Q3

REPORT FOR THE THIRD QUARTER 2010

INDUS HOLDING AG

Key Figures

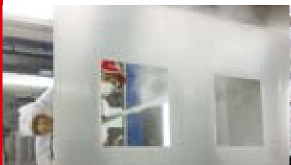
EUR millions	Q1–Q3 2010	Q1–Q3 2009
Sales	710.0	560.9
EBITDA	107.0	68.3
EBIT	76.2	38.1
EBT	56.8	17.9
Net result for the period (allocable to INDUS shareholders)	30.7	5.1
Operating cash flow	64.6	67.5
Cash flow from operating activities	45.8	48.1
Cash flow from investing activities	−49.5	−21.8
Cash flow from financing activities	−0.3	−22.7
Cash and cash equivalents	88.9	91.7
Earnings per share (in EUR)	1.77	0.36
Cash flow per share (in EUR)	2.50	2.62
Employees (number as of September 30)	5.958	5.434
Investments (number as of September 30)	40	41

EUR millions	Sept. 30, 2010	Dec. 31, 2009
Total assets	974.1	913.5
Equity	263.7	241.7
Net debt	421.9	408.3
Equity ratio (in %)	27.1	26.5

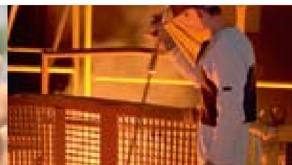
INDUS Holding AG

We Can Be Found Where SMEs Are Building the Future

Construction/ Infrastructure	Automotive Components/ Engineering	Engineering	Medical Engineering/ Life Science	Metal/ Metal Processing







Contents

PROFILE

INDUS is the leading specialist in the field of sustainable investment in German small and medium-sized companies. We mainly acquire owner-managed companies and support their business development entrepreneurially with a long-term orientation. Our subsidiaries are characterized in particular by their strong positions in specific niche markets.

One of our most significant goals is to achieve lasting and solid value appreciation for our portfolio. We do this by maintaining a diversified investment structure and a corporate policy geared toward stable yields. The guideline for all of our decisions is the long-term development of each and every company. We give our companies reliable perspectives and allow them entrepreneurial scope for action.

In 2009, our Group's workforce of around 5,400 generated sales of approximately EUR 770 million and EBIT of EUR 54.6 million. This meant that INDUS, thanks to its swift and purposeful measures in spite of the economic crisis, generated 60 % of the earnings it posted in the boom year 2008. Our intention in 2010 is to generate further significant growth from our portfolio again and take the INDUS Group's earning power back to its pre-crisis level. We also see good opportunities for new investments.

Letter to the Shareholders

Dear Shareholders,

Since the end of October 2010, INDUS has had a new anchor investor. With the Versicherungskammer Bayern (VKB), we have found an institutional investor that fully supports our business model's long-term orientation. We gained VKB as an investor within the framework of a capital increase. The basis for this transaction was a resolution by the 2009 Annual Shareholders' Meeting, which provided for a capital increase of up to 10 % with exclusion of subscription rights. Following a price ascertainment close to the day's price in conformity with market procedures, VKB acquired all the new shares and henceforth holds more than 9 % of INDUS Holding AG.

The background is as follows: following the departure of the founding family Kill from the shareholders' group and the Supervisory Board in recent years, the recruitment of a reliable anchor shareholder was on our agenda because a future-oriented company like INDUS in particular needs investors with a long-term investment horizon. One thing is clear, however: institutional investors, too, want an appropriate return on their investment as well as diversification of risk.

There is pleasing news from the area of operating activities: over the past nine months, INDUS has advanced tremendously compared with the previous year. Sales increased in the first three quarters by some 27 % to EUR 710.0 million, while EBIT doubled to EUR 76.2 million. This means that in the first year after the crisis, our Group returned to the earnings level it achieved in 2008. In the first nine months of that year, INDUS generated the best result since its foundation. Thanks to fast and efficient crisis management from the fourth quarter of 2008 onwards, we mastered the sharp economic downturn profitably and were consequently in a position to harvest the fruits of our offensive cost reduction policy and targeted reengineering when the economy started to pick up again. In this way, we have again demonstrated the strength of our portfolio during both the crisis and the upturn.

The robust recovery is taking place in all the segments. The fact that the important investments in research and development were maintained and employees were retained wherever possible, even during the difficult phase, is now paying off. As a result, our portfolio companies were not only in a position to react quickly to increasing demand, but were also able to use the reviving economy to launch innovative products. With an EBIT margin of around 10 %, the INDUS Group has returned to its customarily strong earnings just one year after the crisis.

What does this mean for 2010 as a whole? The third quarter of 2010 proceeded in a similarly positive fashion, thanks largely to the export boom. We are expecting a slight deterioration in the fourth quarter, however. A number of factors will contribute to this: in the Construction segment, for example, we are feeling the effects of the economic stimulus packages' slow expiry. In addition, the recovery in the Engineering segment is still proceeding somewhat hesitantly in our estimation. Furthermore, we are assuming that the pronounced boom in the automotive industry's vehicle component segment will lead to a temporarily higher cost burden as a result of the short-term provision of additional capacities.

Despite these risks, we are confident of generating EBIT of more than EUR 90 million in 2010. This means that we can again raise our forecast for the year as a whole – until now it anticipated sales of EUR 900 million and EBIT of between EUR 75 and 80 million. Our current forecast for sales in 2010 is now substantially higher than EUR 900 million.

Sincerely,
The Board of Management

Helmut Ruwisch | Jürgen Abromeit | Dr. Wolfgang Höper | Dr. Johannes Schmidt

Share

INDUS Share Price Outperforms SDAX and DAX

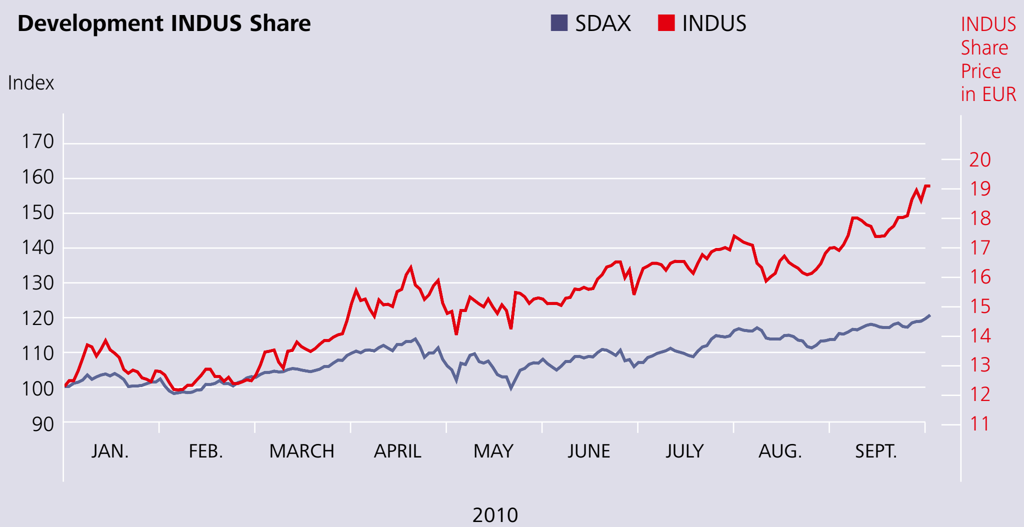
INDUS Holding AG's share price has displayed a strong upward trend in the course of the year. Since the beginning of the year, it has not only outperformed the benchmark SDAX index, but also shown a noticeably better trend than the DAX. One consequence of this good news aroused investors' interest: the better than expected quarterly results and the two increases in the sales and earnings forecasts (in early July and mid-August) led to a continuous increase in the price. As of September 30, the share price was EUR 19.10. This corresponds to an increase of some 58 % since the beginning of the year. The SDAX, the relevant index for INDUS, rose in the same period by only around 21 % to 4,369.76 points. On average, a total of 36,152 shares were traded per day in the first nine months on all domestic stock exchanges (corresponding period in the previous year: 40,888 shares).

The weighting of the INDUS share in the SDAX was 3.34 % as of the reporting date on September 30. This corresponds to eighth place among the 50 companies comprising the index (September 30, 2009: tenth place). At the end of September, the market capitalization of INDUS Holding AG amounted to around EUR 351 million (previous year: EUR 213.6 million).

Capital Increase from Cash Resources Executed Successfully

On October 28, 2010, the Board of Management and the Supervisory Board decided on a capital increase amounting to 10 % of the capital stock with the exclusion of subscription rights and published the resolutions in question in an ad-hoc statement. The basis for this increase was a resolution adopted by the 2009 Annual Shareholders' Meeting. The subscription price of the approximately 1.84 million shares comprised the weighted average price from the last five trading days before the ad-hoc statement less a share parcel markdown of 5 % that is customary on the market. In return, Versicherungskammer Bayern (VKB) pledged to subscribe for all the new shares; consequently, it now holds 9.09 % of INDUS Holding AG. According to its own information, VKB is the third-largest capital investor in Germany. It regards its investment not as a strategic participation, but as part of its long-term investment strategy. INDUS welcomes VKB's commitment and is delighted to have won a new major shareholder with a long-term investment strategy which wants to accompany INDUS as it grows and which supports its successful and proven business model. The shares are fully entitled to share in the profits for the current fiscal year. Including the new shares, 20,207,035 shares are now in circulation. INDUS will use the cash inflow of around EUR 33.4 million to strengthen its equity base and to achieve a swift reduction in its liabilities.

Development INDUS Share



Interview with

Dr. Wolfgang Höper

Financial Autarky

Dr. Wolfgang Höper, Member of the Board of Management, INDUS Holding AG, is responsible for Accounts, Treasury, Taxes, Investment Management

What is the significance of financial stability for the business activities of INDUS?

Decisions on the capital structure are one of our most crucial management tasks. The optimum capital structure is determined primarily by the business strategy. Well-established companies with a stable cash flow such as INDUS can certainly have a higher debt-equity ratio because their stable business model safeguards future interest and redemption payments. This is particularly the case when the maturity structure is long-term in nature and there are no concentration risks. We have always proven our financial stability since our foundation, especially in times of crisis: with cash flow that is strong even in adverse conditions, in conjunction with a cautious acquisition and capital expenditure strategy as well as a low level of working capital, we were even able to reduce our borrowing.

In recent years there have been many amendments to the accounting standards for listed companies. Are investors and shareholders still able to keep track of things?

The objective of accounting is to give people both inside and outside the company as sound an insight as possible into the assets, financial, and earnings position of a company. A calculation of key figures oriented solely towards the past is not enough, however; after all, the data analysis is supposed to help us assess future issues. Forecasting is the most important goal of ratio analysis. The continuous further development of accounting standards therefore requires the regular adjustment of financial position analysis. The changes introduced in, for example, the German Accounting Law Modernization Act (BilMoG) concern a large number of reporting, measurement, and disclosure regulations. Some attempts have also been made to overcome the orientation of traditional ratio analysis towards the past by making financial position data more future-oriented, for example in the measurement of provisions. IFRS itself is subject to a far more pronounced and, above all, permanent development process. Annual amendments are the rule, which reduces the degree of comparability in a time series. Under these circumstances, there are constant demands on us to adapt to the changed framework and communicate this to our investors and shareholders.

2010

»The optimum capital structure is determined primarily by the business strategy.«

In this context, you are also asked frequently about the subject of goodwill …

That's right. Occasionally people say that it is too high at INDUS. First of all, it is normal in accordance with IFRS that goodwill has to be paid when one acquires a well-positioned company. After all, who sells a flourishing company for its intrinsic value alone, or even below it? The real value of a company, of course, lies in its future prospects. As INDUS invests only in successful companies, we have to pay a price in excess of the intrinsic value when we make our acquisitions – the goodwill to which we refer. And as far as measurement is concerned, the goodwill disclosed after we make an acquisition tends towards the conservative and is safeguarded in the three ways. The first is a moderate purchase price. The second comprises annual impairment tests for each individual company, instead of entire segments as is the rule for large corporations. The third is the cautious underlying measurement parameter used in the impairment test. Over all of our companies, this means that we even have hidden reserves in this area. This is made very clear by our aggregate goodwill of just EUR 290 million for all 40 companies.

EUR millions	**Sept. 30, 2010**	Dec. 31, 2009	Dec. 31, 2008
Total assets	**974.1**	913.5	965.5
Cash and cash equivalents	**88.9**	93.5	87.8
Equity	**263.7**	241.7	246.4
Equity ratio (in %)	**27.1**	26.5	25.5

For a listed company, a target equity ratio of 25+ is an important component for a healthy financial position.

Net debt	**421.9**	408.3	438.5

The difference between noncurrent and current financial liabilities and cash and cash equivalents. This shows the interest-bearing debt level that would remain if all the liabilities were settled with current assets.

Goodwill	**289.6**	289.6	296.0

This amount in IFRS accounting, which is expressed as "business or company value" in German, is calculated by subtracting a company's intrinsic value from its capitalized earnings value. Goodwill corresponds to the aggregate amount that a buyer pays, taking account of future earnings expectations regarding the value of all tangible and intangible assets after liabilities are deducted.

- **Sales and earnings post above-average growth: sales up by 27 %, EBIT doubles compared with previous year, EBIT margin to again reach around 10 %**

- **Versicherungskammer Bayern won as new anchor shareholder**

- **Sales and earnings expectations for full year 2010 raised again: over EUR 900 million sales and more than EUR 90 million EBIT expected**

Business Environment and Development

Macroeconomic Trend: Upturn Stabilizes

In the third quarter of 2010, the global economy picked up speed again. Its momentum came primarily from the newly industrializing countries in Asia and Latin America. However, the recovery in most of the industrial nations, including the USA and Japan, is proceeding noticeably more slowly. All in all, the International Monetary Fund is assuming a global growth rate of 2.6 % for 2010. Germany has shown itself to be the fastest-growing country in the eurozone to date, although its exceptionally high growth rate from the second quarter could not quite be maintained. The German government is now forecasting that the country's gross domestic product will increase by 3.4 % and also sees a positive economic outlook for 2011. The situation on the German labor market, too, continues to be robust. For 2011, Germany's minister of economics expects that the country's unemployment rate could fall to its lowest rate since 1992.

The disquiet about the economic instability of some countries within the eurozone which prevailed at the mid-year point receded slightly in the third quarter. The publication of the stress tests for European banks and the successful refinancing of expiring government bonds led to a slight abatement of the worries concerning the solvency of the countries in question. Furthermore, a European emergency parachute was set up which henceforth constitutes an important safety net for the weaker countries in the eurozone.

Earnings Position: On the Way Back to Pre-crisis Earning Power

In the first nine months of the year, our business developed considerably better than we had expected at the start of 2010. The initial concern that the robust demand at the beginning of the year merely represented catching-up effects has not been confirmed by events. The economic recovery in Germany was clearly discernible in all economic sectors. The upturn has been particularly beneficial for the traditionally high-export sectors such as the metalworking, electrical goods, and automotive industries; these were joined by a flourishing construction industry which was still benefiting from the economic stimulus packages in 2010. These are all sectors in which INDUS is strongly represented.

Sales Up by 27 Percent in the First Nine Months of 2010

INDUS Holding AG's consolidated sales increased by EUR 149.1 million to EUR 710.0 million (previous year: EUR 560.9 million) in the first nine months of 2010. The cost of materials increased as a result of the improved commercial position to EUR 342.1 million (previous year: EUR 250.3 million). Due to the in some cases rapid increase in raw materials prices in recent months, the cost of materials ratio at 48.2 % is significantly higher than its level in last year's corresponding period (44.6 %). Thanks to the growth in the workforce occasioned by the buoyant order situation, personnel expenses increased in absolute terms from EUR 167.9 million to EUR 189.1 million. The ratio of personnel expenses to total sales, on the other hand, decreased significantly from 29.9 % in the previous year to 26.6 %. This value reflects in part the restructuring measures implemented in 2008 and 2009.

EBIT in Third Quarter of 2010 Back to its 2008 Level

Earnings before interest, taxes, depreciation, and amortization (EBITDA) demonstrate the INDUS Group's return to its previous earnings power in its operating activities. In the nine-month comparison, EBITDA climbed from EUR 68.3 million to EUR 107.0 million. Depreciation and amortization remained almost constant at EUR 30.9 million (previous year: EUR 30.2 million), and consequently the operating earnings before interest and taxes (EBIT) as of September 30 was double its 2009 level at EUR 76.2 million (previous year: EUR 38.1 million). In this way, INDUS Holding AG has generated a comfortable EBIT margin of around 10 % (previous year: 6.8 %) and thereby attained its own target corridor.

At EUR 19.3 million, operating interest expenses (excluding interest as per IFRS) remained below their previous year's level of EUR 21.0 million. Interest income totaled only EUR 0.5 million due to the current low interest rates (previous year: EUR 1.1 million). Net interest improved slightly to EUR – 19.3

million, compared with EUR −20.2 million in the previous year. Earnings before taxes (EBT) tripled to EUR 56.8 million (previous year: EUR 17.9 million). Excluding taxes and non-controlling interests, the result for the period came to EUR 30.7 million (previous year: EUR 5.1 million). As a result, earnings per share almost quintupled to EUR 1.77 (previous year: EUR 0.36).

Course of Business in the Segments: Significant Improvement in All Sectors

INDUS Holding AG's investment portfolio is divided into five segments: Construction/Infrastructure, Automotive Components/Engineering, Engineering, Medical Engineering/Life Science, and Metal/Metal Processing. The investment portfolio encompassed 40 operating units as of September 30, 2010.

■ INDUS Construction/Infrastructure Segment: Outstanding Year Despite Initially Cautious Start

At EUR 151.2 million, segment sales in the first three quarters exceeded their 2009 level of EUR 139.2 million. This shows that during the course of the year, the portfolio companies were able to grow robustly and generate a sustained increase in their sales despite the unusually long, hard winter. The main sources of momentum for this development were the economic stimulus packages I and II which were still in effect. The companies managed, however, to not only increase their sales, but also to improve their earnings position at the same time. Earnings before interest and taxes (EBIT) totaled EUR 21.5 million (previous year: EUR 16.5 million). The EBIT margin improved to over 14 % (previous year: 11.9 %).

EUR millions	**Q1–Q3 2010**	Q1–Q3 2009
Sales	151.2	139.2
EBIT	21.5	16.5
EBIT margin (in %)	14.2	11.9
Depreciation/ amortization	3.7	4.0
Capital expenditure	4.8	4.1

■ INDUS Automotive Components/Engineering Segment: Turnaround Achieved

The portfolio companies in the Automotive Components/Engineering segment are benefiting from the boom and the German automotive industry's export strength. The increasing demand from Europe, the BRIC countries, and especially Asia as well as many orders for new products have compensated for the sharp falls in sales in the crisis year. At EUR 207.1 million, segment sales again achieved a good level (previous year: EUR 143.3 million). Earnings, too, have recovered discernibly. Following a loss of EUR 5.0 million, the EUR 10.3 million generated by the segment has given it an EBIT margin of 5 %. Although this is a satisfactory result after the dramatic downturns during the crisis, the still below-average return on investment also shows that the consolidation in the components supplier sector has not yet come to an end. The sharp jump in demand following the staff cutbacks and investment moratoriums in 2008 and 2009 necessitated swift labor reinforcements and higher investment levels. As was clearly evident with some of the Group's competitors in the fall of 2010, the industry is now grappling with the difficulties caused by excessively rapid growth.

EUR millions	**Q1–Q3 2010**	Q1–Q3 2009
Sales	207.1	143.3
EBIT	10.3	−5.0
EBIT margin (in %)	5.0	−3.5
Depreciation/ amortization	15.6	15.6
Capital expenditure	12.4	8.4

■ INDUS Engineering Segment: Incoming Orders Show Sustained Improvement

The companies in the Engineering segment, too, benefited from an improved orders situation in 2010. The segment's sales of EUR 91.7 million in the first nine months were 18 % above their previous year's level of EUR 77.4 million. This shows that customer restraint is on the retreat. The portfolio companies, however, have not yet reached their pre-crisis, very good sales level of well over EUR 100 million in this area. Although the late-cyclical

Engineering segment, fortified by a sharp increase in incoming orders in the second half of the year, is likely to keep improving in 2011, the first restraining signs are coming from the steel and aluminum industry, which is suffering under the weight of high raw materials and energy prices. Earnings before interest and taxes increased from EUR 8.2 million to EUR 10.7 million, while the EBIT margin is currently 11.7 % (previous year: 10.6 %).

EUR millions	Q1–Q3 2010	Q1–Q3 2009
Sales	91.7	77.4
EBIT	10.7	8.2
EBIT margin (in %)	11.7	10.6
Depreciation/ amortization	1.4	1.8
Capital expenditure	1.0	2.4

■ INDUS Medical Engineering/Life Science Segment: Income Quality Improves Again

The Medical Engineering/Life Science segment continues to produce a stable and extremely satisfactory performance. Segment sales increased to EUR 62.2 million (previous year: EUR 57.9 million) while, in a parallel development, earnings before interest and taxes (EBIT) again improved disproportionately and reached EUR 10.0 million (previous year: EUR 7.9 million). The EBIT margin is now approximately 16 % (previous year: 13.6 %). This segment is benefiting from demographic change and is certain to carry on growing continuously in the future.

EUR millions	Q1–Q3 2010	Q1–Q3 2009
Sales	62.2	57.9
EBIT	10.0	7.9
EBIT margin (in %)	16.1	13.6
Depreciation/ amortization	2.4	2.5
Capital expenditure	1.2	2.0

■ INDUS Metal/Metal Processing Segment: Catching Up Rapidly

Analogous to the Automotive Components/Engineering segment, the Metal/Metal Processing segment recovered rapidly in 2010. Its sales of EUR 197.6 million in the first nine months of 2010 were more than 37 % up on the figure of EUR 143.8 million which it achieved in the first nine months of 2009. Even more pronounced is the upturn in EBIT, which more than doubled from EUR 12.0 million in the previous year to EUR 28.6 million. The EBIT margin was very healthy at 14.5 % (previous year: 8.3 %). Capital expenditure in this segment totaled EUR 20.9 million and included the acquisition of HAKAMA AG as from the beginning of the year. The integration of HAKAMA was completed without problems and satisfies our expectations in full.

EUR millions	Q1–Q3 2010	Q1–Q3 2009
Sales	197.6	143.8
EBIT	28.6	12.0
EBIT margin (in %)	14.5	8.3
Depreciation/ amortization	7.5	5.9
Capital expenditure	20.9	4.4

Employees: Economic Revival Creates Jobs

The number of employees in the Group increased sharply compared with the corresponding period last year: from 5,434 in September 2009 to the current total of 5,958. This can be attributed first and foremost to the booming orders situation. In the Automotive Components/Engineering and Metal/Metal Processing segments in particular, the INDUS portfolio companies have hired many new employees. The previous year's figures, moreover, did not include the employees of HAKAMA AG, which was acquired at the beginning of 2010. In the wake of the crisis in particular, INDUS pays all the more attention to maintaining its flexibility and increasing it further where required. Our objective is to keep individually flexible capacities of 15 to 35 % available. For this purpose, INDUS has developed the "Kapaflex" program for its portfolio. It ensures the required responsiveness and flexibility for our company by combining various measures such as working time accounts, overtime vouchers, term labor contracts, contracting, and controllable insourcing and outsourcing potential. Not least by fully exploiting the leeway created by Kapaflex, INDUS was successful in substantially maintaining its core workforce during the 2009 crisis. In the current upturn phase, INDUS will pay very close attention to augmenting the Kapaflex quota accordingly.

	Q1–Q3 2010	Q1–Q3 2009
Employees as of Sept. 30	5,958	5,434

Financial and Assets Position: High Liquidity Level Maintained Despite Acquisitions and Strong Growth

Operating cash flow fell slightly compared with the previous year, decreasing from EUR 67.5 million to EUR 64.6 million, primarily as a result of the increase in working capital as a result of higher sales. The decrease in the cost of interest paid to EUR 19.2 million (previous year: EUR 20.5 million) is a pleasing factor; this provides evidence of the stable capital structure at INDUS. Cash flow from operating activities amounted to EUR 45.8 million, compared with EUR 48.1 million in the previous year. Cash flow from investing activities grew from EUR –21.8 million to EUR –49.5 million, reflecting capital expenditure in property, plant, and equipment and acquisitions at the beginning of the year. Cash flow from financing activities amounted to EUR –0.3 million (previous year: EUR –22.7 million). Cash and cash equivalents as of the end of the third quarter of 2010 remained at their previous high level of EUR 88.9 million.

Equity Ratio Achieves Record Level of 27 %

As of September 30, 2010, INDUS had total assets of EUR 974.1 million, considerably higher than at the end of the previous year (December 31, 2009: EUR 913.5 million). This development results primarily from the changes in current assets: cash and cash equivalents decreased slightly from EUR 93.5 million (December 31, 2009) to EUR 88.9 million, but more significantly, accounts receivable and inventories increased by a combined total of some EUR 64 million thanks to the economic upturn. The Group's equity of EUR 263.7 million climbed again from the end of the year (December 31, 2009: EUR 241.7 million). As a result, the equity ratio improved to 27.1 % (December 31, 2009: 26.5 %). Net debt in the Group amounts to EUR 421.9 million; for the first time, EUR 13.2 million of this sum is accounted for by finance leases resulting from the acquisition of HAKAMA AG.

Opportunities and Risks

INDUS Holding AG and its portfolio companies are exposed to a multiplicity of risks as a result of their international activities. Entrepreneurial action is inextricably linked with risk-taking. At the same time, this enables the company to seize new opportunities and, thereby, safeguard and strengthen the position on the market occupied by itself and its portfolio companies. The company operates an efficient risk management system for the early detection, comprehensive analysis, and systematic handling of risks.

The structuring of the risk management system and the significance of particular risks are discussed in detail in the 2009 annual report on pages 58 to 63. It is stated there that the company does not view itself as subject to any risks that could endanger its continued existence as a going concern. The annual report for INDUS Holding AG can be downloaded free of charge at www.indus.de.

Events After the Reporting Date

Effective as from October 28, 2010, the Board of Management, with the approval of the Supervisory Board, decided to implement a capital increase for cash from the authorized capital to the exclusion of subscription rights. 1,837,002 no-par-value bearer shares with a rounded notional share in the capital stock of EUR 2.60 per share were offered for an issuing price of EUR 18.20 per share. The company's capital stock was thereby increased by EUR 4,776,205.22 from EUR 47,762,086.00 to EUR 52,538,291.22. The new shares are fully entitled to share in the profits for the 2010 fiscal year. INDUS Holding AG will receive EUR 33,433,436.40 from this capital increase. The new shares were acquired in their entirety by the insurance institution Versicherungskammer Bayern Versicherungsanstalt des öffentlichen Rechts, which subscribed for the shares as part of its long-term capital investment strategy. With a voting rights announcement on November 3, 2010, VKB gave notification that it now holds a 9.09 % stake in INDUS Holding AG.

Outlook

Sales and Earnings Expected to Reach Pre-crisis Level

Germany has put the crisis behind it. While the economic recovery was still driven by catch-up effects at the beginning of the year, it was increasingly stabilized by a continuous increase in demand as the year progressed. A substantial part of this is attributable to booming exports. The INDUS portfolio, consisting of small and medium-sized manufacturing companies, has been a particular beneficiary of this. Driven by demand from abroad, the Metal/Metal Processing and Automotive Components/Engineering segments have developed disproportionately well. The early-cyclical Construction/Infrastructure segment also developed pleasingly, partly as a result of public-sector orders. The Group's activities with medical engineering and life science products again demonstrated their earning power. Consequently, our business in the first three quarters of 2010 developed considerably better than expected.

INDUS is anticipating a good result for 2010 as a whole. Aggregate sales are even expected to return to the record level – EUR 928 million – which they achieved in 2008. This will again put the INDUS Group's sales close to the one billion euro threshold. In view of the good results generated in the third quarter of 2010, we are raising our sales and earnings forecast for the year as a whole for the third time in succession. We are henceforth planning for a sales figure significantly higher than EUR 900 million for 2010 as a whole and are aiming for EBIT in excess of EUR 90 million. INDUS is thereby envisaging an EBIT margin of around 10 % for 2010. This means that just one year after the crisis, we will achieve the level of return on investment that we have been striving for in the long term.

Consolidated Statement of Income

EUR '000	Notes	Q1–Q3 2010	Q1–Q3 2009*
Sales		**709,963**	**560,919**
Other operating income		9,654	12,425
Own work capitalized		1,547	2,231
Change in inventories		11,381	–10,689
Cost of materials	[3]	–342,088	–250,313
Personnel expenses	[4]	–189,089	–167,917
Depreciation and amortization	[5]	–30,870	–30,150
Other operating expenses	[6]	–94,552	–78,832
Income from shares accounted for using the equity method		61	300
Other financial result		151	127
Operating result (EBIT)		**76,158**	**38,101**
Interest income		514	1,138
Interest expenses		–19,838	–21,358
Net interest	[7]	–19,324	–20,220
Earnings before taxes		**56,834**	**17,881**
Taxes	[8]	–23,388	–10,687
Income from discontinued operations	[1]	–1,785	–1,630
Earnings after taxes		**31,661**	**5,564**
of which allocable to non-controlling shareholders		–944	–497
of which allocable to INDUS shareholders		30,717	5,067
Basic earnings per share in EUR	[2]	1.77	0.36
Earnings for the INDUS shareholders, adjusted for volatility from interest-rate hedging		30,933	5,758

* Previous year's figures adjusted

Statement of Income and Accumulated Earnings

EUR '000	Q1–Q3 2010	Q1–Q3 2009*
Earnings after taxes	**31,661**	**5,564**
Currency translation adjustment	–744	–1,607
Change in the market values of derivative financial instruments	–1,252	–1,818
Netting of deferred taxes	198	287
Income and expenses recognized directly in equity	**–1,798**	**–3,138**
Total income and expenses recognized in equity	**29,863**	**2,426**
of which non-controlling interests	945	497
of which allocable to INDUS shareholders	28,918	1,929

* Previous year's figures adjusted

Consolidated Statement of Income

EUR '000	Notes	Q3 2010	Q3 2009*
Sales		**259,623**	**199,239**
Other operating income		2,913	2,698
Own work capitalized		458	800
Change in inventories		3,995	−1,469
Cost of materials	[3]	−126,455	−89,718
Personnel expenses	[4]	−66,803	−57,120
Depreciation and amortization	[5]	−10,483	−10,511
Other operating expenses	[6]	−33,647	−28,002
Income from shares accounted for using the equity method		61	100
Other financial result		−6	33
Operating result (EBIT)		**29,656**	**16,050**
Interest income		220	346
Interest expenses		−6,316	−6,917
Net interest	[7]	−6,096	−6,571
Earnings before taxes		**23,560**	**9,479**
Taxes	[8]	−10,124	−4,932
Income from discontinued operations	[1]		−784
Earnings after taxes		**13,436**	**3,763**
of which allocable to non-controlling shareholders		−298	−198
of which allocable to INDUS shareholders		13,138	3,565
Basic earnings per share in EUR	[2]	0.72	0.24
Earnings for the INDUS shareholders, adjusted for volatility from interest-rate hedging		12,779	3,583

* Previous year's figures adjusted

Statement of Income and Accumulated Earnings

EUR '000	Q3 2010	Q3 2009*
Earnings after taxes	**13,436**	**3,763**
Currency translation adjustment	−1,877	−57
Change in the market values of derivative financial instruments	196	−74
Netting of deferred taxes	−30	12
Income and expenses recognized directly in equity	**−1,711**	**−119**
Total income and expenses recognized in equity	**11,725**	**3,644**
of which non-controlling interests	298	198
of which allocable to INDUS shareholders	11,427	3,446

* Previous year's figures adjusted

Consolidated Statement of Financial Position

EUR '000	Notes	Sept. 30, 2010	Dec. 31, 2009
Assets			
Goodwill		289,573	289,573
Intangible assets	(9)	18,309	17,116
Property, plant, and equipment	(10)	245,533	238,888
Financial assets		9,603	8,994
Shares accounted for using the equity method		1,169	4,578
Other noncurrent assets		2,311	3,010
Deferred taxes		2,007	1,989
Noncurrent assets		**568,505**	**564,148**
Cash and cash equivalents		88,883	93,506
Accounts receivable	(11)	142,108	99,267
Inventories	(12)	164,450	143,102
Other current assets		8,480	8,481
Current income taxes		1,660	4,975
Assets held for sale		0	0
Current assets		**405,581**	**349,331**
Total assets		**974,086**	**913,479**
Equity and Liabilities			
Paid-in capital		172,930	172,930
Generated capital		86,781	67,048
Equity held by INDUS shareholders		259,711	239,978
Non-controlling interests in the equity		4,029	1,736
Group equity		**263,740**	**241,714**
Noncurrent financial liabilities		351,680	363,501
Provisions for pensions		16,321	15,994
Other noncurrent provisions		2,268	2,108
Other noncurrent liabilities		14,469	14,679
Deferred taxes		18,076	16,899
Noncurrent liabilities		**402,814**	**413,181**
Current financial liabilities		159,074	138,345
Trade accounts payable		43,314	28,019
Current provisions		46,735	29,892
Other current liabilities		48,814	58,209
Current income taxes		9,595	4,119
Equity and liabilities held for sale		0	0
Current liabilities		**307,532**	**258,584**
Total equity and liabilities		**974,086**	**913,479**

Consolidated Statement of Cash Flows

EUR '000	Q1–Q3 2010	Q1–Q3 2009*
Income after taxes generated by continuing operations	**33,446**	**7,194**
Depreciation/Write-ups of noncurrent assets (excluding deferred taxes)	30,870	30,150
Taxes	23,388	10,687
Net interest	19,324	20,220
Cash earnings of discontinued operations	–1,492	–1,084
Income from companies accounted for using the equity method	–61	–300
Other non-cash transactions	–1,130	–2,733
Changes in provisions	17,407	1,971
Increase (–)/decrease (+) in inventories, trade accounts receivable and other assets not allocable to investing or financing activities	–58,900	12,270
Increase (+)/decrease (–) in trade accounts payable and other liabilities not allocable to investing or financing activities	13,892	2,582
Income taxes received/paid	–12,732	–13,500
Dividends received	570	
Operating cash flow	**64,582**	**67,457**
Interest paid	–19,247	–20,475
Interest received	514	1,138
Cash flow from operating activities	**45,849**	**48,120**
Cash outflow from investments in		
property, plant, and equipment and intangible assets	–36,819	–22,826
financial assets	–609	–343
shares in fully consolidated companies	–15,235	0
Cash inflow from the disposal of		
shares in fully consolidated companies	239	869
other assets	2,900	559
Cash flow from investing activities of discontinued operations	–5	–14
Cash flow from investing activities	**–49,529**	**–21,755**
Dividends paid to shareholders	–9,185	–14,696
Dividends paid to non-controlling shareholders	0	0
Cash flow from financing activities of discontinued operations	0	–1,084
Cash inflows from the assumption of debt	65,970	65,897
Cash outflows from the repayment of debt	–57,062	–72,862
Cash flow from financing activities	**–277**	**–22,745**
Net cash change in financial facilities	–3,957	3,620
Changes in cash and cash equivalents caused by currency exchange rates	–666	306
Cash and cash equivalents at the beginning of the period	93,506	87,791
Cash and cash equivalents at the end of the period	**88,883**	**91,717**
Cash transactions related to the sale of investments	600	903
plus financial liabilities sold	0	0
minus financial facilities sold	–361	–34
Net sale proceeds	**239**	**869**
Cash transactions related to the sale of investments	–2,022	0
plus financial liabilities assumed	–13,213	0
minus financial facilities purchased	0	0
Net purchase price	**–15,235**	**0**

* Previous year's figures adjusted

Severance payments for non-controlling shareholders, which came due in the first quarter in connection with the full goodwill method of accounting, are included in payments for capital expenditure for property, plant, and equipment and intangible assets.

Consolidated Statement of Equity

Jan. 1 – Sept. 30, 2010 EUR '000	Opening balance Jan. 1, 2010	Dividend payment	Recognised income and expenses	Neutral changes	Closing balance Sept. 30, 2010
Q1–Q3 2010					
Subscribed capital	47,762	0	0	0	47,762
Capital reserve	125,168	0	0	0	125,168
Paid-in capital	**172,930**	**0**	**0**	**0**	**172,930**
Accumulated earnings	69,554	−9,185	30,716	0	91,085
Currency translation reserve	2,080	0	−744	0	1,336
Reserve for the marked-to-market valuation of financial instruments	−4,586	0	−1,054	0	−5,640
Capital generated	**67,048**	**−9,185**	**28,918**	**0**	**86,781**
Equity held by INDUS shareholders	**239,978**	**−9,185**	**28,918**	**0**	**259,711**
Interests allocable to non-controlling shareholders	1,736	0	945	1,348	4,029
Group equity	**241,714**	**−9,185**	**29,863**	**1,348**	**263,740**

Jan. 1 – Sept. 30, 2009 EUR '000	Opening balance Jan. 1, 2009	Dividend payment	Recognised income and expenses	Neutral changes	Closing balance Sept. 30, 2009
Q1–Q3 2009					
Subscribed capital	47,762	0	0	0	47,762
Capital reserve	125,168	0	0	0	125,168
Paid-in capital	**172,930**	**0**	**0**	**0**	**172,930**
Accumulated earnings	73,464	−14,696	5,067	0	63,835
Currency translation reserve	2,493	0	−1,607	0	886
Reserve for the marked-to-market valuation of financial instruments	−3,648	0	−1,531	0	−5,179
Capital generated	**72,309**	**−14,696**	**1,929**	**0**	**59,542**
Equity held by INDUS shareholders	**245,239**	**−14,696**	**1,929**	**0**	**232,472**
Interests allocable to non-controlling shareholders	1,134	1	497	0	1,632
Group equity	**246,373**	**−14,695**	**2,426**	**0**	**234,104**

Reserves for currency translation and the marked-to-market valuation of financial instruments include unrealized gains and losses. The reserve for the marked-to-market valuation of financial instruments includes the effective portions of the interest-rate hedges.

Non-controlling interests in equity relate to external shareholders in limited liability companies and corporations. In accordance with IAS 32, based on the theoretical retirability and redeemability of the shares, non-controlling interests in limited partnerships are reported as debt and stated under other liabilities.

The neutral changes in 2010 result from the initially consolidated non-controlling interests of HAKAMA AG.

Notes

General Information

INDUS Holding AG, based in Bergisch Gladbach, Germany, entered in the Cologne commercial register (HRB 46360), prepared its consolidated financial statements for the third quarter of 2010 in accordance with International Financial Reporting Standards (IFRS) and the interpretation of such by the International Financial Reporting Interpretations Committee (IFRIC) as endorsed by the European Union. The consolidated financial statements are prepared in euros (EUR). Unless otherwise indicated, all amounts are stated in thousands of euros (EUR '000).

New obligatory standards are reported on separately in the section "Changes in Accounting Guidelines." Otherwise, the same accounting methods are applied as in the consolidated financial statements for the 2009 fiscal year. They are described there in detail. Since these Interim Financial Statements does not provide the comprehensive information of the annual financial statements, these financial statements should be considered within the context of the last annual financial statements.

In the Board of Management's view, this unaudited quarterly report includes all of the usual ongoing adjustments that are necessary for an appropriate presentation of the Group's net assets, financial, and earnings position. The results achieved in the third quarter of the 2010 fiscal year do not necessarily predict future business performance.

The preparation of consolidated financial statements is influenced by accounting and valuation principles and requires assumptions and estimates to be made which have an impact on the recognized value of the assets, liabilities, and contingent liabilities, as well as on income and expenses. When estimates are made regarding the future, actual values may deviate from the estimates. If the original basis for the estimates changes, the statement of the relevant items is adjusted through profit and loss.

Changes in Accounting Guidelines

All obligatory accounting standards in effect as of the 2010 fiscal year have been implemented in these interim financial statements.

The changes to IFRS 3 and IAS 27 lead to a revised presentation of future business combinations. For further details, reference is made to the section "Change in Accounting Methods Following Adoption of IFRS 3 by the EU" in the published 2009 annual report.

The other guidelines to be applied for the first time in the 2010 fiscal year have no material impact on the presentation of the net assets, financial, and earnings position.

Scope of Consolidation

In the consolidated financial statements, all subsidiary companies are fully consolidated if INDUS Holding AG has the direct or indirect possibility of influencing the companies' financial and business policy for the benefit of the INDUS Group. Associated companies for which the financial and business policy can be significantly influenced are consolidated using the equity method. Companies purchased during the course of the fiscal year are consolidated as of the date on which control over their finance and business policy is transferred. Companies which are sold are no longer included in the scope of consolidation as from the date on which the business is transferred. After the date on which the decision is made to divest the company in question, they are classified as "held for sale."

Business Combinations in Accordance with IFRS 3

Effective January 1, 2010, HAKAMA AG, Bättwil, Switzerland, in which INDUS Holding AG has a 60 % stake, was included in the consolidated financial statements.

The previous owners will remain as managing directors of HAKAMA with their 40 % shareholding. INDUS Holding AG has secured an option to purchase the non-controlling interest. The non-controlling interests in the consolidated financial statements are measured at the fair value of the proportional share of the identifiable net assets.

The acquisition of HAKAMA AG's business was handled as an asset deal. In the process, the finance lease contracts for real estate and machinery were assumed, so that they are accounted for as financial liabilities in the IFRS financial statements. The purchase price, including assumed financial liabilities of EUR 13,213,000, amounts to EUR 15,235,000.

According to a preliminary purchase price allocation, the acquired assets and liabilities were determined at the time of initial consolidation as follows:

Acquisitions 2010 EUR '000	Carrying amounts at time of addition	Assets added due to first-time consolidation	Additions consolidated statement of financial position
Noncurrent assets	11,945	1,948	13,893
Current assets	1,835	1,535	3,370
Total assets	**13,780**	**3,483**	**17,263**
Noncurrent liabilities	10,058	0	10,058
Current liabilities	3,674	161	3,835
Total liabilities	**13,732**	**161**	**13,893**

The company contributed sales of EUR 15.2 million and EBIT of EUR 1.2 million to the 2010 consolidated net income. The company is assigned to the Metal/Metal Processing segment.

Disposals in Accordance with IFRS 5

In the 2009 fiscal year, WFV Werkzeug-, Formen- und Vorrichtungsbau GmbH & Co. KG was sold to a holding company effective from December 31, 2009. WFV complements the purchaser’s investment portfolio, with strategic effects and synergies generated by the purchase therefore playing a crucial role.

In addition, the sub-subsidiary Volker WITZEL GmbH Klima- und Wärmetechnik, which is of subordinate importance for the portfolio, was sold to the managing non-controlling shareholder in a management buyout effective from July 1, 2009.

Effective from May 1, 2010, INDUS sold the mechanical engineering company BERNER GmbH & Co. KG, Bischofsheim, to Evelyn Tröster. In the current financial statements, BERNER was therefore reported as a discontinued operation.

The previous year’s statement of income was adjusted. Additional details are included in the section “Adjustment of Previous Year’s Figures.”

In addition, the shares in Cottano Vlieswerk GmbH that were previously recognized using the equity method were sold to the co-owner.

[1] Income from Discontinued Operations

EUR '000	**Sept. 30, 2010**	Sept. 30, 2009
Sales	1,053	5,419
Expenses and other income	−1,370	−7,579
Operating result	**−317**	**−2,160**
Net interest	−2	−17
Earnings before taxes	**−319**	**−2,177**
Taxes	50	358
Earnings after taxes from current operations	−269	−1,819
Income from deconsolidations	−1,516	189
Income from discontinued operations	**−1,785**	**−1,630**
Tax expense/revenue from divestments	−285	82

[2] Earnings per Share

EUR '000	Q3 2010	Q3 2009*	Q1–Q3 2010	Q1–Q3 2009*
Earnings attributable to INDUS shareholders	13,138	3,565	30,717	5,067
Earnings attributable to discontinued operations		784	1,785	1,630
Earnings attributable to continuing operations	**13,138**	**4,349**	**32,502**	**6,697**
Shares in circulation (thousands)	18,370	18,370	18,370	18,370
Earnings per share, continuing operations (in EUR)	0.72	0.24	1.77	0.36
Earnings per share, discontinued operations (in EUR)	–	−0.04	−0.10	−0.09

* Previous year's figures adjusted

According to IAS 33, earnings per share are based on earnings after taxes from continuing operations. Earnings per share are calculated by dividing earnings from continuing operations by the average annual number of outstanding shares.

In the event of the authorized capital being utilized, dilutions will arise in the future.

Notes to the Statement of Income

[3] Cost of Materials

EUR '000	Sept. 30, 2010	Sept. 30, 2009
Raw materials and goods for resale	−297,265	−220,568
Purchased services	−44,823	−29,745
Total	**−342,088**	**−250,313**

[4] Personnel Expenses

EUR '000	Sept. 30, 2010	Sept. 30, 2009
Wages and salaries	−159,221	−141,266
Social security and pensions	−29,868	−26,651
Total	**−189,089**	**−167,917**

[5] Depreciation, Amortization, Write-downs, Impairment Losses

EUR '000	Sept. 30, 2010	Sept. 30, 2009
Depreciation of property, plant, and equipment and intangible assets	−27,012	−25,679
Scheduled amortization of value-added within the Group	−3,858	−4,471
Total	**−30,870**	**−30,150**

[6] Other Operating Expenses

EUR '000	Sept. 30, 2010	Sept. 30, 2009
Operating expenses	−32,295	−26,777
Selling expenses	−35,702	−28,954
Administrative expenses	−18,355	−16,370
Other expenses	−8,200	−6,731
Total	**−94,552**	**−78,832**

[7] Net Interest

EUR '000	Sept. 30, 2010	Sept. 30, 2009
Interest and similar income	514	1,139
Interest and similar expenses	−19,315	−21,039
Interest from operations	**−18,801**	**−19,900**
IFRS interest: market value of interest-rate swaps	−256	−915
IFRS interest: non-controlling interests	−267	595
IFRS interest	**−523**	**−320**
Total	**−19,324**	**−20,220**

[8] Income Taxes

Income tax expense is calculated for the interim financial statements based on the assumptions of current tax planning.

Notes to Selected Statement of Financial Position Items

[9] Intangible Assets

EUR '000	Sept. 30, 2010	Dec. 31, 2009
Capitalized development costs	9,830	9,823
Property rights, concessions, and other intangible assets	8,479	7,293
Total	**18,309**	**17,116**

[10] Property, Plant, and Equipment

EUR '000	Sept. 30, 2010	Dec. 31, 2009
Land and buildings	128,740	118,465
Plant and machinery	81,331	88,242
Other equipment, factory and office equipment	28,111	27,708
Advance payments and plant under construction	7,351	4,473
Total	**245,533**	**238,888**

[11] Accounts Receivable

EUR '000	Sept. 30, 2010	Dec. 31, 2009
Accounts receivable from customers	129,820	88,133
Future accounts receivable from customer-specific construction contracts	11,790	10,386
Accounts receivable from associated companies	498	748
Total	**142,108**	**99,267**

[12] Inventories

EUR '000	Sept. 30, 2010	Dec. 31, 2009
Raw materials and supplies	58,187	51,798
Unfinished goods	51,700	40,355
Finished goods and goods for resale	52,474	50,148
Prepayments to third parties for inventories	2,089	801
Total	**164,450**	**143,102**

Segment Reporting

The classification of the segments corresponds to the current status of internal reporting. The information relates to the continuing activities.

The companies are allocated to the segments on the basis of their selling markets insofar as the bulk of their product range is sold in that market environment (Automotive Components/Engineering, Medical Engineering/Life Science). Otherwise they are classified by common features in their production structure (Construction/Infrastructure, Engineering, Metal/Metal Processing). The reconciliations contain the figures of the holding company, non-operational units not allocated to any segment, and consolidations.

The central control variable for the segments remains operating earnings (EBIT) as defined in the consolidated financial statements. Segment assets are comprised of total assets adjusted for income tax claims. The segment information has been ascertained in compliance with the reporting and valuation methods that were applied during the preparation of the consolidated financial statements.

Intersegment prices are based on arm’s length prices to the extent that they can be established in a reliable manner and are determined using the cost-plus pricing method.

The segment information represents the continuing segments. The previous year’s figures are adjusted accordingly.

Primary Reporting Format: by Segments Reconciliation

Segment reporting in accordance with IFRS 8 **Q1–Q3 2010** EUR '000	Construction/Infrastructure	Automotive Components/Engineering	Engineering	Medical Engineering/Life Science	Metal/Metal Processing	Total segments	Reconciliation	Consolidated financial statements
External sales	151,229	207,144	91,732	62,199	197,564	709,868	95	709,963
Internal sales	4,560	13,517	4,613	1,376	14,928	38,994	−38,994	0
Sales	**155,789**	**220,661**	**96,345**	**63,575**	**212,492**	**748,862**	**−38,899**	**709,963**
Segment earnings (EBIT)	**21,459**	**10,331**	**10,713**	**10,045**	**28,560**	**81,108**	**−4,950**	**76,158**
Earnings from equity valuation	0	0	0	0	0	0	61	61
Depreciation/Amortization	−3,699	−15,612	−1,405	−2,428	−7,539	−30,683	−187	−30,870
of which scheduled depreciation for wear and tear from first-time consolidation	−626	−2,518	−24	−37	−653	−3,858	0	−3,858
Capital expenditure	4,778	12,359	1,016	1,179	20,868	40,200	200	40,400
of which company acquisitions	0	0	0	0	13,893	13,893	0	13,893
shares accounted for using the equity method	1,169	0	0	0	0	1,169	0	1,169
Segment assets	**211,359**	**296,388**	**108,746**	**96,002**	**244,337**	**956,832**	**15,594**	**972,426**
Additional information: EBITDA	25,158	25,943	12,118	12,473	36,099	111,791	−4,763	107,028

Segment reporting in accordance with IFRS 8 **Q1–Q3 2009** EUR '000	Construction/Infrastructure	Automotive Components/Engineering	Engineering	Medical Engineering/Life Science	Metal/Metal Processing	Total segments	Reconciliation	Consolidated financial statements
External sales	139,161	143,338	77,448	57,852	143,798	561,597	−678	560,919
Internal sales	4,618	8,649	4,249	1,125	12,489	31,130	−31,130	0
Sales	**143,779**	**151,987**	**81,697**	**58,977**	**156,287**	**592,727**	**−31,808**	**560,919**
Segment earnings (EBIT)	**16,498**	**−5,007**	**8,209**	**7,881**	**12,020**	**39,601**	**−1,500**	**38,101**
Earnings from equity valuation	0	0	0	300	0	300	0	300
Depreciation/Amortization	−4,033	−15,580	−1,804	−2,536	−5,897	−29,850	−300	−30,150
of which scheduled depreciation for wear and tear from first-time consolidation	−798	−2,822	−126	−34	−691	−4,471	0	−4,471
Capital expenditure	4,061	9,417	3,567	1,993	4,368	23,406	90	23,496
of which company acquisitions	0	0	0	0	0	0	0	0
shares accounted for using the equity method	1,216	0	0	3,447	0	4,663	300	4,963
Segment assets	**202,344**	**290,089**	**105,541**	**95,952**	**208,216**	**902,142**	**40,577**	**942,719**
Additional information: EBITDA	20,531	10,573	10,013	10,417	17,917	69,451	−1,200	68,251

Segment reporting in accordance with IFRS 8 **Q3 2010** EUR '000	Construc-tion/Infra-structure	Automotive Compo-nents/Engi-neering	Engineering	Medical Enginee-ring/Life Science	Metal/Metal Processing	Total segments	Recon-ciliation	Consoli-dated financial statements
External sales	60,277	74,865	33,273	20,896	69,721	259,032	591	259,623
Internal sales	1,754	5,256	1,256	546	5,556	14,368	−14,368	0
Sales	**62,031**	**80,121**	**34,529**	**21,442**	**75,277**	**273,400**	**−13,777**	**259,623**
Segment earnings (EBIT)	**11,614**	**1,103**	**4,118**	**2,684**	**12,500**	**32,019**	**−2,363**	**29,656**
Earnings from equity valuation	0	0	0	0	0	0	61	61
Depreciation/Amortization	−1,220	−5,122	−504	−709	−2,828	−10,383	−100	−10,483
of which scheduled deprecia-tion for wear and tear from first-time consolidation	−186	−729	−8	−13	−218	−1,154	0	−1,154
Capital expenditure	1,597	4,479	270	284	1,708	8,338	−10	8,328
shares accounted for using the equity method	0	0	0	0	0	0	0	0
Segment assets	**211,359**	**296,388**	**108,746**	**96,002**	**244,337**	**956,832**	**15,594**	**972,426**
Additional information: EBITDA	12,834	6,225	4,622	3,393	15,328	42,402	−2,263	40,139

Segment reporting in accordance with IFRS 8 **Q3 2009** EUR '000	Construc-tion/Infra-structure	Automotive Compo-nents/Engi-neering	Engineering	Medical Enginee-ring/Life Science	Metal/Metal Processing	Total segments	Recon-ciliation	Consoli-dated financial statements
External sales	51,637	54,129	27,215	18,579	47,714	199,274	−35	199,239
Internal sales	1,801	3,125	1,209	344	4,257	10,736	−10,736	0
Sales	**53,438**	**57,254**	**28,424**	**18,923**	**51,971**	**210,010**	**−10,771**	**199,239**
Segment earnings (EBIT)	**8,117**	**−1,858**	**3,885**	**2,019**	**4,775**	**16,938**	**−888**	**16,050**
Earnings from equity valuation	0	0	0	100	0	100	0	100
Depreciation/Amortization	−1,593	−5,414	−596	−847	−1,961	−10,411	−100	−10,511
of which scheduled deprecia-tion for wear and tear from first-time consolidation	−230	−913	−40	−11	−229	−1,423	0	−1,423
Capital expenditure	2,269	3,707	1,459	523	1,052	9,010	90	9,100
shares accounted for using the equity method	0	0	0	0	0	0	100	100
Segment assets	**202,344**	**290,089**	**105,541**	**95,952**	**208,216**	**902,142**	**40,577**	**942,719**
Additional information: EBITDA	9,710	3,556	4,481	2,866	6,736	27,349	−788	26,561

The following table reconciles the total operating results of segment reporting with the calculation of consolidated earnings before taxes.

Reconciliation

EUR '000	**Q1–Q3 2010**	Q1–Q3 2009	**Q3 2010**	Q3 2009
Segment earnings (EBIT)	**81,108**	**39,601**	**32,019**	**16,938**
Areas not allocated, incl. holding company	–4,360	–3,031	–2,361	–1,535
Consolidations	–590	1,531	–2	647
Net interest	–19,324	–20,220	–6,096	–6,571
Earnings before taxes	**56,834**	**17,881**	**23,560**	**9,479**

Reporting by Region

The regionalization of sales is based on the selling markets. The further classification of the diverse foreign activities by country is not expedient because no country outside of Germany accounts for 10 % of Group sales.

The segment assets are based on the domiciles of the respective companies. Further differentiation is not expedient as the majority of the companies are domiciled in Germany.

Due to INDUS's diversification policy there were no individual product or services groups and no individual customers that accounted for more than 10 % of sales.

Q1–Q3 2010 EUR '000	Germany	Abroad	Reconciliation	Group
Sales	421,654	327,208	–38,899	709,963
Segment assets	845,126	111,708	15,592	972,426

Q1–Q3 2009 EUR '000	Germany	Abroad	Reconciliation	Group
Sales	352,378	240,349	–31,808	560,919
Segment assets	795,822	106,320	40,577	942,719

Q3 2010 EUR '000	Germany	Abroad	Reconciliation	Group
Sales	159,087	114,313	–13,777	259,623
Segment assets	845,126	111,708	15,592	972,426

Q3 2009 EUR '000	Germany	Abroad	Reconciliation	Group
Sales	126,707	83,303	–10,771	199,239
Segment assets	795,822	106,320	40,577	942,719

Related Party Disclosures

Related party disclosures primarily involve the ongoing remuneration of members of management in key positions, the Board of Management, and the Supervisory Board. Furthermore, there are consulting contracts and rental or leasing contracts with non-controlling shareholders or members of their families, and business relations with associated companies.

In these quarterly financial statements, there is nothing to report about changes in conditions that materially depart from those in the 2009 annual financial statements.

Adjustment of Previous Year´s Figures

The recording of discontinued operations in accordance with IFRS 5.34 necessitates an adjustment of the previous year's figures as shown below:

Adjustment to the previous year's statement of income EUR '000	Sept. 30, 2009 published	IFRS 5	Sept. 30, 2009 comparable
Sales	**565,682**	**–4,763**	**560,919**
Other operating income	12,534	–109	12,425
Own work capitalized	2,231		2,231
Change in inventories	–11,031	342	–10,689
Cost of materials	–251,714	1,401	–250,313
Personnel expenses	–171,604	3,687	–167,917
Depreciation	–30,697	547	–30,150
Other operating expenses	–79,943	1,111	–78,832
Income from shares accounted for using the equity method	300		300
Other financial result	127		127
Operating result (EBIT)	**35,885**	**2,216**	**38,101**
Interest income	1,146	–8	1,138
Interest expenses	–21,383	25	–21,358
Net interest	–20,237	17	–20,220
Earnings before taxes	**15,648**	**2,233**	**17,881**
Taxes	–10,329	–358	–10,687
Income from discontinued operations	245	–1,875	–1,630
Earnings after taxes	**5,564**		**5,564**
of which non-controlling interests	–497		–497
of which allocable to INDUS shareholders	5,067		5,067
Basic earnings per share in EUR	0.26	0.10	0.36

The adjustments made in accordance with IFRS 5 relate to WFV Werkzeug-, Formen- und Vorrichtungsbau GmbH & Co. KG and BERNER GmbH & Co. KG.

Once again, as a result of adjustments in accordance with IAS 8, there have been changes compared to 2009 with respect to the statement of financial position items of goodwill, liabilities, and equity. Details are included in the section "Change in Accounting and Valuation Methods" in the 2009 annual report.

Events after the Quarterly Reporting Date

At the end of October 2010, the Board of Management of INDUS Holding AG agreed a capital increase for cash amounting to 10 % of the capital stock with the exclusion of subscription rights; details on the capital increase can be found in the Management Report section "Events After the Reporting Date" on page 11.

Perusal or Review by the Auditor of the Consolidated Financial Statements

Neither the quarterly financial statements as of September 30, 2010 nor the financial statements as of September 30, 2009 were subject to a perusal or review by an auditor.

Bergisch Gladbach, Germany, November 2010

The Board of Management

Helmut Ruwisch   Jürgen Abromeit   Dr. Wolfgang Höper   Dr. Johannes Schmidt

Contact and Financial Calendar

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Financial Calendar

November 25, 2010	9-Month Report 2010
April 27, 2011	Publication annual report and annual earnings press conference, Dusseldorf
April 28, 2011	Analysts' conference, Frankfurt/Main
May 26, 2011	Interim report on the first quarter 2010
July 5, 2011	Annual shareholders' meeting 2011, Cologne/Trade Fair
August 25, 2011	Interim report H1 2011
November 24, 2011	9-Month Report 2011

Note:
This interim report is also available in German.

Forward looking statements:
This interim report contains forward-looking statements based on assumptions and estimates made by the Board of Management of INDUS Holding AG. Although the Board of Management is of the opinion that these assumptions and estimates are accurate, they are subject to certain risks and uncertainty. Actual future results may deviate substantially from these assumptions and estimates due to a variety of factors. INDUS Holding AG shall not be held liable for the future development and actual future results being in line with the assumptions and estimates included in this interim report.

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