

# Half-Year Interim Report

to June 30, 2010



## GROUP KEY FIGURES – 1ST HALF 2010

IFRS in EUR million	06/2009	06/2010	Change	12/2009
Total Group revenues	681.0	592.9	-12.9 %	1,278.3
of which Germany	181.2	145.0	-20.0 %	364.0
International	499.8	447.9	-10.4 %	914.3
International in %	73.4	75.5	n/a	71.5
of which Construction *	273.2	292.8	7.2 %	587.1
Equipment *	375.2	252.0	-32.8 %	604.5
Resources *	74.4	77.3	3.9 %	163.8
Other/Eliminations/Consolidations *	-41.8	-29.2	n/a	-77.1
Consolidated revenues	652.2	569.7	-12.6 %	1,228.6
Sales revenues	534.0	529.1	-0.9 %	1,096.5
Orders received	532.8	738.8	38.7 %	1,115.7
Orders in hand	523.4	654.8	25.1 %	508.9
EBITDA	76.4	63.9	-16.4 %	159.9
EBITDA margin in % (of sales revenues)	14.3	12.1	n/a	14.6
EBIT	44.9	27.2	-39.4 %	84.4
EBIT margin in % (of sales revenues)	8.4	5.1	n/a	7.7
Net profit or loss	21.1	6.1	-71.1 %	42.0
Capital investment in property, plant and equipment	58.6	27.2	-53.6 %	136.8
Shareholders' equity	378.6	420.6	11.1 %	401.9
Equity ratio in %	30.3	30.5	n/a	33.9
Net assets	1,251.0	1,377.4	10.1 %	1,185.2
Earnings per share	1.19	0.20	-83.2 %	2.28
Return on equity after tax in %	n/a	n/a	n/a	10.28
Employees (on average over the year)	8,497	8,892	4.6 %	8,872
of which Germany	4,036	4,035	0.0 %	4,062
International	4,461	4,857	8.9 %	4,810

\* The Mining division of SCHACHTBAU NORDHAUSEN GmbH incl. segment subsidiaries (SBN) has been reassigned from the Construction segment to the Resources segment. The previous year figures have been adjusted as a result.

At variance with the consolidated revenues presented in the Group income statement, the total Group revenues presented here include portions of revenues from associated companies as well as revenues of non-consolidated subsidiaries and joint ventures.

# Course of Business and Background Conditions

## COURSE OF BUSINESS AND GENERAL ECONOMIC CLIMATE

The German economy is on the up again. News magazine Der Spiegel, in its 29/2010 issue, published a major report entitled "The Second Miracle", referring back to Germany's original post-war "economic miracle". "The unexpected comeback grew out of an unprecedented macro-economic experiment," it states, praising a Keynesian economic policy approach which most contemporary "experts" had, just a few years ago, considered completely outdated. Economic stimulus packages and short-time working solutions prevented a collapse of the German economy and are now enabling businesses to increase their output rapidly as the economy recovers. Unemployment barely rose during the crisis, and is already falling back to what is – in the industrialized world – a healthy level. In some regions of Germany there is already once again a shortage of well-trained staff.

All of those factors appear to paint an entirely positive picture; yet euphoria is not the order of the day in every respect. Despite the upturn, many risks remain. Government policy, and the business world itself, must focus all efforts on avoiding a "double-dip" recession.

Any forecasts as to future trends in our economy are subject to a high degree of uncertainty at present. It is possible to set out the risks and opportunities arising, but it is difficult to predict how policy-makers will respond to them, and whether they will be managed with the necessary diligence and skill. As the German government's response at the start of the crisis illustrates, appropriate measures and astute management can frequently help prevent more serious damage, and may even open up entirely new opportunities. If the government had listened to those voices warning against implementing stimulus packages, we would be in a much more precarious situation today.

In the face of such uncertainty, it is advisable for businesses to adopt a balanced approach which is neither too pessimistic nor too optimistic. This is what we are attempting to do within our own Group.

Where do the opportunities and risks lie at present?

- The figures show that the German economy has returned to growth. The forecast for 2010 is that it will grow by 2 percent.
- New public-sector borrowing will be significantly lower than was predicted even just a few months ago, thanks primarily to much reduced government expenditure on unemployment benefit and short-time working and to higher tax revenues.
- The automotive industry is driving economic growth particularly strongly at present. German car-makers' production has climbed back up to record levels, based on the astoundingly strong economic trend in China as well as the substantial rise in demand from India and the USA. Wealthy Chinese consumers, especially, regard German cars as a special status symbol. In the USA, they are now also much in demand by virtue of their economical engines. The biggest problem faced by car-makers is in safeguarding the supply of components, though this too is providing a boost to the industries concerned.
- This new economic boom is of course founded on feet of clay at present. Many people will recall how, just a few years ago, China imposed massive restrictions virtually overnight on the financing of foreign capital goods, as a result of which, within a few weeks, thousands of foreign-built construction machines were left standing at docksides, unable to be shipped. Just imagine if China were to once again counteract the current burgeoning boom by similar measures, in line with the Keynesian approach. The German economy would be very quickly affected.
- The financing problems of many EU member-states have still not yet been definitively resolved. Despite intervention at European level to stabilize some of the countries affected, huge budget deficits still pose significant risks. The weakness of the euro is helping Germany's exports, but the currency has become much more volatile – and this, too, entails major risk.
- Many governments, including Germany, are now having to impose severe spending cuts. This should generally be seen as a positive move, especially as it will reduce consumer spending the most. On the other hand, it is also widely recognized that the economy as a

whole will very rapidly relapse again if too severe a brake is put on the forces driving growth. Governments will be well advised to keep some options open, so as to adjust economic policy to ongoing trends as required.

- A further problem is posed by the risk entailed in providing finance to business. The banks are currently looking at many companies' accounts for last year and assessing them based on rating methods devised in the boom times prior to the crisis. There is likely to be some massive downgrading, and lending is likely to be greatly restricted as a result. On the positive side, however, the healthy economic trends may also cause the banks to take a somewhat more optimistic view. The issue is one which all the parties involved must continue to address with the utmost seriousness, so as to ensure that the recovery remains on course and no further harm is done to the economy.
- A pleasing trend is that German politicians – across almost all the parties – have come to realize that further saving on infrastructure is no longer possible. The many potholes on Germany's roads and the shoddy state of many public buildings – topics that have long been present in the media – have finally convinced the policy-makers that our country's infrastructure is indeed in a very poor state. As a consequence, the relevant federal, state and local authority budgets are unlikely to be cut.

In appraising the overall situation, it needs to be pointed out how severely any analysis can be distorted by the base effects underlying the figures: after a 50 percent decline in orders received, a 100 percent increase is needed in order to regain the old level. A 30 percent recovery may well be greatly welcomed, and does of course mark a major improvement, but in truth there is still a very long way to go.

Moreover, the economic recovery is having widely differing effects in the various sectors. The automotive industry – which is very heavily dependent on the psychology of market mood – is in a position to rapidly regain its former strength, as are all the sectors which sell directly to consumers. By contrast, the capital goods sector takes a considerable time to get back into gear. The amount of time required even to plan such major capital investments is in itself a key factor in this. Moreover, most companies only lift their investment freezes once they have made sufficient profits to raise their financial position back up to an adequate level. As the BAUER Group operates exclusively in the capital goods sector, we expect the recovery in our business to be slow.

There are also major variations between individual countries in terms of the rate of recovery. Germany is obviously the very clear leader in Europe in this respect – primarily because other countries do not have its automotive industry, with such a strong presence in China. The countries of Eastern Europe, in particular, were impacted so severely by the crisis that they will take a great deal longer to recover.

For the BAUER Group, the first half of 2010 was characterized by a very marked base effect stemming from the previous year. At the beginning of 2009 our Equipment segment still had an outstanding level of orders in hand from the boom years. In order to avoid cancellations, every effort was made at the time to meet all delivery deadlines based on maximum production. This was accomplished, and resulted in very strong output and correspondingly healthy earnings. As a result of the crisis, and the much shorter delivery lead times, by 2010 orders in hand had decreased to cover a period of around 2.5 months – roughly corresponding to the level prior to the boom. Machinery production was deliberately kept low, in order to reduce inventories. There is thus a very wide variation between 2010 and 2009, which will be reduced significantly through the second half of the year.

For the aforementioned reasons, the overall comparison with last year is negative. However, the greatly changed situation means that any such comparison is of little informative value. The comparative figures thus give absolutely no indication as to the full-year figures. Our plans, which form the basis of our forecasts, were drawn up with due diligence, so we believe that they correctly map the trends which will be seen in 2010. We are therefore confident of meeting the full-year forecast for 2010 which we set out in our Annual Report.

Trends in the construction industry continue to vary widely across the world. There are countries which are experiencing very strong growth, such as China and India, while others are very heavily reliant on economic stimulus packages. In some other countries the construction market has collapsed altogether due to lack of funds. The general economic upturn is not immediately extending to the construction industry, and in turn to the construction machinery sector. In the German construction industry, the economic stimulus packages will again this year merely serve to prevent a more severe decline. Next year, too, the new general growth will probably not be able to compensate for the scheduled ending of the economic stimulus packages.

## OVERVIEW OF INTERNATIONAL MARKETS

Trends on our international markets continue to vary greatly. Looking first at the construction sector, we expect the market in Germany to decline by between 5 percent and around 8 percent overall in the next two years. By virtue of a substantial contract on which we are now working to construct excavation pits for a tunnel on the Munich Central Ring Road project, we believe that we will be able to hold our position on the market.

The trends in Eastern Europe are quite different. Markets in this region – with the exception of Poland – have largely collapsed. We are running our operations in the region down to a minimum in order to withstand this difficult period. There are a number of promising project opportunities in Russia, and our capacities are currently being well utilized on this market. The situation may improve still further with the acquisition of one major project or another.

The situation in the Middle East is marked by a massive market decline in Dubai and by relatively consistent markets in the oil-rich and gas-rich states of Abu Dhabi, Saudi Arabia and Qatar. Trends in the other countries in the region are also comparatively stable. For the companies of the BAUER Group's Construction segment this means that sales will fall substantially overall relative to the boom years, though they will generally remain at a sustainable level. We expect the new market level to remain stable in the medium term.

Construction markets in the Far East are pleasingly stable. As the region has only in recent years begun recovering somewhat from the most severe economic crisis in its history around ten years ago, the present crisis will not be able to drag down construction activity levels very far. In Hong Kong, the next few years are in fact expected to see a substantial increase in construction intensity, as the province's government has initiated a whole series of infrastructure projects to counteract the crisis following years of inactivity in the sector. In China, the sustained strong economic growth is generating extensive construction activity. India too – almost a continent in itself, between the Middle and Far East – continues to grow very healthily. All these factors will bring about an improvement in the construction sector throughout the region.

In the USA, the construction market is one of the major sectors in which the Obama administration's economic stimulus packages are intended to show visible effects. Unfortunately, these packages have to date delivered only relatively small projects to boost markets. The reluctance to invest in construction projects in recent years means that demand is now substantial – especially with regard to bridges, power stations and oil and gas plants. Large numbers of dam remediation projects are also due. In recent weeks we have acquired two further sections of the Lake Okeechobee project in Florida, thereby providing us with a sound utilization of basic capacities. In Canada, we are working on a contract to carry out major foundation works for a bridge in Montreal, meaning that capacities on this market too are being well utilized.

The Western European construction market is highly dependent on the economic stimulus packages being implemented by the individual countries. Markets in the region are generally in decline.

In the global construction business there are some particularly positive trends alongside the regional changes already cited. One pleasing aspect is the quite considerable number of major specialist foundation engineering projects currently being tendered for, across all regions worldwide. However, the final contract awards are repeatedly being delayed – because of the ongoing crisis no doubt – and this is placing great strain on everyone involved in the bidding process. One of the largest projects up for tender, for example, is the remediation of a dam in Iraq requiring extensive specialist foundation engineering works to a value in the billion euro range. But in this respect too, further developments with regard to contract award remain uncertain.

The markets of our Resources segment are developing pleasingly. The mining sector suffered most severely of all at the start of the crisis, but is now showing signs of a discernible recovery. As commodity prices have risen again, the mining companies have begun to launch new projects vital to future growth. In the environmental sector markets are also stable, and our crews are being kept busy drilling for water and minerals. Sales of well engineering materials are less affected by the crisis. Based on a number of substantial projects on international markets, we expect to see growth in this sector too.

The toughest market conditions we are encountering are still in our Equipment segment. When construction activity is generally in decline, demand for construction machinery falls even more dramatically. For our business this means massive falls in markets for small and medium-sized machinery used by construction companies in their standard operations. By contrast, sales of large-scale machinery bought by construction companies for specific large projects have been relatively unaffected by the crisis. Our particular strength on the market for large-scale machinery is proving highly beneficial. That is also the reason why our Equipment segment lost sales to a lesser extent than our direct competitors in 2009. This is shown clearly by the recently published annual reports.

Since our orders in hand in the Equipment segment began to melt away during the first half of 2009 in the face of the crisis – and by consequence, largely due to the resultant much reduced delivery lead time expectations of our customers – we have been observing the new market trends very closely. Overall, our analysis is that the market is now relatively stable again, with a slight upward trend which should enable us to attain our budgeted sales, targeted slightly below last year's levels. We have signed a preliminary contract for our first deep drilling rig, the TBA 300, which is capable of drilling down to a depth of around 4,000 metres. The machine is scheduled to be deployed for the first time in South America. We are well on the way to completing the trial phase for the smaller rigs in this series, so we will soon be in a position to start selling them.

In summary, we are seeing that the economy is developing somewhat better than expected thanks to a range of positive factors. Our business will be in a position to profit from this trend.

## DEVELOPMENT OF THE BAUER AG SHARE

In the early weeks and months of 2010 the Bauer share increased in value. By mid-January the share price had risen strongly, to EUR 35.64. Its subsequent performance was volatile, though virtually in parallel with trends on the DAX and MDAX indices. The half-year high of EUR 36.81 was reached on April 14. However, the share price fell subsequently, and continued to perform weakly through to the end of the period. On June 29 the Bauer share reached a low of EUR 27.73. It closed at the end of July at EUR 31.52.

## BUSINESS TREND

In the first half of 2010 the total revenues of the BAUER Group fell by 12.9 percent relative to the same period last year to EUR 592.9 million. The profit for the period totalled EUR 6.1 million.

The substantial fall in revenues and earnings relative to the previous year was to be expected in view of the overall economic trends and their impact on our business. Results were particularly affected by the performance of our Equipment segment, in which total Group revenues of EUR 252.0 million were 32.8 percent down against the first half of 2009. Because of adverse weather conditions and due to the delayed start to a number of major projects in the Middle East, the Construction segment had a weak first quarter, but recovered in the second quarter to deliver a 7.2 percent year-on-year increase in revenues overall. EBIT fell from EUR 12.9 million to EUR 9.6 million. The Resources segment increased its revenues by 3.9 percent over 2009 levels. The relatively small rise is due to delays on a number of major projects.

The very marked decline in the Equipment segment resulted from the following factors:

- Base effect: The current year, which is weak owing to the crisis, is set against the outstanding first half of 2009, which was still reflecting the previous boom conditions.
- Short-time working: Since we are seeking to make major reductions in inventories of finished products in 2010, it was a logical decision to cut back production in the early weeks of the year through the use of works holidays. This is reflected in the revenue figures.
- Market demand: The generally lower market demand – which we estimate to have declined by a quarter compared to the boom times – also had an effect.

The negative leverage effect of fixed costs meant that earnings declined by a much greater amount than revenues. Overall, we are once again seeing a situation which was always quite normal in non-boom times in our Group's business: the year begins with a loss-making quarter, and the planned full-year earnings are then generated through quarters two to four.

In analyzing our half-year figures, a number of other key influencing factors also need to be considered:

- The much stronger US dollar relative to the euro had a major impact on many of our income statement and balance sheet items. The dollar increased in value by some 6.6 percent during the first half of the year against its average rate in the 2009 annual financial statements. This appreciation primarily affected the income statement, as a result of which all items have increased by around 4 percent in line with the proportion of our business attributable to international markets. The dollar itself has increased in value by 16.7 percent relative to its rate as per December 31, 2009. This percentage appreciation affected all balance sheet items with corresponding foreign currency elements, and has led to an extension of our balance sheet. The shareholders' equity has increased by EUR 23 million as a result of this currency effect. Assuming the same percentage increase in the other balance sheet items as for the shareholders' equity, the currency effect resulted in an extension of the balance sheet by EUR 70 million.
- As we hedge very extensively against foreign exchange risk, the exchange rate changes only partially result in corresponding gains. The realized and unrealized exchange rate gains and gains from foreign exchange forward contracts totalling EUR 15.2 million stated under

Income are set against EUR 7.5 million of realized and unrealized exchange rate losses and losses from foreign exchange forward contracts. Overall, exchange rate gains were EUR 7.7 million (previous year: EUR 2.5 million) before tax.

- The unusually high income tax expense resulted from the fact that some subsidiaries which recorded losses due to the economic situation were not able to state negative tax because of tax losses brought forward which are not usable at present. This effect will be balanced out over the course of the year, so for the full year we expect a normal tax ratio around the previous year's level. This effect reduced the profit after tax by some EUR 2 million.

Orders in hand in the Group increased by 25.1 percent over the comparative first-half period of last year. This increase was based on a 38.6 percent rise in orders received. Although these figures are very pleasing, we are aware that they represent only a partial recovery from the weak previous year's performance. They do nevertheless show that the crisis has now bottomed out in our business as in other sectors.

## BREAKDOWN OF TOTAL GROUP REVENUES BY SEGMENT

in EUR million		June 2009 Revenues in EUR million	June 2010 Revenues in EUR million	Percentage share June 2010	Percentage change against previous year	Orders in hand
Construction	BAUER Spezialtiefbau GmbH (BST)					
	BST, Germany	50.2	52.0	8.8 %	3.6 %	●
	Subsidiaries, Germany	6.2	5.1	0.9 %	-17.7 %	●
	BST, international	51.4	30.5	5.1 %	-40.7 %	●
	Subsidiaries, international	194.4	207.8	35.0 %	6.9 %	●
	<b>BST Group total</b>	<b>302.2</b>	<b>295.4</b>	<b>49.8 %</b>	<b>-2.3 %</b>	<b>●</b>
	SCHACHTBAU NORDHAUSEN GmbH incl. segment subsidiaries (SBN) *	27.7	24.0	4.0 %	-13.4 %	●
	SPESA Spezialbau und Sanierung GmbH	5.6	7.2	1.2 %	28.6 %	●
	less intra-Group revenues and IFRS adjustments	-62.3	-33.8	-5.7 %		
	<b>Construction total</b>	<b>273.2</b>	<b>292.8</b>	<b>49.4 %</b>	<b>7.2 %</b>	<b>●</b>
Equipment	BAUER Maschinen GmbH (BMA)	309.1	177.2	29.9 %	-42.7 %	-
	Equipment subsidiaries	142.8	153.9	26.0 %	7.8 %	-
	<b>BMA Group total</b>	<b>451.9</b>	<b>331.1</b>	<b>55.8 %</b>	<b>-26.7 %</b>	<b>-</b>
	SBN	37.4	23.7	4.0 %	-36.6 %	-
	less intra-Group revenues and IFRS adjustments	-114.1	-102.8	-17.3 %		
<b>Equipment total</b>	<b>375.2</b>	<b>252.0</b>	<b>42.5 %</b>	<b>-32.8 %</b>	<b>-</b>	
Resources	BAUER Resources GmbH (BRE)	2.1	4.8	0.8 %	128.6 %	
	Resources subsidiaries	77.2	76.0	12.8 %	-1.6 %	+
	<b>BRE Group total</b>	<b>79.3</b>	<b>80.8</b>	<b>13.6 %</b>	<b>1.9 %</b>	<b>+</b>
	SBN *	6.7	6.0	1.0 %	-10.4 %	+
	less intra-Group revenues and IFRS adjustments	-11.6	-9.5	-1.6 %		
<b>Resources total</b>	<b>74.4</b>	<b>77.3</b>	<b>13.0 %</b>	<b>3.9 %</b>	<b>+</b>	
Other	BAUER Aktiengesellschaft (BAG)	13.4	14.2	2.4 %	6.0 %	
	Other subsidiaries	0.6	1.0	0.2 %	66.7 %	
	less intra-Group revenues and IFRS adjustments	0.0	0.0	0.0 %		
	<b>Total Other/services</b>	<b>14.0</b>	<b>15.2</b>	<b>2.6 %</b>	<b>8.6 %</b>	
	less intra-Group revenues and IFRS adjustments	-55.8	-44.4	-7.5 %		
<b>Group TOTAL (including minority interests)</b>	<b>681.0</b>	<b>592.9</b>	<b>100.0 %</b>	<b>-12.9 %</b>	<b>●</b>	
of which: Germany	181.2	145.0	24.5 %	-20.0 %		
International	499.8	447.9	75.5 %	-10.4 %		

\* The Mining division of SBN has been reassigned from the Construction segment to the Resources segment. The previous year figures have been adjusted as a result.

Notes on the table:

- List also includes non-consolidated holdings
- Valuation of orders in hand relative to budgeted sales:
  - weak; - slightly weak; ● adequate; + well adequate; ++ very well adequate
- Breakdown Germany/international according to country in which accounting figures were allocated. For reasons of complexity the figures are not absolutely precise.

# Earnings, Financial and Net Asset Position

As in the annual financial statements, our Group's balance sheet and earnings statement continue to show the distinct marks of the economic crisis.

It is normal in the specialist foundation engineering and related equipment business that the financing needs of the companies concerned increase substantially in the early months and only decrease again towards the end of the year. This effect is attributable firstly to the payment practices of our customers, but also stems from the seasonal nature of the business and the necessity to boost production at the start of the year in order to make deliveries in the summer when sales rise. These factors are currently being further exacerbated by the crisis, resulting in a significant rise in working capital. In the first half of 2010 these effects again led to an increase in current assets of some EUR 171 million, less the corresponding currency effect. The same factors will have an opposite effect at the year-end. Receivables from construction contracts and trade receivables also increased, due to rather sluggish payments from our customers owing to the general economic crisis.

Raw materials and supplies have already decreased significantly relative to last year, also taking into account the currency effect. Unfortunately the upturn being seen in other sectors of the engineering industry is countering our efforts to make further progress in this respect, as delivery lead times for components are already increasing again substantially. This is forcing us to undertake more extensive advance allocation of components. The excessively high inventories of finished machines resulting from the sudden decline in demand in the machinery business last year have been only partially reduced because the levels of demand are still low.

## EARNINGS

Consolidated revenues shown in the Group income statement fell against the comparative previous year period by 12.6 percent to EUR 569.7 million. The "Changes in inventories" item decreased by a much greater 81.9 percent thanks to our strategy of cutting back inventories of finished goods. The 47.5 percent year-on-year fall in the "Other income" item, relating mainly to in-house production of machinery for Group companies and into-stock production in the Equipment segment, also far exceeded the fall in revenues. This reflects the cutback in investment in intra-Group business. Sales revenues themselves totalled EUR 529.1 million, down only around 0.9 percent against last year. These figures show clearly that our efforts to consolidate the business at the new lower level are having very positive effects.

Trends in the "Cost of materials", "Staff costs", "Depreciation and amortization" and "Other operating expenses" items in the income statement continued to vary widely owing to the impact of the economic crisis. Cost of materials decreased against the previous half-year period comparative by 21.5 percent – much more than the rate of decline in revenues – primarily due to reduced outsourcing, including particularly the use of temporary staff. By contrast, staff costs increased by 7.0 percent against the revenue trend. This negative trend is balanced out by the fact that production is now much more extensively covered by in-house personnel. The countering item is to be seen in the cost of materials. Nevertheless, the higher fixed costs combined with lower revenues are indicated here too, resulting in falls in earnings. A number of large international projects involving high staffing levels, such as in Abu Dhabi and Canada, also caused a rise in staff costs. Depreciation and amortization likewise increased by a substantial 16.3 percent, as expected in view of the high level of capital investment in previous years. The other operating expenses decreased by 4.1 percent, slightly less than the rate of fall in revenues. The increased debt burden is an effect of the rise in finance requirements. Income tax expenditure is too high relative to pre-tax profit, because some of our subsidiaries which recorded losses were not able to state negative tax. We expect that the full-year income tax rate will ultimately be similar to that of last year. The result for the period declined against the previous year by EUR 15.0 million to EUR 6.1 million.

## **FINANCIAL POSITION**

There are no special points of note to report regarding the financial position. Developments are in line with our planning.

## **NET ASSET POSITION**

The net assets shown on the balance sheet increased by 16.2 percent against the 2009 year-end figure. Some six percentage points of the rise are attributable to the movements in exchange rates. The rest of the increase is normal in our business in the first half of the year, for the reasons already outlined, and will be corrected by the year-end.

The extension of the balance sheet on the Assets side under "Fixed assets" is attributable to the currency effect and to residual work carried out on the major capital investment projects of recent years. Additional equipment to a value of EUR 3.5 million had to be acquired for a major contract in Jordan. Overall investments in property, plant and equipment decreased from EUR 58.6 million in the previous-year comparative period to EUR 27.2 million. The inventories (particularly finished goods and work in progress) and the receivables reflect the annual recurring effect stemming from the start of the year. The EUR 10.9 million increase in credit balances at banks also contributed to the increase in net assets.

On the Equity and Liabilities side, the shareholders' equity was increased to EUR 420.6 million by the currency effect and by the half-year profit, less the dividend payment. The equity ratio has thus increased over the same period last year from 30.3 percent to 30.5 percent. The usual seasonal additional financing requirements were covered by borrowings and by the automatic rise in supplier liabilities resulting from the increased business volumes towards the middle of the year. All these items on the Equity and Liabilities side of the balance sheet are also subject to the marked influence of the currency effect.

# Trends in our Business Segments

## CONSTRUCTION SEGMENT

### CONSTRUCTION SEGMENT KEY FIGURES

in EUR '000	06/2009	06/2010	Change	12/2009
Total Group revenues *	273,201	292,790	7.2 %	587,090
of which external sales revenues (income statement)	225,070	255,555	13.5 %	487,894
Orders received *	282,145	379,597	34.5 %	546,184
Orders in hand *	363,947	400,905	10.2 %	314,098
EBIT	12,931	9,552	-26.1 %	25,746
Employees (on average over the year)	4,792	4,991	4.2 %	5,002

\* Previous year figures changed (for explanation see footnote on page 2)

First-half revenues in the Construction segment increased by 7.2 percent to EUR 292.8 million relative to the previous year comparative period. After a weak first quarter, overshadowed by adverse weather conditions and delays to some international projects, the major projects on the Arabian peninsula and in Canada enabled the previous year's performance to be clearly outstripped. EBIT fell from EUR 12.9 million in the comparative period last year to EUR 9.6 million.

Our Construction segment saw a degree of stability return over the course of 2009. Orders in hand in the specialist foundation engineering business had been virtually constant at around EUR 260 million since the end of the first quarter of 2009, and in recent months have been built up to EUR 338 million. A key factor in this was the award of an additional section of the Lake Okeechobee project in Florida. However, the high levels of orders in hand seen in the boom year 2008 could not yet be regained. The exceptionally healthy situation back then was attributable to a few very large projects.

The other German construction contractors in the Group have seen something of a decline in order levels. Orders in hand of SCHACHTBAU NORDHAUSEN GmbH decreased owing to the loss of a major project in northern Germany which remained on the books for a long period of time with almost no revenues against it and was ultimately cancelled. The subsidiary has adequate orders in hand in its construction business, so we expect it to have a positive year overall. SPESA Spezialbau und Sanierung GmbH is developing in line with our planning.

In the specialist foundation engineering sector, business is currently being driven by a number of major contracts in Abu Dhabi (construction of the Guggenheim and Louvre museums), Qatar and Canada. Except for Eastern Europe, all regions are expected to be satisfactory this year. Budgets are slightly up on last year.

Market trends in the construction sector were described in the "Overview of international markets" section above. Pleasing trends are the recent return to very healthy levels of orders in hand in the USA and also the expanded project opportunities being seen in almost all regions of the world. In the Far East, major contracts have been acquired in Vietnam and there are also large projects in Hong Kong and Malaysia.

Overall, we regard our Construction segment as a stabilizing factor in the face of the still ongoing crisis. We expect that we will be able to achieve our targets in the segment.

## EQUIPMENT SEGMENT

### EQUIPMENT SEGMENT KEY FIGURES

in EUR '000	06/2009	06/2010	Change	12/2009
Total Group revenues *	375,212	252,038	-32.8 %	604,490
of which external sales revenues (income statement)	243,550	202,066	-17.0 %	456,468
Orders received *	221,148	275,167	24.4 %	473,284
Orders in hand *	82,603	128,587	55.7 %	105,458
EBIT	33,089	16,262	-50.8 %	51,306
Employees (on average over the year)	2,698	2,693	-0.2 %	2,739

\* Previous year figures changed (for explanation see footnote on page 2)

Total Group revenues in the Equipment segment in the first half of this year fell by 32.8 percent against the previous year comparative to EUR 252.0 million, though external sales revenues decreased by only 17.0 percent. The significant decline, for the reasons already outlined, led to a decrease in EBIT from EUR 33.1 million in the same half of last year to EUR 16.3 million.

The business of the Equipment segment was hit markedly by the economic crisis. Sales of the smaller equipment items were hit more severely than those of the larger machinery. The subsidiaries in the segment, marketing their specialist equipment, were impacted by the crisis much earlier than their parent company BAUER Maschinen GmbH last year. Now they are also seeing a more rapid improvement on their markets. The subsidiaries are already seeing year-on-year sales growth.

Looking at the markets for our machinery, the Far East is undergoing strong growth. There are many major projects requiring equipment being carried out around the region. Our plants in China are working to full capacity to meet local demand as well as demand from neighbouring countries. Sales in Russia are relatively stable. By contrast, we are still seeing major collapses in sales in all other regions due to the crisis.

Orders in hand in our machinery firms have recovered strongly – by some 56 percent – since the middle of last year. Unfortunately, this rise does not indicate a general recovery in our machinery business. When the previous year's figures are correspondingly low, even order receipts which are well short of being satisfactory have an extraordinarily positive effect. We are, however, now receiving orders very steadily once again, enabling us to make deliveries at a level around a quarter lower than the boom times seen in previous years. At the half-year end orders in hand totalled EUR 128.6 million.

Except for the plants in China, our facilities are currently working at only around 60 percent capacity. After having made extensive use of temporary staff in the boom times of recent years, we have now cut back on such practices and as a result have preserved our core workforce and the invaluable know-how it embodies. Our new and modernized plant facilities offer a great opportunity to achieve higher production output as the economy recovers, based on sales of new products such as deep drilling rigs.

The test phase of the TBA 300, the larger of our deep drilling rigs, has now been very satisfactorily completed. We are confident that it will be shipped to a customer in the foreseeable future. The smaller rig, the TBA 200, will need more time before it can be brought to market. The new products are opening up interesting prospects for the coming years. All in all, we remain confident that we will meet the budgeted targets of slightly above last year's levels for the current year in the Equipment segment. We expect to see growth again in the coming year.

## RESOURCES SEGMENT

### RESOURCES SEGMENT KEY FIGURES

in EUR '000	06/2009	06/2010	Change	12/2009
Total Group revenues *	74,406	77,306	3.9 %	163,770
of which external sales revenues (income statement)	65,148	71,281	9.4 %	152,003
Orders received *	71,375	113,241	58.7 %	173,233
Orders in hand *	76,894	125,326	63.0 %	89,391
EBIT	637	1,567	146.0 %	5,997
Employees (on average over the year)	764	963	26.0 %	886

\* Previous year figures changed (for explanation see footnote on page 2)

Our Resources segment increased its revenues by 3.9 percent to EUR 77.3 million in the first half of 2010. Earnings were well up on the comparative period of last year. This represents sound progress following on from last year for the segment, which we are looking to drive forward as a key strategic pillar over the coming years.

The segment has very healthy levels of orders in hand totalling EUR 125.3 million. In early April it acquired a major contract with a revenue value of some EUR 35 million for the construction of wells to supply water to the city of Amman in Jordan. Our Materials division will also profit from the project, by supplying large quantities of well engineering materials. Another major contract might well be acquired in Jordan over the coming months. Our PPP project in Oman, involving the construction of a biologically based treatment plant for oil-contaminated process water from oil wells, is making good progress. We therefore expect healthy income from it over the coming years.

Unfortunately, the delay to the Amman project in Jordan has meant that we are somewhat behind what we had planned. On the other hand, we are already seeing today that we will be in a position to significantly increase the revenues of the Resources segment in the coming year. This demonstrates that our long-term strategy aimed at establishing this segment as a key pillar of the Group's business is making very good progress.

## HUMAN RESOURCES

The number of employees has not changed materially from the levels at the end of last year and at the end of the first quarter. The number has increased by 4.6 percent relative to the average over the first half of 2009. The rise has come mainly in the Resources and Construction segments, which added new staff to the BAUER Group by virtue of new corporate acquisitions and based on larger projects. The development in personnel relative to the previous year was set out in great detail in the 2009 Annual Report. In the Equipment segment especially, the necessary adjustment of capacity was accomplished by cutting back almost entirely on the use of temporary staff. We are continuing to pursue our strategy of keeping our core workforce and so preserving know-how within the company. As we are seeing nowadays at many other companies, this approach is the right one. Even in times of crisis, it would be negligent to give away a company's most valuable asset – its employees – when it is clear that they will soon be urgently needed again.

## FOLLOW-UP REPORT

No other matters of special note which we would expect to have a material influence on the net asset, financial and earnings position of the BAUER Group occurred after June 30, 2010.

## OPPORTUNITIES AND RISKS

Major opportunities and risks are set out in the individual sections of this Interim Report. There has been no material change in risks since the Annual Report to December 31, 2009. Consequently, we refer back to the 2009 Group management report.

## OUTLOOK FOR THE FULL YEAR

In view of the major changes relative to last year, our first-half figures present a highly distorted view of current trends. At the end of 2009, all our Group companies drew up very detailed budgets for 2010 and reviewed the plausibility of their plans based on business models depicting a wide range of scenarios. The 2010 forecast was derived from this analysis:

- Total Group revenues for 2010 to be around the 2009 level
- Profit after tax around EUR 40 million

Our ongoing extrapolations reaffirm these forecasts.

As last year, we must again advise that – contrary to past years – the forecast sales and earnings of the BAUER Group are subject to a much greater degree of uncertainty. The main reason for this is the difficulty in predicting the further course of the global financial and economic crisis.

The significant recovery in order levels, the bright mood at the Bauma show – the world's largest construction machinery trade fair – and the many optimistic reports in the media as to ongoing economic prospects make us confident that our Group's businesses will enjoy healthy future growth. We are confident that we will succeed in returning to sales growth as early as 2011 – a prospect which, based on the leverage effect in terms of fixed costs, will entail an even steeper rise in earnings.

All our employees are highly motivated to turn the general upward economic trend into the strongest possible commercial success for the BAUER Group.

# Interim Financial Statements of the BAUER Group

## INCOME STATEMENT OF THE BAUER GROUP

in EUR '000	01.04. - 30.06.2009	01.04. - 30.06.2010	01.01. - 30.06.2009	01.01. - 30.06.2010
1. Sales revenues	263,460	313,096	534,018	529,064
2. Changes in inventories	-8,811	-16,206	62,344	11,286
3. Other income	35,115	20,681	55,886	29,355
<b>CONSOLIDATED REVENUES</b>	<b>289,764</b>	<b>317,571</b>	<b>652,248</b>	<b>569,705</b>
4. Cost of materials	147,334	151,666	350,851	275,548
5. Staff costs	67,207	73,768	130,900	140,041
6. Depreciation and amortization	16,493	18,859	31,524	36,657
7. Other operating expenses	37,150	51,674	94,110	90,214
<b>OPERATING RESULT</b>	<b>21,580</b>	<b>21,604</b>	<b>44,863</b>	<b>27,245</b>
8. Financial income	314	473	627	746
9. Financial expenses	6,820	8,827	13,843	17,360
10. Share of the profit or loss of associated companies accounted for using the equity method	731	728	1,069	838
<b>PROFIT BEFORE TAX</b>	<b>15,805</b>	<b>13,978</b>	<b>32,716</b>	<b>11,469</b>
11. Income tax expense	5,744	3,482	11,635	5,418
<b>NET PROFIT OR LOSS</b>	<b>10,061</b>	<b>10,496</b>	<b>21,081</b>	<b>6,051</b>
Profit attributable to minority interests	395	1,765	732	2,618
Profit attributable to equity holders of BAUER AG	9,666	8,731	20,349	3,433

	01.04. - 30.06.2009	01.04. - 30.06.2010	01.01. - 30.06.2009	01.01. - 30.06.2010
Basic earnings per share in EUR	0.56	0.51	1.19	0.20
Diluted earnings per share in EUR	0.56	0.51	1.19	0.20
Average number of shares in circulation (basic)	17,131,000	17,131,000	17,131,000	17,131,000
Average number of shares in circulation (diluted)	17,131,000	17,131,000	17,131,000	17,131,000

## STATEMENT OF COMPREHENSIVE INCOME OF THE BAUER GROUP

in EUR '000	01.04. - 30.06.2009	01.04. - 30.06.2010	01.01. - 30.06.2009	01.01. - 30.06.2010
<b>Net profit or loss</b>	<b>10,061</b>	<b>10,496</b>	<b>21,081</b>	<b>6,051</b>
Cash flow hedges				
Changes to fair value not affecting profit and loss recorded directly in shareholders' equity	360	-1,228	-2,175	-1,642
Included in the income statement	0	0	0	0
Differences from currency translation	-3,941	14,889	-2,188	24,295
Deferred tax items set off directly against shareholders' equity	-104	356	631	476
<b>Income and expenses recorded directly in shareholders' equity</b>	<b>-3,685</b>	<b>14,017</b>	<b>-3,732</b>	<b>23,129</b>
<b>Total profit</b>	<b>6,376</b>	<b>24,513</b>	<b>17,349</b>	<b>29,180</b>
Attributable to BAUER AG shareholders	6,429	21,851	16,354	25,102
Attributable to minority interests	-53	2,662	995	4,078

## BALANCE SHEET OF THE BAUER GROUP

<b>ASSETS</b> in EUR '000	31.12.2009	30.06.2010
<b>A. NON-CURRENT ASSETS</b>		
I. Intangible assets	21,839	22,284
II. Property, plant and equipment and investment property	419,877	437,917
III. Investments accounted for using the equity method	11,023	10,428
IV. Participations	3,600	3,614
V. Deferred tax assets	19,623	22,749
VI. Other non-current assets	9,953	10,198
VII. Other non-current financial assets	31	24
	<b>485,946</b>	<b>507,214</b>
<b>B. CURRENT ASSETS</b>		
I. Inventories	366,675	414,748
II. Receivables and other assets	285,764	404,895
III. Effective income tax refund claims	9,723	2,634
IV. Cash and cash equivalents	37,053	47,930
	<b>699,215</b>	<b>870,207</b>
	<b>1,185,161</b>	<b>1,377,421</b>
<b>EQUITY AND LIABILITIES</b> in EUR '000	31.12.2009	30.06.2010
<b>A. SHAREHOLDERS' EQUITY</b>		
I. Group shares	374,702	389,525
II. Minority interests	27,182	31,103
	<b>401,884</b>	<b>420,628</b>
<b>B. NON-CURRENT LIABILITIES</b>		
I. Defined benefit plans	44,783	46,099
II. Financial liabilities	351,775	391,389
III. Other liabilities	6,398	7,398
IV. Deferred tax liabilities	19,591	20,412
	<b>422,547</b>	<b>465,298</b>
<b>C. CURRENT LIABILITIES</b>		
I. Financial liabilities	131,005	186,153
II. Other liabilities	201,345	276,517
III. Effective income tax obligations	9,462	8,869
IV. Provisions	18,918	19,956
	<b>360,730</b>	<b>491,495</b>
	<b>1,185,161</b>	<b>1,377,421</b>

## CASH FLOW STATEMENT OF THE BAUER GROUP

in EUR '000	01.01. - 30.06.2009	01.01. - 30.06.2010
Cash flows from operating activities	-68,350	-29,663
Cash flows from investing activities	-60,627	-25,176
Cash flows from financing activities	137,814	65,716
<b>Net increase in cash and cash equivalents</b>	<b>8,837</b>	<b>10,877</b>
Cash and cash equivalents at beginning of reporting period	36,868	37,053
Cash and cash equivalents at end of reporting period	45,705	47,930
<b>Change in cash and cash equivalents</b>	<b>8,837</b>	<b>10,877</b>

## STATEMENT OF CHANGES IN EQUITY OF THE BAUER GROUP

	Other revenue reserves and net earnings available for distribution								Total
	Subscribed capital	Capital reserve	Revenue reserves	Currency translation reserve	Reconciling item, IFRS	Hedging transactions reserve	Own shares	Minority interests	
<b>As at 01.01.2009</b>	73,001	38,404	241,058	-4,955	10,387	0	0	14,742	<b>372,637</b>
Changes in scope of consolidation	0	0	-144	0	0	0	0	6,238	<b>6,094</b>
Total profit	0	0	20,349	-2,451	0	-1,544	0	995	<b>17,349</b>
Dividend payments	0	0	-17,470	0	0	0	0	0	<b>-17,470</b>
<b>As at 30.06.2009</b>	<b>73,001</b>	<b>38,404</b>	<b>243,793</b>	<b>-7,406</b>	<b>10,387</b>	<b>-1,544</b>	<b>0</b>	<b>21,975</b>	<b>378,610</b>
<b>As at 01.01.2010</b>	73,001	38,404	262,330	-7,080	10,387	-2,340	0	27,182	<b>401,884</b>
Changes in scope of consolidation	0	0	0	0	0	0	0	0	0
Total profit	0	0	3,433	22,835	0	-1,166	0	4,078	<b>29,180</b>
Dividend payments	0	0	-10,279	0	0	0	0	-157	<b>-10,436</b>
<b>As at 30.06.2010</b>	<b>73,001</b>	<b>38,404</b>	<b>255,484</b>	<b>15,755</b>	<b>10,387</b>	<b>-3,506</b>	<b>0</b>	<b>31,103</b>	<b>420,628</b>

## SEGMENT REPORTING OF THE BAUER GROUP

in EUR '000	Construction		Equipment		Resources		Other	
	2009	2010	2009	2010	2009	2010	2009	2010
01.01. - 30.06.								
<b>Total revenues (Group)</b>	<b>273,201</b>	<b>292,790</b>	<b>375,212</b>	<b>252,038</b>	<b>74,406</b>	<b>77,306</b>	<b>13,986</b>	<b>15,146</b>
<b>INCOME</b>								
External sales	225,070	255,555	243,550	202,066	65,148	71,281	250	162
Inter-segment sales	12,244	7,100	33,280	20,793	1,402	2,277	13,179	13,205
Changes in inventories	4,726	2,294	56,696	12,090	824	-3,098	0	0
Other income	7,364	13,913	34,110	12,038	1,934	2,955	459	1,389
<b>Consolidated revenues</b>	<b>249,404</b>	<b>278,862</b>	<b>367,636</b>	<b>246,987</b>	<b>69,308</b>	<b>73,415</b>	<b>13,888</b>	<b>14,756</b>
<b>RESULT</b>								
<b>Segment result (operating result) / EBIT</b>	<b>12,931</b>	<b>9,552</b>	<b>33,089</b>	<b>16,262</b>	<b>637</b>	<b>1,567</b>	<b>178</b>	<b>-244</b>
Share in results of associated companies	1,093	623	10	13	-34	202	0	0
Financial expenses and income, income tax expense								
<b>Net profit or loss</b>								

in EUR '000	Eliminations		Consolidated	
	2009	2010	2009	2010
01.01. - 30.06.				
<b>Total revenues (Group)</b>	<b>-55,808</b>	<b>-44,395</b>	<b>680,997</b>	<b>592,885</b>
<b>INCOME</b>				
External sales			534,018	529,064
Inter-segment sales	-60,105	-43,375	0	0
Changes in inventories	98	0	62,344	11,286
Other income	12,019	-940	55,886	29,355
<b>Consolidated revenues</b>	<b>-47,988</b>	<b>-44,315</b>	<b>652,248</b>	<b>569,705</b>
<b>RESULT</b>				
<b>Segment result (operating result) / EBIT</b>	<b>-1,972</b>	<b>108</b>	<b>44,863</b>	<b>27,245</b>
Share in results of associated companies	0	0	1,069	838
Financial expenses and income, income tax expense			-24,851	-22,032
<b>Net profit or loss</b>			<b>21,081</b>	<b>6,051</b>

# Notes

## ACCOUNTING PRINCIPLES

BAUER Aktiengesellschaft prepares its interim financial statements in accordance with the International Financial Reporting Standards (IFRS). The Half-Year Interim Report to June 30, 2010 was prepared on the basis of IAS 34, "Interim Financial Reporting". The same accounting and valuation methods as for the consolidated financial statements to December 31, 2009 are applied in the Interim Report to June 30, 2010. A detailed description of those methods is presented in the 2009 Annual Report. The Standards and Interpretations bindingly applicable for the first time with effect from January 1, 2010 had no significant effects on the net asset, financial and earnings position of the Group.

## AUDITING

These consolidated interim financial statements and management report have not been audited in accordance with Section 317 of the German Commercial Code (HGB), nor have they been subjected to any review by an auditor.

## SCOPE OF CONSOLIDATION

The scope of consolidation includes BAUER Aktiengesellschaft and all major subsidiaries. Subsidiaries are all companies over which the parent has control in terms of financial and corporate policy. This is routinely accompanied by a voting share of over 50 percent. When assessing whether control is exerted, the existence and effect of potential voting rights currently exercisable or convertible are considered. Subsidiaries are included in the consolidated financial statements (fully consolidated) from the point at which control is transferred to the Group. They are de-consolidated at the point when control ends. Companies of which BAUER Aktiengesellschaft is able, directly or indirectly, to exercise a significant influence on the said companies' financial and operating policy decisions (associated companies) are consolidated according to the equity method.

No changes have occurred to the scope of consolidation since December 31, 2009.

## NOTES ON SEGMENT REPORTING

The internal organizational and management structure and the internal system of reporting to the Management Board and Supervisory Board dictate the segmentation employed by the BAUER Group. Accordingly, the BAUER Group comprises the following business units: Construction, Equipment, Resources and Other.

## NOTES ON THE SEGMENT DATA

The core business of the **Construction segment** is specialist foundation engineering. Complete excavation pits and foundation works, often in difficult subgrade conditions, are carried out for major infrastructure projects. In order to offer customers a full range of services, the companies of the BAUER Group additionally offer other construction services, often involving a major specialist foundation engineering element. Examples of this include bridges, environmental engineering and remediation projects. The Construction segment is founded on the close interlinking of all construction activities, including those handled by the Projects departments.

In the **Equipment segment**, machinery for all specialist foundation engineering processes is developed and manufactured for worldwide distribution. The equipment can be employed to produce large-diameter and small-diameter bores for piles, diaphragm walls, anchors, injections and wells. Equipment for ramming and soil improvement is also manufactured. The range is supplemented by a wide selection of add-on units and ancillary equipment, covering all the processes involved in specialist foundation engineering.

The **Resources segment** brings together all the Group units providing products and services relating to the remediation and extraction of natural resources essential to human life. The units operate in the field of environmental technology, in soil and groundwater remediation, in exploration drilling and mining of raw materials and drilling of wells and geothermal energy sources, and in the manufacture and sale of materials for the engineering of bore holes, specifically for wells and geothermal energy sources. BAUER Umwelt GmbH, Schrobenhausen, is already assigned to this segment. However, at the balance sheet date the shares were held by BAUER Spezialtiefbau GmbH.

The **Other segment** comprises the central services for the Group's business units (accounting, human resources, IT etc.), specifically those of BAUER AG.

#### **EVENTS AFTER JUNE 30, 2010**

No findings subject to mandatory reporting in accordance with IAS 10 occurred after June 30, 2010.

#### **MATERIAL TRANSACTIONS WITH RELATED PARTIES**

The relationships between fully consolidated Group companies and related companies and persons relate mainly to associated and joint-venture companies. Transactions with the said companies are transacted at standard market terms. In the period under review no material transactions were undertaken with related parties.

#### **ASSURANCE BY THE LEGAL REPRESENTATIVES**

We hereby assure that, to the best of our knowledge, the condensed interim consolidated financial statements give a true and fair view of the net assets, financial position and earnings of the company in accordance with the accounting principles applicable to interim reporting, and that the interim Group management report depicts the course of business, including the earnings and overall situation of the Group, in such a way that a true and fair view is conveyed and the material opportunities and risks of the foreseeable development of the Group over the remaining course of the financial year are set out.

Schrobenhausen, August 13, 2010

The Management Board

Prof. Dipl.-Kfm. Thomas Bauer  
Chairman of the Management Board

Dipl.-Ing. Heinz Kaltenecker

Dipl.-Betriebswirt (FH) Hartmut Beutler

Dipl.-Ing. (FH) Mark Schenk

## **FUTURE-RELATED STATEMENTS**

This Interim Report contains future-related statements. Future-related statements are any statements which do not relate to historical facts and events, such as forecasts of future financial earning power and indications of plans and expectations with regard to the development of the business of the BAUER Group and relating to the general economic climate or other factors to which the BAUER Group is subject. The use of words such as "believe", "expect", "predict", "forecast", "intend", "plan", "estimate", "aim", "likely", "assume" and similar formulations indicates that the statements in question are future-related. Future-related statements are subject to risks and many uncertainties which may mean that actual developments, earnings or levels of performance differ widely from those explicitly or implicitly assumed in the future-related statements.

Readers are advised that, in view of the said risks and uncertainties, no inappropriately high degree of confidence should be placed in the likelihood of such statements proving to be accurate in the future. BAUER Aktiengesellschaft does not intend to and assumes no obligation to publish updates of such future-related statements in order to incorporate events or circumstances beyond the date of publication of this Interim Report.

## **DATES 2010**

<b>April 20, 2010</b>	<b>Publication of 2009 Annual Report Annual Press Conference Analysts' Conference</b>
<b>May 12, 2010</b>	<b>Interim Report to March 31, 2010</b>
<b>June 24, 2010</b>	<b>Annual General Meeting</b>
<b>August 13, 2010</b>	<b>Half-Year Interim Report to June 30, 2010</b>
<b>November 12, 2010</b>	<b>Interim Report to September 30, 2010</b>

You will find more information on the BAUER Group on the Internet at [www.bauer.de](http://www.bauer.de).

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BAUER Aktiengesellschaft  
BAUER-Straße 1  
86529 Schrobenhausen

Office of the Management Board:  
Phone: +49 8252 97-1215  
Fax: +49 8252 97-2900  
E-mail: [BAG@bauer.de](mailto:BAG@bauer.de)

Registered place of business:  
86529 Schrobenhausen, Germany  
Registered at the District Court of  
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