

3-MONTH REPORT 2009



/// AUGUSTA

Technologie AG

IFRS Key Figures

INCOME STATEMENT IN EUR 000	3M 2009	3M 2008
Consolidated sales revenues	27,611	32,091
EBITDA	3,901	5,678
Depreciation, amortization and impairment losses	-790	-619
EBIT	3,109	5,059
EBT	2,836	4,988
Taxes	-908	-1,543
Tax rate	32.02%	30.93%
Profit from continued operations	1,928	3,445
Profit from discontinued operations, after taxes	-33	25
Period profit according to DCO	1,895	3,470
Minority interest	-19	-17
Period profit according to DCO and after third party share	1,876	3,453
Earnings per share before third party share	0.25	0.43
Shares outstanding (average) in thousand	7,592	8,037
Treasury shares in thousand	844	478
BALANCE SHEET IN EUR 000	31/03/2009	31/12/2008
Total assets	149,725	150,073
Non-current assets	89,103	89,384
Current assets	60,622	60,689
- thereof cash and cash equivalents and other current financial assets	20,804	21,926
Equity	101,246	99,753
Liabilities	48,479	50,320
Equity ratio	67.4%	66.5%
Net liquidity	-1,641	1,241
OTHER KEY FIGURES	3M 2009	3M 2008
EBITDA margin	14.1%	17.7%
EBIT margin	11.3%	15.8%
Return on sales (RoS), based on EBT	10.3%	15.5%
Return on capital employed (RoE), based on EBT	2.8%	5.2%
Total equity ratio, based on EBT	1.9%	3.9%
Return on capital employed (ROCE)	2.6%	5.1%
Closing share price (Xetra) in EUR	8.00	14.80
Enterprise Value (EV) in EUR 000	62,377	107,708
Number of employees	608	533
Working Capital in EUR 000	31,862	28,882
Personnel expenses / sales revenues	31.0%	23.4%

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Dear Shareholders and Friends of AUGUSTA,

Since mid-2008, the market changes caused by the financial and economic crisis have also been influencing our target markets. In the first quarter of 2009, our business felt the full effects of the crisis. However, thanks to our market leadership in important niche markets and our high profitability in all product groups, we are better equipped to deal with the crisis than other, comparable firms. We as well have responded to weak demand by employing cost saving measures and after implementing these changes within the group will emerge with new strength from these challenging times.

In the **2009 first quarter**, we experienced sharp downturns in nearly all areas of industrial production. Only some 25 percent of our markets in the medical technology segment remain relatively unaffected by the crisis. The automotive and plant and equipment manufacturing segments, which represent important end-user markets for sensor and automation technologies, have been hit particularly hard. Nevertheless, the stepped-up internationalization of the AUGUSTA Group during recent years should help us get through 2009. In the meantime, we have made stronger inroads in many overseas markets, and we also continue to expect modest growth in our target markets of sensor technology and industrial image processing in Asia and North America.

The decline in sales revenue and earnings in the first quarter experienced by AUGUSTA Group was not as substantial as that of our competitors in our niche markets. Overall, our sales revenue and earnings were within the scope forecast by analysts:

- / With EUR 27.61 million in the first three months of 2009, Group sales were down by 14.0 percent compared to the relatively strong results of the previous year (EUR 32.09 million).
- / Earnings before interest and tax (EBIT) were reported at EUR 3.11 million, a decline in EBIT of around 38.5 percent over the previous year (EUR 5.06 million). With 11.3 percent (previous year: 15.8 percent), the EBIT margin at March 31, 2009 was again in the double-digit region, and is anticipated to go up further by the end of the year as a result of already-initiated cost saving measures.
- / Earnings per share were reported at EUR 0.25 (previous year: EUR 0.43 per share).
- / At EUR 20.50 million, incoming orders were down from the previous year (EUR 32.71 million). This was evident primarily in a fall in orders for capital goods and full warehouse, together with corresponding spending reticence on the part of our distributors. New orders fell by 15.3 percent to EUR 38.11 million (previous year: EUR 45 million)
- / Net liquidity at the end of the reporting period totaled EUR -1.64 million. In the first quarter, additional tax payments of EUR 1.8 million from 2007 were due, together with a one-off payment for extraordinary items of EUR 0.4 million.
- / At the end of the 2009 first quarter, cash and cash equivalents amounted to EUR 20.8 million, with a Group equity ratio of 67.4 percent.



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

In the first quarter of 2009, despite the unfavorable economic conditions, we continued with the implementation of our **strategic objectives**. We also applied short-term measures for cost reduction and avoidance to **secure the earning power** of the company.

In addition to measures to increase sales, we also improved the tools for achieving greater transparency of future sales potentials. Measures for short-term cost reduction include a recruitment freeze. However, we will still recruit qualified staff for the areas of sales, product management and development at certain times during 2009. Other cost saving measures include the reduction of temporary employees, non-filling of vacant posts and short-time working in parts of the group, depending on incoming orders. In the medium-term, our company is positioned in growing markets. We thus regard short-time work as a particularly suitable instrument for our company to “profitably” survive the crisis with lower personnel costs. In addition, we have revised the entire investment budget for 2009, and reduced it to the bare minimum. We will strengthen the company’s own financing capability by improving working capital.

The level of incoming orders over the next two quarters, together with the impact of the measures already undertaken, will be critical to achieving our objectives in 2009. We also expect sales revenues in the second quarter to be 10 to 15 percent down from the same period in the previous year. But both segments include promising projects that suggest a more positive second half-year 2009.

In the coming months, despite the global recession and the generally difficult market environment, we will be able to benefit from the strengths acquired over the past few years: resistance to crises by focusing on long-term growing market niches, sufficient financial reserves, high profitability and a strong balance sheet and a solid operational base.

Amnon F. Harman
Chief Executive Officer

Berth Hausmann
Chief Financial Officer

Performance of the AUGUSTA share

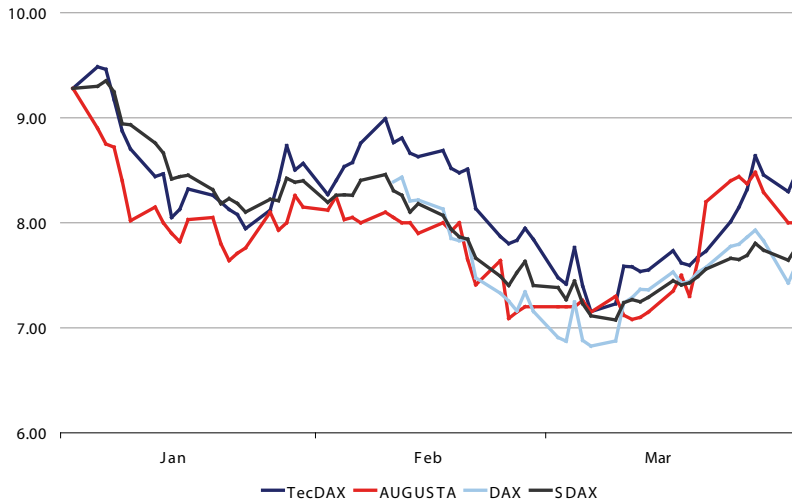
The significant price decline in the global stock markets in recent months is a reflection of the ferocity of the financial crisis and the acute fear of recession. Even if the financial markets in Europe and the United States now appear in better shape, not least because of the government intervention in mid-March, they continue to remain under stress. Moreover, the volatility in the stock markets continues to remain at crisis level, reflecting the extreme uncertainty of market participants.

With a combination of weaker economic activity and a likely negative earnings revision trend on the part of companies, stock markets will remain under strain. In 2008, the German DAX companies reported a decline in profit of 37 percent. Based on these results, analysts expect a further decline of 20 percent in 2009, with first positive results not until 2010. The IMF considers the global economy to be in the most severe recession since World War II, and expects a moderate recovery first in 2010. The Ifo business climate index also fell again on March 19, 2009. Major risks remain the further spreading of the global financial crisis, the global credit crunch, a significant growth slowdown in the global economy and the loss of confidence in the financial strength of individual countries. The price rally that began in mid-March could thus be over soon.

Increased volatility and uncertainty in the capital markets go hand in hand with the growing demands investors place on free float and liquidity. The low level of market liquidity also results in small-caps such as AUGUSTA being particularly vulnerable in volatile market phases. Even though investors tend to turn to the major stocks in times of volatility and illiquidity, in the case of small-caps they look more closely at the quality of the company and its effective management in difficult periods. Special effort is required to ensure that a company doesn't entirely disappear from investors' radar screens in such a period. AUGUSTA constantly takes the opportunity to present the company's positive strategic and financial results in analyst meetings, in capital market conferences, or in one-on-one meetings with existing and new potential investors, as well as with the press. The objective is to increase the visibility and awareness of the share in the capital market. AUGUSTA is intensifying its efforts in this area, precisely in the current difficult climate. As demonstrated by the performance of the AUGUSTA share in recent weeks, the efforts of the past few years are now paying off.

After a fall in share prices in January and February, the AUGUSTA share experienced an upward trend from mid-March after the announcement of the positive figures for the 2008 fiscal year. This upward trend was, however, slowed down by investors from the restructuring phase, who were willing to give up their shares. Other small and mid-cap companies were able to reap more benefits from the general upward trend. Trading at EUR 8.00 at the close of business on March 31, 2009, AUGUSTA shares have fallen by some 14 percent since the start of the year. Other shares in the TecDAX, the most important benchmark for AUGUSTA, only lost about 9 percent relative to the development of the DAX (-18 percent) and SDAX (-16 percent), but on the whole, the AUGUSTA share was able to hold its ground.

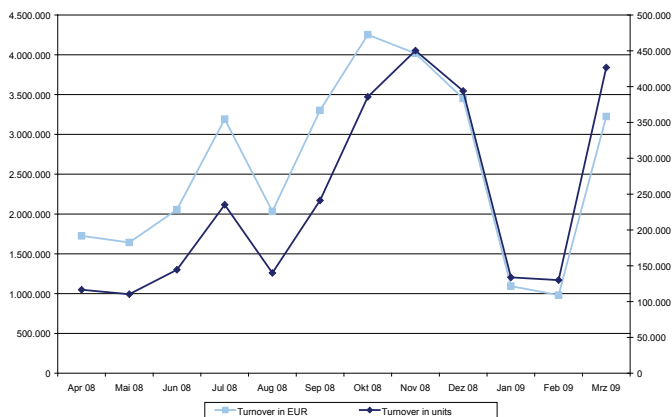
AUGUSTA SHARE PRICE COMPARED TO DAX AND TECDAX



The confirmation of the dividend payout of EUR 1.20 per share, to be distributed after the AGM on 15 May 2009, the positive figures for 2009 and the publication of the Guidance for 2009 led to increased interest in AUGUSTA shares after the publication of annual results.

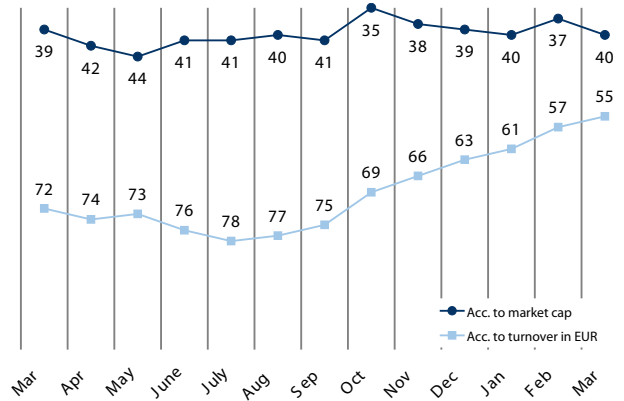
The trading volume of the AUGUSTA share thus went up significantly over the past three months. AUGUSTA has succeeded in generating demand for the share, particularly with the positive dividend statement, a strong balance sheet and - despite the economic crisis - respectable prospects.

ORDERBOOK TURNOVER IN EURO AND UNITS (COURSE OF ONE YEAR)



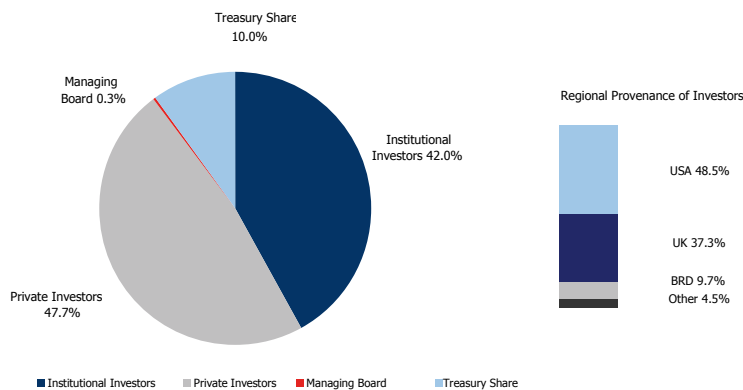
The positive development of trade sales is also reflected in the ranking of the Deutsche Börse. Compared to the TecDAX, which represents the 30 largest small and mid-cap shares in the technology sector, the AUGUSTA share was on rank 55 in terms of share trading volumes (same period in 2008: 72). After free-float market capitalization, it went up to rank 40 (same period in 2007: 39).

TECDAX POSITIONING: RANKING OF THE AUGUSTA SHARE



The shareholder base has changed significantly in recent months, primarily due to the high volume of trade, especially in the first quarter of 2009. The investors who originally acquired shares during the restructuring phase in the years 2004 and 2005 still make up the company’s principle shareholders today. As a result of the high demand for AUGUSTA shares, these shareholders have expanded their shareholdings considerably, without this having any substantial effect on the share price. In the reporting period, Ennismore Fund Management, UK, fell below the threshold of 5 percent. After the closing date on March 31, 2009 Trafalgar Asset Managers, UK, reduced its share and fell below the threshold of 10 percent. The funds Strategic Value Partners and Stark Investments, both U.S.-based, also sold their shares and are now below 3 percent or 0 percent respectively. Merrill Lynch, UK, on the other hand, has exceeded the threshold of 5 percent. Extensive canvassing of potential investors at capital market conferences and road shows has attracted new investors, particularly smaller funds. They are, however, below the reporting thresholds. We expect these new shareholders to be part of the company’s positive development in the medium and long term. Overall, the shareholder base has changed significantly and is now on a much broader base. The latter is a particularly positive development, as it will give the share improved stability for the future.

SHAREHOLDER STRUCTURE



Dividend

In March 2009, despite the recession and uncertain development in 2009, AUGUSTA Technologie AG confirmed the promised dividend of EUR 0.60 per share for the fiscal years 2007 and 2008. The cumulative dividend of EUR 1.20 per share will be paid the day after the General Meeting on May 15, 2009 in Munich.

Even after the dividend distribution, AUGUSTA still has the necessary liquidity reserves to ensure long-term growth through strategically important acquisitions. In future, we will strive for a sustainable dividend policy, depending on acquisitions and general business development.

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 initional listing	May 5, 1998
Number of shares	8,435,514
High / low (52 weeks)*	15.30 EUR/6.50 EUR
Closing rate as of March 31, 2009*	8.00 EUR
Market capitalization as of March 31, 2009*	67.5 EUR million
Earnings per share as of March 31, 2009	0.25 EUR

* Xetra closing rates

Capital Development

On March 31, 2009, the **SHARE CAPITAL** of AUGUSTA Technologie AG continued to total EUR 8,435,514. It was composed 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 already made use of this authorization and since then bought back 10 percent of the share capital on the stock exchange.

As of December 31, 2008, the company holds a stock of 843,551 shares as **TREASURY SHARES** (equivalent to 10 percent of share capital) on the reporting date, March 31, 2009.

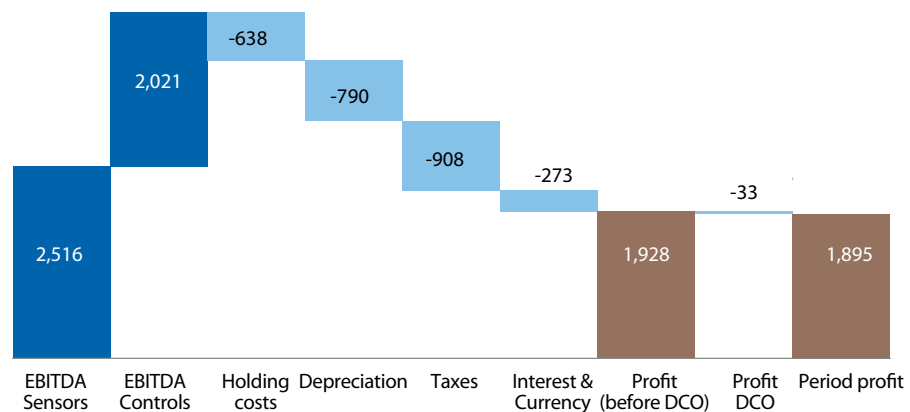
Sales Revenues and Earnings Development

Overall economic conditions have continued to deteriorate over the course of recent months. A decline in the GDP in Germany of more than 5 percent is now being projected for 2009. The automotive industry, automation technology and mechanical engineering in particular are suffering from the crisis to an extreme. **Machine tools and plant engineering** are currently experiencing their lowest point since the start of statistical recordkeeping 60 years ago. According to the VDMA (Verband Deutscher Maschinen- und Anlagenbau – German Association of Machine Tools and Plant Engineering), new orders have collapsed on average by around 40 percent in the past three months for German machine tool and plant engineers. An estimated decline of 10 to 20 percent is expected for the **manufacturing industry** and in **automation technology**. Companies from the areas of **logistics and transportation** are also expecting significant drops in turnover. In the **process industry** (chemistry, food, pharmaceuticals) a strong downturn was already posted in the fourth quarter of 2008, while the decline in 2009 will lie in the single-digit range. Showing itself as stable is **medical technology**, which in 2009 is expected to range from stable to having a slightly positive trend.

Almost all comparable companies in the markets which AUGUSTA focuses on are expecting significant declines in turnover and EBIT. Meanwhile around 70 percent of AUGUSTA revenues are also impacted by the economic crisis. Our good market positioning and the high profitability of Group companies, as well as strong customer relationships have resulted in the AUGUSTA Group not being nearly as strongly hit by the crisis as other companies from the sensor systems and vision technology market.

In total the **REVENUE** of the AUGUSTA Group was at EUR 27.61 million in the first three months of 2009, and was thus 14.0 percent below the comparable very strong previous year value (EUR 32.09 million). Compared with the previous year, holding costs could again be reduced by 23.9 percent to EUR 0.64 million (Q1 2008: EUR 0.83 million).

VISUALIZATION OF THE PERIOD PROFIT IN EUR 000



At EUR 3.90 million, **EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTIZATION (EBITDA)** were 31.3 percent under the previous year's value (EUR 5.68 million). **EARNINGS BEFORE INTEREST AND TAXES (EBIT)** reached a value in the amount of EUR 3.11 million. Compared with the previous year (EUR 5.06 million) the EBIT declined by 38.5 percent. The EBIT margin as of March 31, 2009 continued in the two-digit range with 11.3 percent (previous year: 15.8 percent). **EARNINGS BEFORE TAXES (EBT)** were also clearly below that of the previous year (EUR 4.99 million) and reached a value in the amount of EUR 2.84 million (-43.1 percent).

The **PROFIT FOR THE PERIOD** before shares of third parties amounted to EUR 1.90 million, which corresponds to a decline of 45.4 percent from the previous year (EUR 3.47 million). The earnings per share thus amounted to EUR 0.25 (previous year: EUR 0.43 per share).

As of March 31, 2009, the key performance indicators for the Group were as follows:

KEY GROUP FIGURES IN EUR MILLION	3M 2009	3M 2008	CHANGE
Sales revenues	27.61	32.09	-14.0%
Gross profit	11.26	13.02	-13.5%
Margin	40.8%	40.6%	
EBITDA	3.90	5.68	-31.3%
Margin	14.1%	17.7%	
EBIT	3.11	5.06	-38.5%
Margin	11.3%	15.8%	
EBT	2.84	4.99	-43.1%
Margin	10.3%	15.5%	
Incoming orders	20.50	32.71	-37.3%
Order backlog	38.11	45.00	-15.3%

Development of the Segments

In the **Sensors** segment, which includes the areas of sensor systems and microsystem technology as well as mobile measuring systems, AUGUSTA develops, produces and sells sensor systems and sensor elements for customer-specific applications.

In the **Sensor Systems** and **Microsystem Technology** product area **Sensortechnics** delivers about half of its pressure and flow sensors to medical technology and is the market leader in Europe in this area. While the medical technology market – the most important market addressed – and shipbuilding remained relatively stable, Sensortechnics had to post declines in revenue in other areas such as mechanical engineering, heating and cooling technology and in industrial measurement engineering. Although Sensortechnics also had to confront price-sensitive competition, it was able to maintain the gross margin in the first quarter of 2009. The new contractual relationship with Honeywell secures the distribution business on the one hand, but at the same time also makes it possible to step up in-house product development as well as to expand business activity in the US and Asia. Particularly in the US we are expecting a modest increase in revenue in the year 2009.

In the future, Sensortechnics will reinforce its sales of sensors developed and refined in-house even further, so that the share in sales will grow continuously. In the area of in-house development, new projects in the areas of medical technology and measurement engineering are in the pipeline which should lead to positive incoming orders in the following quarters.

[ELBAU GmbH](#), which particularly suffered as a production-oriented company under the current economy during the first quarter, is stepping up the development of its own production site for microsystem technology in Singapore. Starting the end of the third quarter 2009, we are planning to produce high numbers of sensor systems in Singapore stemming from our own development of the HC and HD series in a cost-efficient manner. The large production runs will enable the Sensortechnics Group to open up markets in new customer segments and secure future growth in the promising Asian markets, as well as with large customers in North America. In addition, the competitiveness of Sensortechnics will be reinforced in its most important markets. The investment volume in 2009 will amount to a total of around EUR 2 million; another EUR 1.5 million is to follow in 2010, depending on the order situation.

[HE System](#) is predominantly geared to the automotive industry and the consumer goods market. In the first quarter of 2009 HE System had to post strong declines in orders and revenues. HE System has begun with the implementation of short-time work in the near term and will variably use this tool in future as well, depending on the order situation.

In the [Mobile Measuring Systems](#) product area, the subsidiary [Dewetron](#) specializes mainly in the automotive and aircraft industries, serving primarily research and development departments, and was thus not impacted by the crisis to the full extent. Development in the first quarter was also positively influenced by Dewetron Inc. with its NASA project in the US and Dewetron China Ltd. with its Stonecutter Bridge project. These two companies, which were acquired at the end of 2007, respectively the end of 2008, are continuing to develop positively according to plan despite the crisis.

In total, the [Sensors](#) division generated sales revenues in the amount of EUR 17.46 million, which corresponds to a decline of 12.2 percent compared to the previous year (EUR 19.90 million). Earnings before interest and taxes (EBIT) at the end of the reporting period were EUR 2.13 million. In comparison to the previous year (EUR 3.23 million) this corresponds to a decline of 34.0 percent, while the EBIT margin was able to continue to maintain in the two-digit range and came in at 12.2 percent (previous year: 16.3 percent). The decline in sales is reflected here with an almost constant gross margin.

New orders at EUR 12.20 million were below the previous year value by 40.6 percent at EUR 20.55 million, while the order book at EUR 29.00 million was around 17.7 percent lower than that of the previous year (EU 35.24 million). The weaker level of incoming orders continues to be due to the consolidation in the end customer segment of medical technology and to economic uncertainties on the part of customers particularly for development projects. New orders exhibit a slight upward trend in the second quarter.

KEY FIGURES SENSORS IN EUR MILLION	3M 2009	3M 2008	CHANGE
Sales revenue	17.46	19.90	-12.2%
Gross profit	6.57	6.95	-5.4%
Margin	37.6%	34.9%	
EBITDA	2.52	3.59	-29.8%
Margin	14.4%	18.0%	
EBIT	2.13	3.23	-34.0%
Margin	12.2%	16.3%	
EBT	1.94	3.03	-36.1%
Margin	11.1%	15.2%	
Incoming orders	12.20	20.55	-40.6%
Order backlog	29.00	35.24	-17.7%

The **Controls** division comprises Allied Vision Technologies with its subsidiary Prosilica Inc. in the field of vision technology, as well as DLoG in the field of logistics automation.

Allied Vision Technologies (AVT) has suffered greatly from the crisis in the field of **Vision Technology** and was unable to continue the record sales of the first quarter of 2008. Since AVT serves a great many customers from the manufacturing industry and from automation, the generally very pronounced decline in orders in these segments has now also struck AVT. The decline in incoming orders is particularly characterized by strong stock reduction by distributors and the restraint and uncertainties of customers.

After the decline in incoming orders at AVT, the company will begin with short-time work for around 20 to 40 percent of personnel in the second quarter. Business with distributors lost more of its impetus in the first quarter than the OEM-based business. Sales in the Asian market in particular have almost come to a standstill in the first three months of 2009.

Prosilica, acquired last year, helps to cushion the restraint in orders and weak sales. Revenue from Prosilica has risen by about 25 percent in comparison to the previous year and this continues to be with a very high operating margin. The acquisition of Prosilica has tapped a new growth market (gigabit Ethernet cameras), in which AVT has established itself very well in the meantime. This has contributed to the fact that in the Controls division the EBIT margin continues to be held at a high two-digit level.

In the **Logistics Automation** division **DLoG GmbH** brought a new product on to the market in March 2009 that is being very well received and demanded by customers from industry and trade. This robust industry PC is characterized by an attractive acquisition price, proven production quality and high-quality service solutions. The order position at DLoG has also deteriorated in the first quarter, however, resulting in DLoG introducing short-term cost reduction measures to stabilize the operating profitability.

Total revenues in the **Controls** Division stood at EUR 10.15 million, or roughly 16.8 percent below the previous very strong year (EUR 12.20 million). The operational result (EBIT) at the end of the reporting period lay at EUR 1.63 million, a decline of 39.3 percent compared to the previous year (EUR 2.68 million). The EBIT margin continued in the two-digit range at 16.0 percent despite the decline in revenue (previous year: 22.0 percent).

KEY FIGURES CONTROLS IN EUR MILLION	3M 2009	3M 2008	CHANGE
Sales revenues	10.15	12.20	-16.8%
Gross profit	4.68	6.05	-22.7%
Margin	46.1%	49.6%	
EBITDA	2.02	2.92	-30.8%
Margin	19.9%	23.9%	
EBIT	1.63	2.68	-39.3%
Margin	16.0%	22.0%	
EBT	1.57	2.67	-41.3%
Margin	15.4%	21.9%	
Incoming orders	8.31	12.17	-31.7%
Order backlog	9.10	9.78	-6.9%

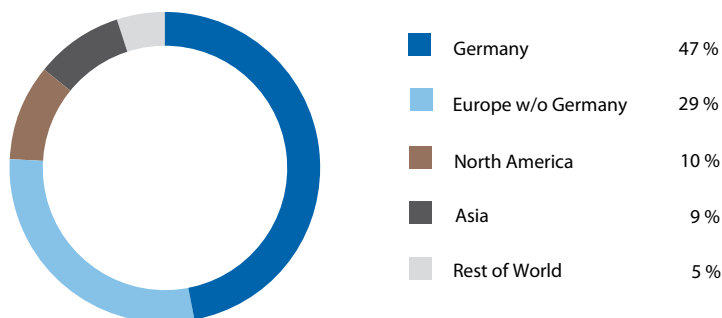
Due to the region-wide decline in demand for capital goods, orders received have dropped significantly. In comparison to the record incoming orders of the same quarter the year before, incoming orders at EUR 8.31 million are far below that of the previous year (EUR 12.17 million). The order book attained a value in the amount of EUR 9.10 million and was thus 6.9 percent below that of the previous year of EUR 9.78 million, resulting from the fact that customers are ordering at much shorter notice and with significantly reduced order volume.

Internationalization

In recent years AUGUSTA has transformed itself from a company focused predominantly on the German market into an internationally-active Group. Both organically, as well as through acquisitions, AUGUSTA has succeeded in entering new markets in North America and Asia and in positioning itself globally. The improved regional sales distribution helps AUGUSTA in the crisis, since it can generate growth in these markets despite the crisis based on the internationalization measures and the local presence in North America and Asia.

The breakdown of sales according to world regions presently looks like this:

REVENUES ACCORDING TO REGIONS



M&A Activities and Financing

Many companies are suffering from deteriorated profit prospects and possible valuation losses, which makes loan underwriting even more difficult. The period of easy credit and company acquisitions financed with high capital gearing are over. There will be a significant drop in company investments in 2009, given the financial market crisis and increasingly limited lending. Well-capitalized companies currently enjoy better acquisition options and strong, technology-based companies will be able to expand their market position. AUGUSTA, due to the strong balance-sheet situation of its banks, continues to receive capital at attractive conditions.

In fiscal year 2009 as well, AUGUSTA has sufficient room for maneuver to integrate larger acquisitions and high-revenue targets into its portfolio. With the acquisition targets identified, AUGUSTA has taken another step forward. What will be decisive will be how well these companies can hold their own in the crisis, whether they can create assets for AUGUSTA in the long term and how ready the essential investors in the joint venture will be to sell.

Development of Key Balance Sheet Items

As of March 31, 2009, the **BALANCE SHEET TOTAL** had hardly changed compared to the end of the previous financial year end and was at EUR 149.73 million (12/31/2008: EUR 150.07 million). At EUR 89.10 million, **NON-CURRENT ASSETS** also were at about the same level as December 31, 2008 (EUR 89.38 million). The increase in working capital posted in the comparable quarter of the previous year with EUR 31.86 million (12/31/2008: EUR 31.34 million) failed to appear. The goal of AUGUSTA is to reduce the working capital with appropriate measures by the end of 2009 by 10 percent in comparison to 2008.

CASH AND CASH EQUIVALENTS declined slightly to EUR 20.80 million compared with December 31, 2008 (EUR 21.93 million). This decline is due in particular to a payment of tax arrears from 2007 in the amount of just under EUR 1.8 million and another one-time special effect in the amount of EUR 0.4 million as a result of contractual obligations.

CURRENT LIABILITIES have thus been reduced from EUR 30.64 million at the end of financial year 2008 to EUR 28.26 million as of March 31, 2009. **NON-CURRENT LIABILITIES** increased slightly compared with the end of the 2008 financial year (EUR 19.68 million) and came in at the end of the reporting period at EUR 20.23 million. Contained in this is the outside financing from acquisitions.

NET LIQUIDITY thus amounted to minus EUR 1.64 million as of March 31, 2009 (12/31/2008: EUR 1.24 million).

The special effects mentioned above have negatively affected the operating cash flow of the first quarter. The operating **CASH FLOW** of the first quarter amounted to EUR -1.34 million as of March 31, 2009 (previous year: EUR 1.57 million). The operating cash flow will improve in the second quarter.

KEY DATA BALANCE SHEET IN EUR MILLION	3M 2009	31/12/2008	CHANGE
Goodwill	65.36	65.39	+/-0%
Cash, cash equivalents and other current financial assets	20.80	21.93	-5.1%
Total assets	149.73	150.07	+/-0%
Net liquidity	-1.64	1.24	
Enterprise Value	62.4	69.2	-9.9%
Equity ratio	67.4%	66.5%	

Employees

As of March 31, 2009, the AUGUSTA Group employed 608 full time members of staff. This represents a growth of around 14.1 percent compared with the previous year (previous year: 533 employees). This growth is essentially due to the acquisitions conducted in 2008. In contrast, as of the end of the financial year 2008 AUGUSTA slightly reduced its number of employees (12/31/2008: 619 employees).

Significant Developments after the Reporting Date of March 31, 2009

No material changes have occurred after the closing date of March 31, 2009.

As was already communicated to the capital market, Trafalgar Asset Managers, UK, reduced its share after the closing date of March 31, 2009, and dropped below the threshold of 10 percent. Furthermore, the funds of Strategic Value Partners and of Stark Investments, both of the US, have sold their shares and now lie below 3 percent, respectively at 0 percent. Merrill Lynch, UK, in contrast has exceeded the threshold of 5 percent.

Prospect: AUGUSTA Confirms Guidance 2009

In Europe and particularly in Germany, a decline in gross domestic product of up to 6 percent is expected in the meantime. Augusta is not able to escape this development. The recession will significantly adversely affect market growth in the markets addressed by us. However, despite the recession the growing market potential is present for the long term.

The weakening trend could already be felt in the second half of 2008. It is therefore the first half of 2009 that we see as particularly difficult. For the current fiscal year 2009, we will have to take the general economic parameters into account. However, due to our strong order book at the end of the fiscal year we have succeeded in concluding the first quarter better than the industry average.

Taking into account the uncertainty in all markets, we are still expecting Group sales to fall within a bandwidth of EUR 117 million to 127 million. Earnings before interest and taxes (EBIT) will be between EUR 16 million and 19 million, although this does not include acquisitions that are planned in 2009. In contrast to other companies, we are giving ambitious Guidance in the capital market and will continue to give timely information on the business development.

The incoming orders in the first three months of 2009 were in part considerably below those of the previous year, depending on the sector. Crucial for the achievement of our Guidance 2009 will be the incoming orders in the next two quarters. Although we are seeing a slightly positive trend in incoming orders in April, this will need to be confirmed in the subsequent months. Currently there are a few very promising projects in both business sectors, which upon realization or project release will secure our short-term goals in 2009 and also reinforce our market position for the medium term.

We have already taken appropriate measures to achieve our EBIT target. Temporary employment contracts will no longer be extended, positions opening up will not be refilled and short-time work was already begun in a few Group companies. In particular, short-time work is an appropriate and equally flexible means of surviving the crisis profitably and strengthened with reduced personnel costs. The postponement or cancellation of planned investments is also a part of the package of measures.

These cost measures will not impair our long-term growth potential. In parallel we are attempting to withstand the downward pressure on prices in all companies and to secure our profitability. We see a very good basis in this for the period after the crisis.

Despite the recession, and despite the uncertain development in 2009, we are holding to our dividend statement of EUR 1.20 per share which we announced in the Annual General Meeting in June 2007. Our excellent liquidity situation at the end of 2008, the profits to be expected in 2009, and our outstanding balance-sheet ratios even at the end of the first quarter 2009 make this attractive dividend yield in the double-digit range possible.

IFRS Consolidated Balance Sheet

ASSETS IN EUR 000	MARCH 31, 2009	DECEMBER 31, 2008
Non-current assets		
Intangible assets, net	7,376	7,320
Goodwill, net	65,362	65,392
Property, plant and equipment, net	12,413	12,324
Non-current financial assets, net	981	947
Deferred tax assets	664	793
Other non-current assets	2,307	2,608
Total non-current assets	89,103	89,384
Current assets		
Inventories	22,335	22,015
Trade accounts receivables, net	14,660	14,040
Receivables from related parties	133	137
Current financial assets	4,971	3,393
Non-current assets held for sales	0	0
Tax accounts receivables	1,231	1,121
Prepaid expenses and other current assets	1,459	1,450
Cash and cash equivalents	15,833	18,533
Total current assets	60,622	60,689
Total assets	149,725	150,073

EQUITY AND LIABILITIES IN EUR 000	MARCH 31, 2009	DECEMBER 31, 2008
Shareholders' equity		
Share capital	8,436	8,436
Capital reserves	55,677	55,792
Earnings reserves	30,000	30,000
Currency translation	127	57
Revaluation reserves	-642	-454
Retained earnings	20,631	18,755
Treasury shares	-13,166	-13,166
Minority interest	183	333
Total shareholders' equity	101,246	99,753
Non-current liabilities		
Long-term loans, excluding current portion	12,599	12,301
Non-current post-employment benefit obligation	841	830
Other non-current provisions	265	267
Deferred tax liabilities	3,586	3,637
Other non-current liabilities	2,943	2,646
Total non-current liabilities	20,234	19,681
Current liabilities		
Trade account payables	5,133	4,715
Short-term loans and current portion of long-term loans	10,378	8,914
Liabilities to related parties	0	0
Other current financial liabilities	543	772
Liabilities included in disposal groups classified as held for sale	0	0
Income tax provisions and liabilities	577	2,643
Other current provisions	3,605	3,449
Other current liabilities	8,009	10,146
Total current liabilities	28,245	30,639
Total equity and liabilities	149,725	150,073

IFRS Consolidated Income Statement

IN EUR 000	3M 2009	3M 2008
Sales revenues		
Products	27,396	31,831
Services	215	260
	27,611	32,091
Cost of sales		
Products	-16,351	-19,074
Services	0	0
	-16,351	-19,074
Gross profit	11,260	13,017
Sales and marketing expenses	-3,958	-3,444
Research and development expenses	-1,625	-1,465
General and administrative expenses	-2,493	-2,833
Impairment of goodwill	0	0
Other income and expenses	-75	-216
Profit from operations	3,109	5,059
Investment income	0	6
Net interest income / expense	-295	-57
Foreign currency exchange gains / losses	53	-20
Depreciation on financial assets	0	0
Other financial positions	-31	0
Net financing costs	-273	-71
Profit before tax	2,836	4,988
Income tax expense	-908	-1,543
Result from continued operations	1,928	3,445
Result from discontinued operations after tax	-33	25
Consolidated profit for the period	1,895	3,470
Profi / loss contributable to minority interests	-19	-17
Consolidated profit for the period after minority interests	1,876	3,453
Currency adjustments	70	3
Change in derivate financial instruments	-187	0
Revaluation reserves (currency)	0	3
Total profit	1,759	3,459
Earnings per share (diluted and basic) in EUR	0.25	0.43
Weighted average shares outstanding (thousands)	7,592	8,037

IFRS Consolidated Cash Flow Statement

IN EUR 000	MARCH 31, 2009	MARCH 31, 2008
Cash and cash equivalents at the beginning of the period	13,859	20,634
Consolidated profit for the period	1,896	3,470
Depreciation and amortization	792	619
Other non-cash expenses	-16	0
Increase (-)/decrease (+) in inventories	-321	-1,024
Increase (-)/decrease (+) in trade receivables	-620	-843
Increase (+)/decrease (-) in trade payables	418	-633
Increase (-)/decrease (+) in deferred tax assets and liabilities	151	210
Increase (+)/decrease (-) in provisions	154	566
Increase (-)/decrease (+) in other non-current and current assets	187	706
Increase (+)/decrease (-) in other non-current and current liabilities	-3,985	-1,494
Net cash flows from operating activities	-1,344	1,577
Payments to acquire intangible assets	-449	-181
Payments to acquire property, plant, and equipment	-629	-901
Payments to acquire non-current financial assets	-246	-44
Proceeds from sale of intangible assets	0	0
Proceeds from sale of property, plant, and equipment	0	0
Proceeds from sale of non-current financial assets	0	0
Short-term disposition in restricted cash	5,044	0
Acquisition Dewetron Inc.	0	60
Proceeds from sale of Dewetron Slovenia	59	0
Net cash flows from investing activities	3,779	-1,066
Free cash flow	2,435	511
Change in short-term debt	1,235	-40
Change in long-term debt	298	181
Proceeds from (+) and payments to (-) shareholders	0	-2,421
Dividend payments to minority interests	-87	-10
Cash flows from financing activities	1,446	-2,290
Cash flow	3,881	-1,779
Effect of exchange rate changes on cash and cash equivalents	42	-3
Cash and cash equivalents at end of period	17,782	18,851
Composition of financial resource fund	17,782	18,851
Cash and cash equivalents	15,833	17,728
Less restricted cash	-3,000	0
Money market funds	4,949	1,123

IFRS Consolidated Statement of Changes in Equity

IN EUR 000	SUBSCRIBED CAPITAL				
	NUMBER OF SHARES	AMOUNT	CAPITAL RESERVES	EARNINGS RESERVES	TRANSLATION CURRENCY
Balance at January 1, 2008	8,435,514	8,436	55,721	23,000	279
Dividend	-	-	-	-	-
Sale of treasury stock	-	-	-	-	-
Purchase of treasury stock	-	-	-	-	-
Appropriation to / withdrawal from reserves	-	-	-	-	-
Change in interests held in subsidiaries	-	-	-	-	-
Capital increase	-	-	-	-	-
Profit for the period	-	-	-	-	-
Translation currency	-	-	-	-	3
Revaluation reserves net to tax	-	-	-	-	-
Balance at March 31, 2008	8,435,514	8,436	55,721	23,000	282
Balance at January 1, 2009	8,435,514	8,436	55,792	30,000	57
Dividend	-	-	-	-	-
Sale of treasury stock	-	-	-	-	-
Purchase of treasury stock	-	-	-	-	-
Appropriation to / withdrawal from reserves	-	-	-115	-	-
Change in interests held in subsidiaries	-	-	-	-	-
Capital increase	-	-	-	-	-
Profit for the period	-	-	-	-	-
Translation currency	-	-	-	-	70
Revaluation reserves net to tax	-	-	-	-	-
Balance at March 31, 2009	8,435,514	8,436	55,677	30,000	127

REVALUATION RESERVES

FINANCIAL INSTRUMENTS	CURRENCY	CF HEDGES	RETAINED EAR- NINGS	TREASURY STOCK	MINORITY INTERESTS	TOTAL EQUITY
-	-3	-	13,050	-6,103	258	94,637
-	-	-	-	-	-10	-10
-	-	-	-	-	-	-
-	-	-	-	-2,421	-	-2,421
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	3,453	-	17	3,470
-	-	-	-	-	-	3
-	3	-	-	-	-	3
-	-	-	16,503	-8,524	265	95,682
-	-	-454	18,755	-13,165	333	99,753
-	-	-	-	-	-87	-87
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-115
-	-	-	-	-	-89	-89
-	-	-	-	-	-	-
-	-	-	1,877	-	19	1,896
-	-	-187	-	-	6	-111
-	-	-	-	-	-	-
-	-	-641	20,632	-13,165	182	101,247

Notes

Explanatory Notes to the 3-Month Report

1. Accounting Principles

The quarterly report of AUGUSTA Technologie AG as of March 31, 2009, was drawn up in accordance with the Consolidated Financial Statement of December 31, 2008, 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, 2008.

The financial statement contained in the report (of March 31, 2009 and December 31, 2008), the incomes statement (for the third quarters of 2009 and 2008 respectively and for the first three months of 2009 and 2008), the cash flow statement (for the first three months of 2009 and 2008 respectively) as well as the change in equity capital statement (for the first three months of 2009 and 2008 respectively) have been drawn up by the Management Board of AUGUSTA Technologie AG and have not been confirmed by an auditor.

2. Consolidated Companies

On January 1, 2009, Dewetron GmbH, with seat in Graz, Austria, increased its share in Dewetron Elektronische Messgeräte GmbH in Wernau, Germany from 85 percent to 100 percent. Furthermore, Austria-based Dewetron GmbH sold its 100 percent share in DEWETRON d.o.o., Slovenia. Subsequently, Dewetron d.o.o. was deconsolidated as of March 31, 2009.

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 March 31, 2009, AUGUSTA Technologie AG held a total of 843,551 shares in the company. In the first three months of 2009 some 7,591,963 shares were in circulation.

5. Statement of Directors' Holdings as of March 31, 2009

In the first three months of 2009, the following notifiable transactions in securities were conducted by company officers.

MANAGING BOARD	DATE	NUMBER OF SHARE	NATURE	SHARE PRICE IN EUR
Amnon F. Harman	23/03/2009	1,000	Purchase	8.50
Berth Hausmann	19/03/2009	1,250	Purchase	7.70
	30/03/2009	500	Purchase	8.25
	31/03/2009	750	Purchase	8.00

In accordance with section 160, para 1 AktG (German Stock Corporation Act), a total of 115,300 pre-emptive rights had been issued under the 2008 share option program as at March 31, 2009 to the members of the Managing Board, managing directors and managers of the AUGUSTA Group at an exercise price of EUR 14.63. This is equivalent to 13.7% of the approved program of 843,551 subscription rights in total.

	NUMBER OF SHARES 31/03/2009	NUMBER OF SHARES 31/12/2008	NUMBER OF SHARE OPTIONS 31/03/2009	NUMBER OF SHARE OPTIONS 31/12/2008
MANAGING BOARD				
Amnon F. Harman	13,000	12,000	25,000	25,000
Berth Hausmann	7,000	4,500	25,000	25,000
SUPERVISORY BOARD				
Heinzwerner Feusser	4,999	4,999	-	-
Thomas Krüger	-	-	-	-
Dr. Daniel Wiest	-	-	-	-
Total	24,499	21,499	50,000	50,000

6. Treasury Shares

On March 31, 2009, AUGUSTA Technologie AG held a total of 843,551 shares in the company. The shares represented EUR 843,551 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 31/03/2009	NUMBER OF SHARES 31/12/2008	INTEREST IN SHARE CAPITAL 31/03/2009
Treasury shares	843,551	843,551	10.0%

7. Decision-Making Bodies of AUGUSTA

The Managing Board consists of Amnon F. Harman and Chairman Berth Hausmann.

Responsibility Statement

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

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 2008, no significant changes have occurred from which one could deduce new risks for the Group. Reference is therefore made to the 2008 Annual Report for more details on the risk profile of AUGUSTA Technologie AG. It presents potential risks in detail.

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 and 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 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

Kontakt

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