# Group Interim Report
as at 30 June 2012

# Schaltbau Group Key Financial Figures for the period ended 30 June

| Group key financial figures | | 1st half of 2012 | 1st half of 2011 | 2nd quarter 2012 | 2nd quarter 2011 |
|---|---|---|---|---|---|
| | | | | | |
| **Order situation** | | | | | |
| Order-intake | € m. | **201.8** | 192.4 | **96.3** | 91.3 |
| Order-book | € m. | **244.3** | 210.0 | **244.3** | 210.0 |
| | | | | | |
| **Income statement** | | | | | |
| Sales | € m. | **176.1** | 155.8 | **91.4** | 81.7 |
| Total output | € m. | **178.3** | 160.0 | **89.9** | 82.9 |
| EBITDA | € m. | **17.5** | 19.1 | **9.2** | 10.4 |
| Profit from operating activities (EBIT) | € m. | **13.9** | 15.9 | **7.4** | 8.7 |
| EBIT margin | % | **7.9** | 10.2 | **8.1** | 10.7 |
| Group net profit for the period | € m. | **9.8** | 12.7 | **5.3** | 5.7 |
| Profit attr. to shareholders of the AG | € m. | **7.9** | 10.7 | **4.3** | 4.7 |
| Return on capital employed | % | **15.0** | 20.4 | **15.9** | 22.3 |
| | | | | | |
| **Balance sheet** | | | | | |
| Fixed Assets | € m. | **77.6** | 71.2 | **77.6** | 71.2 |
| Working capital | € m. | **108.1** | 85.0 | **108.1** | 85.0 |
| Capital employed | € m. | **185.8** | 156.3 | **185.8** | 156.3 |
| Group equity | € m. | **65.0** | 50.3 | **65.0** | 50.3 |
| Net bank liabilities | € m. | **45.8** | 44.4 | **45.8** | 44.4 |
| Balance sheet total | € m. | **251.4** | 207.8 | **251.4** | 207.8 |
| | | | | | |
| **Personnel** | | | | | |
| Employees at end of reporting period | Number | **1.864** | 1.669 | **1.864** | 1.669 |
| Personnel expense | € m. | **54.7** | 46.6 | **27.4** | 23.6 |
| Personnel expense[1] per employee[2] | € 000 | **64.0** | 61.9 | **64.3** | 62.7 |
| Total output[1] per employee[2] | € 000 | **208.9** | 212.5 | **210.6** | 220.2 |
| | | | | | |
| **Earnings per share** | | | | | |
| Earnings per share (undiluted) | € | **3.88** | 5.52 | **2.08** | 2.31 |
| Earnings per share (diluted) | € | **3.88** | 5.52 | **2.08** | 2.31 |

[1] Based on figures to date extrapolated to twelve months
[2] Weighted average for period including trainees, executive directors and members of Management Board

# Contents

# Dear shareholders

Despite the generally difficult business environment, the Schaltbau Group continued along the upward path of growth in the second quarter 2012. Both incoming orders and sales again outperformed the previous year's figures and exceeded our own expectations. The success expressed in these numbers results from the strategic diversification of our activities in terms of products and regions that we have driven forward in recent years with a strong sense of purpose.

Of course, we too have felt the impact of the current reluctance to invest on the Chinese market and in certain southern European countries. However, we were able to compensate for these weaknesses by exploiting our strengths in other regions. The market in North America is currently performing with excellent results. Eastern Europe, and notably the Russian market, is making an increasingly large contribution to our commercial success. Moreover, our entry into new markets is starting to bear fruit; a fact borne out by the major order acquired via the new subsidiary in South Korea. At the same time we are constantly developing new applications for our range of products. Solutions for the wind and solar power industries are only a few among many outstanding examples.

In this way we generate future opportunities in our existing fields of competence. Furthermore, this strategy forms the basis for our external growth and we set an important milestone with the takeover of the Pintsch Tiefenbach Group at the beginning of 2012. The move has enabled us to significantly broaden our competitive position in the international market for train formation systems and railway signal technology. The integration is progressing largely in line with expectations. The contribution to earnings made in the second quarter was already slightly positive and therefore a significant improvement on the first three months. We still firmly believe in our ability to achieve the positive result envisaged for the full fiscal year 2012 with this part of our Group.

On 23 July this year Bode managed to clinch an asset deal to purchase the company Werner Kircher, Elektro- und Feinmechanischer Gerätebau, which is based in Ahnatal. The move allows Bode to strengthen its market position in the field of door and boarding systems and it now has full control over the entire value-added process.

All activities related to organic growth or via acquisition require upfront expenditure. The primary cost of these activities is reflected in personnel expenditure, which accordingly has a short-term impact on the earnings situation. In the past we have always managed to find a good balance between the cost acceptable and the earnings that then result from it. In future, too, we will be placing our main focus on a good return on investment.

Due to the powerfully driven internationalisation and broadening of our business foundation in the recent past, the Schaltbau Group has meanwhile achieved a size that presents the management team with completely new challenges. In rising to meet these, as from September 2012 our Executive Board will be enlarged to include a third member. Elisabeth Prigge will be taking up the position of Chief Financial Officer. With the broad-ranging experience she has gathered in this field in various leading and advisory functions, including those at listed companies, Ms Prigge is ideally suited for her new post.

Dirk Löchner's future role on the Executive Board will concentrate on corporate development, focusing on business expansion and coordinating the Group's foreign subsidiaries and their activities, a function he already successfully performs for the Bode Group in his additional capacity as Managing Director of Gebr. Bode & Co. Beteiligungs GmbH. The new arrangement lends greater weight to this highly important sphere of responsibility in the Executive Board.

In terms of personnel, the course has been firmly set for achieving further profitable growth. In our opinion, share markets have not yet fully honoured the accompanying potential. With this point in mind, on 6 June, you the shareholders determined a share split that will triple the number of shares in circulation and thereby reduce their market price accordingly. The split will make our share more liquid and thus considerably more attractive, particularly for private investors.

Best regards

Dr. Jürgen H. Cammann
Spokesman of the Executive Board

## Group Interim Management Statement

Despite the generally difficult business environment, the Schaltbau Group surpassed its own expectations in the second quarter 2012. At the halfway stage, the Group is firmly on course to meet its targets for the full year 2012 and we wish to affirm the earnings per share forecast previously announced. Due to the change in the way the company's shares are quoted, which is still pending and results from the share split resolved at the Annual General Meeting on 6 June, the forecast for earnings per share will be adjusted from € 8.83 to € 2.94.

**Major events during the first half of 2012**

Pintsch Bamag Antriebs- und Verkehrstechnik GmbH concluded the purchase of Tiefenbach GmbH, Sprockhövel, at the beginning of 2012. The acquisition also included a business entity in the USA. The takeover took economic effect as from 1 January 2012 and in mid-February the company was renamed Pintsch Tiefenbach GmbH.

On 26 January 2012 Hans Gisbert Ulmke resigned from his position as Executive Board member at Schaltbau Holding AG with immediate effect.

On 6 February 2012 Dirk Christian Löchner was appointed as new member of the Executive Board of Schaltbau Holding AG. He resigned from his post as member of the management team at Gebr. Bode GmbH & Co. KG with effect from 23 April 2012.

The Annual General Meeting held on 6 June 2012 resolved to re-divide the Company’s share capital. Although the share capital of Schaltbau Holding AG remains unchanged at € 7,505,671.80, in future it will be divided into 6,152,190 (currently 2,050,730 shares) non-par bearer shares. The arithmetic value of one bearer share will then be € 1.22 (currently € 3.66). After the change in the way the Company’s shares are quoted, the stock market price per Schaltbau Holding AG share will be reduced accordingly.

As announced on 27 June 2012, Elisabeth Prigge will take up the post of Chief Financial Officer at Schaltbau Holding AG as from 1 September 2012. The Executive Board of Schaltbau Holding AG will therefore comprise three members and Dirk Löchner will be responsible for corporate development, focusing on business expansion and coordinating the Group’s foreign subsidiaries and their activities.

**Business environment**

After the lively period at the end of 2011 and into the first months of the current fiscal year, the world economy then showed increasing signs of a slowdown in the second quarter 2012. According to the assessment of the Kiel Institute for the World Economy, the renewed escalation of the sovereign debt crisis in the euro zone is the root cause of the problem. The pace of growth in the advanced economies is currently weak and the euro zone is even undergoing a recession. The scenario is also causing a noticeable loss of economic drive in the emerging markets.

With very few exceptions, markets in which the companies of the Schaltbau Group are currently active have generally remained stable. The **Mobile Transportation Technology** segment felt the impact of the sales volume difficulties currently being experienced by major bus manufacturers. Although sales in Germany continued to show an upward trend, southern European markets were particularly badly hit. The market environment for the Door Systems for Railway Vehicles product group was generally favourable, despite a certain slowing of the recent strong growth in demand for light commercial vehicles. In the **Stationary Transportation Technology** segment, the Rail Infrastructure business field registered a good order situation fuelled by steady demand from Deutsche Bahn AG (German national railways). Growing demand on shipping markets worldwide bolstered the container terminals sector and therefore also the Brake Systems business field. By contrast, however, business conditions on the important US wind power market have deteriorated in view of the scheduled discontinuation of tax breaks at the end of 2012. Demand showed a strong upturn in the industrial fields of the **Components** segment, coming particularly from the manufacturers of industrial trucks and the solar power industry. From a regional point of view, the USA and Russia both played outstanding roles.

**Order situation**

At € 96.3 million, the Schaltbau Group recorded 5.5% growth in order intake for the second quarter (Q2 2011: € 91.3 million). In the six-month period ended 30 June 2012, order volume rose by 4.9% to total € 201.8 million (2011: € 192.4 million). € 14.8 million of this amount related to the Pintsch Tiefenbach Group, which has been consolidated since 1 January 2012.

In the **Mobile Transportation Technology** segment, order intake fell by 9% during the six-month period under report. The order situation for the Door Systems for Railway Vehicles product group was again good and continued on a moderate upward trend in line with the excellent previous year. Door Systems for Buses, however, reported a certain loss of momentum in incoming orders caused by very difficult market conditions for city buses, which was only partially compensated by the recovery in the coach sector. The Fittings for Sliding Vehicle Doors product group registered a considerable drop in demand. However, adjusted to account for the major order for linear sliding doors completed in 2011, order volume was stable. The newly formed South Korean subsidiary was awarded its first major order during the reporting period, underpinning the prudence of the Group’s strategy of international expansion.

Order intake in the **Stationary Transportation Technology** segment rose by 37% during the first half of 2012, including the contribution from the Pintsch Tiefenbach Group, which was consolidated for the first time. The growth was remarkable, even when adjusted for the new consolidation, although it weakened slightly in the second quarter compared with the brisk start to the year. The Rail Infrastructure business field profited from the good level of demand for railway crossing systems and points heating equipment. During the second quarter Pintsch Tiefenbach was awarded a major project in the field of train formation technology, exceeding all expectations. In the Brake Systems business field, demand in the conventional container sector continued to be high throughout the entire reporting period. In June a major order was gained for the expansion of a container terminal in the Netherlands. Due to changes in regulations in the USA, however, the market for wind power applications lost a great deal of pace in the course of the second quarter.

The order situation in the **Components** segment improved greatly during the second quarter 2012 and, halfway through the year, the 20% drop in order intake recorded in the first quarter was meanwhile only 8% down on last year's figures. The business situation in China became generally more stable towards mid-year, primarily due to higher demand in the fields of maintenance and refurbishment and additional impetus coming from repeat orders for underground trains. Driven by brisk demand in the photovoltaic and railway sectors, business performance in the USA remained highly positive throughout the entire six-month period. Moreover, incoming orders on the Russian market again reached outstanding levels.

The Schaltbau Group order book grew again during the second quarter 2012 to total € 244.3 million at 30 June (Pintsch Tiefenbach Group contributed € 27.7 million), an increase of 16% on the € 210.0 million reported at the same point one year earlier.

**Sales**

Powered by the ongoing positive order situation, the Schaltbau Group achieved 12% sales growth to report € 91.4 million for the second quarter 2012 (Q2 2011: € 81.7 million), thus largely maintaining the rate of growth seen during the first three months of the current fiscal year. Sales rose by 13% during the six months under report from € 155.8 million halfway through 2011 to € 176.1 million for the first six months of 2012. Group sales figures were therefore well up on 2011, even after adjustment for the € 8.2 million attributable to the Pintsch Tiefenbach Group.

Sales in the **Mobile Transportation Technology** segment for the first half of 2012 were slightly up on the previous year. Business volume in the Door Systems for Railway Vehicles product group grew significantly and more than compensated for the moderate downward trend in the Door Systems for Buses and Fittings for Sliding Vehicle Doors product groups.

The **Stationary Transportation Technology** segment recorded double-digit sales growth in all fields of activity in both quarters and segment sales, including Pintsch Tiefenbach, rose by 35% during the six-month period under report. The highly pleasing order situation continued to drive sales growth in the Brake Systems business field. The Rail Infrastructure business field also profited from increased demand for railway crossing systems and points heating equipment. Business at Pintsch Tiefenbach was marked by a seasonal performance trend typical for the company and after a relatively slow start to the year, sales figures continued to gather successive momentum.

The **Components** segment achieved a 7% rise in sales during the first half of 2012. Business performance in both North America and Russia was dynamic throughout the period under report. Overall, contactors sold particularly well, whereas demand for switches was lower, principally due to a slowdown on the Chinese market. In contrast, however, second-quarter sales figures reported by the Chinese joint venture Xi'an Schaltbau were up on the same period the previous year, compensating for the decline seen in the first three months.

**Group earnings performance**

Total output for the six-month period under report grew to € 178.3 million (2011: € 160.0 million). Operating profit (EBIT) amounted to € 13.9 million (2011: € 15.9 million), exceeding the Group's own expectations. The differences compared with the previous year relate to upfront expenditure for personnel and product development and sales mix factors as well as the negative earnings reported by the Pintsch Tiefenbach Group in the first quarter. However, Pintsch Tiefenbach soon reached the break-even mark during the second quarter. The EBIT margin stood at 7.9% as compared with 10.2% for the same period one year earlier.

Group net profit for the period totalled € 9.8 million, compared with € 12.7 million the previous year, which had been positively impacted by one-time effects of approximately € 2.1 million in the result from investments. The profit attributable to shareholders of Schaltbau Holding AG totalled € 7.9 million (2011: € 10.7 million) for the period under report. Earnings per share amounted to € 3.88 (2011: € 5.52).

EBIT for the **Mobile Transportation Technology** segment decreased to € 3.2 million (2011: € 3.5 million). The segment EBIT margin therefore edged down by 0.5 percentage points to 5.3%, mainly due to increased personnel costs.

EBIT in the **Stationary Transportation Technology** segment for the first six months of the year rose moderately to € 3.7 million (2011: € 3.6 million). Upfront expenditure for product development was largely compensated by a good degree of growth in the Brake Systems business field. Sales mix delays and the temporary impact of the Tiefenbach takeover held down the EBIT margin to 5.8% (2011: 7.7%).

The **Components** segment recorded EBIT of € 10.1 million (2011: € 11.0 million) for the six-month period under report, despite the difficulties on the Chinese market. The EBIT margin therefore stood at 19.4% (2011: 22.6%).

**Group financial and net assets position**

The balance sheet total went up sharply to € 251.4 million at 30 June 2012 (31 December 2011: € 213.6 million). The growth in sales and the first-time consolidation of the Pintsch Tiefenbach Group resulted in a strong rise in inventories and trade accounts payable on the assets side of the balance sheet. Working capital increased from € 71.8 million at 31 December 2011 to € 108.1 million at 30 June 2012. In that context, net bank liabilities rose to € 45.8 million after totalling € 27.4 million on 31 December 2011 (30 June 2011: € 44.4 million). The rise in pension provisions from € 18.5 million to € 26.7 million relates to the takeover of Pintsch Tiefenbach. Equity rose from € 59.5 million to € 65.0 million. The equity ratio decreased to 25.9% as a result of the higher balance sheet total, which was primarily attributable to the first-time consolidation of Pintsch Tiefenbach.

A total of € 3.3 million was invested in property, plant and equipment as well as intangible assets during the period under report, compared with € 3.5 million in amortisation and depreciation.

**Purchasing**

After the ongoing trend towards increased stability seen in the first three months of 2012, the situation on purchasing markets eased significantly in the further course of the reporting period. The prices of raw materials of key importance to the Schaltbau Group have generally fallen, which is particularly true for aluminium, but also for copper. The prices of silver and gold also came down considerably.

The trend towards lower prices and the improved supply situation for printed circuit boards seen towards mid-year continued and there is no sign of delivery bottlenecks of any kind. During the first three months of the year it again became possible to negotiate long-term fixed price agreements for steel and steel products.

The price of crude oil in the second quarter 2012 was also noticeably lower than at the beginning of the year, which had a correspondingly positive impact on prices for plastic parts.

**Significant events occurring after 30 June 2012**

The takeover of Werner Kircher, Elektro- und Feinmechanischer Gerätebau, Ahnatal, by Gebr. Bode GmbH & Co. KG was announced on 25 July 2012. Werner Kircher specialises in the manufacture of boarding systems and, with a workforce of some 60 employees, reported sales of around € 7.5 million euros in 2011. The acquisition provides the Bode Group with access to product-specific manufacturing processes, thus bolstering its own core competence as a full-range provider of door and boarding systems. The acquisition is part of an asset deal and comes into economic effect on 1 September 2012. A purchase agreement has been signed and the takeover is now only subject to the fulfilment of legal contractual obligations. The company will be transferred to the newly formed Bode subsidiary Bode Zustiegssysteme GmbH.

**Opportunity and risk 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 2011.

**Outlook and other assertions relating to future developments**

According to the Kiel Institute for the World Economy, global economic indicators have recently shown noticeable signs of deterioration that point to a continued loss of pace in world economic vitality during the second half of 2012. The economic recovery still lacks the degree of basic momentum required to shrug off disturbing factors coming either from the financial markets or from the rising cost of raw materials. However, long-term prospects essentially depend on developments in the sovereign debt crisis in the euro zone and its respective influence on demand and the financial markets. The prospective disintegration of the euro zone or a continued phase in which a scenario of this type seems possible would very likely lead to a pronounced recession in the euro zone, with a corresponding dampening effect on various economies around the world.

However, the markets relevant for the Schaltbau Group are generally expected to continue performing dependably. The order situation in the field of railway signal technology is currently safeguarded by the continual implementation of the service and financing agreement (LuFV) by Deutsche Bahn AG. General demand for braking systems is likely to weaken slightly as a result of the difficult business environment in the wind power sector. In an unbroken trend, door systems for both road and rail applications are likely to remain in high demand. Despite the recent partial recovery on the Chinese market, Schaltbau expects to encounter difficulties during the second half of the year, whereas the US market in particular is very likely to continue on the path of growth.

These assessments are made on the assumption that firstly, the situation in the euro zone will not have an unexpectedly high degree of impact on the business performance of the Schaltbau Group and that it will not result in significant delays in the awarding of orders and secondly, that demand from the Chinese market does not essentially weaken in comparison to the first half of 2012. Under these conditions, the Executive Board abides by its recently published forecast that the Schaltbau Group will achieve sales in the region of € 350 million in the fiscal year 2012, with Group net profit of € 20.8 million and earnings per share of € 8.83 or € 2.94 after the share split has been completed.

**Significant transactions with associated companies and persons**

Information available in the Notes

# Condensed Interim Consolidated Financial Statements as at 30 June 2012

## Consolidated Income Statement for the first half of 2012

| €000 | 1.1.-30.06.2012 | 1.1.-30.06.2011 |
|---|---|---|
| 1. Sales | 176,110 | 155,798 |
| 2. Change in inventories of finished and work in progress | 1,932 | 3,979 |
| 3. Own work capitalised | 236 | 222 |
| **4. Total output** | **178,278** | **159,999** |
| 5. Other operating income | 1,282 | 1,006 |
| 6. Cost of materials | 90,110 | 79,390 |
| 7. Personnel expense | 54,665 | 46,631 |
| 8. Amortisation and depreciation | 3,541 | 3,200 |
| 9. Other operating expenses | 17,301 | 15,843 |
| **10. Profit from operating activities** | **13,943** | **15,941** |
| a) Result from at-equity accounted investments | 914 | 850 |
| b) Other results from investments | - | 2,103 |
| 11. Results from investments | 914 | 2,953 |
| a) Interest income | 48 | 9 |
| b) Interest expense | 2,536 | 3,878 |
| 12. Finance result | -2,488 | -3,869 |
| **13. Profit before tax** | **12,369** | **15,025** |
| 14. Income taxes | 2,611 | 2,310 |
| **15. Group net profit for the period** | **9,758** | **12,715** |
| **Analysis of group net profit** | | |
| attributable to minority shareholders | 1,811 | 1,975 |
| attributable to the shareholders of Schaltbau Holding AG | 7,947 | 10,740 |
| Group net profit for the period | **9,758** | **12,715** |
| **Earnings per share – undiluted:** | **3.88 €** | **5.52 €** |
| **Earnings per share – diluted:** | **3.88 €** | **5.52 €** |

## Statement of Income and Expenses Recognised in Equity

| €000 | 1.1.-30.06.2012 | | | 1.1.-30.06.2011 | | |
|---|---|---|---|---|---|---|
| | Before tax | Tax effect | After tax | Before tax | Tax effect | After tax |
| **Group net profit for the period** | | | **9,758** | | | **12,715** |
| Unrealised gains/losses arising on currency translations | | | | | | |
| - from fully consolidated companies | | | 666 | | | -332 |
| - from at-equity accounted companies | | | 326 | | | -378 |
| Derivative financial instruments | | | | | | |
| - Change in unrealised gains (+) / losses (-) | -365 | 109 | -256 | 71 | -21 | 50 |
| - Realised gains (+) / losses (-) | 460 | -138 | 322 | 271 | -81 | 190 |
| **Total income and expenses recognised directly in equity** | | | **1,058** | | | **-470** |
| **Comprehensive income** | | | **10,816** | | | **12,245** |
| **of which:** | | | | | | |
| attributable to minority shareholders | | | 2,072 | | | 1,747 |
| attributable to the shareholders of Schaltbau Holding | | | 8,744 | | | 10,498 |

## Consolidated Income Statement for the second quarter 2012

| €000 | 1.4.-30.06.2012 | 1.4.-30.06.2011 |
|---|---|---|
| 1. Sales | 91,417 | 81,686 |
| 2. Change in inventories of finished and work in progress | -1,650 | 1,077 |
| 3. Own work capitalised | 137 | 132 |
| **4. Total output** | **89,904** | **82,895** |
| 5. Other operating income | 912 | 737 |
| 6. Cost of materials | 45,501 | 41,305 |
| 7. Personnel expense | 27,431 | 23,591 |
| 8. Amortisation and depreciation | 1,780 | 1,629 |
| 9. Other operating expenses | 8,712 | 8,377 |
| **10. Profit from operating activities** | **7,392** | **8,730** |
| a) Result from at-equity accounted investments | 395 | 539 |
| b) Other results from investments | - | -1 |
| 11. Results from investments | 395 | 538 |
| a) Interest income | 8 | 6 |
| b) Interest expense | 1,246 | 2,420 |
| 12. Finance result | -1,238 | -2,414 |
| **13. Profit before tax** | **6,549** | **6,854** |
| 14. Income taxes | 1,259 | 1,204 |
| **15. Group net profit for the period** | **5,290** | **5,650** |
| **Analysis of group net profit** | | |
| attributable to minority shareholders | 1,019 | 943 |
| attributable to the shareholders of Schaltbau Holding AG | 4,271 | 4,707 |
| Group net profit for the period | **5,290** | **5,650** |
| **Earnings per share – undiluted:** | **2.08 €** | **2.31 €** |
| **Earnings per share – diluted:** | **2.08 €** | **2.31 €** |

## Statement of Income and Expenses Recognised in Equity

| €000 | 1.4.-30.06.2012 | | | 1.4.-30.06.2011 | | |
|---|---|---|---|---|---|---|
| | Before tax | Tax effect | After tax | Before tax | Tax effect | After tax |
| **Group net profit for the period** | | | **5,290** | | | **5,650** |
| Unrealised gains/losses arising on currency translations | | | | | | |
| - from fully consolidated companies | | | 1,082 | | | 11 |
| - from at-equity accounted companies | | | 68 | | | -183 |
| Derivative financial instruments | | | | | | |
| - Change in unrealised gains (+) / losses (-) | -582 | 175 | -407 | -155 | 46 | -108 |
| - Realised gains (+) / losses (-) | 256 | -77 | 179 | -20 | 6 | -14 |
| **Total income and expenses recognised directly in equity** | | | **922** | | | **-294** |
| **Comprehensive income** | | | **6,212** | | | **5,356** |
| **of which:** | | | | | | |
| attributable to minority shareholders | | | 1,423 | | | 924 |
| attributable to the shareholders of Schaltbau Holding | | | 4,789 | | | 4,432 |

## Consolidated Cash Flow Statement for the first half of 2012

| | € 000 | € 000 |
|---|---|---|
| | 1.1.-30.06.2012 | 1.1.-30.06.2011 |
| **Group net profit for the period** | **9,758** | **12,715** |
| Amortisation and depreciation on non-current assets | 3,541 | 3,599 |
| Finance result | 2,488 | 3,870 |
| Income tax expense | 2,611 | 2,310 |
| Change in current assets | -19,529 | -17,813 |
| Change in provisions | -2,170 | -194 |
| Change in current liabilities | -197 | 2,323 |
| Interest paid | -2,378 | -3,826 |
| Interest received | 48 | 9 |
| Income tax paid | -2,769 | -1,872 |
| Other non-cash income / expenses | -922 | -3,948 |
| **Cash flow from operating activities** | **-9,519** | **-2,827** |
| **Payments for investments in:** | | |
| - property, plant and equipment and intangible assets | -3,278 | -3,014 |
| - other investments | -276 | -1.748 |
| - Acquisitions of fully consolidated entities less cash acquired* | -389 | -2.050 |
| **Proceeds from disposal of:** | | |
| - property, plant and equipment | 85 | 5 |
| - at-equity accounted investments and other equity investments | - | 144 |
| **Cash flow from investing activities** | **-3,858** | **-6.663** |
| Dividend payment | -3,682 | -2,057 |
| Distribution to minority interests | -165 | -443 |
| Capital increase by minorities | - | 554 |
| Amounts repaid in conjunction with refinancing | - | - |
| Amounts borrowed in conjunction with refinancing | - | 4,000 |
| Loan repayments | -2,682 | -1,290 |
| New loans raised | - | 100 |
| Change in current financial liabilities | 14,328 | 2,334 |
| **Cash flow from financing activities** | **7,799** | **3,198** |
| Change in cash and cash equivalents due to exchange rate fluctuations | 188 | -222 |
| **Changes in cash, cash equivalents and securities** | **-5,390** | **-6,514** |
| **Cash and cash equivalents** | | |
| at the end of the period | 7,337 | 5,017 |
| at the beginning of the period | 12,727 | 11,531 |
| | **-5,390** | **-6,514** |

* In order to achieve better comparability, the purchase of the remaining 50% share in Schaltbau North America Inc. last year is reported as a separate item and offset against the change in cash funds due to changes in the Group reporting entity.

# Consolidated Balance Sheet as at 30 June 2012

| ASSETS | € 000<br>30.06.2012 | € 000<br>31.12.2011 |
|---|---|---|
| **A. NON-CURRENT ASSETS** | | |
| I. Intangible assets | 21,156 | 20,020 |
| II. Property, plant and equipment | 44,544 | 43,975 |
| III. At-equity accounted investments | 7,587 | 6,347 |
| IV. Other investments | 4,362 | 3,655 |
| V. Deferred tax assets | 11,807 | 10,382 |
| | **89,456** | **84,379** |
| **B.CURRENT ASSETS** | | |
| I. Inventories | 76,027 | 60,833 |
| II. Trade accounts receivable | 68,595 | 47,830 |
| III. Income tax receivables | 0 | 242 |
| IV. Other receivables and assets | 9,965 | 7,603 |
| V. Cash and cash equivalents | 7,338 | 12,727 |
| | **161,925** | **129,235** |
| **Total assets** | **251,381** | **213,614** |

| EQUITY AND LIABILITIES | € 000<br>30.06.2012 | € 000<br>31.12.2011 |
|---|---|---|
| **A. EQUITY** | | |
| I. Subscribed capital | 7,506 | 7,506 |
| II. Capital reserves | 15,805 | 15,805 |
| III. Statutory reserves | 231 | 231 |
| IV. Revenues reserves | 21,911 | 6,819 |
| V. Income/expense recognised directly in equity | 1,004 | 273 |
| VI. Revaluation reserve | 3,041 | 3,041 |
| VII. Group net profit attributable to shareholders of Schaltbau Holding AG | 7,947 | 18,707 |
| VIII. Equity attributable to shareholders of Schaltbau Holding AG | 57,445 | 52,382 |
| IX. Minority interests | 7,582 | 7,150 |
| | **65,027** | **59,532** |
| **B. NON-CURRENT LIABILITIES** | | |
| I. Participation rights capital | 7,090 | 7,077 |
| II. Pension provisions | 26,745 | 18,504 |
| III. Personnel-related accruals | 3,662 | 3,578 |
| IV. Other provisions | 341 | 334 |
| V. Financial liabilities | 50,068 | 36,700 |
| VI. Other liabilities | 10 | 10 |
| VII. Deferred tax liabilities | 6,900 | 6,602 |
| | **94,816** | **72,805** |
| **C. CURRENT LIABILITIES** | | |
| I. Personnel-related accruals | 3,947 | 5,676 |
| II. Other provisions | 21,308 | 16,117 |
| III. Income taxes payable | 409 | 561 |
| IV. Financial liabilities | 9,653 | 7,120 |
| V. Trade accounts payable | 21,749 | 20,023 |
| VI. Advance payments received | 14,767 | 16,823 |
| VII. Other liabilities | 19,705 | 14,957 |
| | **91,538** | **81,277** |
| **Total equity and liabilities** | **251,381** | **213,614** |

## 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 Reserves Other | Revenue Reserves Derivate financial Instruments | Revaluation reserve |
| **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 |
| Shares issued / converted | 643 | 7,220 | 0 | 0 | 0 | 0 |
| Dividend paid | 0 | 0 | 0 | -2,057 | 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 |
| Group comprehensive income | 0 | 0 | 0 | 0 | 240 | 0 |
| **Balance at 30.06.2011** | **7,506** | **15,805** | **231** | **8,416** | **-608** | **3,041** |
| | | | | | | |
| **Balance at 1.7.2011** | **7,506** | **15,805** | **231** | **8,416** | **-608** | **3,041** |
| Profit brought forward | 0 | 0 | 0 | 0 | 0 | 0 |
| Shares issued / converted | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividend paid | 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 | -989 | 0 |
| Group comprehensive income | 0 | 0 | 0 | 0 | -989 | 0 |
| **Balance at 31.12.2011** | **7,506** | **15,805** | **231** | **8,416** | **-1,597** | **3,041** |
| | | | | | | |
| **Balance at 1.1.2012** | **7,506** | **15,805** | **231** | **8,416** | **-1,597** | **3,041** |
| Profit brought forward | 0 | 0 | 0 | 18,707 | 0 | 0 |
| Dividend paid | 0 | 0 | 0 | -3,682 | 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 | 67 | 0 |
| Group comprehensive income | 0 | 0 | 0 | 0 | 67 | 0 |
| **Balance at 30.6.2012** | **7,506** | **15,805** | **231** | **23,441** | **-1,530** | **3,041** |

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

| Income/expenses directly in equity from fully consolidation | recognised from at-equity consolidation | Net profit for the period | Total | Minority interests in equity in capital and reserves | in net profit for the period | Total | Group equity |
|---|---|---|---|---|---|---|---|
| **-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 | 7,863 | 554 | 0 | 554 | 8,417 |
| 0 | 0 | 0 | -2,057 | -1,427 | 0 | -1,427 | -3,484 |
| 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** |
| | | | | | | | |
| **-178** | **-93** | **10,740** | **44,860** | **3,449** | **1,975** | **5,424** | **50,284** |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | | 0 | 0 | 0 | 0 |
| 0 | 0 | 7,967 | 7,967 | 0 | 971 | 971 | 8,938 |
| 746 | -202 | 0 | -445 | 755 | 0 | 755 | 310 |
| 746 | -202 | 7,967 | 7,522 | 755 | 971 | 1,726 | 9,248 |
| **568** | **-295** | **18,707** | **52,382** | **4,204** | **2,946** | **7,150** | **59,532** |
| | | | | | | | |
| **568** | **-295** | **18,707** | **52,382** | **4,204** | **2,946** | **7,150** | **59,532** |
| 0 | 0 | -18,707 | 0 | 2,946 | -2,946 | 0 | 0 |
| 0 | 0 | 0 | -3,682 | -1,640 | 0 | -1,640 | -5,322 |
| 0 | 0 | 7,947 | 7,947 | 0 | 1,811 | 1,811 | 9,758 |
| 405 | 326 | 0 | 798 | 261 | 0 | 261 | 1,059 |
| 405 | 326 | 7,947 | 8,745 | 261 | 1,811 | 2,072 | 10,817 |
| **973** | **31** | **7,947** | **57,445** | **5,771** | **1,811** | **7,582** | **65,027** |

# Notes and segment information as at 30 June 2012

### 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, train formation and signalling systems, 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

On 2 January 2012 Pintsch Bamag Antriebs- und Verkehrstechnik GmbH, Dinslaken, acquired all of the shares of Rangier- und Signalspezialisten Tiefenbach GmbH, Sprockhövel. One related operation in the USA was also acquired at the same time and was incorporated into Pintsch Bamag US Inc. in Marion, Illinois (USA), a wholly owned subsidiary of Pintsch Bamag Antriebs- und Verkehrstechnik GmbH. The purchase price consideration amounted to € 7,850,000. Shunting equipment and signals specialist Tiefenbach GmbH changed its name to Pintsch Tiefenbach GmbH on 17 February 2012.
Pintsch Tiefenbach GmbH has established itself as one of the leading specialists for train formation and signalling systems. With this acquisition, PINTSCH BAMAG will be able to strengthen its existing market position as supplier of signalling equipment for main and secondary lines, both in Germany and abroad, and develop new markets for railway signalling technology, train formation systems and sensor technology. The complementary operations of the PINTSCH BAMAG Group and Pintsch Tiefenbach GmbH in the field of railway signal systems supplement each other ideally. By strengthening its market position as a manufacturer of process elements for signalling and safety systems, Pintsch Bamag will further consolidate its position as a component and sub-system supplier for railway companies. This business combination is therefore not only planned as a continuation of the various operations conducted by the individual entities to date; the new constellation will also open up new opportunities for expansion.

Both Pintsch Tiefenbach GmbH and Pintsch Bamag US Inc. are now fully consolidated. Compared to 31 December 2011, two fully consolidated companies have therefore been added to the group reporting entity.

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 2012 attributable to the acquisition of Pintsch Tiefenbach GmbH and its US operations are disclosed in the table below. In order to achieve better comparability, the amounts shown must be deducted from the items in the consolidated financial statements as at 31 March 2012 (or added in the case of negative figures).

Balance Sheet at 30 June 2012

| | €000 | | €000 |
|---|---|---|---|
| Intangible assets and property, plant and equipment | 1,807 | Revenue reserves including translation differences | 21 |
| Investments | 471 | Retained earnings | -730 |
| Deferred tax assets | 755 | Deferred tax liabilities | 222 |
| Inventories | 8,901 | Pension provisions | 8,716 |
| Trade accounts receivable | 5,039 | Other provisions | 3,851 |
| Other assets | 2,186 | Financial liabilities | 5,000 |
| Cash and cash equivalents | 1,053 | Trade accounts payable and other liabilities | 3,132 |
| | **20,212** | | **20,212** |

The following income statement shows the impact of the transaction on earnings for the period. In order to achieve better comparability, the preliminary amounts shown must be deducted from the corresponding line items in the consolidated income statement for the period ended 30 June 2012.

| **Income statement 1 January – 30 June 2012** | €000 | **Income statement 1 April – 30 June 2012** | €000 |
|---|---|---|---|
| Sales | 8,190 | Sales | 5,433 |
| Change in inventories | 774 | Change in inventories | -350 |
| Other operating income | -114 | Other operating income | -41 |
| Cost of materials | 3,634 | Cost of materials | 2,297 |
| Personnel expense | 4,348 | Personnel expense | 2,133 |
| Amortisation and depreciation | 157 | Amortisation and depreciation | 76 |
| Other operating expenses | 1,105 | Other operating expenses | 505 |
| Net interest result | 200 | Net interest result | 91 |
| Income taxes | 136 | Income taxes | 70 |
| Group net profit for the period | -730 | Group net profit for the period | -130 |

Positive fair value adjustments were identified in connection with technology-related intangible assets, the order-book and inventories. No negative fair value adjustments were identified. Goodwill also arose as a result of the business combination. The corresponding expenses are recognised in cost of materials and amortisation/depreciation and are not tax deductible. A corresponding deferred tax benefit worked in the opposite direction.

Based on figures that are still provisional, the acquisition had the following impact at the date of first-time full consolidation (1 January 2012):

| €000 | Carrying amounts at acquisition date | Adjust ments | Fair values at acquisition |
|---|---|---|---|
| Intangible assets and property, plant and equipment | 544 | 403 | 947 |
| Investments | 431 | | 431 |
| Deferred tax assets | 774 | | 774 |
| Inventories | 6,754 | 588 | 7,342 |
| Trade accounts receivable | 7,646 | | 7,646 |
| Other assets | 2,280 | | 2,280 |
| Cash and cash equivalents | 7,462 | | 7,462 |
| **Total assets acquired** | **25,891** | | **26,882** |
| | | | |
| Deferred tax liabilities | 0 | 297 | 297 |
| Pension provisions | 8,758 | | 8,758 |
| Other provisions | 4,401 | | 4,401 |
| Financial liabilities | 3,000 | | 3,000 |
| Trade accounts payable and other liabilities | 3,504 | | 3,504 |
| **Total liabilities acquired** | **19,663** | | **19,960** |
| Net assets acquired | | | 6,922 |
| | | | |
| Acquisition cost | | | 7,850 |
| **Goodwill** | | | **928** |

The gross amount of trade accounts receivable was € 7,967,000. Various changes were made compared to the first quarter due to new information available, including a reduction in pension provisions of € 367,000 and a corresponding reduction in deferred tax assets of € 43,000. This led to an increase in net assets acquired and a reduction of € 326,000 in goodwill.

## 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 | |
|---|---|---|---|---|
| | **30.06.2012** | **31.12.2011** | **1.1. bis 30.06.2012** | **1.1. bis 30.06.2011** |
| Chinese renminbi yuan | 7.9417 | 8.2339 | 8.1946 | 9.1758 |
| US dollar | 1.2577 | 1.2950 | 1.2978 | 1.4031 |
| British pound | 0.8054 | 0.8379 | 0.8230 | 0.8680 |
| New Turkish lire | 2.2988 | 2.4648 | 2.3386 | 2.2046 |
| Polish Zloty | 4.2570 | 4.4326 | 4.2439 | 3.9538 |

**ACCOUNTING PRINCIPLES AND POLICIES**

**Provisions**

Pension provisions are measured on the basis of values stated in the relevant actuarial reports for 2012, 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 2011 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. | 2012 | 2011 |
|---|---|---|
| Wages and salaries | 45,963 | 39,240 |
| Social security, pension and welfare expenses | 8,702 | 7,391 |
| | 54,665 | 46,631 |

### EMPLOYEES

| | 2012 | 2011 |
|---|---|---|
| Employees | 1,707 | 1,506 |

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 in the previous year included 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. | 2012 | 2011 |
|---|---|---|
| Other interest and similar income | 48 | 9 |
| (of which from affiliated companies) | (-) | (-) |
| Interest and similar expenses | - 2,536 | - 3,878 |
| (of which to affiliated companies) | (- 5) | (- 4) |
| | - 2,488 | - 3,869 |

Interest expenses include € 692,000 (1.1. – 30.06.2011: € 507,000) relating to the interest component of the allocation to the pension provision.

### INCOME TAXES

| in € 000 1.1. – 30.06. | 2012 | 2011 |
|---|---|---|
| Income tax expense | - 3,274 | - 2,531 |
| Deferred tax income (2010: – expense) | 663 | 221 |
| | - 2,611 | - 2,310 |

Deferred tax assets amounting to € 250,000 were recognised at 30 June 2012 on tax losses available for carryforward in Germany (31.12.2012: € 0).

# NOTES TO THE CONSOLIDATED BALANCE SHEET

## INTANGIBLE ASSETS, PLANT PROPERTY AND EQUIPMENT AND INVESTMENTS

The increase in intangible assets results primarily from the first-time consolidation of Pintsch Tiefenbach GmbH and Pintsch Bamag US Inc. (see comments in the section “Business combinations / Group reporting entity”).

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

## INVENTORIES

| in € 000 | 30.06.2012 | 31.12.2011 |
|---|---|---|
| Raw materials, consumables and supplies | **36,108** | **27,955** |
| Work in progress | **25,113** | **23,423** |
| Finished products, goods for resale | **14,373** | **9,383** |
| Advance payments to suppliers | **433** | **72** |
| | **76,027** | **60,833** |

During the period under report write-downs on inventories amounted to € 555,000 (2011: € 46,000) and reversals of write-downs amounted to € 4,000 (2011: € 12,000).

## RECEIVABLES AND OTHER ASSETS

| in € 000 | 30.06.2012 | 31.12.2011 |
|---|---|---|
| Trade accounts receivable | **68,595** | **47,830** |
| Receivables from affiliated companies | **3,484** | **2,959** |
| Receivables from associated companies | **637** | **571** |
| Income tax receivables | **0** | **242** |
| Positive fair values of derivative instruments | **0** | **58** |
| Other assets | **5,844** | **4,015** |
| | **78,560** | **55,675** |

Allowances on trade accounts receivable amount to € 2,927,000 (31 December 2011: €2,282,000). Write-downs amounting to €465,000 (January – June 2011: €489,000) and reversals of write-downs amounting to €19,000 (January – June 2011: €22,000) were recorded against receivables and other assets.

## CASH AND CASH EQUIVALENTS

| in € 000 | 30.06.2012 | 31.12.2011 |
|---|---|---|
| Cheques and cash on hand | **53** | **30** |
| Cash at bank | **7,285** | **12,697** |
| | **7,338** | **12,727** |

## CHANGES IN GROUP EQUITY

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 | 30.06.2012 | 31.12.2011 |
|---|---|---|
| **Non-current provisions** | | |
| Pension provision | **26,745** | **18,504** |
| Personnel-related accruals | 3,662 | 3,578 |
| Warranties | 341 | 334 |
| Other non-current provisions | **4,003** | **3,912** |
| | **30,748** | **22,416** |
| **Current provisions** | | |
| Personnel-related accruals | **3,947** | **5,676** |
| Current tax | 3,342 | 2,892 |
| Warranties | 7,373 | 4,899 |
| Outstanding costs and material | 8,125 | 5,862 |
| Other provisions | 2,468 | 2,464 |
| Other current provisions | **21,308** | **16,117** |
| | **25,255** | **21,793** |
| Total provisions | **56,003** | **44,209** |

## LIABILITIES

| in € 000 | | 30.06.2012 | 31.12.2011 |
|---|---|---|---|
| **Non-current liabilities** | | | |
| Liabilities to banks | 46,592 | | 33,145 |
| Other financial liabilities | 3,476 | | 3,555 |
| Financial liabilities | | **50,068** | **36,700** |
| Other liabilities | | **10** | **10** |
| | | **50,078** | **36,710** |
| **Current liabilities** | | | |
| Current income tax liabilities | | **409** | **561** |
| Liabilities to banks | 6,498 | | 6,970 |
| Other financial liabilities | 3,155 | | 150 |
| Financial liabilities | | **9,653** | **7,120** |
| Trade accounts payable | | **21,749** | **20,023** |
| Advance payments received | | **14,767** | **16,823** |
| Payables to affiliated companies | 270 | | 724 |
| Liabilities to other group entities | 113 | | 473 |
| Negative fair values of derivatives | 2,636 | | 2,499 |
| Sundry other liabilities | 16,686 | | 11,261 |
| Other liabilities | | **19,705** | **14,957** |
| | | **66,283** | **59,484** |
| Total liabilities | | **116,361** | **96,194** |

## PRODUCT-BASED SEGMENT INFORMATION

| in € 000<br>1.1. – 30.06. | Mobile Transportation Technology 2012 | Mobile Transportation Technology 2011 | Stationary Transportation Technology 2012 | Stationary Transportation Technology 2011 |
|---|---|---|---|---|
| Order-intake (external) | 69,572 | 76,406 | 78,380 | 57,109 |
| Sales | 60,678 | 59,766 | 63,902 | 47,620 |
| - of which external | 59,964 | 59,766 | 63,820 | 47,175 |
| - of which with other segment | 714 | 0 | 82 | 445 |
| External order-book | 111,352 | 106,125 | 84,853 | 53,978 |
| EBITDA | 3,975 | 4,268 | 4,824 | 4,484 |
| Result from operating activities (EBIT) | 3,157 | 3,451 | 3,696 | 3,636 |
| Result from at-equity accounted investments | 914 | 850 | 0 | 0 |
| Other results from investments | 0 | 679 | 0 | -400 |
| Interest income | 46 | 72 | 114 | 95 |
| Interest expense | -243 | -357 | -1,179 | -760 |
| Income taxes | -149 | -112 | -143 | 1 |
| Segment result / Group result | 3,725 | 4,583 | 2,488 | 2,572 |
| Changes in group reporting entity | 0 | 0 | 2,306 | 0 |
| Capital expenditure on investments | 235 | 901 | 41 | 1,163 |
| Impairment losses on investments | 0 | 0 | 0 | -400 |
| Capital expenditure [1)] | 533 | 854 | 1,583 | 1,360 |
| Amortisation and depreciation [1)] | -818 | -817 | -1,128 | -848 |
| Impairment losses | 0 | 0 | -139 | 0 |
| Reversal of impairment losses | 0 | 0 | 0 | 0 |
| Other significant non-cash expenses | -1,813 | -2,074 | -3,540 | -2,284 |
| Segment assets [2)] | 65,433 | 60,217 | 107,651 | 74,738 |
| Investments accounted for at-equity | 7,587 | 5,366 | 0 | 0 |
| Capital employed [3)] | 52,169 | 47,078 | 70,295 | 51,956 |
| Segment liabilities [4)] | 29,899 | 31,276 | 84,961 | 55,037 |
| Employees (average as per HGB) | 503 | 478 | 620 | 475 |
| EBIT margin [5)] | 5.3 % | 5,8 % | 5.8 % | 7,7 % |
| Return on capital employed [6)] | 12.1 % | 14,7 % | 10.5 % | 14,0 % |

*1) = in / on intangible assets and property, plant and equipment
*2) = Balance sheet total
*3) = Working capital (inventories + trade accounts receivable – advance payments received – trade accounts payable) plus non-current assets excluding deferred tax assets
*4) = Liabilities
*5) = EBIT / external sales
*6) = EBIT / capital employed (EBIT extrapolated to annual amount)

| Components | | Sub-total | | Holding, Reconciling items | | Schaltbau Group | |
|---|---|---|---|---|---|---|---|
| 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| 53,805 | 58,808 | 201,757 | 192,323 | 49 | 52 | 201,806 | 192,375 |
| 52,552 | 49,046 | 177,132 | 156,432 | -1,022 | -634 | | |
| 52,277 | 48,805 | 176,061 | 155,746 | 49 | 52 | 176,110 | 155,798 |
| 275 | 241 | 1,071 | 686 | -1,071 | -686 | | |
| 48,126 | 49,931 | 244,331 | 210,034 | | | 244,331 | 210,034 |
| 11,462 | 12,293 | 20,261 | 21,045 | -2,777 | -1,904 | 17,484 | 19,141 |
| 10,127 | 11,006 | 16,980 | 18,093 | -3,037 | -2,152 | 13,943 | 15,941 |
| 0 | 0 | 914 | 850 | 0 | 0 | 914 | 850 |
| 0 | 1,680 | 0 | 1,959 | 0 | 144 | 0 | 2,103 |
| 50 | 20 | 210 | 187 | -162 | -178 | 48 | 9 |
| -927 | -892 | -2,349 | -2,009 | -187 | -1,869 | -2,536 | -3,878 |
| -1,592 | -1,225 | -1,884 | -1,336 | -727 | -974 | -2,611 | -2,310 |
| 7,658 | 10,589 | 13,871 | 17,744 | -4,113 | -5,029 | 9,758 | 12,715 |
| 0 | 4,601 | 2,306 | 4,601 | 0 | 0 | 2,306 | 4,601 |
| 0 | 0 | 276 | 2,064 | 0 | 0 | 276 | 2,064 |
| 0 | 0 | 0 | -400 | 0 | 0 | 0 | -400 |
| 1,118 | 763 | 3,234 | 2,977 | 44 | 37 | 3,278 | 3,014 |
| -1,335 | -1,287 | -3,281 | -2,952 | -260 | -247 | -3,541 | -3,199 |
| -880 | -535 | -1,019 | -535 | 0 | 0 | -1,019 | -535 |
| 23 | 19 | 23 | 19 | 0 | 0 | 23 | 19 |
| -2,599 | -5,001 | -7,952 | -9,359 | -1,900 | -2,613 | -9,852 | -11,972 |
| 95,995 | 86,638 | 269,079 | 221,593 | -17,698 | -13,791 | 251,381 | 207,802 |
| 0 | 0 | 7,587 | 5,366 | 0 | 0 | 7,587 | 5,366 |
| 76,753 | 70,519 | 199,217 | 169,553 | -13,462 | -13,299 | 185,755 | 156,254 |
| 58,958 | 54,096 | 173,818 | 140,409 | 12,536 | 17,110 | 186,354 | 157,519 |
| 565 | 534 | 1,688 | 1,487 | 19 | 19 | 1,707 | 1,506 |
| 19.4 % | 22.6 % | | | | | 7.9 % | 10.2 % |
| 26.4 % | 31.2 % | | | | | 15.0 % | 20.4 % |

The Stationary Transportation Technology segment includes the acquired entities Pintsch Tiefenbach GmbH and Pintsch Bamag US Inc. For further information relating to the impact of these acquisitions, we refer to the disclosures made in the section “Business combinations / Group reporting entity“.

| in € 000<br>**1.4. – 30.06.** | **Mobile Transportation Technology** | | **Stationary Transportation Technology** | |
|---|---|---|---|---|
| | **2012** | **2011** | **2012** | **2011** |
| Order-intake (external) | 33,491 | 37,644 | 35,623 | 28,309 |
| Sales | 30,763 | 30,617 | 35,536 | 26,676 |
| - of which external | 30,049 | 30,617 | 35,514 | 26,551 |
| - of which with other segment | 714 | 0 | 22 | 125 |
| External order-book | 111,352 | 106,125 | 84,853 | 53,978 |
| EBITDA | 1,960 | 2,228 | 3,347 | 2,951 |
| Result from operating activities (EBIT) | 1,545 | 1,797 | 2,784 | 2,530 |
| Result from at-equity accounted investments | 395 | 539 | 0 | 0 |
| Other results from investments | 0 | 95 | 0 | 0 |
| Interest income | 17 | 28 | 64 | 41 |
| Interest expense | -124 | -173 | -603 | -386 |
| Income taxes | -96 | -54 | -56 | -40 |
| Segment result / Group result | 1,737 | 2,232 | 2,189 | 2,145 |
| Changes in group reporting entity | 0 | 0 | -353 | 0 |
| Capital expenditure on investments | 135 | 249 | 0 | 730 |
| Impairment losses on investments | 0 | 0 | 0 | 0 |
| Capital expenditure [1)] | 266 | 479 | 868 | 629 |
| Amortisation and depreciation [1)] | -415 | -431 | -563 | -421 |
| Impairment losses | 0 | 0 | 0 | 0 |
| Reversal of impairment losses | 0 | 0 | 0 | 0 |
| Other significant non-cash expenses | -295 | -501 | -1,230 | 0 |
| Segment assets [2)] | 65,433 | 60,217 | 107,651 | 74,738 |
| Investments accounted for at-equity | 7,587 | 5,366 | 0 | 0 |
| Capital employed [3)] | 52,169 | 47,078 | 70,295 | 51,956 |
| Segment liabilities [4)] | 29,899 | 31,276 | 84,961 | 55,037 |
| Employees (average as per HGB) | 503 | 478 | 620 | 475 |
| EBIT margin [5)] | 5.1 % | 5.9 % | 7.8 % | 9.5 % |
| Return on capital employed [6)] | 11.8 % | 15.3 % | 15.8 % | 19.5 % |

*1) = in / on intangible assets and property, plant and equipment
*2) = Balance sheet total
*3) = Working capital (inventories + trade accounts receivable – advance payments received – trade accounts payable) plus non-current assets excluding deferred tax assets
*4) = Liabilities
*5) = EBIT / external sales
*6) = EBIT / capital employed (EBIT extrapolated to annual amount)

| Components | | Sub-total | | Holding, Reconciling items | | Schaltbau Group | |
|---|---|---|---|---|---|---|---|
| **2012** | **2011** | **2012** | **2011** | **2012** | **2011** | **2012** | **2011** |
| 27,140 | 25,296 | 96,254 | 91,249 | 25 | 23 | 96,279 | 91,272 |
| 25,994 | 24,628 | 92,293 | 81,921 | 876 | 236 | | |
| 25,830 | 24,494 | 91,393 | 81,662 | 24 | 23 | 91,417 | 81,685 |
| 164 | 134 | 900 | 259 | -900 | -259 | | |
| 48,126 | 49,931 | 244,331 | 210,034 | | | 244,331 | 210,034 |
| 5,404 | 6,238 | 10,711 | 11,417 | -1,539 | -1,058 | 9,172 | 10,359 |
| 4,733 | 5,588 | 9,062 | 9,915 | -1,670 | -1,185 | 7,392 | 8,730 |
| 0 | 0 | 395 | 539 | 0 | 0 | 395 | 539 |
| 0 | -240 | 0 | -145 | 0 | 144 | 0 | -1 |
| 28 | 17 | 109 | 86 | -101 | -80 | 8 | 6 |
| -460 | -447 | -1,187 | -1,006 | -59 | -1,414 | -1,246 | -2,420 |
| -739 | -512 | -891 | -606 | -368 | -598 | -1,259 | -1,204 |
| 3,562 | 4,406 | 7,488 | 8,783 | -2,198 | -3,133 | 5,290 | 5,650 |
| 0 | 0 | -353 | 0 | 0 | 0 | -353 | 0 |
| 0 | 0 | 135 | 979 | 0 | -1 | 135 | 978 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 777 | 404 | 1,911 | 1,512 | -1 | 28 | 1,910 | 1,540 |
| -671 | -650 | -1,649 | -1,502 | -131 | -127 | -1,780 | -1,629 |
| -880 | -321 | -880 | -321 | 0 | 0 | -880 | -321 |
| 23 | 12 | 23 | 12 | 0 | 0 | 23 | 12 |
| -1,315 | -657 | -2,840 | -1,158 | -803 | -1,270 | -3,643 | -2,428 |
| 95,995 | 86,638 | 269,079 | 221,593 | -17,698 | -13,791 | 251,381 | 207,802 |
| 0 | 0 | 7,587 | 5,366 | 0 | 0 | 7,587 | 5,366 |
| 76,753 | 70,519 | 199,217 | 169,553 | -13,462 | -13,299 | 185,755 | 156,254 |
| 58,958 | 54,096 | 173,818 | 140,409 | 12,536 | 17,110 | 186,354 | 157,519 |
| 565 | 534 | 1,688 | 1,487 | 19 | 19 | 1,707 | 1,506 |
| 18.3 % | 22.8 % | | | | | 8.1 % | 10.7% |
| 24.7 % | 31.7 % | | | | | 15.9 % | 22.3 % |

The Stationary Transportation Technology segment includes the acquired entities Pintsch Tiefenbach GmbH and Pintsch Bamag US Inc. For further information relating to the impact of these acquisitions, we refer to the disclosures made in the section “Business combinations / Group reporting entity“.

## OTHER DISCLOSURES

### Contingent liabilities and other financial commitments

| in € 000 | 30.06.2012 | 31.12.2011 |
|---|---|---|
| **Other financial obligations** | | |
| Rental and lease expenses | 10,777 | 9,454 |
| Other commitments | 2,152 | 1,275 |

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.-30.6.2012 € 000** | **1.1.-30.6.2011 € 000** | **1.1.-30.6.2012 € 000** | **1.1.-30.6.2011 € 000** |
| Associated companies | | | | |
| goods and services | 1,897 | 1,589 | 2,677 | 2,424 |
| other relationships | - | - | - | - |
| Non-consolidated companies | | | | |
| goods and services | 2,824 | 2,447 | 813 | 807 |
| other relationships | - | - | 66 | 69 |

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 | |
|---|---|---|---|---|
| | **30.06.2012** | **31.12.2011** | **30.06.2012** | **31.12.2011** |
| | **€ 000** | **€ 000** | **€ 000** | **€ 000** |
| Associated companies | 637 | 571 | 113 | 473 |
| Non-consolidated companies | 3,484 | 2,959 | 270 | 724 |

**EVENTS AFTER THE REPORTING PERIOD**

As part of an asset deal, from 1 September 2012 the Kassel-based company Gebr. Bode GmbH & Co. KG will take business of Werner Kircher, Elektro- und Feinmechanischer Gerätebau, a company based in Ahnatal. A purchase agreement has been signed at 23rd of July and the takeover is now only subject to the fulfilment of legal contractual obligations. The company will be transferred to the newly formed Bode subsidiary Bode Zustiegssysteme GmbH. Over the last few years, Werner Kircher has forged itself an excellent reputation as a manufacturer of boarding systems and their components. In 2011 the company reported sales in the region of € 7.5 million with a workforce of around 60 employees.

With the acquisition of Werner Kircher, the Bode Group is bolstering its own core competence as a full-range provider of door and boarding systems. The takeover not only provides Bode with access to product-specific manufacturing processes, but also to the entire value-added chain for boarding systems. In the medium term Bode plans to expand this particular field of business.

It was not possible to make disclosures required in accordance with IFRS 3 at the time the Interim Group Financial Statements were approved. The necessary data is in the process of being fully collated. The information is expected to be available by the end of the current fiscal year.

Munich, 27 July 2012

Schaltbau Holding AG
The Executive Board

Dr. Jürgen Cammann

Dirk Löchner

## 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 profi.t 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 2012

Schaltbau Holding AG
The Executive Board

Dr. Jürgen Cammann	Dirk Löchner

## Comment on unaudited status

The Interim Consolidated Financial Statements and Interim Group Management Report as at 30 June 2012 have neither been audited in accordance with § 317 HGB nor subject to a limited review by the group auditor.

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