AUGUSTA
Vision Technologies for Life

9-MONTH REPORT 2012

Focus on the Essence

Key Figures

in EUR thousand	Q3 2011	Q3 2012	9M 2011	9M 2012
Key figures for consolidated statement of comprehensive income				
Revenues	26,658	29,576	75,794	83,779
Gross operating result	12,701	14,268	36,016	41,334
Gross margin	47.8 %	48.2 %	47.7 %	49.3 %
EBITDA	5,250	6,525	13,491	16,481
EBITDA margin	19.8 %	22.1 %	17.9 %	19.7 %
Depreciation	-1,287	-1,310	-3,710	-3,908
EBIT	3,964	5,215	9,781	12,573
EBIT margin	14.9 %	17.6 %	13.0 %	15.0 %
EBT	3,313	4,699	8,164	11,650
EBT margin	12.5 %	15.9 %	10.8 %	13.9 %
Taxes	-942	-1,215	-2,301	-2,888
Tax rate	28.4 %	25.9 %	28.2 %	24.8 %
Adjusted net profit for the period before depreciations from PPA	2,370	3,484	5,864	8,762
Adjusted earnings per share before depreciations from PPA in EUR	0.31	0.45	0.77	1.14
Net profit of the period from continued operations by minorities	2,409	3,459	5,798	8,667
Earnings per share in EUR (continued operations by minorities)	0.32	0.45	0.76	1.12
Shares outstanding (average) in thousand	7,634	7,701	7,611	7,713
Balance sheet key figures			31/12/2011	**30/09/2012**
Balance sheet total			200,256	191,225
Fixed assets			101,010	100,432
Current assets			99,245	90,792
– thereof cash and cash equivalents and other current financial assets			65,859	56,693
Equity			145,782	153,088
Equity ratio in %			72.8 %	80.1 %
Net liquidity			42,688	48,219
Working capital			20,610	25,785
Closing price (Xetra) in EUR			14.34	23.08
Enterprise value (EV)			67,249	132,996
Other key figures			9M 2011	**9M 2012**
Incoming orders			72,480	83,255
Order backlog			29,488	38,103
Workforce as of balance sheet date			473	506

Content

Letter to the Shareholders

DEAR SHAREHOLDERS AND FRIENDS OF AUGUSTA,

The third quarter of 2012 will be the best quarter of 2012 for revenue and profit. We have continued our growth in all business divisions and have expanded our market positions despite the difficult economic conditions.

Below is an overview of the **key operating data** and events as at 30 September 2012:

- **Group revenues** after the first nine months amounted to EUR 83.8 million, up by 10.5 percent on the previous year period. We increased revenues by 10.9 percent on the same quarter last year.

- At the end of September 2012, **incoming orders** stood at EUR 83.3 million and were therefore 14.9 percent above the previous year. The book-to-bill ratio (incoming orders to revenues) reached a value of 0.99. Our **order backlog** stands at EUR 38.1 million and is therefore 29.2 percent above the previous year value.

- **Gross margin** has stabilised at a high 49.3 percent. The increase on the previous year (47.7 percent) is predominantly due to our strong competitive position and to the deconsolidation of the weak-margin P+S Technik.

- **Earnings before interest, taxes, depreciation and amortisation (EBITDA)** rose disproportionately by 22.2 percent to EUR 16.5 million. EBITDA margin climbed to 19.7 percent and was 1.8 percentage points above the previous year.

- **Working capital** increased compared to the end of 2011 by some EUR 5.2 million to EUR 25.8 million. We see the short-term supply chain security in the current market situation as a crucial competitive advantage.

- **Net profit from continued segments (Vision, Other business divisions)** amounts to EUR 8.8 million. Earnings per share is EUR 1.14.

In September we also felt the falling economic momentum. However, our cautious assessments for the second half of 2012 will be met despite the outstanding third quarter. The fourth quarter of 2012 will be weaker as regards incoming orders, revenue and profit.

PUBLIC TAKEOVER BID OF THE TKH GROUP

The execution of the bid for the AUGUSTA shares delivered until the end of the acceptance deadline was carried out on **2 July 2012**. TKH were tendered up to this point a total of 4,690,092 shares, which corresponds to an ownership ratio of 53.94 percent measured by the basic capital of AUGUSTA AG or 59.73 percent measured by the voting basic capital of AUGUSTA AG reduced in consideration of Section 71b German Stock Companies Act.

Since 1 July 2012 the consolidated figures of the AUGUSTA Group were incorporated into the consolidated financial statements of TKH Group N.V. There are no other business transactions with companies in the TKH Group over and above this.

OUTLOOK AND CONFIRMATION OF GUIDANCE 2012

There will be a downturn in incoming orders at AUGUSTA in the next few months. However, given the performance in the first nine months of 2012 and our order backlog, we nevertheless assume that we will achieve the top end of our forecast and expect **Group revenues** of **EUR 104 to 110 million** and **EBITDA** between **EUR 19 and 20 million**.

Many thanks for your trust.

Berth Hausmann
Managing Board

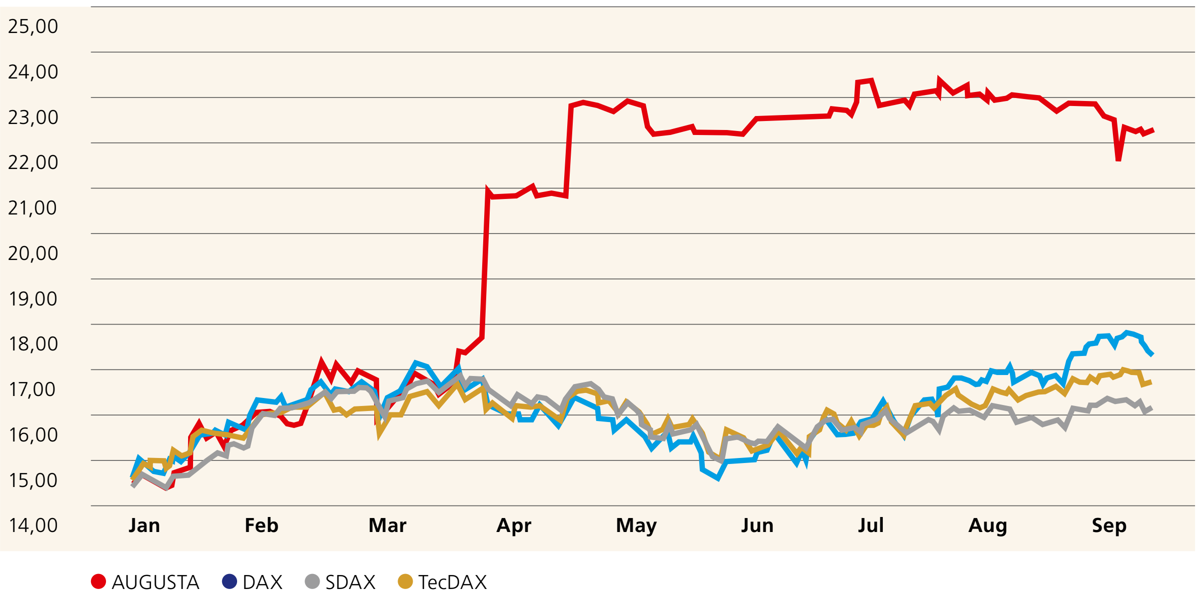
The AUGUSTA Share

PERFORMANCE OF THE EQUITY MARKETS

International stock exchanges braved the crisis in the third quarter. On 21 September the leading German key index DAX reached its highest point for the year at 7,478 points – it has improved considerably by 19.3 percent since early June. The Dow Jones in the US reached its highest level of the year so far in the middle of September, showing strong gains of 10.9 percent for the quarter. The additional monetary easing measures implemented by the US Federal Reserve and the ruling of Germany's Constitutional Court in favour the ESM bailout fund were viewed in particular by the equity markets as representing progress in managing the crisis.

However, the positive market sentiment could receive a major setback in the coming weeks and months as a result of economic developments: the Eurozone's PMI composite index calculated by the market institute fell in September 2012 for the eighth time in a row – by a further 0.4 numerators to 45.9 points now. This represents the heaviest contraction in economic performance in the Eurozone since June 2009.

Share price performance compared to DAX, SDAX and TECDAX



In the reporting period until 30 September 2012 the AUGUSTA share moved to a price level of around EUR 23 with very low trade volumes. This value corresponds with the takeover price offered by the Dutch TKH Group N.V.

SHAREHOLDER STRUCTURE

AUGUSTA has two major shareholders, each of which holds more than 5 percent of the share capital. Since completion of the public takeover offer on 2 July 2012, the Dutch TKH Group N.V. has owned approximately 54 percent of AUGUSTA shares. As reported on 11 July 2012, the US hedge fund Elliott has held around 21 percent of AUGUSTA shares both directly and indirectly. A further 15 percent of the share capital is held by institutional investors specialising in small caps or by private investors. In addition 9.7 percent of the shares are owned by AUGUSTA itself.

EXERCISING OF OPTION RIGHTS, INCREASE OF THE BASIC CAPITAL

After the Annual General Meeting 2012, further options from the share option program started in 2008 were exercised. A total of 185,150 options were up for conversion, while all option rights were exercised by the Managing Board, managing directors and other executives at an exercise price of EUR 8.08 (relates to 1,100 options from the second tranche of 2009) or EUR 11.23 (relates to 184,050 options from the third tranche of 2010).

The exercise of the options increased the share capital of the company by 185,150 shares from 8,510,014 to 8,695,164 shares. The capital reserve accordingly rose by EUR 1,890,619.50; inflow of funds for AUGUSTA stood at some EUR 2.1 million.

The AUGUSTA share at a glance

ISIN	DE000A0D6612
Market segment	Prime Standard
Trading segment	Technology Prime Sector Industrial
Indices	CDAX / Prime All Share / Technology All Share
Date of initial listing	05 May 1998
Number of shares issued	8,695,164
High/low (52 weeks)*	EUR 24.31 / EUR 14.02
Closing price as of 28/09/2012*	EUR 23.08
Market capitalisation as of 28/09/2012**	EUR 200.7 million
Earnings per share on 30/09/2012	EUR 0.67
Dividend per share for the 2011 financial year	EUR 0.60

* Xetra closing prices

Consolidated Management Report

ECONOMIC FRAMEWORK CONDITIONS

The economic environment is more than ever before characterised by a high degree of uncertainty. Current economic data points to a further weakening of the global economy and not only in industrial nations but also in emerging markets. The IMF is currently forecasting a global economic growth of only about 3.3 percent in 2012. For 2013 it is predicting a slight recovery and is assuming global growth of about 3.6 percent.

The **USA** is currently in a more robust state than the Eurozone with the US unemployment rate dropping in September to its lowest level since January 2009. However, the initial economic recovery in 2012 has also faltered here again and could also continue in the next few months. Experts in the USA are still only expecting moderate growth of around 2.0 percent for 2012 and 2013.

Even though economic growth has been significantly weaker in the **emerging markets** compared with the previous year, with a growth rate of around 5.5 percent in 2012, they continue to be the most important drivers of worldwide economic growth. This situation will also continue in 2013.

According to the Markit-Institute, economic performance in the **Eurozone** in the third quarter of 2012 has fallen sharply down to 2009 levels. And also the ifo Index for the economic climate in the Eurozone, after two consecutive rises, fell steeply in the third quarter to 88.9 points (previous month: 100.3). It is predominately the countries on the European periphery who are suffering from weak domestic demand and the lull in world trade. The situation for France is becoming increasingly difficult where economic performance both in industry and in the service sector has noticeably tailed off. Experts are expecting a contraction of GDP in 2012 of about 0.4 percent for the whole Eurozone, followed by minimal growth in 2013 of around 0.2 percent.

For a long time **Germany** has been able to withstand the adverse economic winds. But now the mood in the German economy has cooled markedly. In September the Ifo Business Climate Index fell once again. After the fifth successive contraction it now stands at 100.0 points (previous month: 101.4) and thereby at recession level. One of the reasons for this is the recent and clearly noticeable fall in incoming order levels. Experts are only assuming an increase of less than one percent for 2012 and 2013.

In the end client markets addressed by **AUGUSTA** (automotive, machine engineering, automation technology, medical technology) optical sensor systems, power electronics and measurement technology play a key role. Our producers make a considerable contribution to increasing efficiency, quality and, in general, safety and health care. The falling economic momentum has been noted primarily in the falls in incoming order levels. We are assuming a very difficult business climate in our target markets and will respond very sensitively and promptly to market signals.

OUR CORE AREA: VISION TECHNOLOGIES

The **core segment addressed by AUGUSTA** of **Vision Technologies** has seen a very positive development in the first half of 2012. However, in the third quarter the dynamism of the previous months has noticeably dissipated and the market environment has become significantly more difficult in all regions. Moderate growth impetus can be seen from emerging markets, since there the need for automation solutions continues to be high. The VDMA is expecting sector growth in Germany of about 5.0 percent for the full year 2012. Global growth is expected to be about 9.0 percent per year until 2015. As such, vision technology is currently one of the strongest growing technology areas.

As a manufacturer of digital cameras for industrial imaging, AUGUSTA is the second largest provider globally with its subsidiary Allied Vision Technologies. With its subsidiary LMI Technologies, AUGUSTA is one of the leading businesses in the fast growing market for 3D inspection systems.

OPERATING RESULT IN THE 9 MONTHS OF 2012

REVENUE AND RESULTS PERFORMANCE

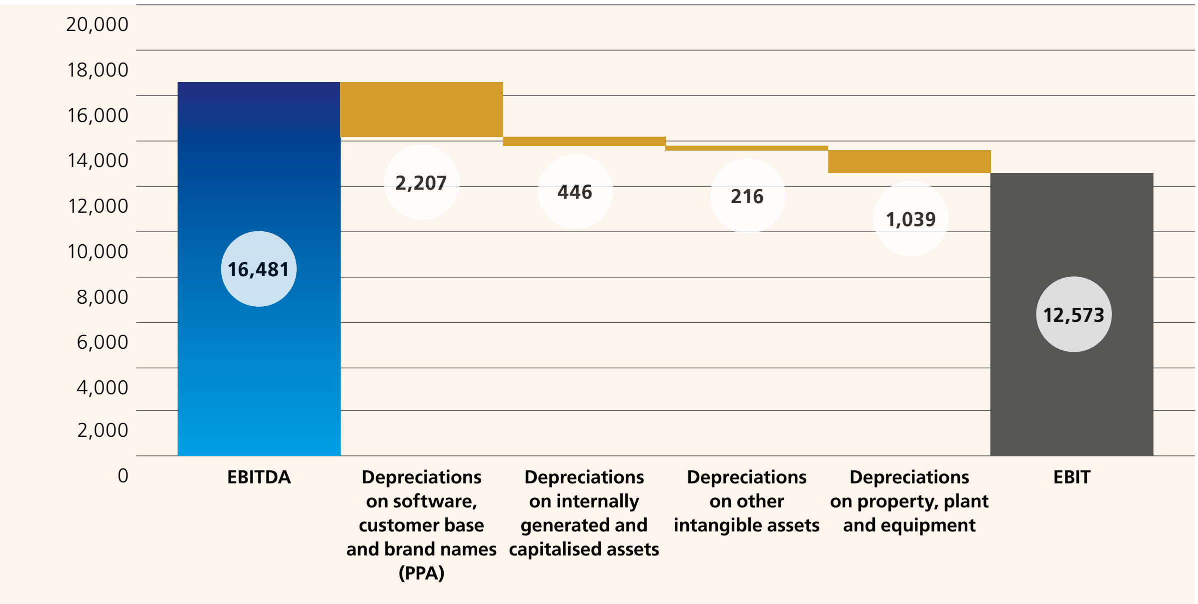
Group revenues rose cumulatively to EUR 83.8 million, representing a revenue increase of 10.5 percent on the previous year (EUR 75.8 million). Both business divisions contributed to this. On a quarterly basis, revenues increased by 10.9 percent to EUR 29.6 million on the previous year (previous year: EUR 26.7 million). This is the result of the excellent incoming order levels of the previous months.

Gross profit rose by 14.8 percent to EUR 41.3 million (previous year: EUR 36.0 million). Gross margin stands at 49.3 percent (previous year: 47.7 %). In a quarterly comparison, gross profit rose due to volume by 12.3 percent to EUR 14.3 million (previous year: EUR 12.7 million), at a gross margin in the third quarter of 48.2 percent (previous year: 47.8 percent).

Earnings before interest, taxes, depreciation and amortisation (EBITDA) rose cumulatively by 22.2 percent to EUR 16.5 million (previous year: EUR 13.5 million). The EBITDA margin climbed to 19.7 percent (previous year: 17.9 percent). On a quarterly basis EBITDA increased by 24.3 percent to EUR 6.5 million (previous year: EUR 5.3 million).

Depreciations as at 30 September 2012 rose slightly to EUR 3.9 million compared with the previous year (EUR 3.7 million). Included in this are, in addition, the depreciations on assets and plant and property, depreciations on licences, software and brand names (purchase price allocation (PPA)).

Derivation of EBITDA to EBIT in EUR thousand



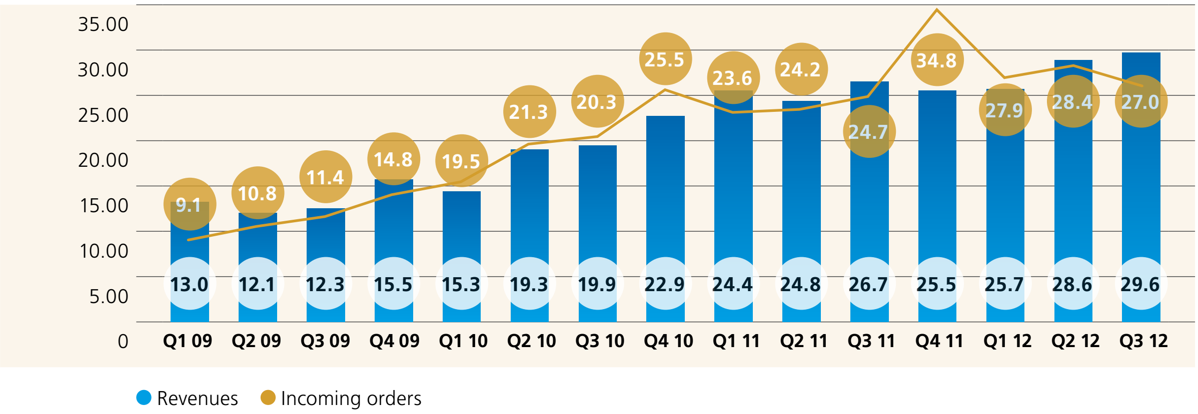
Earnings before interest and taxes (EBIT) as at 30 September 2012 stood at EUR 12.6 million (previous year: EUR 9.8 million), an increase on the previous year by 28.6 percent. EBIT margin increased due to structural and revenue improvements to 15.0 percent (previous year: 13.0 percent). EBIT in the third quarter 2012 stood at EUR 5.2 million.

Group head office management costs stood at EUR 3.1 million as at 30 September 2012. Included in this figure are the costs that occurred within AUGUSTA as a result of the TKH Group N.V. takeover bid. Head office costs will noticeably decrease over the next few months due to two board members leaving the company.

Net profit from continued segments (Vision, Other business divisions) stood as at 30 September 2012 at EUR 8.8 million (previous year: EUR 5.9 million). Earnings per share are EUR 1.14 (previous year: 0.77).

In the first nine months of 2012, **incoming orders** amounted to EUR 83.3 million, 14.9 percent above the equivalent previous year figure (EUR 72.5 million). The Book-to-Bill ratio as at 30 September 2012 reached a value of 0.99, incoming orders fell behind revenues in September for the first time. The fading away of the strong incoming order levels of the last few months is evident.

Revenue and incoming orders per quarters in EUR million



Order backlog at the end of the third quarter stood at EUR 38.1 million. About 45 percent relates to orders, which are still to be implemented in 2012. The order book has slightly reduced in the month of September. Deferrals in call-offs from framework agreements have also been observed.

As at 30 September 2012, the key figures are as follows:

Group key figures

in EUR million	Q3 2011	Q3 2012	9M 2011	9M 2012	Change
Revenues	26.66	29.58	75.79	83.78	10.54 %
Gross operating result	12.70	14.27	36.02	41.33	14.75 %
Gross margin	47.8 %	48.2 %	47.7 %	49.3 %	
EBITDA	5.25	6.52	13.49	16.48	22.17 %
EBITDA margin	19.8 %	22.1 %	17.9 %	19.7 %	
EBIT	3.96	5.22	9,78	12.57	28.55 %
EBIT margin	14.9 %	17.6 %	13.0 %	15.0 %	
Incoming orders	24.72	26,97	72.48	83.26	14.87 %
Order backlog	29.49	38.10	29.49	38.10	29.20 %

PERFORMANCE OF BUSINESS DIVISIONS

The **Vision** area includes Allied Vision Technologies GmbH (AVT) and LMI Technologies Inc. (LMI).

The main growth driver at **AVT** in the first nine months of 2012 was the camera business with growth rates which were clearly above the level of the comparable previous year period. High demand in particular from Asia has contributed to this. AVT strengthened its operating presence with the establishment of a subsidiary in China.

From 4 – 6 October 2012 AVT exhibited at NEPCON, the only trade fair for electronic assembly in Vietnam in Ho-Chi-Minh City and presented a selection of its latest camera models.

In the sports sector **AVT** continues to be on the ball. American baseball stadia have been equipped since the middle of the year with Prosilica GX Digital Cameras for the capture and subsequent analysis of player movements and ball trajectories. A total of four cameras per stadium run continuously taking 30 images per second and transfer their image data via GigE Link Aggregation Group at 230 Mbytes/s.

LMI Technologies specialises in 3D-imaging. This technology opens up new optimisation options for industrial and non-industrial processes. In addition to the system business with long-standing customers from the manufacturing industry, LMI is currently further expanding its business with the new product series Gocator ("quick" and "easy" 3D measurement in the production process) and at a price comparable to current 2D solutions. Gocator products are sold both directly and via distributors. LMI has had a sales office in Germany since July 2012.

Revenue in the **Vision** segment rose on the previous year by 13.1 percent to EUR 54.2 million (previous year: EUR 47.9 million). Without the consolidation effect of LMI, growth would have been about EUR 3.5 million (9.1 percent). Growth in the third quarter compared with the previous year's quarter stood at 19.6 percent.

Cumulative gross margin at the end of September 2012 was 55.1 percent, an increase over the previous year of 2.3 percentage points. Here, the loss of P+S Technik GmbH can be felt positively.

The profitability of the Vision segment rose disproportionately to revenue by around EUR 2.9 million to EUR 16.5 million or 21.7 percent compared to the previous year figure. EBITDA-Margin improved from 28.2 percent to 30.4 percent. Operating results following depreciations (EBIT) at EUR 2.8 million were significantly above the level of the previous year at EUR 13.0 million. This corresponds to an EBIT margin of 24.0 percent (previous year: 21.3 percent).

Incoming orders by the end of September 2012 were EUR 60.0 million, up 32.1 percent on the previous year (previous year: EUR 45.4 million). The book-to-bill as at 30 September 2012 was 1.11 and therefore significantly above the previous year (0.95). However, in the fourth quarter 2012 we are expecting a book-to-bill ratio at a lower revenue level of <1.0. The order backlog as at 30 September 2012 rose strongly compared with the previous year by 41.4 percent to EUR 18.5 million (previous year: EUR 13.1 million), but this will reduce by the year-end 2012. About 46 percent of these orders are to be delivered in the 2012 financial year.

Vision key figures

in EUR million	Q3 2011	Q3 2012	9M 2011	9M 2012	Change
Revenues	16.09	19.24	47.93	54.19	13.06 %
Gross operating result	8.55	10.10	25.33	29.83	17.77 %
Gross margin	53.1 %	52.5 %	52.8 %	55.1 %	
EBITDA	4.18	5.79	13.53	16.46	21.68 %
EBITDA margin	25.9 %	30.1 %	28.2 %	30.4 %	
EBIT	3.02	4.64	10.22	13.03	27.48 %
EBIT margin	18.8 %	24.1 %	21.3 %	24.0 %	
Incoming orders	14.24	18.84	45.38	59.96	32.14 %
Order backlog	13.08	18.49	13.08	18.49	41.41 %

In the third quarter the **Other business divisions** continued the positive performance of the first half of 2012.

In the area of **Microsystems Electronics**, **HE System Electronic** also performed significantly over plan in the third quarter of 2012. As a result of intensive preparatory work over the last few years, a car supplier was won as a new major customer, which may lead as from 2014 to a considerable revenue increase; other new customer projects are at an advanced stage.

In the area of **mobile measurement systems**, general economic developments were increasingly noticeable at **Dewetron** GmbH. The market environment will be more difficult in the next few quarters which will have an impact on incoming orders and revenue.

In the **Other business divisions** revenue volumes and profitability again rose compared with the first nine months of 2011. Sales revenues of EUR 29.6 million were 6.2 percent above the previous year figure. Gross margin improved slightly at 38.9 percent (previous year: 38.3 percent).

The moderate increase in structural costs led to a disproportionate increase in profitability. EBITDA increased to EUR 3.1 million, a rise over the previous year of 10.4 percent, and as a result the EBITDA margin improved to 10.5 percent and the Earnings before interest and taxes (EBIT) to EUR 2.7 million (previous year: EUR 2.5 million).

Incoming orders were below the comparative value of the previous year at EUR 23.3 million (previous year: EUR 27.1 million). The order book is also well filled at EUR 19.6 million thanks to a major order from the previous year. However, the order book has reduced over the last few months due to call-offs from framework agreements. About 44 percent of the order backlog is to settled in 2012.

Key figures for Other business divisions

in EUR million	Q3 2011	Q3 2012	9M 2011	9M 2012	Change
Revenues	10.57	10.34	27.87	29.59	6.19 %
Gross operating result	4.14	4.17	10.68	11.50	7.72 %
Gross margin	39.2 %	40.3 %	38.3 %	38.9 %	
EBITDA	1.44	1.49	2.83	3.12	10.40 %
EBITDA margin	13.6 %	14.4 %	10.1 %	10.5 %	
EBIT	1.31	1.34	2.46	2.66	8.05 %
EBIT margin	12.4 %	12.9 %	8.8 %	9.0 %	
Incoming orders	10.48	8.13	27.10	23.30	-14.03 %
Order backlog	16.41	19.61	16.41	19.61	19.50 %

INTERNATIONALISATION

The internationalisation driven in past years continues to be a major component of the business strategy and will lead to the AUGUSTA Group being more crisis-resistant. Some 49 percent of our sales volumes are now generated outside of Europe and in all regions of the world we have established production and sales branches.

PERFORMANCE OF THE KEY BALANCE-SHEET ITEMS

The **balance-sheet total** fell considerably compared to the financial year-end 2011 to EUR 191.23 million (31.12.2011: EUR 200.26 million).

On the **assets side**, the goodwill was at the level as at the financial year-end at EUR 60.8 million (business year-end: EUR 60.2 million). Measured against equity the share of goodwill dropped slightly to 39.7 percent (financial year-end: 41.3 percent).

Assets including intangible assets at the end of the quarter stood at EUR 100.4 million (31.12.2011: EUR 101.0 million). **Current assets** at EUR 90.8 million have reduced significantly. (31.12.2011: EUR 99.3 million).

Working capital increased compared to 31.12.2011(EUR 20.6 million) to EUR 25.8 million. The expected rise resulted from the increasing business activities and the associated building of inventories with a view to the ability to deliver quickly.

Liquid funds were considerably below the level as at the financial year-end at EUR 56.7 million due to dividend payments and contractually agreed settlements and executed special redemptions on 30. September 2012 (31.12.2011: EUR 65.9 million). **Net liquidity** was EUR 48.2 million on the reference date (31.12.2011: EUR 42.7 million).

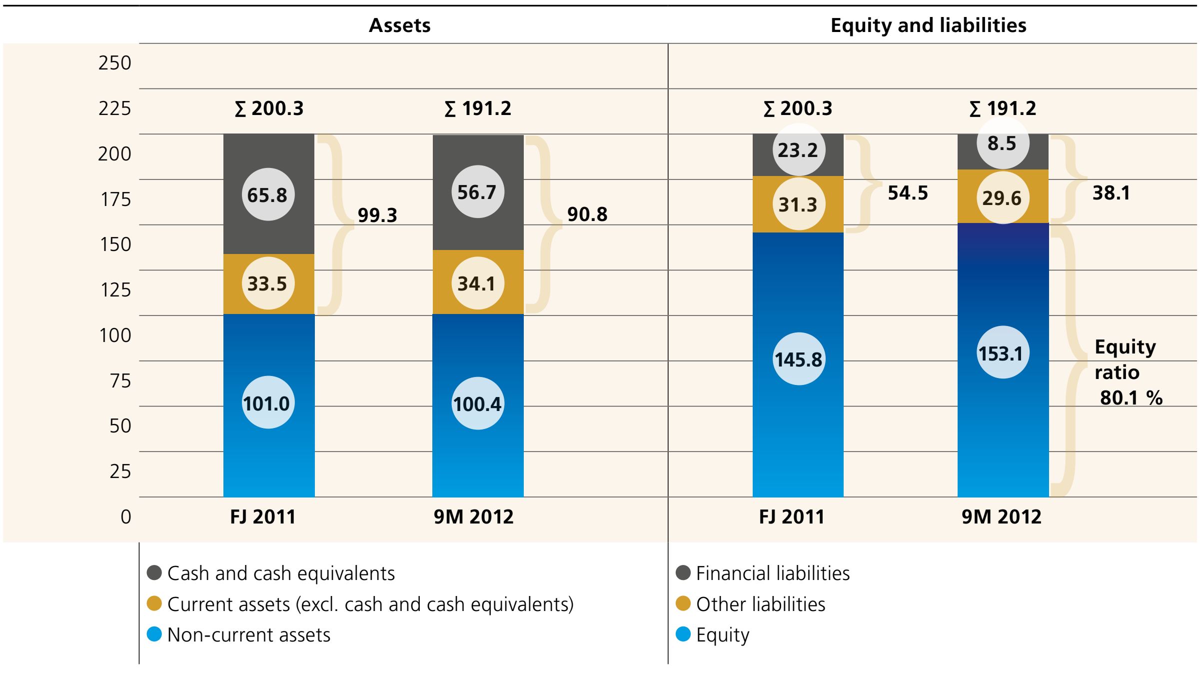
On the **liabilities side, equity capital** rose to EUR 153.1 million (31.12.2011: EUR 145.8 million). The equity capital ratio is a high 80.1 percent (financial year-end 2011: 72.8 percent). 843,551 shares in the amount of EUR 13.17 million are held by AUGUSTA.

The long and short-term **bank liabilities** fell as a result of the contractually agreed settlements and executed special redemptions to EUR 8.5 million (31.12.2011: EUR 23.2 million). This will have a positive effect on the financing costs of AUGUSTA in the next few quarters.

Key figures of the balance sheet

in EUR million	FJ 2011	9M 2012
Goodwill	60.21	60.80
Liquid assets and other current investments	65.86	56.69
Balance sheet total	200.26	191.23
Net liquidity	42.69	48.22
Enterprise Value	67,249	132,996
Equity ratio	72.8 %	80.1 %

Balance sheet structure in EUR million



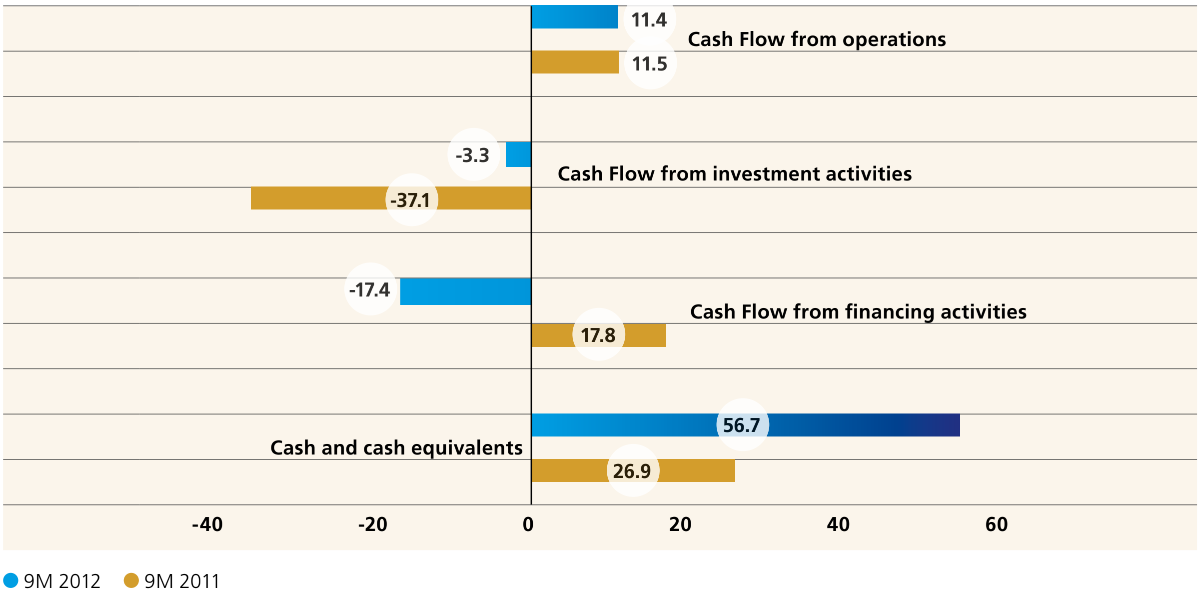
CASH FLOW CONSIDERATION

Cash Flow from operations came to EUR 11.4 million at the end of the third quarter 2012. The Cash Flow from operations as at 30 September 2012 stood at the level of the previous year (previous year: EUR 11.5 million).

Cash Flow from investing activities was EUR -3.3 million at the end of the reporting period (previous year: EUR -37.1 million). The previous year value included the acquisitions made in the first half of 2011.

Cash Flow from financing activities at a level of EUR -17.4 million contained completed special redemptions amounting to EUR 10.3 million (previous year: EUR 17.8 million). Included in the past year is the raising of third-party funds in the amount of EUR 25 million.

Overview of Cash Flows in EUR million



EMPLOYEE TRENDS

As at 30 September 2012 the AUGUSTA Group had 506 employees (previous year: 473 employees).

A total of 296 employees were employed in the Vision segment at the end of the reporting period (previous year: 271 employees).

A total of 207 employees were employed in the area of Other Divisions (previous year: 199).

CHANGE TO THE BOARD

As part of the successful completion of the takeover offer by the TKH Group N.V., Chairman of the Board **Amnon F. Harman** and Board Member responsible for Corporate Development **Arno Pätzold** asked the Supervisory Board to terminate the cooperation in place. The Supervisory Board actioned this request. Mr Harman left the company on 31 August 2012 and Mr. Pätzold left the company on 10 July 2012.

As of 1st September 2012 the Board of AUGUSTA Technologie AG has consisted of the previous Finance Board Member **Berth Hausmann**, who has led the company as the sole Board Member since this date.

CHANGE TO THE SUPERVISORY BOARD

Mr **Götz Gollan** left his role as a Member of the Supervisory Board of AUGUSTA Technologie AG for personal reasons on 11 August 2012. Mr Elling de Lange was appointed to succeed Götz Gollan by the Local Court in Munich in a decision dated 14 August 2012. Mr de Lange has over 25 years of professional experience and has been the CFO on the Board at the TKH Group N.V., Haaksbergen in the Netherlands since 2008.

TAKEOVER BID OF THE TKH GROUP N.V

The execution of the bid for the AUGUSTA shares delivered until the end of the acceptance deadline was carried out on **2 July 2012**.

On 16 July 2012 TKH announced that the total amount of AUGUSTA shares held by TKH was 4,690,092. This corresponds to an ownership ratio of a total of 53.94 percent measured by the basic capital of AUGUSTA AG of 59.73 percent measured by the voting basic capital of AUGUSTA Technology AG reduced in consideration of Section 71b German Stock Companies Act (AktG).

On 11 July 2012 the US hedge fund **Elliott** also reported to own 1,785,482 shares in AUGUSTA directly and indirectly. Measures by the basic capital, this corresponds to a share totalling 20.53 percent or 22.74 percent measured by the basic capital of AUGUSTA Technologie AG with voting rights reduced taking into account Section 71b German Stock Corporation Act (AktG).

OUTLOOK: CONFIRMATION OF GUIDANCE 2012

There are many economic data sets which point to a more dark clouds gathering over the global economy in the months ahead.

Against the background of the successful performance of the AUGUSTA-Group in the first 9 months of 2012, the still high order backlog at the end of September 2012 and despite the looming decrease in incoming orders, we confirm our Guidance 2012. We therefore assume that we will achieve our forecast at the top end and expect Group **revenues** of **EUR 104 to 110 million** and **EBITDA** of between **EUR 19 and 20 million**.

The challenges for the 2013 financial year are huge both in the macro-economic area and as regards operational aspects within our businesses. With the publication of the Annual Report 2012, we will as usual communicate our objectives for 2013 to the capital market.

KEY DEVELOPMENTS AFTER THE REFERENCE DATE OF 30 SEPTEMBER 2012

There have been no major changes since the reference date.

Balance Sheet
as of 30 September 2012

Assets

in EUR thousand	31/12/2011	30/09/2012
Non-current assets		
Intangible assets, net	24,551	23,158
Goodwill, net	60,208	60,801
Property, plant and equipment, net	8,579	9,032
Non-current financial assets, net	4,750	4,750
Deferred tax assets	1,634	1,893
Other non-current assets	1,289	797
Total non-current assets	**101,010**	**100,432**
Current assets		
Inventories	15,094	16,504
Trade account receivables, net	11,137	15,439
Receivables from related parties	110	19
Tax receivables	1,029	331
Prepaid expenses and other current assets	6,016	1,806
Cash and cash equivalents	65,859	56,694
Total current assets	**99,245**	**90,792**
Total assets	**200,256**	**191,225**

Equity and liabilities

in EUR thousand	31/12/2011	30/09/2012
Equity		
Share capital	8,510	8,695
Capital reserves	56,704	58,835
Earning reserves	47,000	47,000
Foreign currency translation	7,958	8,795
Revaluation reserves	-136	0
Retained earnings	38,707	42,775
Treasury shares	-13,166	-13,166
Minority interest	204	153
Total shareholders' equity	**145,782**	**153,088**
Non-current liabilities		
Long-term loans excluding current portion	11,574	4,230
Non-current post-employment benefit-obligation	420	472
Other non-current provisions	78	153
Deferred tax liabilities	6,751	6,487
Other non-current liabilities	5,168	732
Total non-current liabilities	**23,991**	**12,074**
Current liabilities		
Trade accounts payable	5,622	6,158
Short-term loans and current portion of long-term loans	11,597	4,319
Other current financial liabilities	159	60
Income tax provisions and liabilities	1,380	2,408
Other current provisions	4,586	5,932
Other current liabilities	7,138	7,185
Total current liabilities	**30,482**	**26,062**
Total equity and liabilities	**200,256**	**191,225**

Statement of Comprehensive Income as of 30 September 2012

in EUR thousand	Q3 2011 01/07 - 30/09/2011	Q3 2012 01/07 - 30/09/2012	9M 2011 01/01 - 30/09/2011	9M 2012 01/01 - 30/09/2012
Sales revenues				
Products	25,983	29,177	74,430	82,511
Services	595	399	1,065	1,268
	26,578	**29,576**	**75,496**	**83,779**
Production costs				
Products	-13,877	-15,308	-39,480	-42,446
Services	0	0	0	0
	-13,877	-15,308	-39,480	-42,446
Gross profit	**12,701**	**14,268**	**36,016**	**41,334**
Sales and marketing expenses	-4,477	-4,382	-11,626	-12,879
Research & development expenses	-1,764	-2,061	-4,675	-6,295
General and administrative expenses	-2,685	-2,639	-9,200	-9,344
Other income / expenses	189	29	-734	-244
Profit from operations	**3,964**	**5,215**	**9,781**	**12,573**
Net interest income / expense	-550	-176	-843	-555
Foreign currency exchange gains / losses	41	-85	-633	-1,002
Other financial assets	0	-255	-141	635
Net financial costs	**-509**	**-516**	**1,617**	**-922**
Profit before tax	**3,313**	**4,699**	**8,164**	**11,650**
Income tax expenses	-942	-1,215	-2,301	-2,888
Result from continued operations	**2,370**	**3,484**	**5,864**	**8,762**
Result from discontinued operations after tax	938	0	3,767	0
Results for the period	**3,309**	**3,484**	**9,631**	**8,762**

in EUR thousand	Q3 2011 01/07 - 30/09/2011	Q3 2012 01/07 - 30/09/2012	9M 2011 01/01 - 30/09/2011	9M 2012 01/01 - 30/09/2012
Profit / loss attribute to minority interest	-47	-26	-151	-95
Results of the period by after minority interests	**3,262**	**3,459**	**9,481**	**8,667**
Foreign currency adjustments	2,506	-783	1,594	838
Granting of stock options	25	80	325	240
Changes in derivate investment	21	97	238	188
Taxes on other total revenue	-6	-27	-67	-53
Additions third party share (after currency adjustment)	47	26	151	95
Other total income net of tax	**2,592**	**-607**	**2,240**	**1,308**
Total comprehensive income	**5,855**	**2,851**	**11,721**	**9,976**
Earnings per share undiluted in EUR	0.43	0.45	1.25	1.14
Earnings per share diluted in EUR	0.43	0.45	1.24	1.14
Earnings per share from discontinued operations undiluted in EUR	0.12	0.00	0.50	0.00
Earnings per share from discontinued operations diluted in EUR	0.12	0.00	0.49	0.00
Weighted average shares outstanding (in thousand)	**7,634**	**7,701**	**7,611**	**7,713**

Consolidated Cash Flow Statement
as of 30 September 2012

in EUR thousand	30/09/2011	30/09/2012
Cash funds at the beginning of the period	**34,763**	**65,859**
Results for the period	9,631	8,762
Depreciation	4,742	3,908
Other expenses and income not affecting payments	448	880
Proceeds (+) / Payments (-) in extraordinary items	0	116
Profit (-) / loss (+) from the sale of subsidiaries	0	48
Profit (-) / loss (+) from property, plant and equipment	0	-129
Profit (+) / loss (-) fromm the sale of intangible assets	0	-12
Increase (-) / decrease (+) in inventories	-4,550	-1,478
Increase (-) / decrease (+) in trade receivables	-708	-4,512
Increase (+) / decrease (-) in trade payables	-366	516
Increase (-) / decrease (+) in receivables from related parties	0	90
Increase (+) / decrease (-) in amounts owed to related parties	0	0
Increase (-) / decrease (+) in deferred tax assets and liabilities	-884	-576
Increase (+) / decrease (-) in provisions	1,901	2,650
Increase (-) / decrease (+) in other current and non-current assets	1,147	884
Increase (+) / decrease (-) in other current and non-current liabilities	164	275
= Cash Flow from operating activities	**11,525**	**11,422**
Payments to invest in intangible assets	-2,277	-1,304
Payments to invest in property, plant and equipment	-3,328	-1,351
Payments to invest in financial assets	14	0
Proceeds from sale of intangible assets	0	0
Proceeds from sale of property, plant and equipment	0	0
Proceeds from sale of financial assets	0	0
Short-term investments of fixed-term deposits	0	0
Payments to acquire subsidiaries minus liquid funds	-30,187	-5,114
Earn-out deposit from sale STEC Group	0	4,510
Liquid funds deconsolidation Dewetron CZE (prior year STEC Group)	-1,534	-19
= Cash Flow from investing activities	**-37,312**	**-3,278**
Free Cash Flow	**-25,787**	**8,144**
Change in current financial liabilities	9,331	-7,493
Change in non-current financial liabilities	11,374	-7,344
Proceeds from (+) / payments to (-) shareholders	594	2,080
Dividend payments to minority interests	-3,522	-4,692
= Cash Flow from financing activities	**17,777**	**-17,449**

in EUR thousand	30/09/2011	30/09/2012
Cash Flow	**-8,010**	**-9,305**
Effect of exchange rate changes	171	139
Cash funds at the end of the period	**26,926**	**56,693**
Summary of cash funds (total)	**26,926**	**56,693**
Liquid funds	26,863	56,693
Minus fix-term time deposits contained therein	0	0
Money market funds	63	0
Thereof Cash Flow from business divisons closed down		
Cash Flow from operating activities	4,314	0
Cash Flow from investing activities	-2,631	0
Cash Flow from financing activities	-3,596	0
Additional disclosures relating to Cash Flow		
Income taxes paid	3,938	1,186
Income taxes received	198	238
Interest paid	1,226	575
Interest received	57	244

in EUR thousand	30/09/2011	30/09/2012
Purchase of subsidiaries		
Goodwill	16,065	0
Intangible assets	17,676	0
Property, plant and equipment	245	0
Financial assets	0	0
Active deferred tax assets	742	0
Inventories	4,846	0
Trade receivables	3,919	0
Miscellaneous assets	1,189	0
Liquid funds	4,748	0
Passive deferred taxes	-3,270	0
Trade payables	-2,328	0
Financial liabilities	-11	0
Provisions	-147	0
Provisions and liabilities from taxes	-683	0
Other liabilities	-190	0
Minority shares	0	0
Purchase price paid	**42,800**	**0**
thereof expected future purchase price payments	-7,866	0
liquid funds received	-4,748	0
Purchase price paid minus liquid funds received	**30,187**	**0**

in EUR thousand	30/09/2011	30/09/2012
Sale of subsidiaries		
Goodwill	0	0
Intangible assets	770	0
Property, plant and equipment	899	0
Financial assets	14	0
Active deferred taxes	697	0
Other non-current assets	9	4
Inventories	2,547	55
Trade receivables	1,123	184
Current financial assets	0	0
Other current assets	103	2
Liquid funds	548	36
Passive deferred taxes	-211	0
Pension provisions	-686	0
Liabilities to affiliated companies	-185	0
Trade payables	-736	-36
Financial liabilities	-100	0
Provisions	-216	-1
Provisions and liabilities from taxes	0	0
Other liabilities	-203	-50
Minority shares	0	0
Value adjustments from previous years	0	0
Consolidating entries	0	0
Profit / loss on sale (before additional costs of sale)	0	-177
Purchase price received	**0**	**17**
Liquid funds received	-548	-36
Additional costs of sale	0	0
Inflow of funds from sale of company minus liquid funds disposed of	**-548**	**-19**

Consolidated Statement of Changes in Equity
for the period from January 1 to September 30, 2012

	Subscribed capital				
in EUR thousand	Capital stock*	Amount	Capital reserve	Earning reserve	Equity-difference from currency conversion
Closing balance as of 1 January 2011	**8,435,514**	**8,436**	**55,843**	**34,000**	**3,267**
Stock options	0	73	521	0	0
Dividend	0	0	0	0	0
Withdrawal from / addition to reserve	0	0	0	0	0
Total income	0	0	325	0	1,594
Closing balance as of 30 September 2011	**8,435,514**	**8,509**	**56,689**	**34,000**	**4,861**
Closing balance as of 1 January 2012	**8,510,010**	**8,510**	**56,704**	**47,000**	**7,958**
Stock options	185,154	185	1,891	0	0
Dividend	0	0	0	0	0
Withdrawal from / addition to reserve	0	0	0	0	0
Derecognition of minority interests	0	0	0	0	0
Total income	0	0	240	0	837
Closing balance as of 30 September 2012	**8,695,164**	**8,695**	**58,835**	**47,000**	**8,795**

* The accounting par value of the shares throughout the period shown is set at EUR 1 per share.

Revaluation reserve					
Currency	Cash Flow-Hedges	Net loss/ profit	Treasury shares	Minority interests	Total equity
0	**(346)**	**18,153**	**(13,166)**	**359**	**106,546**
0	0	0	0	0	**594**
0	0	(3,416)	0	(106)	**-3,522**
0	0	0	0	0	**0**
0	171	9,481	0	151	**11,722**
0	**(175)**	**24,218**	**(13,166)**	**404**	**115,340**
0	**(136)**	**38,708**	**(13,166)**	**204**	**145,782**
0	0	0	0	0	**2,076**
0	0	(4,600)	0	(92)	**-4,692**
0	0	0	0	0	**0**
0	0	0	0	(53)	**-53**
0	136	8,667	0	95	**9,975**
0	**0**	**42,775**	**(13,166)**	**154**	**153,088**

Notes to the Financial Statements

EXPLANATIONS ON THE 9-MONTH REPORT

1. FINANCIAL ACCOUNTING PRINCIPLES

The 9-month report of AUGUSTA Technologie AG as of 30 September 2012 was prepared in accordance with the consolidated financial statements as of 31 December 2011 in accordance with the International Financial Reporting Standards (IFRS). In these interim statements, the same accounting and valuation methods were applied as in the consolidated financial statements as of 31 December 2011.

The balance sheet included in the report (as of 30 September 2012 and 31 December 2011), the overall income statement (for the first nine months of 2012 and 2011), the cash flow statement (for the first nine months of 2012 and 2011) as well as the capital equity change statement (for the first nine months of 2012 and 2011) were prepared by the Managing Board of AUGUSTA Technologie AG and have not been confirmed by an auditor.

2. GROUP OF CONSOLIDATED COMPANIES

The following changes took place in the group of consolidated companies in 2012.

- Sale of minority holding in P+S Technik GmbH with effect from 1 January 2012
- Sale of the 53 percent holding in Dewetron CZ in Prague with effect from 1 January 2012.

2.A SALE OF THE MINORITY HOLDING IN P+S TECHNIK GMBH

In autumn 2011 AUGUSTA Technologie AG reduced its stake in P+S Technik GmbH to 49.87 percent from 55.5 percent previously. P+S Technik has no longer belonged to the operative group of consolidated companies within the group since 1 September 2011 and has been accounted as an affiliated company „at equity“ as of 1 September 2011. As of 31 December 2011, P+S Technik was value-adjusted by EUR 4.37 million. In the first quarter of 2012, AUGUSTA Technologie AG sold its share of 49.87 percent to the minority shareholders of P+S Technik GmbH retroactively as of 1 January 2012. The purchase price was a total of EUR 300,000. Half of this has already been paid, the remaining amount totalling EUR 150,000 should be settled in three instalments by the end of 2013.

2.B SALE OF THE SHARES IN DEWETRON CZ

With effect from 1st January 2012 the 53 percent share in Dewetron GmbH located in Graz was sold to the minority shareholders in Dewetron CZ in Prague, without affecting our local sales activities. This step goes hand in hand with a focusing of Dewetron GmbH on its strategically important company holdings and key markets. The sale price was EUR 17,000.

Dewetron CZ (Prague)

in EUR thousand		31/03/2012
Assets		
	Other non-current assets	4
	Inventories	55
	Trade receivables	184
	Other current assets	2
	Cash and cash equivalent	36
Total assets		**281**
Liabilities		
	Trade accounts payable	150
	Provisions	1
Total liabilities		**151**

3. SEGMENT REPORTING

Segment Reporting is divided between the Vision segment and Other Divisions. Allied Vision Technologies GmbH and LMI Technologies Inc. belong to the Vision segment. HE System Electronic GmbH & Co. KG and Dewetron GmbH are now subsumed under "Other Divisions".

30/09/2012

in EUR thousand	Other Business Units	Vision	Other	DCO	Transition	Total
Sales (external)	29,594	54,185	0	0	0	83,779
Sales (internal)	0	5	0	0	-5	0
Depreciations	-465	-3,434	-9	0	0	-3,908
EBIT	2,656	13,029	-3,121	0	8	12,572
Financial Result	-118	6,268	-5,568	0	-1,505	-923
Result from continued operations	2,038	18,239	-10,018	0	-1,496	8,763
Result of DCO	0	0	0	0	0	0
Result after DCO	2,038	18,239	-10,018	0	-1,496	8,763
Assets	33,356	111,109	49,722	0	-2,963	191,224
Liabilities	13,641	20,155	7,304	0	-2,963	38,137
Goodwill	14,180	46,621	0	0	0	60,801

30/09/2011

in EUR thousand	Other Business Units	Vision	Other	DCO	Transition	Total
Sales (external)	27,868	47,926	0	45,551	0	121,345
Sales (internal)	0	69	0	298	-367	0
Depreciations	-369	-3,313	-28	-1,032	0	-4,742
EBIT	2,458	10,216	-2,907	6,758	13	16,538
Financial Result	-218	-765	80	-505	-713	-2,121
Result from continued operations	1,829	8,775	-5,027	0	286	5,863
Result of DCO	0	0	-562	4,329	0	3,767
Result after DCO	1,829	8,775	-5,589	4,329	286	9,630
Assets	31,639	101,456	64,989	45,603	-41,389	202,298
Liabilities	13,161	23,279	38,577	21,531	-9,589	86,959
Goodwill	14,049	44,588	0	14,057	0	72,694

4. EARNINGS PER SHARE

The earnings per share of AUGUSTA Technologie AG are calculated from the shares issued in the amount of 8,695,164 less the shares owned by AUGUSTA Technologie AG, average weighted over the period under consideration. As of the due date of 30 September 2012 a total of 843,551 shares were owned by AUGUSTA Technologie AG. In the first nine months of 2012, an average of 7,683,879 shares were in circulation.

5. SECURITIES HOLDINGS SUBJECT TO REPORTING OBLIGATIONS AS OF 30 SEPTEMBER 2012

In the first nine months of 2012, the following securities transactions subject to reporting obligations were conducted by members of company bodies:

Managing Board	Date	Number	Nature	Share price in EUR
Amnon F. Harman*	08/06/2012	1,750	Sale of shares	23.00
Amnon F. Harman*	08/06/2012	35,000	Exercise of options against cash settlement	23.00
Amnon F. Harman*	02/07/2012	19,750	Sale of shares	23.00
Berth Hausmann	08/06/2012	1,750	Sale of shares	23.00
Berth Hausmann	08/06/2012	35,000	Exercise of options against cash settlement	23.00
Berth Hausmann	02/07/2012	13,500	Sale of shares	23.00
Arno Pätzold**	08/06/2012	1,500	Sale of shares	23.00
Arno Pätzold**	08/06/2012	30,000	Exercise of options against cash settlement	23.00
Arno Pätzold**	02/07/2012	1,500	Sale of shares	23.00

* Left the company as of 31 August 2012
** Left the company as of 10 July 2012

As of 30 September 2012, the following tranches were issued to members of the Managing Board, managing directors and executives of the AUGUSTA Group from the share option program 2008:

Tranche: 115,300 option rights at an exercise price of EUR 14.63 in 2008

Tranche: 161,000 option rights at an exercise price of EUR 8.08 in 2009

Tranche: 230,400 option rights at an exercise price of EUR 11.23 in 2010

Tranche: 133,900 / 2,500 option rights at an exercise price of EUR 19.45 / 15.02 in 2011

The other options issued in the 4th tranche may be exercised for the first time in June 2013 subject to targets being met.

From the share option program 2012 passed at the Annual General Meeting on 16 May 2012, no options have yet been issued.

	Number of shares		Number of share options	
	30/09/2012	31/12/2011	30/09/2012	31/12/2011
Managing Board				
Amnon F. Harman*	0	21,500	0	35,000
Berth Hausmann	0	15,250	0	35,000
Arno Pätzold**	0	3,000	0	30,000
Supervisory Board				
Adi Seffer	0	0	0	0
Dr. Hans Liebler	0	0	0	0
Götz Gollan***	0	0	0	0
Elling de Lange****	0	0	0	0
Total for both boards	**0**	**39,750**	**0**	**100,000**

* Left the company as of 31 August 2012
** Left the company as of 10 July 2012
*** Left the company as of 11 August 2012
**** Appointed as of 14 August 2012

6. PROPRIETARY-HELD SHARES

As of 30 September 2012, 843,551 shares were owned by AUGUSTA Technologie AG. An amount of the basic capital of EUR 843,551.00 at a basic capital of 8,695,164 shares with a nominal value of EUR 1.00 each applies to the shares.

	Number of shares		Share in basic capital as of
	30/09/2012	31/12/2011	30/09/2012
Proprietary-held shares	843,551	843,551	9.7 %

7. BODIES OF AUGUSTA TECHNOLOGIE AG

7A. MANAGING BOARD

As part of the successful completion of the takeover offer by the TKH Group N.V., Chairman of the Board Amnon F. Harman and Board Member responsible for Corporate Development Arno Pätzold asked the Supervisory Board to terminate the cooperation in place. The Supervisory Board actioned this request. Mr Harman left his role as Chairman of the Board of AUGUSTA Technologie AG as of 31 August 2012 and also left the company on this date. Mr Pätzold was relieved of his position on the Board of AUGUSTA Technologie AG with effect from 10 July 2012 and also left the company on this date.

As of 1 September 2012 the Board of AUGUSTA Technologie AG has consisted of the previous Finance Board Member Berth Hausmann, who has led the company as the sole Board Member since this date.

7B. SUPERVISORY BOARD

Mr Götz Gollan left his role as a Member of the Supervisory Board of AUGUSTA Technologie AG for personal reasons on 11 August 2012. Mr Elling de Lange was appointed to succeed Götz Gollan by the Local Court in Munich in a decision dated 14 August 2012. Mr de Lange has over 25 years of professional experience and has been the CFO on the Board at the TKH Group N.V., Haaksbergen in the Netherlands since 2008.

ASSURANCE OF THE LEGAL REPRESENTATIVES

Declaration under Section 37y WpHG in connection with Section 37w(2)(3) WpHG

To the best of our knowledge, we hereby assure that under the applicable accounting principles for the interim reporting of the consolidated interim financial statements an image is presented in line with the actual circumstances of the assets, finances and earnings of the Group and that the consolidated interim financial statements set out the performance including the results and situation of the Group in such a way that an image in line with the actual circumstances is presented and the main opportunities and risks of the probable performance of the Group in the remaining financial year are described.

RISK REPORT

According to the annual financial statements for 2011, no major changes have resulted, from which new risks for the Group can be derived. For more details on the risk profile of AUGUSTA Technologie AG, reference is therefore made to the business report 2011. It presents possible risks in detail.

LEGAL NOTICE

This report contains future-oriented statements that are based on the convictions of the Managing Board of AUGUSTA Technologie AG and reflect its current views and assumptions. Its future-related statements are subject to risks and uncertainties. Many facts that cannot be foreseen may result in the actual achievements and results of AUGUSTA Technologie AG being different. Amongst other things, this may be: changes to the general economic and business situation, changes to interest rates and exchange rates, the non-achievement of efficiency and cost reduction targets or the non-acceptance of newly launched products. We are convinced that our expectations for these currently set requirements are realistic. However, if the above unforeseen risks materialise, AUGUSTA Technologie AG cannot vouch for the expectations stated turning out to be correct.

FINANCIAL CALENDAR FOR 2012

	Date
Publication of 3-month report	09. May 2012
Publication of 6-month report	08. August 2012
Publication of 9-month report	07. November 2012

Impressum

CONTACT

AUGUSTA Technologie AG
Dr. Falco Federmann / Investor Relations
Willy-Brandt-Platz 3
81829 Munich / Germany

Fon +49 (0)89 - 4 35 71 55-17
Fax +49 (0)89 - 4 35 71 55-57
Mail investor-relations@augusta-ag.com
Web www.augusta-ag.com

CONCEPT & DESIGN

Contigo GmbH & Co. KG
– Strategies for Brands –
Jahnstraße 2
56410 Montabaur / Germany
www.con-tigo.de

AUGUSTA Technologie AG

Willy-Brandt-Platz 3
81829 München
www.augusta-ag.com