



Industrial
Automation



4CONTROL



Automotive
Electronics

*We set Standards in
Control and
Communication Technology*

softing

Softing – Everything under 4CONTROL

For the first three months of 2001, turnover and EBIT of Softing are according to plan

With 8.0 million DM (9.2 million DM in 2000), incoming orders were slightly below plan; however, we are happy to announce that the volume of orders on 31 March, 2001, amounted to 12.8 million DM, which is approx. 60 % more than in 2000 (8.1 million DM). During the first quarter of the year, the Softing group achieved a turnover of 8.1 million DM worldwide (in 2000: 6.1 million DM). The EBIT amounted to –1.9 million DM. It must be taken into account that the first quarter usually brings low sales and low profit and that especially the antedated product developments for 2001 had effects on incoming orders. On 31 March, 2001, the deficit amounted to –1.0 million DM.

Retroactively as of 1 January, 2001, the operative Softing GmbH, a wholly-owned subsidiary of Softing AG, was merged with the latter which had acted as holding company up to this point. The merger aimed at cost savings and, above all, at a higher brand transparency of Softing due to a unified company image.

The company's most important goal continues to be market leadership in the area of Internet-based control systems with the product 4CONTROL. This involves a clear orientation of all new component developments in Industrial Automation towards synergistic effects with 4CONTROL and, in connection with that, a narrower Softing product range.

This year again, one of our main focuses will be on strengthening our international market position; for the second half of 2001, the establishment of a sales office in the United States is envisaged. The first important steps have already been taken;

now we are planning to found a subsidiary in the Boston area. In addition to these investments in expanding our global sales and support network, we are constantly examining possibilities where capital tie-ups with other companies can lead to synergistic effects for Softing.

To remain in the lead of the technological trends in our sectors, Softing will continue to actively cooperate in the important national and, above all, in the international standardization forums.



Employees

On 31 March, 2001, the number of permanently employed staff was 184 (in 2000: 179). Investment in human resources is of particular importance for Softing. In this connection, Softing has established a separate department for personnel marketing during the first quarter.

Development of the Individual Business Areas



Automotive Electronics – all Core Figures According to Plan

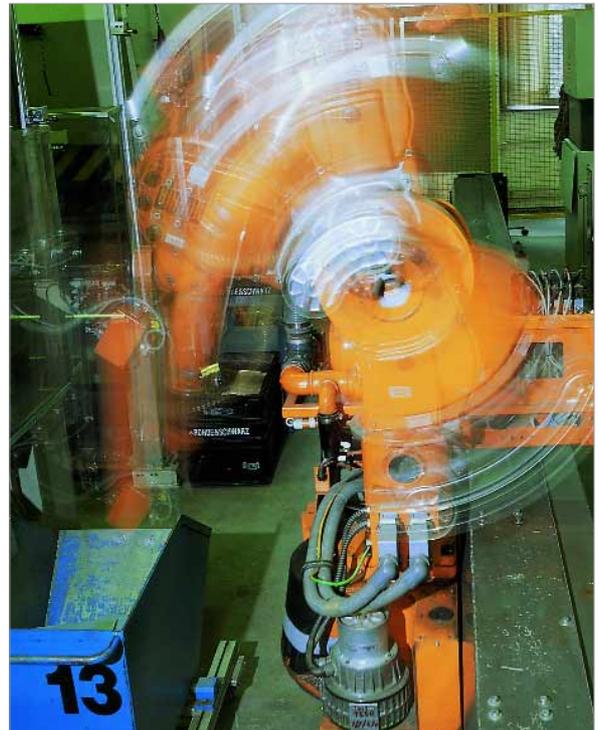
In the business segment Automotive Electronics, incoming orders during the first three months of the current financial year amounted to 4.2 million DM (in 2000: 3.7 million DM). Turnover ran to 3.5 million DM and EBIT to 90,000 DM. A highlight for this segment during the first quarter of 2001 was that the VW group could be won as an important direct partner for electronic diagnosis in the field of workshop testers.

Industrial Automation – an Area Marked by Reorientation

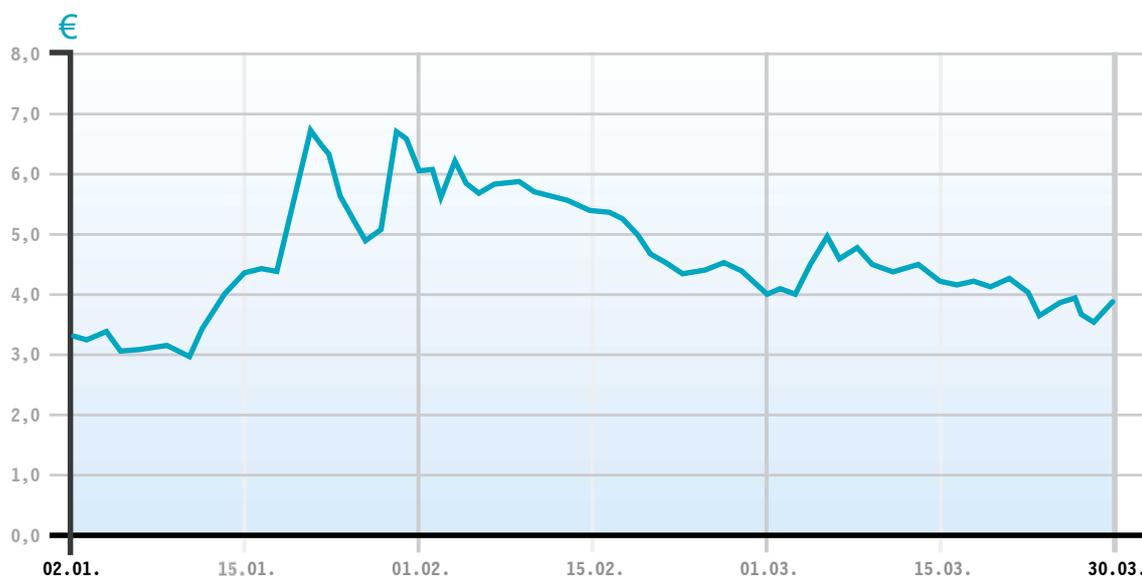
In the business segment Industrial Automation, incoming orders amounted to 3.2 million DM (in 2000: 5.0 million DM). Turnover ran to 3.9 million DM and EBIT to –0.6 million DM. The antedated component developments around the product family 4CONTROL in Industrial Automation had effects on the project business.

4CONTROL - Internet-based Automation – Softing-based Solutions

In the business segment 4CONTROL, incoming orders during the first three months of 2001 amounted to 0.6 million DM (2000: 0.4 million DM). Turnover ran to 0.7 million DM and EBIT to –1.3 million DM. As a new important reference customer for Softing, Krauss Maffei could be won for 4CONTROL during the first quarter of the year.



Stock Price Remains at low Level



Final Prices Official Stock Market Frankfurt

On 2 January, 2001, the stock price was 3.30 Euros. Shortly after, it fell below 3 Euros and took a very favorable course after this. At the close of the official stock market in Frankfurt on 29 March, 2001, however, the price was again below 4 Euros.

By persistently continuing its high-quality work, Softing will gain in the financial public the place which has never been questioned in the technical world and customers' opinion.

Ownership of stock; Status: 31. March, 2001

During the reporting period, no member of the Managing Board nor any member of the Supervisory Board performed any share transactions to be reported.

	shares	stock options
Herr Himmelsdorfer	408550	3500
Herr Dr. Mittmann	408250	3500
Herr Dr. Patz	408250	3500
Herr Dr. Schießl	3500	--
Herr Faltenbacher	1000	--
Herr Prof. Dr. Färber	500	--

Company Schedule

Shareholders' meeting in the "Haus der Bayerischen Wirtschaft" in Munich, Germany	29.05.2001
Semi-annual report 2/2001	14.08.2001
Quarterly report 3/2001	22.11.2001
Audited annual statements 2001	28.03.2002
Shareholders' meeting 2002	06.06.2002

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Group Balance Sheet

According to IAS; Status: 31 March, 2001, not Audited

ASSETS	31 March, 2001 DM	31 December, 2000 DM
A. Fixed assets		
I. intangible assets		
1. industrial property rights and similar rights and values as well as licenses to such rights and values	14.867.150	14.835.374
2. goodwill	26.469	27.153
II. tangible assets		
other assets, furnitures and fixtures	1.887.509	1.893.369
III. financial assets		
1. other loans	481.863	466.563
	17.262.991	17.222.459
B. Deferred taxes	2.705.000	1.762.000
C. Current assets		
I. stocks	2.575.557	2.712.328
II. accounts receivable and other assets		
1. trade debtors	8.163.961	10.294.044
2. loans to affiliated undertakings	0	0
3. other assets	468.567	391.580
	8.632.528	10.685.624
III. investments	11.323.608	17.082.331
VI. liquid funds	8.243.882	2.059.719
	19.567.490	19.142.050
D. Prepayments and accrued income	220.816	119.979
	50.964.382	51.644.440

Group Balance Sheet

According to IAS; Status: 31 March, 2001, not Audited

LIABILITIES	31 March, 2001 DM	31 December, 2000 DM
A. Equity capital		
I. subscribed capital	9.779.150	9.779.150
II. capital reserves	20.638.528	20.638.528
III. reserve from capital consolidation	628.038	837.383
IV. consolidated net earnings	5.294.813	6.326.386
	36.340.529	37.581.447
B. Minority interests	24.005	35.742
C. Accruals		
1. Accruals for pensions and similar liabilities	1.207.282	1.092.182
2. provisions for taxation	6.590.000	6.264.000
3. other accruals	2.535.092	2.490.000
	10.332.374	9.846.182
D. Liabilities		
1. liabilities to credit institutions	49.622	7.339
2. liabilities from long-term production orders	79.024	19.993
3. customer prepayments for orders	1.714.338	742.110
4. trade accounts payable	981.314	1.853.011
5. other liabilities	1.421.953	1.535.133
	4.246.251	4.157.586
E. Accruals and deferred income	21.223	23.483
	50.964.382	51.644.440

Group Profit and Loss Account

According to IAS; Status: 31 March, 2001, not Audited

	01.01.-31.03.2001 DM	01.01.-31.12.2000 DM
1. sales revenues	8.055.474	36.808.661
2. change in inventory of finished and unfinished products	-136.770	1.042.388
3. other internally produced and capitalized assets	1.667.232	6.945.253
4. other operating revenue	425.943	2.342.558
5. raw materials and consumables		
a) expenses for raw materials and supplies and for purchased goods	-1.111.399	-6.278.857
b) expenses for purchased services	-505.353	-1.404.609
	8.395.127	39.455.394
6. Staff costs		
a) wages and salaries	-5.319.576	-20.387.269
b) social insurance contributions and social costs for old age pension and for support	-934.458	-3.243.281
7. amortization of intangible and tangible assets	-2.012.138	-8.383.669
8. other operating expenses	-2.036.013	-8.414.587
	-1.907.058	-973.412
9. income from long-term financial investments	15.300	55.429
10. other interests and similar earnings	236.346	627.928
11. interest and related expenses	-3.942	-159.714
12. result of ordinary business activities	-1.659.354	-449.769
13. income taxes	617.000	1.207.000
14. other taxes	-956	-10.835
15. annual net profit / deficit (-)	-1.043.310	746.396
16. minority interests	36.626	24.889
	-1.006.684	771.285
17. transfer to earnings reserves	0	-641.220
18. profit carried forward	6.301.497	6.196.321
19. consolidated profit / consolidated loss (-)	5.294.813	6.326.386
net earnings per share according to DVFA / SG	-0,24	-0,01

Group Cash-Flow Statement

According to IAS; Status: 31 March, 2001, not Audited

	01.01.-31.03.2001 TDM	01.01.-31.12.2000 TDM
■ result for the period (including shares of minority shareholders before extraordinary items)	-1.043	746
■ write-downs/write-ups on fixed assets (including start-up expenses)	2.012	8.384
■ increase/decrease in provisions	486	-1.118
■ profit/loss from the disposal of fixed assets	-	9
■ increase/decrease in inventories, trade accounts receivable and other assets not part of investment or financing activities	1.146	-3.320
■ increase/decrease in trade accounts payable and other liabilities not part of investment or financing activities	44	454
cash flow from operating activities	2.645	5.155
■ payments received for the disposal of tangible assets	-	6
■ payments made for investments in self-produced intangible assets	-1.786	-7.281
■ payments made for investments in other intangible or tangible assets	-252	-1.252
■ payments received for the disposal of financial assets	-	9
■ payments made for investments in financial assets	-15	-59
cash flow from investing activities	-2.053	-8.577
■ payments received from equity increases (without conversion of capital and profit reserves to equity)	-	1.635
■ payments made or received due to short-term financial investments	5.759	-17.082
■ payments received from issuing bonds and taking up loans	42	7
■ changes in reserves due to capital consolidation	-209	-838
■ payments made for IPO costs	-	-3.208
■ transfer to capital reserves (without third-party shares)	-	22.071
■ payments received for third-party shares	-	61
■ payments made for the redemption of bonds and loans	-	-
cash flow from financing activities	5.592	2.646
■ changes in funds not affecting the movement of funds	6.184	-776
■ funds at the beginning of the period	2.060	2.836
funds at the end of the period	8.244	2.060