

# Interim Report 2010

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January 1 –  
June 30, 2010  
ISIN: DE000A0XYGA7

**Revenue:**  
second quarter  
of 2010 confirms  
recovery

**Earnings:**  
positive progress  
continues

**Technology:**  
upswing gradually  
taking shape

**Services:**  
higher margins from  
virtually stable level  
of business

**New markets:**  
Cooperation with  
Termotek AG

**Outlook:**  
Targets for 2010  
confirmed

## technotrans Group

Key data acc, to IFRS		Change	1.1. – 30.6.10	1.1. – 30.6.09	2009	2008
<b>Earnings</b>						
Revenue	€'000	-6.6%	40,797	43,682	82,208	141,677
Technology	€'000	-9.4%	23,739	26,199	48,808	103,840
Services	€'000	-2.4%	17,058	17,483	33,400	37,837
Gross profit	€'000	4.8%	13,347	12,738	16,657	35,745
EBITDA <sup>1</sup>	€'000		3,196	-230	-4,284	12,177
Earnings before interest and taxes (EBIT)	€'000		1,556	-2,038	-11,929	-38
Net result for the period	€'000		824	-2,543	-10,347	-2,852
as % of revenue	%		2.0	-5.8	-12.6	-2.0
Net result per share (IFRS)	€		0.13	-0.41	-1.65	-0.45
Dividend per share	€		-	-	-	-
<b>Balance sheet</b>						
Issued capital	€'000	0.0%	6,908	6,908	6,908	6,908
Equity	€'000	6.2%	33,218	39,506	31,287	41,816
Equity ratio	%		46.1	48.5	45.2	47.7
Return on equity	%		0.3	-5.8	-28.3	-5.8
Balance sheet total	€'000	4.1%	72,090	81,520	69,242	87,612
Working capital	€'000	116.6%	16,999	24,566	7,847	26,177
<b>Employees</b>						
Number of employees (average)		-14.7%	616	722	676	823
Personnel expenses	€'000	-15.6%	14,339	16,985	31,975	41,628
as % of revenue	%		35.1	38.9	38.9	29.4
Revenue per employee	€'000	9.1%	66	61	122	172
<b>Cash flow</b>						
Cash flow <sup>2</sup>	€'000	-44.1%	3,626	6,482	3,640	6,747
Free cash flow <sup>3</sup>	€'000	-43.3%	3,153	5,563	2,435	363
<b>Shares</b>						
Number of shares at end of period		0.6%	6,311,415	6,271,797	6,311,415	6,271,797
Share price (max)	€'000	31.9%	6.00	4.55	6.10	17.09
Share price (min)	€'000	53.7%	4.61	3.00	2.97	3.54

<sup>1</sup> EBITDA = EBIT + amortisation of goodwill + depreciation of property, plant and equipment and intangible assets

<sup>2</sup> Cash flow = Net cash from operating activities acc. to Cash flow Statement

<sup>3</sup> Free Cash flow = Net cash from operating activities + net cash used for investments acc. to Cash flow Statement

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Dear Shareholders,  
Dear Business Associates,

A few days ago we announced that technotrans has concluded a cooperation agreement with Termotek AG. This initial move now fleshes out our declaration of intent to explore new, additional areas of application for our technologies outside the sphere of the printing industry. Termotek AG is a specialist supplier of laser cooling systems for an incredibly diverse range of applications. Its technology, which is very closely related to technotrans' core expertise, means the company is therefore active in a highly promising market of the future. As already announced in the press release, if our shared expectations of the cooperation are borne out we are also prepared to consider taking our association with Termotek to a higher level. We will likewise continue to keep you informed of progress with tapping into other markets that are new to us.

There was hard evidence of a recovery in many areas of German industry in the first few months of the new financial year. According to the latest announcements our major customers, the printing press manufacturers, equally enjoyed a welcome rise in incoming orders. We take that as a sign that the improvement in technotrans' business situation on which our plans for the 2010 financial year are based should indeed materialise. The relatively positive reports from German market operators should nevertheless not hide the fact that this recovery is still no more than a tender green shoot and does not yet constitute evidence of a global upturn. On the contrary, the worldwide picture remains distinctly mixed; in some markets such as the USA the progress of the industry is still lagging well behind expectations.

The signs of the recovery in business for the first six months of 2010 are also reflected to some degree in the figures that we are presenting in this interim report. Revenue of € 21.0 million in the second quarter of 2010 is up on the previous quarter (€ 19.8 million) for the first time in a long while, and also higher than in the prior-year period (€ 20.5 million, + 2.6 percent). This increase is the result of the positive performance of the Technology segment, revenue for which grew by almost 5 percent. You can also read more about the good earnings performance in this report.

So the situation is no longer quite so bad, and the mood is actually distinctly positive. The recent industry events such as the IPEX in the UK and the ExpoPrint in Brazil demonstrated that emerging countries in particular are generating infectious positive momentum. Not least for that reason, we recently completed the



establishment of our subsidiary in India, which will further strengthen our presence in that important market and enable us to serve our growing customer base there even more effectively and directly.

technotrans is also increasingly taking part in exhibitions outside the printing industry. Having already put in a first appearance at this year's Hanover Fair, we are planning to participate in the internationally leading exhibition for plastics technology, the "K", in Düsseldorf in the autumn. There, technotrans will be showcasing the theta.plast, a temperature control unit with very high temperature control and measuring precision with an accuracy of 0.1 degree across a water temperature range of 10 to 140 degrees, and also an impulse cooling system. technotrans is therefore targeting first and foremost the demanding area of the injection moulding industry.

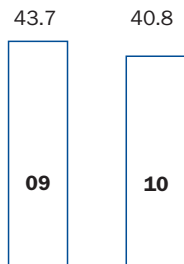
Along with the signs of a modest recovery in our core business and the highly promising prospects of additional expansion in applications outside of the printing industry, we have ample reason to believe that the capital market will reassess our shares. After all, we have already paved the way for technotrans to emerge from the crisis as a profitable growth company once more.

We will greatly value your support for this venture!

The Board of Management

**Interim Management Report**

**Revenue**  
1. 1. – 30. 6.  
(in € million)



**Revenue: second quarter of 2010 confirms recovery**

For the first time in a long while, revenue for the second quarter of the 2010 financial year was higher than in the corresponding prior-year quarter. The business volume reached € 21.0 million and was therefore 2.6% up on the second quarter of 2009 (€ 20.5 million).

After the cautious start to the current financial year, the second quarter thus confirmed our expectations of a modest recovery in 2010. This welcome development is attributable exclusively to the Technology segment, where the revenue trend was reversed from a fall of 21.4% in the first quarter to a rise of 4.9% in the second quarter. This increase on the one hand reflects the recovery in certain regions of the world, with Asia and South America performing particularly well. On the other hand business with printing press manufacturers revived slightly, as expected.

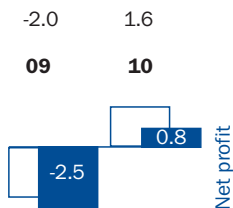
Revenue for the first half of 2010 reached € 40.8 million, still 6.6% down on the prior-year figure (€ 43.7 million).

**Earnings: positive progress continues**

The 2.6% rise in revenue in the second quarter also led to an improvement in earnings. A gross profit of € 6.9 million was achieved, representing a rise of 6.5% on the second quarter of the previous year (€ 6.5 million); the gross margin was 32.8% (previous year 31.6%). Half way through the year the gross profit was € 13.3 million despite the lower revenue (previous year € 12.7 million, +4.8%).

Whereas the prior-year quarter had yielded a loss of € 1.1 million at EBIT level, the second quarter of the 2010 financial year was likewise once again profitable. EBIT reached € 0.9 million, representing a slight improvement on the result for the first quarter of 2010 (€ 0.6 million); the EBIT margin was 4.4%, as against 3.2% in the first quarter of 2010. The net fall of € 1.2 million in distribution costs, administrative expenses and development costs, along with positive exchange-rate effects at group level, had a positive impact. The costs for two international exhibitions (IPEX, ExpoPrint) had to be absorbed in the quarter, as did the costs for the new financing concept that was implemented in this quarter. Whereas first-half EBIT was still negative at € -2.0 million in the previous year, it reached € 1.6 million or 3.8% in 2010. In light of expectations that business should recover further in the second half of the year, we believe there is further scope for improvement over the year as a whole.

**EBIT**  
1. 1. – 30. 6.  
(in € million)



While technotrans has been able to benefit from low interest rates for quite some time now, interest expense showed a slight rise in the last quarter. This results



from the successful restructuring of financial liabilities, with a shift in emphasis more towards the medium to long-term category.

The net income for the period was € 0.5 million for the second quarter, bringing the total for the first half to € 0.8 million. This corresponds to earnings per share of € 0,13 (previous year € -0.41) for shares outstanding.

### Technology: upswing gradually taking shape

After four quarters which, with hindsight, appear to have represented the trough of the crisis, revenue for the Technology segment recovered slightly in the second quarter of 2010. This was prompted by welcome momentum in certain emerging countries; demand from printing press manufacturers likewise picked up as expected. Revenue therefore grew by 4.9% compared with the prior-year quarter (€ 12.0 million) to € 12.5 million; this confirmed our planning, in which we had anticipated a gradual recovery in the course of the current financial year. The first quarter had still suffered a 21.4% revenue downturn on the previous year. After six months, revenue therefore reached € 23.7 million, 9.4% below the still relatively high level for the prior-year period.

With restructuring costs severely undermining the result for the segment in the first half of the previous year, the loss fell to € -0.5 million in the second quarter of 2010, bringing the overall loss for the first half of 2010 to € 1.1 million. The earnings situation should improve over the coming quarters along with a further acceleration in business volume.

[€'000]		Q1/09	Q2/09	Q3/09	Q4/09	Q1/10	Q2/10
<b>Technology</b>	Revenue	14,246	11,953	10,926	11,683	11,198	12,541
	EBIT	-2,067	-2,325	-5,557	-6,226	-651	-470

### Services: higher margins from virtually stable level of business

The Services segment achieved revenue of € 8.5 million in the second quarter of 2010, a downturn of 0.5% on the prior-year quarter. This stabilisation of the business performance provides yet more evidence that the impact of the crisis is abating. Nevertheless, revenue continues to suffer from a lack of installation business because the number of major projects remains low. On the other hand gds AG is performing well with its new subsidiary in Switzerland, which has succeeded in acquiring new customers in recent weeks.

## Financial performance of the segments

In terms of earnings, too, the Services segment was able to help stabilise business once again. It produced a result for the segment of € 1.4 million in the second quarter, thus bringing the total for the first half of 2010 to € 2.7 million (previous year € 2.2 million). The margin after six months was a satisfactory 15.6%.

[€ '000]		Q1/09	Q2/09	Q3/09	Q4/09	Q1/10	Q2/10
<b>Services</b>	Revenue	8,974	8,509	7,997	7,920	8,595	8,463
	EBIT	1,131	1,057	1,137	921	1,254	1,402

### Financial position

Based on a net profit of € 824 thousand for the first six months of 2010, the cash flow from operating activities before changes in net current assets totalled € 2.9 million (€ -387 thousand). Whereas it had been possible to release around € 7.5 million in cash and cash equivalents above all from receivables, inventories and liabilities in the prior-year period, in the first half of the new financial year there was only a moderate need overall for financing of working capital. Mainly for that reason, cash from operating activities amounted to € 2.8 thousand (previous year € 7.9 million).

Rebates of tax payments on account for the 2009 financial year already released further financial resources in the first quarter, ultimately pushing net cash from operating activities at the six-month mark up to € 3.6 million (previous year € 6.5 million). In relation to revenue, this produced a cash flow ratio of 8.9%.

Investing activities remain pared back to the bare minimum. The free cash flow remains positive after six months, at just under € 3.2 million.

The restructuring of corporate financing included the reconstruction of existing financial resources and the rescheduling of long-term loans amounting to € 3.0 million. Aside from this, the financial liabilities continued to be repaid according to schedule during the first half. Cash and cash equivalents at the end of the half of € 12.9 million were around € 2.6 million up on the end of 2009 (€ 10.3 million).





<b>Cash flow from operating activities</b> (€ '000)	<b>30.06.2010</b>	<b>30.06.2009</b>
Cash flow from operating activities before working capital changes	2,940	-387
Net cash from operating activities	3,626	6,482
Net cash used for investing activities	-473	-919
Net cash used in financing activities	-505	-1,525
<b>Free cash flow</b>	<b>3,153</b>	<b>5,563</b>
Cash flow ratio	8.9%	14.8%

### Net worth

The balance sheet total has increased by 4.1% from € 69.2 million to € 72.1 million since the start of the year. The main changes on the assets side concerned property, plant and equipment as well as intangible assets, which fell further as a result of amortisation. On the back of the slight recovery in standard business, inventories grew by around € 1.6 million to € 17.6 million, while cash and cash equivalents simultaneously rose by around € 2.6 million to € 12.9 million.

Changes on the equity and liabilities side largely concerned the financial liabilities, the maturities of which have shifted towards the medium to long-term as a result of the new financing concept. Current liabilities thus fell by around € 6.3 million, whereas non-current liabilities simultaneously rose by € 5.9 million. Largely because of this change, working capital (current assets – current liabilities) grew from € 9.0 million in the first quarter to € 17.0 million at the end of the second quarter. The positive changes in shareholders' equity (almost € 2.9 million) stem primarily from exchange-rate effects in the translation of foreign participating interests, as the major currencies exhibited noticeable gains or losses in value in the first half of the year.

Net debt, in other words interest-bearing liabilities less cash, continued to fall to € 9.5 million (end of 2009: € 12.4 million). Gearing at the reporting date was 28.7%.

**New markets**

To complement our activities in the printing industry, we are currently identifying and evaluating a number of options for implementing our skills in other areas of industry, too (technotrans industrial system solutions – ttis). We have taken an initial visible step through our cooperation with Termotek AG. Termotek develops and builds laser temperature control units that occupy a technological position very close to our core skill. They cover a performance level that complements our units in the lower segment (1-5 kW). The market for laser applications is growing rapidly and technotrans' international setup paves the way for accessing additional international markets more easily. If our shared expectations of the cooperation are fulfilled, we will be prepared to strengthen ties with Termotek still further. There are also various other options that we are planning to explore primarily with self-developed products. The extent to which these projects have taken on firm contours varies considerably, but in certain cases we have already reached the phase of building prototypes and will now proceed to test them in practice. If these tests prove positive, we will likewise announce our entry into these application areas.

**Research and development**

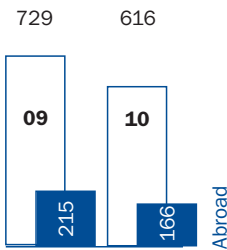
A total of just under € 1.3 million was spent on research and development in the first half of 2010, leaving the spending ratio virtually unchanged at 3.1%. Development projects were frequently shelved by the customer over recent quarters because they were no longer a priority in the prevailing economic climate. Nevertheless, there has been evidence for some weeks now that customers are once more looking to the future and exploring ideas constructively. Projects from the new markets (ttis) can currently be handles using existing capacity without any great difficulty.

**Personnel**

technotrans has shed considerable human resources capacity since the start of the crisis and adjusted to the new, lower level of revenue. At the reporting date of June 30, 2010 the group had 22% fewer employees in Germany and 35% fewer internationally than at the corresponding date in 2008. The instrument of short-time has been used for the past 16 months at the German locations in order to maintain the level of expertise. It is planned to adhere to this policy for the coming months, depending on the volume of business.

Personnel expenses amounted to 14.3 million or 35.1% in the first half. That is € 2.6 million or 15.6% below the figure for the corresponding period of the previous year. Based on the revenue level for the month of June 2010, the expenditure ratio was 30.7% and therefore almost at the level of 2008 (29.4%). Our aim is to bring this indicator back down below the 30% mark in the short term.

**Employees**  
(at June 30)



## Shares

Whereas the trading price had exhibited a marked downward trend in the first quarter of 2010, it recovered in the course of the second quarter to reach a year-high of € 6.00 at the start of May. However, major disposals by an institutional investor pushed it back down towards € 5.25 as the quarter progressed. As the general tone of announcements by the printing industry has cautiously improved in recent months and the pressure from sell-offs has abated, we are optimistic that the trading price will soon move beyond the current bandwidth. Analysts have recently expressed potential as high as € 9.00.

### SHARE PRICE

JULY 1, 2009 TO JUNE 30, 2010 (BLUE: TECHNOTRANS, BLACK: TECDAX)



### Report on significant transactions with related parties

(Position at 30/06/2010)

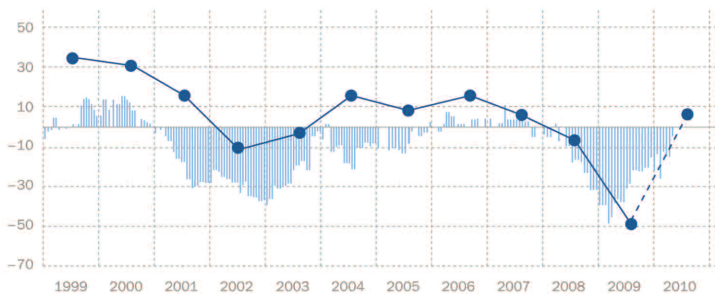
Board	Shares	Board of Supervisors	Shares
Henry Brickenkamp	40,000	Klaus Beike	441
Dirk Engel	5,200	Manfred Bender	0
		Dr. Norbert Bröcker	250
		Heinz Harling	64,854
		Matthias Laudick	1,078
		Joachim Voss	0

**Report on expected developments**

**Revenue and earnings for 2010**

There have been increasing signs over the past few weeks that the printing industry has overcome the worst of the crisis. Feedback from exhibitors at this year's major international industry exhibition, the Birmingham IPEX, was positive – partly because expectations beforehand had been so muted. The mood following the ExpoPrint in Brazil was much more enthusiastic. The recovery in the printing industry continues to be underpinned by emerging countries (Asia, South America), while the upturn in other regions (Japan, USA) is still awaited.

**THE BUSINESS CLIMATE OF THE GERMAN PRINTING INDUSTRY (SEASONALLY ADJUSTED)**



● ● %-change in revenue on prior year of the technotrans AG

Source: ifo-Konjunkturtest

The German industry barometer, the Ifo business confidence index for the printing industry, has been slowly on the mend since the opening months of last year but the readings are still well into negative territory. These conditions are not yet conducive to prompting businesses to invest. The latest announcements by printing press manufacturers indicate a revival in orders but revenue is still improving only very tentatively. This underpins our expectations of a slightly more dynamic business performance in the second half which, bearing in mind the weak start to the year, will be needed if we are to achieve our revenue and earnings targets for the 2010 financial year as a whole.

Activities in the new markets area (ttis) will not yet make any significant contribution to revenue in the current financial year. Considering the large number of options that we have currently identified and evaluated, we are nevertheless confident that we will succeed in transforming technotrans into a genuine growth company once again.

**Technology segment**

Following a cautious start to the 2010 financial year, the second quarter brought the hoped-for turnaround. Revenue finally rose both compared with the prior-year period and with the previous quarter. The recent marked rise in the level of orders for printing press manufacturers leads us to expect a growing volume of business likewise filtering through to technotrans' figures over the coming quarters, to the benefit of both its revenue and its profitability.

In pursuing activities focusing on applications away from the printing industry we are generating fresh future potential in an effort to safeguard the company's long-term growth.

**Services segment**

On the one hand the Services segment comprises product support services, in other words installation, maintenance, repair and parts business. We expect business to remain steady over the coming quarters. If project business where we supply the various equipment and systems and also take charge of its installation recovers as expected in the foreseeable future, growth is entirely possible.

On the other hand this segment also incorporates the company gds AG (technical documentation), which succeeded in strengthening its position in the German market. Together with its subsidiary in Switzerland, we expect that its contribution to revenue and earnings will also rise still further.

All in all, we expect to achieve our revenue target (€ 85 to 90 million) for the current financial year; the pace of development in the second half will substantially determine how far we can progress beyond the lower end of this range. At present market visibility is insufficient for us to provide a more reliable forecast. Our performance in the first half of the year showed that technotrans has successfully returned to sustained profitability even from a low level of revenue.

We continue to expect a margin of between 3 and 5% for the second half. Here, too, an upturn in revenue would have clearly positive effects and would pave the way for EBIT margins in excess of 5%.

**Opportunities and risks report**

The principal opportunities and risks of the group's anticipated future development are described in the group management report for the past financial year. In the period under review no significant changes over and above those portrayal in this report, and in particular in the report on post-balance sheet date events below, have occurred in respect of developments in the remaining months of the current financial year.

**Report on post-balance sheet date events**

In July/August 2010 negotiations with the principal owner of Termotek AG on cooperation between the companies were brought to a successful conclusion. This means technotrans is expanding into the market for laser technology applications. If the cooperation lives up to expectations, there is scope to intensify it.



To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

**Responsibility  
Statement by the  
Management**

Henry Brickenkamp,  
Board of Management  
Spokesman of technotrans AG

Dirk Engel,  
Finance Director  
of technotrans AG

**Condensed interim financial statements for HY 2010**

## Consolidated balance sheet

	<b>30.06.2010</b>	<b>31.12.2009</b>
	€'000	€'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	21,109	21,985
Goodwill	0	0
Other intangible assets	2,359	2,650
Income tax receivable	402	402
Financial assets	621	622
Deferred tax	4,335	4,325
<b>Total</b>	<b>28,826</b>	<b>29,984</b>
<b>Current assets</b>		
Inventories	17,603	16,045
Trade receivables	10,555	10,654
Income tax receivable	161	566
Other assets	2,083	1,719
Cash and cash equivalents	12,862	10,274
<b>Total</b>	<b>43,264</b>	<b>39,258</b>
<b>Total assets</b>	<b>72,090</b>	<b>69,242</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Issued capital	6,908	6,908
Capital reserve	40,322	40,322
Retained earnings	1,142	13,243
Other reserves	-15,978	-18,839
Net profit/net loss for the period	824	-10,347
<b>Total</b>	<b>33,218</b>	<b>31,287</b>
<b>Non-current liabilities</b>		
Financial liabilities	11,255	5,338
Provisions	1,127	975
Other liabilities	213	219
Deferred tax	12	12
<b>Total</b>	<b>12,607</b>	<b>6,544</b>
<b>Current liabilities</b>		
Financial liabilities	10,027	16,335
Trade payables	4,421	4,524
Prepayments received	2,195	1,976
Provisions	6,903	6,752
Income tax payable	236	144
Other liabilities	2,483	1,680
<b>Total</b>	<b>26,265</b>	<b>31,411</b>
<b>Total equity and liabilities</b>	<b>72,090</b>	<b>69,242</b>



Consolidated Income Statement	01.04.- 30.06.2010	01.04.- 30.06.2009	01.01.- 30.06.2010	01.01.- 30.06.2009
	€'000	€'000	€'000	€'000
Revenue	21,004	20,462	40,797	43,682
Technology	12,541	11,953	23,739	26,199
Services	8,463	8,509	17,058	17,483
Cost of sales	-14,124	-14,004	-27,450	-30,944
<b>Gross profit</b>	<b>6,880</b>	<b>6,458</b>	<b>13,347</b>	<b>12,738</b>
Distribution costs	-3,283	-3,563	-6,227	-7,019
Administrative expenses	-2,573	-3,154	-4,967	-6,196
Development costs	-628	-931	-1,263	-2,008
Other operating income	1,435	602	2,123	1,486
Other operating expenses	-899	-559	-1,457	-1,039
<b>Earnings before interest and tax (EBIT)</b>	<b>932</b>	<b>-1,147</b>	<b>1,556</b>	<b>-2,038</b>
Financial income	3	16	9	34
Financial charges	-294	-317	-507	-637
<b>Net finance costs</b>	<b>-291</b>	<b>-301</b>	<b>-498</b>	<b>-603</b>
<b>Accounting profit/loss</b>	<b>641</b>	<b>-1,448</b>	<b>1,058</b>	<b>-2,641</b>
Income tax expense	-137	114	-234	98
<b>Net result for the period</b>	<b>504</b>	<b>-1,334</b>	<b>824</b>	<b>-2,543</b>
of which:				
Profit/loss attributable to technotrans AG shareholders	504	-1,334	824	-2,543
Profit/loss attributable to minorities	0	0	0	0
Earnings per share (basic, €)	0.08	-0.21	0.13	-0.41
Earnings per share (diluted, €)	0.08	-0.21	0.13	-0.41

Consolidated statement of recognised income and expense	1-6/2010	1-6/2009
<b>Net profit/net loss for the period</b>	<b>824</b>	<b>-2,543</b>
<b>Other result</b>		
Exchange differences from the translation of foreign group companies	214	221
Exchange rate differences from the net investment in a foreign business	916	9
Change in the fair value of cash flow hedges	-25	3
<b>Other profit after tax</b>	<b>1,105</b>	<b>233</b>
<b>Overall result for the financial year</b>	<b>1,929</b>	<b>-2,311</b>
of which		
Profit/loss attributable to technotrans AG shareholders	1,929	-2,311
Profit/loss attributable to minorities	0	0

## Cash Flow Statement

	<b>30.06.2010</b>	<b>31.03.2009</b>
	€'000	€'000
<b>Cash flows from operating activities</b>		
Net result	824	-2,543
Adjustments for:		
Depreciation and amortisation	1,640	1,809
Income tax expense	234	-98
Losses/gains on the disposal of fixed assets	8	50
Foreign exchange gains/losses	-264	-208
Financial income	-9	-34
Financial charges	507	637
<b>Cash flow from operating activities before working capital changes</b>	<b>2,940</b>	<b>-387</b>
Change in receivables	179	7,369
Change in inventories	-1,423	2,808
Change in other non-current assets	56	27
Change in liabilities	510	-2,189
Change in provisions	519	260
<b>Cash from operating activities</b>	<b>2,781</b>	<b>7,888</b>
Interest income	9	28
Interest expense	-467	-632
Income taxes paid	1,303	-802
<b>Net cash from operating activities</b>	<b>3,626</b>	<b>6,482</b>
<b>Cash flows from investing activities</b>		
Acquisition of intangible assets and of property, plant and equipment	-520	-869
Proceeds from the sale of property, plant and equipment	47	-50
<b>Net cash used for investing activities</b>	<b>-473</b>	<b>-919</b>
<b>Cash flow from financing activities</b>		
Cash receipts from the raising of short-term and long-term loans	3,000	0
Cash payments from the repayment of loans	-3,505	-1,525
Distribution to investors	0	0
<b>Net cash used for financing activities</b>	<b>-505</b>	<b>-1,525</b>
Net effect of currency translation in cash and cash equivalents	-60	184
<b>Net increase in cash and cash equivalents</b>	<b>2,588</b>	<b>4,222</b>
Cash and cash equivalents at beginning of period	10,274	6,928
<b>Cash and cash equivalents at end of period</b>	<b>12,862</b>	<b>11,150</b>

## Statement of movements in equity

	<b>2010</b>	<b>2009</b>
	€'000	€'000
<b>Equity at January 1<sup>st</sup></b>	<b>31,287</b>	<b>41,816</b>
Net profit/net loss for the period	824	-2,543
<b>Other result</b>		
Exchange differences from the translation of foreign group companies	214	221
Exchange rate differences from the net investment in a foreign business	916	9
Change in the fair value of cash flow hedges	-25	3
<b>Other result</b>	<b>1,105</b>	<b>233</b>
<b>Overall result for the financial year</b>	<b>1,929</b>	<b>-2,311</b>
<b>Transactions with shareholders of technotrans AG</b>		
Distributions	0	0
Share buy-back	0	0
Issuance of treasury shares	0	0
<b>Transactions with shareholders of technotrans AG</b>	<b>0</b>	<b>0</b>
<b>Equity at June 30</b>	<b>33,216</b>	<b>39,506</b>

**Notes and explanations:**

Statements made in this report relating to future developments are based on our cautious estimate of future events. The actual performance of the company may differ substantially from that planned, as it depends on a large number of market-related and economic factors, some of which are beyond the company's control.

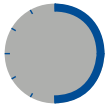
Mirroring the consolidated financial statements for the full year, this interim financial report has been produced in accordance with the International Financial Reporting Standards (IFRS), in particular IAS 34 for interim reporting. The interim financial report is subject to the same accounting policies.

This interim financial report has not been audited in accordance with Section 317 of German Commercial Code or subjected to any other formal audit examination.

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## Corporate Calendar

### Publications and dates

Interim Report 1-9/2010	9/11/2010
Annual Report 2010	15/3/2011
Interim Report 1-3/2011	10/5/2011
Shareholders' Meeting 2011	12/5/2011

For the latest version of this financial calendar and the individual reports, visit us on the internet at [www.technotrans.com](http://www.technotrans.com).

### **technotrans AG**

Robert-Linnemann-Str. 17  
48336 Sassenberg  
Germany

Tel.:	+49 (0) 25 83/301-1000
Fax:	+49 (0) 25 83/301-1030
e-mail	<a href="mailto:info@technotrans.de">info@technotrans.de</a>
Internet	<a href="http://www.technotrans.de">www.technotrans.de</a>
Hotline	+49 (0) 25 83/301-1890