

DATA MODUL

Interim Report as of
March 31, 2009



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Dear shareholders,

Business development for Data Modul AG during the first quarter was affected by the total global economic situation in the markets. This could be seen by world wide declining industrial business. Even Data Modul was not able to separate itself from this trend, as we are the supplier of products in the area of investment goods that go directly into this sector, where investment is reluctant, as well as in the area of spares and expansion investments. As such, we experienced a significant decline in business results compared to the first quarter of last year. However, it is positive to report that the order entry increased when compared to the fourth quarter of 2008.

The continuation of the strategic goal of international expansion and the increase of system business was consequently maintained despite the difficult economic situation.

The interim financial results and management report at hand were not audited according to § 317 HGB, nor were they audited by an external auditing organisation.

Key Corporate Results

	Jan. - March 2009	Jan. - March 2008	Changes
Net Sales in total (in mio. Euro)	27.9	34.0	(17.8 %)
Industry	24.2	25.1	(3.7 %)
Information Systems	3.7	8.8	(57.8 %)
Order Entry (mio. Euro)	26.4	37.3	(29.3 %)
Order Backlog (mio. Euro)	62.1	75.3	(17.5 %)
EBIT (mio. Euro)	0.6	2.2	(72.2 %)
PAT (mio. Euro)	0.4	1.4	(68.9 %)
Capital Investment (mio. Euro)	0.2	0.6	(61.2 %)
Employees	305	290	+ 5.2 %
Earnings per share (Euro)*	0.14	0.44	(68.9 %)

All figures are according to IFRS.

*Profit after tax for the 1st quarter of the year / number of shares.

Business Results

Revenues were 27.9 million euros in the first quarter of the current year 2009, and therefore 17.8 % less than last year's amount of 34.0 million euros. Order entry behaved similarly, and showed a decline of 29.3 %, from 37.3 million euros in last year's first quarter, to 26.4 million euros. As of March 31, the order backlog declined analogously, from 75.3 million euros last year, to 62.1 million euros this year. Compared to the fourth quarter of 2008, revenues remained just about the same while order entry increased by 24.5 %. The export quota amounted to 36.1% in the first quarter of 2009 (39.2 % last year) which is a result of the volatile movements in individual markets.

Corporation's Results

As a result of the revenue decline, EBIT (earnings before interest and taxes) according to IFRS, decreased in the first quarter by 72.2 %, from 2.2 million euros last year to 0.6 million euros in the first quarter of 2009. Similarly, PBT (profit before tax) declined by 77.6 % to 0.4 million euros (2.0 million euros last year). Net profit amounted to 0.4 million euros (1.4 million euros last year) and resulted in an earnings per share of 0.14 euros in the first quarter of 2009 compared to 0.44 euros in the first quarter of 2008 (based on 3,205,620 shares outstanding).

Cash flow, Capital and Financial Status

The cash flow from operations as of 3/31/2009 amounted to -2.0 million euros compared to 2.7 million euros last year. The decline is due to profit development as well as an increase in working capital.

The equity ratio for the Corporation (according to IFRS) at the end of the first quarter 2009 amounted to 50.0 % (45.0 % last year) and 75.3 % (72.3 % last year) for Data Modul AG (according to HGB). The Corporation is financially solid, and is thereby quite well positioned to be able to withstand a longer crisis situation.

Development of the Business Segments

During the first three months of the current year, the business segment of Industry achieved a sales percent of 87 % (74 % last year). This equates to a reduction in revenues to 24.2 million euros from last year (25.1 million euros), as well as an EBIT, according to segment reporting, of 1.5 million euros (1.6 million euros last year). The decline in revenues compared to the same period in the previous year follows the weak order entry in the fourth quarter of last year as well as in the first quarter of the current fiscal year. Also, expansion of international activity led to additional operation expenses in this business

segment. As a reaction to the decreasing business development, personnel adjustments in many operations began in March 2009 with the focus on the business activities in Germany. The targeted effort to expand the system business was consequently pursued and achieved a constant growing revenue proportion in the industrial segment of the corporation. As a result, the gross margin could be held stable. We are not seeing any particular market pressure because of our high percentage of value added and development effort, as well as the resulting differentiation to competition.

The business segment of Information Systems is more strongly affected by the present economy. This is evident from significantly reduced replacement parts investment as well as delays in project approvals. As a result, the first quarter of 2009 achieved a sales percentage of 13 % (26 % last year). The revenues amounted to 3.7 million euros (8.8 million euros last year), and the EBIT was a loss of -0.9 million euros (0.5 million euros last year). It is positive to note that the project activity, especially in the Middle and Far East has tended to increase over the past weeks. Also the order entry in March showed a tendency to increase compared to the previous months. Sales activities are being concentrated on those areas where we see the most intensive demand. Parallel to this, extensive cost savings' activities are being implemented in all direct cost areas as well as personnel costs in connection with short work weeks at the subsidiary Conrac GmbH as well as personal reductions and adjusted structures.

Employees

As of 3/31/2009, the Corporation employed 305 employees compared to 290 employees of the same time last year. As a result of the activities already begun, there will be a reduction of personnel over the next months.

Capital Investments

Capital investment amounted to 0.2 million euros for the three months of 2009 compared to last year's amount of 0.6 million euros. The investment level is due to a restrictive treatment in the current economic situation.

Sales Offices

Data Modul AG maintains regional sales offices in Düsseldorf and Hamburg.

Ownership and Control

The information presented in the Status of the Corporation report for fiscal year 2008 has not changed during the first quarter of 2009 to the best of our knowledge.

Risk Management

The information presented in the Status of the Corporation report for fiscal year 2008 concerning risk management and the significant risks faced by the Corporation has not changed significantly. Also, at the end of the quarter on 3/31/2009, and similar to the last period, there are no known financial risks that could affect the continuation of the company.

Outlook

At this time the current economic situation shows no sign of relief, and we continue to expect it to be very difficult to forecast development in the markets. The increase in order entry of 24.5 % in the first quarter of 2009 compared to the fourth quarter of last year is noted as relatively positive. The declining trend of the previous months has maybe been stopped. The current level however does not signal relief in the present situation. We continue to see growth potential in the international area for the business segment Industry, which is needed to compensate for the declining development in the domestic market. The renewed significantly improved project activity in the business segment of Information Systems combined with improved order entry in March compared to the previous months leads to increased confidence.

In general today we see for the entire year 2009 a stronger revenue decline for the Corporation than previously expected. Comprehensive cost savings activities are already in place or are ready to be implemented. These will lead to a partial compensation in the profits, but will not prohibit a declining profit result.

The current market situation provides chances, as well, to reposition ourselves to competition and gain market share. We will use this chance. Our solid financial basis provides the fundament to act even in difficult times.

Condensed consolidated Balance Sheets according IFRS

ASSETS (consolidated)	IFRS	
	as of March 31, 2009	as of Dec. 31, 2008
Non-current assets		
Goodwill	2,419	2,419
Intangible assets, net	3,479	3,616
Property, plant and equipment, net	8,704	8,880
Investment in affiliated company	491	507
Other non-current assets	1,002	1,002
Deferred tax assets	2,111	1,840
Loan to sales representative	18,206	18,264
Total non-current assets		
Current Assets		
Inventories	23,818	23,386
Trade accounts receivable, net of allowance for doubtful accounts (in 2009: 243, in 2008: 303)	17,373	16,650
Taxes receivable	132	151
Other current assets	2,663	2,862
Cash and cash equivalents	3,593	3,155
Total current assets	47,579	46,204
Total assets	65,785	64,468

All figures in thousand euros.

LIABILITIES AND SHAREHOLDERS' EQUITY (consolidated)	IFRS	
	as of March 31, 2009	as of Dec. 31, 2008
Shareholders' equity		
Common stock no par value; (shares authorized: 4,791,600 euros; shares issued and outstanding: 3,205,620 in 2009 and 2008)	29,767	29,767
Share based assets / employee stock options	79	79
Accumulated deficit	4,576	4,135
Other reserves	(1,545)	(1,621)
Total shareholders' equity	32,877	32,359
Non-current liabilities		
Pension and non-current personnel liabilities	1,989	2,014
Non-current debt	5,242	5,303
Deferred tax liabilities	2,128	2,230
Total non-current liabilities	9,359	9,547
Current liabilities		
Accounts payable	6,430	6,926
Taxes payable	165	349
Accrued liabilities	1,808	3,256
Current borrowings	8,887	6,178
Current portion of non-current debt	523	523
Other current liabilities	5,736	5,330
Total current liabilities	23,549	22,562
Total liabilities	32,908	32,109
Total liabilities and shareholders' equity	65,785	64,468

All figures in thousand euros.

Consolidated Statements of Income IFRS

	IFRS	
	Jan. 1 until March 31 2009	Jan. 1 until March 31 2008
Continued Operations		
Revenues	27,939	33,975
Cost of Sales	(21,618)	(25,460)
Gross margin	6,321	8,515
Research and development	(675)	(544)
Selling, general and administrative	(5,019)	(5,795)
Income from affiliated company	(17)	17
Income before interest and taxes (EBIT)	610	2,193
Interest income	2	37
Interest expense	(164)	(235)
Income before income taxes	448	1.995
Provision for income taxes	(6)	(578)
Net income	442	1.417
Earnings per share (basic)	0.14	0.44
Earnings per share (diluted)	0.14	0.44
Weighted average shares outstanding (basic)	3,205,620	3,205,620
Weighted average shares outstanding (diluted)	3,205,620	3,205,620

All figures in thousand euros, except share and per share amounts.

Consolidated Statements of Cash Flows IFRS as of March 31, 2009

	IFRS	
	March 31, 2009	Dec. 31, 2008
Cash flows from operating activities		
Net income	442	1,417
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	236	362
Amortization	307	138
Share based assets		
Deferred income tax	(373)	(141)
Cash earnings	612	1,776
Provision for bad debts	60	137
Earnings in equity method investments	16	(16)
Loss on disposal of fixed assets	0	16
Changes in operating assets and liabilities:		
Receivables	(783)	2,059
Inventories	(432)	(3,939)
Accounts payable	(496)	3,542
Accrued liabilities	(1,448)	16
Other current assets and liabilities	467	(855)
Net cash provided by operating activities	(2,004)	2,736
Cash flows from investing activities		
Proceeds from disposal of fixed assets	0	15
Purchase of fixed and intangible assets	(225)	(587)
Net cash used in investing activities	(225)	(572)
Cash flows from financing activities		
Decrease in short-term borrowings	0	(1,010)
Increase in short-term borrowings	2,709	0
Repayment of long-term debt	(61)	(58)
Net cash used in financing activities	2,648	(1,068)
Effect of exchange rate changes on cash and cash equivalents	19	(19)
Net increase in cash and cash equivalents	438	1,077
Cash and cash equivalents at the beginning of the period	3,155	2,180
Cash and cash equivalents at the end of the period	3,593	3,257
Interest received	2	37
Interest paid	164	235
Income taxes paid	574	193

All figures in thousand euros.

Consolidated Statements of Changes in Shareholders' Equity

	Common stock		Share Based Equity	Retained Earnings	Other Reserves	Total
	Shares (pcs.)	Amount				
Balance Dec. 31, 2007	3,205,620	29,767	76	1,749	(1,819)	29,773
Net income				1,417		1,417
Dividend						
Foreign currency translation adjustment						
Employee options						
Capital increase from stock option program					(197)	(197)
Balance March 31, 2008	3,205,620	29,767	76	3,166	(2,016)	30,993
Balance Dec. 31, 2008	3,205,620	29,767	79	4,135	(1,621)	32,359
Net income				442		442
Dividend						
Employee options						
Foreign currency translation adjustment					76	76
Balance March 31, 2009	3,205,620	29,767	79	4,577	(1,545)	32,877

All figures in thousand euros.

Disclosure to the Financial Statements

Basis for the Preparation of the Financial Statements

The short version of the Corporation's Interim Report for the first quarter of 2009 does not contain all the required information and details for an Annual Report and therefore should be read in combination with the Annual Report from 12/31/2008.

The methods and assumptions used to calculate the short version of the Corporation's interim financial statements according to IFRS remained unchanged from the Annual Report 2008.

Coming Events 2009 / 2010:

Interim Report as of June 30, 2009	August 7, 2009
Interim Report as of September 30, 2009	November 6, 2009
Deutsches Eigenkapitalforum, Frankfurt	November 2009
Annual Shareholders' Meeting 2010	May 11, 2010



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