



HALF-YEARLY FINANCIAL REPORT
AS AT 30 JUNE 2009

Schaltbau Group Key Financial Figures for the period ended 30 June

Group key financial figures		1st half of 2009	1st half of 2008	2nd quarter 2009	2nd quarter 2008
Order situation					
Order-intake	€ m.	140.4	151.6	61.1	69.1
Order-book	€ m.	179.7	192.1	179.7	192.1
Income statement					
Sales	€ m.	142.5	140.1	69.9	75.0
Total output	€ m.	136.1	142.9	64.5	76.2
Profit from operating activities (EBIT)	€ m.	11.4	12.9	5.3	7.4
EBIT margin	%	8.0	9.2	7.6	9.8
Group net profit for the period	€ m.	8.0	9.1	3.7	5.6
Profit attr. to shareholders of the AG	€ m.	7.0	8.4	3.4	5.3
Return on capital employed	%	17.4	21.0	16.2	24.1
Balance sheet					
Fixed Assets	€ m.	60.0	59.5	60.0	59.5
Working capital	€ m.	71.2	62.7	71.2	62.7
Capital employed	€ m.	131.2	122.2	131.2	122.2
Group equity	€ m.	14.4	5.1	14.4	5.1
Net bank liabilities	€ m.	48.8	52.4	48.8	52.4
Balance sheet total	€ m.	172.0	179.2	172.0	179.2
Personnel					
Employees at end of reporting period	Number	1,592	1,534	1,592	1,534
Personnel expense	€ m.	41.5	39.5	20.5	20.0
Personnel expense per employee	€ 000	57.7	57.4	57.0	58.2
Total output per employee	€ 000	189.4	208.0	179.6	221.9
Earnings per share					
Earnings per share (undiluted)	€	3.76	4.51	1.80	2.83
Earnings per share (diluted)	€	3.51	4.19	1.68	2.51

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Dear shareholders,

After what can only be described as a catastrophic first quarter 2009 for the world economy, things are meanwhile beginning to look up. Developments on the world's stock markets also imply the expectation that the crisis could well be overcome in a shorter space of time than generally thought in the spring. The price rises are partly based on the predictions of experts, who assess the extent of the crisis as less grave than had previously been assumed.

In our opinion, however, it would be very risky to interpret these signs as an all-clear signal for the Schaltbau Group. The situation in Germany's key industries, both the mechanical engineering and the automotive industry, continues to be extremely tense. After a drastic fall of 42 per cent in the first three months of the current year, the order-intake volume for the engineering industry even fell by 51 per cent in the second quarter compared to last year's figures. The commercial vehicles industry is still in a precarious position and no one knows how demand for passenger cars will develop after the scrappage bonus period has expired.

In the field of industry, the capacity crunch has been so strongly felt in some cases that shorter working hours alone will soon no longer be sufficient to compensate. In autumn there could well be an initial wave of redundancies, possibly exacerbated by a drastic increase in the number of insolvencies. Both of these factors are likely to fuel the feeling of insecurity, particularly among private consumers, who have only marginally been deterred by the crisis up to this point. Thus we remain of the opinion that the industrial sector will only show sustainable signs of tangible recovery towards the middle of 2010.

The current negative impact on business with our products for industrial applications does not, therefore, come as a surprise. The volume of incoming orders for deliveries in the field of logistics has particularly suffered from the downturn in world trade. On the other hand we were able to profit from our activities in the railway sector due to our strengthened competitive position in a stable business environment. The strategic orientation of the Schaltbau Group is proving to be the right one, especially in times of crisis such as those which we are currently experiencing.

For this reason we continue to assess our prospects for the future as positive. The price of oil will rise with its increasing scarcity. The cost of individual transportation is constantly growing. This will provide additional impetus for our key customers. At the same time, the mobility of the population and the worldwide trading of goods will also continue to grow in the long term. For these reasons, some quick re-thinking is absolutely necessary to ensure the efficient and ecologically sustainable transportation of both goods and people for the future.

High-ranking representatives of the railway industry and European transportation policymakers are also of the same opinion. They even advocated using the current economic crisis as an opportunity to introduce an about-turn in transportation policies to foster increased sustainability, energy efficiency and environmental compatibility.

That could mean a relocation of goods traffic to environmentally friendly railway systems, just as it is already being practiced in Switzerland where the transportation of all goods over distances of more than 50 kilometres must be done by rail. A trend of this nature, which makes both ecological and economic sense when seen in the long term, will, in our opinion, surely lead to a new way of thinking worldwide and would be an additional driving force both for our main customers and for the Schaltbau Group. In the short to medium term we will additionally benefit from the economic stimulus package already adopted, under the terms of which investment programmes to strengthen the railway infrastructure have been approved that have only had a minor impact on demand so far.

With a view to the growth we predict in the time to come, we deliberately strengthened our workforce to include a greater number of qualified employees in the course of 2008. The strategy resulted in increased personnel expenditure during the first six months of 2009, which we see as a wise investment in future growth. We now wish to make the most of the opportunity and continually improve on our competitive edge, while keeping a close eye on the costs. In areas of significant revenue losses, programmes to reduce personnel and material costs were consistently implemented during the first and second quarters of the current year.

Our Group will continue to pave the way towards mastering the crisis and improving its market position throughout the course of 2009. This groundwork is crucial for the business activity which will blossom from mid-2010. We are currently stabilising the Group on a solid economic and financial foundation from which we will be able to grow our business with great flexibility.

Yours faithfully,

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by several sweeping, connected strokes that form a cursive signature.

Dr. Jürgen H. Cammann

Spokesman of the Executive Board

Group Interim Management Statement

The Schaltbau Group performed as expected in the first half of 2009 in the face of a highly difficult economic environment. Order intake achieved a good level. Sales were slightly up on those for the same period the previous year. The Group net profit achieved in the first six months of the year again made it possible to raise the equity ratio, thereby improving the balance sheet structure.

Major events during the first half of 2009

In order to meet the growing market need for transparency, segment reporting within the Schaltbau Group was restructured with effect from 1 January 2009. Thus the Group is also taking IFRS 8 requirements into account at the same time. Unlike the previous year, for the first time the Group interim report for the first half of 2009 now divides the Group's business operations into three segments, one for each of the operational companies respectively.

The change only affects the Mobile Transportation Technology segment, which has been divided into two separate segments. The business field Components has been fully detached from the segment and is now being reported on as a separate segment. The business field Door Systems, represented by the Bode Group, remains within the Mobile Transportation Technology segment. It consists of the product groups Door Systems for Railway Vehicles, Door Systems for Buses and Fittings for Sliding Vehicle Doors. The new Components segment comprises the business field Electromechanical Components, the products of which are manufactured and sold by the Schaltbau GmbH Group. The product groups within this business field are Connectors, Switches, Contactors and Control Devices for Rolling Stock.

The Stationary Transportation Technology segment continues to consist of the two business fields Rail Infrastructure (Pintsch Bamag) and Brake Systems (Pintsch Bubenzer). Restructuring has also been carried out within this segment. After the integration of the Pintsch Bamag brakes business in the Pintsch Bubenzer Group was largely completed last year, the organisation of this business field has been fully assigned to Pintsch Bubenzer since 1 January 2009.

Business environment

The world economic downturn, which led to double-digit losses in many cases during the first three months of 2009, is assessed by economists as having slowed during the second quarter. A solid basis, however, does not yet appear to have been reached. This fact is borne out by the drastic cuts experienced in a number of industries. According to the Association of the German Automotive Industry (VDA), German carmakers were faced with a 67 per cent decline in the production of commercial vehicles in the second quarter 2009. Thus the 54 per cent drop seen in the first three months of the year deteriorated even further. Developments in the German mechanical engineering industry were similarly dramatic. After a 42 per cent slump in the three months up to March 2009, order-intake figures again fell by 51 per cent in the second quarter.

The situation in some sections of markets relevant for the Schaltbau Group became increasingly tense during the second quarter of 2009 after the unfavourable macroeconomic situation had hardly affected business performance in the first three months of the period under report. In the Mobile Transportation Technology segment the impact of the financial and economic crisis was clearly perceptible in the bus and sliding vehicle doors areas. Bode, by contrast, registered brisk demand in most areas of the railway vehicles sector. The establishing of product innovations on the strategically significant new platforms of major railway vehicle manufacturers continued to bear fruit in this respect.

The business environment in the Stationary Transportation Technology segment hardly changed during the first half of 2009. The comprehensive measures determined in conjunction with the German government's economic stimulus package to maintain and improve railway infrastructure have, till now, been very slow to take effect. The planning phase is taking much longer than expected and this in turn affects the awarding of contracts in this field. Demand in the areas of railway vehicle equipment and warning technology remained largely stable throughout the period under report. After a good first quarter 2009 for Pintsch Bubenzer's business field Brake Systems, market volume declined considerably in the months that followed. The wind power sector continues to show great promise as a market of the future.

In the Components segment, Schaltbau GmbH looks back at the first half of 2009 as a period of overall stable demand for railway components worldwide. The rapid implementation of the economic stimulus programme in China is having a positive impact. In contrast, however, demand from Russia and Eastern Europe was below average due to the insufficient liquidity situation and the serious currency fluctuations caused by the crisis, which had a heavy impact in some cases. Considerably lower demand from a number of major industries caused business in the field of industrial applications to decrease significantly.

Order situation

Despite the extremely difficult business conditions already mentioned, the order situation in the Schaltbau Group behaved largely as expected during the first half of 2009. With order-intake figures of €61.1 million in the second quarter (Q2 2008: €69.1 million), the impact of the unfavourable economic environment was, however, far more noticeable than at the beginning of the year as figures of €79.3 million were recorded in the first three months (Q1 2008: €82.5 million). Order intake totalled €140.4 million during the period under report. The figure is approximately 7 per cent lower than the very high amount of €151.6 million recorded one year earlier.

In the **Mobile Transportation Technology** segment the Bode Group was able to increase its total order intake during the period under report. The growth is exclusively attributable to the product

group Door Systems for Railway Vehicles, which was awarded two major contracts in the first two months of the period under report. The good level of the previous year was largely maintained in the second quarter. In contrast, however, the volume of incoming orders for the two product groups Door Systems for Buses and Fittings for Sliding Vehicle Doors sank considerably. The order situation did, however, stabilise at a low level during the months of May and June.

The **Stationary Transportation Technology** segment did not live up to expectations during the six-month period under report. In the Pintsch Bamag business field Rail Infrastructure, in the second quarter there were again delays in the implementation of railway projects due to prolonged planning phases, although they are ultimately backed by government investment programmes. Despite the fact that a small volume of work resulting from ongoing contracts was carried out, large-scale orders for equipment were, however, not forthcoming. In the business field Brake Systems operated by the Pintsch Bubenzer Group, performance worsened considerably in the second quarter owing to instable financing for several projects and project delays resulting from the drastic decline in the volume of containers being handled.

Characterised by the continuing weakness in industrial business, in the **Components** segment Schaltbau GmbH was faced with a significant reduction in the volume of incoming orders. The weak order situation seen in the first three months of 2009 in various fields of industry continued on into the second quarter. By contrast, demand from the railway industry remained largely stable. The Chinese joint venture in Xian displayed a pleasing growth rate, particularly in the second quarter.

The Schaltbau Group order book again stood at a high level with a total of € 179.7 million on 30 June 2009. The figure represents a decrease of approximately 6 per cent compared to the same period one year earlier.

Sales

Based on good order book figures, the Schaltbau Group was successful in increasing its sales revenues during the first half of 2009. At € 142.5 million, revenues surpassed last year's figure of € 140.1 million by approximately 2%.

In the **Mobile Transportation Technology** segment, sales figures recorded by the Bode Group for the first six months of 2009 were up on those of the previous year. The positive performance was primarily sustained by the product group Door Systems for Railway Vehicles, which grew strongly throughout the period as a result of the good order situation. In contrast, sales for the two product groups Door Systems for Buses and Fittings for Sliding Vehicle Doors were considerably lower due to the weak business environment.

In the **Stationary Transportation Technology** segment Pintsch Bamag recorded a slight drop in sales as a result of continued delays in the awarding of railway projects. Sales of industrial brake systems, however, remained stable, although the second quarter displayed a certain loss of dynamism.

In the **Components** segment, Schaltbau GmbH started the current year with a well filled order book and was thus partially able to compensate for the negative impact of the strong decline in incoming orders from the industrial sector in the first half of the year. Xian continued to perform dynamically and again achieved strong growth in sales revenues.

Group earnings performance

The earnings performance of the Schaltbau Group in the first half of 2009 was influenced by changes in inventories of finished products and work in progress, which were considerably reduced, particularly in the second quarter of the year. The measures designed to reduce inventories had a positive effect. Thus total output fell by 5 per cent to € 136.1 million. With a view to the growth expected in the future, since 2008 the Group has been bolstering its human resources in specific areas. Increased personnel expenditure is also partly attributable to wage rises and personnel costs relating to the first-time consolidation of Schaltbau Machine Electrics amounting to €572 thousand. Material costs decreased greatly in contrast, owing to favourable price developments on raw materials markets. On balance, earnings from operating activities (EBIT) dropped from € 12.9 million in the first six months of last year to € 11.4 million in the period under report. Relating to sales revenues for the first half of the year, the EBIT margin sank to 8.0 percentage points (previous year: 9.2%).

Group net profit for the first six months decreased from €9.1 million last year to €8.0 million in 2009. The profit attributable to shareholders of Schaltbau Holding AG dropped from €8.4 million to €7.0 million for the period. Earnings per share (undiluted) amounted to €3.76 as compared to €4.51 for the first six months of 2008. Diluted earnings per share – taking the complete conversion of the convertible bonds to the maximum possible number of shares and the resulting interest savings into account – amounted to €3.51 (last year: €4.19).

The earnings situation in the **Mobile Transportation Technology** segment improved slightly on that of the previous year, despite the economic crisis. On one hand pleasing market developments in the railway vehicles field led to sales performance surpassing expectations. On the other hand profit margins were improved by means of in-house measures designed to raise productivity as well as value analyses and standardisations. As a result of these factors, EBIT for the segment rose from €2.0 million last year to €2.8 million for the period under report. The EBIT margin stood at 5 per cent after registering 3.9 per cent one year earlier.

The **Stationary Transportation Technology** segment recorded EBIT of € 5.5 million (previous year: € 6.9 million). Thus the EBIT margin decreased from 12.8 per cent to 10.5 per cent. The decline in sales revenues, the conscious reduction in inventories and the strategic recruitment of personnel all had an impact on this result.

In the **Components** segment the measures introduced by the Schaltbau GmbH Group at the beginning of 2009 to stabilise earnings started to bear fruit, but the reduced level of sales revenues at Schaltbau GmbH made it impossible to match the earnings figures of the previous year. Integration costs and a considerable decline in sales revenues on the part of the newly consolidated Schaltbau Machine Electrics led to a negative result for the company in a difficult industrial market environment. Xian in China continued to show a very pleasing earnings performance. EBIT for the segment totalled € 5.0 million after recording € 5.9 million for the same period the previous year. The EBIT margin continues to stand at a high level of 14.0 per cent (last year: 17.1 per cent).

Group financial and net assets position

As a result of its continued good earnings performance, the Schaltbau Group again improved its equity base in the first half of 2009. Equity stood at € 14.4 million on 30 June 2009 and therefore € 5.8 million higher than the total recorded on 31 December 2008. Based on this foundation and with an almost unchanged balance sheet total of € 172.0 million, the equity ratio stood at 8.4 per cent. Including participation rights capital, which is similar in nature to equity, the equity ratio stands at 12.4 per cent.

There were no significant changes in the assets and liabilities structure of the Schaltbau Group, with non-current assets (excluding deferred tax assets) accounting for 35.0 per cent of the balance sheet total (31 December 2008: 36.0 per cent). The rise in sales revenues and an orders-related decrease in advance payments led to an increase in working capital from € 52.2 million at 31 December 2008 to an amount of € 71.2 million at the end of the period under report.

These factors caused the amount of capital employed to rise from € 112.6 million to € 131.2 million at a largely constant level of fixed assets. The ROCE therefore now stands at 17.4 per cent (last year: 21.0 per cent).

Group net bank liabilities totalled € 48.8 million on 30 June 2009 (30 June 2008: € 52.4 million) and have increased by € 11.1 million since the end of 2008, due to the amount of working capital to be financed. Investments in property, plant and equipment and intangible assets amounted to € 3.2 million, thereby exceeding depreciation of € 3.1 million.

Purchasing

In the wake of the significantly lower volume of world trade, the situation on procurement markets during the first six months of 2009 was far more relaxed than in the previous year. The prices of some raw materials made of steel and stainless steel as well as aluminium fell sharply during the period under report. After starting the year at very low prices, copper, brass and precious metals have all become more expensive but have generally remained below price levels seen halfway through 2008. In some cases the Schaltbau Group was able to arrange framework agreements to ensure low prices in the medium term.

Oil-dependent working materials such as rubber and plastic, however, hardly profited from the lower prices of crude oil. The prices for these commodities persist at a high level.

As a result of the lower demand there were no supply bottlenecks worth mentioning during the six months under report. However, delivery times only became slightly shorter because many suppliers reacted to the market situation by introducing shorter working hours.

Significant events occurring after 30 June 2009

No events of particular significance have taken place since the end of the first half of 2009.

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 2008.

Forecasts and other statements regarding anticipated development

In the second half of 2009 the world economy is not expected to contract as strongly as it did during the first six months and is predicted to stabilise at a somewhat lower level. The first signs of a slight recovery are likely to emerge in Asia in the last quarter of the year. Nevertheless, the situation still remains very fragile. Risks related to future economic growth are therefore still high. The outlook for the Schaltbau Group, however, remains optimistic.

The railway sector continues to be of outstanding significance and this area is predicted to benefit from the numerous government investment programmes designed to stimulate the economy. Internationally, the level of investment remains high for both railway infrastructure and trains. On the other hand, there is still a high degree of insecurity regarding further economic development in the various fields of industrial applications. The companies of the Schaltbau Group are meeting the challenge with innovative new products and various focused measures to reduce costs.

The Schaltbau Group abides by its earnings forecast for the fiscal year 2009. The levels of order intake and sales revenue are still largely expected to maintain the previous year's volume of approximately €280 million respectively. If the predicted level of incoming orders cannot be fully

realised, the Schaltbau Group is prepared for any possible recession scenarios. Any measures taken will be able to compensate for single-digit reductions in sales. Assuming that markets relevant for the Schaltbau Group do not suffer massive contraction in the further course of 2009, the Group abides by its prediction of earnings per share in the region of €6.20.

Long-term trends speak in favour of Schaltbau. The price of oil will increase as the product gradually becomes more scarce. The cost of individual transportation is constantly becoming more expensive. Furthermore, urbanisation and thus the demand for local public transportation is growing all the time. At the same time, the mobility needs of the population and the worldwide trading of goods will also continue to grow. For this reason, the efficient and ecologically sustainable transportation of both goods and people is absolutely necessary and a major transfer of transportation methods to climate-friendly railway systems appears to be unavoidable. A trend of this nature would also give the Schaltbau Group considerable impetus.

Significant transactions with associated companies and persons

Information available in the Notes.

Condensed Interim Consolidated Financial Statements as at 30 June 2009

Consolidated Income Statement for the first half of 2009

€000	1.1.-30.06.2009	1.1.-30.06.2008
1. Sales	142,503	140,138
2. Change in inventories of finished and work in progress	-6,843	2,391
3. Own work capitalised	454	378
4. Total output	136,114	142,907
5. Other operating income	1,769	548
6. Cost of materials	68,041	74,868
7. Personnel expense	41,462	39,454
8. Amortisation and depreciation	3,062	2,784
9. Other operating expenses	13,935	13,496
Profit from operating activities	11,383	12,853
a) Result from at-equity accounted investments	450	780
b) Other results from investments	0	0
10. Results from investments	450	780
a) Interest income	49	94
b) Interest expense	2,950	3,209
11. Finance result	-2,901	-3,115
12. Profit before tax	8,932	10,518
13. Income taxes	915	1,371
14. Group net profit for the period	8,017	9,147
Analysis of group net profit		
attributable to minority shareholders	1,000	713
attributable to the shareholders of Schaltbau Holding AG	7,017	8,434
Group net profit for the period	8,017	9,147
Earnings per share – undiluted:	3.76	4.51
Earnings per share – diluted:	3.51	4.19

Statement of Income and Expenses Recognised in Equity

€000	1.1.-30.06.2009			1.1.-30.06.2008		
	Before tax	Tax effect	After tax	Before tax	Tax effect	After tax
Group net profit for the period			8,017			9,147
Translation differences			-74			-365
Derivative financial instruments	-77	23	-54	273	-82	191
Total income and expenses recognised directly in equity	-77	23	-128	273	-82	-174
Total income and expenses recognised in equity			7,889			8,973
of which:						
attributable to minority shareholders			-44			-9
attributable to the shareholders of Schaltbau Holding AG			-84			-165
			-128			-174

Consolidated Income Statement for the second quarter 2009

€000	1.4.-30.06.2009	1.4.-30.06.2008
1. Sales	69,935	75,021
2. Change in inventories of finished and work in progress	-5,646	988
3. Own work capitalised	235	215
4. Total output	64,524	76,224
5. Other operating income	957	292
6. Cost of materials	31,412	40,497
7. Personnel expense	20,482	19,994
8. Amortisation and depreciation	1,542	1,379
9. Other operating expenses	6,719	7,270
Profit from operating activities	5,326	7,376
a) Result from at-equity accounted investments	288	630
b) Other results from investments	0	0
10. Results from investments	288	630
a) Interest income	37	41
b) Interest expense	1,496	1,648
11. Finance result	-1,459	-1,607
12. Profit before tax	4,155	6,399
13. Income taxes	415	766
14. Group net profit for the period	3,740	5,633
Analysis of group net profit		
attributable to minority shareholders	382	332
attributable to the shareholders of Schaltbau Holding AG	3,358	5,301
Group net profit for the period	3,740	5,633
Earnings per share – undiluted:	1,80	2,83
Earnings per share – diluted:	1,68	2,51

Statement of Income and Expenses Recognised in Equity

€000	1.4.-30.06.2009			1.4.-30.06.2008		
	Before tax	Tax effect	After tax	Before tax	Tax effect	After tax
Group net profit for the period			3,740			5,633
Translation differences			-370			341
Derivative financial instruments	162	-49	113	520	-156	364
Total income and expenses recognised directly in equity	162	-49	-257	520	-156	705
Total income and expenses recognised in equity			3,483			6,338
of which:						
attributable to minority shareholders			-125			24
attributable to the shareholders of Schaltbau Holding AG			-132			681
			-257			705

Consolidated Cash Flow Statement for the first half of 2009

	€000	€000
	1.1.-30.06.2009	1.1.-30.06.2008
Group net profit for the period	8,017	9,147
Amortisation and depreciation on non-current assets	3,056	2,779
Gain on disposal of non-current assets	4	48
Finance result	2,901	3,115
Income tax expense	915	1,371
Change in current assets	-4,884	-19,124
Change in provisions	-285	-552
Change in current liabilities	-13,018	-1,118
Dividends received	1,441	505
Interest paid	-2,911	-3,058
Interest received	49	94
Income tax paid	-1,082	-758
Other non-cash income / expenses	-664	-683
Cash flow from operating activities	-6,461	-8,234
Payments for investments in:		
- property, plant and equipment and intangible assets	-3,208	-2,320
- other investments	-250	0
Proceeds from disposal of:		
- property, plant and equipment	86	0
- at-equity accounted investments and other equity investments	0	0
Cash flow from investing activities	-3,372	-2,320
Share buyback	0	-195
Dividend payment	-933	-559
Payments to minority interests	-116	0
Repayment of / proceeds from financial liabilities	10,078	6,942
Cash flow from financing activities	9,029	6,188
Change in cash and cash equivalents due to exchange rate fluctuations	40	-8
Change in cash and cash equivalents due changes in group reporting entity	0	0
Changes to cash, cash equivalents and securities	-764	-4,374
at the end of the period	4,568	3,510
at the beginning of the period	5,332	7,884
	-764	-4,374

Consolidated Balance Sheet as at 30 June 2009

ASSETS	TEUR	TEUR
	30.06.2009	31.12.2008
A. NON-CURRENT ASSETS		
I. Intangible assets	12,714	12,222
II. Property, plant and equipment	39,953	40,270
III. At-equity accounted investments	5,539	6,484
IV. Other investments	1,752	1,506
V. Deferred tax assets	8,974	9,000
	68,932	69,482
B. CURRENT ASSETS		
I. Inventories	47,190	53,343
II. Trade accounts receivable	45,185	33,241
III. Income tax receivables	174	40
IV. Other receivables and assets	5,954	6,686
V. Cash and cash equivalents	4,568	5,332
	103,071	98,642
Total assets	172,003	168,124
EQUITY AND LIABILITIES	TEUR	TEUR
	30.06.2009	31.12.2008
A. EQUITY		
I. Subscribed capital	6,850	6,850
II. Capital reserves	8,443	8,443
III. Statutory reserves	231	231
IV. Revenues reserves	-13,050	-23,908
V. Income/expense recognised directly in equity	-316	-286
VI. Revaluation reserve	3,041	3,041
VII. Group net profit attributable to shareholders of Schaltbau Holding AG	7,017	11,843
VIII. Equity attributable to shareholders of Schaltbau Holding AG	12,216	6,214
VIII. Minority interests	2,212	2,395
	14,428	8,609
B. NON-CURRENT LIABILITIES		
I. Participation rights capital	7,014	7,002
II. Pension provisions	18,931	18,987
III. Personnel-related accruals	4,693	4,738
IV. Other provisions	363	348
V. Financial liabilities	40,512	41,516
VI. Other liabilities	0	9
VII. Deferred tax liabilities	6,315	6,281
	77,828	78,881
C. CURRENT LIABILITIES		
I. Personnel-related accruals	3,532	5,047
II. Other provisions	15,850	14,441
III. Income taxes payable	19	152
IV. Financial liabilities	24,698	13,415
V. Trade accounts payable	14,494	19,830
VI. Advance payments received	6,674	14,592
VII. Other liabilities	14,480	13,157
	79,747	80,634
Total equity and liabilities	172,003	168,124

Consolidated Statement of Changes in Equity for the first half of 2009

	Equity attributable to shareholders of Schaltbau Holding AG				
	Subscribed capital	Capital reserves	Statutory reserves	Revenue reserves	Revaluation reserve
Balance at 1.1.2008	6,840	8,335	231	-29,658	3,041
Profit brought forward	0	0	0	7,198	0
Transfer to capital reserves	0	0	0	0	0
Shares issued	0	0	0	0	0
Dividend paid	0	0	0	-559	0
Change in group reporting entity	0	0	0	0	0
Other changes	0	0	0	-195	0
Group net profit for the period	0	0	0	0	0
Income and expenses recognised directly in equity	0	0	0	191	0
Income and expenses recognised in equity	0	0	0	191	0
Balance at 30.6.2008	6,840	8,335	231	-23,023	3,041
Balance at 1.7.2008	6,840	8,335	231	-23,023	3,041
Profit brought forward	0	0	0	0	0
Transfer to capital reserves	0	0	0	0	0
Shares issued	10	108	0	0	0
Dividend paid	0	0	0	0	0
Change in group reporting entity	0	0	0	0	0
Other changes	0	0	0	0	0
Group net profit for the period	0	0	0	0	0
Income and expenses recognised directly in equity	0	0	0	-885	0
Income and expenses recognised in equity	0	0	0	-885	0
Balance at 31.12.2008	6,850	8,443	231	-23,908	3,041
Balance at 1.1.2009	6,850	8,443	231	-23,908	3,041
Profit brought forward	0	0	0	11,843	0
Transfer to capital reserves	0	0	0	0	0
Shares issued	0	0	0	0	0
Dividend paid	0	0	0	-933	0
Change in group reporting entity	0	0	0	0	0
Other changes	0	0	0	2	0
Group net profit for the period	0	0	0	0	0
Income and expenses recognised directly in equity	0	0	0	-54	0
Income and expenses recognised in equity	0	0	0	-54	0
Balance at 30.6.2009	6,850	8,443	231	-13,050	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	
-176	7,198	-4,189	1,112	967	2,079	-2,110
0	-7,198	0	967	-967	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	-559	-1,044	0	-1,044	-1,603
0	0	0	0	0	0	0
0	0	-195	0	0	0	-195
0	8,434	8,434	0	713	713	9,147
-356	0	-165	-9	0	-9	-174
-356	8,434	8,269	-9	713	704	8,973
-532	8,434	3,326	1,026	713	1,739	5,065
-532	8,434	3,326	1,026	713	1,739	5,065
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	118	0	0	0	118
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	3,409	3,409	0	516	516	3,925
246	0	-639	140	0	140	-499
246	3,409	2,770	140	516	656	3,426
-286	11,843	6,214	1,166	1,229	2,395	8,609
-286	11,843	6,214	1,166	1,229	2,395	8,609
0	-11,843	0	1,229	-1,229	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	-933	-1,139	0	-1,139	-2,072
0	0	0	0	0	0	0
0	0	2	0	0	0	2
0	7,017	7,017	0	1,000	1,000	8,017
-30	0	-84	-44	0	-44	-128
-30	7,017	6,933	-44	1,000	956	7,889
-316	7,017	12,216	1,212	1,000	2,212	14,428

Notes and segment information as at June 2009

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 2008. In accordance with the revised version of IAS 1, published by the IASB in September 2007, income and expenses recognised directly in equity ("other comprehensive income") are required to be presented for the first time from 1 January 2009 onwards in the statement of changes in equity separately after the group net profit for the period and then in an aggregated total of income and expenses recognised directly in equity ("total comprehensive income"). The required reconciliation of the net profit for the period to total comprehensive income is presented in a separate statement below the consolidated income statement.

In addition, segment information is reported for the first time in accordance with the requirements of IFRS 8. The Components division has been carved out of the Mobile Transportation Technology segment and is now presented as a separate segment. As a result, the Mobile Transportation Technology segment now covers only door systems business (see also comments in the Interim Group Management Report in the section "Major events during the first half of 2009"). The Stationary Transportation Technology segment is unchanged. The previous year's presentation has been adjusted accordingly.

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

The group reporting entity is unchanged compared to 31 December 2008. Compared to the previous year, the inclusion of the fully consolidated entity, Machine Electrics Ltd. since 1 August 2008 has an impact on the income statement. In the first half-year 2009, this company recorded a negative EBIT of € 288,000 on sales of € 1,422,000. In the second quarter 2009, a negative EBIT of € 149 thousand was recorded on sales of € 620 thousand. In order to achieve better

comparability, the amounts shown must be deducted or added as appropriate from the items in the consolidated financial statements as at 30 June 2009.

The Schaltbau Group's reported sales for the first six months / second quarter 2008 would have risen by €2.928 million / €1.478 million if the Machine Electrics transaction had been completed on 1 January 2008. The EBIT would have been respectively higher at €168 thousand / €86 thousand.

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	
	30.6.2009	31.12.2008	1.1. to 30.6.2009	1.1. to 30.6.2008
Chinese renminbi yuan	9.6158	9.6626	9.1368	10.8204
US dollar	1.4048	1.4097	1.3352	1.5306
British pound	0.8506	0.9740	0.8955	0.7751
New Turkish lire	2.1641	2.1472	2.1542	1.8930

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 2009, 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 2008 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. – 30.6.	2009	2008
Wages and salaries		34,733	32,992
Social security, pension and welfare expenses		6,729	6,462
		41,462	39,454

EMPLOYEES

	2009	2008
Employees	1,437	1,374

These employee figures show the weighted average for the period under report (including trainees, executives and board members). An average of 40 employees is included in 2009 for Schaltbau Machine Electrics.

FINANCE RESULT

in €000	1.1. – 30.6.	2009	2008
Other interest and similar income (of which from affiliated companies)		49 (13)	94 (14)
Interest and similar expenses (of which to affiliated companies)		-2,950 (-6)	- 3,209 (-7)
		-2,901	- 3,115

Interest expenses include € 494,000 (first half-year 2008: € 479,000) relating to the interest component of the allocation to the pension provision.

INCOME TAXES

in €000	1.1. – 30.6.	2009	2008
Income tax expense		839	1,473
Deferred tax expense (first half of 2008: income)		76	-102
		915	1,371

Compared with the financial statements as at 31 December 2008, 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	30.6.2009	31.12.2008
Raw materials, consumables and supplies	22,975	22,886
Work in progress	17,431	24,319
Finished products, goods for resale	6,622	6,004
Advance payments to suppliers	162	134
	47,190	53,343

RECEIVABLES AND OTHER ASSETS

in €000	30.6.2009	31.12.2008
Trade accounts receivable	45,185	33,241
Receivables from affiliated companies	1,073	1,379
Receivables from associated companies	956	874
Receivables from companies with which an investment relationship exists	0	60
Income tax receivables	174	40
Other assets	3,925	4,373
	51,313	39,967

Allowances on trade accounts receivable amount to €3,254,000 (30.6.2008: €3,123,000).

CASH AND CASH EQUIVALENTS

in €000	30.6.2009	31.12.2008
Cheques and cash on hand	46	32
Cash at bank	4,522	5,300
	4,568	5,332

CHANGES IN GROUP EQUITY

Details relating to the line items presented in the balance sheet are shown in the **Statement of Changes in Group Equity**.

PROVISIONS

in €000	30.6.2009	31.12.2008
Non-current provisions		
Pension provision	18,931	18,987
Warranties	363	348
Personnel-related accruals	4,693	4,738
Other non-current provisions	5,056	5,086
	23,987	24,073
Current provisions		
Current tax	2,100	2,075
Warranties	6,265	6,266
Outstanding costs and material	3,683	2,934
Personnel-related accruals	3,532	5,047
Other provisions	3,802	3,166
Other current provisions	19,382	19,488
Total provisions	43,369	43,561

LIABILITIES

in €000	30.6.2009	31.12.2008
Non-current liabilities		
Liabilities to banks	28,841	29,881
Other financial liabilities	<u>11,671</u>	<u>11,635</u>
Financial liabilities	40,512	41,516
Other liabilities	<u>0</u>	<u>9</u>
	40,512	41,525
Current liabilities		
Current income tax liabilities		19
		152
Liabilities to banks	24,529	13,154
Other financial liabilities	<u>169</u>	<u>261</u>
Financial liabilities	24,698	13,415
Trade accounts payable	14,494	19,830
Advance payments received	6,674	14,592
Payables to affiliated companies	320	505
Liabilities to other group entities	169	298
Negative fair values of derivatives	966	1,399
Sundry other liabilities	<u>13,025</u>	<u>10,955</u>
Other liabilities	<u>14,480</u>	<u>13,157</u>
	60,365	61,146
Total liabilities	100,877	102,671

PRODUCT-BASED SEGMENT INFORMATION

Disclosures in €000

1.1. – 30.06.

	Mobile Transportation Technology		Stationary Transportation Technology	
	2009	2008	2009	2008
Order-intake (external)	63,485	61,135	39,692	50,157
Sales	54,975	51,980	52,451	53,928
- of which external	54,975	51,978	51,968	53,659
- of which with other segment	0	2	483	269
External order-book	104,784	100,148	42,532	58,532
Profit from operating activities (EBIT)	2,752	2,018	5,469	6,854
Result from equity accounted investments	318	678	0	0
Other results from investments	0	0	0	0
Interest income	1	0	71	101
Interest expense	-456	-524	-581	-567
Income taxes	-34	-28	-123	20
Group net profit for the period	2,581	2,144	4,836	6,408
Capital expenditure	396	346	2,179	1,063
Amortisation and depreciation	-804	-747	-793	-693
Other significant non-cash expenses	-1,000	-166	-1,037	-1,585
EBIT margin	5.0 %	3.9 %	10.5 %	12.8 %
Return on capital employed	12.9 %	9.6 %	23.5 %	32.3 %

Disclosures in €000

1.4. – 30.06.

	Mobile Transportation Technology		Stationary Transportation Technology	
	2009	2008	2009	2008
Order-intake (external)	23,884	28,573	18,894	23,221
Sales	26,817	28,065	25,649	29,233
- of which external	26,817	28,063	25,408	29,084
- of which with other segment	0	2	241	149
External order-book	104,784	100,148	42,532	58,532
Profit from operating activities (EBIT)	1,179	1,387	2,544	3,959
Result from equity accounted investments	246	574	0	0
Other results from investments	0	0	0	0
Interest income	1	0	48	49
Interest expense	-224	-266	-309	-291
Income taxes	-17	-18	-14	-16
Group net profit for the period	1,185	1,677	2,269	3,701
Capital expenditure	239	184	849	549
Amortisation and depreciation	-427	-359	-388	-343
Other significant non-cash expenses	0	-21	-286	-762
EBIT margin	4.4 %	4.9 %	10.0 %	13.6 %
Return on capital employed	11.1 %	13.2 %	21.9 %	37.4 %

^{*1)} = profit transfers relating to profit and loss transfer agreements are added back for the purposes of segment information

^{*2)} = in / on intangible assets and property, plant and equipment

^{*3)} = EBIT / external sales

^{*4)} = EBIT / capital employed (EBIT extrapolated to annual amount)

Components		Sub-total		Holding, Reconciling items		Schaltbau Group	
2009	2008	2009	2008	2009	2008	2009	2008
37,185	40,276	140,363	151,568	40	41	140,403	151,609
35,676	34,637	143,102	140,545	599	407		
35,520	34,458	142,463	140,095	40	43	142,503	140,138
156	179	639	450	-639	-450		
32,402	33,459	179,718	192,139			179,718	192,139
4,983	5,901	13,204	14,773	-1,821	-1,921	11,383	12,852
132	103	450	781	0	0	450	781
0	0	0	0	0	0	0	0
22	31	94	132	-45	-38	49	94
-740	-662	-1,777	-1,753	-1,173	-1,456	-2,950	-3,209
-141	-513	-298	-521	-617	-850	-915	-1,371
4,256	4,860	11,673	13,412	-3,656	-4,265	8,017	9,147
379	907	2,954	2,316	504	2	3,458	2,318
-1,447	-1,331	-3,044	-2,771	-12	-8	-3,056	-2,779
-1,522	-1,498	-3,559	-3,249	-851	-1,059	-4,410	4,308
14.0 %	17.1 %					8.0 %	9.2 %
18.4 %	23.3 %					17.4 %	21.0 %

Components		Sub-total		Holding, Reconciling items		Schaltbau Group	
2009	2008	2009	2008	2009	2008	2009	2008
18,296	17,297	61,074	69,091	17	17	61,091	69,108
17,775	17,942	70,241	75,240	306	219		
17,692	17,859	69,917	75,006	18	15	69,935	75,021
83	83	324	234	-324	-234		
32,402	33,459	179,718	192,139			179,718	192,139
2,333	3,143	6,056	8,489	-730	-1,113	5,326	7,376
42	56	288	630	0	0	288	630
0	0	0	0	0	0	0	0
10	14	59	63	-22	-22	37	41
-350	-313	-883	-870	-613	-778	-1,496	-1,648
-166	-249	-197	-283	-218	-483	-415	-766
1,869	2,651	5,323	8,029	-1,583	-2,396	3,740	5,633
182	676	1,270	1,409	181	1	1,451	1,410
-715	-669	-1,530	-1,371	-9	-3	-1,539	-1,374
-115	-810	-401	-1,593	-540	-610	-941	-2,203
13.2 %	17.6					7.6 %	9.8 %
17.3 %	24.9					16.2 %	24.1 %

OTHER DISCLOSURES

Contingent liabilities and other financial commitments

in €000	30.6.2009	31.12.2008
Contingent liabilities		
Obligations under guarantees and other guarantee agreements (of which to affiliated companies)	8,338 (-)	7,873 (-)
Other financial obligations		
Rental and lease expenses	6,903	7,486
Other commitments	2,161	2,719

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.-30.6.2009	1.1.-30.6.2008	1.1.-30.6.2009	1.1.-30.6.2008
	€000	€000	€000	€000
Associated companies				
goods and services	1,320	2,366	411	218
other relationships	-	6	23	-
Non-consolidated companies				
goods and services	2,063	2,831	1,583	1,639
other relationships	0	-	47	24

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	
	30.6.2009	31.12.2008	30.6.2009	31.12.2008
	€000	€000	€000	€000
Associated companies	956	874	99	298
Non-consolidated companies	1,073	1,439	390	505

Munich, 04 August 2009

Schaltbau Holding AG
The Executive Board



Dr. Jürgen Cammann



Waltraud Hertreiter

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, 04 August 2009

Schaltbau Holding AG
The Executive Board



Dr. Jürgen Cammann



Waltraud Hertreiter

Comment on unaudited status

The Interim Consolidated Financial Statements and Interim Group Management Report as at 30 June 2009 have neither been audited in accordance with § 317 HGB nor subject to a limited review by the group auditor.

Schaltbau Holding AG

Hollerithstraße 5

D-81829 Munich

Tel. +49 (0)89 – 930 05 – 0

Fax +49 (0)89 – 930 05 – 318

E-mail: schaltbau@schaltbau.de

Internet: www.schaltbau.de