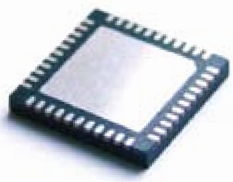
driven by ELMOS

Q3

JULY 1 – SEPTEMBER 30, 2009

INTERIM REPORT ON THE THIRD QUARTER 2009



Overview

In focus

- Stimulation in 3rd quarter 2009 above expectations
- Sales plus of 40.9% compared the previous quarter
- Balanced EBIT: one quarter ahead of forecast
- Cost cutting measures right on schedule

Key figures

	3rd quarter 2009 vs. prior-year period and previous quarter					9 months		
in million Euro or %, unless otherwise indicated	**7/1 – 9/30/2009**	**7/1 – 9/30/2008**	**Change**	**4/1 – 6/30/2009**	**Change**	**1/1 – 9/30/2009**	**1/1 – 9/30/2008**	**Change**
Sales	**35.5**	**42.6**	**– 16.7%**	**25.2**	**40.9%**	**83.3**	**133.5**	**– 37.6%**
Semiconductor	32.3	39.9	–19.0%	22.9	23.6%	75.6	125.2	– 40.0%
Micromechanics	3.2	2.7	17.9%	2.3	32.4%	7.8	8.3	– 6.0%
Gross profit	**12.4**	**18.8**	**– 33.9%**	**2.8**	**n/a**	**19.9**	**58.1**	**– 65.8%**
in % of sales	35.0%	44.1%		11.0%		23.9%	43.6%	
R&D expenses	6.3	7.7	– 19.3%	6.2	0.4%	19.3	23.5	– 18.1%
in % of sales	17.6%	18.1%		24.7%		23.1%	17.6%	
Operating income	0.3	4.3	n/a	– 9.6	n/a	– 17.8	14.1	n/a
in % of sales	0.8%	10.2%		– 38.1%		– 21.4%	10.6%	
EBIT	**0.1**	**5.2**	**n/a**	**– 9.9**	**n/a**	**– 18.7**	**14.2**	**n/a**
in % of sales	0.3%	12.1%		– 39.2%		– 22.4%	10.6%	
Net income/loss for the period	– 0.3	3.4	n/a	– 7.5	94.5%	– 14.0	9.7	n/a
in % of sales	– 0.8%	7.9%		– 29.9%		– 16.7%	7.3%	
Earnings per share in Euro	**– 0.02**	**0.17**	**n/a**	**– 0.39**	**94.5%**	**– 0.72**	**0.50**	**n/a**
Operating cash flow	2.7	8.8	– 69.6%	– 2.5	n/a	1.0	15.1	– 72.8%
Capital expenditures	1.1	3.7	– 82.4%	1.1	6.2%	4.6	16.8	– 73.6%
in % of sales	3.2%	8.7%		4.2%		5.5%	12.6%	

in million Euro or %, unless otherwise indicated	**9/30/2009**	**12/31/2008**	**Change**
Equity	157.1	171.2	– 8.3%
in % of total assets	69.8%	68.5%	
Employees (balance sheet date)	1,025	1,093	– 6.2%

Interim group management report

Course of business

Sales development and order situation

The recovery of demand in the 2nd half-year 2009, particularly in the automotive industry, has exceeded our expectations. ELMOS therefore increased sales in the 3rd quarter 2009 significantly compared to the previous quarter. Sales gained roughly 10.3 million Euro on the 2nd quarter 2009 in the reporting period, coming to 35.5 million Euro (Q2 2009: 25.2 million Euro). Over the first nine months of 2009 ELMOS generated sales of 83.3 million Euro (9M 2008: 133.5 million Euro). The growth in sales over the previous quarters is accounted for by a sales increase in the regular business and the positive development of new business. The ratio of orders received to sales, the so-called book-to-bill, was solidly above one in the 3rd quarter.

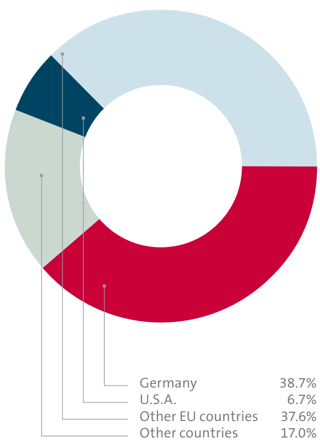
The semiconductor segment reached sales of 32.3 million Euro in the 3rd quarter 2009 (Q2 2009: 22.9 million Euro). This result is due to the significant recovery of the automotive industry. The micromechanics segment achieved sales of 3.2 million Euro in the 3rd quarter 2009, signifying a 37.8% increase over the previous quarter. Considering the first nine months, segment sales added up to 7.8 million Euro (9M 2008: 8.3 million Euro). This result gives evidence of the competitiveness of our MEMS solutions. The lower relative sales decrease compared to the semiconductor segment is accounted for by sales markets developed beyond the automotive industry. Micromechanics key customers manufacture products for medical technology, industrial application, air conditioning technology, or consumer applications.

The first half-year was defined on the one hand by customer restraint with regard to new orders and on the other hand by the supply chain running dry. These developments are now turning around, and we are recording catching-up effects at the order inflow. While order reliability has increased considerably compared to the end of 2008 and early 2009, it has not reached the pre-crisis level yet. In addition, effects produced by the car-scrap bonus schemes launched in several countries must be taken into consideration as these schemes are currently being discontinued in important markets.

Due to the global economic crisis, all regions continue to show a significant decrease in sales on nine-month basis. However, we are noticing growth stimulating factors on the Asian markets based on a better market situation compared to Europe and the U.S. as well as the successful introduction of new projects.

Region	1/1 – 9/30/2009 thousand Euro	in percent of sales	1/1 – 9/30/2008 thousand Euro	in percent of sales	Change
Germany	32,231	38.7%	53,283	39.9%	– 39.5%
Other EU countries	31,336	37.6%	48,679	36.5%	– 35.6%
U.S.A.	5,574	6.7%	10,645	8.0%	– 47.6%
Other countries	14,182	17.0%	20,869	15.6%	– 32.0%
Group sales	**83,323**	**100.0%**	**133,477**	**100.0%**	**– 37.6%**

Sales by region 9 months 2009



Profit situation, finances and asset situation

The cost saving measures initiated in the fall 2008 generated the scheduled dynamics over the first nine months of 2009. These measures include the reduction and postponement of capital expenditures, cutting down on all cost items, introducing short-time work at the Dortmund location (since January 2009) and other locations, the termination of a majority of temporary employment contracts, the postponement of the manufacture conversion from 6-inch to 8-inch wafers (Dortmund location), and considerable cost reductions at the subsidiaries. By these extensive measures considerably more than 10 million Euro will be saved in 2009. Supported by other effects, this package of measures made the improvement of the earnings quality possible in the 3rd quarter.

In the first nine months of 2009 the gross profit dropped 65.8% to 19.9 million Euro (9M 2008: 58.1 million Euro). Accordingly the gross margin fell to 23.9% over the same period. Compared to the previous quarter, though, significant improvements were achieved. The gross profit of the 3rd quarter 2009 gained 9.6 million Euro on the 2nd quarter 2009 to reach 12.4 million Euro (Q2 2009: 2.8 million Euro). Thus the gross margin moved up from 11.0% in the 2nd quarter 2009 to 35.0% in the 3rd quarter 2009. As was the case in the previous quarter, the large extent of stock reduction placed a burden on the 3rd quarter's gross profit. The stock reduction is the consequence of the lowered manufacturing volume at both semiconductor production locations, Dortmund and Duisburg. However, this effect has clearly diminished in comparison with the previous quarter.

Functional costs fell in absolute figures over the first nine months of 2009 compared to the prior-year period, giving evidence of the cost cutting scheme's effectiveness once more. Research and development expenses went down 18.1% to 19.3 million Euro in the first nine months of 2009 (9M 2008: 23.5 million Euro). Distribution costs amounted to 7.9 million Euro (9M 2008: 8.5 million Euro). General administrative expenses dropped 12.0% to 10.6 million Euro (9M 2008: 12.0 million Euro).

While the operating result was negative on nine-month basis (9M 2009: – 17.8 million Euro), a balanced operating income of 0.3 million Euro was achieved in the 3rd quarter. This result represents a significant increase over the previous quarter (Q2 2009: – 9.6 million Euro). The EBIT of the 3rd quarter showed a positive trend as well, reaching a balanced result of 0.1 million Euro (Q2 2009: – 9.9 million Euro). Thus the break-even point was arrived at one quarter earlier than predicted in the half-year report 2009.

The quarter under review recorded a slight net loss of 0.3 million Euro. The previous quarter's loss had been much higher (Q2 2009: –7.5 million Euro). The net loss of the first nine months came to –14.0 million Euro or a loss per share of –0.72 Euro (9M 2008: net income of 9.7 million Euro/earnings of 0.50 Euro per share).

The cash flow from operating activities amounted to 1.0 million Euro in the nine-month reporting period; in the 3rd quarter an operating cash flow of 2.7 million Euro was achieved. This result is the consequence of increased sales and further working capital improvements. Capital expenditures continued to be cut down considerably and were limited to essential projects. Owing to this discipline in expenditure, a level of 4.6 million Euro or 5.5% of sales was reached for the first nine months of 2009 (9M 2008: 16.8 million Euro/12.6%). Therefore the free cash flow showed a positive development compared to the previous year as well (9M 2009: – 2.0 million Euro vs. 9M 2008: – 3.4 million Euro).

Cash and cash equivalents were only marginally reduced in the first nine months of 2009 compared to the level at the end of the year (September 30, 2009: 40.8 million Euro vs. December 31, 2008: 42.5 million Euro). The equity ratio of 69.8% maintains its high level, too (December 31, 2008: 68.5%). This result gives proof of the successful liquidity management and the company's balance sheet strength.

Economic environment

The general economic environment shows signs of recovery. A continued bottoming out is pushing through the international markets while regional differences are vast in part. Regarding the automotive industry it must be taken into consideration that the car-scrap bonus schemes launched in numerous countries had a deciding impact on registration numbers even if those primarily concerned small and medium-sized cars.

In **Germany** close to 3.0 million cars were newly registered in the first nine months of 2009 (+26%). As of the end of September, almost as many cars have thus been newly registered as over the whole year 2008. At the same time the volume of domestic orders received has so far been reduced considerably less than expected by the German Association of the Automotive Industry (VDA). Since the beginning of the year German car manufacturers have recorded a 22% increase in orders over the prior-year period. In September the order backlog was still 31% above the prior-year level.

In **Western Europe** a sales plus of close to 8% was achieved on the automobile market in the 3rd quarter 2009, not sufficient to fully compensate for the weak first half-year: This year so far records a sales decline of 5% compared to the prior-year period.

In the **U.S.A.** the 3rd quarter paints a mixed picture. While the beginning of the quarter showed a highly positive development due to the "cash for clunkers" program based on the German car-scrap bonus, the U.S. auto market collapsed after the bonus scheme expired in September. Sales dropped 41% compared to the previous month. In comparison with the previous year, 23% less cars were sold in September than one year ago.

China continues to be the auto industry's global driver of growth in the 3rd quarter 2009. Automobile sales were increased by 77% in September over the prior-year month of comparison, and the 3rd quarter's growth in sales comes close to 75%. In the first nine months auto sales gained 42% to a total 7.2 million new vehicles.

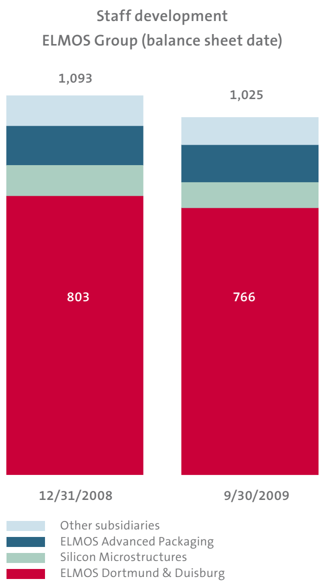
The **Indian** automobile market has grown 9% since the beginning of the year to more than 1.3 million new auto registrations. While the **Japanese** market is still 14% behind the prior-year level, with close to 2.9 million new cars, the second consecutive monthly sales plus for new registrations was recorded in September.

Significant events

At the **beginning of July** ELMOS released a new standard product catalog. More than 50 standard products (ASSPs) are presented in a clear layout, complete with features, descriptions, and specific packages. Samples are available for all of these products and the majority is obtainable as series products. The ASSPs complete the ELMOS product portfolio with its more than 300 realized ASIC projects and more than two billion chips produced. In early October ELMOS issued an update of the product catalog, showcasing product advancements of the past months alongside new products.

At the **end of July** ELMOS presented a variable multi-phase booster (E981.01) with high efficiency. The ASSP component simplifies the setup of DC-DC converters with up to 9 phases. With its boost topology, working voltages of up to approx. 60V can be achieved in the on-board 12V system. The component is suited e.g. for use in high-performance LED lighting such as LED headlights, for audio power amplifiers' voltage supply in the automobile, or the setup of industrial-use power converters.

Other information



Staff development

The ELMOS Group had a staff of 1,025 employees as of September 30, 2009. Thus the number of employees is on the decline, compared to both December 31, 2008 (1,093) and June 30, 2009 (1,046). The current headcount corresponds to a decrease of 6.2% from the end of the year 2008 and 2.0% from the end of the previous quarter.

ELMOS share

In the 3rd quarter 2009 the ELMOS share grew much faster than the general markets did. The price of the ELMOS share almost doubled in the 3rd quarter 2009 (+93.7%). The trading volume (Xetra and Frankfurt floor) also gained considerably compared to the first half-year 2009, coming to an average of 37.2 thousand shares a day over the reporting period (1HY 2009: 14.5 thousand shares a day). The share price reached its 13-week high near the end of the reporting period at 5.00 Euro on September 29, 2009; the 13-week low was recorded on July 13 and 14, at 2.12 Euro. On September 30, 2009 the ELMOS share closed at 4.90 Euro; market capitalization as of that date amounted to 95.1 million Euro. On nine-month basis the ELMOS share gained 113.0% (all prices: Xetra). The average trading volume was 22.4 thousand shares a day over the nine-month period.

The rally at the stock markets during the 3rd quarter 2009 is reflected by the performance of the general market indices: The Dax gained 18.0% in the 3rd quarter 2009; the TecDax was up 20.9%, and the GEX climbed 15.4%.

On July 23, 2009 FMR LLC (Boston, U.S.A.) exceeded the threshold of 3% of the voting rights. By that time the company held 3.07% or 595,694 voting rights of ELMOS. On September 2, 2009 FMR LLC exceeded the 5% threshold. As of that day FMR LLC owned 5.03% or 976,190 ELMOS shares.

On August 14, 2009 Fidelity Management & Research Company (Boston, U.S.A.) crossed the voting rights threshold of 3%. The company reported in its announcement that it held 3.15% or 612.350 shares of ELMOS. After the end of the reporting period, on October 22, 2009, Fidelity Management & Research Company (Boston, U.S.A.) announced that it held 5.06% or 982,212 ELMOS shares.

Company boards

SUPERVISORY BOARD

Prof. Dr. Günter Zimmer, ***chairman***
Graduate physicist | Duisburg

Dr. Burkhard Dreher, ***deputy chairman***
Graduate economist | Dortmund

Dr. Klaus Egger ***(appointed on 6/25/2009)***
Graduate engineer | Wenzenbach

Jörns Haberstroh
Business management graduate | Kerken

Dr. Peter Thoma ***(until 5/6/2009)***
Graduate physicist | Unterschleißheim

Jutta Weber
Graduate educationist |
Tarrytown, New York, U.S.A.

Dr. Klaus G. Weyer
Graduate physicist | Schwerte

MANAGEMENT BOARD

Dr. Anton Mindl, ***chairman***
Graduate physicist | Lüdenscheid

Nicolaus Graf von Luckner
Graduate economist | Oberursel

Reinhard Senf
Graduate engineer | Iserlohn

Jürgen Höllisch
Engineer | Purbach/Austria

Outlook

Opportunities and risks

The risk management as well as the separate business risks and opportunities are described in our Annual Report 2008. No significant changes of the risks and opportunities for the company detailed therein arose in the first nine months of 2009. Currently no risks are recognizable that pose a threat to the company's continued existence, either separately or collectively.

Economic framework

Following the drastic collapse at the end of 2008 and through the first half-year 2009, the general economic conditions show the first signs of recovery. The improvement of the sales situation on the international auto markets is expected to keep up during the 4th quarter 2009.

Outlook for the ELMOS Group

ELMOS notices a continuing satisfying trend relating to orders. The ratio of orders received to sales, the so-called book-to-bill, was above one at the end of the 3rd quarter 2009. It is currently expected that the positive trend on the international auto sales markets will keep up until the end of the year 2009. While orders last well into the first quarter 2010 already, it is unclear whether this is accounted for by logistics effects or real market expectations.

ELMOS will therefore continue its cost saving measures consistently. Capital expenditures will remain limited to a necessary volume as in the entire course of the year 2009, thus falling considerably below the level of 2008. Cash management is still given high priority. The objective is to provide sufficient funds for the operating business and further growth, as well as increased distribution activities and research and development projects.

Our standard product solutions (ASSPs) are met with growing customer attention. The market recognizes ELMOS' significantly increased commitment to ASSPs, and we receive satisfying feedback for existing solutions as well as new developments. We are positioning ourselves increasingly as a supplier of system solutions, especially in the field of communications (bus systems), safety and comfort applications. Furthermore, the positive trend on the Asian markets is keeping up. Our efforts in targeting automotive customers and the industrial goods sector in the Far East show considerable progress and make us feel confident that we will participate in this region's strong growth.

Moreover, ELMOS was able to supply all of its customers reliably over the entire reporting period. This cannot be taken for granted in view of the currently volatile sales development and has further strengthened customer confidence in ELMOS as a partner in difficult times. With regard to business with both regular and new customers, the overall picture is positive.

Interim consolidated financial statements

Condensed consolidated balance sheet

Assets	9/30/2009 Euro	12/31/2008 Euro
Non-current assets		
Intangible assets *	38,603,343	40,200,036
Property, plant and equipment *	74,029,160	80,698,137
Investments accounted for at equity	1	1
Securities and investments *	517,693	517,693
Deferred tax assets	8,901,724	6,619,684
Total non-current assets	**122,051,921**	**128,035,551**
Current assets		
Inventories *	33,517,537	37,379,627
Trade receivables	20,500,486	29,735,847
Cash and cash equivalents	40,808,273	42,463,401
Other assets and income tax assets	7,785,387	10,347,411
	102,611,683	**119,926,286**
Non-current assets classified as held for sale	413,220	2,104,679
Total current assets	**103,024,903**	**122,030,965**
Total assets	225,076,824	**250,066,516**

** Cf. note 3*

Equity and liabilities	9/30/2009 Euro	12/31/2008 Euro
Equity		
Equity attributable to equity holders of the parent		
Share capital *	19,414,205	19,414,205
Additional paid-in capital	88,973,116	88,736,563
Surplus reserve	102,224	102,224
Accumulated other comprehensive income	−5,678,965	−5,445,033
Retained earnings	54,455,159	68,410,785
	157,265,739	**171,218,744**
Minority interest	−214,083	−13,825
Total equity	**157,051,656**	**171,204,919**
Liabilities		
Non-current liabilities		
Provisions	817,745	911,450
Financial liabilities	40,287,235	40,433,714
Other liabilities	2,067,594	2,244,242
Deferred tax assets	0	3,935,323
Total non-current liabilities	**43,172,574**	**47,524,729**
Current liabilities		
Provisions	7,488,067	6,744,564
Tax liabilities	2,682,872	3,862,368
Financial liabilities	430,834	186,032
Trade payables	12,262,809	18,403,799
Other liabilities	1,988,012	2,140,105
Total current liabilities	**24,852,594**	**31,336,868**
Total liabilities	**68,025,168**	**78,861,597**
Total equity and liabilities	**225,076,824**	**250,066,516**

** Cf. note 3*

Condensed consolidated statement of comprehensive income

3rd quarter	7/1 – 9/30/2009 Euro	in percent of sales	7/1 – 9/30/2008 Euro	in percent of sales	Change
Sales	35,527,578	100.0%	42,635,621	100.0%	– 16.7%
Cost of sales	23,095,616	65.0%	23,817,971	55.9%	– 3.0%
Gross profit	**12,431,962**	**35.0%**	**18,817,650**	**44.1%**	**– 33.9%**
Research and development expenses	6,245,472	17.6%	7,736,784	18.1%	– 19.3%
Distribution expenses	2,481,856	7.0%	2,764,381	6.5%	– 10.2%
Administrative expenses	3,437,671	9.7%	3,986,328	9.3%	– 13.8%
Operating income before other operating expenses/(income)	**266,963**	**0.8%**	**4,330,157**	**10.2%**	**– 93.8%**
Finance income	– 192,211	– 0.5%	– 218,859	– 0.5%	– 12.2%
Finance expenses	570,900	1.6%	630,288	1.5%	– 9.4%
Foreign exchange losses	13,006	0.0%	– 171,299	– 0.4%	– 107.6%
Other operating income	– 382,735	– 1.1%	– 1,563,609		– 75.5%
Other operating expenses	513,092	1.4%	900,529	2.1%	– 43.0%
Earnings before taxes	**– 255,089**	**– 0.7%**	**4,753,108**	**11.1%**	**– 105.4%**
Income taxes					
Income tax expense	177,189	0.5%	1,125,610	2.6%	– 84.3%
Deferred taxes/(income)	– 241,030	– 0.7%	392,145	0.9%	– 161.5%
	– 63,842	**– 0.2%**	**1,517,756**	**3.6%**	**– 104.2%**
Net income/loss	**– 191,247**	**– 0.5%**	**3,235,352**	**7.6%**	**– 105.9%**
Thereof:					
Minority interest	102,282	0.3%	– 115,990	– 0.3%	– 188.2%
Equity holders of the parent	**– 293,530**	**– 0.8%**	**3,351,342**	**7.9%**	**– 108.8%**
Foreign currency adjustments without deferred tax effect	– 126,079		1,313,954		
Foreign currency adjustments with deferred tax effect	– 504,640		31,191		
Deferred taxes (on foreign currency adjustments with deferred tax effect)	129,356		– 9,850		
Accumulated other comprehensive income	**– 501,363**	**– 1.4%**	**1,335,295**	**3.1%**	**– 137.5%**
Net income/loss including accumulated other comprehensive income	**– 794,893**	**– 23.5%**	**4,686,637**	**11.0%**	
Basic earnings per share	**– 0.02**		**0.17**		**n/a**
Fully diluted earnings per share	**– 0.02**		**0.17**		**n/a**

Earnings before interest and taxes (EBIT)

	7/1 – 9/30/2009 Euro	in percent of sales	7/1 – 9/30/2008 Euro	in percent of sales	Change
Operating income before other operating expenses/(income)	**266,963**	**0.8%**	**4,330,157**	**10.2%**	**– 93.8%**
Foreign exchange losses	13,006	0.0%	– 171,299	– 0.4%	– 107.6%
Other operating expenses/(income)	130,357	0.3%	– 663,080	– 1.6%	– 118.5%
EBIT	**123,600**	**0.3%**	**5,164,536**	**12.1%**	**n/a**

Condensed consolidated statement of comprehensive income

9 months 2009	1/1 – 9/30/2009 Euro	in percent of sales	1/1 – 9/30/2008 Euro	in percent of sales	Change
Sales	83,322,994	100.0%	133,476,675	100.0%	– 37.6%
Cost of sales	63,435,486	76.1%	75,330,371	56.4%	– 15.8%
Gross profit	**19,887,507**	**23.9%**	**58,146,304**	**43.6%**	**– 65.8%**
Research and development expenses	19,247,371	23.1%	23,514,753	17.6%	– 18.1%
Distribution expenses	7,880,617	9.5%	8,486,587	6.4%	– 7.1%
Administrative expenses	10,590,573	12.7%	12,030,885	9.0%	– 12.0%
Operating income before other operating expenses/(income)	**– 17,831,055**	**– 21.4%**	**14,114,079**	**10.6%**	**– 226.3%**
Finance income	– 716,202	– 0.9%	– 1,187,508	– 0.9%	– 39.7%
Finance expenses	1,686,829	2.0%	2,321,460	1.7%	– 27.3%
Foreign exchange losses/(income)	696,119	0.8%	151,010	0.1%	361.0%
Other operating income	– 1,713,859	– 2.1%	– 2,269,449	– 1.7%	– 24.5%
Other operating expenses	1,849,593	2.2%	2,048,423	1.5%	– 9.7%
Earnings before taxes	**– 19,633,536**	**– 23.6%**	**13,050,143**	**9.8%**	**– 250.4%**
Income taxes					
Income tax expense	609,723	0.7%	2,862,076	2.1%	– 78.7%
Deferred taxes	– 6,335,740	– 7.6%	696,150	0.5%	n/a
	– 5,726,017	**– 6.9%**	**3,558,226**	**2.7%**	**– 260.9%**
Net income/loss	**– 13,907,518**	**– 16.7%**	**9,491,917**	**7.1%**	**– 246.5%**
Thereof:					
Minority interest	48,108	0.1%	– 250,312	– 0.2%	– 119.2%
Equity holders of the parent	**– 13,955,626**	**– 16.7%**	**9,742,229**	**7.3%**	**– 243.2%**
Foreign currency adjustments without deferred tax effect	1,004,915		491,395		n/a
Foreign currency adjustments with deferred tax effect	– 1,634,497		116,751		
Deferred taxes (on foreign currency adjustments with deferred tax effect)	395,650		– 36,870		n/a
Accumulated other comprehensive income	**– 233,932**		**571,276**		**0**
Net income/loss including accumulated other comprehensive income	**– 14,189,558**		**10,313,505**		**– 237.6%**
Basic earnings per share	**– 0.72**		**0.50**		**n/a**
Fully diluted earnings per share	**– 0.72**		**0.50**		**n/a**

Earnings before interest and taxes (EBIT)

	1/1 – 9/30/2009 Euro	in percent of sales	1/1 – 9/30/2008 Euro	in percent of sales	Change
Operating income before other operating expenses/(income)	**– 17,831,055**	**– 21.4%**	**14,114,079**	**10.6%**	**– 226.3%**
Foreign exchange losses	696,119	0.8%	151,010	0.1%	361.0%
Other operating expenses/(income)	135,734	0.1%	– 221,026	– 0.2%	– 34.2%
EBIT	**– 18,662,908**	**– 22.4%**	**14,184,095**	**10.6%**	**n/a**

Condensed consolidated statement of changes in equity

	Shares Number	Share capital Euro	Additional paid-in capital Euro
January 1, 2008	**19,414,205**	**19,414,205**	**88,736,563**
Transaction with owners/purchase of own shares	– 37,400	– 37,400	– 188,198
Foreign currency adjustments			
Net income for the first half-year 2008			
September 30, 2008	**19,376,805**	**19,376,805**	**88,548,365**
January 1, 2009	**19,414,205**	**19,414,205**	**88,736,563**
Acquisition minority interest Mechaless			199,366
Stock option plan expense			37,187
Foreign currency adjustments			
Net income for the first half-year 2009			
September 30, 2009	**19,414,205**	**19,414,205**	**88,973,116**

Surplus reserve Euro	Accumulated other comprehensive income Euro	Retained earnings Euro	Total Euro	Minority interest Total Euro	Group Total Euro
102,224	**– 6,407,297**	**57,809,788**	**159,655,483**	**309,704**	**159,965,187**
			– 255,598		– 225,598
	571,276		571,276		571,276
		9,742,229	9,742,229	– 250,312	9,491,917
102,224	**– 5,836,021**	**67,552,017**	**169,743,390**	**59,392**	**169,802,782**
102,224	**– 5,445,033**	**68,410,785**	**171,218,744**	**– 13,825**	**171,204,919**
			199,366	– 248,366	– 49,000
			37,187		37,187
	– 233,932		– 233,932		– 233,932
		– 13,955,626	– 13,955,626	48,108	– 13,907,518
102,224	**– 5,678,965**	**54,455,159**	**157,265,739**	**– 214,083**	**157,051,656**

Condensed consolidated cash flow statement

	1/1 – 9/30/2009 Euro	1/1 – 9/30/2008 Euro	7/1 – 9/30/2009 Euro	7/1 – 9/30/2008 Euro
Cash flow from operating activities				
Net loss/Net income after minority interest	– 13,955,626	9,742,229	– 293,530	3,351,342
Depreciation and amortization	12,383,344	13,713,660	4,342,744	4,640,614
Interest result	970,628	1,133,952	378,690	411,429
Non-cash effective income/expense	– 6,335,740	696,150	– 241,030	392,145
Income tax expense	609,723	2,862,076	177,189	1,125,610
Minority interest	48,108	– 250,312	102,282	– 115,990
Changes in pension provisions	– 93,705	– 84,356	– 31,209	– 28,092
Stock option plan expense	37,187	0	27,890	0
Changes in net working capital:				
Trade receivables	9,235,361	– 3,068,938	– 4,759,443	– 645,008
Inventories	3,862,089	– 3,051,025	2,254,144	– 2,307,985
Prepaid expenses and other assets	2,666,535	– 3,403,813	1,224,175	30,469
Trade payables	– 6,140,990	2,173,014	556,414	4,120,913
Other provisions and other liabilities	591,980	– 2,861,824	162,719	– 1,390,749
Income tax payments	– 1,893,731	– 1,333,140	– 781,410	– 398,704
Interest paid	– 1,686,829	– 2,321,460	– 570,900	– 630,288
Interest received	716,202	1,187,508	192,211	218,859
Cash flow from operating activities	**1,014,535**	**15,133,721**	**2,740,936**	**8,774,567**
Cash flow from investing activities				
Capital expenditures for intangible assets	– 2,889,075	– 4,305,217	– 737,879	– 1,960,334
Capital expenditures for property, plant and equipment	– 1,683,088	– 12,474,558	– 384,224	– 1,732,289
Disposal/Addition of non-current assets classified as held for sale	1,516,251	– 3,091,539	933,111	– 2,893,279
Disposal of fixed assets	126,667	1,344,619	12,958	1,259,949
Acquisition of minority interests	– 49,000	0	– 49,000	0
Cash flow from investing activities	**– 2,978,246**	**– 18,526,695**	**– 225,034**	**– 5,325,951**
Cash flow from financing activities				
Purchase of own shares	0	– 225,598	0	76,003
Repayment of non-current liabilities	– 315,766	– 1,235,698	– 108,459	– 395,832
Proceeds from/Repayment of current liabilities to banks	236,872	– 1,066,657	152,610	– 895,446
Cash flow from financing activities	**– 78,894**	**– 2,527,953**	**44,151**	**– 1,215,275**
Decrease/Increase in cash and cash equivalents	**– 2,042,605**	**– 5,920,927**	**2,560,052**	**2,233,341**
Effect of exchange rate changes in cash and cash equivalents	387,476	230,259	– 162,632	– 13,808
Cash and cash equivalents at beginning of reporting period	42,463,401	42,855,617	38,410,852	34,945,416
Cash and cash equivalents at end of reporting period	**40,808,273**	**37,164,949**	**40,808,273**	**37,164,949**

Condensed notes to interim consolidated financial statements

The condensed interim consolidated financial statements for the 3rd quarter 2009 were released for publication in November 2009 pursuant to Management Board resolution.

1 General notes

ELMOS Semiconductor Aktiengesellschaft ("the company" or "ELMOS") has its registered office in Dortmund (Germany) and is entered in the register of companies kept at the District Court (Amtsgericht) Dortmund, in section B, no. 13698. The articles of incorporation are in effect in the version of March 26, 1999, last amended on May 6, 2009 and thus entered in the register of companies on July 24, 2009.

The company's business is the development, manufacture, and distribution of microelectronic components and system parts (application specific integrated circuits, or in short: ASICs) and technological devices with similar functions. The company may conduct all transactions suitable for serving the object of business directly or indirectly. The company may establish branches, acquire or lease businesses of the same or a similar kind, or invest in them, and conduct all business transactions that are beneficial to the articles of association. The company is authorized to conduct business in Germany as well as abroad.

In addition to its domestic branches, the company maintains sales companies in France and the U.S. and cooperates with other German and international companies in the development and production of ASIC chips.

Basic principles of the preparation of financial statements

The condensed interim consolidated financial statements for the period from January 1 to September 30, 2009 have been prepared in accordance with IAS 34: Interim Financial Reporting. These financial statements do therefore not contain all the information and statements required for consolidated financial statements and should therefore be read in conjunction with the consolidated financial statements for the fiscal year ended December 31, 2008.

Due to calculation processes, tables and references may produce rounding differences from the mathematically exact values (monetary units, percentage statements, etc.).

Essential accounting policies and valuation methods

For the preparation of the condensed interim consolidated financial statements, the same accounting policies and valuation methods have been adopted as were applied for the preparation of the consolidated financial statements for the fiscal year ended December 31, 2008 with the exception of the new IFRS Standards and Interpretations listed below. The application of these new Standards and Interpretations merely led to modifications in the presentation of the result for the period and in segment reporting yet did not have an effect on the group's financial position and results from operations.

- IAS 1 — Presentation of Financial Statements
- IAS 23 — Borrowing Costs
- IFRS 8 — Operating Segments
- IFRS 1 and IAS 27 — Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
- IFRS 2 — Vesting Conditions and Cancellations
- IAS 32 and IAS 1 — Puttable Financial Instruments and Obligations Arising on Liquidation
- IFRIC 13 — Customer Loyalty Programs
- IFRIC 14 and IAS 18 — The Limit on a Defined Benefit Asset, Minimum Funding, and their Interaction
- Improvements to IFRS 2008

Estimates and assumptions

The company makes provisions for pension and partial retirement obligations pursuant to IAS 19. As in the year 2008, an actuarial interest rate of 5.85% has been applied for 2009.

Exceptional business transactions

There were no exceptional business transactions in the 3rd quarter 2009.

Basis of consolidation

There were no changes in the basis of consolidation in the 3rd quarter 2009.

Seasonal and economic impact on business operations

The general economic conditions give evidence for recovery. A continued bottoming out is pushing through the international markets while regional differences are vast in part. Regarding the automotive industry it must be taken into consideration that the car-scrap bonus schemes launched in numerous countries had a deciding impact on registration numbers even if those primarily concerned small and medium-sized cars.

The business of ELMOS Semiconductor AG is not subject to material seasonal fluctuation.

2 Segment reporting

The company divides its business activities into two segments. The semiconductor business is operated through the various national subsidiaries and branches in Germany, the Netherlands, France, South Africa, and the U.S.A. Sales in the micromechanics segment are generated by the subsidiary SMI in the U.S.A. The following tables provide information on sales and earnings (for the period from January 1 to September 30, 2009 and 2008, respectively) and assets of the group's business segments (as of September 30, 2009 and December 31, 2008).

The decisions on the allocation of resources to the individual segments are based primarily on net interest yields. For this reason, interest expenses and interest income are not reported separately for each segment.

9 months ended 9/30/2009	Semiconductor thousand Euro	Micromechanics thousand Euro	Consolidation thousand Euro	Total thousand Euro
Sales				
Sales with third-party customers	75,558	7,765	0	83,323
Sales with other segments	282	137	– 419	0
Total sales	**75,840**	**7,902**	**– 419**	**83,323**
Earnings				
Segment earnings	– 17,260	– 1,402	0	– 18,663
Financial result				– 971
Earnings before taxes				**– 19,634**
Income taxes				5,726
Net income including minority interest				**– 13,908**
Assets				
Segment assets	159,767	14,867	0	174,634
Investments				518
Non-attributable assets				49,926
Total assets				**225,077**
Other segment information				
Capital expenditures for intangible assets and property, plant and equipment	4,417	155		4,572
Depreciation and amortization	11,334	1,049		12,383
Other material non-cash expense/(income)	– 5,681	– 663		– 6,344

9 months ended 9/30/2008	Semiconductor thousand Euro	Micromechanics thousand Euro	Consolidation thousand Euro	Total thousand Euro
Sales				
Sales with third-party customers	125,214	8,263	0	133,477
Sales with other segments	235	2,180	– 2,415	0
Total sales	**125,449**	**10,443**	**– 2,415**	**133,477**
Earnings				
Segment earnings	16,048	– 1,864	0	14,184
Financial result				– 1,134
Earnings before taxes				**13,050**
Income taxes				– 3,558
Net income including minority interest				**9,492**
Assets as of 12/31/2008				
Segment assets	183,546	16,809	0	200,355
Investments	518	0	0	518
Non-attributable assets				49,194
Total assets				**250,067**

Non-attributable assets as of September 30, 2009 comprise cash and cash equivalents (40,808 thousand Euro), income tax assets (216 thousand Euro), and deferred taxes (8,902 thousand Euro).

Geographical information

Sales generated with third-party customers	9 months ended 9/30/2009 thousand Euro	9 months ended 9/30/2008 thousand Euro
Germany	32,231	53,283
EU	31,336	48,679
U.S.A.	5,574	10,645
Others	14,182	20,869
	83,323	**133,477**

Geographical distribution of non-current assets	9/30/2009 thousand Euro	12/31/2008 thousand Euro
Germany	95,030	101,468
EU	8,689	9,050
U.S.A.	9,429	10,896
Others	2	2
	113,150	**121,416**

Sales from business with the three major customers/groups relating to different products amount to 13.836 million Euro, 11.075 million Euro and 11.044 million Euro, respectively, and result from sales generated in the semiconductor segment.

3 Notes to essential financial positions

Selected non-current assets

Development of selected non-current assets	Net book value 1/1/2009 thousand Euro	Additions thousand Euro	Disposals/Other movements thousand Euro	Depreciation and amortization	Net book value 9/30/2009
Intangible assets	40,200	2,889	388	4,198	38,603
Property, plant and equipment	80,698	1,858	342	8,185	74,029
Securities and investments	518	0	0	0	518
	121,416	**4,747**	**630**	**12,383**	**113,150**

The position “disposals/other movements” includes negative currency adjustments to the amount of 503 thousand Euro.

Goodwill

Goodwill has shown the following development:

	9/30/2009 Euro	12/31/2008 Euro
SMI		
Acquisition cost	7,567,365	7,567,365
Currency adjustment	– 3,021,562	– 2,805,224
Book value	**4,545,803**	**4,762,141**
ELMOS NA		
Acquisition cost	554,617	554,617
Currency adjustment	– 12,835	– 4,579
Book value	**541,782**	**550,038**
ELMOS France	**1,614,578**	**1,614,578**
ELMOS Services B.V.	**206,170**	**206,170**
	6,908,333	**7,132,927**

Inventories

	9/30/2009 Euro	12/31/2008 Euro
Raw materials	6,930,461	7,606,275
Work in process	20,359,317	20,432,687
Finished goods	6,227,759	9,340,665
	33,517,537	**37,379,627**

Equity

As of September 30, 2009 the share capital of ELMOS Semiconductor AG consists of 19,414,205 shares. The interest held by ELMOS Finanzholding GmbH (EFH) and its subsidiaries is unchanged at 52.9%. The free float is 47.1%.

Based on the authorization given by shareholders' resolution at the Annual General Meeting of May 6, 2009 for the introduction of a stock option plan for the company's Management Board members, executives, and employees as well as members of the management and employees of affiliated companies, Supervisory Board and Management Board resolved on June 9, 2009 to issue altogether 495,000 options. The exercise price is 150% of the average amount of the closing prices of the stock of ELMOS Semiconductor Aktiengesellschaft through the Xetra trade at the Frankfurt Stock Exchange of the last ten trading days prior to the resolutions and thus comes to 3.68 Euro. The blocking period is three years as of the issue date. All other particulars relating to the granting and exercise of options comply with the shareholders' resolution of May 6, 2009.

Altogether 636,451 options from stock option plans are outstanding as of September 30, 2009, with 3,550 options from the last tranche not issued yet. The options are attributable to the various tranches as follows:

Year of resolution	Year of issue	Exercise price in Euro	Blocking period ex issue (years)	Exercise period after blocking period (years)	Options outstanding as of 12/31/2008 (number)	9 months 2009 Exercised (number)	9 months 2009 Expired (number)	Options outstanding as of 9/30/2009 (number)
2003	2004	11.59	2	3	264,672	0	264,672	0
2004	2005	13.98	2	3	145,244	0	3,793	141,451
2009	2009	3.68	3	3	0	0	0	495,000
					409,916	**0**	**268,465**	**636,451**

Regarding the tranche issued in 2009, the company is authorized to offer the beneficiaries compensation in cash instead of shares.

The valuation of stock options was conducted pursuant to the regulations of IFRS 2 for "equity-settled share-based payment transactions", applying the Black-Scholes method. The stock options' average attributable value was 6.06 Euro for the tranche resolved in 2004 and 0.70 Euro for the tranche resolved in 2009. The value attributable at grant date was determined on the basis of the following assumptions:

Year of tranche resolution	2004	2009
Dividend yield	1.5%	0.0%
Expected volatility	85.0	75.0
Risk-free interest rate at grant date	2.76%	1.79%
Expected life in years	5 Years	6 Years

In the first nine months of 2009 the company has incurred expenses of 37 thousand Euro for the stock option program.

4 Related party disclosures

As has been reported in the consolidated financial statements for the fiscal year ended December 31, 2008, the ELMOS Group maintains business relationships with related companies and individuals within the context of usual business activity. These supply and performance relationships continue to be transacted at market prices.

Shares and share options held by Management Board and Supervisory Board

As of September 30, 2009 the following members of Management Board and Supervisory Board held ELMOS shares and share options:

Management Board	Shares	Options
Dr. Anton Mindl	103,725	33,000
Reinhard Senf	16,923	32,000
Nicolaus Graf von Luckner	10,614	22,000
Jürgen Höllisch	0	22,000

Supervisory Board	Shares	Options
Prof. Dr. Günter Zimmer	0	0
Dr. Burkhard Dreher	5,000	0
Dr. Klaus Egger	0	0
Jörns Haberstroh	3,956	0
Jutta Weber	200	0
Dr. Klaus Weyer	72,500	10,000

Directors' dealings according to Section 15a WpHG (German Securities Trading Act)

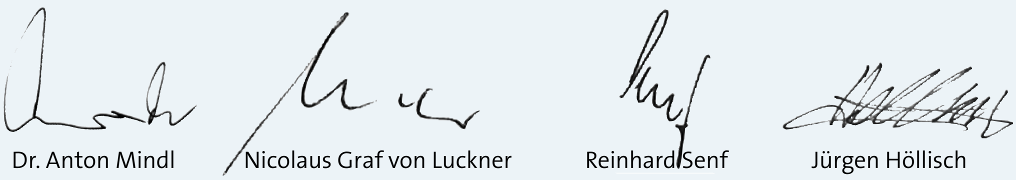
The following reportable securities transactions (directors' dealings) were made in the reporting period from January 1 to September 30, 2009:

Date/Place	Name	Function	Transaction	Number	Price/Exercise price (Euro)	Total volume (Euro)
2/26/2009 Xetra	ZOE Beteiligungs GmbH	Legal entity closely related to the chairman of the Supervisory Board	Purchase of ELMOS shares	27,416	1.52	41,625.71
6/30/2009 off-market	Dr. Klaus Weyer	Supervisory Board member	Loan of ELMOS shares (securities loan)	10,000	gratuitous	n/a
6/30/2009 off-market	Dr. Klaus Weyer	Supervisory Board member	Loan of ELMOS shares (securities loan)	5,000	gratuitous	n/a

5 Subsequent events

There have been no reportable events of particular significance since the end of the 3rd quarter.

Dortmund, November 2009



Dr. Anton Mindl Nicolaus Graf von Luckner Reinhard Senf Jürgen Höllisch

Financial calendar

November 4, 2009	Quarterly Results Q3/2009
November 10, 2009	Analysts' conference at the German Equity Forum, Frankfurt/Main
February 18, 2010	Preliminary Results 2009
March 18, 2010	Financial Results 2009/Press Conference/Analysts Conference
April 28, 2010	Quarterly Results Q1/2010
May 4, 2010	AGM in Dortmund
August 11, 2010	Quarterly Results Q2/2010
November 3, 2010	Quarterly Results Q3/2010

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