



Group Interim Report
as at 30 June 2011

Schaltbau Group Key Financial Figures for the period ended 30 June

Group key financial figures		1st half of 2011	1st half of 2010	2nd quarter 2011	2nd quarter 2010
Order situation					
Order-intake	€ m.	192.4	153.3	91.3	75.1
Order-book	€ m.	210.0	182.6	210.0	182.6
Income statement					
Sales	€ m.	155.8	133.9	81.7	71.8
Total output	€ m.	160.0	137.8	82.9	72.2
EBITDA	€ m.	19.1	13.5	10.4	7.8
Profit from operating activities (EBIT)	€ m.	15.9	10.3	8.7	6.1
EBIT margin	%	10.2	7.7	10.7	8.6
Group net profit for the period	€ m.	12.7	6.6	5.7	4.1
Profit attr. to shareholders of the AG	€ m.	10.7	5.3	4.7	3.5
Return on capital employed	%	20.4	15.7	22.3	18.7
Balance sheet					
Fixed Assets	€ m.	71.2	61.8	71.2	61.8
Working capital	€ m.	85.0	69.4	85.0	69.4
Capital employed	€ m.	156.3	131.2	156.3	131.2
Group equity	€ m.	50.3	24.6	50.3	24.6
Net bank liabilities	€ m.	44.4	39.2	44.4	39.2
Balance sheet total	€ m.	207.8	191.5	207.8	191.5
Personnel					
Employees at end of reporting period	Number	1.669	1.601	1.669	1.601
Personnel expense	€ m.	46.6	43.5	23.6	21.9
Personnel expense ¹ per employee ²	€ 000	61.9	60.1	62.7	60.4
Total output ¹ per employee ²	€ 000	212.5	190.6	220.2	199.6
Earnings per share					
Earnings per share (undiluted)	€	5.52	2.87	2.31	1.86
Earnings per share (diluted)	€	5.52	2.69	2.31	1.73

¹ Based on figures to date extrapolated to twelve months

² Weighted average for period including trainees, executive directors and members of Management Board

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Dear shareholders

The Schaltbau Group successfully continued producing the same positive performance of previous years throughout the first half of 2011. The worldwide financial and economic crisis, which was still impacting markets far into 2010, only affected us for a short time and to a comparatively minor degree. We even emerged from the crisis in a stronger position than before, which is no coincidence, but the result of deliberate strategic positioning in our various fields of activity.

Schaltbau Holding AG represents a broadly based group of companies that are active on numerous markets with a product range designed for a wide number of applications. We place great emphasis on clear, manageable diversification in everything we do. Although this approach may appear conservative, it protects us to a certain degree from the often far-reaching influences of economic cycles and the increasingly frequent sudden, unforeseeable occurrences like the natural catastrophe in Japan or changes in the business strategy of a dominant customer that can impact the economic development of a market or even a number of markets.

Our Group strategy is based on three essential elements. Firstly, we strive to achieve growth in new markets that we wish to win over in well-considered steps and by deploying products that supplement our existing range. Secondly, we do not only focus on products and solutions for the railway industry, but also purposefully direct our activities towards applications for the automotive industry and, to an increasing degree, for the investment goods industry. The Schaltbau strategy ensures a balancing of risks within the Group that visibly paid off during the crisis we have just overcome.

Thirdly, we concentrate on niche products for which the competition is clearly limited. Our goal is to be among the TOP 3 in all of our main fields of business worldwide. We also wish to achieve this objective through regionally allocating production and development capacities, as locally based units enable us to react more quickly and flexibly to changing market situations. Furthermore, we fulfil the growing demand for "local content" from our customers and have the capability to enter neighbouring markets.

The long-term mega trends corroborate our strategy. The world's population is becoming increasingly mobile. At the same time, urbanisation is rapidly progressing, particularly in the growth regions of Asia and Latin America. New metropolitan areas are evolving and with them the need for mass transportation as well as the necessity to connect these areas by the fastest means possible. Consequently, railway transportation will continue to expand and grow. At the same time, flows of goods will successively increase in volume. Good infrastructure is becoming an ever more decisive advantage in international competition, particularly in countries with emerging economies. It is therefore safe to assume that investments in these lines of business will continue to prosper.

The limited availability of fossil fuels is another of the key factors driving our current growth. The resulting need for energy-efficient means of transportation is also additionally heightened by environmental aspects, which are playing an ever greater role in both political and economic decision-making. These factors provide a positive backdrop for the activities of the Schaltbau Group – and we intend to make consistent use of the opportunities that present themselves.

We think we have done so in impressive fashion during the first half of 2011. In line with our positive business performance in the first quarter, in April we revised our forecast upward for the full year. As expected, the level of dynamism returned to normal during the second quarter. Nonetheless, the level of business we are currently experiencing continues to be very high and, assisted by the comfortable order situation, it is set to remain that way throughout the second half of the year. For this reason we continue to plan with Group sales somewhat above € 300 million, an EBIT of € 26.0 million and Group net profit of € 18.6 million.

Best regards



Dr. Jürgen H. Cammann
Spokesman of the Executive Board

Group Interim Management Statement

Sustained by the unbroken strength of growth on Asian markets, the world economic upswing continued at a high level throughout the first half of 2011. The industrial fields of the Schaltbau Group profited particularly from this pleasing trend and demand for railway components was very brisk, especially in China. These favourable market conditions enabled the Schaltbau Group's operational activities to perform even better than expected. The strong increase in sales revenue powered by the excellent order situation led to a sharp improvement in both earnings and margins compared with the previous year and the Executive Board affirmed the forecast for the full year 2011 already upwardly adjusted in April.

Major events during the first half of 2011

On 15 February 2011 Schaltbau GmbH acquired the remaining 50% of the shares in Schaltbau North America Inc. via the newly formed Schaltbau America Limited Partnership, Delaware. The full consolidation became effective as from 1 January 2011. The company had previously been accounted for in the Group Financial Statements using the equity method. The transaction has additionally strengthened Schaltbau GmbH's position in the fast-growing railway and industrial lines of business in North America.

A further outstanding event involved the joint venture contract relating to Xi'an Schaltbau Electric Corporation Ltd., which was extended on 13 October 2010 through to 2024, prior to the originally foreseen date. The finalisation of the contract was subject to approval by the Chinese authorities and officially granted on 11 February 2011. Thus the Schaltbau Group can now make long-term plans with certainty in the Components segment in China. Moreover, a growth strategy has been adopted that will involve capital expenditure in an additional factory and office building in Xi'an, creating the basic conditions for additionally expanding this already highly successful joint venture.

Gebr. Bode & Co. Beteiligungs GmbH acquired 10% of the shares of Rawicka Fabryka Wyposazenia Wagonow Sp.z.o.o. (Rawag), Rawicz, with effect from 16 February 2011. A further 7.128% were acquired on 28 April 2011, increasing Bode's shareholding in Rawag to 37.128% at 30 June 2011. In addition, purchase options

have been agreed for further shares, giving Bode the opportunity to take over a majority interest in the Polish company. Rawag manufactures door systems for railway vehicles, buses and trams as well as side windows for buses and trams, primarily for customers in Eastern Europe.

Bode has also jointly founded Bode Korea Co., Ltd. in South Korea together with a local industrial partner. Bode has an 80% holding in the new company, which will focus on gaining a foothold on the Korean market in future, backed up by its own sales and engineering resources. Thus Bode is well positioned in a further important Asian market with good prospects for growth.

Schaltbau Holding AG gave notice to terminate the convertible bond 2007/2012 it originally issued with effect from 12 April 2011 in accordance with the bond's terms and conditions. The bond, which is sub-divided into 85,000 partial bonds valued at € 100 each, had originally been issued for a total nominal amount of € 8.5 million. All partial bonds in circulation were affected by the termination. By 6 May 2011, the last day of the conversion period, 98% of the partial bonds had been converted into Schaltbau shares. The unconverted partial bonds to the value of € 168,800 were paid back in accordance with the bond conditions. In total, there are now 2,050,730 Schaltbau shares in circulation.

On 18 April 2011 the Supervisory Board of Schaltbau Holding AG agreed to comply with the request of Waltraud Hertreiter to prematurely terminate her executive contract valid till mid-2012. Ms Hertreiter began service as Chief Financial Officer of Schaltbau Holding AG on 1 July 2003 and has left the service of the company due to family commitments. Ms Hertreiter resigned from the Executive Board on 10 June 2011. Furthermore, at the same meeting the Supervisory Board resolved to appoint Mr Hans Gisbert Ulmke as further member of the Executive Board of Schaltbau Holding AG with effect from 15 May 2011. With the resignation of Waltraud Hertreiter, Hans Gisbert Ulmke took over the post of Chief Financial Officer at Schaltbau Holding AG.

In order to safeguard the Group's growth, both organically and by means of acquisition, Schaltbau Holding AG signed a modified version of the consortium loan agreement together with the banks in June 2011. The modified agreement includes a credit

volume increase of approximately € 20 million to € 65 million and an extension of the repayment period from March 2013 to June 2016 as well as improved terms and conditions.

Business environment

The upturn in the world economy continued at a high pace throughout the first six months of 2011. However, the significant disparities from one world region to the next remained unchanged. As the International Monetary Fund (IMF) also reported in its World Economic Outlook Update in June, considering the preceding recession, growth in the majority of industrialised countries continues to be relatively weak. By contrast, the steep upward trend witnessed in most of the emerging and developing countries continues unabated. Generally, however, the outlook for the world economy in the second quarter 2011 was not much different to that forecast in the spring.

Overall, the economic fields in which the various Schaltbau companies do business performed well during the first six months of 2011. According to a study by Deutsche Bank Research, German industrial production again grew strongly during the period under report, despite adopting a slightly more moderate pace in the four months up to and including June. The primary force driving export business is the current demand coming from the emerging economies of Asia. The significance of this region for German industry, which includes the heavyweight China, is said to be steadily increasing. Industry figures published by the German Engineering Association (VDMA) underline this assessment. According to the VDMA, German mechanical and plant engineering grew soundly in double-digit figures in each of the first five months of the current year. Real growth for the three-month period up to the end of May 2011 was stated as being 20%. According to the Association of the German Automotive Industry (VDA), the production of small commercial vehicles up to 6 tons even grew by a good 24% during the five-month period that ended in May 2011.

Order situation

Against a background of favourable business conditions for the Schaltbau Group, the order situation again developed better than expected during the first half of 2011. In the second quarter, order volume grew powerfully to total € 91.3 million (Q2 2010: € 75.1 million). Orders for € 101.1 million were taken in during the first three months of the current year, thereby even more clearly surpassing the first-quarter figures of the

recession-hit previous year (Q1 2010: € 78.2 million). Order intake for the first six months of 2011 totalled € 192.4 million, an improvement of 25.5% on the previous year's figure of € 153.3 million.

Incoming orders in the **Mobile Transportation Technology** segment for the six-month reporting period were up by 17% and therefore rose more quickly than expected. Demand in the Door Systems for Railway Vehicles product group was extremely high. Order volumes in the Door Systems for Buses and Coaches product group staged a broad recovery. Business performance in the Fittings for Sliding Vehicle Doors product group was outstanding. The high demand for these products made it necessary to expand production capacities for the existing model range. Moreover, the first order was gained for the newly developed linear sliding doors.

The **Stationary Transportation Technology** segment recorded 28% growth in incoming orders for the first six months of 2011. The strong upward trend was primarily attributable to Brake Systems business, which rose significantly due to the activating of postponed investments by important customers in the field of container terminals. The new Wind Energy Braking Systems product group is becoming increasingly fruitful. The Rail Infrastructure business field benefited from strong growth in demand, particularly for rolling stock and point heating systems projects. Order volume for level crossing systems maintained the level recorded one year earlier.

Order intake in the **Components** segment was up by 35% on the previous year's figure. All product groups in the segment contributed to this positive result. In particular, industry business continued to improve due to higher sales volume in the fields of industrial trucks and the solar power industry. The main regional driving force in this respect was Asia, particularly China. The Chinese joint venture in Xi'an profited from the overall continued expansion of the railway market in China and the increasing application of Schaltbau products in the field of local content for projects involving international systems manufacturers for the Chinese market. A further powerhouse of growth proved to be metro projects. Schaltbau North America Inc. was consolidated for the first time during the period under report.

The Schaltbau Group's order book stood at € 210.0 million on 30 June 2011 as compared with € 182.6 million one year earlier.

Sales

Due to the high order volume and the delays in processing orders from the previous year caused by the long winter, the Schaltbau Group recorded a good sales performance in the first six months of 2011. In the second quarter the Schaltbau Group recorded sales to the value of € 81.7 million after posting € 71.8 during the same period one year earlier. In the first quarter, sales rose to € 74.1 million, although the low sales figure of € 62.1 million the previous year was largely attributable to the previously described weather-related delays. Thus sales for the first six months of 2011 grew by 16% to € 155.8 million after registering € 133.9 million during the corresponding period one year earlier.

In the **Mobile Transportation Technology** segment sales figures were slightly above those reported the previous year. The Door Systems for Buses and Fittings for Sliding Vehicle Doors product groups recorded a noticeable rise in sales due to the high level of incoming orders. The higher figures in these areas helped compensate for declining sales in the Door Systems for Railway Vehicles product group resulting from delays in a number of projects.

The **Stationary Transportation Technology** segment increased its sales by 33%. Driven by growing demand, the Brake Systems business field made the largest contribution. The Rail Infrastructure business field also recorded a significant increase as business returned to normal after weak sales of level crossing systems the previous year due to the harsh winter.

The excellent order situation helped sales in the **Components** segment to grow by 25%. Sales performance was particularly good for contactors. The impact of the first-time consolidation of Schaltbau North America Inc. with consolidated sales of € 1.4 million also made for considerable impetus.

Group earnings performance

The powerful growth in sales had a correspondingly positive influence on the total output of the Schaltbau Group, which showed a slight rise in inventories but a lower level of own work capitalised. Total output rose by 16.1% during the first half of 2011 to € 160.0 million (2010: € 137.8 million).

Gross yield improved to an even greater degree by 17% to € 80.6 million (2010: € 68.9 million). The figure was mainly the result of a cost of materials ratio that sank by 0.4 percentage points to 49.6% as a percentage of total output compared to the previous year. The impact of price increases on procurement markets was counteracted by alterations to the product mix.

As a result of the considerable increase in sales, the EBIT improved to € 15.9 million (2010: € 10.3 million). The EBIT margin jumped to 10.2% (2010: 7.7%).

Group net profit stood at € 12.7 million on 30 June 2011, thereby surpassing the figure recorded one year earlier by € 6.2 million, additionally boosted by exceptional gains in results from investments. The profit attributable to shareholders therefore almost doubled from € 5.4 million in 2010 to € 10.7 million. Earnings per share thus stood at € 5.52 compared with € 2.87 for the first half of 2010.

The **Mobile Transportation Technology** segment recorded EBIT of € 3.5 million (2010: € 4.6 million) for the six-month period under report. The EBIT margin for this segment therefore fell to 5.8% after standing at 7.8% one year previously. The primary reasons are firstly the product mix, which resulted from changes to the sales revenue and secondly in personnel expenditure due to wage rises and the expiry of the restructuring wage agreement in October 2010.

As a result of the strong improvement in sales, the **Stationary Transportation Technology** segment showed a significant rise in earnings. The segment EBIT jumped to € 3.6 million (2010: € 0.6 million). Performance in the Rail Infrastructure business field regained its customary vigour after the weather-related sales slump that impaired the previous year's figures. The Brake Systems business field profited from the greatly improved sales figures in the wake of the positive business environment and again recorded a noticeably positive result after the drop experienced the previous year. The EBIT margin stood at 7.7% (2010: 1.6%).

In the **Components** segment the strong sales growth achieved by Schaltbau GmbH and the Chinese company Xi'an had a corresponding effect on the development of the

EBIT, which again rose, totalling € 11.0 million (2010: € 6.9 million). The EBIT margin improved accordingly to 22.6% (2010: 17.6%).

Group financial and net assets position

The balance sheet total for the Schaltbau Group at 30 June 2011 increased to € 207.8 million (31 December 2010: € 189.6 million). The positive effect on equity resulting from Schaltbau's good earnings was even additionally strengthened by a reclassification of debt capital to equity capital coming from the 98% conversion of the convertible bond. Altogether, equity rose to € 50.3 million (31 December 2010: € 33.1 million). The equity ratio thus stood at 24.2% (31 December 2010: 17.5%). Including participation rights capital, which is similar in nature to equity, the equity ratio even stood at 27.6% (31 December 2010: 21.2%).

The impact of the strong growth in sales revenue is also visible on the assets side of the balance sheet. Consequently, and in order to ensure the smooth processing of the high number of firm orders placed for the coming months, the level of inventories was considerably raised. Trade accounts receivable were also higher due to the increased sales revenue. The Group's working capital therefore grew to € 85.0 million (31 December 2010: € 66.8 million). By contrast, the lower amount of liquidity from which financial liabilities were paid off effectively reduced the balance sheet total. Altogether, net bank liabilities rose to € 44.4 million (31 December 2010: € 31.5 million).

Capital expenditure in property, plant and equipment and intangible assets amounted to € 3.0 million and was thus slightly lower than the depreciation and amortisation expense of € 3.2 million.

Purchasing

The situation on procurement markets during the first half of 2011 continued to be affected by the prices of raw materials, which have largely continued to climb as a result of the ongoing world economic upswing. The increases relate particularly to the price of silver, which rose dramatically during the first four months of the year under report to almost US\$ 50 per fine ounce. Despite the strong downward adjustment at the beginning of May, the silver price is currently extremely high in comparison to previous years.

The prices of nonferrous metals essential for the Schaltbau Group tended to vary. After a strong rise in the first four months of 2011, prices of aluminium saw a downturn over the following two months and practically reached the levels seen at the beginning of the year. The price of copper remained stable at a high level. Crude oil prices fell only slightly after the sharp rise witnessed up to April. Plastics prices rose too as a result of their dependence on crude oil.

The market situation for electronic assemblies and components continued to be difficult throughout the first six months of 2011 and availability was greatly limited in some cases. The scarcity led to longer lead periods, causing even greater emphasis to be laid on the early determination of requirements. In order to meet market circumstances in an adequate way, swift communications along the entire supply chain are absolutely essential.

Significant events occurring after 30 June 2011

No events of particular significance have taken place since the end of the first half of 2011.

Opportunities and risks report

In the first six months of the current fiscal year there were no significant changes to the major risks previously described in the annual financial statements for 2010.

Outlook and other assertions relating to future developments

The assessment of the general outlook for global economic development has not greatly changed to that of the first quarter. In its latest outlook for 2011, the International Monetary Fund (IMF) continues to forecast a stable world economic upswing primarily driven by demand from the emerging and developing countries. Prospects of growth for the industrialised countries continue to be below average, although the outlook for EU countries has somewhat improved. Germany continues to be the driving force in this region.

The markets relevant for the Schaltbau Group are still performing very positively and readiness to invest in the railway industry remains stable at a high level. The generally good state of the world economy is providing the logistics industry with a great deal of momentum. The pleasing trend is also benefiting the container market, which is of high

importance for business with brake systems. The new products in the field of wind energy applications are currently in high demand and the Components segment is performing extremely dynamically right across the board.

From a strategic point of view, the Schaltbau Group continues to forge ahead with its internationalisation and innovation policy, establishing a sound basis for sustainable, fruitful growth. Furthermore, all of the companies in the Schaltbau Group endeavour to avoid becoming too largely dependent on any one particular customer, especially at international level.

The Schaltbau Executive Board abides by its adjusted forecast announced in April 2011, assuming market conditions continue to be favourable. The forecast predicts Group sales of somewhat above € 300 million for the fiscal year 2011. Earnings from operating activities (EBIT) are still expected to reach € 26.0 million and Group net profit is predicted to amount to € 18.6 million. Earnings will also be positively impacted by higher exceptional gains recorded in the result from investments. Earnings per share are accordingly expected to be in the region of € 8.00. The figure also takes into account the fact that the total number of shares has risen to 2.05 million during the year under report, due to the practically complete conversion of the 2007/2012 convertible bond.

Significant transactions with associated companies and persons

Information available in the Notes.

Condensed Interim Consolidated Financial Statements as at 30 June 2011

Consolidated Income Statement for the first half of 2011

€000	1.1.-30.06.2011	1.1.-30.06.2010
1. Sales	155,798	133,932
2. Change in inventories of finished and work in progress	3,979	3,095
3. Own work capitalised	222	794
4. Total output	159,999	137,821
5. Other operating income	1,006	2,741
6. Cost of materials	79,390	68,906
7. Personnel expense	46,631	43,462
8. Amortisation and depreciation	3,200	3,153
9. Other operating expenses	15,843	14,713
10. Profit from operating activities	15,941	10,328
a) Result from at-equity accounted investments	850	596
b) Other results from investments	2,103	0
11. Results from investments	2,953	596
a) Interest income	9	34
b) Interest expense	3,878	2,964
12. Finance result	-3,869	-2,930
13. Profit before tax	15,025	7,994
14. Income taxes	2,310	1,445
15. Group net profit for the period	12,715	6,549
Analysis of group net profit		
attributable to minority shareholders	1,975	1,199
attributable to the shareholders of Schaltbau Holding AG	10,740	5,350
Group net profit for the period	12,715	6,549
Earnings per share – undiluted:	5.52 €	2.87 €
Earnings per share – diluted:	5.52 €	2.69 €

Statement of Income and Expenses Recognised in Equity

€000	1.1.-30.06.2011			1.1.-30.06.2010		
	Before tax	Tax effect	After tax	Before tax	Tax effect	After tax
Group net profit for the period	12,715			6,549		
Unrealised gains/losses arising on currency translations						
- from fully consolidated companies			-332			820
- from at-equity accounted companies			-378			330
Derivative financial instruments	343	-103	240	-1,026	308	-718
Total income and expenses recognised directly in equity			-470			432
Comprehensive income			12,245			6,981
of which:						
attributable to minority shareholders			1,747			1,613
attributable to the shareholders of Schaltbau Holding			10,498			5,368

Consolidated Income Statement for the second quarter 2011

€000	1.4.-30.06.2011	1.4.-30.06.2010
1. Sales	81,686	71,831
2. Change in inventories of finished and work in progress	1,077	-52
3. Own work capitalised	132	382
4. Total output	82,895	72,161
5. Other operating income	737	1,663
6. Cost of materials	41,305	36,116
7. Personnel expense	23,591	21,853
8. Amortisation and depreciation	1,629	1,617
9. Other operating expenses	8,377	8,095
10. Profit from operating activities	8,730	6,143
a) Result from at-equity accounted investments	539	409
b) Other results from investments	-1	0
11. Results from investments	538	409
a) Interest income	6	20
b) Interest expense	2,420	1,600
12. Finance result	-2,414	-1,580
13. Profit before tax	6,854	4,972
14. Income taxes	1,204	896
15. Group net profit for the period	5,650	4,076
Analysis of group net profit		
attributable to minority shareholders	943	610
attributable to the shareholders of Schaltbau Holding AG	4,707	3,466
Group net profit for the period	5,650	4,076
Earnings per share – undiluted:	2.31 €	1.86 €
Earnings per share – diluted:	2.31 €	1.73 €

Statement of Income and Expenses Recognised in Equity

€000	1.4.-30.06.2011			1.4.-30.06.2010		
	Before tax	Tax effect	After tax	Before tax	Tax effect	After tax
Group net profit for the period	5,650			4,075		
Unrealised gains/losses arising on currency translations						
- from fully consolidated companies			11			419
- from at-equity accounted companies			-183			162
Derivative financial instruments	-174	52	-122	-666	200	-466
Total income and expenses recognised directly in equity			-294			115
Comprehensive income	5,356			4,190		
of which:						
attributable to minority shareholders			924			896
attributable to the shareholders of Schaltbau Holding			4,432			3,294

Consolidated Cash Flow Statement for the first half of 2011

	€ 000	€ 000
	1.1.-30.06.2011	1.1.-30.06.2010
Group net profit for the period	12,715	6,549
Amortisation and depreciation on non-current assets	3,599	3,151
Gain on disposal of non-current assets	-	11
Finance result	3,870	2,930
Income tax expense	2,310	1,445
Change in current assets	-17,813	-16,817
Change in provisions	-194	-939
Change in current liabilities	2,323	5,563
Dividends received	-	652
Interest paid	-3,826	-2,898
Interest received	9	34
Income tax paid	-1,872	-2,317
Other non-cash income / expenses	-3,948	-492
Cash flow from operating activities	-2,827	-3,128
Payments for investments in:		
- property, plant and equipment and intangible assets	-3,014	-3,115
- other investments	-4,481	-344
Proceeds from disposal of:		
- property, plant and equipment	5	288
- at-equity accounted investments and other equity investments	144	3,279
Cash flow from investing activities	-7,346	108
Dividend payment	-2,057	-1,307
Distribution to minority interests	-443	-137
Capital increase by minorities	554	-
Amounts repaid in conjunction with refinancing	-	-36,407
Amounts borrowed in conjunction with refinancing	4,000	36,407
Loan repayments	-1,290	-3,299
New loans raised	100	-
Change in current financial liabilities	2,334	13,645
Cash flow from financing activities	3,198	8,902
Change in cash and cash equivalents due to exchange rate fluctuations	-222	234
Change in cash and cash equivalents due changes in group reporting entity	683	-
Changes in cash, cash equivalents and securities	-6,514	6,116
Cash and cash equivalents		
at the end of the period	5,017	14,622
at the beginning of the period	11,531	8,506
	-6,514	6,116

Consolidated Balance Sheet as at 30 June 2011

ASSETS	€ 000	€ 000
	30.06.2011	31.12.2010
A. NON-CURRENT ASSETS		
I. Intangible assets	19,886	14,523
II. Property, plant and equipment	42,061	42,063
III. At-equity accounted investments	5,366	4,420
IV. Other investments	3,891	3,018
V. Deferred tax assets	9,025	8,961
	80,229	72,985
B. CURRENT ASSETS		
I. Inventories	59,574	51,286
II. Trade accounts receivable	55,494	46,096
III. Income tax receivables	58	67
IV. Other receivables and assets	7,430	7,587
V. Cash and cash equivalents	5,017	11,531
	127,573	116,567
Total assets	207,802	189,552
EQUITY AND LIABILITIES		
	€ 000	€ 000
	30.06.2011	31.12.2010
A. EQUITY		
I. Subscribed capital	7,506	6,863
II. Capital reserves	15,805	8,585
III. Statutory reserves	231	231
IV. Revenues reserves	7,808	-2,507
V. Income/expense recognised directly in equity	-271	211
VI. Revaluation reserve	3,041	3,041
VII. Group net profit attributable to shareholders of Schaltbau Holding AG	10,740	12,132
VIII. Equity attributable to shareholders of Schaltbau Holding AG	44,860	28,556
IX. Minority interests	5,424	4,550
	50,284	33,106
B. NON-CURRENT LIABILITIES		
I. Participation rights capital	7,064	7,051
II. Pension provisions	18,599	18,744
III. Personnel-related accruals	4,236	4,235
IV. Other provisions	396	391
V. Financial liabilities	41,233	43,098
VI. Other liabilities	19	19
VII. Deferred tax liabilities	6,698	6,814
	78,245	80,352
C. CURRENT LIABILITIES		
I. Personnel-related accruals	3,366	4,851
II. Other provisions	19,443	17,285
III. Income taxes payable	376	124
IV. Financial liabilities	11,986	11,692
V. Trade accounts payable	18,101	18,402
VI. Advance payments received	11,918	12,182
VII. Other liabilities	14,083	11,558
	79,273	76,094
Total equity and liabilities	207,802	189,552

Consolidated Statement of Changes in Equity for the first half of 2011

	Equity attributable to shareholders of Schaltbau Holding AG					
	Subscribed capital	Capital reserves	Statutory reserves	Revenue Other	Reserves Derivate financial Instruments	Revaluation reserve
Balance at 1.1.2010	6,850	8,443	231	-12,435	-727	3,041
Profit brought forward	0	0	0	12,349	0	0
Transfer to capital reserves	0	0	0	0	0	0
Shares issued	0	0	0	0	0	0
Dividend paid	0	0	0	-1,307	0	0
Change in group reporting entity	0	0	0	0	0	0
Other changes	0	0	0	-266	0	0
Group net profit for the period	0	0	0	0	0	0
Income and expenses recognised directly in equity	0	0	0	0	-718	0
Income and expenses recognised in equity	0	0	0	0	-718	0
Balance at 30.06.2010	6,850	8,443	231	-1,659	-1,445	3,041
Balance at 1.7.2010	6,850	8,443	231	-1,659	-1,445	3,041
Profit brought forward	0	0	0	0	0	0
Transfer to capital reserves	0	0	0	0	0	0
Shares issued	13	142	0	0	0	0
Dividend paid	0	0	0	0	0	0
Change in group reporting entity	0	0	0	0	0	0
Other changes	0	0	0	0	0	0
Group net profit for the period	0	0	0	0	0	0
Income and expenses recognised directly in equity	0	0	0	0	597	0
Income and expenses recognised in equity	0	0	00	0	597	0
Balance at 31.12.2010	6,863	8,585	231	-1,659	-848	3,041
Balance at 1.1.2011	6,863	8,585	231	-1,659	-848	3,041
Profit brought forward	0	0	0	12,132	0	0
Transfer to capital reserves	0	0	0	0	0	0
Shares issued	643	7,220	0	0	0	0
Dividend paid	0	0	0	-2,057	0	0
Change in group reporting entity	0	0	0	0	0	0
Other changes	0	0	0	0	0	0
Group net profit for the period	0	0	0	0	0	0
Income and expenses recognised directly in equity	0	0	0	0	240	0
Income and expenses recognised in equity	0	0	0	10	240	0
Balance at 30.6.2011	7,506	15,805	231	8,416	-608	3,041

Note: rounding differences may arise due to the use of electronic rounding aids.

				Minority interests in equity		Group equity	
Income/expenses recognised directly in equity		Net profit for the period	Total	in capital and reserves	in net profit for the period	Total	
from fully consolidation	from at-equity consolidation						
-345	179	12,349	17,586	1,191	1,743	2,934	20,520
0	0	-12,349	0	1,743	-1,743	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	-1,307	-1,276	0	-1,276	-2,583
0	0	0	0	0	0	0	0
0	-33	0	-299	0	0	0	-299
0	0	5,350	5,350	0	1,199	1,199	6,549
406	330	0	18	414	0	414	432
406	330	5,350	5,368	414	1,199	1,613	6,981
61	476	5,350	21,348	2,072	1,199	3,271	24,619
61	476	5,350	21,348	2,072	1,199	3,271	24,619
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	155	0	0	0	155
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	6,782	6,782	0	1,422	1,422	8,204
-135	-191	0	271	-143	0	-143	128
-135	-191	6,782	7,053	-143	1,422	1,279	8,332
-74	285	12,132	28,556	1,929	2,621	4,550	33,106
-74	285	12,132	28,556	1,929	2,621	4,550	33,106
0	0	-12,132	0	2,621	-2,621	0	0
0	0	0	0	0	0	0	0
0	0	0	7,863	554	0	554	8,417
0	0	0	-2,057	-1,427	0	-1,427	-3,484
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	10,740	10,740	0	1,975	1,975	12,715
-104	-378	0	-242	-228	0	-228	-470
-104	-378	10,740	10,498	-228	1,975	1,747	12,245
-178	-93	10,740	44,860	3,449	1,975	5,424	50,284

Notes and segment information as at 30 June 2011

DESCRIPTION OF BUSINESS

The Schaltbau Group is one of the leading manufacturers of components and equipment for traffic technology and industry. In addition to electro-mechanical components and equipment, the Group supplies door systems for buses and trains, safety systems for level crossings, equipment for railway vehicles, point heating systems, maritime aids and industrial braking systems. Its innovative and future-oriented products make Schaltbau a highly influential business partner in the area of traffic technology.

BASIS OF PREPARATION

The Interim Financial Report of Schaltbau Holding AG, Munich, has been prepared in accordance with the requirements of IAS 34 "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB), and with those of German Accounting Standard No. 16 "Interim Reporting" issued by the Accounting Standards Committee of Germany (DRSC). The same accounting principles and policies have been applied as in the consolidated financial statements for the fiscal year ended 31 December 2009.

In addition to the figures reported in the financial statements, the interim report also includes explanatory notes to selected financial statement items.

BUSINESS COMBINATIONS / GROUP REPORTING ENTITY

In order to strengthen its position in the fast-growing railway and industrial lines of business in North America, on 15 February 2011 Schaltbau GmbH acquired, via the newly founded and fully consolidated Schaltbau America Limited Partnership, Delaware, the remaining 50 % of the shares of Schaltbau North America Inc. for a purchased consideration of US\$ 3,852,000. Schaltbau North America Inc. has been fully consolidated with effect from 1 January 2011 on the basis that control over the entity has already been attained; previously, it had been consolidated using the equity method. Calculations relating to the first-time consolidation (recognition and measurement of goodwill or a gain on acquisition below fair value) are expected to be completed during the third quarter 2011.

Compared to 31 December 2010, two fully consolidated companies have therefore been added to the group reporting entity.

With effect from 16 February 2011 Gebr. Bode & Co. Beteiligungs GmbH acquired a further 10% of the shares of Rawicka Fabryka Wyposazenia Wagonow Sp.z.o.o. (Rawag), Rawicz, for a purchase consideration of € 398,000; with effect from 28 April 2011 a further 7.128 % of the shares were acquired for a purchase consideration of EUR 243,000, bringing Bode's investment up to 37.128%. Purchase options have also been agreed for further shares, giving Bode the opportunity to take over a majority interest in the Polish company. The company will be consolidated using the equity method after a further 10% of the shares have been acquired.

Gebr. Bode & Co. Beteiligungs GmbH has also jointly founded a company in South Korea together with a locally based industrial partner. Bode holds 80% of the shares in the new company, which is not consolidated for the time being due to the low volume of business currently being conducted.

As a result of the changes in the group reporting entity, the interim report figures are not fully comparable with the previous year. The principal effects on the consolidated balance sheet at 30 June 2011 attributable to the acquisition of the remaining shares in Schaltbau North America Inc. and the foundation of Schaltbau America Limited Partnership are shown in the following balance sheet. In order to achieve better comparability, the amounts shown must be deducted from or, in the case of figures with a negative sign, added to the corresponding line items in the consolidated balance sheet as at 30 June 2011.

Balance Sheet at 31 March 2011

	€000		€000
Intangible assets and property, plant and equipment	5 ,600	Revenue reserves including translation differences	98
Investments	-999	Bilanzergebnis	2 ,085
Deferred tax assets	11	Deferred tax liabilities	-
Inventories	500	Provisions	752
Receivables from associated companies	-988	Liabilities to banks	2 ,435
Trade accounts receivable and other assets	803	Payables to associated companies	-
Cash and cash equivalents (including marketable securities)	505	Trade accounts payable and other liabilities	62
	<hr/> 5 ,432		<hr/> 5 ,432

The following income statement shows the impact of the transaction on earnings for the period. In order to achieve better comparability, the amounts shown must also be deducted from the corresponding line items in the consolidated income statement.

Income statement 1 January – 30 June 2011	€000	Income statement 1 April – 30 June 2011	€000
Sales	1,429	Sales	789
Change in inventories	-	Change in inventories	-67
Other operating income	17	Other operating income	39
Cost of materials	164	Cost of materials	112
Personnel expense	397	Personnel expense	227
Amortisation and depreciation	0	Amortisation and depreciation	0
Other operating expenses	154	Other operating expenses	105
Result on investments	1,680	Result on investments	-240
Net interest result	-45	Net interest result	-28
Income taxes	281	Income taxes	111
Group net profit for the period	2,085	Group net profit for the period	-62

The acquisition of the remaining shares of Schaltbau North America Inc., based on assets and liabilities at the date of full consolidation (1 January 2011) measured in accordance with US GAAP, had the following impact:

Disclosures in €000

	Carrying amounts at acquisition date	Adjustments	Fair values at acquisition date
Intangible assets	92		92
Property, plant and equipment	1		1
Inventories	190		190
Receivables and other assets	376		376
Cash and cash equivalents (including marketable securities)	132		132
Total assets acquired	791		791
Other provisions	207		207
Trade accounts payable and other liabilities	437		437
Total liabilities acquired	644		644
Net assets acquired			147
Acquisition cost			2,852
Goodwill			2,705

The amounts shown represent 50% of the values of the items acquired (at acquisition date), based on the percentage acquired. The addition of the new shares to the 50% already held and the transitional consolidation gave rise to additional goodwill of € 2.7 million, of which approximately € 1.7 million is recorded as a gain in other results from investments. The determination of the fair value of the assets and liabilities acquired has not yet been completed.

The acquisitions of shares in Rawag described above resulted in that company being accounted for for the first time using the equity method. As a result of the purchase considerations paid for the shares, the previous carrying amount of the investment was increased by € 0.7 million, which is also recorded as a gain in other results from investments.

USE OF ESTIMATES

For the purposes of drawing up the consolidated financial statements, it is necessary to make estimates and assumptions which affect the carrying amounts of assets, liabilities and contingent liabilities at the balance sheet and the amounts of income and expense recognised in the period under report. Actual results can differ from estimates as a result of changes in the economic situation and due to other circumstances.

FOREIGN CURRENCY TRANSLATION

The financial statements of consolidated companies whose functional currency is not the Euro are drawn up in accordance with the modified closing rate method.

Exchange rates relevant for foreign currency translation into Euro changed as follows:

	Closing rate		Average rate	
	30.06.2011	31.12.2010	1.1. bis 30.06.2011	1.1. bis 30.06.2010
Chinese renminbi yuan	9.3012	8.7626	9.1758	9.0939
US dollar	1.4391	1.3253	1.4031	1.3305
British pound	0.8983	0.8568	0.8680	0.8716
New Turkish lire	2.3342	2.0610	2.2046	2.0284
Polish Zloty	4.0018	3.9715	3.9538	4.0096

ACCOUNTING PRINCIPLES AND POLICIES

Deferred taxes

A corporation rate of 16 % and a trade municipal tax rate of 14 % have been used to measure deferred taxes for the Group's German companies. Deferred taxes for the Group's foreign companies are based on the tax rates applicable in the countries concerned.

Income taxes

Income taxes payable for German companies are based on a tax rate of approximately 30%. Income taxes for the Group's foreign companies are based on the tax rates applicable in the countries concerned.

Provisions

Pension provisions are measured on the basis of values stated in the relevant actuarial reports for 2011, taking into account pensions paid during the period under report. The provision for obligations for early retirement part-time working arrangements is based on management estimates, unlike in the financial statements for the year ended 31 December 2010 when the provision was based on actuarial reports.

Contingent liabilities

Contingent liabilities correspond to contingent obligations existing at the balance sheet date.

Consolidated cash flow statement

The cash flow statement shows changes in the Schaltbau Group's cash and cash equivalents during the period under report. Cash and cash equivalents comprise cheques, cash in hand and cash at bank.

The cash flow statement has been prepared in accordance with IAS 7, with cash flows classified into cash flows from operating, investing and financing activities. The cash flow from operating activities is determined using the indirect method.

ANALYSIS OF SELECTED ITEMS REPORTED IN THE FINANCIAL STATEMENTS

PERSONNEL EXPENSE / EMPLOYEES

in € 000	1.1. – 30.06.	2011	2010
Wages and salaries		39,240	36,336
Social security, pension and welfare expenses		7,391	7,126
		46,631	43,462

EMPLOYEES

	2011	2010
Employees	1,506	1,446

These employee figures show the weighted average for the period under report (including trainees, executives and board members).

RESULT FROM INVESTMENTS

Other results from investments include the impact of items described in the section “BUSINESS COMBINATIONS / GROUP REPORTING ENTITY” as well as impairment losses on investments of non-consolidated foreign subsidiaries.

FINANCIAL RESULT

in € 000	1.1. – 30.06.	2011	2010
Other interest and similar income (of which from affiliated companies)		9 (0)	34 (10)
Interest and similar expenses (of which to affiliated companies)		- 3,878 (- 4)	- 2,964 (- 3)
		- 3,869	- 2,930

Interest expenses include € 507,000 (1.1. – 30.06.2010: € 483,000) relating to the interest component of the allocation to the pension provision. In accordance with IFRS, interest expense for the six-month period to 30 June 2011 includes all contract-related fees for the consortium loan. In the previous year, contract fees were spread over the remainder of the contract from March onwards.

INCOME TAXES

in € 000	1.1. – 30.06.	2011	2010
Income tax expense		- 2,531	- 1,140
Deferred tax income (2010: – expense)		221	- 305
		-2,310	- 1,445

Compared with the financial statements as at 31 December 2010, no adjustments were made to deferred taxes on tax losses available for carryforward for companies operating within Germany.

NOTES TO THE CONSOLIDATED BALANCE SHEET

INTANGIBLE ASSETS, PLANT PROPERTY AND EQUIPMENT AND INVESTMENTS

The **revaluation method** has only been applied for land. The revaluation reserve did not change during the period under report.

INVENTORIES

in € 000	30.06.2011	31.12.2010
Raw materials, consumables and supplies	29,327	23,000
Work in progress	20,099	18,788
Finished products, goods for resale	10,135	8,982
Advance payments to suppliers	13	516
	59,574	51,286

RECEIVABLES AND OTHER ASSETS

in € 000	30.06.2011	31.12.2010
Trade accounts receivable	55,494	46,096
Receivables from affiliated companies	2,934	2,352
Receivables from associated companies	490	849
Receivables from companies with which an investment relationship exists	-	260
Income tax receivables	58	67
Positive fair values of derivative instruments	279	236
Other assets	3,727	3,890
	62,982	53,750

Allowances on trade accounts receivable amount to € 2,523,000 (30.06.2010: € 2,118,000).

CASH AND CASH EQUIVALENTS

in € 000	30.06.2011	31.12.2010
Cheques and cash on hand	81	3,197
Cash at bank	4,936	8,334
	5,017	11,531

CHANGES IN GROUP EQUITY

The conversion of convertible bonds has raised share capital as at 30 June 2011 by € 643,000 and the capital reserve by € 7.220 million. These and further details relating to balance sheet items are available in the **Statement of Changes in Equity**. We refer also to the explanatory comments provided in the management report.

PROVISIONS

in € 000	30.06.2011	31.12.2010
Non-current provisions		
Pension provision	18,599	18,744
Personnel-related accruals	4,236	4,235
Warranties	396	391
Other non-current provisions	4,632	4,626
	23,231	23,370
Current provisions		
Personnel-related accruals	3,366	4,851
Current tax	2,362	1,643
Warranties	6,631	6,614
Outstanding costs and material	8,622	8,039
Other provisions	1,828	989
Other current provisions	22,809	22,136
Total provisions	46,040	45,506

LIABILITIES

in € 000	30.06.2011	31.12.2010
Non-current liabilities		
Liabilities to banks	37,602	31,502
Other financial liabilities	<u>3,631</u>	<u>11,596</u>
Financial liabilities	41,233	<u>43,098</u>
Other liabilities	<u>19</u>	<u>19</u>
	41,252	43,117
Current liabilities		
Current income tax liabilities	376	124
Liabilities to banks	11,841	11,551
Other financial liabilities	<u>145</u>	<u>141</u>
Financial liabilities	11,986	<u>11,692</u>
Trade accounts payable	18,101	18,402
Advance payments received	11,918	12,182
Payables to affiliated companies	233	252
Liabilities to other group entities	275	381
Negative fair values of derivatives	327	1,350
Sundry other liabilities	<u>13,248</u>	<u>9,575</u>
Other liabilities	<u>14,083</u>	<u>11,558</u>
	56,464	53,958
Total liabilities	97,716	97,075

PRODUCT-BASED SEGMENT INFORMATION

Disclosures in € 000	Mobile Transportation Technology		Stationary Transportation Technology	
	2011	2010	2011	2010
1.1. – 30.06.				
Order-intake (external)	76,406	65,146	57,109	44,548
Sales	59,766	59,306	47,620	35,902
- of which external	59,766	59,306	47,175	35,488
- of which with other segment	0	0	445	414
External order-book	106,125	95,146	53,978	49,530
EBITDA	4,268	5,311	4,484	1,397
Result from operating activities (EBIT)	3,451	4,603	3,636	582
Result from at-equity accounted investments	850	339	0	0
Other results from investments	679	0	-400	0
Interest income	72	15	95	7
Interest expense	-357	-411	-760	-591
Income taxes	-112	-217	1	-233
Segment result / Group result ¹⁾	4,583	4,329	2,572	-235
Changes in group reporting entity	0		0	
Capital expenditure on investments	901		1,163	
Impairment losses on investments	0		-400	
Capital expenditure ²⁾	854	457	1,360	1,785
Amortisation and depreciation ²⁾	-817	-708	-848	-815
Impairment losses	0	0	0	0
Reversal of impairment losses	0	0	0	103
Other significant non-cash expenses	-2,074	-2,015	-2,284	-2,829
Segment assets ³⁾	60,217	61,130	74,738	64,398
Investments accounted for at-equity	5,366	3,364	0	0
Capital employed ⁴⁾	47,078	42,225	28,584	44,335
Segment liabilities ⁵⁾	31,276	36,821	55,037	49,507
Employees (average as per HGB)	478	465	475	462
EBIT margin ⁶⁾	5.8 %	7.8 %	7.7 %	1.6 %
Return on capital employed ⁷⁾	14.7 %	21.8 %	25.4 %	2.6 %

¹⁾ = transfers in conjunction with profit and loss transfer agreements are added back to the segment result

²⁾ = in / on intangible assets and property, plant and equipment

³⁾ = Balance sheet total

⁴⁾ = Working capital (inventories + trade accounts receivable – advance payments received – trade accounts payable) plus non-current assets excluding deferred tax assets

⁵⁾ = Liabilities

⁶⁾ = EBIT / external sales

⁷⁾ = EBIT / capital employed (EBIT extrapolated to annual amount)

Components		Sub-total		Holding, Reconciling items		Schaltbau Group	
2011	2010	2011	2010	2011	2010	2011	2010
58,808	43,577	192,323	153,271	52	52	192,375	153,323
49,046	39,241	156,432	134,449	-634	517		
48,805	39,087	155,746	133,881	52	51	155,798	133,932
241	154	686	568	-686	-568		
49,931	37,940	210,034	182,618			210,034	182,618
12,293	8,292	21,045	15,000	-1,904	-1,519	19,141	13,481
11,006	6,895	18,093	12,080	-2,152	-1,752	15,941	10,328
0	257	850	596	0	0	850	596
1,680	0	1,959	0	144	0	2,103	0
20	18	187	40	-178	-6	9	34
-892	-643	-2,009	-1,645	-1,869	-1,319	-3,878	-2,964
-1,225	-563	-1,336	-1,013	-974	-432	-2,310	-1,445
10,589	5,964	17,744	10,058	-5,029	-3,509	12,715	6,549
4,601		4,601		0	0	4,601	0
0		2,064		0	0	2,064	344
0		-400		0	0	-400	0
763	787	2,977	3,029	37	85	3,014	3,114
-1,287	-1,395	-2,952	-2,918	-247	-233	-3,199	-3,151
-535	-499	-535	-499	0	0	-535	-499
19	75	19	178	0	67	19	245
-5,001	-1,232	-9,359	-6,076	-2,613	-1,619	-11,972	-7,695
86	71,809	221,593	197,337	-13,791	-5,881	207,802	191,456
0	725	5,366	4,089	0	0	5,366	4,089
70,519	57,135	146,181	143,695	10,073	-12,507	156,254	131,188
54,096	46,791	140,409	133,119	17,110	33,718	157,519	166,837
534	503	1,487	1,429	19	17	1,506	1,446
22.6 %	17.6 %					10.2 %	7.7 %
31.2 %	24.1 %					20.4 %	15.7 %

Disclosures in € 000

1.4. – 30.06.

	Mobile Transportation Technology		Stationary Transportation Technology	
	2011	2010	2011	2010
Order-intake (external)	37,644	30,701	28,309	23,330
Sales	30,617	30,469	26,676	21,011
- of which external	30,617	30,469	26,551	20,815
- of which with other segment	0	0	125	196
External order-book	106,125	95,148	53,978	49,530
EBITDA	2,228	2,558	2,951	2,044
Result from operating activities (EBIT)	1,797	2,178	2,530	1,629
Result from at-equity accounted investments	539	257	0	0
Other results from investments	95	0	0	0
Interest income	28	8	41	1
Interest expense	-173	-200	-386	-317
Income taxes	-54	-187	-40	-138
Segment result / Group result ¹⁾	2,232	2,056	2,145	1,175
Changes in group reporting entity	0	0	0	0
Capital expenditure on investments	249	0	730	30
Impairment losses on investments	0	0	0	0
Capital expenditure ²⁾	479	303	629	978
Amortisation and depreciation ²⁾	-431	-380	-421	-415
Impairment losses	0	0	0	0
Reversal of impairment losses	0	0	0	103
Other significant non-cash expenses	-501	-492	0	-1,787
Segment assets ³⁾	60,217	61,130	74,738	64,398
Investments accounted for at-equity	5,366	3,364	0	0
Capital employed ⁴⁾	47,078	42,225	28,584	44,335
Segment liabilities ⁵⁾	31,276	36,821	55,037	49,507
Employees (average as per HGB)	478	465	475	462
EBIT margin ⁶⁾	5.9 %	7.1 %	9.5 %	7.8 %
Return on capital employed ⁷⁾	15.3 %	20.6 %	35.4 %	14.7 %

¹⁾ = transfers in conjunction with profit and loss transfer agreements are added back to the segment result

²⁾ = in / on intangible assets and property, plant and equipment

³⁾ = Balance sheet total

⁴⁾ = Working capital (inventories + trade accounts receivable – advance payments received – trade accounts payable) plus non-current assets excluding deferred tax assets

⁵⁾ = Liabilities

⁶⁾ = EBIT / external sales

⁷⁾ = EBIT / capital employed (EBIT extrapolated to annual amount)

Components		Sub-total		Holding, Reconciling items		Schaltbau Group	
2011	2010	2011	2010	2011	2010	2011	2010
25,296	21,042	91,249	75,073	23	23	91,272	75,096
24,628	20,600	81,921	72,080	236	249		
24,494	20,524	81,662	71,808	23	23	81,685	71,831
134	76	259	272	-259	-272		
49,931	37,940	210,034	182,618			210,034	182,618
6,238	3,896	11,417	8,498	-1,058	-739	10,359	7,759
5,588	3,193	9,915	7,000	-1,185	-858	8,730	6,142
0	152	539	409	0	0	539	409
-240	0	-145	0	144	0	-1	0
17	12	86	21	-80	-1	6	20
-447	-329	-1,006	-846	-1,414	-754	-2,420	-1,600
-512	-206	-606	-531	-598	-365	-1,204	-896
4,406	2,822	8,783	6,053	-3,133	-1,978	5,650	4,075
0	0	0	0	0	0	0	0
0	3	979	33	-1	0	978	33
0	0	0	0	0	0	0	0
404	527	1,512	1,808	28	10	1,540	1,818
-650	-703	-1,502	-1,498	-127	-119	-1,629	-1,617
-321	-392	-321	-392	0	0	-321	-392
12	75	12	178	0	67	12	245
-657	-233	-1,158	-2,512	-1,270	-864	-2,428	-3,376
86,638	71,809	221,593	197,337	-13,791	-5,881	207,802	191,456
0	725	5,366	4,089	0	0	5,366	4,089
70,519	57,135	146,181	143,695	10,073	-12,507	156,254	131,188
54,096	46,791	140,409	133,119	17,110	33,718	157,519	166,837
534	503	1,487	1,429	19	17	1,506	1,446
22.8 %	15.6 %					10.7%	8.6 %
31.7 %	22.4 %					22.3 %	18.7 %

OTHER DISCLOSURES

Contingent liabilities and other financial commitments

in € 000	30.06.2011	31.12.2010
Other financial obligations		
Rental and lease expenses	9,320	9,502
Other commitments	1,214	1,280

There are no **contingent liabilities**.

The rental and leasing expenses shown under **other financial obligations** have been calculated on the basis of the earliest possible cancellation dates.

Other financial obligations are all of a nature and amount customary for the business.

Related party relationships

Transactions between fully consolidated companies on the one hand and associated and non-consolidated companies on the other are disclosed below from the perspective of the fully consolidated companies:

	Volume of services performed		Volume of services received	
	1.1.-30.6.2011		1.1.-30.6.2010	
	€ 000	€ 000	€ 000	€ 000
Associated companies				
goods and services	1,589	1,128	2,424	491
other relationships	-	-	-	56
Non-consolidated companies				
goods and services	2,447	2,812	807	2,243
other relationships	-	24	69	28

The following receivables and payables existed at the balance sheet date from the perspective of the fully consolidated companies (mostly relating to the supply of goods).

	Receivables		Payables	
	30.06.2011	31.12.2010	30.06.2011	31.12.2010
	€ 000	€ 000	€ 000	€ 000
Associated companies	490	849	275	381
Non-consolidated companies	2,934	2,612	234	252

Munich, 27 July 2011

Schaltbau Holding AG
The Executive Board



Dr. Jürgen Cammann



Hans Gisbert Ulmke

Disclaimer

Some of the assertions made in this report may be similar in character to forecasts or may be interpreted as such. The assertions are made to the best of the knowledge and belief of management and apply, in accordance with the nature of such asserts, on the condition that there are no massive contraction of the markets relevant for the Schaltbau Group and in the specific market position of the individual group entities and that the forecasting assumptions turn out to be appropriate, both in terms of scale and timing. The Company does not assume any responsibility for updating forward-looking assertions.

Responsibility statement

"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 financial year."

Munich, 27 July 2011

Schaltbau Holding AG
The Executive Board



Dr. Jürgen Cammann



Hans Gisbert Ulmke

Comment on unaudited status

The Interim Consolidated Financial Statements and Interim Group Management Report as at 30 June 2011 have neither been audited in accordance with § 317 HGB nor subject to a limited review by the group auditor.

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