INTERIM REPORT | TO MID-YEAR 2009

AUTOMATION MOBILISIZES

Cover photo: KUKA stacking pros form part of an automation solution suitable for logistics companies, the food sector, as well as the wood, stone and furniture industries. In May 2009, the company launched three dexterous palletizing robots: the KR 300 PA, KR 470 PA and KR 700 PA. These round out the product portfolio to what is likely the world's most versatile assortment of palletizing robots. Special hallmarks of the products include their extremely short cycle times and long reach. Custom palletizing solutions can thus be offered for any range of loads from 40 kg right through to 1,300 kg.

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KUKA GROUP, KEY FIGURES

€ million	6 Months 2009	6 Months 2008	Change
Orders received	466.9	736.5	-36.6%
Order backlog (06/30)	578.5	682.8	-15.3%
Sales revenues	437.7	580.9	-24.7%
Gross profit	89.5	131.8	-32.1%
in % of sales revenues	20.4%	22.7%	-
Operating result (EBIT)	-22.9	32.0	-
in % of sales revenues	-5.2%	5.5%	-
Net result	-36.0	18.7	-
Earnings per share in €	-1.42	0.71	-
Capital expenditure	11.1	15.2	-27.0%
Equity ratio in %	22.1%	24.0%	-
Net debts	-94.4	-43.2	-
Employees (06/30)	5,891	5,943	-0.9%

€ million	2nd Quarter 2009	2nd Quarter 2008	Change
Orders received	253.2	332.2	-23.8%
Order backlog (06/30)	578.5	682.8	-15.3%
Sales revenues	210.7	300.7	-29.9%
Gross profit	38.4	68.0	-43.5%
in % of sales revenues	18.2%	22.6%	-
Operating result (EBIT)	-23.1	16.2	-
in % of sales revenues	-11.0%	5.4%	-
Net result	-34.2	8.9	-
Earnings per share in €	-1.35	0.34	-
Capital expenditure	6.5	7.7	-15.6%
Employees (06/30)	5,891	5,943	-0.9%

GROUP INTERIM REPORT

KUKA Aktiengesellschaft to June 30, 2009

OVERVIEW

- **Recession weighs on orders received in H1/09 (-36.6 percent), positive trend in Q2/09 (+18.5 percent from Q1/09)**
- **Order backlog up from EUR 539.7 million in Q1/09 to EUR 578.5 million in Q2/09**
- **Operating result (EBIT) at EUR -22.9 million, burdened by extraordinary restructuring costs of EUR 13 million**

KUKA Group's **orders received** in the first half of fiscal 2009 came in at EUR 466.9 million, a substantial drop of 36.6 percent from 2008's level of EUR 736.5 million. KUKA's Robotics division received EUR 156.6 million in new orders in the first half of 2009 versus EUR 244.0 million in the first half of 2008. This is a drop of 35.8 percent, most of which occurred in the automotive segment, which was down 45.7 percent. Orders received by Systems decreased by 37.3 percent to EUR 322.5 million, down from EUR 514.0 million in the first half of the 2008 fiscal year. These trends are also reflected in the current numbers released by the German Engineering Federation (VDMA); in fact, the reported decline was even greater. Orders received by German mechanical engineering companies dropped 46 percent year-over-year between January and June 2009, while in the Robotics and Automation sector, they plunged an even greater 53 percent.

KUKA Group had orders received of EUR 253.2 million in the second quarter of 2009, down 23.8 percent from the EUR 332.2 million posted in the second quarter of 2008. This is 18.5 percent or EUR 39.5 million better than in the first quarter of 2009. Robotics was faced with a drop of 47.7 percent from the EUR 127.2 million recorded in the second quarter of 2008. Thanks to a number of large orders from the automotive sector in the second quarter of 2009, Systems' order volume was only down 9.9 percent.

Orders received were higher than sales revenues in the second quarter of 2009, particularly in the Systems division. As a result, despite the weaker US and global economy, **order backlog** rose. At the group level, order backlog was up 7.2 percent or EUR 38.8 million from the prior quarter's EUR 539.7 million recorded on March 31, 2009. The book-to-bill ratio improved to 1.2.

KUKA Group's order backlog was EUR 578.5 million at the end of the first half of fiscal 2009. This is 15.3 percent less than the EUR 682.8 million recorded on June 30, 2008. While Robotics' order backlog was down 32.9 percent from the prior year's record date, the Systems division was down only 11.7 percent due to the significantly higher orders received. The Group's order backlog capacity is thus notionally secured for 5.3 months. At the close of the first half of 2008 it was 6.1 months. The Robotics division's order backlog notionally secures activity for 2.1 months as of June 30, 2009, whereas the Systems division will be busy for 7.0 months based on the same calculation.

Sales revenues were 24.7 percent lower than the EUR 580.9 million reported at the end of the first half of fiscal 2008. They came in at EUR 437.7 million. Sales revenues were down from the prior year's level by the same amount in both the Robotics and Systems division. Robotics posted sales revenues of EUR 169.0 million, 24.7 percent less than the EUR 224.3 million reported at the end of the first half of 2008, whereas Systems generated EUR 282.8 million, 25.7 percent less than the EUR 380.6 million at the same time in 2008.

KUKA Group had sales revenues of EUR 210.7 million in the second quarter of 2009, a drop of 29.9 percent from the EUR 300.7 million generated during the second quarter of 2008. While Robotics reported EUR 72.4 million, a decline of 32.2 percent from the Q2 2008 figure of EUR 106.8 million, Systems' sales revenues were EUR 144.1 million, down 29.9 percent from the EUR 205.7 million earned in the second quarter of 2008.

Declining sales revenues with an impact on profits of about EUR 4 million associated with the difficult market situation in the second quarter of 2009 and special accruals related to restructuring foreign subsidiaries totaling about EUR 13 million weighed on **operating result (EBIT)**. Operating profit (EBIT) in the first half of 2009 was thus EUR -22.9 million, substantially lower than the EUR 32.0 million in the first half of 2008. Excluding the extraordinary restructuring costs, adjusted operating profit (EBIT) for the first half of 2009 would therefore have been about EUR -10 million. While Robotics operating profit (EBIT) in the first half of the fiscal year was slightly negative at EUR -2.0 million, special accruals related to restructuring foreign subsidiaries had a significant negative impact on the Systems division's operating profit, which came in at EUR -15.4 million.

The Robotics division was unable to sustain the first quarter's profit level during the second quarter. Sharply declining sales revenues and lower capacity utilization drove operating profit (EBIT) to EUR -6.2 million. Systems' quarterly result came in at EUR -14.3 million, but excluding special accruals, operating profit would only have been slightly negative at EUR -1.3 million. The Group overall, including other companies, reported an operating profit (EBIT) of EUR -23.1 million for the just ended second quarter of 2009.

KUKA AG's Executive Board reacted early to the impending weakened business environment and had already initiated a multi level program in the fourth quarter of 2008 to cut the group's personnel and material costs. The cost-cutting initiative has a target of EUR 70 million. The following individual measures impact the 2009 financial year:

Phase 1, totaling about EUR 40 million:

- Reduce overtime and vacation (in progress)
- Reduce number of contract workers (in progress)
- Restructuring measures abroad (in progress)
- Lower purchasing costs (in progress)
- Savings due to increased shared service activities as part of the integrated business model (in progress)
- Optimize marketing costs (in progress)
- Cut consulting fees (in progress)

Phase 2, totaling more than EUR 30 million:

- Short time working (in progress)
- Pay cuts (in progress for management staff)
- Cancel bonus payments (in progress)
- Postpone payment of wage increases (in progress)
- Cancel one-time wage payments (in progress)
- Postpone payment of vacation bonuses (in progress)
- Review Christmas bonuses (in preparation)

As of June 30, 2009, savings of about EUR 23 million had already been realized, mainly as a result of the first level of the cost-cutting program. However, the majority of the anticipated savings are expected in the second half of 2009, because quite a few of the measures were not implemented until the first half of 2009.

Aside from the measures already implemented as part of multi level program to reduce costs, KUKA aims to sustainably position itself for the years 2010 to 2012. Structures, processes, capacities and products must be adapted to the dramatically changed general conditions and adjusted to suit the new markets. A systematic transformation process is being introduced that will also lead to fewer jobs. This program will be implemented with a strong focus on socially responsible solutions.

KUKA EQUITY

STOCK MARKETS RECOVER DURING THE SECOND QUARTER

After the international financial market crisis expanded to become a worldwide economic recession in the first quarter of 2009, international markets resumed their slide at the beginning of the year. But in early March, prices started to recover in expectation of a fast end to the economic slump, particularly in the United States. As a result, market levels in North America and Europe essentially returned to where they were prior to the market downturn at the beginning of the year.

POSITIVE DEVELOPMENT OF KUKA SHARES IN THE SECOND QUARTER

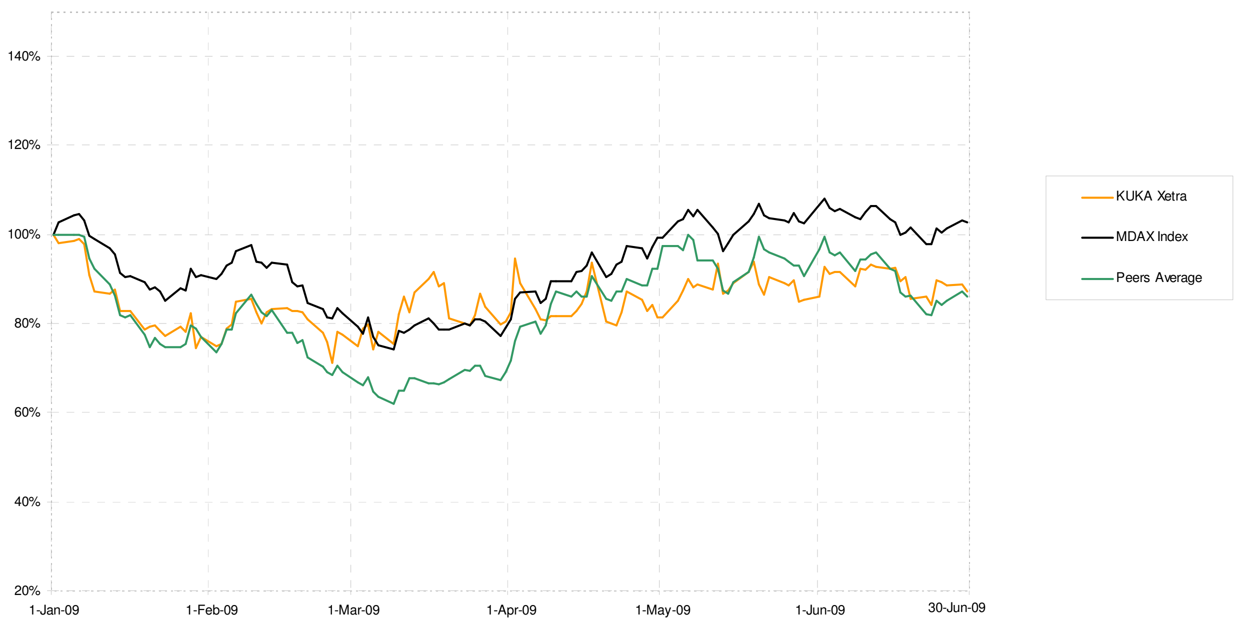
The MDAX, the index of mid-cap listed German companies, also recovered from the beginning of March to the end of June, rising about 30 percent. On June 30, 2009, the index was back to 5,754, almost exactly the same level as at the beginning of 2009. However, this positive market environment had only a minor impact on KUKA's share price in the second quarter of 2009. The profit warning issued on April 27, 2009 and the bankruptcy of two major North American automotive customers on April 30, 2009 and June 1, 2009 weighed on KUKA's stock price. Nonetheless, KUKA's share price rose in Q2 2009 and closed at EUR 11.05 at the end of the quarter, up about 8 percent.

Still, the stock lost 14 percent of its value between January 1, 2009 and June 30, 2009. The peer group of comparable mechanical engineering companies also reported an average share price decline of 14 percent during the same period, with the spread ranging from -7 percent to -34 percent.

MAJOR SHAREHOLDER GRENZEBACH REACHES BLOCKING MINORITY LEVEL

Grenzebach Maschinenbau GmbH increased its share of KUKA AG from 20.02 percent on March 19, 2009 to 29.22 percent on June 10, 2009. Grenzebach Maschinenbau GmbH issued an announcement on July 9, 2009 in accordance with articles 21 and 22 of the WpHG (German Securities Trading Act) in regard to the voting rights it holds.

KUKA'S SHARE PRICE PERFORMANCE FROM JANUARY TO JUNE 2009



Note regarding the graph: The peer group includes Demag Cranes, Dürr, GEA, Gildemeister, Heidelberger Druck, Krones and Leoni.

GENERAL CONDITIONS

The Federal Republic of Germany experienced the worst economic slump in its existence during the first quarter of 2009, with gross domestic product declining 3.8 percent. According to forecasts by the German Central Bank, the **economic situation** should stabilize in the second quarter of 2009 at a low level. In comparison to a weak month of April, the manufacturing industry grew considerably in May, particularly in the capital goods area. Economic performance was reported at +3.7 percent. Business sentiment indicators for industry, wholesalers and retailers also began trending higher again. However, for the current year, the German Central Bank is still forecasting a 6.2 percent overall drop in gross domestic product compared to the year prior, while the EU Commission predicts a decline of only 4.0 percent for the euro zone and a downturn of 2.9 percent for the United States (source: economic forecast by the German Central Bank, June 2009).

In the **automotive industry**, an increase in demand is still only being observed in Germany. Due to the success of the environmental premium and the amendment to the motor vehicle tax levy, new car registrations were up 26 percent over last year during the first half of 2009 versus 18 percent in the first quarter of 2009 according to VDA (German automotive industry association). However, the corresponding sales numbers in Europe during the first half of 2009 overall were down 11 percent from the year prior. In Q1 2009 they had slumped 17 percent. New vehicle registrations were also down 35 percent in the United States during the first half of 2009, the same low level as in the prior quarter. (In comparison, Jeep Wrangler sales were five percent higher than at the end of the first half of 2008.) Nevertheless, VDA has stated that seasonally adjusted export orders for German carmakers, down 35 percent in the first half of 2009, started rising again since February and is talking about a "low level floor formation".

In the German **mechanical and plant engineering sector**, the unusually poor orders received situation was extended into the second quarter of 2009. For the month of June, VDMA reports a drop of 46 percent in orders received compared to June 2008. From January to June, orders were down 46 percent overall compared to last year. VDMA is now forecasting a total year-over-year drop in manufacturing approaching 20 percent for the current year. During the reporting period, robotics and automation was once again below average for the sector and slid 53 percent. Japanese robotics companies reported a drop in sales of 61 percent compared to last year for the period January to June 2009 (source: JARA, Japan Robotic Industry Association).

EARNINGS, FINANCIAL AND ASSETS SITUATION

In the first six months of 2009, KUKA Group generated consolidated **sales revenues** of EUR 437.7 million. In 2008, the number was EUR 580.9 million over the same period. This represents a decline of 24.7 percent. In the second quarter of 2009, sales revenues were also down sharply from the prior year's second quarter EUR 300.7 million, coming in at EUR 210.7 million.

Gross margin for the Group declined to 20.4 percent in the first six months of 2009 from 22.7 percent for the first half of 2008. While Robotics' gross margin of 33.1 percent was almost the same as last year's 34.2 percent at the half-year mark, it declined from 14.2 to 10.8 percent in the Systems division. The business unit was unable to adjust its capacities to the declining revenues to the same extent.

KUKA Group's gross margin was also lower than last year in the second quarter of 2009. It was reported at 18.2 percent versus 22.6 percent for Q2 2008. Both divisions contributed to the decline in the second quarter of 2009. The measures already initiated in conjunction with the group-wide cost reduction program will lead to an improvement in this area during the second half of this fiscal year due to the operations related agreements.

Due to the difficult market environment and the restructuring of foreign subsidiaries, the Group reported an **operating profit (EBIT)** of –EUR 22.9 million for the first half of fiscal 2009. During the comparable period in 2008, the company was still able to generate an operating profit (EBIT) of +EUR 32.0 million and an EBIT margin of 5.5 percent. Operating profits were impacted by extraordinary accruals in the amount of EUR 13 million for restructuring foreign subsidiaries. In addition, KUKA had to contend with a drop of about EUR 4 million in earnings as a result of the low sales revenues.

In the second quarter, operating profit (EBIT) dropped to EUR -23.1 million from EUR 16.2 million in Q2 2008. The second quarter 2009 result was significantly weaker as a result of the aforementioned extraordinary charges and the difficult market environment.

For the first half of 2009, Robotics generated an operating profit (EBIT) of EUR -2.0 million. This is EUR 21.3 million lower than the operating profit (EBIT) of EUR 19.3 million generated during the first six months of 2008. Second-quarter operating profit (EBIT) of EUR -6.2 million was significantly lower than the comparable EUR 9.2 million generated in last year's second quarter. The Systems division reported an operating profit (EBIT) of EUR -15.4 million in the first six months of 2009, versus EUR 19.3 million during the first half of 2008. Aside from the difficult economic environment, the sharp decline is primarily due to the planned restructuring of the business in France and the associated closure of the Tours and Montigny locations.

Net interest expense improved slightly in the first half of 2009, down EUR 0.2 million to EUR -2.7 million, which compares to EUR -2.9 million at the close of the first half of 2008. Net interest expense includes mainly the interest expenses for the convertible bond in the amount of EUR 2.5 million, prorated interest on pensions of EUR 2.0 million and other interest income, primarily in connection with the finance lease associated with the KTPO pay-on-production contract in the United States. Interest income from the finance leasing was not yet included during the first quarter of 2008.

Earnings before taxes (EBT) in the first six months of 2009 totaled EUR -25.6 million, compared to EUR 29.1 million in the first half of 2008. Tax expense was EUR 10.4 million, almost the same as a year earlier. Aside from the negative earnings before taxes, the result was negatively impacted in large part due to the forfeiture of tax loss carryforwards when one of the major shareholders exceeded the legally stipulated shareholding threshold of 25 percent.

Earnings after taxes in the period under review were - EUR 36.0 million, compared to EUR 18.7 million at the close of last year's first half. At the close of the quarter just ended, earnings after taxes were reported at EUR -34.2 million compared to EUR 8.9 million at the end of Q2 2008.

As in the previous quarter, KUKA Group's **balance sheet** includes a high backlog of construction contracts. The total amount was EUR 144.0 million as of the June 30, 2009 record date. However, this is 13.8 percent less than on December 31, 2008. The company was able to reduce the net difference in receivables and payables from construction contracts by EUR 20.9 million to EUR 91.6 million between December 31, 2008 and June 30, 2009. At the same time, trade receivables declined EUR 40.2 million, from EUR 164.4 million on December 31, 2008 to EUR 124.2 million. On the liability side, current other provisons were down by EUR 9.7 million, trade payables were reduced by EUR 61.5 million and other current liabilities declined by EUR 12.9 million, particularly in the tax and personnel areas.

The **equity ratio** fell to 22.1 percent as of June 30, 2009, from 24.7 percent on December 31, 2008. Overall, total equity declined by EUR 38.0 million to EUR 175.5 million, mainly due to the negative half-year results and the income-neutral treatment of actuarial losses related to pension accruals.

The Group's **net debt**, which is calculated by subtracting current and noncurrent financial liabilities from liquid assets, was EUR 94.4 million as of June 30, 2009, slightly lower than the EUR 95.2 million reported on March 31, 2009. On December 31, 2008, net debt was EUR 53.6 million. The difference is mainly attributable to the EUR 61.5 million decline in accounts payable. They went from EUR 149.1 million on December 31, 2008 to EUR 87.6 million as of June 30, 2009. The Group's net debt has stabilized despite declining orders received in a difficult market environment and has actually improved in consideration of the accounts payable.

EMPLOYEES

KUKA Group had 5,891 employees as of June 30, 2009, expressed as full time staff, which reflects a decline of 52 persons from the 5,943 workers as of June 30, 2008. While the Group had more sales employees than at the same time last year, in manufacturing the total was noticeably lower. The workforce of 6,124 employed on March 31, 2009 shrank by 233 persons, of which 97 are attributable to the Hungarian subsidiary. The already introduced cost cutting measures, as well as social compensation plans and location closures in France, will continue to lead to a reduced employee count in future quarters. Most of the workforce declines occurred in the robotics/automotive and systems/car body assembly systems areas, while in the general industry segments of both Robotics and Systems, the number of employees rose slightly.

In contrast, the number of contract workers employed by KUKA Group was cut sharply from the 1,065 employed on June 30, 2008. The number declined by 460 persons, a drop of 43.2 percent. About half of the terminated contract workers were working at foreign subsidiaries. During the second quarter just ended, 34 persons were let go. On June 30, 2009, 605 workers remained. Most of the contract workers had been hired for major foreign projects.

Due to the newly created Shared Service Center for the IT, purchasing, human resources and legal departments, which was created in conjunction with the integrated business model and the cost reduction program, the number of corporate (AG) employees rose from 134 as of June 30, 2008 to currently 207. However, this increase is merely the result of transfers within the Group.

DEVELOPMENTS IN THE DIVISIONS

ROBOTICS, KEY FIGURES

€ million	6 Months 2009	6 Months 2008	Change
Orders received	156.6	244.0	-35.8%
Order backlog (06/30)	87.8	130.8	-32.9%
Sales revenues	169.0	224.3	-24.7%
Gross profit	55.9	76.7	-27.1%
in % of sales revenues	33.1%	34.2%	-
Operating result (EBIT)	-2.0	19.3	-
in % of sales revenues	-1.2%	8.6%	-
Employees (06/30)	2,084	2,133	-2.3%

€ million	2nd Quarter 2009	2nd Quarter 2008	Change
Orders received	66.5	127.2	-47.7%
Order backlog (06/30)	87.8	130.8	-32.9%
Sales revenues	72.4	106.8	-32.2%
Gross profit	21.2	38.8	-45.4%
in % of sales revenues	29.3%	36.3%	-
Operating result (EBIT)	-6.2	9.2	-
in % of sales revenues	-8.6%	8.6%	-
Employees (06/30)	2,084	2,133	-2.3%

ROBOTICS 6 MONTHS

The Robotics division reported **orders received** of EUR 156.6 million in the first half of fiscal 2009. This is 35.8 percent less than the EUR 244.0 million recorded on June 30, 2008.

Cumulative **sales revenues** for the first two quarters of 2009 totaled EUR 169.0 million. Last year's half-year total was EUR 224.3 million. This represents a decline of 24.7 percent. Of the total cumulative sales revenues, 31.3 percent were attributable to the automotive sector, 46.6 percent to general industry and 22.1 percent to service. While the drop in sales revenues in general industry and service was in the order of 10 percent, in automotive they were sharply lower than in the first half of 2008, declining 43.8 percent.

Operating profit (EBIT) in the first half of 2009 was negative as a result of significantly lower sales revenues and lower capacity utilization compared to the first six months of the prior year. The result of EUR -2.0 million compares to last year's first-half operating profit of EUR 19.3 million. Cost cutting measures were only introduced during the first half of 2009, particularly the lowering of personnel costs; e.g., short time working. Their full impact will be seen in the second half of 2009 and will lead to lower costs.

The Robotics division had 2,084 **employees** as of June 30, 2009. This is 49 persons less than the 2,133 employees on June 30, 2008. Most of the decline was due to the reduced workforce at the Hungarian subsidiary and integration of Robotics employees into the new KUKA AG shared service centers. The number of temporary workers was down by 246 persons from 348 on June 30, 2008, with a final total of 102 persons on June 30, 2009.

ROBOTICS SECOND QUARTER

In the second quarter of 2008, Robotics's **orders received** totaled EUR 127.2 million, a record. During the 2009 quarter just ended, they came in at only EUR 66.5 million, a drop of 47.7 percent. This trend was similar at the company's major competitors in Japan, where orders received declines were far greater during the quarter just ended. KUKA was able to reinforce its position as the preferred supplier at Daimler. Upcoming projects over the course of the next three years will require about 3,000 robots, among other things for the M Class and S Class vehicles, in addition to truck production. Robotics also received blanket order releases from Daimler (C Class), BMW (5-Series and 6-Series), VW (Passat and Jetta) as well as Ford Saarlouis (Focus), in addition to retooling orders from Daimler (Bremen) and Ford (USA). In Brazil, an order was received from Honda. A major order from ThyssenKrupp for arc welding was booked in the automotive sub supplier segment. In general, signs of an initial floor in orders received began to emerge during the second quarter.

Numerous small orders were won in the general industry sector. Among others, Robotics received an important order in the solar technology segment. The end customer will use KUKA robotics technology for manufacturing solar modules and for the associated gluing applications. Several furniture industry orders were also received through systems partners. Here KUKA robots will in future be used for palletizing tasks associated with heavy loads.

The Robotics division's second-quarter 2009 **sales revenues** of EUR 72.4 million were 32.2 percent lower than the EUR 106.8 million generated during the second quarter of 2008. Most noteworthy of the processed orders were those delivered to the Romanian factory for the Ford Transit. The other major sales came from Daimler (CLS Class), BMW (6-Series), BMW Brilliance (China), Ford (Transit Connect, Grand & Compact MAV) and VW Mexico (Jetta) projects.

Order backlog as of June 30, 2009 was down slightly, declining to EUR 87.8 million, 6.7 percent lower than the EUR 94.1 million on March 31, 2009 and 32.9 percent less than the EUR 130.8 million recorded on June 30, 2008. Based on budgeted 2009 sales revenues, the Robotics division has therefore notionally secured its capacity utilization for 2.1 months. On June 30, 2008, it was 3.3 months.

While in the first quarter of 2009 the division was still able to generate a positive **operating profit (EBIT)** of EUR 4.2 million, it had to report an operating profit (EBIT) of –EUR 6.2 million during the second quarter 2009. This is primarily due to lower sales in the service and automotive sectors and general underutilization of capacity.

ORDERS RECEIVED BY SEGMENT: ROBOTICS

€ million	6 Months 2009	6 Months 2008	Change
Automotive	46.9	86.4	-45.7%
General Industry	70.4	107.8	-34.7%
Service	39.3	49.8	-21.1%
Total Robotics	**156.6**	**244.0**	**-35.8%**

€ million	2nd Quarter 2009	2nd Quarter 2008	Change
Automotive	19.7	53.5	-63.2%
General Industry	29.9	47.9	-37.6%
Service	16.9	25.8	-34.5%
Total Robotics	**66.5**	**127.2**	**-47.7%**

In the first half of t 2009, EUR 46.9 million or 29.9 percent of orders received came from the automotive sector, EUR 70.4 million or 45.0 percent from general industry and EUR 39.3 million or 25.1 percent from service. Orders received increases from healthcare industry customers were above average. In July 2009, another order for special robots was received from this sector. There were major declines in the automotive segment. Here orders received in the first half of 2009 were only 54.3 percent of the prior year's total of EUR 86.4 million in Q2/08.

The situation in the second quarter of 2009 was similar. Orders from the automotive sector were down 63.2 percent from the comparable prior year's quarter. This reflects the negative impact of the reduced capital spending by the automotive industry.

SYSTEMS, KEY FIGURES

€ million	6 Months 2009	6 Months 2008	Change
Orders received	322.5	514.0	-37.3%
Order backlog (06/30)	496.5	562.0	-11.7%
Sales revenues	282.8	380.6	-25.7%
Gross profit	30.6	54.2	-43.5%
in % of sales revenues	10.8%	14.2%	-
Operating result (EBIT)	-15.4	19.3	-
in % of sales revenues	-5.4%	5.1%	-
Employees (06/30)	3,600	3,677	-2.1%

€ million	2nd Quarter 2009	2nd Quarter 2008	Change
Orders received	192.9	214.0	-9.9%
Order backlog (06/30)	496.5	562.0	-11.7%
Sales revenues	144.1	205.7	-29.9%
Gross profit	14.4	28.0	-48.6%
in % of sales revenues	10.0%	13.6%	-
Operating result (EBIT)	-14.3	10.9	-
in % of sales revenues	-9.9%	5.3%	-
Employees (06/30)	3,600	3,677	-2.1%

SYSTEMS 6 MONTHS

In the first six months of 2009, **orders received** at EUR 322.5 million were significantly lower than 2008's first-half level of EUR 514.0 million. The division declined orders that would result in losses. Orders received were down in all regions except Germany. However, in the solar and aerospace sectors, the division was able to secure long-term orders and frame contracts from important customers.

As of June 30, 2009, **order backlog** stood at EUR 496.5 million, 11.7 percent less than the 562.0 million recorded on June 30, 2008. But compared to the EUR 451.5 million order backlog as of March 31, 2009, order backlog was up 10 percent or EUR 45.0 million thanks to the orders won during the second quarter. Systems's capacity is therefore notionally utilized for 7.0 months, which compares to 8.1 months as of June 30, 2008.

Sales revenues in the first half of fiscal 2009 totaled EUR 282.8 million, a drop of 25.7 percent from last year's EUR 380.6 million. In the first half of 2009, KUKA Systems continued to receive large orders from major automakers, such as Daimler, Ford, VW and BMW.

The Systems division reported a cumulative **operating profit (EBIT)** of EUR -15.4 million in the first six months of 2009 versus EUR 19.3 million on June 30, 2008. Extraordinary accruals for restructuring foreign subsidiaries totaling EUR 13 million weighed on this result. The biggest contributors were the reorganization of the business in France and closure of the locations in Tours and Montigny near Paris, which involved 144 employees. Steady losses associated with these businesses and the lack of a positive medium-term outlook made it necessary to take these steps in conjunction with the systematic cost management effort (see also press release dated July 20, 2009: KUKA reorganizes business in France).

The Systems had 3,600 **employees** as of June 30, 2009. Compared to the prior year's period end, the workforce shrank 2.1 percent from 3,677 on June 30, 2008. Employees already part of the social compensation plan will be added in future quarters. While the number of persons in the manufacturing and administration areas declined, the sales force expanded slightly. The number of temporary employees was down by 208 persons from 706 on June 30, 2008, with a final total of 498 persons on June 30, 2009.

SYSTEMS SECOND QUARTER

The Systems division's second-quarter 2009 **orders received** of EUR 192.9 million were 9.9 percent lower than the EUR 214.0 million generated during the second quarter of 2008. The systems business grew in both the automotive segment and general industry. Aside from a major order from solar industry company Solarwatt AG, the division was able to land two additional major solar industry orders in the United States. In the automotive sector, Systems benefited from three large orders in the following areas: car body assembly, press tool construction and tooling fixtures for subfloor manufacturing. The division's **sales revenues** in the second quarter of 2009 came in at EUR 144.1 million, which compares to EUR 205.7 million during the second quarter of 2008.

Systems ended the second quarter of 2009 with an **operating profit (EBIT)** of EUR -14.3 million. The extraordinary accruals totaling EUR 13 million for restructuring foreign subsidiaries had a negative impact. This result is very different from 2008's second quarter total of EUR 10.9 million. Excluding these extraordinary accruals, the division's quarterly operating profit would have been slightly negative at EUR -1.3 million. Systematic implementation of the cost reduction measures will also have a noticeably greater impact on Systems' results during the second half of fiscal 2009.

ORDERS RECEIVED BY REGION: SYSTEMS

€ million	6 Months 2009	6 Months 2008	Change
Germany	118.9	80.2	48.3%
Europe (without Germany)	48.6	150.1	-67.6%
USA	118.5	216.8	-45.3%
Asia and other regions	36.5	66.9	-45.4%
Total orders received	**322.5**	**514.0**	**-37.3%**

€ million	2nd Quarter 2009	2nd Quarter 2008	Change
Germany	88.9	29.2	204.5%
Europe (without Germany)	18.7	102.8	-81.8%
USA	64.7	66.0	-2.0%
Asia and other regions	20.6	16.0	28.8%
Total orders received	**192.9**	**214.0**	**-9.9%**

On a regional basis, Germany was the leader with orders received of EUR 118.9 million in the first half of 2009 versus EUR 80.2 million at the halfway mark of 2008. This is mainly due to large orders in the automotive segment. Europe (excluding Germany), North America, Asia and other regions trended lower in the first half of 2009 compared to the year prior.

The European region (excluding Germany) was sharply lower than the year prior in the second quarter of 2009. On a location basis, Germany was able to almost offset this decline. While North America remained at the same level as last year, Asia's second quarter orders received were significantly better than the year prior.

RESEARCH AND DEVELOPMENT, CAPITAL EXPENDITURES

In the first half of 2009, KUKA Group spent EUR 20.0 million on research and development (R&D), which corresponds to 4.6 percent of sales revenues. During the comparable period in 2008, the Group invested EUR 15.8 million, or 2.7 percent of sales revenues. Robotics' R&D expenditures totaled EUR 19.0 million compared to EUR 14.8 million on June 30, 2008. The remaining expenses are attributable to Systems. The Systems division's share of the R&D budget is typically significantly lower as a result of the high number of custom developments for specific customer orders, but is distinguished by the high level of research expertise and integration of the results into the process technology for plant engineering and construction. "ROBO SCAN", which improves efficiency and flexibility through remote laser welding with a variable working distance of up to 1,500 mm, is an successful example.

Robotics is focusing on developing a new performance-optimized, flexible control technology platform and the next generation of industrial robots. In conjunction with the EU-sponsored CARE (Coordination Action for Robotics in Europe) research project, Europe's leading robot manufacturers, systems integrators, research institutes and universities are developing a common European research roadmap, "Robotic Visions to 2020 and beyond – The Strategic Research Agenda for Robotics in Europe", under the direction of KUKA Robotics (see press release "KUKA CEO presents vision of robotics in 2020" dated July 13, 2009).

The Group invested EUR 11.1 million in tangible and intangible fixed assets during the first six months, compared to EUR 15.2 million during the first half of 2008. This decline is primarily due to lower spending in conjunction with the group-wide cost reduction program.

RISK MANAGEMENT

KUKA Group is primarily exposed to market risks. This includes in particular the effects of the international financial market crisis, which have worsened the general economic crisis. There is also the issue of dependency on major customers in the automotive sector, particularly in the case of the American subsidiaries.

The total risk exposure of KUKA to the American carmakers facing financial difficulties (Chrysler and Jeep Wrangler/KTPO, General Motors/Opel) is currently in the order of EUR 10 million. The risk exposure related to outstanding receivables (trade receivables, PoC receivables and open purchase orders) declined sharply following the conclusion of the Chapter 11 bankruptcy protection process at GM and Chrysler; from EUR 82 million on September 30, 2008 to EUR 10 million as of June 30, 2009. As a result, no write-downs were required as of June 30, 2009, as was the case on March 31, 2009.

As a result of the impact of the current economic crisis on KUKA AG's business situation, a covenant of the Syndicated Senior Facilities Agreement in the amount of EUR 305 million was violated during the second quarter of 2009. This could result in the line of credit being terminated. For this reason, discussions with banks were already initiated in the fourth quarter of 2008 and the first quarter of 2009, with the aim of securing financing beyond 2010. KUKA AG's existence could be jeopardized by non-recognition of the waiver requests (requests regarding waiver of cancellation of the Syndicated Senior Facilities Agreement by the banks). The Executive Board has received no indication from the lending banks that would put into question the necessary waiver requests up to the explicit extension of the Syndicated Senior Facilities Agreement. Given the actions already initiated, the Executive Board therefore expects the Group to continue as an ongoing concern.

Nothing of material importance has changed since December 31, 2008 with respect to other risks. Please refer to page 61 of the detailed risk report in the 2008 annual report in this regard.

STRATEGY

The course of the current economic crisis validates KUKA Group's adopted strategy.

- continue to develop the integrated KUKA business model with two divisions
- safeguard the core automotive industry business
- expand business in the growth sector, general industry

The company continues to receive more than half of its orders from customers in the automotive industry and its sub suppliers. In the future, key account managers from both divisions will jointly offer products and engineering services from both divisions as part of the integrated business model. **"Made by KUKA"** in this combination is virtually unparalleled. Furthermore, more and more of the development projects at the KUKA Innovation Center aimed at securing technology leadership are benefiting from the pooled expertise of the systems builders and robotics developers.

However, the current economic crisis has shown that demand from many general industry markets (excluding the automotive industry) has in part declined even more sharply due to tighter credit conditions. KUKA will continue to systematically expand its business in the growth segments of this industry and also introduce "**Made by KUKA**" to general industry, especially the solar and aviation industries. Over the past few months, Systems has been able to win major orders from companies in the aforementioned sectors by offering KUKA robots. Finally, the company already started centralizing departments such as accounting and human resources, purchasing and IT at KUKA AG at the beginning of 2008.

OUTLOOK

For the year 2009 overall, KUKA expects a breakeven operating profit (EBIT) and breakeven free cash flow before extraordinary restructuring costs. However, taking into consideration the extraordinary restructuring costs, KUKA expects that the operating result (EBIT) will be well into negative territory.

INTERIM REPORT (CONDENSED)

GROUP CONSOLIDATED INCOME STATEMENT (CONDENSED)

€ million	6 Months 2009	6 Months 2008
Sales revenues	**437.7**	**580.9**
Cost of sales	-348.2	-449.1
Gross profit	**89.5**	**131.8**
Selling expenses	-40.1	-41.7
Research and development expenses	-20.0	-15.8
General and administrative expenses	-38.2	-40.7
Other operating income	7.5	5.9
Other operating expenses	-21.6	-7.5
Earnings from operating activities (EBIT)	**-22.9**	**32.0**
Net interest income/expense	-2.7	-2.9
Earnings before tax	**-25.6**	**29.1**
Taxes on income	-10.4	-10.4
Net result	**-36.0**	**18.7**
thereof minority interests in profits	-0.1	0.0
thereof shareholders of KUKA AG	-35.9	18.7
Earnings per share (in € after minority interests; diluted/undiluted)	**-1.42**	**0.71**

€ million	2nd Quarter 2009	2nd Quarter 2008
Sales revenues	**210.7**	**300.7**
Cost of sales	-172.3	-232.7
Gross profit	**38.4**	**68.0**
Selling expenses	-19.5	-22.0
Research and development expenses	-10.9	-7.3
General and administrative expenses	-19.7	-21.3
Other operating income	0.4	1.6
Other operating expenses	-11.8	-2.8
Earnings from operating activities (EBIT)	**-23.1**	**16.2**
Net interest income/expense	-1.4	-1.3
Earnings before tax	**-24.5**	**14.9**
Taxes on income	-9.7	-6.0
Net result	**-34.2**	**8.9**
thereof minority interests in profits	-0.1	0.0
thereof shareholders of KUKA AG	-34.1	8.9
Earnings per share (in € after minority interests; diluted/undiluted)	**-1.35**	**0.34**

CONSOLIDATED BALANCE SHEET

ASSETS

€ million	06/30/2009	12/31/2008
Non-Current assets		
Fixed assets		
Intangible assets	75.3	74.2
Tangible assets	91.1	93.0
Financial investments	1.0	0.4
	167.4	**167.6**
Long-term finance lease receivables	**79.0**	**82.0**
Long term tax receivables	**11.9**	**11.6**
Other long-term receivables and other assets	**8.8**	**10.2**
Deferred taxes	**26.9**	**26.6**
	294.0	**298.0**
Current assets		
Inventories	**146.9**	**151.5**
Receivables and other assets		
Trade receivables	124.2	164.4
Receivables from construction contracts	144.0	167.1
Receivables from affiliated companies	0.1	0.4
Current finance lease receivables	3.4	3.3
Current tax receivables	22.4	22.8
Other assets, prepaid expenses and deferred charges	16.3	16.7
	310.4	**374.7**
Cash and cash equivalents	**42.7**	**41.3**
	500.0	**567.5**
	794.0	**865.5**

EQUITY AND LIABILITIES

€ million	06/30/2009	12/31/2008
Equity	**175.5**	**213.5**
Non-current liabilities, provisions and accruals		
Non-current financial liabilities	62.6	61.3
Other non-current liabilities	12.1	13.1
Pensions and similiar obligations	70.6	68.5
Deferred taxes	20.4	13.1
	165.7	**156.0**
Current liabilities		
Current financial liabilities	74.5	33.6
Trade payables	87.6	149.1
Advances received	48.7	36.7
Liabilities from construction contracts	52.4	54.6
Accounts payable to affiliated companies	0.3	0.2
Other current liabilities and deferred income	80.1	103.0
Provision for taxes	11.4	11.3
Other provisions	97.8	107.5
	452.8	**496.0**
	794.0	**865.5**

CASH FLOW STATEMENT

€ million	6 Months 2009	6 Months 2008
Net result	**-36.0**	**18.7**
Depreciation/amortization on fixed assets	12.1	12.6
Other non-payment-related expenses/income	7.0	3.6
Cash Earnings	**-16.9**	**34.9**
Result on the disposal of assets	0.1	-0.8
Changes in		
provisions	-10.7	-46.9
inventories	4.8	-31.1
receivables and deferred charges	69.2	-34.7
liabilities and deferred income	-75.4	14.1
Cash flow from operating activities	**-28.9**	**-64.5**
Payments from disposals of fixed assets	0.3	1.6
Payments for capital expenditure on tangible and intangible assets	-11.1	-15.2
Payments for investments in financial assets	-0.9	0.0
Payments for the acquisition of a finance lease receivable	0.0	-77.1
Cash flow from investing activities	**-11.7**	**-90.7**
Free cash flow	**-40.6**	**-155.2**
Payments for the acquisition of treasury shares	0.0	-23.1
Payments of dividend	0.0	-26.1
Changes in financial liabilities	42.0	33.4
Cash flow from financing activities	**42.0**	**-15.8**
Payment-related change in cash and cash equivalents	**1.4**	**-171.0**
Exchange-rate-related and other changes in cash and cash equivalents	0.0	-2.5
Change in cash and cash equivalents	**1.4**	**-173.5**
Cash and cash equivalents at the beginning of the period (01/01)	41.3	223.2
Cash and cash equivalents at the end of the period (03/31)	**42.7**	**49.7**

STATEMENT OF COMPREHENSIVE INCOME

€ millions	6 Months 2009	6 Months 2008
Earnings after taxes	**-36.0**	**18.7**
Changes in market valuation/ hedges	0.0	-0.4
Translation adjustments	-0.1	-3.2
Changes of actuarial gains and losses	-3.4	6.6
Deferred taxes on changes of acturial gains and losses	0.7	-1.2
Other comprehensive income	**-2.8**	**1.8**
Comprehensive income	**-38.8**	**20.5**
of which: attributable to minority interests	-0.1	0.0
of which: attributable to shareholders of KUKA AG	-38.7	20.5

€ millions	2nd Quarter 2009	2nd Quarter 2008
Earnings after taxes	**-34.2**	**8.9**
Changes in market valuation/ hedges	0.0	-0.4
Translation adjustments	-2.4	0.0
Changes of actuarial gains and losses	-1.3	4.7
Deferred taxes on changes of acturial gains and losses	0.3	-0.9
Other comprehensive income	**-3.4**	**3.4**
Comprehensive income	**-37.6**	**12.3**
of which: attributable to minority interests	-0.1	0.0
of which: attributable to shareholders of KUKA AG	-37.5	12.3

CHANGES TO GROUP EQUITY

	Number of shares outstanding	Subscribed capital in € millions	Capital reserve in € millions	Treasury stock in € millions	Revenue reserves: Translation gains/ losses in € millions	Revenue reserves: Market valuation/ hedges in € millions	Revenue reserves: Actuarial gains and losses in € millions	Revenue reserves: Annual net income and other revenue reserves in € millions	Equity to shareholders in € millions	Minority interests in € millions	Total in € millions
01/01/2009	**25,272,660**	**69.2**	**26.5**	**-27.9**	**-8.5**	**0.0**	**6.9**	**145.8**	**212.0**	**1.5**	**213.5**
Comprehensive income					-0.1		-2.6	-36.0	-38.7	-0.1	-38.8
Dividend of KUKA AG								0.0	0.0		
Purchase of treasury stocks within the share buyback programme									0.0		0.0
Employees' share programme								0.9	0.9		0.9
Other changes								-0.1	-0.1		-0.1
06/30/2009	**25,272,660**	**69.2**	**26.5**	**-27.9**	**-8.6**	**0.0**	**4.3**	**110.6**	**174.1**	**1.4**	**175.5**

	Number of shares outstanding	Subscribed capital in € millions	Capital reserve in € millions	Treasury stock in € millions	Revenue reserves: Translation gains/ losses in € millions	Revenue reserves: Market valuation/ hedges in € millions	Revenue reserves: Actuarial gains and losses in € millions	Revenue reserves: Annual net income and other revenue reserves in € millions	Equity to shareholders in € millions	Minority interests in € millions	Total in € millions
01/01/2008	**26,600,000**	**69.2**	**26.5**	**0.0**	**-8.2**	**0.0**	**3.5**	**141.1**	**232.1**	**1.4**	**233.5**
Comprehensive income					-3.2	-0.4	5.4	18.7	20.5	0.0	20.5
Dividend of KUKA AG								-26.1	-26.1		-26.1
Purchase of treasury stocks within the share buyback programme	-1,063,975			-23.1					-23.1		-23.1
Employees' share programme									0.0		0.0
Other changes								0.6	0.6		0.6
06/30/2008	**25,536,025**	**69.2**	**26.5**	**-23.1**	**-11.4**	**-0.4**	**8.9**	**134.3**	**204.0**	**1.4**	**205.4**

NOTES ON THE QUARTERLY REPORT (CONDENSED)

IFRS/IAS ACCOUNTING STANDARDS

KUKA Aktiengesellschaft, headquartered in Augsburg, has prepared its condensed consolidated financial statements for June 30, 2009 according to the International Financial Reporting Standards (IFRS) and the International Accounting Standards (IAS) of the International Accounting Standards Board (IASB), as well as the interpretations of the Standing Interpretation Committee (SIC) and International Financial Reporting Interpretation Committee (IFRIC), as adopted by the European Union as of the period end. The interim report is prepared in accordance with IAS34.

All IFRS/IAS standards and interpretations of the IFRIC applicable to the 2009 financial year were taken into account. The accounting and valuation policies correspond in principle to the methods used on December 31, 2008, with the exception of the standards and interpretations that came into force for the first time in the 2009 financial year. The newly applied standards and interpretations are listed under "Changes to accounting and valuation policies".

SCOPE OF CONSOLIDATION

The Group interim report contains forty-two companies. In addition to KUKA Aktiengesellschaft, it includes six companies registered inside Germany and thirty-five firms domiciled outside Germany, for which KUKA Aktiengesellschaft either directly or indirectly holds majority voting rights.

In comparison to December 31, 2008, the following companies have been eliminated from the scope of consolidation:

- D.V. Automation Ltd., Halesowen / Great Britain
- KUKA Welding Systems + Robot Ltd., Halesowen / Great Britain
- LSW UK Ltd., Harlow / Great Britain

and LSW Maschinenfabrik GmbH, Bremen, which was merged with KUKA Systems GmbH, Augsburg.

ACCOUNTING AND VALUATION POLICIES

- The same valuation methodology and financial principles as those used in the consolidated financial statements for the 2008 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 2008 Group consolidated financial statements. The latter are also available on the Internet at www.KUKA.com.

CHANGES TO ACCOUNTING AND VALUATION POLICIES

- In comparison to the 2008 group financial statements, the income statement has been revised to improve transparency. The "Other operating expenses and income", which had still been shown as a summary to the end of the financial year will from now on be separately itemized. The prior year's results were adjusted accordingly.

- The following new standards and interpretations have come into effect since the start of the 2009 financial year:

- IFRS 8 - business segments
- Changes to IFRS 2 - share-based compensation
- IAS 1 - presentation of the financial statements (revised)
- IAS 23 - debt capital (revised)
- Changes to IAS 32 - financial instruments: presentation and IAS 1 presentation of the financial report
- Changes to IAS 39 - eligible hedged items*
- Changes to IFRS (annual revision process 2007) **
- Changes to IFRS 7, improved reporting of financial instruments*
- Changes to IFRS 1 and IAS 27, acquisition costs related to shares of subsidiaries, jointly managed companies or associated companies
- Changes to IAS 39 and IFRS 7, reclassification of financial assets
- Changes to IAS 39, reclassification of financial assets: effective date and transition rules*
- Changes to FRIC 9 and IAS 39, embedded derivatives*
- IFRIC 11 - IFRS 2 - transactions with treasury shares and shares of group companies
- IFRIC 13 - customer retention programs
- IFRIC 15 - agreements regarding the construction of properties*
- IFRIC 16 - hedging a net investment in a foreign business operation

  * conditional upon endorsement by the European Union

  ** affects the following standards: IFRS 5, IAS 1, IAS 16, IAS 19, IAS 20, IAS 23, IAS 27, IAS 28, IAS 29, IAS 31, IAS 36, IAS 38, IAS 39, IAS 40 and IAS 41

- IFRS 8 - business segments - as well as the revised IAS 1 - presentation of the financial statements - impact the way the financial information is published, but not the method of evaluating assets and debt. The remaining new standards and interpretations are not applicable to or have little impact on KUKA's consolidated statements.

SHARE-BASED COMPENSATION

KUKA employees of the German companies were able to acquire KUKA shares as part of an employee share program. Based on a staggered holding period of 1, 3 and 5 years, employees are credited with a bonus share for every ten KUKA shares purchased. In addition to the subscribed shares, employees were granted an additional 50 percent shares as an incentive. KUKA employees acquired a total of 197,115 shares.

FINANCING LEASE

As presented in the 2008 financial report, a financing lease has existed in conjunction with the car body production for Chrysler's Jeep Wrangler since the first quarter of 2008. The redemption of the financing to take over legal ownership of the buildings and production systems totaled EUR 77.1 million; as a result, the Systems division's capital employed rose.

Because of the existing agreement to supply car bodies to Chrysler, the acquisition of the production system assets were not included on the balance sheet as an asset acquisition, but instead 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 balance sheet 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.

TAX LOSSES AND LOSS CARRYFORWARDS

The tax expense was mainly affected by the forfeiture of tax loss carryforwards as a result of a major shareholder exceeding the legally stipulated share ownership threshold of 25 percent in KUKA Aktiengesellschaft. The negative impact totaled about EUR 10 million.

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 25.3 million outstanding shares. The earnings per share are - EUR 1.42 per share.

SHARE BUYBACK PROGRAM

The share capital totals EUR 69,160,000.00, and is divided into 26,600,000 individual no-par value shares issued to bearer, the same as on December 31, 2008. Between March 25, 2008 and August 29, 2008, the company bought back its own shares on the open market as authorized at the annual general meeting on May 16, 2007. In accordance with this authorization, KUKA Aktiengesellschaft bought back 1,327,340 KUKA shares valued at EUR 27,898,339.58. As of June 30, 2009, 25,272,660 shares remained outstanding.

IAS 19 EMPLOYEE BENEFITS

The income-neutral sum of EUR 2.6 million was reported under equity in the report dated June 30, 2009 for the purposes of employee benefits accounting in accordance with IAS 19. This amount was for the adjustment of the rate of return from 6.25 percent p.a. to 5.7 percent p.a. for insurance-related notional losses resulting from German pension obligations and insurance-related notional losses reported for US plan assets in consideration of deferred taxes.

RESTRUCTURING

The company decided upon and announced an extensive restructuring plan for the Systems division and its foreign subsidiaries in the second quarter of 2009. In total, accruals of EUR 13 million were formed for the expected restructuring measures.

SYNDICATED LOAN AGREEMENT

KUKA Group concluded a syndicated loan agreement with a consortium of national and international banks in order to ensure adequate liquidity. The agreement is comprised of EUR 190.0 million in working capital guarantees and EUR 115.0 million in cash credit lines. An ABS program totaling up to EUR 25.0 million also exists. Unlimited access to the credit lines is tied to bank covenants. As a result of the difficult market environment, not all covenants could be adhered to as of the end of the second quarter. As of the period end, a cash credit line of EUR 70.1 million and working capital guarantees about EUR 107.3 million were being used. Discussions with the consortium of banks regarding revising the contractual conditions are progressing constructively. In this respect, we also refer to the statements made in the Risk Report.

SEGMENT REPORTING

Starting with the 2009 financial year, the IFRS 8 ruling on business segments must be applied. External segment reporting must now be aligned with internal reporting ("management approach"). Segment reports will be strictly based on financial information used by the company's decision makers to internally manage the company, decide on the allocation of resources and assess profitability.

Because of the company's internal organizational and reporting structure, the segment reporting used to date by KUKA has not changed. The key financial indicators are determined for both segments, KUKA Robotics and KUKA Systems. Operating profit (EBIT) is used as the key indicator in regard to managing segment profits.
The main elements of the segment reports are contained in the reports on the operating business divisions, Robotics and Systems.

CASH FLOW

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.

CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

There has been no material change in other financial obligations and contingent liabilities since December 31, 2008.

RELATED PARTIES

Persons or companies that may be influenced by the reporting companies or that may influence the reporting companies are to be disclosed in accordance with IAS 24, provided they have not already been included as part of the scope of consolidation in the financial statements.

Parties related to KUKA Group include mainly members of the Executive and Supervisory boards as well as non-consolidated companies in which KUKA Aktiengesellschaft directly or indirectly holds more than 20 percent of the voting rights, or companies that directly or indirectly hold more than 20 percent of the voting rights of KUKA Aktiengesellschaft.

Grenzebach Maschinenbau GmbH, Hamlar, Bavaria and RINVEST AG, Pfäffikon, Switzerland jointly own 29.22 percent of KUKA Aktiengesellschaft. As per the voting rights notification dated June 10, 2009, the voting right shares are to be mutually allocated in accordance with article 22, clause 2 of the WpHG (German securities trading act) and therefore represent related parties within the meaning of IAS 24.

According to IAS 24 in connection with IAS 34, the following disclosures are required:

In total, the value of goods and services supplied to Grenzebach Group in the first half of fiscal 2009 was EUR 1.0 million. The goods and services received by the group were worth EUR 0.5 million. As of June 30, 2009, liabilities totaled EUR 0.3 million. There were no receivables. The market oriented transfer prices are in accordance with the "dealing at arm's length" principle.

There have been no material changes in dealings with related parties since December 31, 2008.

EVENTS OF MAJOR IMPORTANCE AFTER THE END OF THE REPORTING PERIOD

There were no events of material significance after the close of the reporting period.

RESPONSIBILITY STATEMENT FROM LEGAL REPRESENTATIVES

To the best of our knowledge, and in accordance with the applicable reporting principles for proper interim financial reporting the condensed interim consolidated financial statements give a true and fair view of the assets, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Augsburg, August 4, 2009

The Executive Board

Dr. Kayser Dr. Rapp

REVIEW REPORT

To KUKA Aktiengesellschaft, Augsburg:

We have reviewed the condensed consolidated interim financial statements - comprising the condensed income statement, condensed balance sheet, condensed cash flow statement, statement of comprehensive income, statement of changes in equity and selected explanatory notes - and the interim group management report of KUKA Aktiengesellschaft, Augsburg, for the period from January 1st, 2009 to June 30, 2009 which are part of the half-year financial report pursuant to § (Article) 37w WpHG ("Wertpapierhandelsgesetz: German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Without qualifying our opinion we draw attention to the fact that the ability of KUKA AG and its material subsidiaries to continue as a going concern is threatened by risks which are described in the section "Riskmanagement" of the interim group management report as well as in the section "Syndicated loan agreement" of the condensed notes. Due to the violation of a credit covenant which has occurred, the extension of the existing syndicated loan agreement must be requested on a monthly basis and approved by the financing banks. The ability of KUKA AG and its material subsidiaries to continue as a going concern is dependent on the execution of the measures already approved by the board of directors and the supervisory board and the realisation of the potential cost savings as well as the financing banks continuing to maintain the existing syndicated loan agreement.

Munich, August 4, 2009

PricewaterhouseCoopers Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Werner Hölzl	Alexander Winter
German public auditor	German public auditor

FINANCIAL CALENDAR

Interim report for the first nine months	November 3, 2009
Preliminary figures for the 2009 financial year	February 2, 2010
Financial results press conference, Munich	March 11, 2010

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 same.

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