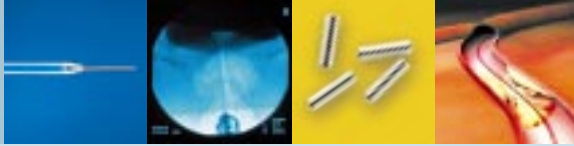


Quarterly Report **II/2001**





Dear Stockholder,

Eckert & Ziegler has continued its successful development in the second quarter. Operating income rose by 20% over the figure for the first half of last year, from 1.1 to 1.3 million EUR, although 641 thousand EUR of un-scheduled depreciation was included. Pre-tax income even increased more than three-fold, from 1.2 to 4.0 million EUR, due to a single payment of 2.6 million EUR.

With the operating income weighted by the un-scheduled depreciation, sales figures constitute an even clearer indication of successful growth. At 16.2 million EUR, sales revenues in the first six months exceeded last year's figure by 75%, or 7 million EUR. The individual segments showed growth rates ranging from 20% for cardiology up to 120% for industrial sources. Within this range, increases in oncology and nuclear imaging amounted to 45% and 65% respectively. Growth rates in the industrial sources and nuclear imaging segments are benefiting from an acquisition in June 2000. This acquisition had not yet contributed to sales in the first five months of last year. Internal growth figures for these two segments also increased by approximately 10% and 30% respectively. The anticipated weakest segment, cardiology, rose by 120% after a slow first quarter. In this segment, successful customer sales in the USA are having a positive influence on our sales figures.

The results for the first six months slightly exceeded our own forecasts, even if we exclude the favorable

effects of the development of the US dollar. We are therefore confident that we will reach the predicted EBIT of 5.9 million EUR (excluding the costs for launching the radioactive pharmaceuticals segment) with sales of 30 million EUR for the full year.

Research and Development

Eckert & Ziegler AG invested 2.7 million EUR during the reporting period for development work and for the construction of new production facilities. Of this sum, approximately 2.3 million EUR were capitalized.

Employees

The number of employees rose in the second quarter by 26% over last year, to 218 (173).

Milestones

- Dr. Edgar Löffler appointed as member of the Board
- Initiation of production facility for cardiac therapeutic agents
- Radioactive-coated balloon catheter RDX receives CE approval
- Conclusion of legal dispute and receipt of a new order for prostate implants
- Institut Curie in Paris orders seeds for permanent implants for the treatment of prostate cancer
- Second annual shareholders' meeting since the IPO

Outlook

Eckert & Ziegler has launched a radioactive pharmaceuticals segment as announced at the annual shareholders' meeting and decided by the Supervisory Board on July 26, 2001. This launch includes the acquisition rights to a series of therapeutic antibodies which can be used to treat different types of cancer. In the initial stage expected to extend through the year 2003, clinical tests will be performed to confirm the efficacy of these products. These results will serve as the basis for negotiations with pharmaceutical companies and/or other coalition partners and also serve as a basis for further tests. Expenditures for launching the development of radioactive pharmaceutical products have been limited to 3 million EUR, and will come from the company's free cash flow.

Dr. Andreas Eckert
Chairman of the Management Board

Jürgen Ziegler
Board Member

Gerald Pohland
Board Member

Dr. Edgar Löffler
Board Member

Berlin, July 30, 2001



Consolidated Income Statement – US GAAP (in thousand EUR)

	Quarterly report II/2001 04 – 06/2001	Quarterly report II/2000 04 – 06/2000	6-monthly report 01 – 06/2001	6-monthly report 01 – 06/2000
Revenues	8,964	4,975	16,163	9,173
Cost of revenues	- 5,331	- 2,814	- 9,246	- 5,110
Gross profit / loss	3,633	2,161	6,917	4,063
Selling and marketing expenses	- 663	- 277	- 1,283	- 561
General and administrative expenses	- 1,691	- 1,103	- 2,904	- 2,008
Research and development	- 217	- 31	- 448	- 56
Amortization of goodwill	- 194	- 20	- 299	- 23
Depreciation and amortization	- 279	- 146	- 605	- 323
Others	- 82	0	- 35	0
Operating income / loss	507	584	1,343	1,092
Interest income and expenditure	- 62	110	- 67	118
Foreign currency exchange gains / losses	76	81	43	- 6
Others	2,673	- 58	2,700	13
Result before income taxes	3,194	717	4,019	1,217
Income taxes	- 1,325	- 395	- 1,653	- 657
Result before minority interest	1,869	322	2,366	560
Minority interest	0	7	0	9
Net income / loss	1,869	329	2,366	569
Net income per share (basic)	0.58	0.11	0.73	0.19
Net income per share (diluted)	0.57	0.11	0.73	0.19
Weighted average shares outstanding (basic)	3,250	3,083	3,250	3,042
Weighted average shares outstanding (diluted)	3,254	3,100	3,257	3,058

Consolidated Statement of Cash Flows – US GAAP (in thousand EUR)

	6-monthly report 01 – 06/2001	6-monthly report 01 – 06/2000
Cash flow from operating activities		
Net income / loss (before tax)	4,019	1,217
Net income / loss (after tax)	2,366	569
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	3,820	1,027
Proceeds from grants, net	84	954
Other, net	1,919	- 132
Changes in assets & liabilities:		
Increase in short-term assets	- 3,417	- 5,128
Increase in short-term liabilities	2,114	3,364
Net cash provided by operating activities	6,886	654
Cash flow from investing activities		
Additions to property, plant and equipment and intangible assets	- 6,874	- 14,786
Investments in or sales of affiliates	- 128	7
Purchases and sales of available-for-sale securities	172	4,931
Other	- 4	- 111
Net cash used by investing activities	- 6,834	- 9,959
Cash flow from financing activities		
Change in long-term borrowing	151	163
Change in short-term borrowing	110	8,779
Proceeds from issuance of common stock, net	0	250
Net cash provided by financing activities	261	9,192
Effect of exchange rate changes on cash and cash equivalents	53	13
Net change in cash and cash equivalents	366	- 100
Cash and cash equivalents – beginning of the year	3,453	1,044
Cash and cash equivalents – end of the second quarter	3,819	944

Consolidated Balance Sheet – US GAAP (in thousand EUR)

	6-monthly report 01 – 06/2001	Annual report 01 – 12/2000
Assets		
Current assets		
Cash and cash equivalents	3,819	3,453
Short-term investments/marketable securities	3,601	3,768
Trade accounts receivable	6,419	5,102
Accounts receivable due from related parties	561	353
Inventories	4,387	3,154
Deferred tax asset	409	257
Prepaid expenses and other current assets	1,195	688
Total current assets	20,391	16,775
Property, plant and equipment	20,307	18,636
Intangible assets	6,145	5,845
Investments	198	71
Notes receivable / loans	81	119
Goodwill	9,672	8,589
Deferred taxes	9	9
Other assets	497	454
Total assets	57,300	50,498
Liabilities and stockholders' equity	01 – 06/2001	01 – 12/2000
Current liabilities		
Current portion of capital lease obligation	61	55
Short-term debt and current portion of long-term debt	1,020	916
Trade accounts payable	2,689	1,859
Advance payments received	251	214
Accrued expenses	2,357	2,543
Deferred revenues	1,101	1,022
Income tax payable	1,688	430
Deferred taxes	14	0
Other current liabilities	674	592
Total current liabilities	9,855	7,631
Long-term debt, less current portion	4,359	4,197
Capital lease obligations, less current portion	259	261
Deferred revenues	4,781	4,697
Deferred taxes	728	606
Pension accrual	82	86
Others	1,432	747
Minority interest	0	0
Shareholders' equity		
Share capital	3,250	3,250
Additional paid-in capital	26,729	26,926
Retained earnings	3,562	1,195
Accumulated other comprehensive income	2,263	902
Total shareholders' equity	35,804	32,273
Total liabilities and stockholders' equity	57,300	50,498

		June 30, 2001	
		Stocks	Stock options
Dr. Andreas Eckert (Eckert Consult GmbH)	Management Board	10 (1,260,446)	2,500 (0)
Jürgen Ziegler	Management Board	742,857	2,500
Gerald Pohland	Management Board	1,000	5,000
Dr. Edgar Löffler	Management Board	0	0
Prof. Dr. Wolfgang Maennig	Supervisory Board	2,120	0
Margit Jatzke	Supervisory Board	385	0
Ralf Hennig	Supervisory Board	141	0
Dr. Johannes Mauser	Supervisory Board	271	0
Frank Perschmann	Supervisory Board	200	0
Prof. Dr. Detlev Ganten	Supervisory Board	0	0

**Eckert & Ziegler
Strahlen- und Medizintechnik AG**

Robert-Rössle-Straße 10
13125 Berlin
Germany
www.ezag.de

Telephone +49 (0) 30 94 10 84 - 0
Telefax +49 (0) 30 94 10 84 - 112
e-mail info@ezag.de

WKN 565 970

Financial calendar	Date	Event
	November 13, 2001	Quarterly report III/2001
	March 27, 2002	Balance press conference
	March 27, 2002	Annual report 2001
	March 28, 2002	Analyst presentation
	May 15, 2002	Shareholders' meeting