

9-MONTH REPORT 2008





## 04 To Our Shareholders

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04 Letter to Our Shareholders

06 The AUGUSTA Stock

## 09 Consolidated Management Report

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09 Capital Development

09 Sales Revenues and Earnings Development

10 Development of the Segments

16 Development of Key Balance Sheet Items

17 Employees

18 Significant Developments after the Reporting Date of September 30, 2008

18 Outlook

## 20 Consolidated Financial Statements

---

20 Consolidated Balance Sheet

22 Consolidated Income Statement

23 Consolidated Cash Flow Statement

24 Consolidated Statement of Changes in Equity

## 26 Notes to the Financial Statements

---

26 Explanatory Notes to the 9-Month Report

30 Responsibility Statement

31 Risk Report

31 Legal Notice

31 Financial Calendar

# Dear Shareholders and Friends of AUGUSTA,

Our stock's performance has not been reflective of our business results recently due to the turmoil on the world's financial markets. We are not being spared the impact of the financial and economic crisis, visible in the form of declining orders, consolidation among customers and delayed processing of general agreements. Yet AUGUSTA's business has remained stable, and we have seen continued success in our core Sensors and Controls segments despite a difficult market environment. Though sales growth in the second half of the year will be lower, as announced last quarter, our earnings have risen to within the estimated range.

Below is provided a round up of the Group's key financial figures as of September 30, 2008 versus the same date in 2007:

- / The Group's revenues increased from EUR 87.45 million in the previous year to EUR 93.94 million, up 7.4 percent.
- / Earnings before interest and taxes (EBIT) increased from EUR 13.43 million a year ago to EUR 14.17 million (+5.6 per cent). The EBIT margin came in at 15.1 percent.
- / Earnings per share increased to EUR 1.23 (versus a previous EUR 1.33).
- / Incoming orders were slightly higher year-on-year at EUR 93.38 million (versus EUR 92.83 million). The order backlog rose year-on-year to EUR 43.99 million from a previous EUR 41.54 million (+5.9 percent).
- / Net liquidity at the end of the period under review totaled EUR 3.13 million.

Substantial progress was made in our **strategic initiatives**: The acquisition of the Canadian firm Prosilica Inc. by our subsidiary AVT substantially improved our global market position in digital cameras for industrial image processing. In addition to expanding production capacity in North America, the purchase was also a rapid means of entering the relatively new and fast-growing GigE market. GigE products are a superb complement to the FireWire cameras developed and produced by AVT. The integration of Prosilica into the AUGUSTA Group is proceeding on track. Synergies are being obtained through joint development projects and in sales and marketing in particular.

In October we further expanded in Asia by acquiring a majority stake in Dewetron China Ltd., our mobile measuring system distributor in China. The move ensures us access to this key market, increasing our degree of internationalization. Both Prosilica and Dewetron China are fast growing and profitable companies, allowing us to regionally diversify production and purchasing so as to further reduce our exposure to currency risk.



Amnon F. Harman, CEO (left), and Berth Hausmann, CFO (right)

We have the financial means for further growth by acquisition going forward, and are capable of integrating larger targets into our portfolio. Our capital base, strong cash flow, net liquidity, stock buyback program and ability to offer additional shares give us broad leeway for future acquisitions.

Shareholders may thus look back on a year of business success characterized by solid growth and high profitability. Pessimism concerning the global economy is already being borne out however, thus we have lowered our estimates for the months ahead. Even now, Group companies are feeling the impact. Projects and the processing of general agreements are being delayed, as we too are affected by adverse macroeconomic conditions, pricing pressures, falling capital expenditure and consolidation among some of our target markets. The downturn has not taken us by surprise, as last quarter we announced our expectation for slowing growth in the second half of 2008, but without significant loss of profitability. For this fiscal year we will remain on track for long-term sales growth of an average 6 - 8 percent annually. We are however lowering our sales revenue guidance from a range of EUR 130 -132 million down to EUR 125 - 130 million. This reflects the less favorable conditions now affecting our markets. We are reiterating our earning predictions of a minimum EUR 19 million.

For 2009 we anticipate rising revenue and earnings as a result of the successful execution of the corporate strategy we have outlined. Plans are to distribute a dividend of a minimum EUR 1.20 per share in 2009; in 2010 and thereafter dividends are to be paid out in the amount of approximately 30 percent of net profit for the year.

We would like to thank you for the confidence you continue to place in us as we confront the current financial crisis and move forward despite economic adversity.

Amnon F. Harman  
Chief Executive Officer

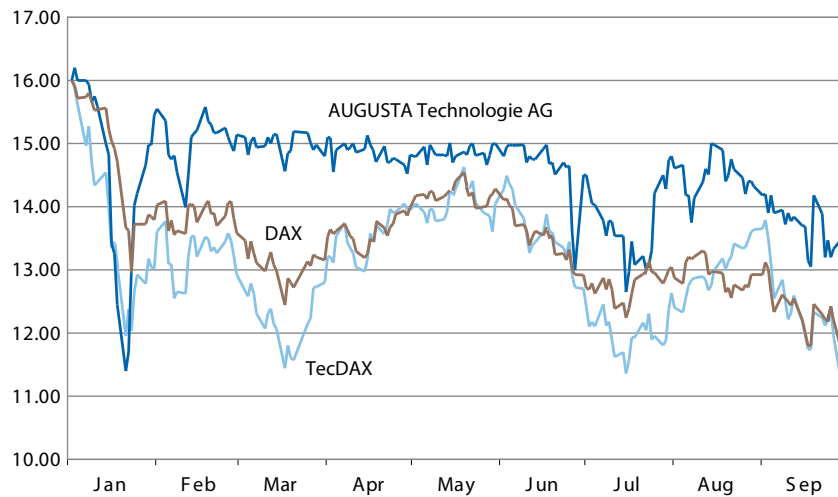
Berth Hausmann  
Chief Financial Officer

**Performance of the AUGUSTA share**

The subprime crisis in all its facets has dominated stock markets with an unbroken string of gloomy headlines since mid-2007; in recent months, it has become a full-blown global financial crisis. Not only have US banks seen their balance sheets deflate, but European institutes were also driven to the brink. Then, a flood of alarming financial and corporate news sent international stock markets plummeting in September. German companies are also feeling the pinch from the financial crisis, as shown by the decline of the Ifo business sentiment index in October.

Experts are now referring to two distinct problems: the financial market crisis and a global economic downturn. Investors are not alone in wondering how to pick up the pieces after the financial tsunami in late September. Much is still unclear, but one thing is not: Volatility indexes in Europe and North America have broken all records as traders sell off their investment holdings. The bail-outs orchestrated by the US and European governments contained the initial problem at the very least and sent out a signal that both the banks and the markets needed – not just to pull through the crisis, but also to restore confidence. Whether it will succeed remains to be seen. In the meantime, the world appears headed for a recession. It is no surprise that market participants are making a dash for cash and selling off their shares in these uncertain times. This reaction has triggered declines and volatility in share prices around the world. The AUGUSTA share was also affected by this trend. Its quoted performance slipped into minus as of the end of the quarter.

**AUGUSTA SHARE PRICE COMPARED TO DAX AND TECDAX**



Trading at EUR 13.80 on September 30, 2008, the share had declined around 13.8 percent since the start of the year. Other shares in the TecDAX, AUGUSTA’s main benchmark index, have slid even further, landing deep in the minus range. Compared to the TecDAX (YTD performance: -29.3 percent) and the DAX (YTD performance: -36.6 percent), the AUGUSTA share

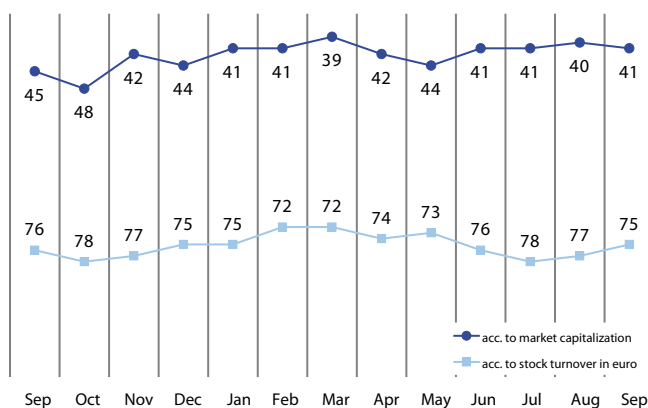
fared much better. The EUR 1.20 dividend payment per share to be distributed after next year's General Meeting, the company's long-term pledge to distribute a dividend of approximately 30 percent of net income for the year, the ongoing share buyback program, the profitable and scalable business model, and AUGUSTA's strong positioning in fast-growing target markets continue to make the AUGUSTA share an attractive high-yield investment over the long term. While the share price declined further in October in the face of the current market conditions, the AUGUSTA Group's fundamentals show that its positive economic performance is not reflected in its share price performance.

Investors cashing out, market uncertainty, and lack of new investment drove trading volumes down considerably in the overall market, affecting not only blue chips, but also small and mid-caps. However, the small and mid-caps will probably be affected longer by investors' reluctance to return to equities.

The trading volume of the AUGUSTA share rose dramatically in the past three months, causing the share buyback program to regain considerable momentum. By the end of September, treasury shares accounted for 8.22 percent of share capital.

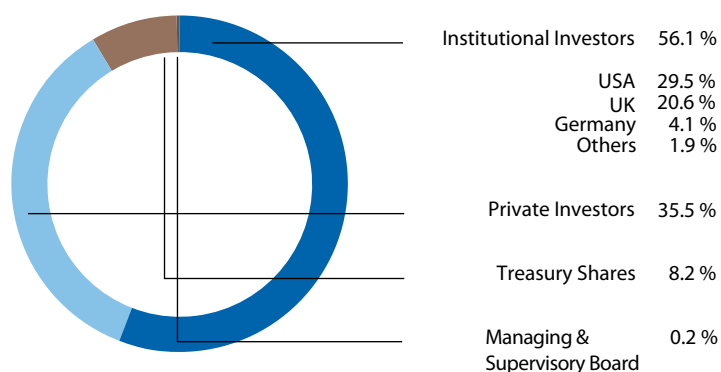
The AUGUSTA share also rose in Deutsche Börse's rankings over the previous year. Compared to the TecDAX, which represents the 30 largest small and mid-cap shares in the technology sector, the AUGUSTA share came in 75th place in terms of share trading volumes (same period in 2007: 76). In terms of free-float market capitalization, it climbed to 41st place (same period in 2007: 45).

**TECDAX POSITIONING: RANKING OF THE AUGUSTA SHARE**



The shareholder structure largely remained stable in 2008. AUGUSTA has a high percentage of institutional investors (> 55 percent), most based in the US and the UK. With a free float of 91.8 percent, share capital was distributed as follows as of the end of September:

#### SHAREHOLDERS STRUCTURE



#### Stock Option Program

On May 9, 2008, the General Meeting approved the creation of conditional capital of up to EUR 843,551.00 for the launch of a share option program. The program is designed not only to link management compensation to AUGUSTA share appreciation, but also to retain top managers in the company for the long term, and therefore further boost AUGUSTA's competitiveness. On July 7, 2008, the first tranche of 115,300 stock options with a total term of 7 years was issued to members of the Managing Board, the managing directors of individual subsidiaries and specific managers at a price of EUR 14.63. This is equal to 1.4 percent of share capital.

#### A SUMMARY OF THE AUGUSTA STOCK

ISIN	DE000A0D6612
Transparency standard	Prime Standard
Trading segment	Technology Prime-Sektor Industrial
Indexes	CDAX/Prime All Share/Technology All Share
Date of initial listing	May 5, 1998
Number of shares	8,435,514
High / low (52 weeks)*	16.70 EUR/11.40 EUR
Closing rate as of September 30, 2008*	13.80 EUR
Market capitalization as of September 30, 2008*	116.4 EUR million
Earnings per share as of September 30, 2008	1.23 EUR

\* Xetra closing rates

## Capital Development

On September 30, 2008, the **SHARE CAPITAL** of AUGUSTA Technologie AG totaled EUR 8,435,514, as before. It is made up of 8,435,514 ordinary shares, each with a notional value of EUR 1.00.

With the authorization of the General Meeting, AUGUSTA Technologie AG can purchase treasury shares worth up to 10 percent of share capital. The company has been making use of this right since August 1, 2007, and is planning to buy back up to 10 percent of the share capital in total via the stock exchange. Based on current trading volumes, it expects to be finished with this program by the end of 2008.

As of the reporting date, September 30, 2008, the company holds a stock of 693,555 shares as **TREASURY SHARES** (corresponding to 8.22 percent of share capital). Of these, 688,556 come from shares bought back via the stock exchange at the average price of EUR 15.42. The total volume of buybacks so far since the launch of the program has been EUR 11.60 million as of the reporting date. The number of **SHARES OUTSTANDING** on the reporting date was 7,741,959. The average number of shares outstanding in the first nine months of 2008 ran to 7,929,687. The average number of shares outstanding in the third quarter was 7,810,858. These form the basis for calculating earnings per share.

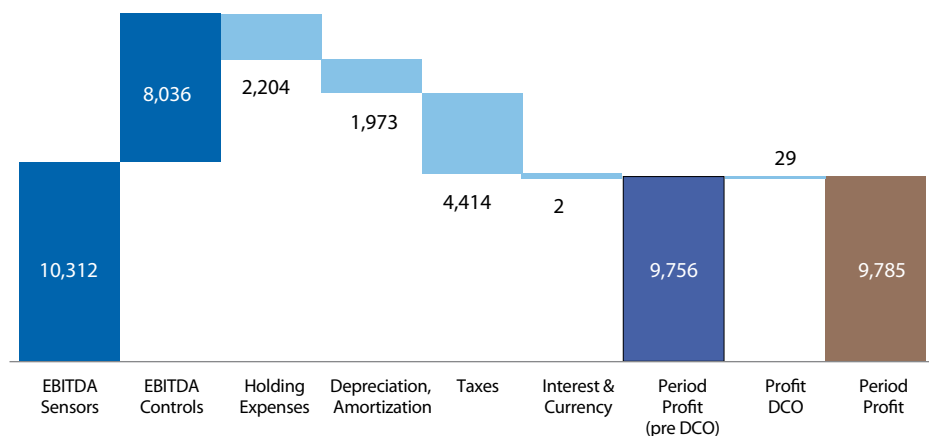
## Sales Revenues and Earnings Development

In spite of the threat of recession, in the first nine months of the ongoing financial year AUGUSTA Technologie AG was able to grow its operational business compared with a year earlier. That being said, the companies in the AUGUSTA Group felt the effects of the financial crisis in the real economy in Q3 so that growth in revenue slackened. Without the first-time inclusion of Prosilica in the consolidated accounts from August 1, 2008, the volume of sales in the 3rd quarter would have been below that of the previous year.

Overall **REVENUE** of the AUGUSTA Group in the first nine months increased to EUR 93.94 million, a plus compared with a year earlier of 7.4 percent (EUR 87.45 million). Sales revenue in Q3 2008 at EUR 30.85 million was only slightly ahead of the figure for the reference period of the previous year (EUR 30.23 million). Compared with the year earlier period, Holding costs could be reduced by 8.7 percent to EUR 2.30 million (Q3 2007: EUR 2.52 million).

At EUR 16.15 million **EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTIZATION (EBITDA)** were around 7.0 percent up on the year earlier value (EUR 15.08 million). **EARNINGS BEFORE INTEREST AND TAX (EBIT)** could also be bolstered, reaching a value of EUR 14.17 million. Compared with the previous year (EUR 13.43 million) the EBIT grew by 5.6 percent. Accordingly the EBIT margin as of September 30, 2008, was 15.1 percent (previous year: 15.4 percent). Likewise it was possible to improve the **EARNINGS BEFORE TAX (EBT)**, which at EUR 14.17 million came in at 10.6 percent above the previous year value (EUR 12.81 million).

**VISUALIZATION OF THE PERIOD PROFIT IN EUR 000**



As of September 30, 2008, the **RESULT FROM CONTINUING BUSINESS ACTIVITIES** was EUR 9.76 million, up on the previous year result (EUR 8.27 million) by 18.0 percent. The contribution to earnings of disposed business areas was EUR 0.03 million (previous year: EUR 2.90 million), with the sale of the Dr. Keil Group on July 2, 2008, marking the disposal and removal from the consolidated accounts of the last discontinued business area. The **SURPLUS FOR THE PERIOD** according to DCO and after third party share at EUR 9.72 million was below the previous year's value (EUR 11.12 million). The earnings per share thus amounted to EUR 1.23 (previous year: EUR 1.33 per share).

As of September 30, 2008, the key performance indicators for the Group were as follows:

KEY GROUP FIGURES IN EUR MILLION	9M 2008	9M 2007	CHANGE
Sales revenues	93.94	87.45	7.4 %
EBITDA	16.15	15.08	7.0 %
Margin	17.2 %	17.2 %	
EBIT	14.17	13.43	5.6 %
Margin	15.1 %	15.4 %	
EBT	14.17	12.81	10.6 %
Margin	15.1 %	14.6 %	
Incoming orders	93.38	92.83	0.6 %
Order backlog	43.99	41.54	5.9 %

**Development of the Segments**

Growth revenue in comparison to the first half of the ongoing business year tailed off in both segments. This trend will be maintained in Q4 2008. We attribute this trend to the affect of the uncertain economic situation on our customers. In terms of earnings, both divisions continue to

be highly profitable which is reflected in the high EBIT margin of over 20 percent in the Controls division and over 15 percent in the Sensors division.

In the **SENSORS** division that embraces the product areas of sensors and microsystem technology as well as mobile measuring systems, AUGUSTA develops, produces and markets sensor systems for customer-specific applications.

In the product area **Sensor Systems and Microsystems Technology**, which includes the Sensortech Group and HE System Electronics, operations are focused on application-specific solutions in the areas of pressure and flow-rate sensors and power electronics.

Sensortech, which is the European leader in the market for pressure sensors in medical applications, is at present generating the majority of sales in specialized trading operations. The growth of Sensortech lost momentum in the course of the year. Although the major end-customer segments such as medical technology and the food processing industry are only indirectly affected by the larger economic picture, consolidation in the medical technology industry is leading to project delays so that existing framework contracts are likewise being activated with delays. While the growth in sales may be leveling off, profitability remains undiminished.

In addition, sensor solutions developed by us in-house are gaining in importance so that the share of sales generated by internally developed systems and enhanced sensors is increasing continuously. Existing projects include the continued development of pressure sensors in the ultralow pressure area (HC Series) and the currently ongoing market launch of the pressure sensor range for the higher pressure areas (HD Series). These find application especially in the fields of medical technology, heating and climate management technology as well as industrial metrology in Europe. Extension of marketing activities to North America has been initiated by reinforcement of Sensortech Inc. The strengthened development and marketing activities are also reflected in the cost structure.

For the future, the marketing of larger runs of independently developed sensors is planned. While development and production competence has hitherto been localized at Elbau in Berlin, larger production runs of standard products are to be transferred to Asia. In this context, we have commenced the establishment of our own production facility for microsystems technology in Singapore. The planned large production runs will enable the Sensortech Group to open up markets in new customer segments and secure future growth. Another important consideration in the decision to set up a production facility in Asia is the increasing pressure on prices. To remain competitive, margins can be protected by larger production runs of independently developed products. Investments in the new production location in Singapore up to 2010 are planned to amount to around EUR 3.5 million.

Like the Sensortech Group, HE System Electronic is also pursuing the goal of positioning itself in future increasingly as a systems provider. HE develops customized products for smaller and medium-sized production runs. The changeover from contract producer to system supplier is typically associated with transitional expenses that affect margins in the medium-term. This will however only be a temporary situation as the systems business is overall more profitable than contract production.

In the field of **Mobile Measuring Systems**, the subsidiary Dewetron specializes largely in the automotive and aircraft industries. Although these industries are cyclical, Dewetron has not to date felt any adverse cyclical effects. One reason is that the main customers of Dewetron products are the research departments of our customers that are more independent of such cycles. In the energy sector, too, Dewetron has extended its market presence and was able to win another major contract. The independently developed “Power Products” made it possible for the STEWEAG-STEG power utility in Steiermark (Austria) to accurately monitor and ensure its deliverability and quality of electric energy.

After the Graz (Austria)-based Dewetron took a majority stake in its U.S. distributor Dewetron Inc. as of January 1, 2008, in the third quarter it acquired a majority holding in Dewetron China Ltd. in China, effective October 1, 2008. The two acquisitions assure Dewetron controlled access in the long-term to the important markets in North America and China and form part of the international growth strategy. The two locations will also provide the prerequisites for the partial relocation of production processes and create optimization possibilities that will reduce exposure to currency volatility, for example. In the past, Dewetron China Ltd. has been able to grow at an above average rate thanks to the high growth potential of the Chinese market. In the USA, Dewetron Inc. signed the biggest order in the company’s history with NASA. Dewetron’s measurement technology will be employed in support of the USA’s new space program which is focused on the exploration of Mars.

Overall the Sensors division generated sales revenue of EUR 58.69 million which was a slight increase compared to the previous year (EUR 56.82 million), namely by 3.3 percent.

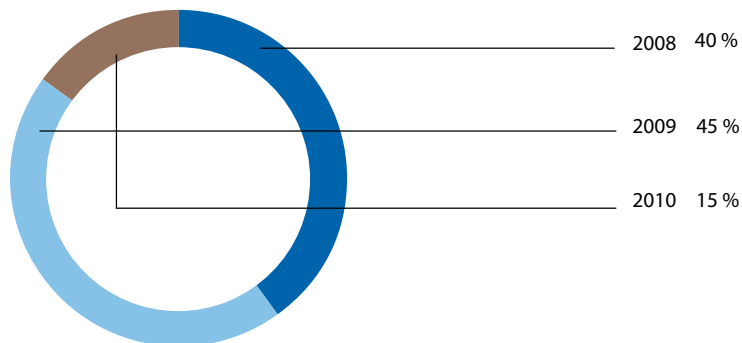
Earnings before Interest and Taxes (EBIT) at the end of the reporting period was EUR 9.27 million, a slight fallback from the previous year figure (EUR 9.70 million) of 4.5 percent. This was influenced by the increased costs incurred by the changeover by HE to the systems business, the development and introduction of new products by Sensortechinics as well as costs for increased activities in Asia. Nonetheless, the EBIT margin was maintained at a high level of 15.8 percent.

KEY DATA SENSORS IN EUR MILLION	9M 2008	9M 2007	CHANGE
Sales revenues	58.69	56.82	3.3 %
EBITDA	10.31	10.66	-3.3 %
Margin	17.6 %	18.8 %	
EBIT	9.27	9.70	-4.5 %
Margin	15.8 %	17.1 %	
EBT	8.78	9.31	-5.7 %
Margin	15.0 %	16.4 %	
Incoming orders	57.65	58.18	-0.9 %
Order backlog	33.54	31.83	5.3 %

New orders at EUR 57.65 million were just below the previous year value (EUR 58.18 million), while the order backlog at EUR 33.54 million was higher than the reference value (EU 31.83 mil-

lion). The weakness in new orders is due to consolidation in the medical technology end-customer segment and due to economic uncertainties that are associated with postponements in projects and delays in the activation of existing framework contracts. New orders exhibit a slight upward trend in the fourth quarter.

#### ORDER BACKLOG SENSORS



In the **CONTROLS** division, AUGUSTA Technologie AG, by virtue of its subsidiary Allied Vision Technologies with the latter's digital camera systems for industrial imaging, is one of the three largest suppliers worldwide. DLoG is specialized in the area of logistics automation and is the world's fifth largest supplier in the field of "Vehicle Mounted Terminals". Both companies occupy specialist niches in the market for automation technology. They serve customers from the production engineering, medical device technology, trade and technology industries.

Allied Vision Technologies which is involved in the field of **Vision Technology** is the largest holding in the Controls division. This was reinforced at the end of July by the acquisition of the Canadian company Prosilica. With the purchase of Prosilica Inc., AVT has not only extended its production capacity in North America but also gained direct entry into the still young and fast-growing GigE camera market. The GigE products developed by AVT perfectly complement the FireWire cameras developed and produced by AVT. With this acquisition, AVT is extending its product portfolio, opening up new end-customer segments and gaining new marketing leverage in regions such as the USA and Asia. In addition to synergies in marketing, other synergies are being generated in purchasing and new development projects. In addition AVT will obtain international flexibility due to the global sales and production structure and will in future better be able to manage foreign exchange risks. For the first time ever, the two companies jointly exhibited at the VISION SHOW 2008 in Stuttgart. The integrated stand and joint presence produced much positive resonance from existing and new customers.

In spite of increased competitive and price pressure and a difficult market environment in the USA, the AVT Group was able to continue to grow in this market and to win a major

order in the field of medical technology. The cameras will be increasingly used in diagnosis in ophthalmology, which is a promising market with much growth potential. Other contracts in medical technology such as for 3D analysis in plastic surgery and blood analysis could also be won in the face of competition from other US players.

This area will continue to make a decisive contribution to the Group's growth prospects in future. The growth engines in the medium-term will primarily be new products, new technologies and marketing synergies as a consequence of the Prosilica acquisition. The replacement of analog with digital cameras will also drive growth.

In the area of [Logistics Automation](#), DLoG GmbH is the world's leading provider of industrial PCs that find application in intralogistics, industrial production and in large industrial plants. In the third quarter DLoG was able to win another key OEM partner. The Italy-based Datalogic will in future integrate DLoG terminals in its product range and market them under its own brand. Datalogic is the optimum partner for DLoG for pushing forward with further expansion within the logistics industry as well as with regional and vertical growth.

Over 50 percent of the company's production is now sold in other countries. Sales via OEM partners in Europe, the USA and Asia creates greater independence from economic fluctuations in individual markets. Fear of recession is also causing delays in the building of new storage facilities and hence to project postponements in the logistics automation industry.

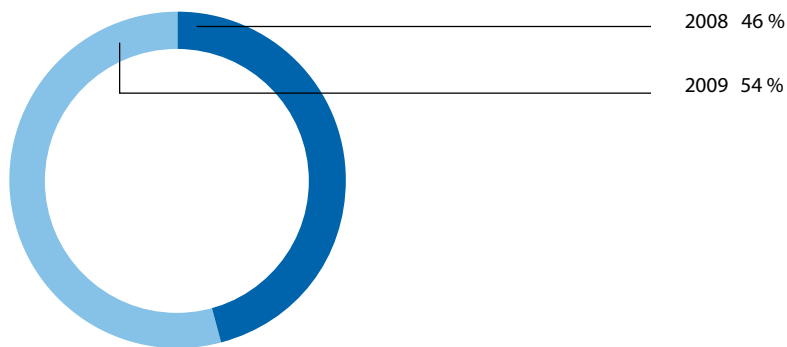
Overall, however, it was possible to maintain sales growth by very gratifying developments in all businesses and by the first-time inclusion of Prosilica in the consolidated accounts in the Controls division from August 1, 2008. At EUR 35.25 million, sales revenues were 15.1 percent higher than in the previous year (EUR 30.63 million).

The operating result (EBIT) also developed in an extremely positive fashion and at the end of the reporting period was at EUR 7.21 million, an increase compared with the previous year period (EUR 6.25 million) of 15.4 percent. The EBIT margin was thus 20.4 percent. These figures include revenue from Prosilica of EUR 1.06 million and an EBIT of EUR 0.46 million.

KEY DATA CONTROLS IN EUR MILLION	9M 2008	9M 2007	CHANGE
Sales revenues	35.25	30.63	15.1 %
EBITDA	8.04	6.90	16.4 %
Margin	22.8 %	22.5 %	
EBIT	7.21	6.25	15.4 %
Margin	20.4 %	20.4 %	
EBT	7.13	6.12	16.5 %
Margin	20.2 %	20.0 %	
Incoming orders	35.73	34.65	3.1 %
Order backlog	10.46	9.70	7.8 %

New orders at EUR 35.73 million were only slightly above the cumulative previous year values (EUR 34.65 million). This picture was largely reflected in the order backlog. The latter reached a value of EUR 10.46 million and was thus 7.8 percent above the previous year value of EUR 9.70 million. This trend underlines that even on this market that is characterized by sustained high growth rates, a reticence is to be seen on the part of buyers.

**ORDER BACKLOG CONTROLS**



**Internationalization**

AUGUSTA is continually increasing its market share in foreign markets both by organic growth and by acquisitions and is intensifying its activities in high-growth markets. This trend will be maintained and reinforced in future by the acquisition of Prosilica Inc. in Canada, whose markets are largely to be found in North America and Asia, and by the acquisition of a majority holding in Dewetron Inc. in the USA and Dewetron China Ltd. in China. The increasing internationalization of AUGUSTA also enables it to orient its chain of added value on a global scale and to outsource procurement, production and assembly in local markets.

At present the breakdown of sales according to world regions looks like this:

**SALES BY REGION**



## M&A Activities

In the context of the buy-and-build strategy, AUGUSTA is concentrating on the two areas of sensors and microsystems technology as well as industrial imaging. Ideally, potential acquisitions will complement existing holdings either technologically or geographically and will generate synergies in procurement and in the sales / service areas. In particular, acquisitions shall contribute to the attainment of global market leadership in the respective niche markets.

## Finance

The financial strength of AUGUSTA and the loss of momentum in the economic environment provide a favorable backdrop for continued implementation of the buy-and-build strategy. The economic gloom increases the likelihood of picking up attractive acquisitions at acceptable prices. The present strength of the euro also favors purchases in North America and Asia, which in turn support the planned internationalization program. That being said, most experts believe that the financial crisis in Germany will also affect lending and only companies with very good credit ratings will still be able to get credit. In spite of the gloomy outlook in the financial environment, we are assuming that AUGUSTA will continue to receive attractive conditions from its financial partners due to the strength of its balance sheet and will continue to be able to finance planned acquisitions with borrowed capital. In the long-term, AUGUSTA is looking to keep its indebtedness at a reasonable level while maintaining the equity capital ratio within the Group at over 50 percent. This effect will also have a positive effect on the valuation of the Group.

At present, AUGUSTA has sufficient room for maneuver to integrate larger acquisitions and high-revenue targets in its portfolio. This room for maneuver has been created by the solid balance sheet, the strong cash flows, the net liquidity, the share buyback program and possible capital increases. The decisive factor in all acquisitions is that these shall create added value and that from the first year of acquisition they should contribute to the Group's profitability. This was the case with all such transactions conducted in the last 18 months.

## Development of the Key Balance Sheet Items

The initial inclusion of Prosilica Inc. in the consolidated accounts and the removal of Dr. Keil GmbH & Co. KG have influenced the balance sheet status more strongly than in previous quarters.

As of September 30, 2008, the **BALANCE SHEET TOTAL** increased compared with that for the end of the previous financial year and was at EUR 147.73 million (December 31, 2007: EUR 127.33 million).

**TOTAL ASSETS** also increased in the first nine months of 2008 compared with the end of the 2007 financial year with a value of EUR 82.33 million (December 31, 2007: EUR 64.63 million). Based on increased inventories and reduced liabilities, the **WORKING CAPITAL** also increased in the reporting period to EUR 32.73 million (December 31, 2007: EUR 25.92 million). Correspondingly

the Days of Working Capital (DWC) in comparison to the end of financial year 2007 rose to 95 days (December 31, 2007: 79 days).

**CASH AND CASH EQUIVALENTS** increased compared with December 31, 2007 (EUR 20.66 million), slightly to EUR 21.33 million.

**CURRENT LIABILITIES** increased as of September 30, 2008, to EUR 27.26 million (December 31, 2007: EUR 24.54 million). **NON-CURRENT LIABILITIES** increased compared with the end of the 2007 financial year (EUR 8.15 million) strongly and came in at the end of the reporting period at EUR 21.47 million. The purchase of Prosilica was exclusively financed with third party funds, which had a corresponding effect on non-current liabilities. **NET LIQUIDITY** came in as of September 30, 2008, at EUR 3.13 million (December 31, 2007: EUR 11.75 million).

**CASH FLOW FROM OPERATIONS** from continuing business activities increased to EUR 9.18 million and was hence 20.4 percent above the previous year value (EUR 7.63 million).

KEY DATA BALANCE SHEET IN EUR MILLION	9M 2008	9M 2007	CHANGE
Goodwill	62.02	50.53	22.7 %
Cash, cash equivalents, and securities	21.33	20.66	3.3 %
Total assets	147.73	127.33	16.0 %
Net liquidity	3.13	11.75	-73.3 %
Enterprise Value	103.71	119.71	-13.4 %
Equity ratio	67.0 %	74.3 %	-9.8 %

## Employees

The personnel headcount increased strongly in the third quarter particularly due to the acquisition of Prosilica Inc.

As of September 30, 2008, the AUGUSTA Group employed 605 full time members of staff. This represents a growth of around 19.3 percent compared with the previous year (previous year: 507 employees). By its continued transformation into a technology company, AUGUSTA has created additional workplaces in the areas of sales, product management and development compared with the reference period.

Of this total, 403 employees worked in the Sensors division on the closing date (previous year: 353 employees). In the Controls division, 197 staff were employed (previous year: 149 employees), whereby 19 employees were taken over from Prosilica. 5 employees worked at company headquarters in Munich (previous year: 5 employees).

### **Significant Developments after the Reporting Date of September 30, 2008**

AUGUSTA Technologie AG acquired a majority stake in the Hong Kong-based distributor Dewetron China Ltd. 85 percent of the shares were acquired by the AUGUSTA subsidiary Dewetron GmbH headquartered in Graz, Austria. Dewetron China Ltd. was included in the consolidated accounts for the first time as of October 1, 2008.

The niche market opened up by AUGUSTA in China posted a growth rate in the area of data acquisition and analysis of more than 20 percent per annum. Dewetron China Ltd. was growing faster than the market and its sales have increased by more than 40 percent per annum since 2006. By the end of the year, Dewetron China Ltd. is expecting sales revenues of around EUR 3 million with above average profitability. The growth of the company above the market average rate will continue in the future. With its majority holding in Dewetron in China, AUGUSTA now has a marketing subsidiary under its direct control in another high-growth market.

The company Elbau Singapore Pte. Ltd. was established on October 24, 2008. This was preparatory to the build-up of production in Asia.

### **Prospects: AUGUSTA Confirms the Profit Forecast for 2008**

The prospects for the world economy have become discernibly more gloomy due to the crisis in the financial markets. A recession in our most important sales markets is a realistic scenario. Industry experts are not predicting any improvement until the end of 2009. Germany is particularly affected by the international weakness in the world economy as exports account for a large proportion of the national economy and worldwide demand for capital goods is falling.

AUGUSTA will not escape from these developments unscathed, even though it is operating in industries that are less exposed to economic sentiment. As AUGUSTA finds itself with many products at the end of the value-creation chain, the impact of any downturn on us will be delayed. Within the last few weeks however the reticent attitude has also made its presence felt among AUGUSTA customers.

The consolidation that is also taking place in the medical technology industry is making end-customers postpone projects, with the result that there are delays in the activation of existing framework contracts. The hesitant state of incoming orders that especially in Europe is characterized by the current reticence in investment, the uncertain economic climate and investment postponements are other factors that have adversely affected the growth dynamism of the AUGUSTA Group, especially in the Sensors division. In the Vision Technology area, the reduced dynamism in machine tools and plant engineering is having a negative effect.

Although we continue to assume growth in revenue and income in the 4th quarter in comparison to the previous year and we will reach our long-term revenue target of 6 to 8 percent annual

organic growth, from the present outlook it is difficult to confirm the revenue projection of EUR 130 million adjusted to take account of the takeover of Prosilica, given statements and reactions on the parts of customers. We must take this trend into account with the negative growth and uncertainty in our sales markets. As a consequence of the rapidly and drastically deteriorating economic situation, we are predicting that we will fall short of the target revenue of EUR 130 - 132 million by 2 to 3 percent and are anticipating sales revenues in a wider bandwidth of EUR 125 to 130 million.

In spite of current market trends and the slower growth in sales in the second half of 2008, we were able to continue to maintain our profitability at a high level. Therefore we confirm the EBIT guidance that was first raised in mid-year of at least EUR 19 million.

<b>PROSPECTS 2008 REVISED IN EUR MILLION</b>	<b>GROUP</b>	<b>SENSORS</b>	<b>CONTROLS</b>
Sales revenues	125-130	78-83	46-49
EBIT	19-21	12-14	9-11

With an equity capital ratio of 67 percent and liquid assets of EUR 21.33 million, the company is on a solid financial basis and can expand from its own resources. The company is adequately capitalized to achieve its growth targets also with the aid of acquisitions for the mid-term. We are ensuring that our EBIT margin is being maintained steadily at over 14 percent. The continued integration of companies in which AUGUSTA has shareholdings should continue to underline the public perception of the Group as an integrated technology company and reduce the discount for holding company status.

With our announced dividend payment of EUR 1.20 per share in May 2009 and the long-term dividend policy with a sustained dividend ratio of around 30 percent of the annual surpluses in the following year – that is around EUR 0.60 per share – we wish to also increase long-term confidence in the Group on the capital market.

For the financial year 2009, we are anticipating a growth in revenue and income, whereby we will specify our concrete target figures in our business report.

# IFRS Consolidated Balance Sheet

ASSETS IN EUR 000	SEPTEMBER 30, 2008	DECEMBER 31, 2007
<b>Non-current assets</b>		
Intangible assets, net	6,864	2,123
Goodwill, net	62,017	50,530
Property, plant and equipment, net	12,448	11,169
Non-current financial assets, net	1,004	805
Deferred tax assets	724	1,650
Other non-current assets	2,756	2,822
<b>Total non-current assets</b>	<b>85,813</b>	<b>69,099</b>
<b>Current assets</b>		
Inventories	22,315	18,097
Trade accounts receivables, net	16,110	13,793
Receivables from related parties	125	1,379
Current financial assets	4,115	3,145
Non-current assets held for sale	0	2,314
Tax accounts receivables	791	765
Prepaid expenses and other current assets	1,173	1,223
Cash and cash equivalents	17,282	17,511
<b>Total current assets</b>	<b>61,911</b>	<b>58,227</b>
<b>Total assets</b>	<b>147,724</b>	<b>127,326</b>

EQUITY AND LIABILITIES IN EUR 000	SEPTEMBER 30, 2009	DECEMBER 31, 2007
<b>Shareholders' equity</b>		
Share capital	8,436	8,436
Capital reserves	55,721	55,721
Earnings reserves	23,000	23,000
Currency translation	404	279
Revaluation reserves	0	-3
Retained earnings	22,766	13,050
Treasury shares	-11,596	-6,103
Minority interest	273	258
<b>Total shareholders' equity</b>	<b>99,004</b>	<b>94,638</b>
<b>Non-current liabilities</b>		
Long-term loans, excluding current portion	13,226	3,741
Non-current post-employment benefit obligation	1,003	958
Other non-current provisions	319	312
Deferred tax liabilities	3,692	2,238
Other non-current liabilities	3,225	898
<b>Total non-current liabilities</b>	<b>21,465</b>	<b>8,147</b>
<b>Current liabilities</b>		
Trade accounts payables	5,700	5,974
Short-term loans and current portion of long-term loans	5,065	5,162
Liabilities to related parties	6	0
Other current financial liabilities	326	413
Liabilities included in disposal groups classified as held for sale	0	2,314
Income tax provisions and liabilities	3,449	2,693
Other current provisions	4,028	2,884
Other current liabilities	8,681	5,101
<b>Total current liabilities</b>	<b>27,255</b>	<b>24,541</b>
<b>Total equity and liabilities</b>	<b>147,724</b>	<b>127,326</b>

# IFRS Consolidated Income Statement

IN EUR 000	Q3 2008	Q3 2007	9M 2008	9M 2007
<b>Sales revenues</b>				
Products	30,689	30,022	93,384	86,881
Services	157	207	554	570
	<b>30,846</b>	<b>30,229</b>	<b>93,938</b>	<b>87,451</b>
<b>Cost of sales</b>				
Products	-18,229	-18,257	-55,885	-53,369
Services	0	0	0	0
	-18,229	-18,257	-55,885	-53,369
<b>Gross profit</b>	<b>12,617</b>	<b>11,972</b>	<b>38,053</b>	<b>34,082</b>
Sales and marketing expenses	-3,906	-3,318	-11,183	-9,853
Research and development expenses	-1,765	-1,403	-5,082	-3,605
General and administrative expenses	-2,595	-2,429	-7,537	-7,324
Impairment of goodwill	0	1	0	0
Other income and expenses	295	-13	-79	125
<b>Profit from operations</b>	<b>4,646</b>	<b>4,810</b>	<b>14,172</b>	<b>13,425</b>
Investment income	0	0	0	45
Share profit and loss of associates accounted for using the equity method	0	0	0	0
Net interest income / expense	-37	-282	-134	-644
Foreign currency exchange gains / losses	128	-7	132	0
Depreciation on financial assets	0	-15	0	-19
<b>Net financing costs</b>	<b>91</b>	<b>-304</b>	<b>-2</b>	<b>-618</b>
<b>Profit before tax</b>	<b>4,737</b>	<b>4,506</b>	<b>14,170</b>	<b>12,807</b>
Income tax expense	-1,568	-1,430	-4,414	-4,543
<b>Result from continued operations</b>	<b>3,169</b>	<b>3,076</b>	<b>9,756</b>	<b>8,264</b>
Result from discontinued operations after tax	-5	2,978	29	2,899
<b>Consolidated profit for the period</b>	<b>3,164</b>	<b>6,054</b>	<b>9,785</b>	<b>11,163</b>
Profit / loss contributable to minority interests	-16	-21	-69	-40
<b>Consolidated profit for the period after minority interests</b>	<b>3,148</b>	<b>6,033</b>	<b>9,716</b>	<b>11,123</b>
Earnings per share (diluted and basic) in EUR	0.41	0.72	1.23	1.33
Weighted average shares outstanding (thousands), diluted and basic	7,811	8,415	7,930	8,415

## IFRS Consolidated Cash Flow Statement

IN EUR 000	SEPTEMBER 30, 2008	SEPTEMBER 30, 2007
<b>Cash and cash equivalents at the beginning of the period</b>	<b>20,656</b>	<b>17,365</b>
Consolidated profit for the period	9,785	11,164
Depreciation and amortization	1,982	1,666
Other non-cash expenses	165	-1,896
Increase (-)/decrease (+) in inventories	-2,667	-3,230
Increase (-)/decrease (+) in trade receivables	-1,143	-3,379
Increase (+)/decrease (-) in trade payables	-914	1,095
Increase (-)/decrease (+) in deferred tax assets and liabilities	1,008	1,321
Increase (+)/decrease (-) in provisions	1,163	337
Increase (-)/decrease (+) in other non-current and current assets	3,161	227
Increase (-)/decrease (+) in other non-current and current liabilities	-3,358	321
<b>Net cash flows from operating activities</b>	<b>9,182</b>	<b>7,626</b>
Payments to acquire intangible assets	-881	-675
Payments to acquire property, plant, and equipment	-2,457	-3,378
Payments to acquire non-current financial assets	-9,584	-153
Proceeds from sale of intangible assets	0	12,461
Proceeds from sale of property, plant, and equipment	85	0
Proceeds from sale of non-current financial assets	0	0
Acquisition Dewetron Inc.	60	0
Acquisition Prosilica Inc.	343	0
<b>Net cash flows from investing activities</b>	<b>-12,434</b>	<b>8,255</b>
<b>Free cash flow</b>	<b>-3,252</b>	<b>15,881</b>
Change in short-term debt	-225	-699
Change in long-term debt	9,765	563
Proceeds from (+) and payments to (-) shareholders	-5,493	-2,248
Dividend payments to minority interests	-60	-15
<b>Net cash flows from financing activities</b>	<b>3,987</b>	<b>2,399</b>
<b>Cash flow</b>	<b>735</b>	<b>13,482</b>
Effect of exchange rate changes on cash and cash equivalents	5	-51
<b>Cash and cash equivalents at end of period</b>	<b>21,397</b>	<b>30,798</b>
<b>Composition of financial resource fund</b>	<b>21,397</b>	
<b>Cash and cash equivalents</b>	<b>17,282</b>	
<b>Money market funds</b>	<b>4,115</b>	

# IFRS Consolidated Statement of Changes in Equity

IN EUR 000	SUBSCRIBED CAPITAL				
	NUMBER OF SHARES	AMOUNT	CAPITAL RESERVES	EARNINGS RESERVES	TRANSLATION CURRENCY
<b>Balance at January 1, 2007</b>	<b>8,435,514</b>	<b>8,436</b>	<b>55,721</b>	<b>16,986</b>	<b>202</b>
Dividend	-	-	-	-	-
Sale of treasury stock	-	-	-	-	-
Purchase of treasury stock	-	-	-	-	-
Appropriation to / withdrawal from reserves	-	-	-	-	-
Change in interests held in subsidiaries	-	-	-	-	-
Capital increase	-	-	-	-	-
Profit / loss for the period	-	-	-	-	-
Translation currency	-	-	-	-	32
Revaluation reserves net to tax	-	-	-	-	-
<b>Balance at September 30, 2007</b>	<b>8,435,514</b>	<b>8,436</b>	<b>55,721</b>	<b>16,986</b>	<b>234</b>
<b>Balance at January 1, 2008</b>	<b>8,435,514</b>	<b>8,436</b>	<b>55,721</b>	<b>23,000</b>	<b>279</b>
Dividend	-	-	-	-	-
Sale of treasury stock	-	-	-	-	-
Purchase of treasury stock	-	-	-	-	-
Appropriation to / withdrawal from reserves	-	-	-	-	-
Change in interests held in subsidiaries	-	-	-	-	-
Capital increase	-	-	-	-	-
Profit / loss for the period	-	-	-	-	-
Translation currency	-	-	-	-	125
Revaluation reserves net to tax	-	-	-	-	-
<b>Balance at September 30, 2008</b>	<b>8,435,514</b>	<b>8,436</b>	<b>55,721</b>	<b>23,000</b>	<b>404</b>

## REVALUATION RESERVES

FINANCIAL INSTRUMENTS	CURRENCY	CF HEDGES	RETAINED EARNINGS	TREASURY STOCK	MINORITY INTERESTS	TOTAL EQUITY
<b>2</b>	<b>-12</b>	-	<b>4,232</b>	<b>-961</b>	<b>271</b>	<b>84,877</b>
-	-	-	-	-	-15	-15
-	-	-	-	-	-	-
-	-	-	-	-2,248	-	-2,248
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	11,125	-	39	11,164
-	-	-	-	-	-5	27
-	-81	-	-	-	-	-81
<b>2</b>	<b>-93</b>	-	<b>15,357</b>	<b>-3,209</b>	<b>290</b>	<b>93,724</b>
-	<b>-3</b>	-	<b>13,050</b>	<b>-6,103</b>	<b>258</b>	<b>94,638</b>
-	-	-	-	-	-54	-54
-	-	-	-	-	-	-
-	-	-	-	-5,493	69	-5,424
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	9,716	-	-	9,716
-	-	-	-	-	-	125
-	3	-	-	-	-	3
-	-	-	<b>22,766</b>	<b>-11,596</b>	<b>273</b>	<b>99,004</b>

# Notes

## **Explanatory Notes to the 9-Month Report**

### **1. Accounting Principles**

The 9-monthly report of AUGUSTA Technologie AG of September 30, 2008, was drawn up in accordance with the Consolidated Financial Statement of December 31, 2007, in compliance with the International Financial Reporting Standards (IFRS). The same accounting, valuation and calculation methods have been used in this interim financial statement as in the Consolidated Financial Statement of December 31, 2007.

The financial statement contained in the report (of September 30, 2008 and December 31, 2007), the incomes statement (for the third quarters of 2008 and 2007 respectively and for the first nine months of 2008 and 2007), the cash flow statement (for the first nine months of 2008 and 2007 respectively) as well as the change in equity capital statement (for the first nine months of 2008 and 2007 respectively) have been drawn up by the Managing Board of AUGUSTA Technologie AG and have not been confirmed by an auditor.

### **2. Consolidated Companies**

AUGUSTA Technologie AG has sold all shares of the Dr. Keil Group (Dr. Keil Informationstechnologie GmbH & Co. KG, Dr. Keil GmbH and BfS Büro für Softwareentwicklung GmbH) to a strategic investor, retroactive to April 1, 2008.

The parties have agreed not to disclose the purchase price.

The group of companies was already put up for sale in 2006. Reclassified assets of Dr. Keil Group were written down to the value of reclassified liabilities as of December 31, 2007. Write-downs in recent years through the date June 30, 2008 have totaled EUR 4,041,000.

Proceeds from sale of the Keil Group boosted earnings reported on the consolidated financial statements by EUR 29,000.

IN EUR 000	JUNE 30, 2008	DECEMBER 31, 2007
<b>NON-CURRENT ASSETS</b>		
Goodwill	3,832	3,832
Property, plant, and equipment	15	16
<b>CURRENT ASSETS</b>		
Inventories	18	6
Trade receivables	1,010	1,700
Receivables from associates	715	738
Other current assets	168	112
Cash and cash equivalents	43	43
<b>TOTAL ASSETS</b>	<b>5,801</b>	<b>6,447</b>
<b>LIABILITIES</b>		
Trade payables	750	665
Payables to associates	718	738
Financial liabilities	235	759
Tax liabilities	0	41
Other provisions	45	58
Other liabilities	12	53
<b>TOTAL LIABILITIES</b>	<b>1,760</b>	<b>2,314</b>

In the business year 2008, AUGUSTA acquired Prosilica Inc., Canada as of August 1, 2008 and Dewetron Inc., USA, as of January 1, 2008. Both companies were included in the consolidated financial statement for the first time.

Founded in 2003, Prosilica is focused on high-performance Gigabit Ethernet interface (GigE) cameras, and has now become a leading provider in this domain. AVT GmbH, of Stadtroda, Germany, a subsidiary of AUGUSTA, acquired 100 percent of Canadian firm Prosilica Inc. on August 1, 2008.

As of January 01, 2008 AUGUSTA subsidiary Dewetron GmbH, headquartered in Graz, had increased its stake in US distributor Dewetron Inc. from 10 to 80 percent. The transaction was structured as a trade payable debt for equity swap.

The parties have agreed not to disclose the purchase prices. The transactions involve earn-out provisions. Transaction costs came to EUR 268 thousand.

As of the initial consolidation dates, the acquired companies had posted earnings of EUR 1,386 thousand. Net profit totaled EUR 506 thousand. This includes all ramp-up and acquisition charges as well as payment of a dividend to the former shareholders. From the dates of initial consolidation through September 30, 2008 earnings totaled EUR 243 thousand.

Current assets totaled EUR 3,182 thousand on the initial consolidation dates, of which EUR 1,507 thousand represented inventories, EUR 399 thousand cash and cash equivalents and EUR 1,172 thousand trade receivables.

Assets in the amount of EUR 269 thousand were acquired, representing primarily property, plant and equipment. Current liabilities totaled EUR 1,985 thousand, representing primarily accounts payables; as of the acquisition date there were no non-current liabilities.

Of the total purchase prices, 28.4% constituted payments to acquire the companies' sophisticated technologies, the rest representing goodwill.

The table below shows asset additions\* for the AUGUSTA Group in 2008:

<b>ASSETS IN EUR 000</b>	<b>TOTAL</b>
<b>NON-CURRENT ASSETS</b>	
Intangible assets	5.1
Property, plant, and equipment	185.0
Other assets	79.4
<b>CURRENT ASSETS</b>	
Inventories	1,506.9
Trade receivables	1,172.3
Tax receivables	26.3
Other receivables	76.9
Cash and cash equivalents	399.2
<b>TOTAL ASSETS</b>	<b>3,451.0</b>
<b>LIABILITIES IN EUR 000</b>	
<b>NON-CURRENT LIABILITIES</b>	
	0
<b>CURRENT LIABILITIES</b>	
Trade payables	1,324.6
Liabilities to banks	68.1
Tax liabilities	425.3
Provisions	112.8
Other current liabilities	53.8
<b>TOTAL LIABILITIES</b>	<b>1,984.6</b>

\* without goodwill, without technology

### 3. Segment Reporting

AUGUSTA Technologie AG divides its business activities between the sectors Sensors and Controls.

### 4. Earnings per Share

The earnings per share of AUGUSTA Technologie AG are calculated from the issued shares numbering 8,435,514 minus the shares in AUGUSTA Technologie AG owned by the Company itself, with a weighted average for the period under review. On the closing date of September 30, 2008, AUGUSTA Technologie AG owned a total of 693,555 shares in the Company. In the first nine months of 2008 some 7,929,687 shares were in circulation.

### 5. Statement of Directors' Holdings as of September 30, 2008

In the first nine months of 2008 the following notifiable transactions in securities were conducted by company officers.

MANAGING BOARD	DATE	NATURE	NUMBER OF SHARES	SHARE PRICE IN EUR
Amnon F. Harman	01/22/2008	Purchase	1,500	10.43
	04/14/2008	Purchase	500	14.70
	04/29/2008	Purchase	500	14.50
	06/27/2008	Purchase	500	13.00
	06/30/2008	Purchase	500	14.50
Berth Hausmann	03/28/2008	Purchase	500	14.99
	05/29/2008	Purchase	264	14.98
	05/29/2008	Purchase	236	14.99
	06/04/2008	Purchase	500	14.70
	06/05/2008	Purchase	1,000	14.97

On September 30, 2008, the following pre-emptive rights existed according to the statements under § 160 para. 1 AktG: A total of 115,300 pre-emptive rights were issued on July 7, 2008, to the members of the Managing Board, managing directors and management of the AUGUSTA Group at an exercise price of EUR 14.63 from the 2008 share option program approved by the General Meeting. This corresponds to a share of authorized capital of about 1.4 percent.

	NUMBER OF SHARES 09/30/2008	NUMBER OF SHARES 12/31/2007	NUMBER OF SHARE OPTIONS 09/30/2008	NUMBER OF SHARE OPTIONS 12/31/2007
<b>MANAGING BOARD</b>				
Amnon F. Harman	10,000	6,500	25,000	-
Berth Hausmann	3,500	1,000	25,000	-
<b>SUPERVISORY BOARD</b>				
Heinzwerner Feusser	4,999	4,999	-	-
Thomas Krüger	-	-	-	-
Dr. Daniel Wiest	-	-	-	-
<b>Total executive bodies</b>	<b>18,499</b>	<b>12,499</b>	<b>50,000</b>	<b>-</b>

## 6. Treasury Shares

On September 30, 2008, AUGUSTA Technologie AG owned a total of 693,555 shares in the Company. The shares represented EUR 693,555.00 of the authorized capital, whereby the total authorized capital was divided among 8,435,514 shares each with a nominal value of EUR 1.00.

	NUMBER OF SHARES 09/30/2008	NUMBER OF SHARES 12/31/2007	INTEREST IN SHARE CAPITAL 09/30/2008
Treasury shares	693,555	313,101	8.22%

## 7. Decision-Making Bodies of AUGUSTA Technologie AG

The Managing Board consists of CEO Amnon F. Harman and the CFO Berth Hausmann.

### Responsibility Statement

Pursuant to section 37y of the WpHG (German Securities Trading Act) in conjunction with section 37w (2) no. 3 WpHG.

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the fiscal year.

## Risk Report

According to the annual financial statement for 2007, no significant changes have occurred from which one could deduce new risks for the Group. Reference is therefore made to the 2007 Annual Report for more details on the risk profile of AUGUSTA Technologie AG. It presents potential risks in detail.

After Honeywell, the most important supplier for sensors of the Sensortechnics Group, restructured its worldwide sales network, the existing distribution agreements have also been revised. As one of the most important distributors, Sensortechnics has received a new distributor agreement from Honeywell. And in this context, Sensortechnics has also received notice of termination of the existing distributor agreement from Honeywell taking effect September 2009. For this event Sensortechnics has secured its position to the extent that a supply agreement will continue to exist with Honeywell until 2011, which clearly defines the supply quantities and possible price adjustments. Whether Sensortechnics signs a new distributor agreement will depend on the parameters offered. The aim is to design the contractual relationship so that on the one hand the supplies by Honeywell are not endangered, but on the other hand that the profitability of Sensortechnics GmbH is secured in the long-term too. The precondition for this is a wider and high quality supplier base. At all events, Sensortechnics will generate further growth with products developed in-house and have found solutions at the latest in 2011 with alternative sensor manufacturers in order to be able to continue growth in the medium-term.

## Legal notice

The present report contains forecasts that are based on the opinions of the Managing Board of AUGUSTA Technologie AG and reflect the latter's intentions and assumptions. These forecasts are subject to risks and uncertainties. Many factors, which cannot at present be foreseen, may result in the actual performance and results of AUGUSTA Technologie AG diverging from the above. These factors may include: Changes in the general economic and commercial situation, changes to interest rates and exchange rates, the non-achievement of efficiency and cost reduction targets, the non-acceptance of newly introduced products. We are convinced that the expectations of our forecasts are sound and realistic. If however unforeseen risks should occur, AUGUSTA Technologie AG cannot guarantee that the expressed projections will be fulfilled.

## Financial Calendar 2008 / 2009

Publication of the annual report 2008	March 19, 2009
Publication of the 3-month report 2009	May 14, 2009
Annual General Meeting	May 15, 2009
Publication of the 6-month report 2009	August 13, 2009
Publication of the 9-month report 2009	November 12, 2009

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