We are strongly convinced that our expectations listed in these forward-looking statements are sound and realistic. Should the unforeseeable risks mentioned materialize, AUGUSTA Technologie AG cannot guarantee that the above-mentioned expectations can be fulfilled.

Financial calendar 2007

Publication of the interim report on the first three months	May 15, 2007
Annual General Meeting	June 14, 2007
Publication of the interim report on the first six months	August 14, 2007
Publication of the interim report on the first nine months	November 14, 2007
Analyst conference at the German Equity Forum 2007	November 12 to 14, 2007

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