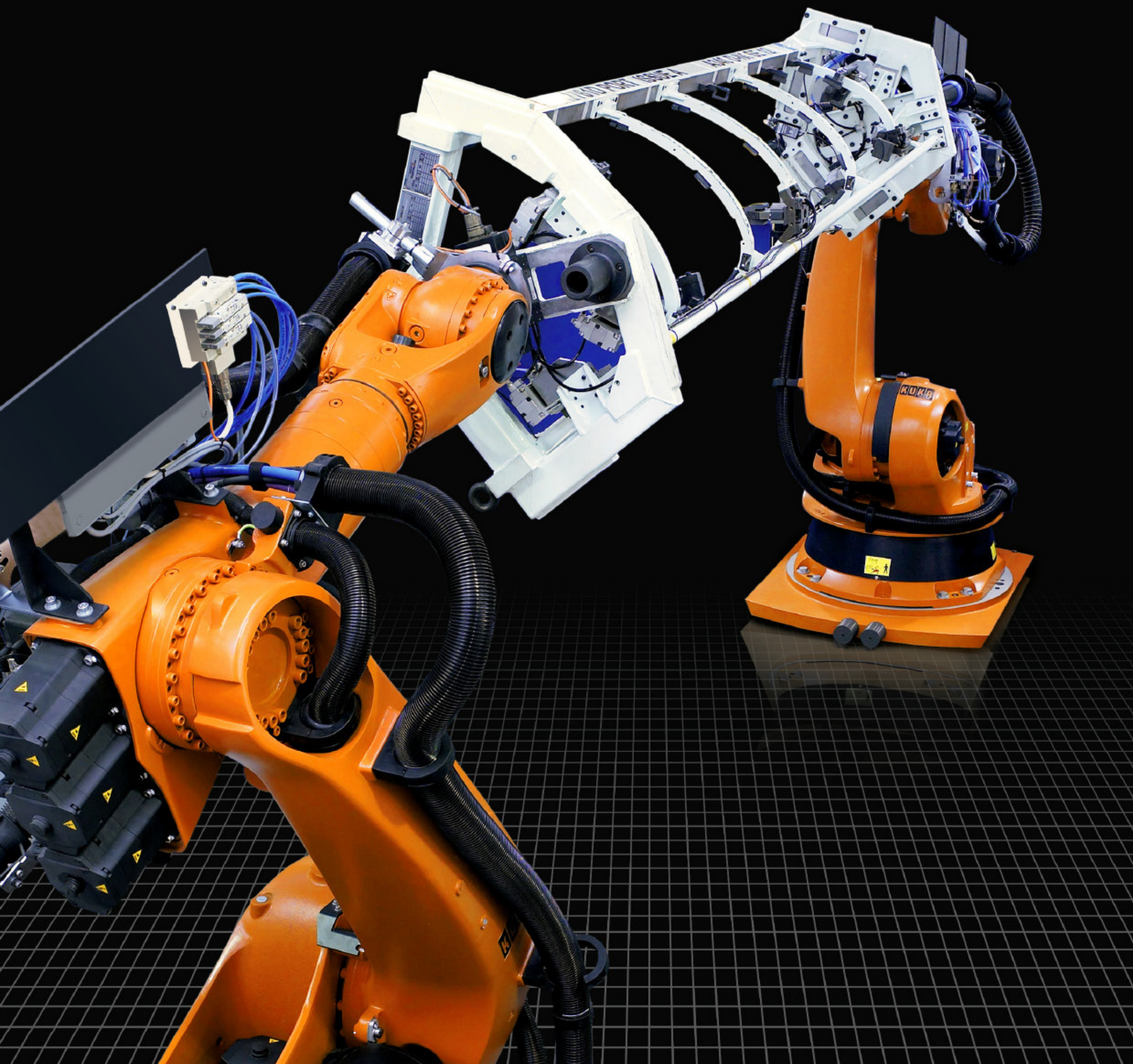
KUKA

INTERIM REPORT : 1. ST QUARTER 2008

AUTOMATION FASCINATES



KUKA GROUP, KEY FIGURES

€ million	3 Months 2008	3 Months 2007	Change in %
Orders received	404.3	436.9	-7.5%
Order backlog (03/31)	647.3	641.4	0.9%
Sales revenues	280.2	290.7	-3.6%
Gross profit	63.8	54.3	17.5%
in % of sales revenues	22.8%	18.7%	-
EBIT	15.8	9.8	61.2%
in % of sales revenues	5.6%	3.4%	-
Result from continuing operations	9.8	3.9	-
Result from discontinued operations	0.0	-2.7	-
Net after-tax result	9.8	1.2	-
Earnings per share in €	0.37	0.05	-
Earnings per share (cont. operations) in €	0.37	0.15	-
Capital expenditure	7.5	4.9	53.1%
Equity ratio in %	28.8	11.3	-
Liquidity / Net debts (-)	28.7	-113.2	-
Employees (03/31))	5,831	5,632	3.5%

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GROUP INTERIM REPORT

KUKA Aktiengesellschaft as of March 31, 2008

2008 FINANCIAL YEAR OFF TO GOOD START

- **High orders received level**
- **Substantial increase general industry**
- **EBIT margin 5.6 percent, significantly above last year's 3.4 percent**
- **Targets for 2008 confirmed**

The KUKA Group's new financial year got off to a good start. The company generated significantly higher earnings in the first quarter of 2008. **EBIT** rose from the prior year's EUR 9.8 million to EUR 15.8 million. **EBIT margin** was also up, mainly thanks to better capacity utilization. It rose from 3.4 percent last year to 5.6 percent.

Orders received for Q1 2008 came in at EUR 404.3 million, down EUR 32.6 million from the same time last year. Orders received rose approximately EUR 18 million on an adjusted basis. The adjustment involved a change for the purchasing of raw materials by the KTPO subsidiary, as well as the impact of the US dollar-Euro exchange rate. The Robotics division generated EUR 116.8 million in orders received in the first quarter of 2008. The division succeeded in substantially increasing the share of new business coming from general industry. These orders received rose from the prior year's EUR 40.7 million to EUR 59.9 million. The Systems division contributed EUR 300.0 million to the Group's orders received in the first quarter. Here too, the order volume from general industry, which came in at EUR 44.2 million, is worth highlighting.

Order backlog ended at EUR 647.3 million, slightly higher than last year. As of the period end, Robotics had an order backlog of EUR 106.8 million and Systems ended with EUR 550.6 million. This secures the Group's present level of activity for a long 5.8 months (Robotics: 2.8 months, Systems: 7.2 months).

First quarter **sales revenues** were EUR 280.2 million, down 3.6 percent or EUR 10.5 million from last year. However, after adjustments similar to those made for orders received, they were about EUR 33 million higher than the prior year's comparable quarter. Robotics was able to generate higher sales revenues compared to last year's first quarter. They went up to EUR 117.5 million EUR (previous year 91.6 million). The two previously described factors, which affected mainly Systems, caused its sales revenues to decline from EUR 208.3 million last year to EUR 174.9 million.

The refinancing of the KTPO pay-on-production contract in Toledo, Ohio, USA was completed effective March 31, 2008. KUKA therefore now owns the buildings and production systems at KUKA Toledo Production Operations LLC, in addition to being responsible for manufacturing the car bodies for Chrysler's Jeep Wrangler.

KUKA EQUITY

UNITED STATES CASTS CLOUD OVER STOCK MARKETS

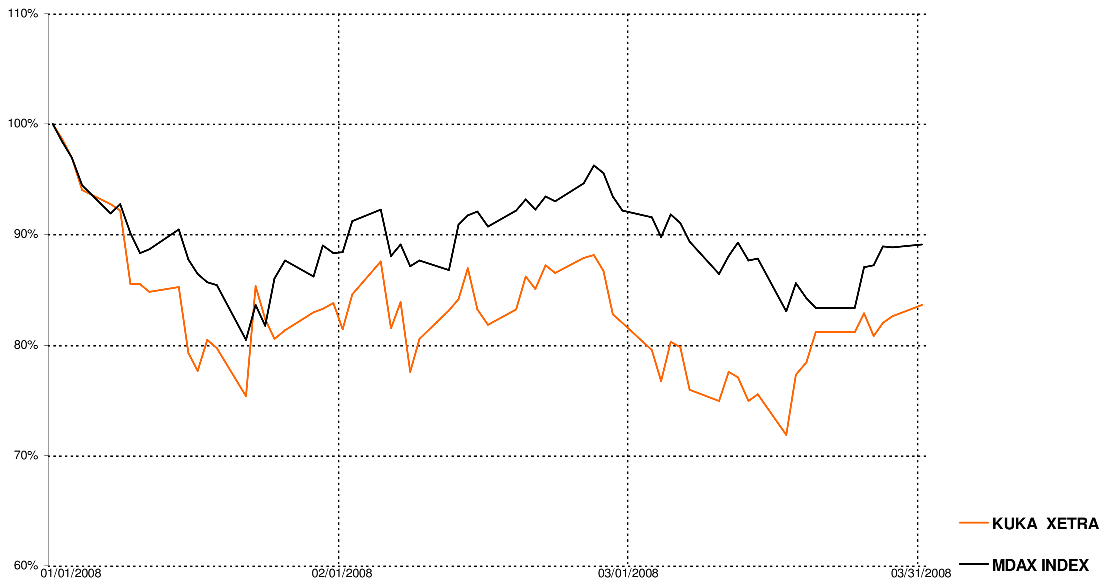
In the first three months of 2008, the real estate crisis and economic downturn in the United States, as well as the write-downs by many banks weighed on the markets. This had a negative impact on share prices, particularly those of small and mid-cap companies. The MDAX lost almost 11 percent in the first three months of 2008. Since the mechanical engineering industry is said to be particularly sensitive to economic swings, KUKA's share price performance was subpar. The stock price was down 16.3 percent in the first quarter, and closed at EUR 21.76.

SHARE PRICE AFFECTED BY DIVIDEND ANNOUNCEMENT AND STOCK BUYBACK

On the other hand, the publication of the annual results and the mid-term goals to 2010, plus the Executive Board's announcement that it would recommend to the shareholders at the Annual General Meeting on May 15, 2008 that a dividend of EUR 1.00 per share be paid, had a positive impact. In the second half of March, KUKA' s share price rose.

The share buyback program was launched on March 25. The goal is to purchase up to 2.66 million shares or 10 percent of total share capital by August 29, 2008. By the end of March, 127,979 shares or 0.48 percent of share capital had been reacquired, and by April 30, 2008, 375,858 shares or 1.41 %.

KUKA'S SHARE PRICE PERFORMANCE FROM JANUARY TO MARCH 2008



MANAGEMENT REPORT

GENERAL CONDITIONS

In the coming months the world economy could be impacted by the general economic conditions. The recession in the United States, the steadily rising raw material prices, and the euro, which has risen further against the dollar and the yen, all have a damping effect on the economies of Germany and Europe. However, German companies proved to be relatively robust after the restructuring of the past few years. Their ability to compete has improved substantially. The order situation is good and overall economic growth in Germany in the first three months of 2008 was relatively strong. According to the community forecast conducted by the economic research institutes, the recovery will continue this year and next year at a weak level. Its spring report forecasts an improvement in gross domestic product of 1.8 percent for 2008 and growth of 1.4 percent for 2009. Germany is therefore on an equal footing with most other western industrialized nations, which are also expecting weaker growth in the near-term future.

Expansion in the Asian growth regions is besides the trend of the euro zone's economy as important to the KUKA Group's business growth. These markets continued to grow at an annual rate of 7 to 8 percent. The weak economic performance in the United States has so far had a limited effect on the emerging markets. Growth in the developing countries is supporting the world economy.

The outlook for German mechanical and plant engineering companies is still positive. The sector is benefiting from the trend toward automating and is looking forward to solid orders growth. According to VDMA (German Engineering Federation), orders received in February 2008 were 10 percent higher than in February 2007. Five percent growth is expected for the current year.

Future prospects for the robotics market are excellent. VDMA's robotics and automation sector is forecasting that the industry will grow by at least 12 percent in 2008.

KUKA GROUP Q1 BUSINESS PERFORMANCE

€ million	3 Months 2008	3 Months 2007	Change in %
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Order backlog (03/31)	647.3	641.4	0.9%
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Liquidity / Net debts (-)	28.7	-113.2	-
Employees (03/31))	5,831	5,632	3.5%

Orders received for the first quarter 2008 came in at EUR 404.3 million, down EUR 32.6 million from the same time last year. However, this year, the Group's subsidiary KTPO changed the purchase of raw materials (EUR 35 million), and the change in the US dollar/ Euro exchange rate reduced order values by EUR 15 million. Adjusted for these factors, orders received were actually up by about EUR 18 million. The Robotics division reported orders received of EUR 116.8 million in the first quarter of this financial year. The Systems division contributed EUR 300.0 million. The development of the Robotics division's general industry business was very positive. When it came to new business, general industry's share of orders received improved from EUR 40.7 million to EUR 59.9 million. The same trend was reported by the Systems division, where general industry orders rose substantially in the first quarter of 2008, coming in at EUR 44.2 million.

In the first quarter of 2008, **sales revenue**s of EUR 280.2 million were posted, down 3.6 percent or EUR 10.5 million from last year's period. However, after adjustments similar to those made for orders received, they were about EUR 33 million higher than the prior year's comparable quarter. The changed purchase of raw materials also had an impact of EUR 35 million on sales revenues. The exchange-rate change had a EUR 8 million impact on sales. Robotics was able to generate higher sales revenues, which were up from EUR 91.6 million in 2007 to EUR 117.5 million. The two previously described factors affected mainly Systems and its sales revenues were therefore down from EUR 208.3 million last year to EUR 174.9 million.

Order backlog ended at EUR 647.3 million, slightly higher than last year. As of the period end, Robotics had an order backlog of EUR 106.8 million and Systems ended with orders on hand of EUR 550.6 million. This secures the Group's present level of activity for a long 5.8 months (Robotics: 2.8 months, Systems: 7.2 months).

EARNINGS, FINANCIAL AND ASSETS SITUATION

The KUKA Group's unadjusted **sales revenues** declined slightly in the first three months of 2008. Whereas they were EUR 290.7 million at the end of the prior year's first quarter, this year they came in at EUR 280.2 million, down 3.6 percent or EUR 10.5 million. However, after adjusting for the KTPO impact of EUR 35 million and the euro/dollar exchange-rate impact of about EUR 8 million, sales revenues actually grew almost EUR 33 million on a year-over-year basis.

The KUKA Group's **gross margin** climbed from 18.7 percent last year to 22.8 percent during the period under review. This increase of 4.1 percentage points was driven by the improvement in gross margin at the Systems division. It went from 11.2 percent in the first quarter of 2007 to 15.0 percent in Q1 2008 because of higher capacity utilization. The Robotics division's gross margin of 32.3 percent was approximately the same as last year's 32.8 percent.

The Group was able to extend the rising trend from 2007 and in the first quarter of 2008 generated an **EBIT** of EUR 15.8 million. The negative impact of the US dollar/euro exchange-rate change on EBIT was less than EUR 1.0 million. In total, the improvement corresponds to a jump of 61.2 percent over the same period last year. EBIT margin rose from 3.4 percent in 2007 to 5.6 percent for the current financial year. Both divisions contributed to this delightful development. In the Robotics division, EBIT increased from EUR 6.0 million in Q1 2007 to EUR 10.1 million in the first quarter of fiscal 2008, thanks mainly to higher sales and higher capacity utilization. The growth represents an increase of EUR 4.1 million or 68.3 percent. Robotics was able to improve EBIT margin from 6.6 percent to 8.6 percent. In the first three months of 2008, Systems posted an EBIT of EUR 8.4 million, up 44.8 percent from last year's EUR 5.8 million. Systems' EBIT margin therefore climbed from 2.8 percent last year to currently 4.8 percent.

In the first quarter of 2008, **net interest expense** was EUR -1.6 million, compared to EUR -4.4 million the year prior. This was due to the KUKA Group's debt reduction, driven in part by the sale of the Packaging division in the second quarter of 2007. The prior year's net interest expense was still strongly impacted by higher liabilities due to banks. Included in the Q1 2008 net interest expense is a portion related to pension obligations totaling EUR 1.0 million and the EUR 1.2 million interest expense associated with the convertible bond.

Earnings before taxes (EBT) in the first three months totaled EUR 14.2 million. This compares to EUR 5.4 million in 2007. Tax expense during the period under review was EUR 4.4 million, which corresponds to a tax rate of 31.0 percent. The two factors that drove this tax rate are the fact that loss carryforwards in the United States have now been used up, plus the relatively high earnings contribution from this region in the first quarter.

Earnings after taxes in the first quarter were EUR 9.8 million, up from last year's EUR 1.2 million. This increase demonstrates the rising profitability of the KUKA Group. In addition, there were no losses from discontinued operations, as there were in the first quarter of 2007.

There was a significant drop in cash and cash equivalents on the asset side of the March 31, 2008 **balance sheet**. The KTPO financing is being prepaid using the KUKA Group's existing net liquidity. The acquisition of the buildings and production systems led to an increase in assets on the balance sheet (posted under "Receivables from financing leases"). The liabilities side of the balance sheet shows the settlement of tax and supplier liabilities.

The KUKA Group's **net cash position** as of March 31 of the current financial year was EUR 28.7 million. This represents an improvement of EUR 141.9 million over the March 31, 2007 period end.

EMPLOYEES

The KUKA Group had 5,831 employees as of March 31, 2008. This is 3.5 percent, or 199 persons, more than at the close of the prior year's period end. Fifty-six of these employees were added to strengthen the new distributors in India, Russia, Japan and Taiwan. One hundred forty-three employees were hired to support the growing business at other locations, particularly in Germany.

The KUKA Group's workforce consists of 3,754 white-collar and 1,902 blue-collar employees, plus 175 apprentices.

DEVELOPMENTS IN THE DIVISIONS

Q1 KEY FIGURES: ROBOTICS

€ million	3 Months 2008	3 Months 2007	Change in %
Orders received	116.8	116.8	0.0%
Order backlog	106.8	110.7	-3.5%
Sales revenues	117.5	91.6	28.3%
Gross profit	37.9	30.0	26.3%
in % of sales revenues	32.3%	32.8%	-
EBIT	10.1	6.0	68.3%
in % of sales revenues	8.6%	6.6%	-
Employees (record date)	2,081	1,905	9.2%

ROBOTICS' FIRST-QUARTER ORDERS RECEIVED BY SEGMENT

€ million	3 Months 2008	3 Months 2007	Change in %
Automotive	32.9	53.0	-37.9%
General Industry	59.9	40.7	47.2%
Service	24.0	23.1	3.9%
Total Robotics	**116.8**	**116.8**	0.0%

The Robotics division reported **orders received** of EUR 116.8 million in the first quarter of 2008, the same level as the year prior. Robotics successfully expanded its general industry business. In the first quarter of 2008, general industry business rose to EUR 59.9 million, from EUR 40.7 million in the first quarter of 2007. The automotive segment also contributed, with important orders coming from Daimler for the new E-Class, from Renault for the mid-size Renault Master van, from Volkswagen for the VW Gol - a subcompact car built in Brazil for the Latin American market - and from BMW for the successor to the 7-Series. KUKA received a variety of orders from the General Industry. An example of a general industry order is a tire palletizing system. KUKA's systems partner, LEWA, receives robots for inert gas welding projects. Heavy load "Titan" robots are being shipped to Anthon, a wood and furniture industry company. Systems partner SHL AG will supply robots to a German end customer for automated water valve grinding and polishing.

Order backlog as of March 31, 2008 declined slightly on a year-over-year basis because of high sales, falling 3.5 percent to EUR 106.8 million.

Sales revenues in the first quarter of the current financial year came in at EUR 117.5 million, 28.3 percent or EUR 25.9 million higher than a year earlier. All three of Robotics' business segments - automotive, general industry and service - reported growth. The automotive segment's revenues were especially high. Because of the automotive segment's high orders received level in the second half of 2007, they were with an increase of almost 55 percent substantially above the prior year's posting.

Higher sales and higher capacity utilization in the first three months of 2008 lifted the Robotics division's **EBIT** significantly above last year's level. It came in at EUR 10.1 million, versus EUR 6.0 million in the first quarter of 2007. This is an increase of EUR 4.1 million or 68.3 percent. EBIT margin thereby improved from 6.6 percent to 8.6 percent.

The number of employees in the Robotics division increased as a result of the business unit's worldwide growth. Fifty persons were added to strengthen the new distributors in India, Russia, Japan and Taiwan.
One hundred twenty-six people were hired by other units, such as R&D, and the total number of employees thereby increased by 176 persons to 2,081.

Q1 KEY FIGURES: SYSTEMS

€ million	3 Months 2008	3 Months 2007	Change in %
Orders received	300.0	328.8	-8.8%
Order backlog	550.6	537.0	2.5%
Sales revenues	174.9	208.3	-16.0%
Gross profit	26.2	23.4	12.0%
in % of sales revenues	15.0%	11.2%	-
EBIT	8.4	5.8	44.8%
in % of sales revenues	4.8%	2.8%	-
Employees (record date)	3,614	3,670	-1.5%

SYSTEMS' FIRST-QUARTER ORDERS RECEIVED BY REGION

€ million	3 Months 2008	3 Months 2007	Change in %
Germany	51.0	42.1	21.1%
Europe (without Germany)	47.3	32.0	47.8%
USA	150.8	207.3	-27.3%
Asia and other regions	50.9	47.4	7.4%
Total orders received	**300.0**	**328.8**	**-8.8%**

The Systems division reported **orders received** of EUR 300.0 million for the first quarter of 2008, 8.8 percent or EUR 28.8 million less than the prior year's comparable number. However, when adjusted for the changed purchase of raw materials by the KTPO subsidiary and the impact of the Euro/US dollar exchange rate change, the orders received level is actually EUR 18 million higher than at the same time last year. Thirty-three percent of orders came from Europe, 50 percent from North America and 17 percent from Asia and other regions.

Worth noting is that KUKA Systems received trendsetting orders from the international solar industry at the beginning of the year. Since last year, the division has been expanding its plant assembly and systems business beyond the automotive industry. It will now be shipping robot-based manufacturing systems for building photovoltaic modules to Evergreen in the United States. The newly formed solar industry business is an important building block in the KUKA Group's efforts to expand its general industry activities.

Automotive industry customers placed several large orders. The division received an order from Ford for the complete "B Car" chassis assembly plant. The "B Car", which corresponds to the "Fiesta", is part of Ford's plan to introduce a popular European model to the North American market. The system will be installed at the Ford of Mexico Cuautitlan Assembly Plant. The order value is about 50 million US dollars and handover of the line is planned for June 2009.

Order backlog was EUR 13.6 million or 2.5 percent higher than a year prior. The total of EUR 550.6 million is sufficient to secure the present level of activity for a relatively high 7.2 months.

Sales revenues in the first quarter of 2008 came in at EUR 174.9 million, down 16 percent or EUR 33.4 million from the first quarter of 2007. Adjusted for the effects of the changed KTPO purchasing of raw materials and the exchange rate impact, which when combined total about EUR 43 million, sales revenues actually increased over last year. During the period under review, Systems generated 50 percent of its sales revenues in Europe, 35 percent in North America and 15 percent in Asia and other regions throughout the world. The most notable sales in the first quarter were attributable to large shipments to Daimler for its E-Class production lines.

EBIT in the first quarter reached EUR 8.4 million, 44.8 percent higher than in the first quarter of 2007. EBIT margin rose from 2.8 percent to 4.8 percent. The EBIT improvement reflects, among other things, higher profits from general industry customers and KTPO.

As of March 31, 2008, Systems had 3,614 **employees,** 56 fewer than at the same time last year.

RESEARCH AND DEVELOPMENT, CAPITAL EXPENDITURE

Research and development expenses increased by EUR 3.9 million last year to EUR 8.5 million in the first quarter of 2008. This represents about 3 percent of the Group's sales. The Robotics division's ratio was about 7%. The increase in research and development expenses is primarily attributable to planned initiatives by the Robotics division.

Capital expenditure by the Group on property plant and equipment and intangible assets in the first three months of the financial year was with EUR 7.5 million higher than the prior year's EUR 4.9 million. Robotics invested EUR 4.7 million versus EUR 3.6 million in 2007, while Systems spent EUR 2.8 million compared with EUR 1.3 million the year prior.

RISK MANAGEMENT

A comprehensive description of the risks to which the company is exposed and the KUKA Group's risk management system are included in the 2007 annual report. The majority of the statements made in the report apply here as well. The KUKA Group's risks are manageable and transparent, and as far as we are able to foresee, do not threaten the company's survival.

KUKA Aktiengesellschaft has reached an agreement with Chrysler LLC and the financing banks regarding the prepayment of the financing of the manufacturing facility of its American subsidiary, KUKA Toledo Production Operations LLC (KTPO), which makes Chrysler's Jeep Wrangler car bodies. The financing to acquire ownership of the buildings and production systems totals EUR 77.1 million, and was prepaid using the KUKA Group's existing net liquidity. As a result, this segment's capital employed has risen significantly.

OUTLOOK

The KUKA Group's 2008 financial year started well and the company is well positioned for further success in the current business year.

The Robotics division's growth for the current fiscal year is expected to be 10 percent. The Systems division expects an increase in business volume of about 4 percent this financial year. Taking into account the changed purchasing of raw materials by KTPO, Systems is also planning growth corresponding to the medium-term business plan. The budget calls for average annual growth of 10 and 5 percent to 2010 for the Robotics and Systems divisions respectively. Based on continued high utilization of capacities and the improved earnings structure, the Executive Board is aiming to increase the KUKA Group's operating EBIT margin from 4.9 percent in 2007 to at least 5.5 percent for the current fiscal year.

INTERIM FINANCIAL STATEMENTS

GROUP CONSOLIDATED INCOME STATEMENT

€ million	3 Months 2008	3 Months 2007
Sales revenues	**280.2**	**290.7**
Cost of sales	-216.4	-236.4
Gross profit	**63.8**	**54.3**
Selling expenses	-19.7	-17.0
Research and development expenses	-8.5	-4.6
General and administrative expenses	-19.4	-20.9
Other operating expenses	-0.4	-2.0
Earnings from operating activities (EBIT)	**15.8**	**9.8**
Net interest income/expense	-1.6	-4.4
Earnings before tax	**14.2**	**5.4**
Taxes on income	-4.4	-1.5
Result from continuing operations	**9.8**	**3.9**
Result from discontinued operations	**0.0**	**-2.7**
Net after-tax result	**9.8**	**1.2**
Minority interests in profits	0.0	0.0
Earnings per share (in € after minority interests)	**0.37**	**0.05**
thereof continuing operations	0.37	0.15
thereof discontinued operations	0.00	-0.10

CONSOLIDATED BALANCE SHEET

ASSETS

€ million	03/31/2008	12/31/2007
Non-Current assets		
Fixed assets		
Intangible assets	70.6	**69.6**
Tangible assets	90.7	**91.9**
Financial investments	0.8	**1.6**
	162.1	**163.1**
Receivables of finance lease	74.4	**0.0**
Long term tax receivables	12.8	**12.8**
Deferred taxes	32.0	**31.1**
	281.3	**207.0**
Current assets		
Inventories	**154.5**	**150.0**
Receivables and other assets		
Trade receivables	154.9	**178.9**
Receivables from construction contracts	104.6	**93.0**
Receivables from affiliated companies	0.5	**3.6**
Receivables of finance lease	2.7	**0.0**
Other assets, prepaid expenses and deferred charges	40.4	**32.5**
	303.1	**308.0**
Cash and cash equivalents	**89.3**	**223.2**
	546.9	**681.2**
	828.2	**888.2**

EQUITY AND LIABILITIES

€ million	03/31/2008	12/31/2007
Equity	**238.8**	**233.5**
Non-current liabilities, provisions and accruals		
Non-current financial liabilities	59.6	59.1
Other non-current liabilities	11.0	11.5
Pensions and similiar obligations	71.4	73.9
Deferred taxes	8.3	4.7
	150.3	**149.2**
Current liabilities		
Current financial liabilities	1.0	0.5
Trade payables	128.7	148.9
Advances received	39.4	35.4
Liabilities from construction contracts	52.5	72.4
Accounts payable to affiliated companies	0.2	0.1
Other current liabilities and deferred income	91.0	85.3
Provision for taxes	11.1	36.6
Other provisions	115.2	126.3
	439.1	**505.5**
	828.2	**888.2**

STATEMENT OF RECOGNIZED INCOME AND EXPENSES IN CONSOLIDATED EQUITY

€ millions	3 Months 2008	3 Months 2007
Currency translation differences	-3.2	0.1
Market valuation of hedges	0.0	0.0
Actuarial gains/losses on defined benefit plans and similar commitments	**1.9**	1.8
Deferred taxes on items offset directly against equity	**-0.3**	-0.7
Income and expense recongnized directly in equity	**-1.6**	**1.2**
Group profit	9.8	1.2
Total income and expense recognized in equity	**8.2**	**2.4**
of which: attributable to minority interests	0.0	0.0
of which: attributable to KUKA	8.2	2.4
changes in accounting policies	0.0	1.1

CASH FLOW STATEMENT

€ million	3 Months 2008	3 Months 2007
Net after-tax result	**9.8**	**1.2**
Depreciation/amortization on fixed assets	6.3	7.9
Other non-payment-related expenses/income	1.6	-2.8
Result on the disposal of assets	-0.5	-0.6
Changes in		
provisions	-38.6	-15.1
inventories	-4.5	-31.0
receivables and deferred charges	4.5	1.2
liabilities and deferred income	-24.8	-0.1
Cash flow from operating activities	**-46.2**	**-39.3**
Payments from disposals of fixed assets	1.1	12.6
Payments for capital expenditure on tangible and intangible assets	-7.5	-9.3
Payments for investments in financial assets	0.0	-1.0
Payments for the acquisition of a finance lease receivable	-77.1	0.0
Cash flow from investing activities	**-83.5**	**2.3**
Free cash flow	**-129.7**	**-37.0**
Payments for the acquisition of treasury shares	-2.2	0.0
Changes in financial liabilities	1.1	44.9
Cash flow from financing activities	**-1.1**	**44.9**
Payment-related change in cash and cash equivalents	**-130.8**	**7.9**
Exchange-rate-related and other changes in cash and cash equivalents	-3.1	-0.2
Change in cash and cash equivalents	**-133.9**	**7.7**
Cash and cash equivalents at the beginning of the period (01/01)	223.2	74.9
Cash and cash equivalents at the end of the period (03/31)	**89.3**	**82.6**

NOTES ON THE QUARTERLY REPORT

IFRS/IAS ACCOUNTING STANDARDS

KUKA Aktiengesellschaft has prepared its consolidated financial statements according to the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), the interpretations of the Standing Interpretation Committee (SIC) as well as the International Financial Reporting Interpretation Committee (IFRIC). The interim report is therefore prepared in accordance with IAS 34. The prior year's figures have been determined in accordance with these same standards.

SCOPE OF CONSOLIDATION

The Group's interim report contain KUKA Aktiengesellschaft, 9 companies registered inside Germany and 36 firms domiciled outside Germany, for which KUKA Aktiengesellschaft either directly or indirectly holds the majority of voting rights.
KUKA Robot Automation Taiwan Co. Ltd., Taiwan, KUKA Robotics Japan K.K., Japan, and KUKA Robotics OOO, Russia, all of which were newly founded in 2007 but not consolidated as of December 31, 2007, have now been consolidated for the first time. This did not have any material impact on the Group's assets, financial position or profit and loss.

ACCOUNTING AND VALUATION POLICIES

The same valuation methodology and financial principles as those used in the consolidated financial statements for the 2007 business year were applied in preparing these interim financial statements and establishing the comparison figures to the prior year. A description of the principles is published in the notes of the 2007 consolidated financial statements. The latter are also available on the Internet at www.KUKA.com.

IAS 19 EMPLOYEE BENEFITS

Effective December 31, 2007, the accounting method for employee benefits was changed to option 3 as per IAS 19. The amounts, which are income neutral with respect to the profit and loss statement, are reported under Group equity income and expenses. The income neutral sum of EUR 1.6 million was reported under equity in the report dated March 31, 2008. This amount was for the actuarial gain resulting from the adjustment of the rate of return from 5.5 percent p.a. to 5.8 percent p.a. related to German pension obligations and for actuarial losses.

DISCONTINUED OPERATIONS/ ASSETS HELD FOR SALE

The information regarding discontinued operations relates only to the prior year's numbers. For the income statement, the numbers for all companies categorized as discontinued operations as of March 31, 2007 were summarized in accordance with IFRS 5 and shown as earnings from discontinued operations.

The earnings from discontinued operations for the prior year therefore include the earnings from the following Packaging division companies, which were sold to a fund of the Berlin-based holding company Odewald & Compagnie Gesellschaft für Beteiligungen mbH on April 19, 2007:

- A + F Automation + Fördertechnik GmbH, Kirchlengern
- Benz & Hilgers GmbH, Neuss
- BW International Inc., Davenport, USA
- BW International (Holdings) Ltd., Altrincham, Great Britain
- BWI plc, Altrincham, Great Britain

- ERCA Formseal Iberica S.A., Barcelona, Spain
- ERCA Formseal S.A., Les Ulis, France
- Fabrima Máquinas Automáticas Ltda., Sao Paulo, Brazil
- GASTI Verpackungsmaschinen GmbH, Schwäbisch Hall
- HASSIA Verpackungsmaschinen GmbH, Ranstadt
- Hassia Redatron Packaging Machinery Pvt. Ltd., Pune, India
- IWKA Packaging USA Inc, Morganville, USA
- Hüttlin GmbH, Steinen
- IWK Packaging Machinery Ltd., Bangkok, Thailand
- IWK Verpackungstechnik GmbH, Stutensee
- IWKA Packaging Systems GmbH, Kirchlengern
- IWKA Packaging Verwaltungs GmbH, Stutensee
- IWKA Packaging OOO, Moscow, Russia
- IWKA PACSYSTEMS Inc., Fairfield, USA
- R.A. Jones Inc., Covington, USA
- Packaging Technologies Inc., Davenport, USA
- Tecmar SA, Mar del Plata, Argentina

plus four non-consolidated financial investments and two associated companies. Profits from the sale and the result from the disposal of discontinued operations were neither realized nor reported until after the sale on April 19, 2007.

CASH FLOW STATEMENT

The cash flow statement defines the flow of funds into and out of the KUKA Group in accordance with IAS 7. The amount recognized as cash and cash equivalents comprises bank balances, checks and cash on hand.

SEGMENT REPORTING

The major components of segment reporting are based upon the primary segment reporting format for business segments and are included in the reports of the Robotics and Systems operating divisions.

EARNINGS PER SHARE

Undiluted earnings per share were calculated by dividing the group's after tax consolidated net earnings adjusted for minority interests by the group's 26.6 million outstanding shares. The earnings per share are EUR 0.37 per share.

SHARE BUYBACK PROGRAM

On March 18, 2008, the Executive Board of KUKA Aktiengesellschaft resolved in accordance with article 71, para. 1, item 8 of the German Corporation Act (AktG), to exercise the authority granted it at the annual general meeting of May 16, 2007 to buy back own shares and to acquire up to 2,660,000 shares of the company on the open stock market. The amount corresponds to up to 10 percent of current total share capital. The buyback will take place between March 25, 2008 and August 29, 2008 at the latest, under the direction of a bank, which is obligated to ensure that the buyback of the shares on the stock market is carried out in accordance with the resolution at the annual general meeting dated May 16, 2007 and the instructions outlined in article 5, para. 1 and 2 of directive (EG) No. 2273/2003.

Under the terms of this authorization, KUKA Aktiengesellschaft had bought back a total of 127,979 KUKA shares valued at EUR 2,709,030 as of March 31, 2008.

CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

Compared to December 31, 2007, the main change to other financial obligations and contingent liabilities is due to the elimination of leasing obligations associated with the KTPO pay-on-production contract.

FINANCE LEASE

KUKA Toledo Production Operations LLC., Toledo, Ohio, USA, which was consolidated for the first time in fiscal 2005, manufactures Jeep Wrangler bodies under the terms of a pay-on-production contract with Chrysler. The first unpainted car bodies associated with the project were delivered to Chrysler in July 2006. The project was financed through an operating lease agreement with a local corporation and a consortium of financing banks.
KUKA Aktiengesellschaft has reached agreement with Chrysler LLC and the financing banks regarding the prepayment of the financing of the manufacturing facility of its American subsidiary, KUKA Toledo Production Operations LLC (KTPO), which makes Chrysler's Jeep Wrangler car bodies. The take over of the financing of the buildings and production assets of total EUR 77.1 million led to legal ownership, and was prepaid using the KUKA Group's existing net liquidity. As a result, this segment's capital employed has risen.
Because of the existing agreement to supply car bodies to Chrysler, the acquisition of the production system assets were not included on the capital expenditure for the KUKA Group, but categorized as a finance lease in accordance with IFRIC 4/IAS 17 guidelines and booked as a receivable from finance leases. In the future, sales revenues shown on KTPO's profit and loss statement will thus be reduced by the fictitious leasing rate. The interest component included in the fictitious leasing rate is booked under net interest income/expense, while the repayment component of this payment reduces the receivables as per schedule.

RELATED PARTY DISCLOSURES

There have been no material changes in regard to related party relationships since December 31, 2007.

EVENTS OF MAJOR IMPORTANCE AFTER THE END OF THE REPORTING PERIOD

No events of major importance occurred after the end of the reporting period.

Augsburg, May 6, 2008
The Executive Board

Wiedemann Dr. Koch Liepert

FINANCIAL CALENDAR

Annual General Meeting, Augsburg	May 15, 2008
Interim report for first half of 2008	August 5, 2008
Interim report for the first nine months	November 4, 2008

Note: The quarterly report contains forward-looking statements based on assumptions and estimates made by the management of KUKA Aktiengesellschaft. Although management is of the opinion that these assumptions and estimates are accurate, future actual developments and future actual results could deviate significantly from these assumptions and estimates due to a variety of different factors. Some of these factors could, for example, include a change in the overall economic climate, exchange rates and interest rates, as well as changed conditions in the markets themselves. KUKA Aktiengesellschaft makes no guarantees that future developments and actual future results will align with the assumptions and estimates contained in this report, nor does it accept any liability for them. Rising oil and other raw material prices dampened the effects of expansionary monetary policies and the comparatively low cost of capital.

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