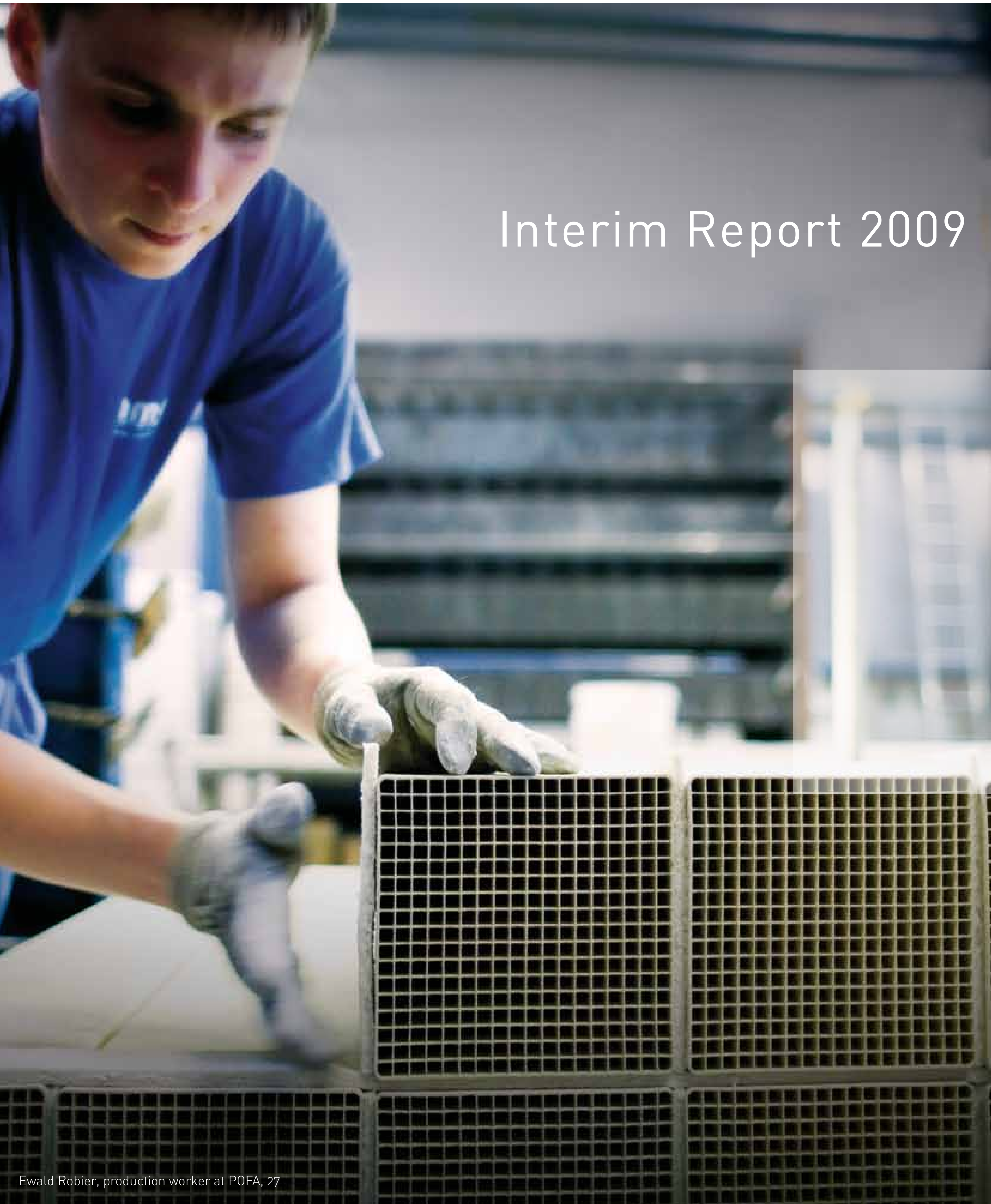
Interim Report 2009



Ewald Robier, production worker at POFA, 27

Summary

	1 – 6 / 2009	1 – 6 / 2008	Deviation	1 – 12 / 2008
Summary income statement (EUR m)				
Revenue	218.4	331.3	-34.1 %	645.4
EBITDA	-10.4	26.1	-139.8 %	42.8
EBITDA, underlying [1]	-4.1	26.1	-115.8%	42.8
ROS (EBITDA / revenue)	**-4.8 %**	**7.9 %**	**-160.3 %**	**6.6 %**
ROS (EBITDA / revenue) underlying [1]	**-1.9 %**	**7.9 %**	**-124.0 %**	**6.6 %**
Earnings before interest and tax (EBIT)	-18.3	18.4	-199.2 %	22.7
Earnings before interest and tax (EBIT), underlying [1]	-12.0	18.4	-165.3 %	22.7
Profit on ordinary activities (POA)	-20.6	15.8	-231.0 %	17.1
Profit/loss after tax	-20.0	12.1	-266.3 %	11.5
Operating profit before working capital changes	-7.1	19.6	-136.2 %	32.4
Free Cash-Flow	-21.7	-18.4	-18.1 %	-1.0
Summary balance sheet (EUR m)				
Non-current assets	144.5	149.7	-3.5 %	150.8
Current assets	149.9	202.6	-26.0 %	174.3
Debt	213.2	247.1	-13.7 %	223.1
Equity	81.2	105.2	-22.8 %	102.1
Equity ratio in %	**27.6 %**	**29.9 %**	**-7.6 %**	**31.4 %**
Investment (additions to non-current assets)	6.9	10.5	-34.5 %	27.1
as % of revenue	3.2 %	3.2 %	-0.6 %	4.2 %
Average head count	**2,482**	**3,441**	**-27.9 %**	**3,327**
Per employee ratios (in EUR '000)				
Revenue	88.0	96.3	-8.6 %	194.0
EBIT	-7.4	5.4	-237.6 %	6.8
Operating profit before working capital changes	-2.9	5.7	-150.2 %	9.8
Shares in issue	9,434,990	9,434,990	0.0 %	9,434,990
Treasury shares	-261,390	-261,390	0.0 %	-261,390
Shares in circulation	9,173,600	9,173,600	0.0 %	9,173,600
Per share ratios (in EUR)				
EBITDA	-1.1	2.9	-139.8 %	4.7
EBIT	-2.0	2.0	-199.2 %	2.5
Profit/loss after tax	-2.2	1.3	-266.3 %	1.3
Operating profit before working capital changes	-0.8	2.1	-136.2 %	3.5
Free Cash-Flow	-2.4	-2.0	-1.1 %	-0.1
Equity	8.9	11.5	-22.8 %	11.1
Share price				
Ultimo	6.24	16.55	-62.3 %	6.58
High	7.00	22.88	-69.4 %	22.88
Low	5.00	15.40	-67.5 %	5.00
Dividend and bonus [2]				0.0

1) Adjusted for deconsolidation
2) Distribution proposed to the Annual General Meeting

Interim financial report for the half year ended 30 June 2009

DEAR SHAREHOLDERS,

So far 2009 has been a transitional year for the Frauenthal Group, marked by capacity reductions and restructuring in the Automotive Components Division, and selective investments in expansion designed to exploit attractive opportunities in the power station catalyst market. As a result of the sharp contraction in volume and the expenses associated with adapting to today's changed market conditions the Group is temporarily facing losses and all the earnings indicators show a significant deterioration. However this year we are creating the conditions for a return to success in 2010.

In terms of our equity base, liquidity cover and management capacity, we have sufficient resources and capabilities to successfully implement the current change processes. We have acted promptly and vigorously to address the downturn, and the restructuring programmes are proceeding on schedule.

Key developments in the first half of 2009 were:

- A decline in revenue of around two-thirds, and tough and successful action to cut capacity and costs in the Automotive Components Division;
- Strong showings from the Wholesale Plumbing Supplies and Industrial Honeycombs divisions.

The severe crisis in the commercial vehicles markets continued into the second quarter. As a result of continued extremely weak demand in the transport sector and the need to run down stocks of unsold vehicles, first-half production in the Automotive Components division was down by 64% on the record level recorded in 2008. Although our customers do not yet see any light at the end of the tunnel with regard to the slump in sales but expect production to pick up in the fourth quarter and to be roughly in line with demand from then on.

We cannot assess the length of the current crisis, but have responded to its magnitude with major capacity reductions and a dramatic adjustment of our cost base. We have reduced total headcount by over 25% (around 850) since year end 2008, and by some 1,100 (30%) since the outbreak of the crisis. Two locations (Styria Federn GmbH, Düsseldorf and A.D. Fabrika Opruga Styria Gibnjara Kraljevo, Serbia) have been divested, while an air reservoir plant in France has been partly closed, and administrative functions sharply downsized. Inevitably, these actions have given rise to significant restructuring expenses, but they have also brought a substantial reduction in fixed costs which kicked in during the first half. Restructuring in the Automotive Components Division is already well advanced, but since the scale of the downturn in demand has been greater than expected, and credible signs of a recovery are still to emerge, preparations must be made for further measures.

While revenue dived by 64% in the Automotive Components Division, it climbed by 4% in the Wholesale Plumbing Supplies Division and by all of 38% in the Industrial Honeycombs Division. Group revenue was 34% lower year on year.

Results for the first half of 2009 reflect the impact of the crisis on the Automotive Components Division. Revenue of EUR 218.4 million (m) was down by EUR 123m year on year. Earnings before interest and tax (EBIT) turned negative by EUR 18.3m, which represents a fall of EUR 36.7m. EBITDA was negative by EUR 10.4m – a decline of EUR 36.5m.

Negative EBIT of EUR 18.3m in the first half of 2009 reflected: an operating loss of EUR 19.2m in the Automotive Components Division driven by falling volume and productivity; restructuring costs of EUR 7.5m; a EUR 5.5m gain from cost savings from measures already implemented; and a EUR 2.9m improvement in the earnings contributions of the other divisions. A large part of the restructuring costs are noncash expenses. This applies in particular to the expenses arising on deconsolidation of the divested interests in Styria Federn GmbH, Düsseldorf and its Serbian subsidiary A.D. Fabrika Opruga Styria Gibnjara Kraljevo (EUR 6.3m).

The Wholesale Plumbing Supplies and Industrial Honeycombs divisions together returned growth of EUR 13.4m in revenue and of EUR 0.3m in EBIT.

Total assets slipped by EUR 30.8m compared with 31 December 2008, to stand at EUR 294.4m, due to the rundown inventories and trade receivables. Equity dropped by EUR 20.9m to EUR 81.2m, lowering the equity ratio from 31.4% to 27.6%.

ECONOMIC CLIMATE

Automotive Components

The commercial vehicle market is one of those most seriously affected by the economic crisis. The protracted boom, especially in export markets, the delayed reaction of Western European commercial vehicle manufacturers to the subsequent collapse in demand, and the decline in industrial output and trade have combined to produce an inventory overhang. A return to normal stock levels will take some time, so manufacturers are being forced to make swingeing cuts in production. The declines in production vary widely between the market segments we serve, ranging from 10% to 85% and averaging around 64%. The vehicle scrappage bonus introduced in Germany has had a positive impact on sales of light commercial vehicles, while demand for trailers has seen the steepest falls. Commercial vehicle registrations in the EU have dropped by some 45%, but exports – particularly to Eastern Europe and Russia – have fared even worse.

In light of ongoing destocking, we expect demand to start reviving in September. However, we do not expect a significant long-term recovery as the vehicle fleet upgrades of recent years and the large number of idle vehicles mean that investment in the transport sector will remain subdued in 2010. The introduction of the new EURO VI emission standard should help to stimulate demand, but not before 2012.

Wholesale Plumbing Supplies

Austrian demand for plumbing supplies is solid, and activity in both the private renovation, and the sanitary and heating segments is robust, although a fall-off in construction of new commercial buildings is already making itself felt. Public sector economic stimulus packages are expected to have a positive impact. However, medium-term indicators suggest that the construction sector will not be immune to the crisis.

Industrial Honeycombs

Demand for power station catalysts has been strong across all regional markets. The main driver of long-term growth is the Chinese market, where environmental legislation has now fully entered into effect. Projects are also under way in other Asian markets. The markets for heat exchangers and foundry filters, which are heavily dependent on the automotive industry, are shrinking, albeit far less severely than the commercial vehicles sector as a whole. The Frauenthal Group's exposure to these product categories is minor.

OPERATING REVIEW

Automotive Components

The 64% decline in revenue led to an operating loss (EBITDA) of EUR 4.6m. In addition, productivity losses due to inefficiencies caused by low capacity utilisation and restructuring costs such as redundancy settlements and inventory writedowns gave rise to EUR 5.3m in expenses. The disposal of the interests in Styria Federn GmbH, Düsseldorf, and A.D. Fabrika Opruga Styria Gibnjara Kraljevo, Serbia led to additional noncash deconsolidation expenses of EUR 6.3m at Group level. These are reportable under EBITDA which was thus negative by EUR 16.2m. Earnings should improve considerably in the fourth quarter, when the full cost savings feed through. To the best of management's knowledge most of the cost of completed or ongoing restructuring measures is already factored into the results for the first half. EBIT for the first half of 2009 was negative by EUR 21.2m – EUR 38m down on last year's record result. The strain on liquidity from the operating loss and the restructuring actions was cushioned by action to run down inventories and optimise working capital, as well as an almost complete halt to the investment programme.

The main completed or ongoing restructuring actions are:

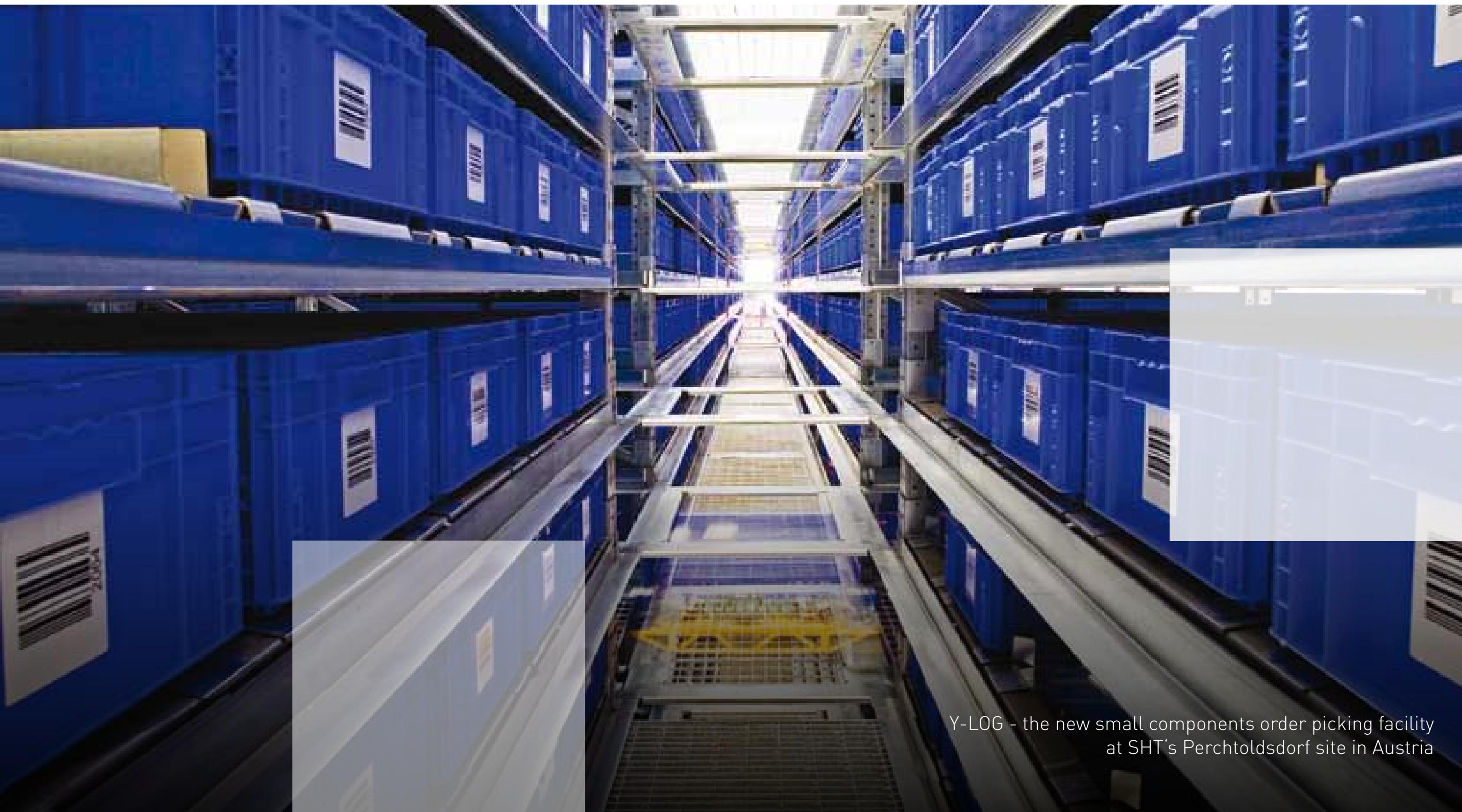
- Part-closure of the steel air reservoir production operation in France (Styria Eles France S.A.S. in St. Avold);
- Disposal of the interests in Styria Federn GmbH, Düsseldorf and A.D. Fabrika Opruga Styria Gibnjara Kraljevo, Serbia;
- Part-closure of the Slovenian site (Styria Vzmeti d.o.o.) by shutting down the parabolic spring production line;
- Major streamlining of the holding company structures by relocating the central functions previously sited in Germany (Düsseldorf) and France (Châtenois);
- Lay-offs of 256 agency and 853 permanent staff;
- Innovative solutions found for 130 temporary lay-offs in Austria and France;
- Waivers of most variable payment components by management and parts of the workforce.

On a full-year basis these measures will trim costs by EUR 20m.

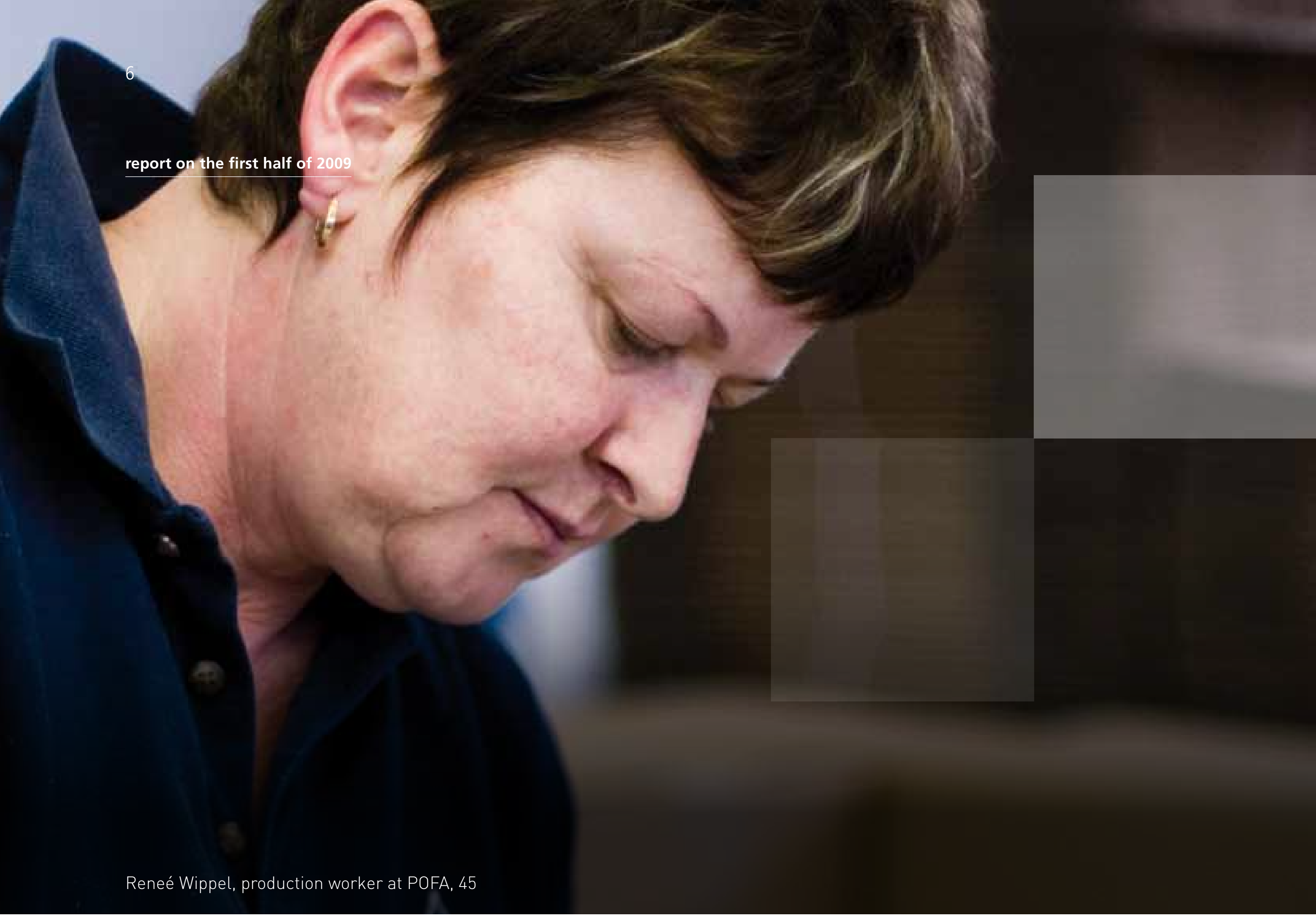
Despite these major cost reductions we have only scaled back installed steel spring capacity by some 30%, and need not fear production bottlenecks if the market recovers more quickly than expected.

Alongside the restructuring programmes, we have also made an intense effort to strengthen our market position, and are working flat-out on major product developments.

Revenue trends at our main customers such as Volvo/Renault (-59%), MAN (-39%), Daimler Trucks (-56%) and Scania (-51%) have been more positive than in our Automotive Components Division because of sales of trucks from stock. Like ourselves, all our customers are making heavy losses.



Y-LOG - the new small components order picking facility at SHT's Perchtoldsdorf site in Austria



Reneé Wippel, production worker at POFA, 45

Wholesale Plumbing Supplies

The Wholesale Plumbing Supplies Division is benefiting from solid demand, which is mainly being supported by the private renovation market, and the weakness of its main competitor. During the period under review we again grew our market share. Increasingly fierce price competition shaved about 1% off our margin, but the impact on earnings was more than offset by higher volume and cost savings – particularly on advertising and personnel expenses.

During the period under review commissioning of the logistics centre in Salzburg, from which the Salzburg and Tyrol sales areas are now being supplied, further strengthened our market position. Work began on the construction of a combined sales outlet and logistics centre in Innsbruck, which should enable us to exploit additional market potential.

Industrial Honeycombs

Revenue growth of 38% in the first half, full capacity utilisation and continued high order intake made the catalyst business a mainstay of the Frauenthal Group. Asia now accounts for over 50% of this segment's business. We have recently won contracts in Korea and Thailand, as well as the key Chinese market. Demand is also growing in our traditional markets. For example, we have completed two major contracts in Germany, a total of EUR 19m is in an acquisition phase.

Strong demand is buoying prices, while US dollar exchange rate movements have also helped to lift earnings as a result of our hedging measures.

In order to increase value added and supply security we have invested in our own module fabrication capacity, and the move from outsourcing to internal production has enhanced our earnings power.

Deliveries from our final assembly facility in China will commence towards the end of the third quarter, marking a first step towards a local presence in this crucial emerging market.

The integration of Ceram Catalyst GmbH and Porzellanfabrik Frauenthal GmbH was completed by the merger with retroactive effect from 1 January 2009. This action is expected to result in annual cost reductions in the order of EUR 1m at the Frauental site; a significant part of these savings will be realised this year.

CHANGES IN LIQUIDITY

The increased liquidity needs arising from the operating losses of the Automotive Components Division were more than made good by reductions in working capital. The Group's cash requirements rose by almost EUR 20m as compared to the position at year end 2008. This was due to the normal seasonal increase in SHT's working capital needs and investments in this business, growth at Porzellanfabrik Frauenthal, and the completion of investment projects in the Automotive Components initiated in the previous year. The investment projects at Porzellanfabrik Frauenthal will begin to make claims on liquidity in the third quarter. Seasonal patterns in the Wholesale Plumbing Supplies Division will dictate a moderate increase in cash needs up to the end of September, after which they will return to their level at the middle of the year. We have sufficient credit lines.

OUTLOOK

Our scenarios for the Automotive Components Division are predicated on modest revenue growth after the summer months, which are witnessing extended shutdowns at customers' plants. The expectation of increased production is based on the fact that, with customers' inventory drawdowns now at an advanced stage, output is expected to move into line with demand end of the third quarter. We do not anticipate a significant recovery in demand for heavy trucks before the end of 2010 – but in the absence of relevant information from customers such forecasts are subject to major uncertainties. The full effects of cost savings in the Automotive Components Division combined with a moderate increase in output, and the good performance of the Wholesale Plumbing Supplies and Industrial Honeycombs divisions, point to a marked improvement in results in the third quarter, and a still stronger rebound in the fourth. Another step taken to adjust capacity will be the shutdown of the trapezoidal spring line at our factory in Slovenia (Styria Vzmeti d.o.o. in Ravne) by the end of the year, and its relocation to our Romanian plant. Production of parabolic springs will resume in Slovenia in 2010, market developments permitting. This action will result in phased redundancies affecting up to 125 employees. The closure costs will be between EUR 1.0–1.4m. Restructuring expenses will be considerably lower in the second half of this year than in the first half of the year. We are forecasting positive Group EBITDA before restructuring costs for the year as a whole.

We believe that the automotive business is now past the trough of the crisis, and are convinced of the wisdom of the restructuring and capacity reduction measures taken. We have succeeded in making most of the necessary adjustments whilst preserving as much cash as possible. Going forward, the outlook will largely depend on truck manufacturers' response to the market situation and on our ability to position ourselves as a long-term partner for the industry.

We believe that our product development, location and capacity policies are creating the conditions for a successful future for the Automotive Components Division in what will be a substantially smaller market for some time to come.

In the Wholesale Plumbing Supplies Division an expanded market presence, as well as numerous technical, logistical and product innovations, accompanied by tighter debtor management, have laid the groundwork for future success in a market that may also be hit by the crisis.

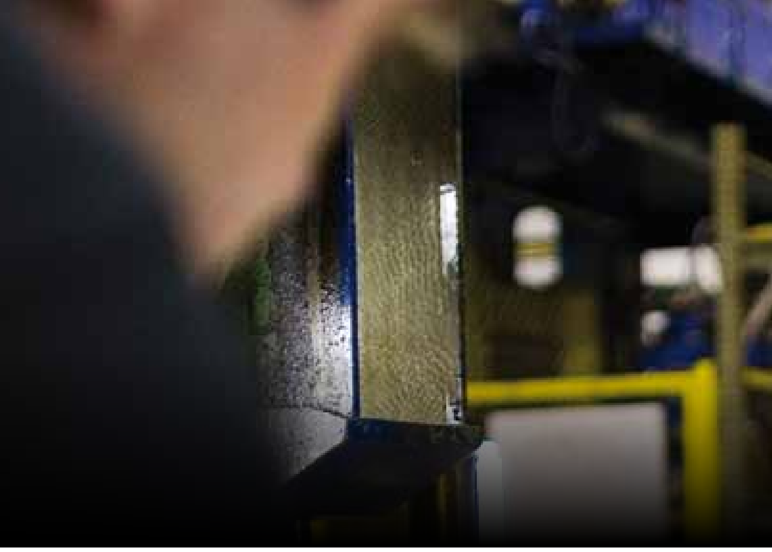
Thanks to recent capacity expansion the Industrial Honeycombs Division is set to profit from the massive market opportunities in Asia, and to record strong growth for the foreseeable future.

All in all, we have come a lot closer to our goal of emerging from the crisis as a structurally stronger business.

Vienna, August 2009

Frauenthal Holding AG

The Executive Board



Notes to the interim financial report for the half year ended 30 June 2009

The interim report of Frauenthal Holding AG (Frauenthal Group) for the six months ended 30 June 2009 has been drawn up in accordance with International Financial Reporting Standard IAS 34, Interim Financial Reporting.

This report has neither been audited nor has it been reviewed by an independent auditor.

CONSOLIDATION AND ACCOUNTING POLICIES

The number of companies included in consolidation has fallen by two since 31 December 2008. The majority interests in Styria Federn GmbH, Düsseldorf and its subsidiary A.D. Fabrika Opruga Styria Gibnjara Kraljevo, Serbia were divested on 8 May 2009. The interim report for the second quarter of 2009 thus comprises the results of the parent, Frauenthal Holding AG, and of the 25 subsidiaries in which that company or one of its subsidiaries holds a majority of the voting rights and the controlling interest.

The accounting policies used to prepare the financial statements for the year ended 31 December 2008 were applied without change in the second quarter of 2009.

The main differences between the policies applied and the provisions of the Austrian Business Code (UGB) lie in the use of the percentage of completion (PoC) method to value construction contracts, in the treatment of deferred tax and the amortisation of goodwill, and in the calculation of provisions for employee benefit obligations.

NOTES TO THE CONSOLIDATED INCOME STATEMENT

Revenue

The consolidated income statement is presented using the nature of expense method.

Consolidated IFRS revenue for the first half of 2009 was down by 34.1% to EUR 218.4m (H1 2008: EUR 331.3m). This negative trend reflected the problems of the Automotive Components Division which has been severely impacted by the economic crisis. The collapse of demand in this business resulted in a dramatic decline in revenue. Revenue in Automotive Components plunged by EUR 123m or 63.8% to EUR 69.8m (H1 2008: EUR 192.9m).

The other two divisions have not been affected by the crisis, and posted revenue growth, with Industrial Honeycombs trading particularly strongly. The Wholesale Plumbing Supplies Division recorded revenue growth of EUR 4.5m or 4% on the back of robust construction and renovation activity and gains in market shares. Growing demand for power station catalysts boosted revenue in the Industrial Honeycombs Division by more than one-third (37.6%), from EUR 23.5m to EUR 32.3m.

The EU area accounted for 88% of total revenue, the USA for 6.6% and the rest of the world for 5.4%.

Earnings

Group EBITDA for the first half of 2009 was EUR 36.5m lower year on year, turning negative by EUR 10.4m. The main earnings contribution – a loss of EUR 16.2m – came from the Automotive Components Division, and only one-third of this was offset by the good performance of the other operations. The disposal of the Styria Federn factory in Düsseldorf and the A.D. Fabrika Opruga Styria Gibnjara Kraljevo plant in Serbia resulted in deconsolidation expense of EUR 6.3m. Like-for-like Group EBITDA, adjusted for deconsolidation expense was negative by EUR 4.1m.

Underlying EBITDA in the Automotive Components worsened by 173.8% to stand at EUR -9.9m (H1 2008: EUR +22m).

In the Wholesale Plumbing Supplies Division earnings lagged behind revenue growth due to fierce price competition. Tight margins meant that EBITDA was unchanged at EUR 2.3m.

The Industrial Honeycombs Division delivered the largest positive earnings contribution at EUR 3.7m. Rising demand for power station catalysts positively impacted earnings which gained 28.4% year on year.

Wolfgang Majstorovic, production worker, 50

On the basis of the net loss attributable to equity holders of the parent of EUR 17.7m (H1 2008: EUR +11.2m) and an average of 9,173,600 shares in issue (H1 2008: 9,173,600), both basic and diluted loss per share was EUR 1.93 (H1 2008: EUR +1.22).

Revenue and earnings in all divisions are subject to seasonal fluctuations, meaning that extrapolations from half-yearly results do not yield reliable forecasts for the year as a whole.

NOTES TO THE CONSOLIDATED BALANCE SHEET

The Group's total assets dropped by 9.5% from their level at balance sheet date for the past financial year (31 December 2008: EUR 325.2m) to stand at EUR 294.4m. The decrease in current and non-current assets mainly stems from the massive run-down in inventories in the Automotive Components Division due to weak sales in the first half. The balance sheet also shrunk by EUR 16.5m as a result of the sale of the Styria Federn factory in Düsseldorf and the A.D. Fabrika Opruga Styria Gibnjara Kraljevo plant in Serbia. The disposal reduced property, plant and equipment by EUR 5.2m, and Group trade receivables by EUR 2.8m, inventories by EUR 7.5m and cash by EUR 1m. The reduction in non-current assets also reflects a EUR 6.9m cutback in investment as well as impairment losses.

Current and non-current liabilities contracted by a total of EUR 9.9m from their level at 31 December 2008, due to lower trade payables and a EUR 19.3m fall in "Other liabilities". Short and long-term bank borrowings rose by a total of EUR 16.4m, mainly as a result of the usual seasonal increase in financing needs in the Wholesale Plumbing Supplies Division. The loss for the first half of 2009 reduced consolidated equity including minorities and currency translation by EUR 20.9m as compared to 31 December 2008. No distribution was made to shareholders and minority interests from the profit for 2008. Owing to the loss for the period the equity ratio declined from 31.4% as at 31 December 2008 to 27.6% at the interim balance date despite the decrease in total assets.

NOTES TO THE CASH FLOW STATEMENT

The Group swung from a year-earlier operating profit before working capital changes of EUR 19.6m into a loss of EUR 7.1m. The operating loss before working capital changes arose from the consolidated loss of EUR 20m and the changes in deferred tax assets and long-term provisions. This item was adjusted for the EUR 6.3m in noncash deconsolidation expense arising from the divestiture of Styria Federn GmbH and A.D. Fabrika Opruga Styria Gibnjara Kraljevo.

The lower revenue returned by the Automotive Components Division and the increase in working capital in the Wholesale Plumbing Supplies Division the first half of the year led to negative cash flows from operating activities of EUR 15.4m (H1 2008: EUR -7.9m).

Net cash used in investing activities declined from EUR 10.5m to EUR 6.3m at the interim balance sheet date, reflecting lower investment in the first half. Group investment spending was down by EUR 3.6m to EUR 6.9m over the period. Automotive Components cut back investment sharply because of the current stress on maintaining liquidity. Investments amounting to EUR 2.6m related to projects initiated by the Division in 2008. In 2008 some EUR 6.8m was invested in expanding capacity. The Wholesale Plumbing Supplies Division invested EUR 3.4m in expanding the new regional logistics centre in Salzburg, completing the automated small parts warehouse in Vienna and vehicle fleet replacements (H1 2008: EUR 2.5m). Investment in the Industrial Honeycombs Division in the first half was EUR 0.8m (H1 2008: EUR 1.2m).

A downward adjustment of EUR 1.6m was made to cash used in investing activities for investment grants received in the first half. The deconsolidation of the two divested companies reduced cash and cash equivalents by EUR 1m.

EMPLOYEES

In the first half of 2009 the Frauenthal Group employed an average of 2,482 people (H1 2008: 3,441). Personnel reductions due to capacity adjustments in the Automotive Components Division had a major impact on head count in the first half. Head count in the Automotive Components Division fell by an average of 965 while there was little change in the other businesses.

POST BALANCE SHEET EVENTS

In August 2009 Ceram Catalysts GmbH was merged with Porzellanfabrik Frauenthal GmbH with effect from 1 January 2009. This action is expected to result in annual savings in the order of EUR 1m at the Frauental site.

SHARE PRICE PERFORMANCE

Frauenthal has been listed on the Vienna Stock Exchange prime market since 23 July 2007. During the first half our share price was relatively stable in line with the overall market trend. Our price fell edged down from EUR 6.58 at year end 2009 to EUR 6.24 on 30 June 2009.

For more information on our share price performance visit our website at www.frauenthal.at.

COMPOSITION OF THE EXECUTIVE BOARD

As at 30 June 2009 the Executive Board consisted of Hans-Peter Moser, who is in overall charge of the Automotive Components and Wholesale Plumbing Supplies divisions, and Martin Sailer who heads up the corporate finance function and the Industrial Honeycombs Division.

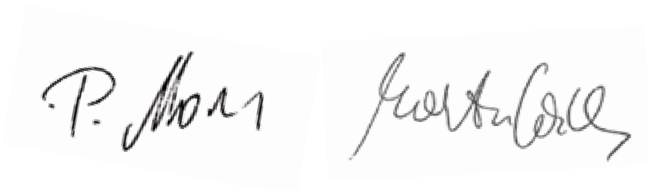
DECLARATION BY THE EXECUTIVE BOARD PURSUANT TO SECTION 87(1) AUSTRIAN STOCK EXCHANGE ACT

The Executive Board hereby declares that to the best of its knowledge the interim financial report of the Frauenthal Group, prepared in accordance with International Financial Reporting Standards (IFRS), to the maximum extent possible gives a true and fair view of the assets, finances and earnings of the companies included in consolidation. The operating review likewise as far as possible gives a true and fair view of the assets, finances and earnings of the Frauenthal Group, and provides information on the course of business, and the impact of existing and future risks on the Group's business activities.

Vienna, 12 August 2009

Frauenthal Holding AG

The Executive Board



Hans-Peter Moser	Martin Sailer
Member of the Executive Board	Member of the Executive Board

Consolidated income statement

EUR '000	1-6 / 2009	1-6 / 2008
Revenue	**218,374**	**331,281**
Changes in inventories of finished goods and work in progress	-4,000	4,451
Work performed by the entity and capitalised	0	346
Other operating income	3,825	4,586
Raw material and consumables used	-144,141	-213,988
Staff costs	-52,647	-68,101
Depreciation, amortisation and impairment	-7,901	-7,703
Other operating expenses	-31,812	-32,428
Profit from operations	**-18,302**	**18,444**
Interest income	155	129
Interest expense	-2,494	-2,834
Other finance income	0	15
Net finance costs	**-2,339**	**-2,690**
Profit before tax	**-20,641**	**15,754**
Income tax expense	-298	-3,368
Change in deferred tax	890	-332
Profit after tax	**-20,049**	**12,054**
Attributable to minority interests	2,306	-857
Attributable to equity holders of the parent	**-17,743**	**11,197**
Earnings per share (undiluted / diluted)	**-1.93**	**1.22**

Consolidated balance sheet

EUR '000	30 Jun. 09	31 Dec. 2008
Assets		
Non-current assets		
Intangible assets	41,505	42,038
Property, plant and equipment	80,210	86,801
Investments in associates	690	690
Other financial assets	1,319	1,319
Deferred tax assets	20,746	19,977
	144,470	**150,825**
Current assets		
Inventories	71,536	83,645
Trade receivables	59,676	60,016
Other assets	7,071	13,893
Available-for-sale investments	479	479
Cash and cash equivalents	11,154	16,302
	149,916	**174,335**
Total assets	**294,386**	**325,160**

EUR '000	30 Jun. 09	31 Dec. 2008
Equity and liabilities		
Equity		
Share capital	9,435	9,435
Capital reserves	21,093	21,093
Retained earnings	67,408	55,560
Translation reserve	-2,682	-1,937
Other reserves	359	359
Own shares	-396	-396
Minority interest	3,736	6,159
Profit for the year	-17,743	11,848
	81,210	**102,121**
Non-current liabilities		
Bond	70,000	70,000
Bank borrowings	17,951	8,262
Other liabilities	4,859	3,373
Provisions for termination benefits	9,522	9,685
Provisions for pensions	7,133	9,746
Provisions for deferred tax	2,353	2,453
Other long-term provisions	5,441	9,170
	117,259	**112,689**
Current liabilities		
Bond	0	1,375
Bank borrowings	36,502	29,775
Trade payables	36,369	49,757
Other liabilities	21,586	27,538
Tax provisions	588	672
Other short-term provisions	872	1,233
	95,917	**110,350**
Total equity and liabilities	**294,386**	**325,160**

Cash flow statement

EUR ´000	1-6 / 2009	1-6 / 2008
Net profit/loss before minority interests	-20,049	12,054
Deconsolidation expense	6,261	0
Depreciation and amortisation of non-current assets	7,901	7,703
Gains on disposal of non-current assets	0	-8
Losses on disposal of non-current assets	72	0
Change in deferred tax	-772	336
Change in long-term provisions	-513	-407
Reversal of negative goodwill on consolidation	0	-60
Operating profit before working capital changes	**-7,100**	**19,618**
Change in inventories	4,602	-10,056
Change in trade receivables	-970	-23,649
Change in other receivables	5,477	-3,103
Change in short-term provisions	-578	-763
Change in trade payables	-12,066	3,992
Change in liabilities to Group companies	-111	-216
Change in other liabilities	-4,305	5,812
Translation related changes	-383	440
Net cash from operating activities	**-15,434**	**-7,925**
Investments in non-current assets	-6,886	-10,508
Proceeds from sale of non-current assets	20	21
Proceeds from investment grants	1,562	0
Proceeds from repayment of loans	31	47
Changes arising on consolidation	-1,014	-28
Net cash used in investing activities	**-6,287**	**-10,468**
Dividends paid	0	-2,115
Change in financial liabilities	16,573	14,731
Net cash from financing activities	**16,573**	**12,616**
Change in cash and cash equivalents	**-5,148**	**-5,777**
Cash and cash equivalents at beginning of period	16,302	10,218
Cash and cash equivalents at end of period	11,154	4,441

Statement of changes in equity

EUR ´000	Share capital	Capital reserve	Retained earnings	Translation reserve	Other reserves	Treasury shares	Net profit/ loss	Equity attributable to equity holders of the parent	Minority interests	Total equity
At 1 Jan. 2008	**9,435**	**21,093**	**39,890**	**-132**	**0**	**-396**	**17,505**	**87,395**	**6,604**	**93,999**
Consolidated net profit for 2007			17,505				-17,505	0		0
Consolidated net profit for 2008							11,848	11,848	-349	11,499
Dividends			-1,835					-1,835	-280	-2,115
Exchange differences on translating foreign operations and change in minority interests				-1,805				-1,805	184	-1,621
Direct changes in equity										
Cash Flow Hedges					479			479		479
Deferred taxes					-120			-120		-120
At 31 Dec. 2008 = 1 Jan. 2009	**9,435**	**21,093**	**55,560**	**-1,937**	**359**	**-396**	**11,848**	**95,962**	**6,159**	**102,121**
Consolidated net profit for 2008			11,848				-11,848	0		0
Consolidated net profit for 1-6/2009							-17,743	-17,743	-2,306	-20,049
Exchange differences on translating foreign operations and change in minority interests				-745				-745	-117	-862
At 30 Jun. 2009	**9,435**	**21,093**	**67,408**	**-2,682**	**359**	**-396**	**-17,743**	**77,474**	**3,736**	**81,210**

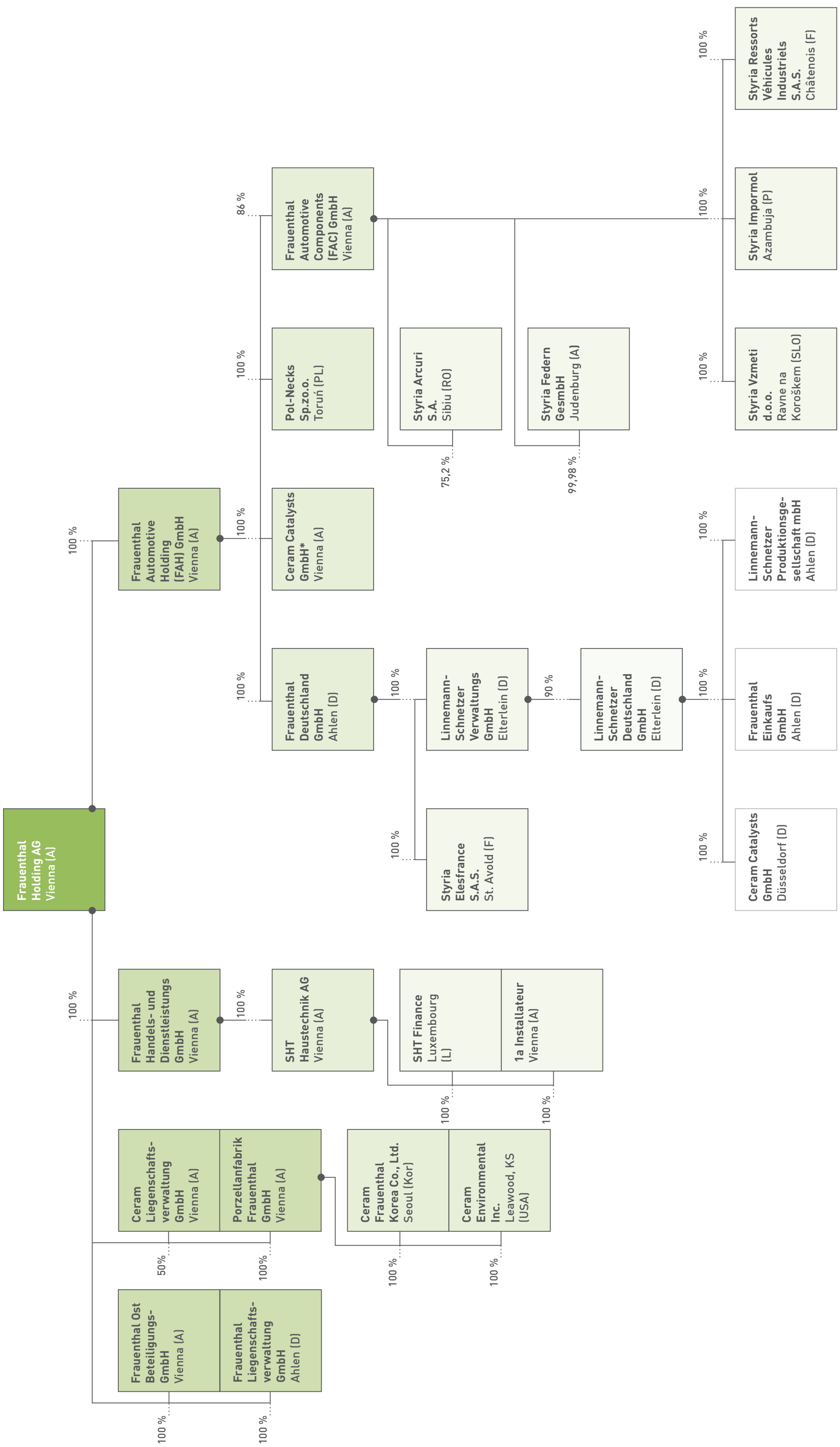
Segmental analysis

	Industrial honeycombs		Automotive components		Wholesale plumbing supplies		Holding companies and others		Intragroup eliminations		Frauenthal Group	
EUR ´000	1-6 / 2009	1-6 / 2008	1-6 /2009	1-6 / 2008	1-6 /2009	1-6 / 2008	1-6 /2009	1-6 / 2008	1-6 /2009	1-6 / 2008	1-6 /2009	1-6 / 2008
Strategic business segments												
Revenue from external customers	32,291	23,473	66,604	192,929	119,408	114,869	71	11	0	0	**218,374**	**331,281**
Intersegment revenue	0	0	3,150	0	0	0	1,269	1,596	-4,419	-1,596	**0**	**0**
Total revenue	32,291	23,473	69,754	192,929	119,408	114,869	1,340	1,607	-4,419	-1,596	**218,374**	**331,281**
EBIT	3,134	2,528	-21,184	16,808	5	322	553	-1,215	-809	0	**-18,302**	**18,444**
EBIT, underlying [1]	3,134	2,528	-14,923	16,808	5	322	553	-1,215	-809	0	**-12,040**	**18,444**
Employees	194	185	1,585	2,550	694	696	9	10	0	0	**2,482**	**3,441**

1) Adjusted for deconsolidation

Our structure

Status as of 30 June 2009



* with effect from 1 January 2009 merged with Porzellanfabrik Frauenthal GmbH

Imprint

2009 FINANCIAL CALENDAR

22 Apr. 2009	Publication of annual results for 2008
08 May 2009	Annual results press conference
08 May 2009	Publication of the interim report on the first quarter of 2009
14 May 2009	20th Annual General Meeting
19 May 2009	Ex-dividend date
12 Aug. 2009	Publication of interim report on the first half of 2009
11 Nov. 2009	Publication of the interim report on the third quarter of 2009

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Vienna Stock Exchange: Prime Market

Symbol: FKA

ISIN: AT 0000762406 (shares)

Bloomberg-code: FKA AV

Reuters-code: FKAV.V1

Market capitalisation: EUR 47.0 (30 June 2009)

Vienna Stock Exchange: Listing on the Vienna Stock Exchange official market

Symbol: FKA

ISIN: AT 0000492749 (bonds)

In addition to detailed information on Group companies, our website offers downloads of quarterly reports, AGM documents, press releases, stock exchange announcements, product photographs, and the latest annual report in German and English.

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The original can be viewed at the Company's headquarters.