

# Interim Financial Report H1 2008/09



**panki**  
RACING SYSTEMS



# Key Figures

<b>EARNING RATIOS</b>		<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>H1 2008</b>	<b>2008</b>	<b>H1 2009</b>	<b>Change</b>
Revenues	in €k	76,259	82,402	93,428	100,054	56,071	105,909	52,192	(7%)
EBITDA	in €k	10,112	14,014	8,604	17,325	9,947	16,868	8,156	(18%)
EBIT	in €k	2,676	3,511	422	10,124	6,074	8,805	3,783	(38%)
Earnings before taxes (EBT)	in €k	1,018	2,845	(635)	8,446	4,664	7,364	2,876	(38%)
Earnings after taxes	in €k	1,397	3,817	145	8,288	4,059	6,858	2,116	(48%)
EBITDA margin		13%	17%	9%	17%	18%	16%	16%	–
EBIT margin		4%	4%	0%	10%	11%	8%	7%	–
<b>BALANCE SHEET RATIOS</b>		<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>H1 2008</b>	<b>2008</b>	<b>H1 2009</b>	<b>Change</b>
Total assets	in €k	97,533	114,010	119,033	127,068	132,819	141,723	135,176	2%
Net working capital	in €k	15,729	21,328	25,270	26,772	31,452	34,365	41,260	31%
Capital employed	in €k	66,807	71,808	74,582	80,823	91,305	98,924	104,578	15%
Shareholders' equity	in €k	54,107	57,712	57,676	64,561	64,671	67,399	64,829	0%
Equity in % of total assets		55%	51%	48%	51%	49%	48%	48%	–
Net debt	in €k	11,452	13,506	14,202	14,217	24,751	29,428	37,412	51%
Gearing		21%	23%	25%	22%	38%	44%	58%	–
<b>CASH FLOW AND CAPEX</b>		<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>H1 2008</b>	<b>2008</b>	<b>H1 2009</b>	<b>Change</b>
Cash flow									
from operating activities	in €k	9,610	5,677	1,625	17,412	3,460	8,730	(62)	neg.
Free cash flow	in €k	1,236	1,948	(2,891)	5,759	(6,986)	(10,481)	(2,890)	neg.
Capital expenditure in fixed assets	in €k	8,148	8,786	5,663	8,713	9,291	14,790	2,871	(69%)
<b>EMPLOYEES</b>		<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>H1 2008</b>	<b>2008</b>	<b>H1 2009</b>	<b>Change</b>
Average number of employees		609	665	661	808	848	896	980	16%
<b>STOCK EXCHANGE RATIOS</b>		<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>H1 2008</b>	<b>2008</b>	<b>H1 2009</b>	<b>Change</b>
Share price per 31/12	in €	13.00	20.85	22.50	38.20	29.00	25.30	9.29	(68%)
Number of shares issued	m share	3.88	3.88	3.88	3.88	3.88	3.88	3.88	0%
Number of treasury shares	share	62,602	95,585	95,585	585	585	62,861	336,463	> 1,000%
Market capitalisation	in €m	50.54	79.06	85.32	148.22	112.50	98.20	36.10	(68%)
Earnings per share	in €	0.36	0.99	0.04	2.03	0.96	1.67	0.62	(35%)
Book value per share	in €	13.92	14.84	14.83	16.61	16.63	17.34	16.67	0%

- Revenues decline by 7% – second-highest ever half-year group revenues
- € 3.8m EBIT – Favourable results despite global financial crisis
- 11.2% EBIT margin in the second quarter
- Cost measures start to have impact

## REVENUES AND EARNINGS

Pankl Racing Systems AG achieved the second-best group revenues for the first half of a fiscal year in corporate history despite an ongoing extremely difficult general economic environment. In H1 2008/09, revenues amounted to € 52.2m, which is a 7% decline versus the same period last year (H1 2007/08: € 56.1m). Revenues declined by 12% taking into account the effects from the first time consolidation of the acquired companies Northbridge and Carrillo. Q2 2008/09 revenues amounted to € 27.8m and were 9% below the record level of € 30.5m in Q2 2007/08. This favourable revenues development is mainly due to the Racing/High Performance segment, which accounted for 83% of revenues. The Aerospace segment accounted for 17% of revenues.

The development of profitability has to be considered favourable given the general economic environment. In H1 2008/09, Pankl Racing Systems AG generated EBIT of € 3.8m which compares to € 6.1m in the same

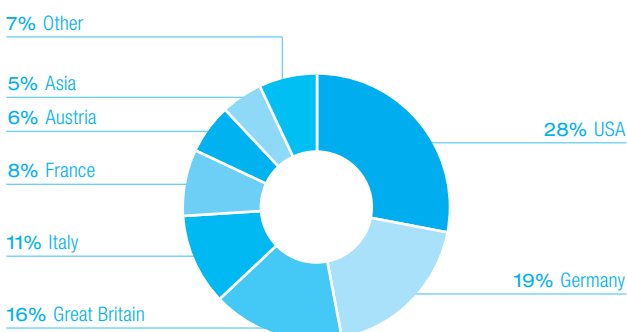
period last year. This corresponds to a decline of 38% and translates into an EBIT margin of 7.2% versus 10.8% in H1 2007/08. The momentum of the earnings decline slowed in Q2 2008/09, when EBIT declined from € 4.3m to € 3.1m or 11.2% of revenues. Adding back depreciation of € 4.4m resulted in EBITDA of € 8.2m or 16% of revenues versus € 9.9m or 18% of revenues in the same period last year.

The financial result improved from € –1.4m in H1 2007/08 to € –0.9m in H1 2008/09 mainly due to favourable foreign exchange fluctuations. Earnings after tax declined from € 4.1m to € 2.1m. Adjusted earnings per share amounted to € 0.62 (H1 2007/08: € 0.96).

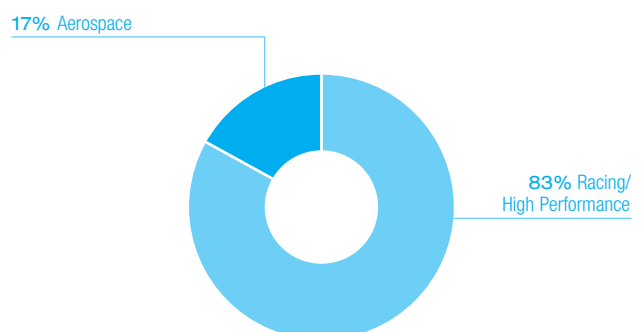
## RACING/HIGH PERFORMANCE SEGMENT

In H1 2008/09, Racing/High Performance segment revenues were stable and amounted to € 43.2m versus € 43.6m in the same period last year. In Q2 2008/09, revenues declined by 9% from € 25.6m to € 23.3m. This only moderate decrease was mainly due to a limited decline in demand in the motor racing division and first signs of a recovery of the US market in Q2 2008/09. The acquisitions of Carrillo and Northbridge also impacted revenues positively in the reporting period. In H1 2008/09, EBIT amounted to € 3.2m or 7.5% of revenues versus € 4.9m or 11.3% of revenues in the same period last

REVENUES BY REGION  
H1 2008/09



REVENUES BY SEGMENT  
H1 2008/09



year. In Q2 2008/09, EBIT amounted to € 2.8m or 11.9% of revenues compared to € 3.8m or 14.9% of revenues in Q2 2007/08. The declines in profitability were mainly due to lower capacity utilisation at Pankl Automotive Slovakia and Carrillo.

#### AEROSPACE SEGMENT

In the first half of the fiscal year 2008/09, Aerospace segment revenues declined by 28.7% from € 12.9m to € 9.2m. In Q2 2008/09, segment revenues declined by 9.8% from € 5.1m to € 4.6m. In H1 2008/09, EBIT amounted to € 0.6m or 6.1% of revenues versus € 1.1m in the same period last year. In Q2 2008/09, EBIT declined to € 0.3m or 7.3% of revenues compared to € 0.5m in the same period last year.

Declines in revenues and earnings happened mainly during the first quarter. In Q1 2007/08, revenues and earnings were positively impacted by non-recurring items resulting from the sale of materials. As a whole we consider Aerospace segment revenues and profitability to be satisfactory, although the global economic crisis also impacted the demand for civil helicopters impacting our revenues and earnings negatively.

#### CASH FLOW

In H1 2008/09, cash flow from earnings declined by 18.9% from € 8.0m to € 6.5m. Cash flow from operating activities amounted to € -0.1m versus € 3.5m in the same period last year. In Q2 2008/09, the cash flow from operating activities was clearly positive and amounted to € 2.6m. Cash flow from investment activities amounted to € -2.8m versus € -10.4m in the same period last year. This was due to drastic cutbacks in capital expenditure. Hence the operating free cash flow improved from € -7.0m to € -2.9m.

#### BALANCE SHEET AND FINANCIAL POSITION

Total assets decreased from € 141.7m as of 30 September 2008 to € 135.2m as of 31 March 2009. Shareholders' funds as a percentage of total assets increased slightly from 47.6% to 48.0% and remained on solid levels. Net debt increased from € 29.4m as of 30 September 2008 to € 37.4m as of 31 March 2009. This was mainly due to a seasonal increase of working capital by € 6.9m. Gearing amounted to 57.7% as of 31 March 2009 versus 43.7% as of 30 September 2008.

#### OTHER EVENTS

##### Annual General Meeting

In the 11<sup>th</sup> Annual General Meeting, which was held on 31 January 2009, it was resolved to pay a dividend of € 0.50 per share. The dividend was paid on 4 February 2009.

In this meeting it was further resolved that the management board is authorised to issue financial instruments according to chapter 174 of the Austrian public companies act (§ 174 AktG), including convertible bonds, participation certificates, income bonds up to a nominal value of € 50m subject to supervisory board approval for a period of five years. Furthermore it was resolved that the management board is authorised to increase the share capital by up to € 1.944m via the issue of up to 1,944,000 shares (authorised capital) subject to supervisory board approval. Furthermore a contingent capital increase, e.g. resulting from the conversion of a convertible bond, by up to € 1.944m was authorised.

#### INFORMATION ACC. TO CHAPTER 87 (4) OF THE AUSTRIAN STOCK EXCHANGE LAW (§ 87 (4) BÖRSEGESETZ)

In the past fiscal year no major expenses were incurred from CROSS Industries AG or any of its subsidiaries. In H1 2008/09 revenues of € 350k were generated (H1 2007/08: € 289k) from the CROSS Industries Group.

## RISKS TO BE EXPECTED IN H2 2008/09

Pankl Racing Systems AG is specialised in the development, production and distribution of engine and drivetrain systems for motor racing, high performance cars and aerospace. While the motor racing business is subject to high volatility also during the year, aerospace allows longer planning horizons. The business divisions of Pankl Racing Systems AG are impacted by the global economic crisis in different extents, which generally leads to a shortening of the planning horizons. In H2 2008/09, Pankl will therefore intensify its customer relations efforts to be able to react flexibly on short term customer order reductions or delays.

Motor racing customers suffer from reduced sponsoring revenues due to the global financial and economic crisis and are forced to cut budgets. Pankl aims at minimising payment defaults by its customers via timely adjustments of delivery and payment terms based on the customer's solvency.

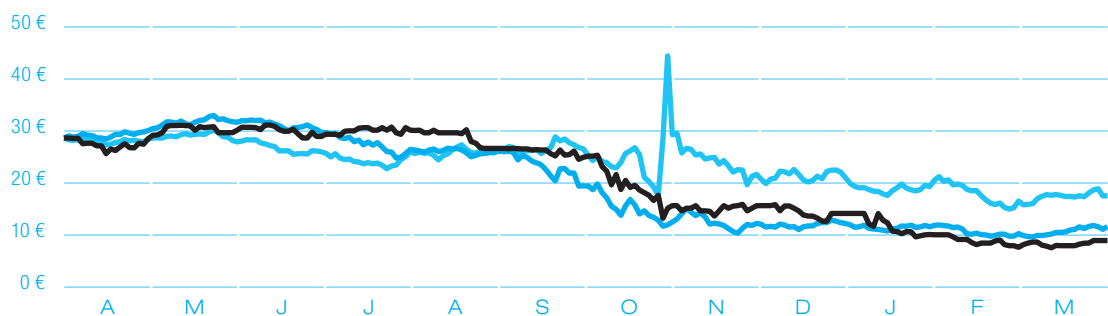
## OUTLOOK

In Q2 2008/09, the global economic environment has further deteriorated. Our high performance division is affected by the automotive crisis directly. Our motor racing revenues and earnings are adversely affected by Formula 1 rule changes both for engine and drivetrain components. In the aerospace area, there are order declines and delays in the civil market segment, while demand in the military segment remains stable.

Under the circumstances we consider the half year results of Pankl Racing Systems AG to be satisfactory, although we suffered declines compared to the same period last year and second quarter has to be considered the strongest quarter of the fiscal year.

Based on continuing low visibility of future business and the fact that the second half of the year is traditionally weaker than the first half, we assume that H2 2008/09 will be tough and challenging. Pankl initiated optimisation and cost saving measures already in first quarter and will continue to implement such measures in all areas of the business. Pankl Racing Systems AG continues to aim at a sustainable and profitable corporate performance.

SHARE PRICE DEVELOPMENT OF PANKL SHARE  
1/4/2008 – 31/3/2009



■ Pankl Racing Systems AG (Vienna) ■ ATX Prime Index, indexed ■ Prime Automobile (XETRA) Price Index, indexed

The chart development of the Prime Automobile Price Index in October 2008 is due to the increase of the Volkswagen AG share.

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Q2 2008/09		H1 2008/09		Q2 2007/08		H1 2007/08	
	in €k	in %	in €k	in %	in €k	in %	in €k	in %
Cost of goods sold	27,794	100.0	52,192	100.0	30,522	100.0	56,071	100.0
Cost of goods sold	(19,815)	(71.3)	(38,513)	(73.8)	(21,510)	(70.5)	(41,533)	(74.1)
Gross profit	7,979	28.7	13,679	26.2	9,012	29.5	14,538	25.9
Distribution expenses	(1,383)	(5.0)	(3,049)	(5.8)	(1,465)	(4.8)	(2,821)	(5.0)
Administrative expenses	(3,543)	(12.7)	(7,255)	(13.9)	(3,565)	(11.7)	(6,792)	(12.1)
Other operating income	112	0.4	575	1.1	501	1.6	1,339	2.4
Other operating expenses	(50)	(0.2)	(168)	(0.3)	(155)	(0.5)	(190)	(0.3)
Operating income (EBIT)	3,115	11.2	3,782	7.2	4,328	14.2	6,074	10.8
Financial income	143	0.5	403	0.8	187	0.6	395	0.7
Financial expenses	(492)	(1.8)	(1,309)	(2.5)	(1,124)	(3.7)	(1,805)	(3.2)
Financial result	(349)	(1.3)	(906)	(1.7)	(937)	(3.1)	(1,410)	(2.5)
Earnings before income taxes (EBT)	2,766	10.0	2,876	5.5	3,391	11.1	4,664	8.3
Income taxes	(734)	(2.6)	(760)	(1.5)	(452)	(1.5)	(605)	(1.1)
<b>EARNINGS AFTER</b>								
<b>INCOME TAXES</b>	2,032	7.3	2,116	4.1	2,939	9.6	4,059	7.2
<i>Attributable to shareholders of parent company</i>	2,013	7.2	2,291	4.4	2,645	8.7	3,714	6.6
<i>Attributable to minorities</i>	19	0.1	(175)	(0.3)	294	1.0	345	0.6
<b>EARNINGS PER SHARE</b>								
Undiluted = fully diluted earnings per share	€ 0.55		€ 0.62		€ 0.68		€ 0.96	

## CONSOLIDATED CASH FLOW STATEMENT

	Q2 2008/09		H1 2008/09		Q2 2007/08		H1 2007/08	
	in €k		in €k		in €k		in €k	
Earnings after tax	2,032		2,116		2,939		4,059	
Depreciation, change of long-term provisions, profit/loss from sale of fixed assets	2,166		4,404		1,914		3,982	
Cash flow from earnings	4,198		6,520		4,853		8,041	
Change in short-term receivables/liabilities	(1,592)		(6,582)		(1,119)		(4,581)	
Cash flow from operating activities	2,606		(62)		3,734		3,460	
Cash flow from investing activities	(1,539)		(2,828)		(7,506)		(10,446)	
Operating free cash flow	1,067		(2,890)		(3,772)		(6,986)	
Cash flow from financing activities	(5,150)		(7,796)		(2,506)		823	
<b>CHANGE OF CASH AND</b>								
<b>CASH EQUIVALENTS</b>	(4,083)		(10,686)		(6,278)		(6,163)	
Cash and cash equivalents								
– at the beginning of the year	17,875		24,478		25,862		25,747	
– at the end of the year	13,792		13,792		19,584		19,584	

**CONSOLIDATED BALANCE SHEET**

<b>ASSETS</b>	<b>31/3/2009</b>		<b>31/3/2008</b>		<b>30/9/2008</b>	
	in €k	in %	in €k	in %	in €k	in %
<b>SHORT-TERM ASSETS</b>						
Cash and cash equivalents	13,792	10.2	19,584	14.7	24,478	17.3
Short-term financial assets	0	0.0	43	0.0	0	0.0
Trade accounts receivables	20,498	15.2	20,921	15.8	17,223	12.2
Other short-term assets and receivables	2,581	1.9	4,796	3.6	3,748	2.6
Stock	33,327	24.7	25,991	19.6	30,071	21.2
<b>Total short-term assets</b>	<b>70,198</b>	<b>51.9</b>	<b>71,335</b>	<b>53.7</b>	<b>75,520</b>	<b>53.3</b>
<b>LONG-TERM ASSETS</b>						
Goodwill	9,911	7.3	6,665	5.0	9,997	7.1
Intangible assets	2,621	1.9	2,614	2.0	2,897	2.0
Fixed assets	46,269	34.2	46,140	34.7	47,352	33.4
Financial assets	2,382	1.8	2,287	1.7	2,166	1.5
Deferred taxes	3,795	2.8	3,778	2.8	3,791	2.7
<b>Total long-term assets</b>	<b>64,978</b>	<b>48.1</b>	<b>61,484</b>	<b>46.3</b>	<b>66,203</b>	<b>46.7</b>
<b>TOTAL BALANCE SHEET</b>	<b>135,176</b>	<b>100.0</b>	<b>132,819</b>	<b>100.0</b>	<b>141,723</b>	<b>100.0</b>
<b>LIABILITIES</b>						
	<b>31/3/2009</b>		<b>31/3/2008</b>		<b>30/9/2008</b>	
	in €k	in %	in €k	in %	in €k	in %
<b>SHORT-TERM LIABILITIES</b>						
Short-term loans and short-term portion of long-term loans	5,097	3.8	11,139	8.4	9,906	7.0
Other short-term liabilities	10,849	8.0	12,457	9.4	10,217	7.2
Liabilities from income taxes	544	0.4	1,197	0.9	736	0.5
Trade accounts payables	3,558	2.6	6,131	4.6	5,401	3.8
Provisions	195	0.1	471	0.4	323	0.2
<b>Total short-term liabilities</b>	<b>20,243</b>	<b>15.0</b>	<b>31,395</b>	<b>23.6</b>	<b>26,583</b>	<b>18.8</b>
<b>LONG-TERM LIABILITIES</b>						
Bonds	20,000	14.8	20,000	15.1	20,000	14.1
Long-term loans	26,530	19.6	13,463	10.1	24,140	17.0
Long-term finance lease obligations	1,914	1.4	1,659	1.2	1,957	1.4
Personnel related provisions	1,161	0.9	1,229	0.9	1,133	0.8
Deferred taxes	499	0.4	402	0.3	511	0.4
<b>Total long-term liabilities</b>	<b>50,104</b>	<b>37.1</b>	<b>36,753</b>	<b>27.7</b>	<b>47,741</b>	<b>33.7</b>
<b>Total liabilities</b>	<b>70,347</b>	<b>52.0</b>	<b>68,148</b>	<b>51.3</b>	<b>74,324</b>	<b>52.4</b>
<b>SHAREHOLDERS' EQUITY</b>						
Share capital	3,888	2.9	3,888	2.9	3,888	2.7
Capital reserves	37,046	27.4	37,046	27.9	37,046	26.1
Treasury shares	(4,884)	(3.6)	(9)	0.0	(1,361)	(1.0)
Reserve from currency translations	25,884	19.1	22,532	17.0	24,944	17.6
Minorities	2,895	2.2	1,214	0.9	2,882	2.0
<b>Total shareholders' equity</b>	<b>64,829</b>	<b>48.0</b>	<b>64,671</b>	<b>48.7</b>	<b>67,399</b>	<b>47.6</b>
<b>TOTAL BALANCE SHEET</b>	<b>135,176</b>	<b>100.0</b>	<b>132,819</b>	<b>100.0</b>	<b>141,723</b>	<b>100.0</b>

## SCHEDULE OF DEVELOPMENT OF SHAREHOLDERS' FUNDS

	Share capital	Additional paid-in capital	Treasury shares	Reserves from retained earnings			Shareholders' funds attributable to shareholders of parent	Shareholders' funds attributable to minorities	Total
				Fair value reserve/ AFS securities	Translation reserve	Other reserves from retained earnings			
in €k	in €k	in €k	in €k	in €k	in €k	in €k	in €k	in €k	
Per 30/9/2007	3,888	37,046	(9)	17	(5,680)	28,742	64,004	557	64,561
Own shares	0	0	0	0	0	0	0	0	0
Change of translation reserven	0	0	0	0	(1,893)	0	(1,893)	(38)	(1,931)
Other adaptations without impact on profit and loss	0	0	0	6	0	(41)	(35)	0	(35)
<b>Total adaptations without impact on profit and loss</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>(1,893)</b>	<b>(41)</b>	<b>(1,928)</b>	<b>(38)</b>	<b>(1,966)</b>
Earnings after tax	0	0	0	0	0	3,713	3,713	345	4,058
<b>Earnings for the period</b>									
H1 2007/08	0	0	0	6	(1,893)	3,672	1,785	307	2,092
Proceeds from capital increase	0	0	0	0	0	0	0	350	350
Dividend distributions	0	0	0	0	0	(2,332)	(2,332)	0	(2,332)
<b>PER 31/3/2008</b>	<b>3,888</b>	<b>37,046</b>	<b>(9)</b>	<b>23</b>	<b>(7,573)</b>	<b>30,082</b>	<b>63,457</b>	<b>1,214</b>	<b>64,671</b>
Per 30/9/2008	3,888	37,046	(1,361)	0	(6,246)	31,189	64,517	2,882	67,399
Own shares	0	0	(3,523)	0	0	0	(3,523)	0	(3,523)
Change of translation reserven	0	0	0	0	495	0	495	188	683
Other adaptations without impact on profit and loss	0	0	0	0	0	(35)	(35)	0	(35)
<b>Total adaptations without impact on profit and loss</b>	<b>0</b>	<b>0</b>	<b>(3,523)</b>	<b>0</b>	<b>495</b>	<b>(35)</b>	<b>(3,063)</b>	<b>188</b>	<b>(2,875)</b>
Earnings after tax	0	0	0	0	0	2,291	2,291	(175)	2,116
<b>Earnings for the period</b>									
H1 2008/09	0	0	(3,523)	0	495	2,256	(772)	13	(759)
Dividend distributions	0	0	0	0	0	(1,811)	(1,811)	0	(1,811)
<b>PER 31/3/2009</b>	<b>3,888</b>	<b>37,046</b>	<b>(4,884)</b>	<b>0</b>	<b>(5,751)</b>	<b>31,634</b>	<b>61,934</b>	<b>2,895</b>	<b>64,829</b>

## SEGMENT REPORTING

	Racing/High Performance		Aerospace		Group	
	H1 2008/09	H1 2007/08	H1 2008/09	H1 2007/08	H1 2008/09	H1 2007/08
	in €k	in €k	in €k	in €k	in €k	in €k
External sales	43,097	43,363	9,095	12,708	52,192	56,071
Inter-company sales	101	248	102	194		
Segment revenues	43,198	43,611	9,197	12,902		
Operating income (EBIT)	3,223	4,947	560	1,127	3,783	6,074
in %	7.5	11.3	6.1	8.7	7.2	10.8
Average number of employees	856	726	124	122	980	848
in %	87.3	85.6	12.7	14.4	100.0	100.0



## REPORTING RULES, ACCOUNTING AND VALUATION METHODS

The interim accounts per 31 March 2009 were prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in accordance with interpretations of the International Reporting Interpretations Committee (IFRIC) to the extent used in the EU and in accordance with the rules for interim reports in IAS 34. The same reporting rules and accounting and valuation methods were used as per 30 September 2008. For further information please refer to our Annual Report per 30 September 2008, which served as the basis for these interim accounts.

The business of the company is divided into the Racing/High Performance segment (engine and drivetrain systems for motor racing and high performance vehicles) and the Aerospace segment (drivetrain systems for the helicopter market). This segmentation is consistent with the company's management information systems. A secondary segmentation can be carried out by the breakdown into the main geographic markets of the company.

## SCOPE OF CONSOLIDATION

Business activities of Pankl Inc., a US distribution company of the Pankl Group, were discontinued in the fiscal year 2007/08. This company was deconsolidated as of 1 October 2008. On the same day, Pankl Automotive Slovakia a.s. was merged with Pankl Automotive Slovakia s.r.o. Otherwise the scope of consolidation remained the same.

## SEASONALITY OF THE BUSINESS

In the Racing/High Performance segment, seasonal fluctuations result from the fact that the most important racing series start their racing season in spring and end it in autumn. As a result, the second quarter of our fiscal year tends to be the strongest one. The Aerospace segment is less affected by seasonal fluctuations.

## NOTES TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

In the first six months of the fiscal year 2008/09, group revenues amounted to € 52,192k (H1 2007/08: € 56,071k), net profit after tax was € 2,116k (H1 2007/08: € 4,059k). As of 30 September 2008, the number of shares in issue amounted to 3,825,139, until 31 March 2009 273,602 own shares were bought back. In H1 2008/09, the average number of shares in issue amounted to 3,706,519. The net profit attributable to shareholders amounted to € 2,291k (H1 2007/08: € 3,714k). Earnings per share amounted to € 0.62 (H1 2007/08: € 0.96).

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

In H1 2008/09, cash and cash equivalents decreased by € 10,686k (H1 2007/08: € -6,163k) due to the share buyback programme, the seasonal increase in inventories and receivables, the dividend payment and the continuing repayment of bank debt.

#### NOTES TO THE CONSOLIDATED BALANCE SHEET

Since 30 September 2008, the balance sheet total decreased by € 6,547k due to the share buyback programme and reduced capital expenditure. Shareholders' funds as a percentage of total assets amounted to 48.0% and remained at a solid level (30 September 2008: 47.6%)

#### IMPORTANT EVENTS AFTER THE INTERIM BALANCE SHEET DATE

The Company acquired 1,100 own shares in the period 31 March 2009 until 3 May 2009. As of 3 May 2009, the Company held a total of 337,563 own shares representing 8.7% of the share capital.

#### DECLARATION OF THE MANAGEMENT BOARD

The Management Board hereby confirms that the unaudited interim report for the first half of the fiscal year 2008/09 provides a true and fair view of the group's financial position and profitability and was set up in accordance with International Financial Reporting Standards (IFRS) to be applied in the EU.

Bruck/Mur, on 4 May 2009

The Management Board of Pankl Racing Systems AG

Alfred Hörtenhuber  
Wolfgang Plasser

Gear units are produced  
out of different materials  
(steel, titanium, aluminium)  
to customer specification  
for racecategories worldwide.



## FINANCIAL CALENDAR

18 AUGUST 2009

Publication of Q1–Q3 2008/09 figures

NOVEMBER 2009

Preliminary year-end results for 2008/09

For further information on roadshow dates  
or investor conferences please visit our homepage  
[www.pankl.com](http://www.pankl.com)

## FOR FURTHER INFORMATION

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### FURTHER INFORMATION ON PANKL SHARE

Securities code (NM): 914732

ISIN code: AT0000800800

Bloomberg symbol: PARS AV

Reuters symbol: PARS.VI

