





Ratios

		Q1-2/2008	Q1-2/2007	Change
Revenue	Million EUR	32.8	26.5	24%
Return on revenue before tax (operational)		11%	10%	12%
EBITDA	Million EUR	18.3	4.8	> 100%
EBIT	Million EUR	14.5	2.9	> 100%
EBT	Million EUR	14.0	2.5	> 100%
EBT (operational)	Million EUR	3.5	2.5	39%
Net income before minority interest	Million EUR	9.9	1.6	> 100%
Net income/loss	Million EUR	9.4	1.5	> 100%
Earnings per share (basic)	EUR	2.98	0.46	> 100%
Earnings per share (diluted)	EUR	2.97	0.46	> 100%
Cash flow from operating activities	Million EUR	2.1	2.3	- 8%
Depreciation and amortization	Million EUR	3.8	1.9	98%
Employees (as of June 30)	Persons	444	317	40%

Photos on cover page:

Drilling rig,
oil well logging sources
and industrial emitters



Business development of the Eckert & Ziegler Group

Record sales and earnings

In the 2nd quarter of 2008, the Eckert & Ziegler Group achieved its best results with sales of EUR 18.6 million and earnings before special effects of EUR 1.2 million.

In the first half of 2008, the Eckert & Ziegler Group was able to generate sales of EUR 32.8 million and was therefore EUR 6.4 million or 24% above the level achieved in the corresponding period in the previous year. Both the operating result (+47% or + EUR 1.3 million) and the result for the first six months of the year (+23% or + EUR 0.3 million) developed extremely well.

In all three operational segments, sales increased compared with the equivalent 6-month period in 2007.

Despite the unfavorable way that the US dollar/euro exchange rate has developed, the growth in sales in the Nuclear Imaging and Industry segment has remained at 12% or EUR 1.5 million. On a US dollar basis, sales in the Nuclear Imaging and Industry segment did in fact grow by 26%. The increase can be attributed to the business generated with the new generation of robust oil well logging sources and the catching up on delivery delays which was announced in the last quarterly report.

In the Radiopharmaceutical segment, sales more than doubled from EUR 3.1 million to EUR 6.8 million. The increase of EUR 3.7 million breaks down as follows: EUR 1.4 million from increased sales figures for the Modular-Lab product group, EUR 1.3 million from the incorporation of Eckert & Ziegler EURO-PET Köln/Bonn GmbH, which was an addition in the second half of 2007, and EUR 1.0 million resulting from increased organic revenue with contrast agents for positron emission tomography (PET).

In the Therapy segment, sales of implants for treating prostate cancer rose by 68%, although the sales to IBt customers are included for four of the months. In the case of the tumor radiation equipment, it has not yet been possible to make up for the deficit from the first quarter. However, major orders have already been secured for the second half of the year. Together with the explosion in sales of implants, an increase which will be considerably above the current figure of 12% is anticipated for the year as a whole.

Earnings position

The earnings after tax and other shareholders' interests of EUR 9.4 million which are recorded for the 1st half of 2008 include positive special effects of EUR 7.6 million which can be attributed to the balance on the special income arising from the initial consolidation of IBt and special depreciation and amortization. The effects are explained in more detail in the report on the 1st quarter of 2008.

In operational terms, a profit of EUR 1.8 million (equates to EUR 0.57/share) remains for the first half of 2008, which is EUR 0.3 million or 23% above the result for the 1st half of 2007.

As in the previous periods, the main source of earnings was the Nuclear Imaging and Industry segment, which contributed EUR 2.1 million to the profit after tax and third-party interests. Both the operating result and the profit after minority interests increased considerably. The operating result grew by 36% (+ EUR 1.0 million), while the profit after minority interests was increased by 42% (+ EUR 0.6 million).

After it proved possible to report a positive EBIT for the first time for the 1st quarter in the Radiopharmaceutical segment, the operational result after tax for the 1st half of the year is in fact positive. Unfortunately, the reversal of the trend has not yet been completely achieved.

In Milan, our cyclotron had to be shut down on an unscheduled basis for several months as otherwise the radiation protection on an adjacent construction site would have been jeopardized. It is thought that we will not be able to claim full compensation for the sales losses resulting from this process. The Executive Board has therefore formed a provision for shutdown-related special costs amounting to EUR 0.4 million, which sends the segment's half-year profit down to minus EUR 0.4 million.

The Therapy segment generated earnings before minority interests of EUR 0.4 million and this is therefore in the range of the previous year's figure. For the 2nd half of the year, continued increases in sales of implants and the delivery of a large number of tumor radiation devices is anticipated, which means that the profit in this segment will exceed the previous year's figure.



Research and development

In the Radiopharmaceutical segment, development efforts were focused on new synthesis modules for producing compounds with carbon-11 (^{11}C), so-called ^{11}C -tracers. Although contrast agents based on Fluorine-18-compounds continue to be the standard in nuclear medicine, there is growing interest in these new probes. One reason is their shorter half-life, which results in a considerable reduction in the radiation exposure to the patient and the staff treating the patient. Furthermore, contrast agents based on ^{11}C offer the option of repeating measurements without any risk of an adverse impact from previous investigations. Lastly, the physical chemical method of ^{11}C offers interesting possibilities for diagnosing neurological diseases such as Alzheimer's disease and Parkinson's disease.

By developing these modules, Eckert & Ziegler Eurotope is targeting the growing submarket of what is termed "translational" pharmaceutical research where attempts are made, with the aid of ^{11}C -marked substances, to obtain information about the pharmacokinetic properties of new drugs at a very early stage. Eurotope had previously only covered individual process steps in this process. With the modules which have now been completed, the "Cooled Carbon Trapping Module", the "Flow Controller" and the "Tube Oven Module", further vital alternatives for the manufacturing and further-processing process can be covered.

In the Nuclear Imaging & Industry segment, Eckert & Ziegler expanded its range of drill hole sources which are used in the oil and gas sector. The main focus here is on emitters which are used for measurements during the drilling process. This process of measurement during drilling results in a considerable saving of both costs and time in the exploration of new deposits.

In addition, several ranges of emitters were developed for major scanner and camera manufacturers. In the period under review, on the basis of the patented multimodal emitter technology, a new emitter range was developed and this has been acknowledged and used by one of the largest camera and scanner manufacturers. As this technology is protected under patent law, Eckert & Ziegler Isotope Products is the only manufacturer of emitters anywhere in the world that can meet the calibration demands for new camera technologies.

Staff

As of June 30, 2008, the Eckert & Ziegler Group employed 444 members of staff (June 30, 2007: 317). Compared with the end of 2007, the number of staff increased by 90 (December 31, 2007: 354). The primary reason for this increase is the initial consolidation of the Belgian company IBt S.A. As the intention is to merge the implant production operations of IBt and BEBIG GmbH and concentrate operations in Berlin, the Executive Board does not expect the number of Group employees to remain at this high level. A redundancy plan, which makes provision for 35 positions to go, was recently agreed with the trade unions in Belgium.

Outlook

For fiscal year 2008, the Executive Board anticipates earnings of over EUR 3 million without incorporating the special effects from the consolidation of IBt. The growth expectations are based primarily on continued improvements in sales and earnings in the Radiopharmaceutical segment and also significant boosts to growth from industrial components and increases seen with the implants for treating prostate cancer. However, in the case of the latter the result is impacted on by new minority interests.

One of the areas of risk for the earnings forecast is a further deterioration in the exchange rate of the dollar outside of the range witnessed in recent times.

Thanks to its solid financial position and healthy capital structure, the Eckert & Ziegler Group enjoys a solid foundation for ensuring that the business will continue to develop successfully over the long term. The excellent development seen in the first six months of the new fiscal year affirms the positive outlook for 2008.

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April



■ Eckert & Ziegler announces 25 travel grants for up-and-coming researchers in nuclear medicine. Over the next five years, young scientists selected from across Europe will be encouraged and helped to present the results of their work to a larger audience at the annual conference of the European Association of Nuclear Medicine (EANM).

June

■ Eckert & Ziegler BEBIG GmbH takes over the implants manufacturer Isotron Isotopentechnik GmbH. At the same time, a long-term contract to supply implants is concluded with the customers of this manufacturer.

■ Dr. Gudrun Erzgräber and Holger Bürk become new members of the Supervisory Board and succeed Ralf Henning and Frank Perschmann, whose period of office ends with the conclusion of the Annual General Meeting.

■ The Californian subsidiary Eckert & Ziegler Isotope Products Inc. reports record orders from the oil and gas sector for its new generation of robust oil well logging sources. The technically sophisticated neutron emitters are extremely resistant to high temperatures and pressures. In the exploration of oil and gas fields, the oil well logging sources are mounted onto the drill heads and allow a targeted search to take place for new deposits.





Consolidated Statements of Income

	Quarterly Report II/2008 04-06/2008	Adjusted Quarterly Report II/2008 04-06/2008	Quarterly Report II/2007 04-06/2007	6-monthly Report 01-06/2008	Adjusted 6-monthly Report 01-06/2008	6-monthly Report 01-06/2007
(Amounts in thousand EUR except for per share data)						
Sales revenue	18,560	18,560	13,459	32,814	32,814	26,458
Sales costs	- 8,941	- 8,941	- 6,364	- 18,470	- 16,237	- 13,341
Gross profit on sales	9,619	9,619	7,095	14,344	16,577	13,117
Selling expenses	- 3,466	- 3,466	- 2,634	- 6,444	- 6,444	- 4,793
General and administrative expenses	- 3,655	- 3,655	- 2,775	- 6,425	- 6,425	- 5,414
Research and non-capitalized development expenses	- 169	- 493	- 47	- 2,072	- 775	- 53
Other operating income	329	329	38	1,396	1,396	123
Other operating expenses	- 54	- 54	- 75	- 86	- 86	- 84
Profit from operations	2,604	2,280	1,602	713	4,243	2,896
Earnings from equity shares						
Other financial items	- 100	- 100	- 39	13,790	- 248	4
Earnings before interest and taxes (EBIT)	2,504	2,180	1,563	14,503	3,995	2,900
Interest received	21	21	16	42	42	30
Interest paid	- 242	- 242	- 199	- 504	- 504	- 387
Profit before tax	2,283	1,959	1,380	14,041	3,533	2,543
Income tax expense	- 950	- 853	- 607	- 4,179	- 1,244	- 974
Net income	1,333	1,106	773	9,862	2,289	1,569
Profit attributable to minority interests	86	86	- 70	- 486	- 486	- 109
Dividend to shareholders of Eckert & Ziegler AG	1,419	1,192	703	9,376	1,803	1,460
Earnings per share						
Basic	0.45	0.38	0.22	2.98	0.57	0.46
Diluted	0.45	0.38	0.22	2.97	0.57	0.46
Average number of shares in circulation (basic)	3,143	3,143	3,141	3,143	3,143	3,141
Average number of shares in circulation (diluted)	3,161	3,161	3,173	3,161	3,161	3,173



	6-monthly Report 01-06/2008	6-monthly Report 01-06/2007
	TEUR	TEUR
Cash flows from operating activities:		
Profit for the period	9,862	1,568
Adjustments for:		
Depreciation and amortization	3,817	1,925
Proceeds from grants less release of deferred income from grants	- 336	- 91
Deferred tax	2,564	163
Expenses from share option plan	-	65
Unrealized foreign currency gains/losses	- 667	- 148
Long-term provisions, other non-current liabilities	- 789	30
Gains (-)/losses on the sale of consolidated companies	- 14,038	-
Gains (-)/losses on the disposal of non-current assets	-	- 5
Gains (-)/losses on the sale of securities	- 77	-
Other items	33	9
Changes in current assets and liabilities:		
Receivables	- 33	- 197
Inventories	- 115	- 929
Prepaid expenses, other current assets	98	37
Trade accounts payable and accounts payable to related parties	165	164
Income tax liabilities	508	- 141
Other liabilities	1,098	- 173
Cash inflows generated from operating activities	2,090	2,277
Cash flows from investment activities:		
Purchase (-)/sale of non-current assets	- 2,124	- 1,814
Acquisition of consolidated companies	2,179	-
Purchase (-)/sale of shareholdings	40	-
Purchase (-)/sale of securities	690	50
Cash inflows/outflows from investment activities	785	- 1,764
Cash flows from financing activities:		
Dividends paid	- 786	- 786
Change in long-term borrowings	- 433	- 969
Change in short-term borrowings	1,541	- 346
Distribution to minority interests	-	- 272
Own shares used for share options or acquisitions	-	20
Cash inflows/outflows from financing activities	322	- 2,353
Effect of exchange rates on cash and cash equivalents	- 18	- 66
Increase (reduction) in cash and cash equivalents	3,179	- 1,906
Cash and cash equivalents at beginning of period	4,375	4,683
Cash and cash equivalents at end of period	7,502	2,777



Consolidated Balance Sheets

	June 30, 2008	Dec. 31, 2007
	TEUR	TEUR
Assets		
Non-current assets		
Intangible assets	28,703	18,234
Property, plant and equipment	21,807	17,745
Equity investments	28	68
Deferred tax	9,474	3,081
Other non-current assets	1,346	1,674
Total non-current assets	61,358	40,802
Current assets		
Cash and cash equivalents	7,502	4,375
Securities	356	1,033
Trade accounts receivable	12,517	11,459
Receivables from related parties and companies	-	5
Inventories	8,702	7,713
Other current assets	2,385	2,200
Total current assets	31,462	26,785
Total assets	92,820	67,587
Equity and liabilities		
Shareholders' equity		
Subscribed capital	3,250	3,250
Capital reserves	29,750	29,750
Retained earnings	15,820	7,230
Other reserves	- 4,557	- 3,734
Own shares	- 359	- 359
Equity due to the shareholders of Eckert & Ziegler AG	43,904	36,137
Minority interests	9,310	354
Total shareholders' equity	53,214	36,491
Non-current liabilities		
Long-term borrowings and finance lease obligations	5,427	3,921
Deferred income from grants and other deferred income	1,033	1,369
Deferred tax	2,473	1,339
Retirement benefit obligations	103	98
Other non-current liabilities	3,681	3,653
Total non-current liabilities	12,717	10,380
Current liabilities		
Short-term borrowings and finance lease obligations	10,105	8,256
Trade accounts payable	6,240	3,885
Advance payments received	320	290
Provisions	6,212	5,139
Deferred income from grants and other deferred income	930	935
Current tax payable	1,221	578
Other current liabilities	1,861	1,633
Total current liabilities	26,889	20,716
Total equity and liabilities	92,820	67,587



	Subscribed capital			Retained earnings	Cumulative other equity items		Own shares	Equity attributable to shareholders	Minority interest	Group share-holders equity
	Shares	Nominal value	Capital reserve		Unrealized gains/losses on securities	Exchange differences				
	TEUR	TEUR	TEUR		TEUR	TEUR				
Balance January 1, 2007	3,250,000	3,250	29,632	6,068	22	- 2,701	- 366	35,905	424	36,329
Dividends paid				- 786				- 786	- 272	- 1,058
Cost of share option plan			104					104		104
Application of own shares for acquisitions and to service share options			12				9	21		21
Acquisition of own shares			2				- 2	0		0
Profit for the year				1,948				1,948	202	2,150
Unrealized gains/losses on securities at balance sheet date (after tax of EUR 18 thousand)					42			42		42
Reversal of unrealized gains/losses on securities at previous balance sheet date					- 22			- 22		- 22
Total income/loss for the period	0	0	118	1,162	20	0	7	1,307	- 70	1,237
Foreign currency translation differences						- 1,075		- 1,075		- 1,075
Balance December 31, 2007	3,250,000	3,250	29,750	7,230	42	- 3,776	- 359	36,137	354	36,491

	Subscribed capital			Retained earnings	Cumulative other equity items		Own shares	Equity attributable to shareholders	Minority interest	Group share-holders equity
	Shares	Nominal value	Capital reserve		Unrealized gains/losses on securities	Exchange differences				
	TEUR	TEUR	TEUR		TEUR	TEUR				
Balance January 1, 2008	3,250,000	3,250	29,750	7,230	42	- 3,776	- 359	36,137	354	36,491
Dividends paid				- 786				- 786	0	- 786
Profit for the year				9,376				9,376	486	9,862
Unrealized gains/losses on securities at balance sheet date (after tax of EUR 1 thousand)					- 3			- 3		- 3
Reversal of unrealized gains/losses on securities at previous balance sheet date					- 42			- 42		- 42
Total income/loss for the period	0	0	0	8,590	- 45	0	0	8,545	486	9,031
Foreign currency translation differences						- 778		- 778		- 778
Access to minority interests								0	8,470	8,470
Balance June 30, 2008	3,250,000	3,250	29,750	15,820	- 3	- 4,554	- 359	43,904	9,310	53,214



Segmental Reporting

01-06/2008	Nuclear Imaging & Industry	Therapy	Radio- pharmacy	Others	Consoli- dation	Total
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Sales to external customers	14,401	11,604	6,809	0	0	32,814
Sales to other segments	85	1,367	60	792	- 2,304	0
Total segment sales	14,486	12,971	6,869	792	- 2,304	32,814
Depreciation and amortization	- 471	- 2,639	- 614	- 93		- 3,817
Non cash related income/expenses	315	1,756	- 1,956	13,195		13,310
Net income/loss before minority interest	2,289	- 2,860	- 2,359	12,792		9,862
Net income/loss before minority interest (operative)	2,289	411	- 391	- 20		2,289
Segment assets	26,753	46,579	16,956	52,191	- 59,132	83,347
Segment liabilities	- 10,805	- 18,790	- 18,975	- 6,487	17,925	- 37,132
Capital investment	399	835	890	0		2,124

Sales by geographic areas 01-06/2008

	Million EUR	%
North America	9.3	28
Europe	20.0	61
Asia/Pacific	2.9	9
Other	0.6	2
	32.8	100

01-06/2007	Nuclear Imaging & Industry	Therapy	Radio- pharmacy	Others	Consoli- dation	Total
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Sales to external customers	12,910	10,405	3,137	6		26,458
Sales to other segments	88	257	1	491	- 837	0
Total segment sales	12,998	10,662	3,138	497	- 837	26,458
Depreciation and amortization	- 577	- 1,044	- 243	- 61		- 1,925
Non cash related income/expenses	- 46	182	- 179	20		- 23
Net income/loss before minority interest	1,616	451	- 411	- 87		1,569
Segment assets	27,968	17,641	12,146	37,345	- 36,218	58,882
Segment liabilities	- 12,672	- 15,094	- 12,876	- 6,050	21,910	- 24,782
Capital investment	310	991	515	1		1,817

Sales by geographic areas 01-06/2007

	Million EUR	%
North America	10.1	38
Europe	13.7	52
Asia/Pacific	1.4	5
Other	1.3	5
	26.5	100



1. General information

These unaudited interim consolidated financial statements as of June 30, 2008 comprise the financial statements of Eckert & Ziegler Strahlen- und Medizintechnik AG and its subsidiaries (also referred to hereinafter as "Eckert & Ziegler AG").

2. Accounting and valuation methods

The consolidated financial statements (interim financial statements) of Eckert & Ziegler AG as of June 30, 2008 have been prepared, like the annual financial statements for 2007, in accordance with the International Financial Reporting Standards (IFRS). All of the standards of the International Accounting Standards Board (IASB), London applicable in the EU on the balance sheet date as well as the relevant interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC) have been followed.

The accounting and valuation methods outlined in the appendix to the annual financial statements for 2007 have been applied unchanged. For the preparation of the consolidated financial statements in compliance with the IFRS, it is necessary for estimates and assumptions to be made that impact on the amount and disclosure of recognized asset values and liabilities, income and expenditure. The actual values may differ from the estimates. Significant assumptions and estimates are made concerning useful lives, earnings attainable from goodwill and non-current assets, the realizability of receivables, and the recognition and measurement of provisions.

This interim report contains all of the necessary information and adjustments required to produce a picture which reflects the actual circumstances in respect of the assets, financial situation and earnings position of Eckert & Ziegler AG at the time the interim report was produced. The earnings achieved during the course of the current fiscal year do not necessarily allow conclusions to be drawn about the development of future earnings.

3. Companies included in the consolidation

In the consolidated financial statements of Eckert & Ziegler AG all companies are included where Eckert & Ziegler AG, either indirectly or directly, is able to determine the financial and business policies (control concept).

Company acquisitions and disposals

Reference is made to the details given in the report for the 1st quarter of 2008 in respect of the shareholding, which was acquired in February 2008, in International Brachytherapy S.A. (IBt), Seneffe (Belgium).

In June 2008, Eckert & Ziegler BEBIG GmbH took over the implants manufacturer Isotron Isotopentechnik GmbH. The acquisition of the company is recorded on the balance sheet with the following values:

	Book values	Market values to be settled
	TEUR	TEUR
Non-current assets	7	107
Current assets	548	534
Non-current debts	0	-352
Current debts	-504	-504
Net assets	51	-215
Procurement costs		128
Goodwill		343

4. Limited comparability of group financial statements with the previous year

In the 3rd quarter of 2007, 100% of the shares in MC Pharma GmbH, Bonn were acquired and the company was then renamed and now trades as Eckert & Ziegler EURO-PET Köln/ Bonn GmbH.

In the 1st quarter of 2008, Eckert & Ziegler AG invested the implants business of Eckert & Ziegler BEBIG GmbH as a contribution in kind in IBt S.A., Seneffe (Belgium) and, in return for this, received 38.5% of the ordinary shares (which equates to 29.9% of the voting shares) in IBt arising from an increase in capital.

In June 2008, Eckert & Ziegler BEBIG GmbH took over the implants manufacturer Isotron Isotopentechnik GmbH.



Compared with the 1st half of 2007, this has impacted substantially on the financial situation and earnings position of the Group, which means that it is difficult to compare the Group report with the previous year's report.

5. Currency translation

The financial statements for the companies outside of the European Monetary Union are translated based on the concept of functional currency. The following exchange rates were used for the currency translation:

Country	Currency	Exchange rate on June 30, 2008	Exchange rate on June 30, 2007	Average rate: Jan.1-June 30, 2008	Average rate: Jan.1-June 30, 2007
USA	USD	1.5799	1.347500	1.543842	1.331847
Czech Republic	CZK	23.8875	28.694405	24.98938	28.199994

6. Portfolio of own shares

As of June 30, 2008, Eckert & Ziegler AG held 106,835 own shares. This equates to a share of 3.3% of the company's nominal capital.

7. Dividends paid

In the second quarter of 2008, dividends of EUR 785,791.25 were paid. This equates to a dividend of EUR 0.25 per share. The values are identical to the amounts paid out in the previous year.

8. Substantial transactions with affiliated persons

In respect of the substantial transactions with affiliated persons, we refer to the publications made in the consolidated financial statements dated December 31, 2007.

9. Events of special significance

At the conclusion of the first six months of fiscal year 2008, there were no events of special significance.

Declaration in accordance with § 37y of the WpHG in conjunction with § 37w para. 2 no. 3 of the WpHG

To the best of our knowledge, we provide an assurance that, in accordance with the applied principles of proper interim financial results reporting, the consolidated interim financial statements give a true and fair picture of the assets, financial position and earnings position of the Group, that the interim Group management report outlines the development and performance of the business and the position of the Group, that a picture which reflects the actual circumstances is conveyed and that the principal opportunities and risks associated with the expected development of the Group in the rest of the fiscal year are described.

Berlin, August 5, 2008

Dr. Andreas Eckert
Chief Executive Officer

Dr. Edgar Löffler
Chief Operating Officer

Dr. André Heß
Chief Operating Officer



Financial Calendar

August 5, 2008

Quarterly Report II/2008

November 4, 2008

Quarterly Report III/2008

November 2008

German Equity Capital Forum in Frankfurt

March 27, 2009

Annual Report 2008

March 27, 2009

Balance Press Conference in Berlin

April 2009

MedTech Day in Frankfurt

May 5, 2009

Quarterly Report I/2009

June 10, 2009

Annual General Meeting in Berlin

August 4, 2009

Quarterly Report II/2009

November 3, 2009

Quarterly Report III/2009

November 2009

German Equity Capital Forum in Frankfurt

Contact

Eckert & Ziegler
Strahlen- und Medizintechnik AG

Thomas Scheuch
Investor Relations

Robert-Rössle-Str. 10
13125 Berlin
www.ezag.de

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

ISIN DE0005659700
WKN 565 970