



**Group Interim Report
as at 30 September 2009**

Schaltbau Group Key Financial Figures for the period ended 30 September

Group key financial figures		30 Sept. 2009	30 Sept. 2008	3rd quarter 2009	3rd quarter 2008
Order situation					
Order-intake	€ m.	193.4	224.0	53.0	72.4
Order-book	€ m.	170.1	193.7	170.1	193.7
Income statement					
Sales	€ m.	205.0	211.3	62.4	71.2
Total output	€ m.	197.4	214.8	61.3	71.9
Profit from operating activities (EBIT)	€ m.	14.8	18.1	3.4	5.2
EBIT margin	%	7.2	8.6	5.5	7.3
Group net profit for the period	€ m.	9.7	12.5	1.7	3.4
Profit attr. to shareholders of the AG	€ m.	8.3	11.6	1.3	3.2
Return on capital employed	%	15.7	18.9	10.9	16.4
Balance sheet					
Fixed Assets	€ m.	60.7	63.1	60.7	63.1
Working capital	€ m.	65.2	64.6	65.2	64.6
Capital employed	€ m.	125.9	127.8	125.9	127.8
Group equity	€ m.	15.6	9.2	15.6	9.2
Net bank liabilities	€ m.	43.0	47.6	43.0	47.6
Balance sheet total	€ m.	168.3	177.3	168.3	177.3
Personnel					
Employees at end of reporting period	Number	1,608	1,607	1,608	1,607
Personnel expense	€ m.	61.2	59.6	19.8	20.2
Personnel expense per employee	€ 000	56.8	55.8	55.0	56.7
Total output per employee	€ 000	183.2	201.2	170.7	202.0
Earnings per share					
Earnings per share (undiluted)	€	4.47	6.20	0.71	1.69
Earnings per share (diluted)	€	4.20	5.78	0.69	1.59

Contents

3	To the shareholders
5	Group Interim Management Statement
5	Changes in segment reporting
6	Business environment
6	Order situation
7	Sales
8	Group earnings performance
9	Group financial and net assets position
10	Purchasing
10	Significant events occurring after 30 September 2009
10	Opportunities and risks report
10	Forecasts and other statements regarding anticipated development
11	Significant transactions with associated companies and persons
12	Condensed Interim Consolidated Financial Statements as at 30.09.2009
12	Consolidated Income Statement for the period ended 30 September 2009
13	Consolidated Income Statement for the third quarter 2009
14	Consolidated Cash Flow Statement
15	Consolidated Balance Sheet
16	Consolidated Statement of Changes in Equity
18	Notes and segment information
30	Disclaimer
30	Responsibility statement
30	Comment on unaudited status

Dear shareholders,

The deepest global recession for over 50 years finally seems to have stabilised. However, the pace of recovery is likely to be both slow and highly inconsistent. Asian markets in particular have already begun to tread the path of growth, headed by the Chinese. By contrast, the economies of the western industrial countries are still behaving sluggishly, despite considerable impulses from state-initiated economic stimulus packages. A perceptible upturn cannot be expected on these markets before mid-2010.

The current driving force of the German economy is the building industry, which is enjoying growth due to investments from the public sector. The railway industry so essential for the Schaltbau Group, however, is still waiting for the billions of euros allocated to actually start flowing. Companies in the mechanical engineering industry are now cautiously optimistic. After months of dramatically declining order-book figures, rock bottom could now have finally been reached, say industry association experts. Carmakers are looking to the future with scepticism. They are concerned about a possible slump in demand after the scrappage bonus period expires.

Since midyear the companies of the Schaltbau Group have suffered more heavily in the wake of the crisis, particularly those supplying the industrial sector. Bus production figures continued to contract during the months from June to August. On the container terminals market, which is experiencing its heaviest setback this year, cranes and thus their braking systems too are in low demand. Practically all locomotive projects have been postponed due to the currently declining volume of goods traffic.

We were aware of this fact as a company generally affected very late by economic cycles. We initiated cost-cutting measures to counter the trend at an early stage. Thus we were able to partially compensate for the loss of earnings in the industrial sector. Railway sector business continues to be stable despite the difficult business environment. It will receive additional impetus as soon as the previously determined infrastructure programmes begin to take effect. The economic research institutes currently see recovery signals for industrial production. Order-book trends for our industrial products confirm this assessment. A slight improvement in September gives us cause to be confident of having reached the lowest point. In view of these facts, the short-term prospects for our Group in the third quarter have changed very little and we abide by our earnings forecast of € 6.20 per share for the fiscal year 2009 and annual sales revenues of approximately € 270 million.

Opportunities predominate in the medium and long term. Several major trends speak largely in our favour. The “Pro-Rail Alliance” is expecting the price of petrol to rise to approximately € 3.40 by the year 2020. This would cause the number of rail passengers to grow by between 56 and 100 per cent. Policy-makers have not yet begun to make provision for this scenario. The latest federal traffic route plan calculates with a maximum oil price of 42 US dollars per barrel by the year 2020, a level that is even now completely unrealistic. Investments in public infrastructure are therefore urgently necessary in order to cope with the expected growth in the number of rail passengers.

But not only cost aspects speak in favour of rail travel. Key environmental statistics also show that this method of transportation is a vast improvement on cars, trucks and aeroplanes. Even if a mere one per cent of all goods freight were transferred from the road to the track, it would mean an annual reduction in CO₂ emissions of approximately 500,000 tons in Germany alone. Policy-makers must take arguments such as these into account and meanwhile even in the USA environmental protection has become a subject of public debate.

Thus the medium- and long-term prospects for the Schaltbau Group remain favourable. 2010 will, however, continue to be a difficult year for the industries relevant for the Schaltbau Group. Nevertheless, we are convinced that the Group's companies will derive above-average profit from an economic recovery. We want to generate earnings growth both organically and by acquisition, provided the situation on capital markets is favourable for investments. We are confident of being able to double earnings per share within five years once the current economic crisis has been overcome.

Yours faithfully,

A handwritten signature in black ink, consisting of a stylized 'A' followed by a series of loops and a final flourish.

Dr. Jürgen H. Cammann
Spokesman of the Executive Board

Group Interim Management Statement

After a performance largely in line with expectations in the first half of 2009, the Schaltbau Group recorded a weak third quarter. After initial warning signs in the second quarter, the Group suffered considerably under the impact of the economic downturn in the third quarter, particularly in the field of industrial applications. The development had already been anticipated in the forecast for the current fiscal year. Thus it was possible to largely cushion the impact on the earnings situation by means of timely cost-cutting measures. The situation is not currently expected to deteriorate further as the first signs of improvement are now visible. The all-important railway business continues to provide a stable source of earnings for the Group's companies. To date, however, impulses from European economic stimulus packages have not noticeably boosted business performance. Existing order-book levels for the fourth quarter enable the Group to abide by its previous earnings forecast of € 6.20 per share for the current fiscal year.

Changes in segment reporting

In order to meet the growing market need for transparency, segment reporting within the Schaltbau Group was changed 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 at 30 September 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 trend towards global economic recovery seen during the second quarter 2009 solidified during the three months up to the end of September. Increasingly favourable conditions on financial markets, a trend reversal in stock-keeping behaviour and the effects of the economic stimulus packages previously determined have prompted nearly all analysts to upwardly adjust their forecasts. In its October outlook the International Monetary Fund now forecasts global added value in 2009 as being 0.3 percentage points higher than its previous assessment three months earlier. Its forecast for the countries of the euro zone even predicts an above-average easing of tension in the general economic situation.

Germany was again faced with very drastic cuts in key industries. Nevertheless, confidence increased during the three-month period under report. Despite the unrelenting strong decline in incoming orders in August, the Association of German Mechanical and Plant Engineers (VDMA) concluded that rock bottom had finally been reached. The assessment was absolutely clear for the domestic market, but has yet to be confirmed in terms of foreign business. Based on the September figures, the German Association of the Automotive Industry (VDA) is also cautiously optimistic. At minus 12 per cent, incoming orders for cars did not fall as strongly as originally assumed. Domestic orders for commercial vehicles now seem to be stabilising in an ongoing weak commercial vehicles market.

Framework conditions in markets relevant for the Schaltbau Group worsened in some cases in the months from July to September compared to the preceding quarter. Particularly in industry-related fields the situation became increasingly tense. This is partly due to the fact that most of the Schaltbau Group's business fields react late to market developments and the economic environment takes several months to have an impact on performance.

Order situation

In view of the economic factors previously described, the order situation for the Schaltbau Group weakened considerably in the three-month period that ended in September 2009. Incoming orders amounted to € 53.0 million, 26.8 per cent down on the figure of € 72.4 million recorded in the same quarter of the previous year. First signs of stabilisation were, however, noticeable towards the end of the quarter and a solid base can now be assumed to have been reached at a low level.

The **Mobile Transportation Technology** segment registered falling demand in the railway sector in the third quarter. At the same time, however, the order situation in the bus sector and in the business field Fittings for Sliding Vehicle Doors has stabilised at a low level.

In the **Stationary Transportation Technology** segment the business field Rail Infrastructure was mainly impacted by the extremely hesitant implementation of governmental stimulus programmes. Thus demand for items related to the product group level crossing safety systems was accordingly

subdued. The investment backlog for larger signal box projects even seems to have worsened. No orders of any considerable size were awarded in this area. It was, however, possible to close the resulting gap with numerous smaller orders from ongoing contracts, at least to some degree. The railway vehicle equipment field was negatively affected by the slump in goods traffic, which in turn caused postponements in locomotive projects. The volume of incoming orders in the field of warning technology also continued to decrease. Order intake for braking systems manufactured by Pintsch Bubenzer continued to fall as a result of the ongoing low demand in international container traffic. However, after three very weak months in succession, demand stabilised at a low level in August. During this time it was possible to retain and in some cases even slightly improve market share. Minor orders were acquired in the field of wind power, a key market of the future, mainly for test installations. These are likely to lead to larger follow-up orders due to the results of tests at customers' premises and the generally good market response.

The **Components** segment finished the third quarter at the same level as the previous year, although weak demand in industry business, which mainly affected Schaltbau GmbH, meant that some decreases had to be accepted. Incoming orders at Machine Electrics, which operates purely in the industrial sector and has been included in the consolidated financial statements of the Group since August 2008, experienced a major decrease right at the beginning of the year due to the crisis. The company's order book began to improve again slightly in September. In a very pleasing development, Schaltbau France was successful in maintaining its figures at last year's levels. Order-intake figures at the Chinese company Xian fell in the third quarter due to seasonal factors, although the previous year's total was surpassed.

Order intake totalled € 193.4 million during the first nine months of 2009. The figure is approximately 13.7 per cent lower than the very high amount of € 224.0 million recorded one year earlier. On 30 September 2009 the order book of the Schaltbau Group stood at € 170.1 million, approximately 12.2 per cent down on the total of € 193.7 million recorded the previous year.

Sales

Based on the high order-book level, the Schaltbau Group generated sales revenues of € 62.4 million in the third quarter 2009. The figure is 12.4 per cent lower than the total of € 71.2 million achieved in the corresponding quarter last year.

In the **Mobile Transportation Technology** segment, although the Bode Group achieved higher sales revenues than expected in the third quarter, it was not quite able to attain the pleasing total recorded one year earlier. Similar to the two preceding quarters, performance was bolstered by the product group Door Systems for Railway Vehicles, which benefited greatly from the favourable order situation at the beginning of the year. Sales for the product group Door Systems for Buses, however, again fell, due to the weak business environment. Third-quarter sales revenues for the

product group Fittings for Sliding Vehicle Doors were lower than those of the previous year due to the adverse economic conditions.

In the **Stationary Transportation Technology** segment Pintsch Bamag again registered declining sales figures in the third quarter due to ongoing delays in the awarding of railway projects. At Pintsch Bubenzer the order situation, which has been weak now for several months, is meanwhile also having an increased impact on sales revenues.

The **Components** segment had to cope with a slight drop in sales revenues compared with the previous year. Schaltbau GmbH was most severely affected. At Machine Electrics sales performance was similar to the dissatisfactory volume of incoming orders. Schaltbau France displayed a largely stable business performance. Again in the third quarter Xian successfully outperformed last year's figures.

Sales revenues totalling € 205.0 million were achieved during the first nine months of 2009. Thus the very high figure of € 211.3 million recorded the previous year was only fallen short of by 3.0%.

Group earnings performance

In conjunction with the programme to reduce inventories, stocks of finished and semi-finished products were increasingly depleted in the third quarter 2009. Thus total output fell by 8.1 per cent to € 197.4 million, far more strongly than sales revenues during the nine-month period under report (previous year: € 214.8 million). Personnel expenses, however, rose by 2.7 per cent from € 59.6 million to € 61.2 million. It should, however, be borne in mind that personnel resources have been specifically bolstered since 2008 in order to accommodate future growth. Furthermore, wages rises and the first-time consolidation of Schaltbau Machine Electrics caused costs to increase. The high investment costs of the preceding years caused write-downs to rise by 4.9 per cent to € 4.5 million.

The negative impact of these rises was largely counteracted by savings in purchasing. Favourable price developments on raw materials markets made it possible to achieve significant savings in this area. Due to these factors and the far lower level of total output, the cost of materials for the first nine months of 2009 fell by 12.5 per cent from € 113.9 million to € 99.7 million. These savings also include the massive reduction in the number of temporary workers. In view of this fact, earnings from operating activities (EBIT) of € 14.8 million were achieved as compared to € 18.1 million recorded in the nine-month period ended September 2008. The sales-related EBIT margin sank to 7.2 percentage points (previous year: 8.6 per cent).

Group net profit for the first nine months decreased from € 12.5 million last year to € 9.7 million in 2009. The profit attributable to shareholders of Schaltbau Holding AG amounted to € 8.3 million (last year: € 11.6 million). Earnings per share (undiluted) totalled € 4.47 compared with the previous year's figure of € 6.20. 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 € 4.20 (last year: € 5.78).

Despite the partially massive impact of the economic crisis on business performance, all segments contributed highly positive results in the third quarter 2009. The strong pressure on sales revenues witnessed in some areas was met with additional cost-reduction measures, particularly from August onwards.

The **Mobile Transportation Technology** segment still benefited from the very good order situation in the first quarter and produced EBIT figures that improved to € 4.3 million over the nine-month reporting period (previous year: € 3.6 million). The EBIT margin rose from 4.4 per cent to 5.2 per cent.

In the **Stationary Transportation Technology** segment declining sales revenues had a heavy impact on reported results. EBIT for the segment fell to € 6.2 million after recording € 9.9 million for the same period the previous year. Thus the EBIT margin decreased to 8.6 per cent (previous year: 12.3 per cent).

The **Components** segment achieved an EBIT of € 7.1 million (last year: € 7.9 million) and thus remained at a high level. Considering the unfavourable framework conditions in industrial business, the EBIT margin of 13.9 per cent (previous year: 15.4 per cent) was highly satisfactory.

Group financial and net assets position

The equity of the Schaltbau Group again improved in the third quarter to € 15.6 million compared with € 8.6 million at 31 December 2008. With an almost unchanged balance sheet total of € 168.3 million the equity ratio thus rose from 5.1 per cent to 9.3 per cent. Including participation rights capital, which is similar in nature to equity, the equity ratio stood at 13.4 per cent.

Non-current assets (excluding deferred tax assets) accounted for 36.0 per cent of the balance sheet total, the same figure as at 31 December 2008. An orders-related decline in advance payments as well as trade accounts payable was primarily responsible for the increase in working capital compared with that recorded on 31 December 2008 from € 52.2 million to € 65.2 million at 30 September 2009.

These factors caused the amount of capital employed to rise from € 112.6 million to € 125.9 million at a largely constant level of fixed assets. The ROCE therefore now stands at 15.7 per cent (last year: 18.9 per cent).

Group net bank liabilities related to the current assets to be financed rose from € 37.7 million to € 43.0 million at 30 September 2009. Investments in property, plant and equipment and intangible assets amounted to € 5.2 million, thereby exceeding depreciation of € 4.5 million.

Purchasing

After the price slide in the wake of the economic slump in the second half of 2008, raw materials made of steel and stainless steel as well as aluminium, copper, gold and silver have continually increased in price since the beginning of 2009. In most cases, however, metal prices at the end of September were still far below those seen half way through 2008. Thus it was possible to make considerable savings when purchasing raw materials, although they reduced from one quarter to the next. In some cases, the companies of the Schaltbau Group were able to arrange new framework agreements. This policy promotes endeavours to ensure low prices in the medium term.

There were no delays worth mentioning in the supply of raw materials during the nine months under report. The positive impact in the form of shorter delivery times was relatively slight as many suppliers adapted their capacities to suit the reduced demand. The availability of certain electronic components was limited by the fact that several suppliers discontinued production of unprofitable batches in the face of the difficult economic situation. This led to an increased need to develop new solutions for customers.

Significant events occurring after 30 September 2009

No events of particular significance have taken place since the end of the third quarter 2009.

Opportunities and risks report

In the first nine 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

The global economic situation is expected to continue recovering during the fourth quarter 2009, but at a very moderate rate. Expectations, however, differ greatly from one region to the next. The emerging and developing economies of Asia are expected to grow at a rate far above the average. The upturn in the main western industrial countries, however, is still very hesitant.

The production of industrial applications in the Schaltbau Group suffered from a delayed reaction to the economic crisis. The low level reached in the third quarter is, however, expected to stabilise for the remainder of 2009. With a view to optimising earnings, the companies of the Schaltbau Group took specific countermeasures to cut costs at an early stage. Thus declining volumes in industrial areas were largely compensated.

The railway sector, which is of particular importance for the Schaltbau Group, continues to be stable. Internationally, the level of investment remains high for both railway infrastructure and trains. The business seems to be growing sustainably, particularly in China. The infrastructure programmes previously determined are slowly beginning to take effect and promise additional potential, assuming the governments do not make cutbacks. Overall, the short-term prospects for the Schaltbau Group have changed very little and, assuming the fourth quarter is as stable as predicted, we abide by our earnings forecast of € 6.20 per share for the fiscal year 2009 and annual sales revenues of approximately € 270 million.

Significant transactions with associated companies and persons

Information available in the Notes.

Condensed Interim Consolidated Financial Statements as at 30.09.2009

Consolidated Income Statement for the period ended 30 September 2009

€000	1.1.-30.09.2009	1.1.-30.09.2008
1. Sales	204,951	211,343
2. Change in inventories of finished and work in progress	-8,282	2,915
3. Own work capitalised	776	546
4. Total output	197,445	214,804
5. Other operating income	2,637	976
6. Cost of materials	99,693	113,902
7. Personnel expense	61,223	59,614
8. Amortisation and depreciation	4,461	4,252
9. Other operating expenses	19,906	19,930
Profit from operating activities	14,799	18,082
a) Result from at-equity accounted investments	710	1,269
b) Other results from investments	-	-2
10. Results from investments	710	1,267
a) Interest income	33	143
b) Interest expense	4,376	4,961
11. Finance result	-4,343	-4,818
12. Profit before tax	11,166	14,531
13. Income taxes	1,473	1,986
14. Group net profit for the period	9,693	12,545
Analysis of group net profit		
attributable to minority shareholders	1,345	947
attributable to the shareholders of Schaltbau Holding AG	8,348	11,598
Group net profit for the period	9,693	12,545
Earnings per share – undiluted:	4.47 €	6.20 €
Earnings per share – diluted:	4.20 €	5.78 €

Statement of Income and Expenses Recognised in Equity

€000	1.1.-30.09.2009			1.1.-30.09.2008		
	Before tax	Tax effect	After tax	Before tax	Tax effect	After tax
Group net profit for the period			9,693			12,545
Translation differences			-426			529
Derivative financial instruments	-268	80	-188	-93	28	-65
Total income and expenses recognised directly in equity	-268	80	-614	-93	28	464
Total income and expenses recognised in equity			9,079			13,009
of which:						
attributable to minority shareholders			-125			100
attributable to the shareholders of Schaltbau Holding AG			-489			364
			-614			464

Consolidated Income Statement for the third quarter 2009

€000	1.7.-30.09.2009	1.7.-30.09.2008
1. Sales	62,448	71,204
2. Change in inventories of finished and work in progress	-1,439	524
3. Own work capitalised	322	169
4. Total output	61,331	71,897
5. Other operating income	868	429
6. Cost of materials	31,652	39,035
7. Personnel expense	19,762	20,160
8. Amortisation and depreciation	1,400	1,468
9. Other operating expenses	5,970	6,434
Profit from operating activities	3,415	5,229
a) Result from at-equity accounted investments	260	489
b) Other results from investments	-	-2
10. Results from investments	260	487
a) Interest income	-16	49
b) Interest expense	1,426	1,752
11. Finance result	-1,442	-1,703
12. Profit before tax	2,233	4,013
13. Income taxes	557	615
14. Group net profit for the period	1,676	3,398
Analysis of group net profit		
attributable to minority shareholders	344	234
attributable to the shareholders of Schaltbau Holding AG	1,332	3,164
Group net profit for the period	1,676	3,398
Earnings per share – undiluted:	0.71 €	1.69 €
Earnings per share – diluted:	0.69 €	1.59 €

Statement of Income and Expenses Recognised in Equity

€000	1.7.-30.09.2009			1.7.-30.09.2008		
	Before tax	Tax effect	After tax	Before tax	Tax effect	After tax
Group net profit for the period			1,676			3,398
Translation differences			-351			894
Derivative financial instruments	-191	57	-133	-366	110	-257
Total income and expenses recognised directly in equity	-191	57	-484	-366	110	637
Total income and expenses recognised in equity			1,192			4,035
of which:						
attributable to minority shareholders			-80			109
attributable to the shareholders of Schaltbau Holding AG			-404			528
			-484			637

Consolidated Cash Flow Statement for the period from 1 Jan. to 30 Sept. 2009

	€ 000	€ 000
	1.1.-30.09.2009	1.1.-30.09.2008
Group net profit for the period	9,693	12,545
Amortisation and depreciation on non-current assets	4,456	4,605
Gain on disposal of non-current assets	5	6
Finance result	4,343	4,818
Income tax expense	1,473	1,986
Change in current assets	-141	-10,795
Change in provisions	472	1,750
Change in current liabilities	-13,234	-8,551
Dividends received	1,441	505
Interest paid	-3,657	-4,271
Interest received	33	143
Income tax paid	-1,427	-1,034
Other non-cash income / expenses	-847	-1,102
Cash flow from operating activities	2,610	605
Payments for investments in:		
- property, plant and equipment and intangible assets	-5,159	-3,992
- other investments	-362	-2,093
Proceeds from disposal of:		
- property, plant and equipment	114	26
- at-equity accounted investments and other equity investments	-	-
Cash flow from investing activities	-5,407	-6,059
Share buyback	-	-195
Dividend payment	-933	-559
Payments to minority interests	-880	-278
Repayment of / proceeds from financial liabilities	4,751	1,824
Cash flow from financing activities	2,938	792
Change in cash and cash equivalents due to exchange rate fluctuations	-34	81
Change in cash and cash equivalents due changes in group reporting entity	-	193
Changes to cash, cash equivalents and securities	107	-4,388
at the end of the period	5,439	3,496
at the beginning of the period	5,332	7,884
	107	-4,388

Consolidated Balance Sheet as at 30 September 2009

ASSETS	TEUR	TEUR
	30.09.2009	31.12.2008
A. NON-CURRENT ASSETS		
I. Intangible assets	12,911	12,222
II. Property, plant and equipment	40,259	40,270
III. At-equity accounted investments	5,638	6,484
IV. Other investments	1,864	1,506
V. Deferred tax assets	9,166	9,000
	69,838	69,482
B. CURRENT ASSETS		
I. Inventories	44,313	53,343
II. Trade accounts receivable	42,606	33,241
III. Income tax receivables	10	40
IV. Other receivables and assets	6,112	6,686
V. Cash and cash equivalents	5,439	5,332
	98,480	98,642
Total assets	168,318	168,124
EQUITY AND LIABILITIES	TEUR	TEUR
	30.09.2009	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	-13,186	-23,908
V. Income/expense recognised directly in equity	-587	-286
VI. Revaluation reserve	3,041	3,041
VII. Group net profit attributable to shareholders of Schaltbau Holding AG	8,348	11,843
VIII. Equity attributable to shareholders of Schaltbau Holding AG	13,140	6,214
VIII. Minority interests	2,476	2,395
	15,616	8,609
B. NON-CURRENT LIABILITIES		
I. Participation rights capital	7,020	7,002
II. Pension provisions	18,895	18,987
III. Personnel-related accruals	4,788	4,738
IV. Other provisions	365	348
V. Financial liabilities	38,592	41,516
VI. Other liabilities	0	9
VII. Deferred tax liabilities	6,386	6,281
	76,046	78,881
C. CURRENT LIABILITIES		
I. Personnel-related accruals	4,208	5,047
II. Other provisions	16,306	14,441
III. Income taxes payable	83	152
IV. Financial liabilities	21,681	13,415
V. Trade accounts payable	14,830	19,830
VI. Advance payments received	6,880	14,592
VII. Other liabilities	12,668	13,157
	76,656	80,634
Total equity and liabilities	168,318	168,124

Consolidated Statement of Changes in Equity as at 30 September 2009

	Equity attributable to shareholders of Schaltbau Holding AG				
	Subscribed capital	Capital reserves	Statutory reserves	Revenue reserves	Revaluation reserve
Balance at 01.01.2008	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	10	108	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	-65	0
Income and expenses recognised in equity	0	0	0	-65	0
Balance at 30.09.2008	6,850	8,443	231	-23,279	3,041
Balance at 01.10.2008	6,850	8,443	231	-23,279	3,041
Profit brought forward	0	0	0	0	0
Transfer to capital reserves	0	0	0	0	0
Shares issued	0	0	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	-629	0
Income and expenses recognised in equity	0	0	0	-629	0
Balance at 31.12.2008	6,850	8,443	231	-23,908	3,041
Balance at 01.01.2009	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	0	0
Group net profit for the period	0	0	0	0	0
Income and expenses recognised directly in equity	0	0	0	-188	0
Income and expenses recognised in equity	0	0	0	-188	0
Balance at 30.09.2009	6,850	8,443	231	-13,186	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	118	0	0	0	118
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	11,598	11,598	0	947	947	12,545
429	0	364	100	0	100	464
429	11,598	11,962	100	947	1,047	13,009
253	11,598	7,137	1,135	947	2,082	9,219
253	11,598	7,137	1,135	947	2,082	9,219
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	245	245	0	282	282	527
-539	0	-1,168	31	0	31	-1,137
-539	245	-923	31	282	313	-610
-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	0	0	0	0	0
0	8,348	8,348	0	1,345	1,345	9,693
-301	0	-489	-125	0	-125	-614
-301	8,348	7,859	-125	1,345	1,220	9,079
-587	8,348	13,140	1,131	1,345	2,476	15,616

Notes and segment information as at September 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 in 2009. 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 "Changes in segment reporting"). 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. Up to 31 July 2009, this company recorded a negative EBIT of € 308,000 on sales of € 1,791,000. In July 2009, a negative EBIT of € 20,000 was recorded on sales of € 288,000. 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 September 2009.

The Schaltbau Group's reported sales for the first nine months 2008 would have risen by € 3,413,000 (third quarter 2008: € 484,000) if the Machine Electrics transaction had been completed on 1 January 2008. The EBIT would have been respectively higher at € 189,000 (third quarter 2008: € 21,000).

The following companies were founded in the third quarter 2009:

Company	Registered office	Shareholding
Bode Polska Sp.z.o.o.	Rzeszow (Poland)	100%
Schaltbau India Pvt. Ltd.	Thane (India)	60%
Shenyang PINTSCH BAMAG Transportation Energy Equipment Co., Ltd.	Shenyang (P.R.CH.)	100%

These companies are not consolidated.

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	
	30.9.2009	31.12.2008	1.1. to 30.9.2009	1.1. to 30.9.2008
Chinese renminbi yuan	9.9772	9.6626	9.3526	10.6541
US dollar	1.4592	1.4097	1.3669	1.5225
British pound	0.9166	0.9740	0.8872	0.7817
New Turkish lire	2.1767	2.1472	2.1528	1.8707

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. – 30.9.	2009	2008
Wages and salaries		51,276	49,860
Social security, pension and welfare expenses		9,947	9,754
		61,223	59,614

EMPLOYEES

	2009	2008
Employees	1,437	1,423

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. – 30.9.	2009	2008
Other interest and similar income (of which from affiliated companies)		33 (18)	143 (22)
Interest and similar expenses (of which to affiliated companies)		- 4,376 (-7)	- 4,961 (-11)
		- 4,343	- 4,818

Interest expenses include € 741,000 (1.1. – 30.9.2008: € 719,000) relating to the interest component of the allocation to the pension provision.

INCOME TAXES

in € 000	1.1. – 30.9.	2009	2008
Income tax expense		1,466	2,070
Deferred tax expense (first half of 2008: income)		7	-84
		1,473	1,986

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	30.9.2009	31.12.2008
Raw materials, consumables and supplies	22,098	22,886
Work in progress	16,577	24,319
Finished products, goods for resale	5,483	6,004
Advance payments to suppliers	155	134
	44,313	53,343

RECEIVABLES AND OTHER ASSETS

in € 000	30.9.2009	31.12.2008
Trade accounts receivable	42,606	33,241
Receivables from affiliated companies	1,206	1,379
Receivables from associated companies	1,080	874
Receivables from companies with which an investment relationship exists	-	60
Income tax receivables	10	40
Other assets	3,826	4,373
	48,728	39,967

Allowances on trade accounts receivable amount to € 3,324,000 (30.9.2008: € 3,123,000).

CASH AND CASH EQUIVALENTS

in € 000	30.9.2009	31.12.2008
Cheques and cash on hand	44	32
Cash at bank	5,395	5,300
	5,439	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	30.9.2009	31.12.2008
Non-current provisions		
Pension provision	18,895	18,987
Warranties	365	348
Personnel-related accruals	4,788	4,738
Other non-current provisions	5,153	5,086
	24,048	24,073
Current provisions		
Current tax	2,154	2,075
Warranties	6,205	6,266
Outstanding costs and material	3,460	2,934
Personnel-related accruals	4,208	5,047
Other provisions	4,487	3,166
Other current provisions	20,514	19,488
Total provisions	44,562	43,561

LIABILITIES

in €000	30.9.2009	31.12.2008
Non-current liabilities		
Liabilities to banks	26,909	29,881
Other financial liabilities	<u>11,683</u>	<u>11,635</u>
Financial liabilities	38,592	41,516
Other liabilities	-	9
	<u>38,592</u>	<u>41,525</u>
Current liabilities		
Current income tax liabilities	83	152
Liabilities to banks	21,525	13,154
Other financial liabilities	<u>156</u>	<u>261</u>
Financial liabilities	21,681	13,415
Trade accounts payable	14,830	19,830
Advance payments received	6,880	14,592
Payables to affiliated companies	310	505
Liabilities to other group entities	300	298
Negative fair values of derivatives	1,116	1,399
Sundry other liabilities	<u>10,942</u>	<u>10,955</u>
Other liabilities	12,668	13,157
	<u>56,142</u>	<u>61,146</u>
Total liabilities	94,734	102,671

PRODUCT-BASED SEGMENT INFORMATION

Disclosures in €000

1.1. – 30.09.

	Mobile Transportation Technology		Stationary Transportation Technology	
	2009	2008	2009	2008
Order-intake (external)	82,378	92,332	58,776	76,105
Sales	82,020	80,152	72,646	80,392
- of which external	82,020	80,150	72,007	79,868
- of which with other segment	0	2	639	524
External order-book	96,630	103,258	41,453	58,080
Profit from operating activities (EBIT)	4,293	3,559	6,196	9,853
Result from equity accounted investments	509	1,125	0	0
Other results from investments	0	0	0	0
Interest income	1	0	60	169
Interest expense	-671	-775	-828	-902
Income taxes	-58	-152	-166	-6
Group net profit for the period	4,074	3,757	5,262	9,114
Changes in group reporting entity	0	0	0	0
Capital expenditure	698	945	3,597	1,728
Amortisation and depreciation	-1,148	-1,133	-1,156	-1,070
Other significant non-cash expenses	-1,775	-601	-997	-2,925
EBIT margin	5.2 %	4.4 %	8.6 %	12.3 %
Return on capital employed	13.4 %	10.8 %	18.6 %	30.7 %

Disclosures in €000

1.7. – 30.09.

	Mobile Transportation Technology		Stationary Transportation Technology	
	2009	2008	2009	2008
Order-intake (external)	18,893	31,197	19,083	25,948
Sales	27,046	28,172	20,195	26,464
- of which external	27,046	28,172	20,038	26,209
- of which with other segment	0	0	157	255
External order-book	96,630	103,258	41,453	58,080
Profit from operating activities (EBIT)	1,541	1,540	728	3,000
Result from equity accounted investments	191	447	0	0
Other results from investments	0	0	0	0
Interest income	0	0	-12	68
Interest expense	-215	-250	-247	-335
Income taxes	-24	-124	-43	-27
Group net profit for the period	1,493	1,613	426	2,706
Changes in group reporting entity	0	0	0	0
Capital expenditure	302	599	1,418	665
Amortisation and depreciation	-344	-385	-363	-377
Other significant non-cash expenses	-775	-435	-116	-1,340
EBIT margin	5.7 %	5.5 %	3.6 %	11.4 %
Return on capital employed	14.4 %	14.0 %	6.6 %	28.0 %

*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
52,217	55,548	193,371	223,985	58	60	193,429	224,045
51,122	51,522	205,788	212,066	837	723		
50,866	51,266	204,893	211,284	58	59	204,951	211,343
256	256	895	782	-895	-782		
32,008	32,314	170,091	193,652			170,091	193,652
7,066	7,878	17,555	21,290	-2,756	-3,208	14,799	18,082
201	144	710	1,269	0	0	710	1,269
0	-2	0	-2	0	0	0	-2
31	48	92	217	-59	-74	33	143
-1,043	-1,010	-2,542	-2,687	-1,834	-2,274	-4,376	-4,961
-376	-649	-600	-807	-873	-1,179	-1,473	-1,986
5,879	6,409	15,215	19,208	-5,522	-6,735	9,693	12,545
0	2,782	0	2,782	0	0	0	2,782
621	1,315	4,916	3,988	605	4	5,521	3,992
-2,129	-2,033	-4,433	-4,236	-23	-9	-4,456	-4,245
-1,680	-2,545	-4,452	-6,071	-970	-1,901	-5,422	-7,972
13.9 %	15.4 %					7.2 %	8.6 %
18.6 %	19.4 %					15.7 %	18.9 %

Components		Sub-total		Holding, Reconciling items		Schaltbau Group	
2009	2008	2009	2008	2009	2008	2009	2008
15,032	15,272	53,008	72,417	18	18	53,026	72,435
15,446	16,885	62,687	71,521	239	317		
15,346	16,808	62,430	71,189	18	15	62,448	71,204
100	77	257	332	-257	-332		
32,008	32,314	170,091	193,652			170,091	193,652
2,082	1,978	4,351	6,518	-935	-1,289	3,416	5,229
69	42	260	489	0	0	260	489
0	-2	0	-2	0	0	0	-2
9	16	-3	84	-13	-35	-16	49
-303	-349	-765	-934	-661	-818	-1,426	-1,752
-235	-135	-302	-286	-256	-329	-558	-615
1,622	1,550	3,541	5,869	-1,865	-2,471	1,676	3,398
0	2,782	0	0	0	0	0	2,782
242	408	1,962	1,672	101	2	2,063	1,674
-682	-701	-1,389	-1,463	-11	-4	-1,400	-1,467
-158	-1,047	-1,049	-2,822	-414	-842	-1,463	-3,664
13.6 %	11.8 %					5.5 %	7.3 %
16.4 %	14.6 %					10.9 %	16.4 %

OTHER DISCLOSURES

Contingent liabilities and other financial commitments

in € 000	30.9.2009	31.12.2008
Contingent liabilities		
Obligations under guarantees and other guarantee agreements (of which to affiliated companies)	7,227 (-)	7,873 (-)
Other financial obligations		
Rental and lease expenses	6,533	7,486
Other commitments	2,150	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.-30.9.2009	1.1.-30.9.2008	1.1.-30.9.2009	1.1.-30.9.2008
	€ 000	€ 000	€ 000	€ 000
Associated companies				
goods and services	2,514	3,169	637	516
other relationships	-	9	23	29
Non-consolidated companies				
goods and services	3,000	4,280	2,580	2,715
other relationships	0	-	99	32

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).

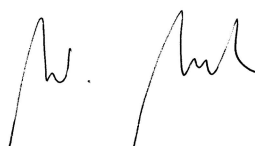
	Receivables		Payables	
	30.9.2009	31.12.2008	30.9.2009	31.12.2008
	€ 000	€ 000	€ 000	€ 000
Associated companies	1,080	874	130	298
Non-consolidated companies	1,206	1,439	479	505

Munich, 30 October 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

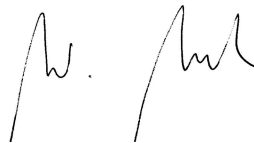
“To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management 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, 30 October 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 September 2009 have neither been audited in accordance with § 317 HGB nor subject to a limited review by the group auditor.

Schaltbau Holding AG

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