9-MONTH REPORT 2010

KEY FIGURES IN EUR THOUSAND

GROUP	Q3 2009	Q3 2010	9M 2009	9M 2010
Sales revenues	22,085	34,194	67,648	93,151
Gross profit	8,437	14,225	26,774	39,616
Gross margin in %	38.2%	41.6%	39.6%	42.5%
EBITDA	2,479	5,746	8,966	15,336
EBITDA margin in %	11.2%	16.8%	13.3%	16.5%
EBIT	1,824	4,845	6,950	12,922
EBIT margin in %	8.3%	14.2%	10.3%	13.9%
EBT	1,389	4,215	5,968	12,599
Taxes	-552	-1,095	-2,012	-3,772
Tax rate in %	39.7%	26.0%	33.7%	29.9%
Period profit before DCO	837	3,120	3,956	8,827
Period profit after DCO	821	3,120	4,513	8,277
Earnings per share in EUR (before DCO)	0.11	0.41	0.52	1.16
Shares outstanding (average) in thousand	7,592	7,592	7,592	7,592

SENSORS	Q3 2009	Q3 2010	9M 2009	9M 2010
Sales revenues	14,739	22,077	47,694	59,907
Gross profit	4,476	7,718	16,239	21,258
Gross margin in %	30.3%	34.9%	34.0%	35.4%
EBITDA	470	3,146	4,950	7,901
EBITDA margin in %	3.2%	14.2%	10.4%	13.1%
EBIT	102	2,696	3,818	6,595
EBIT margin in %	0.7%	12.2%	8.0%	11.0%

VISION	Q3 2009	Q3 2010	9M 2009	9M 2010
Sales revenues	7,346	12,117	19,954	33,244
Gross profit	3,957	6,417	10,530	18,358
Gross margin in %	53.8%	52.7%	52.8%	55.1%
EBITDA	2,548	3,881	5,692	10,852
EBITDA margin in %	34.7%	31.9%	28.5%	32.6%
EBIT	2,274	3,442	4,850	9,784
EBIT margin in %	30.9%	28.3%	24.3%	29.4%

OTHER KEY GROUP FIGURES	2009/31/12*	2010/30/09
Total assets	142,439	165,111
Noncurrent assets	88,420	88,934
Current assets	54,019	76,178
– thereof cash and cash equivalents and other current financial assets	20,986	31,265
Equity	95,370	103,122
Equity ratio in %	67.0%	62.5%
Net liquidity	-4,590	6,621
Working Capital	21,064	31,353
Closing price (Xetra) in EUR	10.87	13.30
Enterprise Value (EV)	87,115	94,352
Number of employees (headcount)	509	597
Return on Capital Employed (ROCE)	8.3%	10.7%

*Balance sheet items as of December 31, 2009 include the DLoG GmbH, which was sold in the first quarter 2010

** w/o DLoG

Dear Shareholders and Friends of AUGUSTA,

AUGUSTA is once again on the way up. The positive trend of previous quarters continued from July to September 2010, making it our strongest this year. Excellent incoming orders, sales revenues beyond expectations, and improved margins are indicators of our exceedingly positive operating performance. In this context, we greatly benefited from the recovery of the target markets for vision and sensor technology.

We have also made strategic progress: as of September 1, 2010, we acquired a controlling inter-est in P+S Technik GmbH, headquartered in Munich, Germany. P+S Technik is one of the most innovative providers in the film camera market, whose products enable special, extraordinary pictures. With this investment, we can benefit from the growth opportunities associated with the digitalization of the film industry and add another segment to our existing vision activities in the field of media and entertainment.

Summary of key facts:

/ Consolidated sales revenues rose to EUR 93.2 million in the first nine months, an increase of 38 percent over the previous year. Compared to the previous quarter, the sales revenue for the third quarter rose by 55 percent to EUR 34.2 million and exceeded the first two quarters of 2010. While the business in the six-month period was mainly driven by the camera segment, the demand for sensors and microsystem technology increased in the third quarter, resulting in a substantial increase over the corresponding figures for the previous year in both segments.

/ A very solid growth trend was evident in the incoming orders, whose cumulative total as of the end of the third quarter amounted to EUR 106.8 million, a 75-percent increase compared to the previous year. Quarter-on-quarter, incoming orders in the third quarter improved by 72 percent to EUR 36.8 million compared to the previous year. The book-to-bill ratio at the end of third quarter was 1.15, indicating a continuation of the positive development.

/ As of the end of the reporting period, order book increased by 41 percent to EUR 51.4 million compared to the previous year. Our revenue targets for 2010 have thus been effectively met.

/ The gross margin as of September 30, 2010 amounted to 42.5 percent, almost 3 percentage points over the previous year's level. In the first half of 2010, the drastic acceleration in demand triggered bottlenecks in the supply of electronic components and image sensors. The situation relaxed slightly in the third quarter, although we must be prepared for generally higher material costs, due to the price increase and individual allocation effects.

Managing Board of AUGUSTA: Arno Pätzold, Chief Development Officer (left), Amnon F. Harman, Chief Executive Officer (center) and Berth Hausmann, Chief Financial Officer (right)

- Our profitability increased at a much higher rate than our sales revenues did. Earnings before interest, taxes, depreciation, and amortization (EBITDA) shot up by 71 percent to EUR 15.3 million. The EBITDA margin was 16.5 percent, 3.2 percentage points more than in the first nine months of 2009. From a quarterly perspective, EBITDA more than doubled to EUR 5.7 million.
- Due to the acquisition of P+S Technik, the working capital went up to EUR 31.4 million (December 31, 2009: EUR 21.1 million). Our goal is to keep the increase in working capital below the revenue growth by the end of the year.
- Despite the financing of the investment in P+S Technik from capital resources, cash and cash equivalents amounted to EUR 31.3 million at the end of the third quarter 2010, and were thus considerably over the level of the end of the financial year 2009 (EUR 21.0 million). The Group's net liquidity as of the end of the reporting quarter amounted to EUR 6.6 million.
- As of the end of the third quarter, the equity ratio was 62.5 percent (December 31, 2009: 67.0 percent). The contractually-agreed earn-out for the purchase of P+S Technik is reflected in the increase in non-current other liabilities and deferred taxes. This in turn, has resulted in a slight drop in the equity ratio.
- As of September 30, 2010, earnings per share climbed to EUR 1.16 (previous year: EUR 0.52 per share).
- Since the beginning of the year, the AUGUSTA share gained about 25 percent in value by the end of September, substantially outperforming various benchmark indexes (DAX, TecDAX, SDAX).

The upsurge has mainly benefited companies that continued to focus on new market opportunities and to invest in the development of new products even during the crisis. AUGUSTA is one of these companies. We successfully overcame the gap between intensive price pressure on the one hand and growing quality awareness on the other. Our competitive advantages lie in innovation, technological leadership, and highly specific solutions with maximum customer benefit.

We are making good progress in the ongoing strategic development of AUGUSTA, and we quickly returned to the growth path after the crisis. We put great emphasis on a clear focus of our business on the fast-growing niche markets of sensors and digital imaging. In the Sensors segment, we want to continue to grow organically, especially by expanding our technology competence. In the Vision segment, we mainly concentrate on inorganic growth, as we believe that in view of our market position and the market fragmentation, acquisitions offer more potential.

The growth parameters for the global economy remain stable. However, there are more and more signs that the upsurge has already passed its peak and that growth is proceeding with less dynamism. In terms of the medium-term economic development, we anticipate uncertainties mainly due to the weakness of the US market and the risk of slowdown in Asia, especially in China. Despite these uncertainties with regard to the global economy, we expect a continuation of the highly positive performance for the financial year 2010. Based on our strong operating performance, we believe that we will easily reach our annual sales revenue guidance of EUR 112 to 120 million and the upper end of our EBITDA guidance of EUR 17 to 20 million.

Thank you for your trust.

Amnon F. Harman	Berth Hausmann	Arno Pätzold
CEO	CFO	CDO

The AUGUSTA share

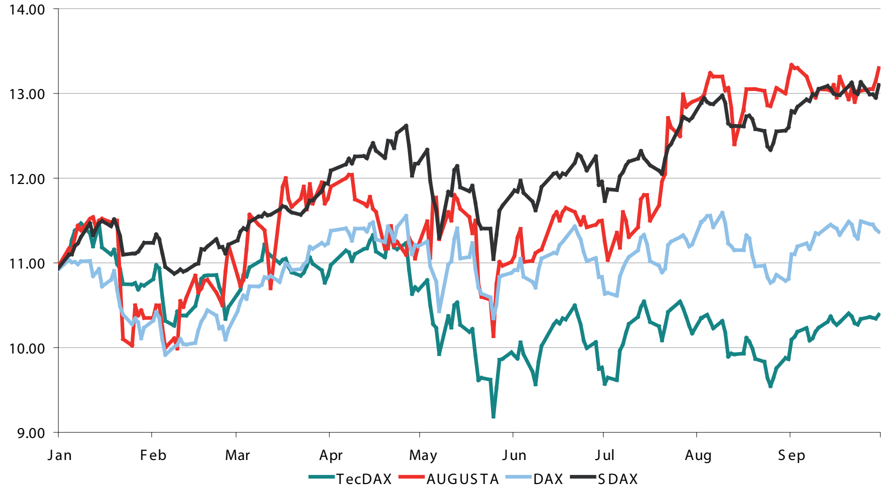
Following the effective recovery of the stock exchanges in 2009, they continued to follow a slightly stronger trend in 2010, though with lateral fluctuations. Especially in recent weeks, the capital markets have responded more positively to the improved macroeconomic data. The fears of a relapse into the recession seem to have disappeared. For the EU, the European Commission predicts a growth of about 1.8 percent in 2010. On a global scale, the situation is even better. Worldwide, the IMF expects a growth of approximately 4 percent for this year. Analysts are also optimistic about the future performance of companies. For 2010 and 2011, they expect profits to grow still further, often in the double-digit range. All in all, the net profits of listed companies in Germany will most likely increase by more than half compared to the prior year. In the USA and in Europe as a whole, the increase will merely amount to about one third.

Most of the economic indicators and the lack of investment alternatives point to a continually positive mood in the capital market and further potential for upward movement of prices. However, the signs increasingly show that early indicators have already reached their peak, at least in terms of the dynamism of the improvement. Further price increases could be curbed by a substantial economic decline in China and other emerging markets, the fear of a double dip in the USA, the imbalance of the global economy, and the retarding effect of the end of governmental economic stimulus packages.

Share price development

While the indexes of large enterprises were caught up in a narrow lateral movement in late September, many small caps exhibited a much better performance. From the beginning of the year until late September, the DAX grew by a moderate 5 percent, while the TecDAX lost 4 percent. Most of the investors focused on medium-sized or small enterprises that had not benefited from the general recovery of the capital market in 2009. It is therefore not surprising that by the end of September, the small cap index SDAX recorded an increase of 23 percent.

AUGUSTA SHARE PRICE COMPARED TO DAX, TECDAX AND SDAX



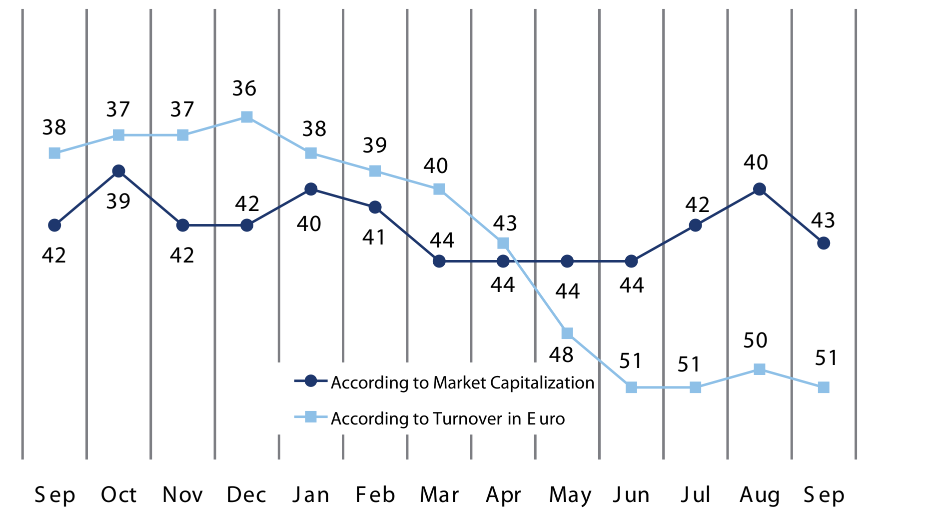
In

the first nine months of 2010, the AUGUSTA share also enjoyed a substantial increase in value. The price climbed by about 25 percent from EUR 10.87 as at December 31, 2009 to EUR 13.30 as at September 30, 2010. The AUGUSTA share thus outperformed all major comparative indexes. Currently, the price is hovering at a level of over EUR 14.

TecDAX ranking

In the TecDAX ranking, AUGUSTA shares reached 51st place in terms of share turnover (previous year: 38th place). With respect to the free float market cap, the AUGUSTA share reached 43rd place, remaining at more or less the same level as in the previous year (previous year: 43rd place). Despite the price gain in relation to the TecDAX, AUGUSTA was not able to improve its ranking within a year, especially as far as the trading activity is concerned.

TECDAX POSITIONING: RANKING OF THE AUGUSTA SHARE



Dividend policy

Our long-term dividend goal is to pay out about 30 percent of net profits as dividend. A sustainable dividend policy is a visible indicator of the ongoing profitability of an enterprise. Thanks to the high buffer of cash reserves and the strong performance in the financial year 2010, we plan to pay out a dividend for the financial year 2010 in the scheduled amount.

Apart from a continuous dividend, value-oriented investors also base their selection of shares on the earnings situation and the price/earnings ratio. Compared to other enterprises in the field of sensors and industrial image processing, AUGUSTA has a solid P/E ratio of almost 10. In view of the operating performance – even in the year of the crisis – and the comparably favorable rating, the share continues to be an attractive, auspicious investment.

A SUMMARY OF THE AUGUSTA SHARE

ISIN	DE000A0D6612
Market segment	Prime Standard
Trading segment	Technology Prime-Sektor Industrial
Indices	CDAX/Prime All Share/Technology All Share
Date of initial listing	May 5, 1998
Number of shares issued	8,435,514
High/low (52 weeks)*	13.34 EUR/8.66 EUR
Closing price as of September 30, 2010*	13.30 EUR
Market capitalization as of September 30, 2010*	EUR 112.20 million
Earnings per share as of September 30, 2010	1.16 EUR
Dividend per share in 2010	0.30 EUR

* Xetra closing price

Consolidated Management Report

Business and overall environment

The highly dynamic recovery of the global economy in recent months suggests that the crisis of 2008 and 2009 will be overcome faster than expected. Early indicators indicate further growth, though with less impetus. According to IMF, the overall growth of the global economy in 2010 and 2011 will be approximately 4 percent. Emerging markets continue to provide stimulus, although with a slightly reduced growth rate. The recovery is also continuing in industrial countries. Only the USA is posting little growth; another recession is not expected, but cannot be excluded either. The poor growth of the US economy is mainly the result of the end of the extensive economic stimulus packages. The US market also suffers from a relatively high unemployment rate. In the euro zone, the growth is based especially on exports – particularly from Germany and Northern Europe. Growth in the euro zone is limited by less export-oriented countries in Central Europe and countries subject to rigid savings measures: Greece, Portugal, and Italy. Early indicators for 2011 point to a less dynamic continuation of the economic recovery with an increased width. In euro zone, Germany is currently the undisputed leader in terms of economic growth. Thanks to its intensive export orientation, this country will record more growth and reach the pre-crisis level by the end of next year. In the euro zone as a whole, the pre-crisis level will most likely be reached in the course of 2012, at the earliest.

AUGUSTA as well is feeling the generally positive trend in its target markets. Particularly industries that suffered severely from the recession in 2009, such as the semiconductor, automotive, and engineering industries, have effectively made up for the slump in the previous year.

Following the extremely positive first half of 2010, growth in the automotive industry slowed slightly in the third quarter. Currently, emerging markets still have a stimulating effect. The German engineering industry has benefited both from the recovery of the global economy and from the revitalization of domestic investments. According to the industry association VDMA, the present capacity utilization of companies in this field is 83 percent. A large number of incoming orders indicates an increase in industry production in the coming months. Recently, the increase in incoming orders slowed down slightly. All in all, the German engineering industry is expected to grow by about 6 percent in 2010.

Machine vision manufacturers are growing very dynamically. Many projects that were suspended in 2009 are now being rolled out. A growth of about 9 percent is predicted for traditional machine vision application scenarios. Demand is also stimulated by the increasing use of digital machine vision in non-industrial areas such as security and surveillance, smart traffic systems, environmental technology, and entertainment. A total increase of 11 percent is projected for the European machine vision market as a whole. Aside from new vertical markets, there is also an influx of new technical applications. 3D applications have recently increased in popularity and are contributing to market growth.

The VDMA predicts an even higher growth of approximately 14 percent fin the robotics and automation market in 2010. This means a return to the level of 2005 – although the industry still has some way to go until it reaches the record revenues of 2007 and 2008.

Meanwhile, a year after rock bottom, the sensor und measurement technology market has stabilized. Demand is increasing in all industries. According to the AMA, the association for sensor technology, an average market growth of 5 to 6 percent is expected for 2010.

In the field of medical technology, which proved to be very resilient to the crisis in 2009, there has not been any major upsurge compared to the previous year. For 2010, the Spectaris association predicts a moderate growth of 6 percent, a rate that is only slightly above the long-term growth trend. Stable economic trends such as the demographic aging, the rising income, and the growing population in large emerging markets form the basis for medium and long-term growth potential.

AUGUSTA addresses various customers in the above-mentioned industrial and non-industrial markets. In 2010, the sales promotion and cost optimization measures taken during the crisis enabled AUGUSTA to benefit greatly from the economic recovery. The positive development continued in the third quarter of 2010.

Revenues and earnings development

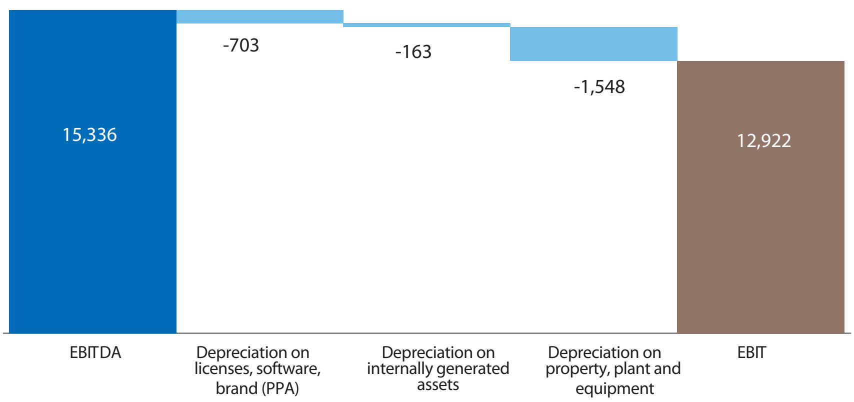
Cumulatively, consolidated sales revenues climbed to EUR 93.15 million, an increase of 37.7 percent over the previous year (EUR 67.65 million). While sales revenues were mainly driven by the camera business in the first six months, the Sensors segment underwent substantial growth in the third quarter. Especially the companies from the field of sensors that had suffered severely from the crisis in the previous year benefited from the upturn. Year for year, quarterly sales revenues went up by 54.8 percent to EUR 34.19 million (previous year: EUR 22.09 million). P+S Technik GmbH, which was acquired as of September 1, 2010, only played a minor role in this development, as only the revenue for one month has been consolidated so far.

The gross margin also rose sharply by 48.0 percent to EUR 39.62 million (previous year: EUR 26.77 million), which represents a gross margin of 42.5 percent as of September 30, 2010 (previous year: 39.6 percent). Year over year, the quarterly gross profit increased by 68.6 percent to EUR 14.23 million (previous year: EUR 8.44 million). This represents a gross margin of 41.6 percent for the third quarter of 2010 (previous year: 38.2 percent). The drastic acceleration in demand continued to trigger bottlenecks in the procurement of electronic components and image sensors. Though the procurement situation relaxed slightly in the third quarter, the gross margin will continue to be under pressure due to the limited availability of material and associated price increases as well as a higher cost-of-sales ratio. It has thus been necessary to optimize the material management by finding alternative procurement routes and by increasing stock levels to a reasonable extent. For the said reasons, the gross margin in the third quarter was slightly lower than in the previous quarters, but still way above the prior-year figures.

The cost savings, product development, and sales measures implemented in the previous year proved effective, which was evident not only in the revenue increase, but also in a disproportionately high profitability increase. As of September 30, 2010, earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to EUR 15.34 million, 71.1 percent more than in the previous year (EUR 8.97 million). The EBITDA margin climbed to 16.5 percent (previous year: 13.3 percent), thus returning to the long-term target corridor. Year over year, the quarterly EBITDA more than doubled to EUR 5.75 million (previous year: EUR 2.48 million).

As of the end of September 2010, depreciation and amortization climbed to EUR 2.41 million (previous year EUR 2.02 million). Apart from the depreciation of assets, this figure also includes the amortization of licenses, software, and brand names (purchase price allocation - PPA) due to the effects from previous acquisitions and from the purchase of a controlling interest in P+S Technik. The following image shows the various depreciation and amortization types.

RECONCILIATION OF EBITDA TO EBIT IN EUR THOUSAND

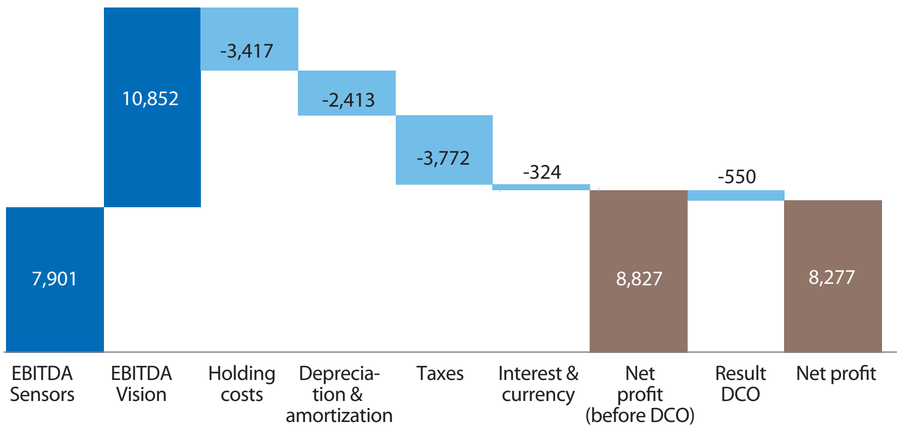


Despite the higher depreciation and amortization, earnings before interest and taxes (EBIT) were increased considerably. As of September 30, 2010, EBIT amounted to EUR 12.92 million, an increase of 86.0 percent over the previous year (EUR 6.95 million). This means an EBIT margin of 13.9 percent (previous year: 10.3 percent). Year over year, EBIT in the third quarter closed at EUR 4.85 million, more than double the amount of the previous year (EUR 1.82 million). In the previous year, the earnings had been impaired by the restructuring measures of HE System Electronic.

Holding costs amounted to EUR 3.42 million as of September 30, 2010 (previous year: EUR 1.68 million). The increase resulted from one-time higher costs of the Annual General Meeting, imputed personnel expenses due to the share option program, higher variable personnel expenses due to the highly positive earnings performance, and a higher overall M&A budget.

Net income from continued operations totaled EUR 8.83 million, a sharp increase of 123.2 percent compared to the previous year (EUR 3.96 million). As of September 30, 2010, earnings per share amounted to EUR 1.16 (previous year: EUR 0.52).

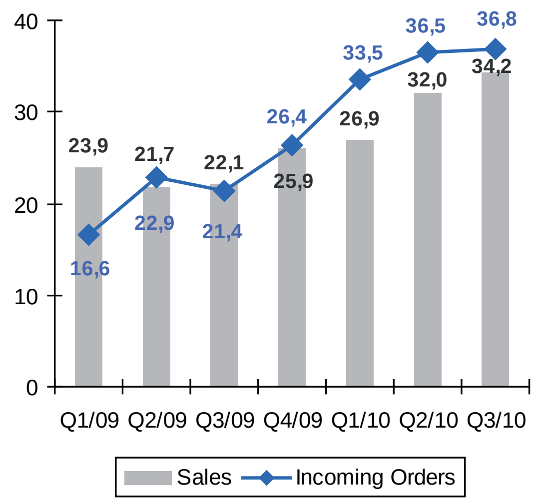
RECONCILIATION OF NET PROFIT FOR THE PERIOD IN EUR THOUSAND



Incoming orders have increased for four quarters in a row. Meanwhile, impetus comes from all industries and regions. As of September 30, 2010, incoming orders amounted to EUR 106.76 million, 75.3 percent more than in the previous year (EUR 60.91 million). Year over year, incoming orders in the third quarter improved by 71.8 percent to EUR 36.83 million (previous year: EUR 21.43 million). The book-to-bill ratio has been better than 1 for four quarters, reaching 1.15 on September 30, 2010.

Accordingly, the order book was at a high level as of September 30, 2010. At EUR 51.40 million, it was 40.8 percent higher than in the previous year (EUR 36.50 million). Of this amount, about EUR 28.43 million (approximately 55 percent) concern the year 2010.

DEVELOPMENT OF SALES AND INCOMING ORDERS BY QUARTER IN EUR MILLION



As of September 30, 2010, the key performance indicators were as follows:

Key Group Figures

IN EUR MILLION	Q3 2009	Q3 2010	9M 2009	9M 2010	CHANGE
Sales revenues	22.09	34.19	67.65	93.15	+37.7%
Gross profit	8.44	14.23	26.77	39.62	+48.0%
Margin	38.2%	41.6%	39.6%	42.5%	
EBITDA	2.48	5.75	8.97	15.34	+71.1%
Margin	11.2%	16.8%	13.3%	16.5%	
EBIT	1.82	4.85	6.95	12.92	+86.0%
Margin	8.3%	14.2%	10.3%	13.9%	
EBT	1.39	4.22	5.97	12.60	+111.1%
Margin	6.3%	12.3%	8.8%	13.5%	
Incoming orders	21.43	36.83	60.91	106.76	+75.3%
Order book	36.50	51.40	36.50	51.40	+40.8%

Development of the segments

The Vision segment consists of Allied Vision Technologies GmbH (AVT) with its subsidiaries and P+S Technik GmbH, which has been consolidated since September 1, 2010.

AVT is continually expanding its market share as the two interface technologies (FireWire and GigE) benefit from the effective upward trend in the targeted industries. At the regional level, the Asian market continues to be a growth driver. In addition to the high demand for camera systems for smart traffic solutions of local providers, European customers from the semiconductor and manufacturing industries are generating further growth in Asia.

Following a slow increase in the demand at the beginning of the year, the growth started to accelerate. Impetus comes especially from the fields of production, manufacturing industry, and automation. Despite the restrained mood in the USA, positive order developments were recorded in the field of automation solutions. We link this to the changes in the tax legislation, which result in special investments in 2010 and could impair the existing growth from 2011 on. Throughout 2010, medical technology – especially the field of ophthalmology equipment – has shown a weaker performance. We attribute this to the uncertainties related to the health reform in the USA, which have lead to a decline in the number of orders coming in from our customers in this field. Currently, 15 percent of Vision revenues are already being generated in the field of „traffic technology". With standard cameras for industrial use, we have reached a good position in this segment and have been able to keep up with the predicted market growth of more than 20 percent. Henceforth, this promising market is to be served with a specific product design.

By acquiring a controlling interest in P+S Technik GmbH, AUGUSTA has entered another niche market in image processing. Established in 1990, P+S Technik is an innovative provider of digital film cameras for the entertainment and film industry and of digital film scanners and archiving systems. AUGUSTA's takeover of P+S Technik represents another step in its acquisition strategy in the field of vision technology, which enables it to benefit from the growth opportunities associated with the digitalization of the film industry. The range of products of P+S Technik includes a modular digital film camera, a digital high-speed film camera, and various accessories for producing 3D films and enabling special, extraordinary pictures. The fact that P+S Technik is setting new standards in its area is also highlighted by the CINEC Award 2010 that the company received in late September 2010 for its 16 mm digital magazine. The company has just under 40 employees and expects annual revenues of about EUR 8 million in 2010.

In the Vision segment, sales revenues went up to EUR 33.24 million as of September 30, 2010, an increase of 66.6 percent over the previous year (EUR 19.95 million). The revenue share of P+S Technik, which was acquired on September 1, 2010, amounted to approximately EUR 0.5 million. Year over year, the quarterly revenue also picked up considerably; at EUR 12.12 million, it surpassed the prior-year figure by about 65.0 percent (previous year: EUR 7.35 million). As of September 30, 2010, the gross margin increased to 55.1 percent, compared to 52.8 percent in the previous year. The gross margin trend in 2010 is slightly regressive, due to the slight increase in material costs.

At EUR 10.85 million, EBITDA were almost double the amount of the previous year (EUR 5.69 million), which also applies to the EBIT of EUR 9.78 million (previous year: 4.85 million). The profitability was at a very high level, as can be seen from the EBITDA margin of 32.6 percent (previous year 28.5 percent) and the EBIT margin of 29.4 percent (previous year: 24.3) percent. In the coming quarters, P+S Technik will not make any major contribution to earnings, since this is an investment in a growth market.

Incoming orders underwent an extremely positive development, reaching a cumulative total of EUR 38.43 million by the end of September 2010 (previous year: EUR 17.06 million). The order book as of September 30, 2010 totaled EUR 9.26 million, an increase of 78.3 percent over the previous year (EUR 5.19 million). About 46 percent of the order book concern the year 2010.

Key Figures Vision

IN EUR MILLION	Q3 2009	Q3 2010	9M 2009	9M 2010	CHANGE
Sales revenues	7.35	12.12	19.95	33.24	+66.6%
Gross profit	3.96	6.42	10.53	18.36	+74.3%
Margin	53.8%	52.7%	52.8%	55.1%	
EBITDA	2.55	3.88	5.69	10.85	+90.6%
Margin	34.7%	31.9%	28.5%	32.6%	
EBIT	2.27	3.44	4.85	9.78	+101.7%
Margin	30.9%	28.3%	24.3%	29.4%	
EBT	2.14	3.26	4.37	9.34	+113.8%
Margin	29.1%	26.7%	21.9%	28.1%	
Incoming orders	5.93	11.15	17.06	38.43	+125.3%
Order book	5.19	9.26	5.19	9.26	+78.3%

The performance of the Sensors segment picked up in the last quarter. Following a stable growth in the first half of 2010, the Sensor and Microsystem Technology (SMST) segment benefited to a greater extent from the general upturn in the third quarter. Having felt the impact of the recession at a later date, this segment was also delayed in following up on the upturn. The stronger growth is now evident in the Sensortechnics Group from the figures for sales revenues, earnings, and incoming orders. All key performance indicators were better than in the two prior quarters. Growth was recorded in all industries.

In medical technology, a major framework agreement was signed in the field of dialysis in the third quarter. Following the drastic decline in 2009, semiconductor technology is now growing faster than expected, with three times as many incoming orders than in the previous year. The demand for sensors and microsystem electronics is just as intensive in environmental technology, home automation, and air-conditioning. In the field of classical industrial applications and engineering, SMST orders are partly about 35 percent higher than in the previous year. Due to the business expansion with a third-party customer in the field of digital cameras for the film industry, the demand for optosensor components has increased substantially as well. Overall, the microsystem technology area benefits greatly from design-ins and projects of the previous year that are now being rolled out. Sales of sensors and systems from our own production, which are developed independently or in collaboration with strategic technology partners, went up by almost 50 percent compared to the previous year. This increased the strategically-focused share in the total revenue with our own products.

The upturn of HE System Electronic is just as sharp as the slump in the previous year. Especially customers from the automotive and railway industries, consumer goods, energy, and medical technology are not only placing new orders, but are also reactivating existing framework agreements. The project pipeline includes new large projects with a considerable revenue volume.

In the field of mobile measurement systems, the performance of Dewetron GmbH improved considerably in the third quarter, following the moderate growth in the first half of 2010. The strong increase in the order book, large orders in the USA, new orders from the automotive and aerospace industries in Germany, and a steady growth in China and Korea suggest an excellent fourth quarter.

In total, the Sensors segment generated sales revenues of EUR 59.91 million, an increase of 25.6 percent over the previous year (EUR 47.69 million). Year over year, the quarterly revenue increased by a remarkable 49.8 percent to EUR 22.08 million (previous year: EUR 14.74 million). At 35.4 percent, the gross margin surpassed that of the previous year (34.0 percent).

The profitability of the Sensors segment substantially improved. In the corresponding prior-year quarter, the earnings had been impaired by the restructuring measures of HE System Electronic. As of September 30, 2010, EBITDA surged by 59.6 percent to EUR 7.90 million (previous year: EUR 4.95 million). Earnings before interest and taxes (EBIT) grew even more, reaching EUR 6.60 million, about 72.7 percent more than in the previous year (EUR 3.82 million). The EBITDA and EBIT margins are again in the two-digit range, with 13.1 and 11.0 percent, respectively (previous year: EBITDA margin 10.4 percent, EBIT margin 8.0 percent).

Incoming orders totaled EUR 68.33 million, approximately 55.8 percent over the previous year (EUR 43.85 million). The order book at the end of the third quarter amounted to EUR 42.15 million, an increase of 34.6 percent (previous year: EUR 31.31 million). Of the order book, 57 percent concern the year 2010.

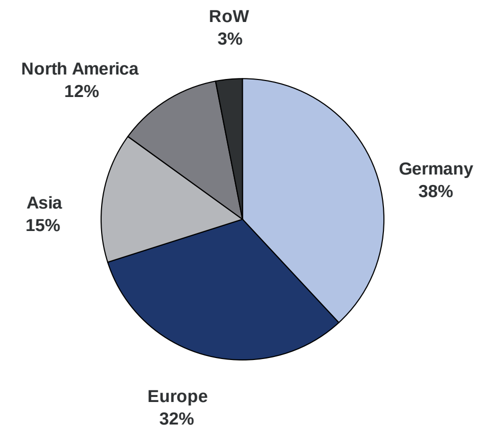
Key Figures Sensors

IN EUR MILLION	Q3 2009	Q3 2010	9M 2009	9M 2010	CHANGE
Sales revenues	14.74	22.08	47.69	59.91	+25.6%
Gross profit	4.48	7.72	16.24	21.26	+30.9%
Margin	30.3%	34.9%	34.0%	35.4%	
EBITDA	0.47	3.15	4.95	7.90	+59.6%
Margin	3.2%	14.2%	10.4%	13.1%	
EBIT	0.10	2.70	3.82	6.60	+72.7%
Margin	0.7%	12.2%	8.0%	11.0%	
EBT	-0.27	2.76	2.90	6.77	+133.5%
Margin	-	12.5%	6.1%	11.3%	
Incoming orders	15.51	25.68	43.85	68.33	+55.8%
Order book	31.31	42.15	31.31	42.15	+34.6%

Internationalization

In line with our strategic goals, we have continually reduced our dependence on the domestic German market in recent years. Compared to Europe, we more than tripled our growth in Asia and in the USA. The broader international positioning reduces our dependence on individual regional markets. We have successively expanded our market position in Asia and North America. We benefit from the trend toward automation and the need for more security, efficiency, and quality. To get closer to the Asian and North American procurement and sales markets, we have established production and sales subsidiaries on site. As of September 30, 2010, about 30 percent of the sales revenues were generated outside Europe.

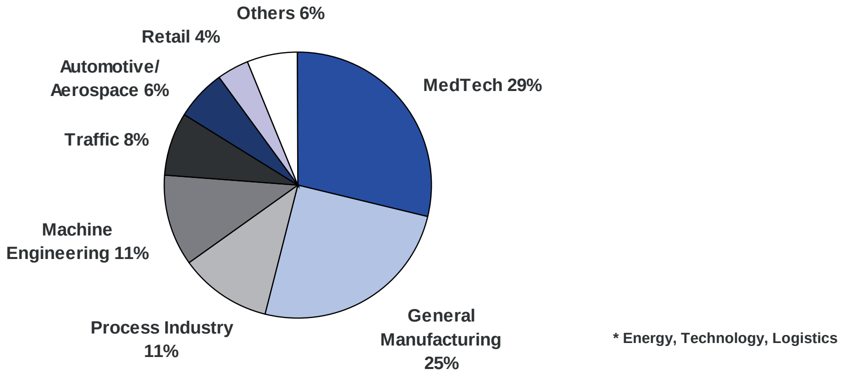
SALES REVENUES BY REGION IN PERCENT



Customer structure

A broad positioning in different customer groups provides us with a cushion against economic fluctuations. Last year, our customers from the engineering and manufacturing industries severely suffered from the crisis. Markets that are less dependent on the economic cycle, such as the process industry, medical technology, and traffic proved to be stable even during the crisis. In 2010, we benefited to a disproportionately high degree compared to the industry in general from the upsurge of our targeted customer groups.

SALES REVENUES BY CUSTOMER IN PERCENT



M&A acitivities and financing

Based on sensor and vision technologies, AUGUSTA mainly intends to exploit opportunities in niche markets characterized by long-term growth. In this context, we address global trends such as improved health care in an aging society and the need for more security, quality, and efficiency. Apart from the strong organic growth in 2010, attention is also being paid to growth through acquisitions. The main focus of the acquisition projects is the Vision segment, which already enjoys high growth rates and high profitability. Our acquisition of P+S Technik represents an investment a fast-growing market, though we only expect two-digit profitability from 2012 on. By way of our subsidiary Allied Vision Technologies, the perception and positioning of AUGUSTA as camera manufacturer is already very high in the field of digital image processing. This must be further expanded by means of further developments along the vertical value chain, thereby reinforcing customer, partner, and investor awareness to AUGUSTA as the leading technology company in the markets it addresses. This further development is driven by means of internal development projects and regional expansions of our sales structure. Acquisitions that propel our advancement in technology, new application areas, and regional markets also serve as a key accelerator of this strategy.

Our excellent balance sheet and superb operating basis give us the financial leeway needed for acquisitions. Our acquisition efforts mainly center on digital image processing (Vision segment). In the Sensors segment, we mainly invest in our proprietary products in the form of internal developments and technology partnerships.

Development of the key balance sheet items

The changes in the balance sheet were mainly due to the deconsolidation of DLoG GmbH in the first quarter and the acquisition of a controlling interest in P+S Technik GmbH, which has been consolidated since September 1, 2010.

As of September 30, 2010, the balance sheet total amounted to EUR 165.11 million, an increase compared to the figure as of the end of the financial year (December 31, 2009: EUR 142.44 million). The balance sheet total of P+S Technik was EUR 7.71 million. Additionally, the distribution of purchase price installments already paid and other potential earn-out components have been taken into consideration.

On the assets side, the initial consolidation of P+S Technik had an effect on the goodwill, which amounted to EUR 56.71 million (December 31, 2009: EUR 63.44 million). This corresponds to about 55.0 percent of the equity (end of the financial year: 66.5 percent).

As a result of the consolidation of P+S Technik, non-current assets, including intangible assets, increased to EUR 88.93 million (end of the financial year: EUR 88.42 million). Current assets also, increased to EUR 76.18 million (December 31, 2009: EUR 54.02 million).

As of September 30, 2010, the working capital increased to EUR 31.35 million (December 31, 2010: EUR 21.10 million). Of this amount, EUR 3.55 million came from the initial consolidation of P+S Technik. The goal is to keep the growth of the working capital below the revenue growth by the end of the financial year 2010.

At 92, the days of working capital (DWC) as of the end of the reporting period were slightly below the previous year (98 days), though the current value is somewhat distorted due to the initial consolidation of P+S Technik.

As of September 30, 2010, cash and cash equivalents and marketable securities increased to EUR 31.26 million (December 31, 2009: EUR 20.99 million). In the first quarter, the sale of DLoG generated cash proceeds of approximately EUR 12.5 million, while in the second quarter, EUR 2.3 million were distributed as dividends. Despite the takeover of the financial liabilities of P+S Technik, financial liabilities have receded by EUR 1 million since the beginning of the year. The controlling interest in P+S Technik was financed exclusively from capital resources.

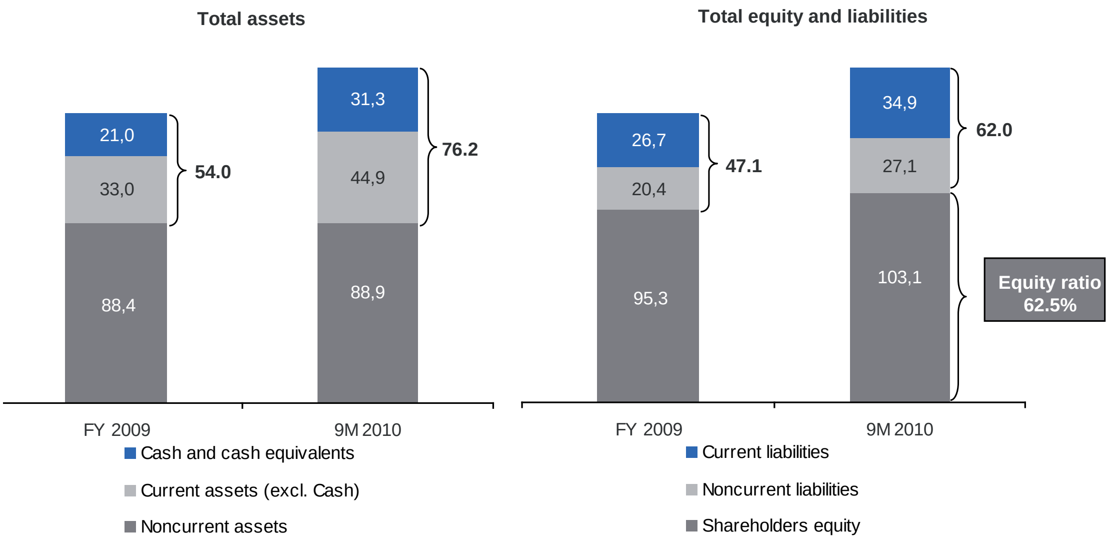
On the equity and liabilities side, equity increased to EUR 103.12 million (December 31, 2009: EUR 95.37 million). Due to the acquisition, the equity ratio amounted to 62.5 percent as of September 30, 2010 (end of the financial year: 67.0 percent). This was due to the increase in other non-current liabilities as a result of the agreed earn-out and the resulting deferred taxes.

The net liquidity amounted to EUR 6.62 million as of September 30, 2010 (December 31, 2009: net debt of EUR 4.59 million).

Despite the acquisition of P+S Technik, AUGUSTA still boasts a sound balance sheet structure with comfortable liquidity and high equity.

KEY BALANCE SHEET ITEMS IN EUR MILLION	FY 2009	9M 2010	CHANGE
Goodwill	63.44	56.71	-10.6%
Cash and cash equivalents and other current financial assets	20.99	31.27	+49.0%
Total assets	142.44	165.11	+15.9%
Net liquidity	-4.59	6.62	-
Enterprise Value	87.12	94.35	+8.3%
Equity ratio	67.0%	62.5%	-

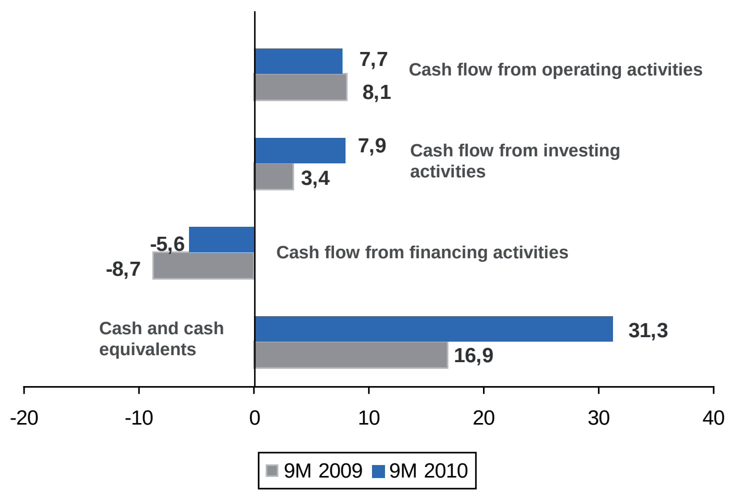
BALANCE SHEET IN EUR MILLION



View of cash flow

Despite the build-up of working capital, the cash flow from operating activities amounted to EUR 7.67 million (previous year: EUR 8.09 million). The cash flow from investing activities was EUR 7.88 million as of the end of the reporting period (previous year: EUR 3.44 million). This figure reflects the sale of DLoG in the first quarter (EUR 12.5 million) and the acquisition of a majority interest in P+S Technik (EUR -2.6 million). As of September 30, 2010, the cash flow from financing activities amounted to EUR -5.58 million (previous year: EUR -8.67 million). This figure includes the dividend payment of EUR 2.3 million and a further repayment of EUR 3.6 million for current acquisition-related loans.

OVERVIEW OF CASH FLOW IN EUR MILLION



Employees

As of September 30, 2010, the AUGUSTA Group had 597 employees, more than in the prior year (534 employees). In the Vision segment, 37 employees joined the workforce within the scope of the acquisition of a controlling interest in P+S Technik.

The Sensors segment had 408 employees (previous year: 396), and the Vision segment had 184 employees (previous year: 133). The strong growth in all companies is accommodated by means of temporary production personnel. Permanent employees were hired in product management, development, and distribution.

Significant developments after the reporting date of September 30, 2010

No material changes have occurred after the reporting date of September 30, 2010.

Outlook: Guidance to be easily reached

According to market experts, the recovery of the global economy with important impulses from the emerging markets will continue in the next two years, but will be less dynamic. Concerning the USA, there are different opinions that consider certain risks, mainly due to the slow economic recovery and the high unemployment rate.

In the short run, we expect the recovery to continue with reduced dynamism. In the medium run, the positive economic development mainly depends on the recovery of the USA and on a Chinese economy that does not heat up further, as this could result in setbacks due to bursting speculative bubbles.

The addressing of attractive growth niches and a balanced regional revenue spread will continue to be our key growth drivers.

From the current perspective, we believe that in the Sensors segment, the second half of 2010 will be at least just as strong as the first half of the year. In the Vision segment, we expect incoming orders and sales revenues to recede slightly in the second half of the year, as general catch-up effects and large orders from China are not anticipated in the amount witnessed in the first half of the year.

Thanks to our excellent 9-month revenue and a strong order book, we are confident that we will easily reach the communicated consolidated revenue guidance of EUR 112 to 120 million and that we will reach the upper end of the communicated EBITDA of EUR 17 to 20 million. The limited availability of material is the only risk we still fear.

Our market positioning, product innovations, efficient distribution system, and close customer contacts give us reason to maintain a positive outlook for 2011. We have a solid basis for the continuation of our growth in 2011.

Balance Sheet as of September 30, 2010

ASSETS IN EUR THOUSAND	2009/31/12	2010/30/09
Noncurrent assets		
Intangible assets, net	8,291	16,080
Goodwill, net	63,441	56,707
Property, plant and equipment, net	13,183	13,289
Noncurrent financial assets, net	650	386
Deferred tax assets	857	1,010
Other noncurrent assets	1,998	1,463
Total noncurrent assets	88,420	88,934
Current assets		
Inventories	17,573	25,493
Trade accounts receivables, net	12,799	15,812
Receivables from related parties	174	42
Current financial assets	15	105
Noncurrent financial assets held for sale	0	0
Tax account receivables	1,285	1,081
Prepaid expenses and other current assets	1,202	2,473
Cash and cash equivalents	20,971	31,172
Total current assets	54,019	76,178
Total assets	142,439	165,111

EQUITY AND LIABILITIES IN EUR THOUSAND	2009/31/12	2010/30/09
Shareholders' equity		
Share capital	8,436	8,436
Capital reserves	55,679	55,853
Earnings reserves	30,000	30,000
Currency translation	701	2,162
Revaluation reserves	-548	-324
Retained earnings	14,041	19,949
Treasury shares	-13,166	-13,166
Minority interest	227	211
Total shareholders' equity	95,370	103,122
Noncurrent liabilities		
Long-term loans, excluding current portion	14,134	11,914
Noncurrent post-employment benefit obligation	799	1,453
Other noncurrent provisions	277	288
Deferred tax liabilities	3,473	5,902
Other noncurrent liabilities	1,703	7,651
Total noncurrent liabilities	20,386	27,118
Current liabilities		
Trade accounts payables	6,738	9,952
Short-term loans and current portion of long-term loans	11,443	12,729
Other current financial liabilities	1,515	323
Liabilities held for sale	0	0
Income tax provisions and liabilities	480	2,329
Other current provision	2,858	5,153
Other current liabilities	3,649	4,386
Total current liabilities	26,683	34,872
Total equity and liabilities	142,439	165,111

Consolidated Statement of Comprehensive Income

IN EUR THOUSAND	Q3 2009 07/01-09/30/2009	Q3 2010 07/01-09/30/2010	9M 2009 01/01-09/30/2009	9M 2010 01/01-09/30/2010
Sales revenues				
Products	22,077	34,186	67,637	93,107
Services	8	8	10	44
	22,085	34,194	67,648	93,151
Cost of sales				
Products	-13,648	-19,969	-40,874	-53,535
Services	0	0	0	0
	-13,648	-19,969	-40,874	-53,535
Gross profit	8,437	14,225	26,774	39,616
Selling & marketing expenses	-3,001	-4,380	-9,417	-11,637
Research & development expenses	-1,530	-2,093	-4,457	-5,149
General & administrative expenses	-1,643	-3,085	-5,976	-10,309
Depreciation of goodwill	0	0	0	0
Other income /expense	-439	178	25	402
Profit from operations	1,824	4,845	6,950	12,922
Net interest income / expense	-303	-320	-655	-976
Foreign currency exchange gains / losses	-64	-310	-144	652
Depreciation of financial assets	0	0	0	0
Other financial assets	-68	0	-183	0
Net financial result	-434	-630	-982	-324
Profit before tax	1,389	4,215	5,968	12,599
Income tax expenses	-552	-1,095	-2,012	-3,772
Profit from continued operations	837	3,120	3,956	8,827
Result from discontinued operations after tax	-16	0	558	-550
Consolidated profit for the period	821	3,120	4,513	8,277

IN EUR THOUSAND	Q3 2009 07/01-0930/2009	Q3 2010 07/01-09/30/2010	9M 2009 01/01-09/30/2009	9M 2010 01/01-09/30/2010
Profit / loss attributable to minority interest	-11	-59	-54	-91
Consolidated profit for the period after minority interest	811	3,061	4,459	8,186
Currency adjustments	469	-2,242	1,039	1,461
Changes in derivative investments	-18	255	-241	94
Taxes on other total revenue	5	-72	68	130
Additions third party share (after currency adjustment)	11	59	54	91
Other total revenue net of tax	467	-2,000	920	1,777
Total revenue	1,278	1,061	5,379	9,963
Earnings per share (diluted and undiluted) in EUR	0.11	0.41	0.52	1.16
Weighted average shares outstanding in thousand	7,592	7,592	7,592	7,592

Consolidated Cash Flow Statement

IN EUR THOUSAND	09/30/2010*	09/30/2009
Cash and cash equivalents at the beginning of the period	20,986	13,859
Consolidated profit for the period	8,277	4,346
Depreciation and amortization	2,442	2,054
Other non-cash expenses	889	-249
Increase (-)/decrease (+) inventories	-7,163	2,949
Increase (-)/decrease (+) in trade receivables	-3,153	961
Increase (+)/decrease (-) in trade payables	3,259	770
Increase (-)/decrease (+) in deferred tax assets and liabilities	-41	165
Increase (+)/decrease (-) in provisions	2,019	-283
Increase (-)/decrease (+) in other noncurrent and current assets	-462	1,401
Increase (+)/decrease (-) in other noncurrent and current liabilities	1,605	-4,028
Net cash flow from operating acitivities	7,672	8,086
Payments to acquire intangible assets	-1,120	-1,624
Payments to acquire property, plant and equipment	-913	-2,895
Payments to acquire noncurrent financial assets	-23	-205
Proceeds from sale of intangible assets	0	0
Proceeds from sale of property, plant and equipment	0	63
Proceeds from sale of noncurrent financial assets	0	0
Short-term disposition in restricted cash	0	8,044
Proceeds from sale of DLoG	12.532	0
Proceeds from sale of DLoG Slovenia	0	59
Payments from the acquisition of subsidiaries, net of purchased cash	-2,596	0
Net cash flow from investing activities	7,880	3,442
Free cash flow	15,552	11,528
Change in short-term debt	-1,121	-1,759
Change in long-term debt	-2,491	2,286
Proceeds from (+) payments to (-) shareholders	357	0
Dividend payments to shareholders	-2,324	-9,197
Cash flow from financing activities	-5,579	-8,670
Cash flow	9,973	2,858
Effect of exchange rate changes on cash and cash equivalents	228	114
Cash and cash equivalents at end of period	31,187	16,831
Composition of financial resource fund	31,187	16,831
Cash and cash equivalents	31,172	16,831
Less restricted cash	0	0
Money market funds	15	0
Additional disclosures relating to cash flow		
Income taxes paid	3,687	-3,486
Income taxes received	241	389
Interest paid	1,033	-969
Interest received	58	304

* The balance sheet figures ad of December 31, 2009 include the DLoG GmbH. The cash flow statement of the current fiscal year 2010 excludes the assets and liabilities of the DLoG Gmbh, which was sold in the first quarter 2010

IIN EUR THOUSAND	09/30/2010	09/30/2009
Acquisition of subsidiaries		
Goodwill	1,082	0
Intangible assets	9,013	0
Tangible assets	853	0
Financial assets	14	0
Inventories	2,873	0
Trade account receivables	1,818	0
Other assets	434	0
Cash and cash equivalents	4	0
Deferred taxes	-2,499	0
Trade account payables	-1,471	0
Financial liabilities	-7,624	0
Provisions	-1,211	0
Provisions and liabilities from taxes	0	0
Other liabilities	-686	0
Minority interest	0	0
Purchase price paid	2,600	0
Acquired cash and cash equivalent	-4	0
Purchase price paid, net of purchased cash	2,596	0
Sales of subsidiaries		
Goodwill	8,880	30
Intangible assets	1,730	0
Tangible assets	356	19
Financial assets	4	0
Active deferred taxes	0	0
Other noncurrent assets	239	0
Inventories	2,117	0
Trade accounts receivables	1,958	109
Short-term financial assets	0	0
Other noncurrent assets	167	3
Cash and cash equivalents	48	3
Passive deferred taxes	-397	0
Provisions for pension fund liabilities	0	0
Other noncurrent liabilities	0	0
Trade account payables	-1,516	-23
Financial liabilities	0	-11
Provisions	-303	0
Provisions and liabilities from taxes	0	0
Other liabilities	-317	-35
Minority interest	0	0
Value adjusments from previous year	0	0
Consolidation entries	6	0
Loss on sale (before additional expenses for sales)	-122	-33
Purchase price received	12,850	62
Disposal of cash and cash equivalents	-48	-3
Additional costs for sale	-270	0
Inflow of funds from sale of company, net of disposed cash	12,532	59

Consolidated Statement of Changes in Equity

	SUBSCRIBED CAPITAL				
IN EUR THOUSAND	NUMBER OF SHARES	AMOUNT	CAPITAL RESERVES	RETAINED EARNINGS	TRANSALTION RESERVE
Status as of January 1, 2009	8,435,514	8,436	55,792	30,000	-1,051
Share options					
Acquisition of minority shares in Dewetron Deutschland GmbH			(115)		
Adjustment of pruchase price allocation 2009					
Dividend					
Appropriation to/whithdrawal from reserves					
Pruchase of treasury shares					
Total income					1,232
Status as of September 30, 2009	8,435,514	8,436	55,677	30,000	181
Status as of January 1, 2010	8,435,514	8,436	55,679	30,000	701
Share options					
Acquisition of minority shares in Dewetron Deutschand GmbH					
Dividend					
Purchase of treasury shares					
Total income			174		1,461
Status as of September 30, 2010	8,435,514	8,436	55,853	30,000	2,162

REVALUTATION RESERVES					
CURRENCY	CASH FLOW HEDGES	NET RETAINED LOSS/ GAIN	TREASURY SHARES	MINORITY INTEREST	TOTAL EQUITY
	-454	18,749	-13,166	333	98,639
					0
				-89	-204
					0
		-9,110		-87	-9,197
					0
					0
	-173	4,359		53	5,471
	-627	13,998	-13,166	210	94,709
	-548	14,041	-13,166	227	95,370
					0
					0
		-2,278		-46	-2,324
					0
	225	8,186		30	10,076
	-323	19,949	-13,166	211	103,122

Notes

Explanatory notes to the 9-month report

1. Accounting principles

The 9-month report of AUGUSTA Technologie AG of September 30, 2010 was drawn up in accordance with the Consolidated Financial Statements of December 31, 2009, in compliance with the International Financial Reporting Standards (IFRS). The same accounting, valuation, and calculation methods have been used in these interim financial statements as in the Consolidated Financial Statements of December 31, 2009.

The balance sheet contained in the report (as of September 30, 2010, and as of December 31, 2009), the income statement (for the first nine months of 2010 and 2009, respectively), the cash flow statement (for the first nine months of 2010 and 2009, respectively), and the statement of changes in equity (for the first nine months of 2010 and 2009, respectively) were drawn up by the Managing Board of AUGUSTA Technologie AG and have not been confirmed by an auditor.

2. Consolidated Companies

As of February 28, 2010, DLoG GmbH was deconsolidated. At the time of the deconsolidation, DLoG had generated an almost balanced result. Discontinued operations accounted for a loss of EUR 541 thousand due to premium payments to the responsible management of DLoG, attorneys' fees related to the transaction, and the performance-linked bonus paid to the M&A advisor, which was recognized in the first quarter of 2010 through profit or loss.

Furthermore, P+S Technik GmbH, headquartered in Munich, was taken over and consolidated.

P+S Technik GmbH Feinmechanik, Ottobrunn

Founded in 1990, P+S Technik GmbH Feinmechanik, headquartered in Ottobrunn, is one of the leading global suppliers of digital film cameras for the entertainment and film industry as well as of digital film scanners and archiving systems.

As of September 1, 2010, Augusta Technologie AG acquired 55.5 percent of the interest in P+S Technik by purchasing shares from the managing partners of P+S Technik and by means of a capital increase in the company to finance the growth plans.

The purchase price posted in the Group amounted to EUR 9.0 million as of September 1, 2010. By September 30, 2010, shares worth EUR 2.6 million were purchased, and a capital increase of EUR 4.0 million was carried out. This purchase price comprises a long-term earn-out provision tied to the company's projected EBITDA and targeted revenue. The equity of P+S Technik GmbH amounted to EUR 1.4 million as of September 1, 2010. Hidden reserves for technology, brand, and customer base were identified in the amount of EUR 9.0 million and duly allocated within the scope of the purchase price allocation. After deduction of the applicable deferred tax liabilities of EUR 2.5 million, the remaining goodwill amounts to EUR 1.1 million.

The final purchase price depends on the revenue and EBITDA generated in 2015 and 2016. A corresponding liability was recognized on the basis of the plan data. Should the actual data deviate from the plan data, the purchase price may increase or drop.

In the period from January 1 to August 31, 2010, P+S Technik GmbH generated revenues amounting to EUR 4,973 thousand and earnings before taxes amounting to EUR 29 thousand.

The following assets and liabilities were added to the AUGUSTA Group in 2010 from the acquisition of the 55.5-percent interest in P+S Technik (figures in EUR thousand):

P+S TECHNIK GMBH	09/01/2010
ASSETS	
Noncurrent assets	
- Goodwill	1,083
- Intangible assets	9,013
- Property, plant and equipment	853
- Financial assets	14
Current assets	
- Inventories	2,873
- Trade account receivables	1,818
- Other assets	434
- Cash and cash equivalents	4
TOTAL ASSETS	16.092

LIABILITIES	09/01/2010
Noncurrent provisions	
- Pension commitments	621
- Deferred tax liabilities	2,499
Current liabilities	
- Trade account payables	1,471
- Liabilities to banks	1,215
- Provisions for taxes	236
- Provisions	354
- Other current liabilities	687
TOTAL LIABILITIES	7,083

Under consideration of pro-forma information that is based on the assumption that the companies that were acquired or sold during this year would already have been considered at the beginning of the financial year 2008, the business activity of the AUGUSTA Group as of September 30, 2010 would have been as follows:

IN EUR THOUSAND	09/30/2010
Pro-forma sales revenues	98,124
Pro-forma consolidated net profit for the period	7,577
Average number of shares issued in thousands	7,592
Pro-forma consolidated earnings per share in EUR	1,00

3. Segment reporting

The business activities of AUGUSTA Technologie AG are organized in two segments: Sensors and Vision (formerly Controls). Following the sale of DLoG GmbH, the Controls business was renamed „Vision". This better reflects the Group's strategic focus on the three remaining product areas: sensor and microsystem technology, mobile measuring systems, and vision technology. The controlling interest in P+S Technik GmbH has been allocated to the Vision segment.

30/09/2009 IN TEUR	Sensors	Vision	Other	DCO	Reconciliation	Total
External sales	47,694	19,954	-	-	-	67,648
Internal sales	118	9	-	-	-127	0
Depreciation	-1,132	-842	-42	-	-	-2,016
EBIT	3,818	4,850	-1,856	-	137	6,950
Financial result	-916	-480	977	-	-563	-982
Result before DCO	2,099	3,722	-1,632	-	-234	3,956
Result DCO	-35	592	-	-53	53	558
Result after DCO	2,064	4,314	-1,632	-53	-181	4,513
Assets	65,869	63,366	27,739	-	-15,338	141,636
Liabilities	28,244	18,065	16,051	-	-15,338	47,021
Goodwill	27,875	37,155	-	-	-	65,031

09/30/2010 IN TEUR	Sensors	Vision	Other	DCO	Reconciliation	Total
External sales	59,907	33,244	-	-	-	93,151
Internal sales	194	67	-	-	-261	0
Depreciation	-1,307	-1,068	-38	-	-	-2,413
EBIT	6,595	9,784	-3,453	-	-3	12,922
Financial result	179	-440	434	-	-497	-324
Result before DCO	5,951	7,988	-4,612	-	-500	8,827
Result DCO	-	6,682	-3,977	-3,235	-	-550
Result after DCO	5,951	14,670	-8,610	-3,235	-500	8,277
Assets	69,840	56,202	48,822	-	-9,753	165,111
Liabilities	29,948	17,105	24,690	-	-9,753	61,990
Goodwill	28,090	28,616	-	-	-	56,707

4. Earnings per share

AUGUSTA Technologie AG earnings per share are calculated from the 8,435,514 shares issued less treasury shares held by AUGUSTA Technologie AG, based on the weighted average for the period under review. As of the closing date September 30, 2010, AUGUSTA Technologie AG held total of 843,551 treasury shares. In the first nine months of 2010, the number of shares in circulation amounted to 7,591,963.

5. Statement of Directors' Dealings as of September 30, 2010

In the first nine months of 2010, the following notifiable transactions in securities were conducted by company officers:

MANAGING BOARD	DATE	NUMBER OF SHARES	NATURE	SHARE PRICE ION EUR
Arno Pätzold	01/08/2010	3,000	Purchase	11.50

On September 30, 2010, the following tranches were issued to Managing Board members, managing directors, and executives of the AUGUSTA Group from the 2008 stock options program:

1. 1st tranche: 115,300 stock options at an exercise price of EUR 14.63 in 2008
2. 2nd tranche: 161,000 stock options at an exercise price of EUR 8.08 in 2009
3. 3rd tranche: 230,400 stock options at an exercise price of EUR 11.23 in 2010

The total of stock options issued is equivalent to roughly 60.1 percent of the approved program of 843,551 stock options in total. The options issued from the first tranche can no longer be exercised due to non-fulfillment of the exercise conditions (6 percent EBITDA increase excluding acquisition effect); this also applies to options held by Managing Board members.

	NUMBER OF SHARES 09/30/2010	NUMBER OF SHARES 12/31/2009	NUMBER OF SHARE OPTIONS 09/30/2010	NUMBER OF SHARE OPTIONS 12/31/2009
MANAGING BOARD				
Amnon F. Harman	15,500	15,500	60,000	50,000
Berth Hausmann	8,250	8,250	60,000	50,000
Arno Pätzold	3,000	-	30,000	-
SUPERVISORY BOARD				
Adi Seffer	-	-	-	-
Dr. Hans Liebler	-	-	-	-
Dr. Rainer Marquart	-	-	-	-
TOTAL	26,750	23,750	150,000	100,000

6. Treasury shares

On September 30, 2010, AUGUSTA Technologie AG held a total of 843,551 treasury shares. The shares represented EUR 843,551.00 of the share capital, which consists of 8,435,514 shares of a nominal value of EUR 1.00 each.

	NUMBER OF SHARES 09/30/2010	NUMBER OF SHARES 12/31/2009	INTEREST IN SHARE CAPITAL 09/30/2010
Treasury shares	843,551	843,551	10.0%

7. Decision-making bodies of AUGUSTA Technologie AG

The Managing Board consists of Amnon F. Harman, CEO, Berth Hausmann, CFO, and Arno Pätzold CDO.

Responsibility statement

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

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.

Risk report

According to the annual financial statements for 2009, no significant changes from which new risks for the Group could be derived have occurred. Reference is therefore made to the 2009 Annual Report for more details on the risk profile of AUGUSTA Technologie AG. It presents potential risks in detail.

Legal notice

This report contains forecasts that are based on the opinions of the Managing Board of AUGUSTA Technologie AG and that reflect its current views and assumptions. These forecasts are subject to risks and uncertainties. The actual performance and results of AUGUSTA Technologie AG may turn out differently due to various factors that cannot be foreseen at present. These include changes in the general economic and commercial situation, changes in interest rates and exchange rates, non-achievement of efficiency and cost reduction targets, and non-acceptance of newly launched products. We are convinced that our expectations are realistic, given the current circumstances. If, however, unforeseen risks should occur, AUGUSTA Technologie AG cannot guarantee that the expressed projections will be fulfilled.

Financial calendar 2010

Publication of the 9-month report	November 4, 2010
Analysts' conference at the Equity Forum, Frankfurt	November 24, 2010

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