





		Q1-3/2008	Q1-3/2007	Change
Sales	Million EUR	51.5	39.2	31%
Return on revenue before tax (operational)	%	11%	9%	17%
EBITDA	Million EUR	21.1	7.0	Not comparable
EBIT	Million EUR	14.9	4.2	Not comparable
EBT	Million EUR	14.3	3.7	Not comparable
EBT (operational)	Million EUR	5.6	3.7	54%
Net income/loss before other shareholders' interests	Million EUR	9.3	1.5	Not comparable
Profit	Million EUR	11.0	1.3	Not comparable
Earnings per share (basic)	EUR	3.51	0.41	Not comparable
Earnings per share (operational, basic)	EUR	0.94	0.41	130%
Operational cash flow	Million EUR	0.8	3.7	- 77%
Depreciation and amortization on non-current assets	Million EUR	6.1	2.8	121%
Staff as of September 30	Persons	419	353	19%

Photos on coverpage:

An Oskar-winner at last:
Eckert & Ziegler wins the prestigious "Großer Preis des Mittelstandes", a prize for small and mid-sized companies from the Oskar Patzelt Foundation.

Bottom row, left to right:

MultiSource® cancer radiation system

Featherlite™ for gamma camera quality assurance in the nuclear imaging industry

IsoCord® for minimally-invasive prostate cancer treatment



Business development of the Eckert & Ziegler Group

Revenue growth

The Eckert & Ziegler Group again posted record sales figures in the third quarter of 2008. With sales of over EUR 18.6 million, group sales for the first nine months of 2008 exceeded sales over the same period in the previous year by EUR 12.2 million, or 31%. Sales for the first three quarters of 2008 amounted to 95% of the total sales figures for the year 2007.

With earnings before special effects of EUR 1.2 million for the third quarter of 2008, the group nearly equaled the record figure posted in the 2nd quarter. The accumulated period operating profit before special effects for the first three quarters was EUR 3.0 million, surpassing the figure for the previous year by EUR 0.8 million, or 39%. The operating revenue for the first nine months of 2008 is higher than the profit for the entire year 2007.

If special effects are included, revenue growth for the nine-month period is even more impressive: The group posted income after taxes and other shareholders' interests of EUR 11.0 million in 2008, against a figure of EUR 1.3 million for 2007.

In all three operational segments, sales increased compared with the equivalent nine-month period in 2007. Despite the USD/EUR exchange rate, which remains roughly 0.10 USD/EUR lower than in 2007, the Nuclear Imaging and Industry segment has maintained sales growth figures of 16%, or EUR 3.1 million. The increase can be attributed to the business generated with the new generation of robust oil well logging sources introduced in the 2nd quarter. In the Radiopharmacy segment, sales nearly doubled from EUR 5.4 million to EUR 10.4 million. The increase was due to EUR 1.5 million of sales growth in the Modular-Lab product group and increased sales of contrast media for positron emission tomography (PET) amounting to EUR 3.5 million. The figures were also boosted by the inclusion of Eckert & Ziegler EUROPET Köln/Bonn GmbH, which came on board for the first time in the 3rd quarter of 2007.

In the Therapy segment, sales of implants for treating prostate cancer rose by 69%, although sales to IBt customers were already included for seven of the months (since March). In the case of tumor radiation equipment, the deficit from the first half of the year

has been reversed. Sales have returned to the previous year's levels. Additional orders are pending, which should allow the segment to at least sustain its current sales growth of 28%.

Earnings position

The earnings after tax and other shareholders' interests of EUR 11.0 million posted for the first nine months of 2008 include positive special effects of EUR 8.1 million which can be attributed to the balance on special income arising from the initial consolidation of IBt S.A. and special depreciation and amortization. The effects are explained in more detail in the report on the 1st quarter of 2008. However, the original restructuring provision of EUR 2.0 million has since been replaced by the actual cost of EUR 3.7 million less the EUR 2.3 million minority interest, i.e. net EUR 1.4 million.

For the first nine months of 2008, the group had an operating surplus (i.e. without special effects) of EUR 3.0 million (equates to EUR 0.94/share). Compared to the operating income from the previous year (EUR 2.1 million), the increase amounts to EUR 0.8 million, or roughly 39%.

As in the previous periods, the main source of earnings was the Nuclear Imaging and Industry segment, which contributed EUR 3.4 million to the profit after tax and third-party interests. Despite the high levels already achieved, the group attained substantial growth in both the operating profit and the surplus less minority interests. The operating profit grew by 42% (+ EUR 3.9 million), while the profit after minority interests was increased by 64% (+ EUR 2.1 million).

In the Radiopharmacy segment, the earnings position of existing activities has continued to improve. It posted a profit for the first time. However, the overall profit for the segment remained negative due to 3rd quarter development costs of EUR 0.9 million for the pharmaceutical gallium generator planned for launch in 2010 and for the expansion of the Modular-Lab module portfolio. To avoid balance sheet risks, these activities, in contrast to prior years, were not capitalized this time. Moreover, the 2nd quarter saw a provision for the unplanned forced decommissioning of a cyclotron. These problems could not be resolved during the reporting period; an additional EUR 0.4 million of extraordinary expenses remain on the books. Despite the 92% increase in sales, earnings in the segment therefore remain below the previous year's figures.



In the first nine months of 2008, the Therapy segment generated pre-tax profits of EUR 1.1 million, representing growth of EUR 0.1 million, or 13%. A disproportionate share of the profits were accrued in Eckert & Ziegler BEBIG GmbH and are taxable, whereas IBt S.A. accumulated losses which increase the loss carryforwards, on which, however, no additional deferred taxes were incurred. The result is a tax expenditure of EUR 0.6 million. Income is additionally encumbered by minority interests, reducing segment profits less interests to EUR 0.1 million. The segment posted profits of EUR 0.6 million in the previous year.

The Group's operating cash flow failed to meet the previous year's figure. This is primarily due to the substantial expansion of net working capital, in particular in the fast-growing Radiopharmacy segment. Due to expansionary pressures, receivables and inventories in this segment grew more quickly than vendor liabilities, squeezing cash liquidity. Moreover, a portion of the earnings gains in the Therapy segment was attributable to a non-inpayment effective paid-in surplus in favor of IBt S.A.

Research and development

In the Nuclear Imaging segment, a sophisticated new oil well logging source was approved for use by Californian authorities. The source will be used in oil and natural gas exploration projects and supports the "logging while drilling" technique, in which measurements of geological parameters are transmitted from sensors in the drill head during drilling.

The Radiopharmacy segment has developed advanced prototypes of synthesis modules for the production of carbon-11 compounds (^{11}C). The prototypes will now be tested by various academic collaboration partners before the devices are launched. The modules, which are used to couple high-specific-activity ^{11}C methyl iodide with biologically active substances, are later slated for sale to pharmaceutical companies engaged in research.

Engineers and developers in the Therapy segment mastered numerous challenges that arose from the merging of the Belgian and German implant production facilities at the Berlin site with great aplomb. The fully automated production lines will allow even greater production gains in the future. It was also possible to obtain expedited approval of IsoStrand[®], a new seed implant used in prostate

cancer therapy, ensuring a degree of product continuity for former IBt customers. The development team for tumor radiation equipment made several improvements to the attachment portfolio of the MultiSource[®] Afterloader.

Staff

As of September 30, 2008, the Eckert & Ziegler Group had 232 employees in Germany, and a total of 419 employees worldwide (September 30, 2007: 353). Compared with the end of 2007, the number of staff increased by 65 (December 31, 2007: 354), while compared to June 30, 2008, staff numbers declined by 25. The staff reductions were principally due to the previously announced consolidation of the implant divisions of IBt S.A. and Eckert & Ziegler BEBIG GmbH, which was carried out in the 3rd quarter. As a result of the consolidation, production was concentrated in Berlin, while marketing has been shifted to Belgium.

Outlook

The Group's sales target for fiscal year 2008 is EUR 70 million. The earnings target of EUR 1.00 per share without special effects from the consolidation of IBt S.A. of 0,94 has nearly been achieved in the first nine months of 2008. The Executive Board therefore now expects an annual net profit of EUR 1.10 per share for 2008.

3 | 2008

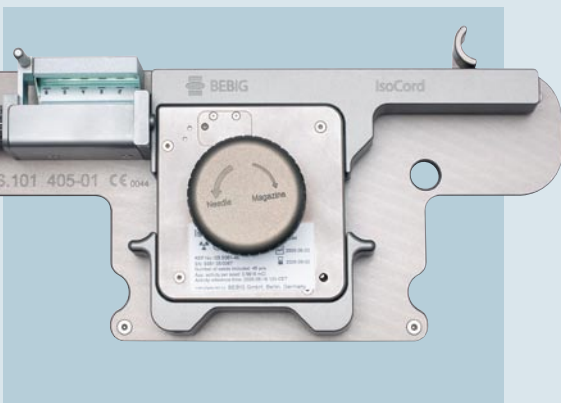
■ Eckert & Ziegler BEBIG GmbH secured a major order for MultiSource® cancer radiation devices, with a volume of EUR 2 million. The devices are to be installed by order of the Kazakh, Ukrainian and Russian governments, as well as the IAEA in the Commonwealth of Independent States (CIS).



■ Eckert & Ziegler acquired the sealed source division of its competitor North American Scientific (Nasdaq: NASM) through its Californian subsidiary Eckert & Ziegler Isotope Products, Inc. (EZIP), further solidifying its worldwide leading position as a manufacturer of quality assurance components for the nuclear imaging industry.



■ IBt BEBIG secured a tender from the renowned Madrid cancer research center Hospital Universitario Ramón y Cajal for a major order to supply IsoCord® prostate implants with a volume of roughly EUR 1 million.



■ Eckert & Ziegler won the Großer Preis des Mittelstandes from the Oskar Patzelt Foundation, a competition recognizing exceptional achievements by small and mid-sized business, topping a field of over 3000 companies from all over Germany.





Consolidated Statements of Income

	Quarterly Report III/2008 07-09/2008	Adjusted Quarterly Report (less special effects) III/2008 07-09/2008	Quarterly Report III/2007 07-09/2007	9-monthly- Report 01-09/2008	Adjusted 9-monthly- Report (less special effects) 01-09/2008	9-monthly- Report 01-09/2007
(Amounts in thousand EUR except for per share data)	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Sales revenue	18,640	18,640	12,788	51,454	51,454	39,246
Sales costs	- 10,835	- 9,095	- 6,186	- 29,305	- 25,332	- 19,527
Gross profit on sales	7,805	9,545	6,602	22,149	26,122	19,719
Selling expenses	- 3,532	- 3,532	- 2,256	- 9,976	- 9,976	- 7,049
General and administrative expenses	- 3,446	- 3,446	- 2,716	- 9,871	- 9,871	- 8,130
Research and non-capitalized development expenses	- 1,337	- 1,337	- 96	- 3,409	- 2,112	- 149
Other operating income	1,235	1,235	124	2,631	2,631	247
Other operating expenses	- 643	- 643	- 107	- 729	- 729	- 191
Profit from operations	82	1,822	1,551	795	6,065	4,447
Other financial items	352	405	- 247	14,142	157	- 243
Earnings before interest and taxes (EBIT)	434	2,227	1,304	14,937	6,222	4,204
Interest received	55	55	11	97	97	41
Interest paid	- 198	- 198	- 205	- 702	- 702	- 592
Profit before tax	291	2,084	1,110	14,332	5,617	3,653
Income tax expense	- 824	- 824	- 1,221	- 5,003	- 2,068	- 2,195
Net income	- 533	1,261	- 111	9,329	3,550	1,458
Profit attributable to minority interests	2,184	- 97	- 65	1,698	- 583	- 174
Dividend to shareholders of Eckert & Ziegler AG	1,651	1,163	- 176	11,027	2,966	1,284
Earnings per share						
Basic	0.53	0.37	- 0.06	3.51	0.94	0.41
Diluted	0.52	0.37	- 0.06	3.49	0.94	0.40
Average number of shares in circulation (basic)	3,143	3,143	3,143	3,143	3,143	3,142
Average number of shares in circulation (diluted)	3,161	3,161	3,170	3,161	3,161	3,172



	9-monthly- Report 01-09/2008	9-monthly- Report 01-09/2007
	TEUR	TEUR
Cash flows from operating activities:		
Profit for the period	9,329	1,458
Adjustments for:		
Depreciation and amortization	6,132	2,779
Proceeds from grants less release of deferred income from grants	- 403	- 139
Deferred tax	2,655	1,066
Expenses from share option plan	-	98
Unrealized foreign currency gains/losses	- 841	- 73
Long-term provisions, other non-current liabilities	- 1,002	105
Gains (-)/losses on the sale of consolidated companies	- 13,985	-
Gains (-)/losses on the disposal of non-current assets	-	- 5
Gains (-)/losses on the sale of securities	- 77	-
Other	33	11
Changes in current assets and liabilities:		
Receivables	- 456	1,013
Inventories	- 535	- 1,681
Prepaid expenses, other current assets	- 287	- 61
Trade accounts payable and accounts payable to related parties	- 562	- 530
Income tax liabilities	486	- 479
Other liabilities	351	110
Cash inflows generated from operating activities	838	3,672
Cash flows from investment activities:		
Purchase (-)/sale of non-current assets	- 5,714	- 2,753
Acquisition of consolidated companies	2,179	- 111
Purchase (-)/sale of shareholdings	40	-
Purchase (-)/sale of securities	690	50
Cash inflows/outflows from investment activities	- 2,805	- 2,814
Cash flows from financing activities:		
Dividends paid	- 786	- 786
Change in long-term borrowings	3,758	- 1,415
Change in short-term borrowings	712	703
Distribution to minority interests	-	- 272
Own shares used for share options or acquisitions	-	20
Cash inflows/outflows from financing activities	3,684	- 1,750
Effect of exchange rates on cash and cash equivalents	61	- 144
Increase (reduction) in cash and cash equivalents	1,778	- 1,036
Cash and cash equivalents at beginning of period	4,375	4,683
Cash and cash equivalents at end of period	6,146	3,647



Consolidated Balance Sheets

	Sept. 30, 2008	Dec. 31, 2007
	TEUR	TEUR
ASSETS		
Non-current assets		
Intangible assets	32,065	18,234
Property, plant and equipment	20,844	17,745
Equity investments	28	68
Deferred tax	8,961	3,081
Other assets	1,103	1,674
Total non-current assets	63,001	40,802
Current assets		
Cash and cash equivalents	6,146	4,375
Securities	358	1,033
Trade accounts receivable	12,819	11,459
Receivables from related parties and companies	-	5
Inventories	9,336	7,713
Other assets	2,303	2,200
Total current assets	30,962	26,785
Total assets	93,963	67,587
EQUITY AND LIABILITIES		
Shareholders' equity		
Subscribed capital	3,250	3,250
Capital reserves	29,750	29,750
Retained earnings	17,471	7,230
Other reserves	- 3,772	- 3,734
Own shares	- 359	- 359
Equity due to the shareholders of Eckert & Ziegler AG	46,340	36,137
Minority interests	7,126	354
Total shareholders' equity	53,466	36,491
Non-current liabilities		
Long-term borrowings and finance lease obligations	8,629	3,921
Deferred income from grants and other deferred income	966	1,369
Deferred tax	2,134	1,339
Retirement benefit obligations	112	98
Other liabilities	4,541	3,653
Total non-current liabilities	16,382	10,380
Current liabilities		
Short-term borrowings and finance lease obligations	9,557	8,256
Trade accounts payable	5,026	3,885
Advance payments received	211	290
Provisions	6,039	5,139
Deferred income from grants and other deferred income	927	935
Current tax payable	765	578
Other liabilities	1,590	1,633
Total current liabilities	24,115	20,716
Total equity and liabilities	93,963	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 1, 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				11,027				11,027	- 1,698	9,329
Unrealized gains/losses on securities at balance sheet date (after tax of EUR 1 thousand)					- 2			- 2		- 2
Reversal of unrealized gains/losses on securities at previous balance sheet date					- 42			- 42		- 42
Total income/loss for the period	0	0	0	10,241	- 44	0	0	10,197	- 1,698	8,499
Foreign currency translation differences						6		6		6
Acquisition of minority interests								0	8,470	8,470
Balance September 30, 2008	3,250,000	3,250	29,750	17,471	- 2	- 3,770	- 359	46,340	7,126	53,466



Segmental Reporting

01-09/2008	Nuclear Imaging & Industry	Therapy	Radio- pharmacy	Others	Consoli- dation	Total
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Sales to external customers	22,164	18,916	10,374	0	0	51,454
Sales to other segments	191	1,545	60	1,068	- 2,864	0
Total segment sales	22,355	20,461	10,434	1,068	- 2,864	51,454
Depreciation and amortization	- 743	- 4,087	- 1,159	- 143		- 6,132
Non cash-related income/expenses	259	1,760	- 1,735	13,336		13,620
Net income/loss before minority interest	3,672	- 4,534	- 2,602	12,793		9,329
Net income/loss before minority interest (operational)	3,672	477	- 634	35		3,550
Segment assets	31,152	43,903	16,577	51,891	- 58,521	85,002
Segment liabilities	- 13,597	- 17,308	- 19,078	- 5,662	17,283	- 38,362
Capital investment	3,679	1,263	750	22		5,714

Sales by geographic areas 01 – 09/2008

	Million EUR	%
North America	15.2	30
Europe	31.3	60
Asia/Pacific	4.0	8
Other	1.0	2
	51.5	100

01-09/2007	Nuclear Imaging & Industry	Therapy	Radio- pharmacy	Others	Consoli- dation	Total
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Sales to external customers	19,029	14,804	5,390	23		39,246
Sales to other segments	92	375	12	731	- 1,210	0
Total segment sales	19,121	15,179	5,402	754	- 1,210	39,246
Depreciation and amortization	- 822	- 1,485	- 380	- 92		- 2,779
Non cash-related income/expenses	- 97	- 33	- 434	- 538	39	- 1,063
Net income/loss before minority interest	2,301	392	- 598	- 677	39	1,457
Segment assets	27,165	17,317	16,965	38,661	- 37,875	62,233
Segment liabilities	- 12,171	- 14,420	- 17,846	- 7,019	23,444	- 28,012
Capital investment	485	1,402	864	2		2,753

Sales by geographic areas 01-09/2007

	Million EUR	%
North America	14.6	37
Europe	21.1	54
Asia/Pacific	1.9	5
Other	1.6	4
	39.2	100



1. General information

These unaudited interim consolidated financial statements as of September 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 September 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 London-based International Accounting Standards Board (IASB) which were 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 observed. The accounting policies described 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 expenditures. 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

Details on the shareholding in International Brachytherapy S.A. (IBt), Seneffe (Belgium) acquired in February 2008 and the June 2008 acquisition by Eckert & Ziegler BEBIG GmbH of the implant manufacturer Isotron Isotopentechnik GmbH are available in the quarterly reports for the 1st and 2nd quarters of 2008.

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 EUROPET 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 first nine months 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 Sept. 30, 2008	Exchange rate on Sept. 30, 2007	Average rate: Jan.1-Sept. 30, 2008	Average rate: Jan.1-Sept. 30, 2007
USA	USD	1.4449	1.4272	1.4398	1.3431
Czech Republic	CZK	24.5415	27.5028	24.6554	28.1080

6. Portfolio of own shares

As of September 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 nine months of fiscal year 2008, there were no events of special significance.

Berlin, November 4, 2008

Dr. Andreas Eckert
Chief Executive Officer

Dr. Edgar Löffler
Chief Operating Officer

Dr. André Heß
Chief Operating Officer



Financial Calendar

November 4, 2008

Quarterly Report III/2008

November 12, 2008

German Equity 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 Forum in Frankfurt

Contact

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