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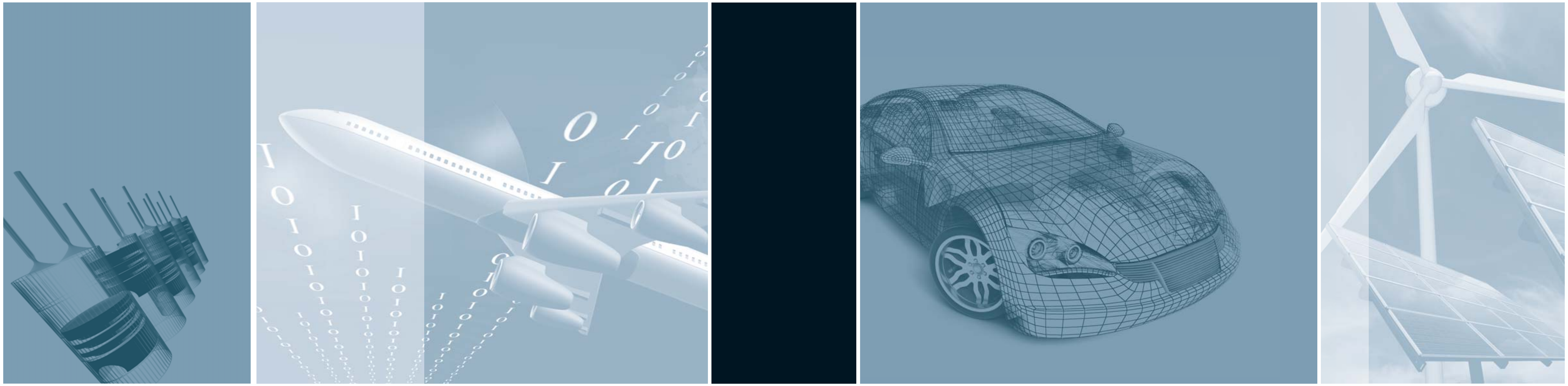


Bertrandt AG
Birkensee 1, 71139 Ehningen
Germany
Telephone +49 7034 656-0
Telefax +49 7034 656-4100
www.bertrandt.com
info@bertrandt.com

# FISCAL 2010/2011

Report on the 1st half – from 1 October 2010 until 31 March 2011 bertrandt

# THE FIRST HALF AT A GLANCE

## FINANCIAL FIGURES

| IFRS | 01.10.10-31.03.11 | 01.10.09-31.03.10 |
|---|---|---|
| **Income statement** | | |
| Revenues (EUR million) | 267.768 | 194.577 |
| Operating profit (EUR million) | 27.862 | 19.860 |
| Profit from ordinary activities (EUR million) | 28.215 | 20.073 |
| Earnings after income tax (EUR million) | 19.941 | 15.273 |
| **Cash flow statement** | | |
| Free cash flow (EUR million) | -14.047 | 5.279 |
| Capital spending (EUR million) | 11.111 | 4.695 |
| **Balance sheet** | | |
| Capital and reserves on 31 March (EUR million) | 144.309 | 119.445 |
| Equity ratio on 31 March (%) | 58.0 | 56.5 |
| **Share** | | |
| Share price on 31 March (EUR)* | 47.50 | 26.05 |
| Share price high (EUR)** | 59.94 | 26.48 |
| Share price low (EUR)** | 39.55 | 16.60 |
| **Employees** | | |
| Number of employees at Bertrandt Group on 31 March | 7,592 | 5,749 |

*Closing price in Xetra trading **In Xetra trading

## OVERVIEW

The first half of fiscal 2010/2011 was dominated by growth. In market conditions defined by strong innovation and momentum, all segments in the Bertrandt Group grew at encouraging rates. Specifically, the Group's business performance breaks down as follows:

- In the first six months of fiscal 2010/2011, revenues rose by 37.6 percent over the same period in the previous year to EUR 267.768 million (previous year EUR 194.577 million).
- Operating profit also increased to EUR 27.862 million in the first half (previous year EUR 19.860 million), which equates to a margin of 10.4 percent (previous year 10.2 percent). This also includes a foreign research grant of EUR 0.911 million.
- Earnings after income tax for the period under review was up 30.6 percent on the previous year, amounting to EUR 19.941 million (previous year EUR 15.273 million).
- Earnings per share in the first half of fiscal 2010/2011 came to EUR 1.99 (previous year EUR 1.52).
- The number of employees rose by 1,069 over the end of fiscal 2009/2010 to 7,592 (6,523 employees as of 30 September 2010).

The Bertrandt Group's net assets have remained very solid: with total assets valued at EUR 248.815 million (EUR 239.624 million as of 30 September 2010), the equity ratio remained at a high 58 percent (56.7 percent as of 30 September 2010). Capital spending rose to EUR 11.111 million (previous year EUR 4.695 million). Increased capital spending and the growth-related large amount of committed funds resulted in a negative free cash flow of EUR 14.047 million (previous year EUR 5.279 million).

The basis for the Bertrandt Group's good business performance is its strategic orientation, which combines a customer and branch-oriented approach to the market with specialist units that span all its operations. With a deep and broad range of products and services addressing such industries as automotive, aviation, energy, electrical/medical technology and plant/mechanical engineering, Bertrandt is continuing to pursue its targeted strategy of growth and diversification. The conditions underlying the engineering market pose a multitude of challenges particularly arising from such comprehensive and complex issues as model diversity, environment-friendly mobility and renewable energies.

# 267.768

EUR million revenues were generated in the Bertrandt group within the first six months of fiscal 2010/2011.



## REPORT ON THE 1ST HALF



# INTERIM MANAGEMENT REPORT

**36**

locations in Europe and the United States belong to the Bertrandt Group.

**Business model and strategy**

As one of Europe's leading engineering partners, Bertrandt devises tailored solutions together with customers at 36 locations in their immediately vicinity. The range of automotive industry services goes from the development of single components to complex modules and systems through to derivatives combined with comprehensive services related to development work. Its customer base comprises nearly all European manufacturers as well as leading systems suppliers. In the aviation sector, Bertrandt concentrates on structural, cabin and systems development in transnational projects. With Bertrandt Services, furthermore, the Company provides technological and commercial services as well as project solutions in the energy, electrical/medical technology and plant/mechanical engineering industries throughout Germany. A broad range of services combined with consistency and confidence are key success factors to Bertrandt that cause customer relationships to thrive.

Spurred by a wide diversity of models and variants as well as environmentally friendly drive technologies, the complexity of individual mobility solutions in the automotive and aviation sectors is steadily increasing. Trends for instance towards environmentally friendly power, comfort, safety and driving dynamics call for overarching technical know-how and interlinked thinking in product development. As a provider helping to shape mobility that is focused on the future, Bertrandt always adapts its range of services to customer requirements as well as to the changing market conditions. In order to meet complex demands in terms of new materials, intelligent electronic systems and modern powertrains, Bertrandt pooled key subject areas in specialist departments. In addition to conventional engineering areas such as bodywork, interior and simulation, the range comprises such specialist areas as electronics, engineering services, model-making and rapid technologies, powertrains and testing. This linking across disciplines and further development of knowledge gives the Company its status as one of the leading European partners on the market for development services. Its many years of know-how give our Bertrandt Services subsidiary a solid foundation upon which to realise customised development solutions in new sectors and to take these forward.

**Trends in the economy**

According to the spring study issued by the Kiel Institute for the World Economy (IfW), the global economy picked up speed again in the first half of fiscal 2010/2011. After weakening somewhat in the summer half of 2010, the economic recovery has developed fresh momentum over the past few months, driven in particular by the sharp rise in production and trading in the BRIC countries, Brazil, Russia, India and China. However, production output weakened in March 2011 in the wake of the tsunami and reactor accident in Japan. Industrialised economies such as the United States, United Kingdom and Spain, which had been severely hit by the banking and real estate crisis, achieved only slow growth. Individual European countries such as Greece, Ireland and Portugal are still suffering from the load of heavy sovereign debt and muted economic performance. On the other hand, Germany continued to grow dynamically, benefiting from strong foreign demand and a monetary policy which encouraged capital spending. The move toward renewable energies and reduced emissions is being stepped up by all market participants.



**Sector trends**

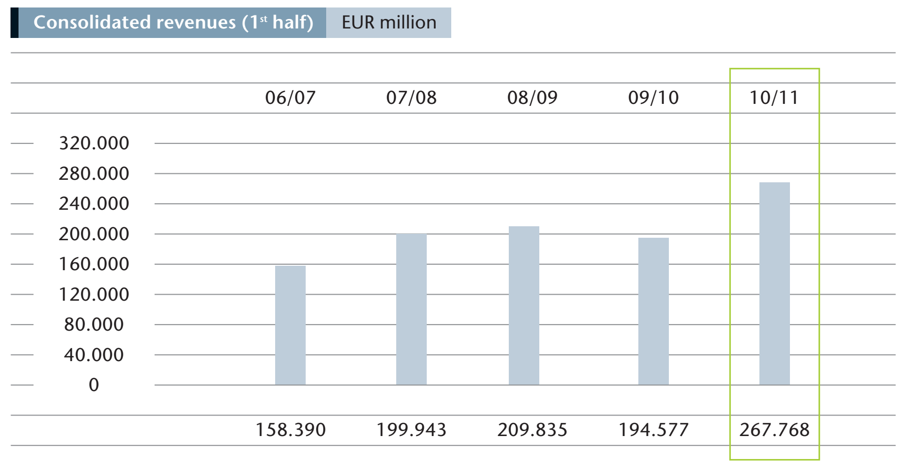
The automotive industry has continued on its upwards trajectory over the past six months, with demand for passenger vehicles increasing worldwide and German carmakers achieving encouraging growth rates. In China and Brazil, for example, German automotive brands have been substantially outpacing the overall market. Between January and March 2011, German automotive manufacturers recorded a 30 percent increase in sales of passenger cars in China to 637,800 units according to VDA (German Federal Automotive Industry Association). The total Chinese passenger car market expanded by twelve percent, reaching 3.1 million vehicles. A similar trend emerged in the Brazilian automotive market, where VDA reports that German carmakers recorded growth of some ten percent to 170,670 units between January and March 2011, thus outpacing the overall market, which widened by 3.6 percent. New car registrations were also up in Russia and India in the period under review. By contrast, car sales in Europe held steady at the previous year's level. Buoyed by strong sales figures in various markets, Europe's automotive manufacturers are in good shape. They are stepping up their spending on new technologies and focusing on high model and variant diversity in order to additionally broaden their market position. In this connection, factors such as quality, optimised fuel consumption, safety, comfort and design are of crucial importance. At the same time, they are working hard on various drive technologies to meet legislative requirements as well as customers' expectations with respect to environment-friendly mobility.

**37.6**

percent was the increase of revenues in the first half of fiscal 2010/2011 in comparison to the previous year.

**Business performance**

The Bertrandt Group achieved gratifying growth rates in the first six months of fiscal 2010/2011. In the period under review, revenues increased by 37.6 percent to EUR 267.768 million (previous year EUR 194.577 million). Compared with the same quarter of the previous year, revenues were up 36.2 percent, rising to EUR 141.860 million (previous year EUR 104.158 million). All of the Bertrandt Group's segments – Digital Engineering, Physical Engineering and Electrical Systems/Electronics – reported a sharp increase in business activity over the previous year. In terms of sectors, Bertrandt Services performed well in the energy, electrical/medical technology and mechanical/plant engineering industries. In the aviation industry, Bertrandt will be gaining direct access in the future to the largest European aircraft construction company via a customer of its own, meaning that it no longer requires the stake in Aeroconseil S.A.. For this reason, it sold its five-percent share in Aeroconseil S.A. in April 2011, although the two companies will continue to collaborate at the project level.



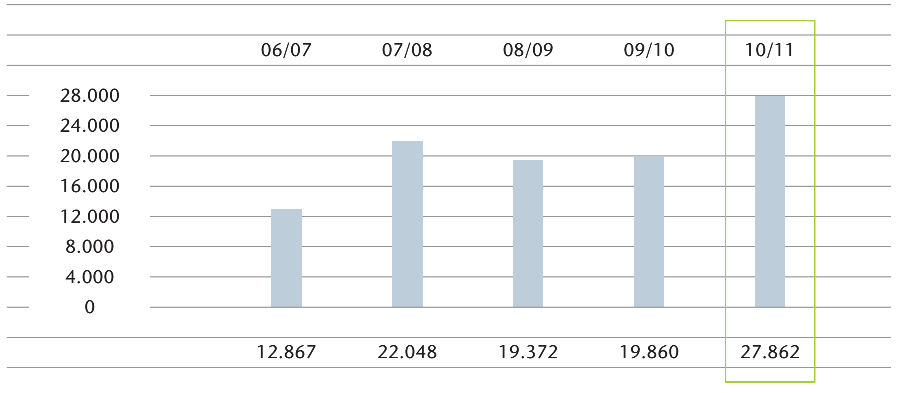
### Foreign operations

With its foreign branches, Bertrandt pursues a strategy aimed at ensuring the closest possible proximity to the customer. In close consultation with its domestic facilities, the Company additionally provides its full range of services in France, Spain, Sweden, Turkey the United Kingdom and United States. Furthermore, Bertrandt supports its customers as and when required with varying projects anywhere in the world. The foreign branches performed well all in all in the period under review.

### Earnings situation

In the first six months of fiscal 2010/2011, Bertrandt's operating profit rose by 40.3 percent to EUR 27.862 million (previous year EUR 19.860 million), translating into a margin of 10.4 percent (previous year 10.2 percent). Compared with the same quarter in the previous year, operating profit rose by 24 percent to EUR 15.737 million (previous year EUR 12.694 million). At EUR 0.353 million (previous year EUR 0.213 million), net finance income remained positive in the first half of fiscal 2010/2011. Consequently, earnings from ordinary operations for the entire period under review came to EUR 28.215 million (previous year EUR 20.073 million). Based on a tax rate of 28.4 percent, the Company generated earnings after tax of EUR 19.941 million (previous year EUR 15.273 million).

**Operating profit (1st half)** EUR million




Expenses in the first half of fiscal year 2010/2011 break down as follows: personnel expenses climbed to EUR 185.857 million (previous year EUR 140.724 million) in the period under review, with a personnel cost ratio contracting to 69.4 percent (previous year 72.3 percent). Reflecting the growth in business activity, the raw materials and consumables used increased to EUR 26.225 million (previous year EUR 16.323 million). Other operating expenses climbed by 27.9 percent to EUR 26.634 million (previous year EUR 20.829 million) for growth-related reasons.



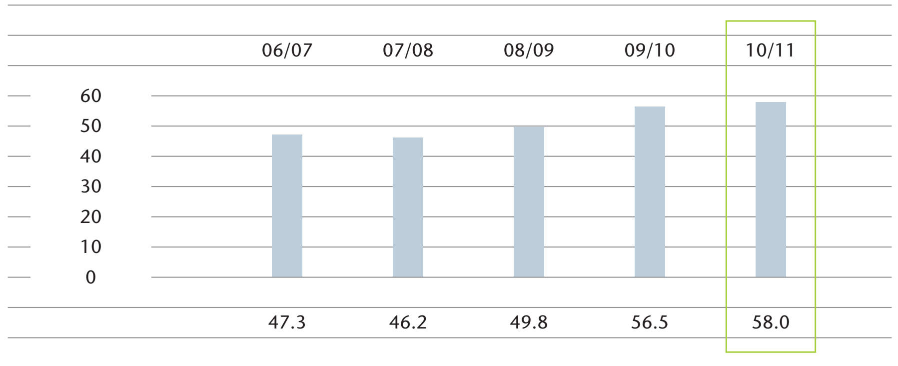
**58**

percent was the equity ratio on 31 March 2011.

### Financial and asset situation

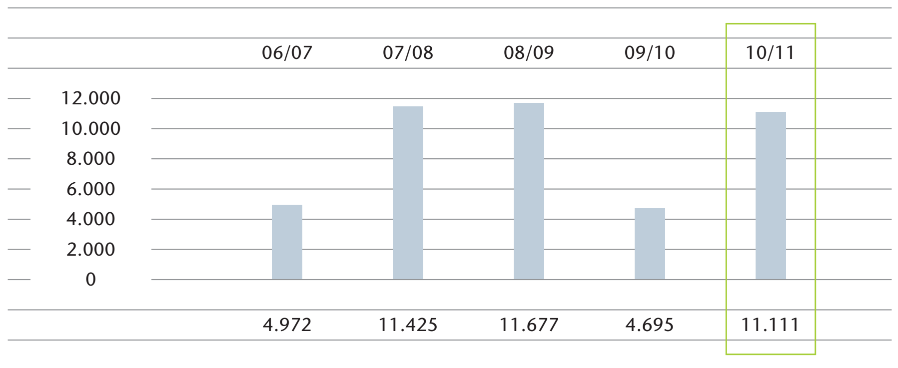
Bertrandt was again able to present a solid balance sheet as of 31 March 2011: with total assets coming to EUR 248.815 million (EUR 239.624 million as of 30 September 2010), the equity ratio stood at 58 percent (56.7 percent as of 30 September 2010). Despite the dividend payout of EUR 12.048 million, equity rose by EUR 8.360 million to EUR 144.309 million (EUR 135.949 million as of 30 September 2010). Moreover, current liabilities dropped to EUR 88.449 million (EUR 90.471 million as of 30 September 2010). On the assets side of the balance sheet, non-current assets were valued at EUR 72.120 million as of the balance sheet date (EUR 71.098 million as of 30 September 2010). Current assets rose in particular as a result of an increase in receivables, coming to EUR 172.377 million (EUR 168.526 million as of 30 September 2010).

**Equity ratio (as of 31 March)** %

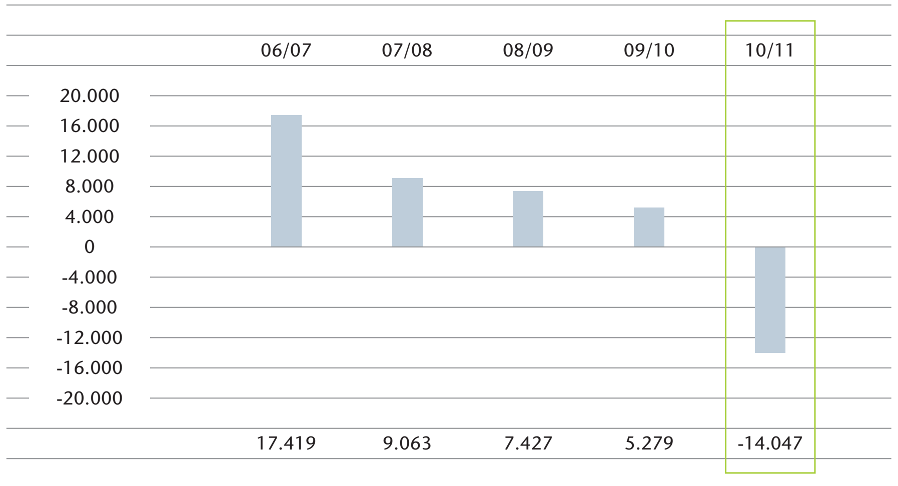



Capital spending, which climbed to EUR 11.111 million (previous year EUR 4.695 million) in the first half of fiscal 2010/2011, chiefly comprised spending on extensions in the areas of operations and infrastructure extensions. Increased capital spending and the growth-related large amount of committed funds resulted in a negative free cash flow of EUR 14.047 million (previous year EUR 5.279 million).

**Capital spending (1st half)** EUR million



**Free cash flow (1st half)** EUR million



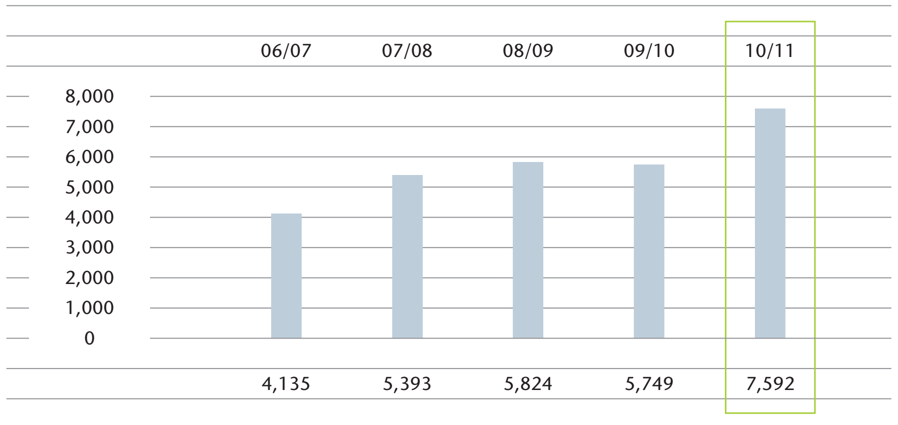

**7,592**

persons were employed at Bertrandt on 31 March 2011.

### Human Resources

Bertrandt continuously recruited new qualified staff in the first half of fiscal 2010/2011. As a result, staff numbers rose by 1,069 over the end of fiscal 2009/2010 to 7,592 as of 31 March 2011 (6,523 employees as of 30 September 2010). Compared with the same period in the previous year, staff numbers were up 1,843. Looking forward, Bertrandt will continue to seek qualified and committed employees in order to enhance the uptrend in its business. You will find the latest information on vacancies and human resources management in the Careers section of Bertrandt's web site at www.bertrandt.com.

**Employees (as of 31 March)** number





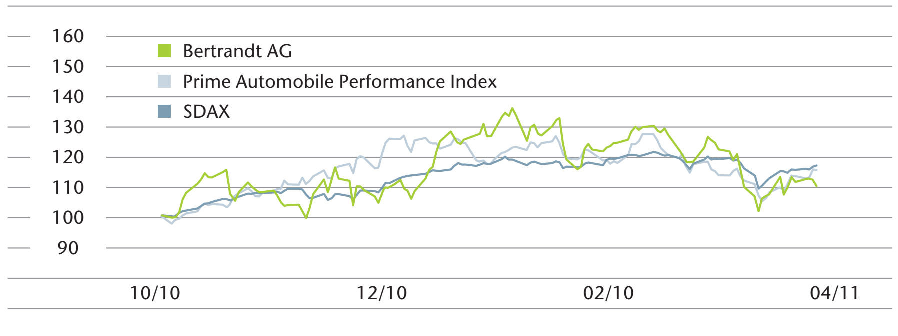

**47.50**

EUR was the price at which the Bertrandt share closed in Xetra trading on 31 March 2011.

### The Bertrandt share

At the beginning of the first half of fiscal 2010/2011, numerous indices were pointing sharply upwards, reflecting favourable economic conditions and strong corporate earnings. On 18 February 2011, the DAX hit 7,426 points, reaching its highest point since the March 2009 low in the wake of the financial and economic crisis. The SDAX performed similarly, hitting a high of 5,353 points on 14 February 2011 for the first time since its low two years earlier. The Bertrandt share was able to continue on its upwards trajectory in the first few months of the period under review, reaching an all-time high of EUR 59.94 on 6 January 2011 as a result of positive market and company data. Share prices around the world retreated on news of the tsunami and reactor accident in March 2011. Consequently, Bertrandt hit a low for the period of EUR 39.55 in Xetra trading on 15 March 2011. It closed out the first half of fiscal 2010/2011 at EUR 47.50. Average trading volumes in Xetra trading came to around 53,000 shares per trading day in the first half of fiscal 2010/2011.

**Share price in comparison (1st half)** %




Analysts' ratings of the Bertrandt share and studies on the Company can be found at www.bertrandt.com under Investor Relations.

### Risk report

As an engineering service provider operating on an international scale, the Bertrandt Group is exposed to a wide variety of risks. All pertinent facts were comprehensively reported in the 2009/2010 annual report. Bertrandt continues to see a 'double dip' scenario as one of the principal risks to which it is exposed. The sovereign debt crisis afflicting a number of countries as well as the still unclear extent of the fallout from the tsunami and reactor accident in Japan may exert a drag on global economic growth. Moreover, rising energy and commodity prices could have an adverse effect on passenger vehicle sales and, hence, also the liquidity of OEMs and component suppliers. As a result, the volume of research and development work could decrease, with the automotive majors changing their outsourcing strategy as a consequence. There was no increase in the probability of these risks arising for Bertrandt in the first half of fiscal 2010/2011. A broad strategic alignment as well as the Bertrandt Group's solid financial base form a sound foundation for its future development.

**2.8**

percent increase in the German gross domestic product is expected for the year 2011 according to the Kiel Institute for the World Economy (IfW).

**Forecast and outlook**

According to the IfW spring study, the global economy will continue to grow in 2011, expanding by 4.3 percent this year and by 3.9 percent in 2012. This trend will be driven principally by the BRIC countries. The IfW writes that gross domestic product in the eurozone should widen by 1.7 percent in 2011 and by 1.5 percent in 2012, although the performance of the individual countries will be very disparate. On the one hand, individual European countries such as Greece, Ireland and Portugal will continue to feel the strain of heavy sovereign debt, with no improvement in sight to this situation. On the other hand, Germany as well as a number of Northern and Eastern European countries will remain on their growth trajectory. In Germany, gross domestic product will increase by 2.8 percent in 2011 according to IfW. Germany's protracted economic growth is mainly due to the dynamic state of the global economy, the strong competitiveness that German exports have enjoyed for a long time and the sustained decline in unemployment. The buoyant economy and heightened price risks may well prompt the European Central Bank to tighten the monetary reins and lift its base rate, a move that could place a damper on the European economy. For 2012 IfW projects growth of two percent in Germany's gross domestic product.

Numerous sector observers assume that the automotive industry will remain on its growth path in 2011. VDA forecasts global passenger vehicle sales of 64.5 million units in 2011, equivalent to an increase of around four percent over the previous year. Against the backdrop of the outstanding business confidence index as well as strong foreign and domestic demand, the Ifo economic research institute projects growth of a good ten percent for the entire passenger and commercial vehicle industry, although rising energy and commodity prices could exert pressure on the uptrend. Given the sustained intensive competition and the pressure to innovate, European carmakers are continuing to pursue their strategy of stepping up engine and model diversity. Factors such as economy, environment, safety, comfort and performance are of crucial importance in this connection. Against the backdrop of the strong pressure to innovate in order to meet legislative requirements as well as customer expectations, the major automotive manufacturers as well as system suppliers are working intensively on a whole variety of solutions in engine technology including efforts to optimise the internal combustion engine, the introduction of hybrid drives and the electrification of the powertrain. At the same time, they are broadening their model line-ups to satisfy specific regional and customer preferences as effectively as possible. Assuming that the economy and the sectors addressed by Bertrandt continue to perform favourably, businesses increase their spending on research in and development of new technologies and models and development work are outsourced to components suppliers, Bertrandt expects successful short to medium-term business performance with a correspondingly favourable outlook for growth in all segments thanks to the establishment of additional capacity to meet customer requirements. Its aim is to systematically pursue its strategy of growing in the automotive and aviation industries as well as in the energy, mechanical engineering and electrical engineering sectors. Underpinned by its solid financials, the Bertrandt Group will be seeking to secure continued success in the engineering market and boosting its long-term enterprise value.



# INTERIM FINANCIAL STATEMENTS

**Consolidated income statement and statement of comprehensive income** EUR million

| | Q2 | Q2 | Q1+Q2 | Q1+Q2 |
|---|---|---|---|---|
| 01.10. until 31.03. | 2010/2011 | 2009/2010 | 2010/2011 | 2009/2010 |
| **I. Income statement** | | | | |
| **Revenues** | **141.860** | **104.158** | **267.768** | **194.577** |
| Other internally generated assets | 0.080 | 0.097 | 0.120 | 0.154 |
| **Total revenues** | **141.940** | **104.255** | **267.888** | **194.731** |
| Other operating income | 2.603 | 6.260 | 4.030 | 8.427 |
| Raw materials and consumables used | -13.362 | -9.079 | -26.225 | -16.323 |
| Personnel expenses | -99.228 | -75.541 | -185.857 | -140.724 |
| Depreciation | -2.720 | -2.880 | -5.340 | -5.422 |
| Other operating expenses | -13.496 | -10.321 | -26.634 | -20.829 |
| **Operating profit** | **15.737** | **12.694** | **27.862** | **19.860** |
| Share of profit in associates | 0.004 | -0.001 | 0.034 | 0.021 |
| Interest income/expense | -0.004 | -0.008 | -0.006 | -0.009 |
| Other financial result | 0.165 | 0.086 | 0.325 | 0.201 |
| **Net finance income** | **0.165** | **0.077** | **0.353** | **0.213** |
| **Profit from ordinary activities** | **15.902** | **12.771** | **28.215** | **20.073** |
| Other taxes | -0.233 | -0.112 | -0.372 | -0.230 |
| **Earnings before tax** | **15.669** | **12.659** | **27.843** | **19.843** |
| Income taxes | -4.351 | -2.647 | -7.902 | -4.570 |
| **Earnings after income tax** | **11.318** | **10.012** | **19.941** | **15.273** |
| – attributable to minority interest | 0 | -0.001 | 0 | -0.001 |
| – attributable to shareholders of Bertrandt AG | 11.318 | 10.011 | 19.941 | 15.272 |
| Number of shares (million) – diluted/basic, average weighting | 10.040 | 10.023 | 10.040 | 10.023 |
| Earnings per share (EUR) – diluted/basic | 1.13 | 1.00 | 1.99 | 1.52 |
| **II. Statement of comprehensive income** | | | | |
| **Earnings after income tax** | **11.318** | **10.012** | **19.941** | **15.273** |
| Exchange rate differences | -0.148 | 0.037 | -0.093 | 0.082 |
| Changes in fair value of available for sale assets | 0.568 | 0 | 0.568 | 0 |
| Tax effects of changes in fair value | -0.008 | 0 | -0.008 | 0 |
| **Other earnings after income tax** | **0.412** | **0.037** | **0.467** | **0.082** |
| **Total comprehensive income** | **11.730** | **10.049** | **20.408** | **15.355** |
| – attributable to minority interest | 0 | -0.001 | 0 | -0.001 |
| – attributable to shareholders of Bertrandt AG | 11.730 | 10.048 | 20.408 | 15.354 |

**Consolidated balance sheet** EUR million

| | 31.03.2011 | 30.09.2010 |
|---|---|---|
| **Assets** | | |
| Intangible assets | 10.711 | 10.579 |
| Property, plant and equipment | 49.542 | 44.133 |
| Investment properties | 4.568 | 4.676 |
| Investments accounted for using the equity method | 0.852 | 0.818 |
| Other financial assets | 0.745 | 4.611 |
| Receivables and other assets | 2.747 | 2.594 |
| Income tax assets | 0.869 | 0.850 |
| Deferred taxes | 2.086 | 2.837 |
| **Non-current assets** | **72.120** | **71.098** |
| Inventories | 0.478 | 0.470 |
| Future receivables from construction contracts | 30.349 | 20.381 |
| Receivables and other assets | 118.074 | 98.794 |
| Income tax assets | 1.530 | 0.800 |
| Cash and cash equivalents | 21.946 | 48.081 |
| **Current assets** | **172.377** | **168.526** |
| **Available for sale assets** | **4.318** | **0** |
| **Total assets** | **248.815** | **239.624** |
| **Equity and liabilities** | | |
| Issued capital | 10.143 | 10.143 |
| Share premium | 26.625 | 26.625 |
| Retained earnings | 78.531 | 78.064 |
| Consolidated distributable profit | 29.008 | 21.115 |
| **Equity to attributable shareholders of Bertrandt AG** | **144.307** | **135.947** |
| Minority interests | 0.002 | 0.002 |
| **Capital and reserves** | **144.309** | **135.949** |
| Provisions | 6.391 | 5.986 |
| Other liabilities | 0.511 | 0.527 |
| Deferred taxes | 9.155 | 6.691 |
| **Non-current liabilities** | **16.057** | **13.204** |
| Tax provisions | 1.691 | 4.670 |
| Other provisions | 30.987 | 36.162 |
| Borrowings | 0.212 | 0.271 |
| Trade payables | 9.211 | 7.475 |
| Other liabilities | 46.348 | 41.893 |
| **Current liabilities** | **88.449** | **90.471** |
| **Total equity and liabilities** | **248.815** | **239.624** |

**Consolidated statement of changes in equity** EUR million

| | Issued capital | Share premium | Retained earnings | | | | Consolidated distributable profit | **Equity attributable to shareholders of Bertrandt AG** | Minority interests | **Total** |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Non-distributed earnings | Currency translation reserve | Treasury shares | Available for sale assets | | | | |
| **Value on 01.10.2010** | **10.143** | **26.625** | **81.697** | **-2.156** | **-1.477** | **0** | **21.115** | **135.947** | **0.002** | **135.949** |
| Dividend payment | | | | | | | -12.048 | **-12.048** | 0 | **-12.048** |
| Total comprehensive income | | | | -0.093 | | 0.560 | 19.941 | **20.408** | 0 | **20.408** |
| Other non-operating changes | | | | | | | | **0** | | **0** |
| **Value on 31.03.2011** | **10.143** | **26.625** | **81.697** | **-2.249** | **-1.477** | **0.560** | **29.008** | **144.307** | **0.002** | **144.309** |
| **Previous year** | | | | | | | | | | |
| **Value on 01.10.2009** | **10.143** | **26.625** | **66.638** | **-2.328** | **-1.927** | **0** | **14.960** | **114.111** | **0.003** | **114.114** |
| Dividend payment | | | | | | | -10.023 | **-10.023** | | **-10.023** |
| Total comprehensive income | | | | 0.082 | | | 15.272 | **15.354** | 0.001 | **15.355** |
| Other non-operating changes | | | | | | | | **0** | -0.001 | **-0.001** |
| **Value on 31.03.2010** | **10.143** | **26.625** | **66.638** | **-2.246** | **-1.927** | **0** | **20.209** | **119.442** | **0.003** | **119.445** |

**Consolidated cash flow statement** EUR million

| 01.10. until 31.03. | | Q1+Q2 2010/2011 | Q1+Q2 2009/2010 |
|---|---|---|---|
| **1.** | **Net profit for the period (including minority interests) before exceptionals** | **19.941** | **15.273** |
| 2. | Income taxes | 7.902 | 4.570 |
| 3. | Interest income/expense | 0.006 | 0.009 |
| 4. | Other net financial result | -0.325 | -0.201 |
| 5. | Share of profit in associates | -0.034 | -0.021 |
| 6. | Depreciation of non-current assets | 5.340 | 5.422 |
| 7. | Increase/decrease in provisions | -4.492 | -3.673 |
| 8. | Other non-cash income/expense | -0.187 | -0.178 |
| 9. | Profit/loss from disposal of non-current assets | 0.045 | 0.038 |
| 10. | Increase/decrease in inventories, trade receivables and other assets not assigned to investing or financing activities | -29.590 | -15.377 |
| 11. | Increase/decrease in trade payables and other liabilities not assigned to investing or financing activities | 6.107 | 11.349 |
| 12. | Income tax received/paid | -8.412 | -7.863 |
| 13. | Interest paid | -0.001 | -0.002 |
| 14. | Interest received | 0.306 | 0.227 |
| **15.** | **Cash flows from operating activities (1.-14.)** | **-3.394** | **9.573** |
| 16. | Payments received from disposal of property, plant and equipment | 0.142 | 0.121 |
| 17. | Payments received from the disposal of financial assets | 0.316 | 0.280 |
| 18. | Payments made for investments in property, plant and equipment | -10.126 | -4.152 |
| 19. | Payments made for investments in intangible assets | -0.833 | -0.421 |
| 20. | Payments made for investments in financial assets | -0.152 | -0.122 |
| **21.** | **Cash flows from investing activities (16.-20.)** | **-10.653** | **-4.294** |
| 22. | Payment received from the sale of treasury shares | 0 | 0 |
| 23. | Payments made to shareholders and minority shareholders | -12.048 | -10.023 |
| 24. | Payments made for acquisition of treasury shares | 0 | 0 |
| 25. | Payments received from issue of debt instruments and raising of loans | 0 | 0.033 |
| 26. | Payments made for discharging debt instruments and repaying loans | 0 | 0 |
| **27.** | **Cash flows from financing activities (22.-26.)** | **-12.048** | **-9.990** |
| 28. | Changes in cash and cash equivalents (15.+21.+27.) | -26.095 | -4.711 |
| 29. | Effect of exchange rate changes on cash and cash equivalents | -0.040 | 0.075 |
| 30. | Cash and cash equivalents at beginning of period | 48.081 | 44.355 |
| **31.** | **Cash and cash equivalents at end of period (28.-30.)** | **21.946** | **39.719** |

**Consolidated segment report** EUR million

| | Digital Engineering | | Physical Engineering | | Electrical Systems/ Electronics | | Total of all divisions | |
|---|---|---|---|---|---|---|---|---|
| 01.10. until 31.03. | 2010/2011 | 2009/2010 | 2010/2011 | 2009/2010 | 2010/2011 | 2009/2010 | 2010/2011 | 2009/2010 |
| Revenues | 171.959 | 114.907 | 46.181 | 39.187 | 53.629 | 44.011 | 271.769 | 198.105 |
| Transfer between segments | 2.368 | 2.030 | 0.753 | 0.501 | 0.880 | 0.997 | 4.001 | 3.528 |
| **Consolidated revenues** | **169.591** | **112.877** | **45.428** | **38.686** | **52.749** | **43.014** | **267.768** | **194.577** |
| **Operating profit** | **16.615** | **11.469** | **5.310** | **4.080** | **5.937** | **4.311** | **27.862** | **19.860** |
| 01.01. until 31.03. | 2010/2011 | 2009/2010 | 2010/2011 | 2009/2010 | 2010/2011 | 2009/2010 | 2010/2011 | 2009/2010 |
| Revenues | 91.505 | 61.584 | 24.259 | 20.417 | 27.891 | 23.700 | 143.655 | 105.701 |
| Transfer between segments | 1.175 | 1.018 | 0.409 | 0.232 | 0.211 | 0.293 | 1.795 | 1.543 |
| **Consolidated revenues** | **90.330** | **60.566** | **23.850** | **20.185** | **27.680** | **23.407** | **141.860** | **104.158** |
| **Operating profit** | **9.668** | **8.090** | **2.977** | **2.214** | **3.092** | **2.390** | **15.737** | **12.694** |

**Shares owned by members of the Management and Supervisory Boards** number

| | | Balance at 31.03.2011 | Balance at 30.09.2010 |
|---|---|---|---|
| **Management Board** | Dietmar Bichler | 801,094 | 801,094 |
| | Ulrich Subklew | 0 | 0 |
| **Supervisory Board** | Dr. Klaus Bleyer | 0 | 0 |
| | Maximilian Wölfle | 0 | 0 |
| | Horst Binnig | 0 | 0 |
| | Prof. Dr.-Ing. Wilfried Sihn | 0 | 0 |
| | Daniela Brei | 162 | 162 |
| | Martin Diepold* | 20 | 45 |
| **Total** | | **801,276** | **801,301** |

*until 20 March 2011

# CONDENSED CONSOLIDATED NOTES

**Accounting priniciples**

The consolidated financial statements of Bertrandt Aktiengesellschaft, registered at Birkensee 1, 71139 Ehningen, Germany (register number HRB 245259, commercial register of the local court of Stuttgart) for the year ending 30 September 2010 were prepared using the International Financial Reporting Standards (IFRS) as applicable after the reporting date and as endorsed by the European Union (EU).

The presented unaudited consolidated interim financial statements as at 31 March 2011 were prepared based on International Accounting Standard (IAS) 34 “Interim Financial Reporting”, in principle applying the same reporting methods as in the annual report on the 2009/2010 financial year. The provisions of the German Commercial Code over and above Section 315a (1) of the German Commercial Code as well as all the standards and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), which are subject to mandatory application in fiscal 2010/2011, have been considered.

A detailed description of these methods is published in the notes to the consolidated financial statements of the annual report for fiscal 2009/2010. This is also accessible on the internet at www.bertrandt.com.

As a result of the intention to sell it, the equity holding in Aeroconseil S.A. was recognised as an available for sale asset at its fair value.

This interim report was compiled in euros. Unless stated otherwise, all amounts are shown in millions of euros (EUR million).

**International Financial Reporting Standards and Interpretations that are subject to mandatory application as of fiscal 2010/2011**

The following table sets out the International Financial Reporting Standards and Interpretations that are subject to mandatory application as of fiscal 2010/2011:

| Standard/ Interpretation | | Compulsory application |
|---|---|---|
| IFRS 1 | First-time application of IFRS – version dated 27 November 2008 | 01.01.2010 |
| IFRS 1 | First-time application of IFRS, additional exemptions for first-time adapters | 01.01.2010 |
| IFRS 1 | Amendments to IFRS 1, limited exemption from comparative IFRS 7 disclosures | 01.07.2010 |
| IFRS 2 | Amendment of share-based payments | 01.01.2010 |
| IAS 32 | Classification of right issues | 01.02.2010 |
| IFRIC 15 | Agreements for the construction of real estate | 01.01.2010 |
| IFRIC 17 | Distributions of non-cash assets to owners | 01.11.2009 |
| IFRIC 18 | Transfers of assets from customers | 01.11.2009 |
| IFRIC 19 | Extinguishing financial liabilities with equity instruments | 01.07.2010 |
| Improvement to IFRS | Individual amendments | Individual amendments |

The new standards and interpretations that are subject to mandatory application have no effect on the interim report.



**International Financial Reporting Standards and Interpretations that have been published but are not yet mandatory**

The following standards and interpretations have already been adopted by the International Accounting Standards Board (IASB) and partly approved by the EU but they were not yet mandatory in the fiscal 2010/2011. Bertrandt will apply them as of the accounting period for which they become mandatory.

| Standard/ Interpretation | | Compulsory application | Expected effects |
|---|---|---|---|
| IFRS 1* | Amendments to IFRS 1: severe high inflation and removal of fixed data | 01.07.2011 | None |
| IFRS 7* | Amendments to IFRS 7: disclosures in the notes | 01.07.2011 | Disclosures in the notes |
| IFRS 9* | Financial instruments | 01.01.2013 | Classification, measurement |
| IAS 12* | Deferred taxes: realisation of the underlying assets | 01.01.2012 | Deferred taxes |
| IAS 24 | Disclosures on related parties | 01.01.2011 | Disclosures in the notes |
| IFRIC 14 | Prepayments of existing minimum funding requirements | 01.01.2011 | None |
| Improvement to IFRS | Individual amendments | Individual amendments | Single-case audit |

*not yet endorsed by the EU

**Companies consolidated**

In addition to Bertrandt AG, the consolidated financial statements include all operating subsidiaries under the legal and constructive control of Bertrandt AG. This specifically entails the following German companies: the Bertrandt Ingenieurbüro GmbH companies in Gaimersheim, Ginsheim-Gustavsburg, Hamburg, Cologne, Munich, Neckarsulm, Tappenbeck, Bertrandt Technikum GmbH, Bertrandt Projektgesellschaft mbH and Bertrandt Services GmbH in Ehningen. The ZR-Zapadtka + Ritter Geschäftsführungs GmbH was incorporated in the current interim report as well.
In addition the foreign subsidiaries Bertrandt France S.A. in Paris/Bièvres, Bertrandt S.A.S. in Paris/Bièvres, Bertrandt UK Ltd. in Dunton, Bertrandt Sweden AB in Trollhättan, Bertrandt US Inc. in Detroit and Bertrandt Otomotiv Mühendislik Hizmetleri Ticaret Ltd. Sti. in Istanbul, were consolidated in the interim report.
Companies on which Bertrandt exercises material but not dominant influence are accounted for using the equity method as associated companies in the interim report. These are Bertrandt Entwicklungen AG & Co. OHG, Bertrandt Automotive GmbH & Co. KG, aucip. automotive cluster investment platform GmbH & Co. KG and aucip. automotive cluster investment platform Beteiligungs GmbH as well as Bertrandt Aeroconseil GmbH.

## Currency translation

The single-entity financial statements prepared by foreign subsidiaries outside the European Monetary Union were translated to the Group's functional currency pursuant to IAS 21. As the subsidiaries carry out their business independently for financial, commercial and organisational purposes, the functional currency is identical to the currency of the country in which they are based.
Accordingly, these companies' assets and liabilities are presented in the consolidated interim financial statements at the mean end-of-period exchange rate, while expenses and income are translated using the average six-month exchange rate. Any currency differences from this as well as the translation of amounts brought forward from the previous year are charged to equity.
Foreign-currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. Gains and losses from the settlement of such transactions as well as the transaction-date translation of monetary assets and liabilities held in a foreign currency are taken to the income statement.
The parities of the key currencies relative to the Euro were as follows:

**Currency translation** relative to one euro

| | | Average rate on balance sheet date | | Average rate in the first half | |
|---|---|---|---|---|---|
| | | 31.03.2011 | 31.03.2010 | 31.03.2011 | 31.03.2010 |
| United Kingdom | GBP | 0.8830 | 0.8898 | 0.8569 | 0.8954 |
| Sweden | SEK | 8.9320 | 9.7135 | 9.0457 | 10.1596 |
| Turkey | TRY | 2.1963 | 2.0512 | 2.0731 | 2.1468 |
| United States | USD | 1.4203 | 1.3479 | 1.3635 | 1.4307 |

## Material events occurring after the end of the interim reporting period

There were no key events occurring after the end of the period covered by this interim report that are not shown in the financial statements for the six-month reporting period from 1 October 2010 to 31 March 2011.

## German Corporate Governance Code

The current declarations pursuant to Section 161 of the German Public Companies Act on the German Corporate Governance Code by the Management and Supervisory Boards of Bertrandt AG are accessible on the www.bertrandt.com.



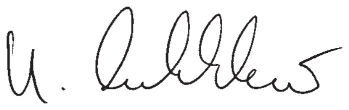
## Responsibility statement

Declaration in line with Article 37y and Article 37w Section 2 number 3 German Securities Trading Act:

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the condensed consolidated interim 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.

Ehningen, 3 May 2011

Bertrandt AG
The Management Board



Dietmar Bichler
Chairman

Ulrich Subklew

# QUARTERLY SURVEY

**Consolidated income statement** EUR million

| | Q2 10/11 | Q1 10/11 | Q4 09/10 | Q3 09/10 | Q2 09/10 |
|---|---|---|---|---|---|
| **Revenues** | **141.860** | **125.908** | **124.120** | **110.137** | **104.158** |
| Other internally generated assets | 0.080 | 0.040 | 0.048 | 0.055 | 0.097 |
| **Total revenues** | **141.940** | **125.948** | **124.168** | **110.192** | **104.255** |
| Other operating income | 2.603 | 1.427 | -0.282 | 1.452 | 6.260 |
| Raw materials and consumables used | -13.362 | -12.863 | -10.653 | -8.770 | -9.079 |
| Personnel expenses | -99.228 | -86.629 | -82.624 | -79.383 | -75.541 |
| Depreciation | -2.720 | -2.620 | -2.562 | -2.489 | -2.880 |
| Other operating expenses | -13.496 | -13.138 | -13.937 | -11.014 | -10.321 |
| **Operating profit** | **15.737** | **12.125** | **14.110** | **9.988** | **12.694** |
| **Net finance income** | **0.165** | **0.188** | **0.114** | **0.345** | **0.077** |
| **Profit from ordinary activities** | **15.902** | **12.313** | **14.224** | **10.333** | **12.771** |
| Other taxes | -0.233 | -0.139 | -0.357 | -0.120 | -0.112 |
| **Earnings before tax** | **15.669** | **12.174** | **13.867** | **10.213** | **12.659** |
| Income taxes | -4.351 | -3.551 | -5.037 | -3.079 | -2.647 |
| **Earnings after income tax** | **11.318** | **8.623** | **8.830** | **7.134** | **10.012** |
| – attributable to minority interest | 0 | 0 | -0.001 | 0 | 0.001 |
| – attributable to shareholders to Bertrandt AG | 11.318 | 8.623 | 8.831 | 7.134 | 10.011 |
| Number of shares (million) | | | | | |
| – diluted/basic, average weighting | 10.040 | 10.040 | 10.040 | 10.040 | 10.023 |
| Earnings per share (EUR) – diluted/basic | 1.13 | 0.86 | 0.88 | 0.71 | 1.00 |

# FINANCIAL CALENDAR

**6th Capital Market Day**

11 May 2011
Ehningen

**Report on the 3rd quarter 2010/2011**

15 August 2011

**Annual press and analysts' conference**

8 December 2011
Stuttgart/Frankfurt

**Annual General Meeting**

15 February 2012
10:30
City Hall Sindelfingen

# CREDITS

**Published and edited by**

Bertrandt AG
Birkensee 1, 71139 Ehningen
Germany
Telephone +49 7034 656-0
Telefax +49 7034 656-4100
www.bertrandt.com
info@bertrandt.com

HRB 245259
Amtsgericht Stuttgart

**Contact**

Sandra Baur
Investor Relations
Telephone +49 7034 656-4201
Telefax +49 7034 656-4488
sandra.baur@de.bertrandt.com

Anja Schauser
Corporate Communication
Telephone +49 7034 656-4037
Telefax +49 7034 656-4090
anja.schauser@de.bertrandt.com

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www.sahara.de

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