

# Quarterly Report Q3/2008

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**Overview of the 3<sup>rd</sup> quarter:**

- Substantial improvement of fundamental data compared to previous year
  - Turnover: +23%,
  - Pre-tax earnings: +300%
  - Free cash flow: +1.7 million
- Decline in incoming orders
- 2008 turnover and earnings forecast raised for the second time

**Key Data**

in T€	Q3 2008*	Q3 2007		+/- in %	Q1-Q3 2008*	Q1-Q3 2007		+/- in %
<b>Turnover</b>								
Group	15.3	12.4	Mio. €	+23	42.5	36.8	Mio. €	+16
Basler Components	8.0	7.7	Mio. €	+4	22.9	21.1	Mio. €	+9
Basler Solutions	7.3	4.7	Mio. €	+55	19.6	15.7	Mio. €	+25
<b>Orders</b>								
Incoming orders	11.3	14.1	Mio. €	-20	53.4	40.2	Mio. €	+33
<b>Earnings</b>								
Gross margin	<b>48</b>	46	%	+2Pp**	<b>50</b>	46	%	+4Pp**
EBITDA	3.5	1.6	Mio. €	+119	9.2	5.3	Mio. €	+74
EBIT	1.3	-0.4	Mio. €	n.a.	3.3	0	Mio. €	n.a.
Earnings before taxes	1.2	-0.6	Mio. €	n.a.	2.8	-0.4	Mio. €	n.a.
Pre-tax margin	7.8	-4.8	%	+13Pp**	6.6	-1.1	%	+8Pp**
Net earnings	0.9	-0.6	Mio. €	n.a.	2.0	-0.5	Mio. €	n.a.
Net earnings margin	5.9	-4.8	%	+11Pp**	4.7	-1.4	%	+6Pp
Number of shares	3.5	3.5	Mio.		3.5	3.5	Mio.	
Earnings per share	0.25	-0.18	€		0.56	-0.15	€	
<b>Cash</b>								
Free cash flow	1.7	0.1	Mio. €	+1600	2.9	-2.8	Mio. €	n.a.
Cash and cash equivalents (as of the reference date)				+61	6.1	3.8	Mio. €	+61%
<b>Balance sheet</b> (as of the reference date)								
Equity					28.0	24.5	Mio. €	+14
Equity ratio					55	51	%	+4Pp
<b>Staff</b> (position equivalents as of the reference date)								
Number of staff					310	309	Person	
<b>Share</b> (as of the reference date)								
Share price (XETRA)					8.95	12.25	€	-27
Market capitalisation					31.33	42.88	Mio. €	

\* Quarterly figures not audited. \*\* Pp = percentage points

Ladies and Gentlemen,

Basler AG recorded a highly successful third quarter 2008, which exceeded our expectations both in terms of turnover, earnings and cash flow. As expected, the unusually high incoming order volume of the first six months slacked off in the period under review. However, calculated on a cumulative basis over the first 9 months, it still exceeded the previous year by 33%.

Given the acceleration of the financial crisis in the third quarter, economic framework conditions are becoming more challenging and we expect declining growth dynamics in the capital goods industry in the financial year 2009.

The earnings generated in the first 9 months of the financial year exceeded, in some cases substantially, the plan prepared at the start of the year. Our order book reaches well into the financial year 2009. We therefore raise our forecast for the financial year 2008 and expect turnover of approx. € 55 million and pre-tax earnings of just over € 3 million. Our free cash flow will remain positive in the 4th quarter.

### Turnover and incoming orders

In the third quarter 2008, group turnover amounted to € 15.3 million 23% above the previous year's figure (Q3/2007: € 12.4 million). At € 8.0 million, our **"BASLER COMPONENTS"** segment turned over close to 4% more than in the previous year's quarter (Q3/2007: € 7.7 million). Due to the substantial incoming order volume recorded in the previous quarters, our **"BASLER SOLUTIONS"** segment increased its turnover (€ 7.3 million) by more than half compared to the previous year (Q3/2007: € 4.7 million, +55%), contributing the lion's share of the group's growth in turnover as it had done in the second quarter. As expected, at € 11.3 million for the third quarter 2008, the group's incoming orders were lower both than the above-average figures in the previous quarters and the previous year's quarter (Q3/2007: € 14.1 million, -20%). Due to the global decline in demand for mechanical and plant engineering services and a cyclical decline in demand in the flat screen industry, the incoming order volume dropped in both segments in the period under review. Nevertheless, at € 53.4 million, the group's cumulative incoming orders in the first 9 months substantially exceeded the previous year's figure of € 40.2 million (+33%).

### Earnings

Third quarter earnings before taxes amounted to € 1.2 million, exceeding the previous year's quarter by approx. € 1.8 million (Q3/2007: -€ 0.6 million). The accumulated pre-tax earnings of the first 9 months of the financial year amounted to € 2.8 million (Q1-Q3/2007: -€ 0.4 million). Hence, after only 9 months, we have already exceeded our earnings forecast for the entire financial year. Compared to the previous year, gross earnings in the third quarter (€ 7.3 million) grew slightly faster than turnover (Q3/2007: € 5.7 million, +28%). At 48%, the gross margin exceeded the previous year's figure (Q3/2007: 46%) by just under two percentage points.

Sales and marketing expenses increased by 8% over the previous year to approximately € 2.6 million in absolute figures. Compared to the previous year, general administrative costs declined significantly both in absolute terms (-19%) and in relation to turnover (-33%). In the third quarter, net research and development expenses amounted to Euro 2.1 million, stagnating compared to the previous year in absolute terms, while declining by just over 18% in relation to turnover. Unscheduled R&D depreciation in the third quarter amounted to -€ 0.8 million.

The third quarter closed with earnings of € 0.9 million (Q3/2007; -€ 0.6 million). This corresponds to earnings per share of € 0.25 (Q3/2007: -€ 0.18).

### Segment information

Turnover in the **"BASLER COMPONENTS"** segment rose by close to 4% in the third quarter compared to the previous year. Revenues generated from digital camera solutions amounted to € 8.0 million in the period under review (Q3/2007: € 7.7 Million), thereby reaching a new record level.

Due to cyclical reasons, incoming orders (€ 8.4 million) slowed down in the course of the period under review, ending up slightly below the previous year's level (Q3/2007: € 8.6 million, -2%). At € 25.8 million, the cumulative incoming order volume exceeded the previous year by 12% (Q3/2007: € 23.1 million).

In the third quarter, the segment's earnings before interest and taxes rose by 25% to € 1.0 million (Q3/2007: € 0.8 million). The main reasons for this improved profitability were the cost of material, higher production efficiency and higher average revenue. The recent improvement in the exchange rate between the Euro and the US Dollar has not yet affected average revenue in the period under review. Personnel expenses and other costs remained at the previous year's level.

As in the previous quarters, the European market recorded the highest growth dynamics, followed by the (also expanding) North American market. Since the Asian markets were still dominated by weak demand, sales revenues were lower than those generated in the previous year. In terms of product lines, gigabit ethernet cameras once again took centre stage as many customers are converting their products to this new technology.

The market launch of our new video surveillance product line ("Basler IP-CAM") went ahead as planned in the period under review. In September, at the ASIS trade fair in Atlanta, we presented the new cameras to the US public for the first time. Similar to our first presentation at trade fairs in England, we received positive reactions from the market throughout. In the course of the third quarter, we took important steps to expand our sales organisation by signing up several new distribution partners both in Germany and abroad, who will commence active marketing of the "Basler IP-CAM" in the course of the fourth quarter. Furthermore, we convinced major manufacturers of video management systems to tie

our cameras to their own products, thereby enabling our customers to use Basler-IP cameras without having to change their video management system. We still expect significant initial turnover in the fourth quarter 2008.

At € 7.3 million, our **“BASLER SOLUTIONS“** segment generated substantially higher third quarter turnover than in the previous year (Q3/2007: € 4.7 million, +55%). Once again, the expansion in turnover was predominantly carried by customers in the flat screen and solar industries. Compared to the previous year, incoming orders in the third quarter declined by close to one-half to € 2.9 million (Q3/2007: € 5.6 million, -48%). This decline is due to the strongly cyclical trend in demand in the flat screen industry, in which periods of substantial demand alternate with periods of low demand. While massive investments in production facilities were made in the second half of the year 2007 and the first six months of 2008, the number of new projects awarded since the end of the second quarter has been insignificant. The cumulative incoming orders of the first nine months amount to € 27.6 million, thereby exceeding the previous year's figures by 61% (Q3/2007: € 17.1 million).

In the third quarter, the segment's earnings before interest and taxes amounted to € 0.3 million, € 1.2 million higher than the previous year (Q3/2007: -€ 0.9 million). This improvement is predominantly due to the significant rise in turnover. In absolute terms, personnel expenses remained at the previous year's level while declining by approx. 17% in relation to turnover. Compared to the previous period, the other costs rose in relation to turnover due to special items. In the period under review, **“BASLER SOLUTIONS“** made further progress in the implementation of its new strategy. Cooperation agreements were concluded with Manz Automation AG and Komax AG, two important OEMs active in the solar industry, who will contribute to our expansion in turnover in this growth market in the coming years. Within the framework of these cooperation agreements, Basler will supply inspection solutions based on the so-called electro luminescence process which allow for inline inspection of solar wafers for micro cracks and missing contacts that either impair the wafers' mechanical stability or the effectiveness of the solar cells.

### Research & development

At € 2.0 million, full research and development costs in the third quarter exceeded the previous year's level in absolute terms (Q3/2007: 1,6 Million €, +25%). In relation to turnover, full R&D costs rose marginally by 0.3%. In Q3/2008, depreciation of capitalised research and development services were € 1.4 million on previous years level (Q3/2007/€ 1.3 million).

### Number of staff

In the third quarter 2008, the number of staff rose slightly to 310 (30 September 2007: 309 members of staff). The regional breakdown is as follows (previous year in brackets):

- Head office in Ahrensburg: 265 (268)
- Subsidiary in the USA (Exton, PA) 15 (14)
- Subsidiary in Taiwan 15 (15)
- Subsidiary in Singapore: 8 (8)

Representative offices in Shanghai, Korea und Japan: 7 (4)

### Cash flow

In the first 9 months of the current financial year, the operative cash flow amounted to € 8.8 million (Q1-Q3/2007: € 3.1 million). This represents a 184% increase over the previous year.

The free cash flow as of the end of Q3/2008 amounted to € 2.9 million, rising significantly over the comparative period in 2007 (-€ 2.8 million).

Liquid funds increased from € 3.8 million to € 6.1 million (+61%) due to the financial year's positive cash flow development.

### Share

At the start of July 2008, the Basler share opened at a rate of € 9.87 and closed at the end of the period under review at € 8.95.

In July, the share got off to a positive start to the quarter and received a further impetus until mid-September due to the highly positive second quarter report and the raising of the annual forecast 2008. However, the escalation of the capital market crisis has placed the Basler share under pressure since mid-September.

It remains our aim to make the Basler share more attractive via improved fundamental data and successively declining dependence of turnover generated in cyclical technology markets. We consider the positive third quarter 2008 results to be a further step in the right direction and shall inform our investors of further progress in the context of our investor-relations work.

In the context of this communication concept, we have presented our company to various institutional investors at a two-day roadshow in Paris and Stuttgart at the end of the quarter. Despite the difficult capital market environment, investors' reactions to the company's strategy and operating performance were positive throughout.

As of 30 September 2008, the board of directors and the supervisory board held the following shares and options:

in T€	Shares		Options	
	30.09. 2008	30.09. 2007	30.09. 2008	30.09. 2007
<b>Supervisory board</b>				
Norbert Basler (Chairman)	1,8 Mio.	1,8 Mio.	106.907	106.907 (Nicola-Irina Basler)
Prof. Dr. Eckart Kottkamp (Vice Chairman)	-	-	-	-
Konrad Ellegast				
<b>Board of directors</b>				
Dr. Dietmar Ley (Chairman)	135.282	135.282	23.800	23.800
John P. Jennings	2.000	5.500	3.000	3.000

As decided at the general shareholders' meeting in 2007, the convertible bond issued in 2004 was extended by two years as per 30 September 2007. All in all, our staff and management currently hold 45,690 shares in the convertible bond.

### **Corporate Governance – declaration of compliance according to Section 161 AktG**

The board of directors and the supervisory board hereby declare that the recommendations for conduct issued by the Federal government's corporate governance code commission, as amended on 14 June 2007 and again on 6 June 2008, were complied with throughout the financial year 2008 and will be complied with in the future.

The following recommendations have been excluded:

#### **Item 5.3. – Formation of supervisory board committees**

As Basler AG's supervisory board consists of no more than three members, which guarantees the efficient processing of all concerns that form part of the supervisory board's responsibilities, the board shall not form any committees. The generally accepted minimum number of members in a committee is three members.

#### **Item 5.4.7. – Supervisory board remuneration**

The remuneration of the supervisory board members is set out in the articles of association. The level of remuneration takes account of both the position of chairman and vice chairman. Due to the current level of fixed remuneration, a variable component for supervisory board members is not planned.

The updated declaration of compliance with the code can be viewed on the Basler website's Investor Relations area at [www.baslerweb.com/aktie](http://www.baslerweb.com/aktie). If you have any questions regarding the corporate governance code, please contact the compliance officer at Basler AG:

Dr. Dietmar Ley (CEO), Tel. 04102 - 463 100,  
[ir@baslerweb.com](mailto:ir@baslerweb.com)

### **Outlook**

Basler AG's successful third quarter exceeded all expectations. Turnover, earnings and cash flow were substantially higher than the previous year's figures. Our costs were within the planned range and are, in some cases, significantly lower than in the previous year.

Turnover in the components business developed positively on the European and North American markets. In contrast, turnover on the Asian market declined. Compared to the previous year as well as the previous quarters of the current financial year, growth dynamics in the second half of the third quarter slowed down. Consequently, we expect slightly lower turnover in the fourth quarter.

The welcome earnings trend in our component business continued. The disproportionate increase in profitability in

the past third quarter is predominantly due to the progress we made in the fields of purchasing and production as well as the associated significant improvement of the gross margin. For the remainder of the year, we expect margins to continue exceeding the previous year's figures. Despite a slight easing of price pressure in the past months, we will continue our endeavours to cut production costs.

We intend to further increase investments in the expansion of our video surveillance business in order to exploit the market's consistently high growth potential in the coming years. Due to the, so far, successful market launch of the Basler IP-CAM, we expect first significant turnover from this product line in the fourth quarter of the financial year 2008.

As expected, the third quarter turnover and profitability of our solution business rose significantly over to the previous year due to the high incoming order volume in the previous quarters, thereby contributing to improved profitability at the group level.

In the flat screen industry and the solar industry, currently the main markets for our solution business, the demand situation at the start of the fourth quarter is heterogeneous. While the solar industry is still expanding, increases in capacity in the flat screen industry have slowed down since the end of the second quarter due to rising inventories and declining average revenues. Demand for capital goods from the flat screen industry in the coming 9 to 12 months will thus be lower than in the past 9 to 12 months. Due to the fact that our order book reaches well into the financial year 2009 and thanks to the measures we implemented to make our costs more flexible, this dent in demand will affect Basler less than in the past.

As a consequence of the positive turnover, earnings and cash flow trends in the first three quarters of the current financial year as well as our impressive incoming order volume, we are raising our forecast for the financial year 2008 a second time despite the deterioration in the economic environment. We now expect turnover in the amount of approximately € 55 million and pre-tax earnings of just above € 3 million. Once again, our free cash flow will be positive in the fourth quarter.

### **Declaration by legal representatives**

We affirm to the best of our knowledge that the interim consolidated financial statements, in accordance with the accounting principles applicable to interim reporting, provide a true and fair view of the group's asset, financial and earnings situation and that the group's interim management report presents a true and fair picture of the course of business, including the operating result, and the group's financial situation as well as describing the essential opportunities and risks concomitant with the expected development of the group during the remainder of the financial year."

Board of directors



## Consolidated profit and loss statement (IFRS)

in k€, result per share in €	01.07.- 30.09.2008	01.07.- 30.09.2007	01.01.- 30.09.2008	01.01.- 30.09.2007
Income from sales	15,345	12,389	42,516	36,788
Cost of sales	-8,021	-6,658	-21,456	-19,832
<b>Gross profit on sales</b>	<b>7,324</b>	<b>5,740</b>	<b>21,060</b>	<b>16,956</b>
Sales and marketing costs	-2,565	-2,438	-7,562	-7,221
General administration costs	-1,733	-2,079	-5,451	-5,778
Research and development				
Full costs	-2,047	-1,610	-6,219	-5,174
Activation of intangible assets	1,430	1,250	4,714	4,470
Depreciation on activated intangible assets	-1,448	-1,685	-4,617	-4,232
Balance – Research and development	-2,065	-2,045	-6,122	-4,936
Other internal income	381	404	1,352	1,007
<b>Operative profit</b>	<b>1,342</b>	<b>-418</b>	<b>3,277</b>	<b>28</b>
Interest expense	-131	-185	-433	-457
<b>Annual surplus for profit tax</b>	<b>1,211</b>	<b>-603</b>	<b>2,844</b>	<b>-429</b>
Profit tax	-322	-17	-886	-92
<b>Net period surplus</b>	<b>889</b>	<b>-620</b>	<b>1,958</b>	<b>-521</b>
Number of shares (diluted)	3,500,000	3,500,000	3,500,000	3,500,000
Operating profit per share	0.25	-0.18	0.56	-0.15
Number of shares (diluted)	3,668,882	3,714,285	3,668,882	3,668,882
Earnings effect to be taken into account for the dilution resulting from the convertible loan	23	23	71	71
Completely diluted operating profit per share	0.25	-0.16	0.55	0.12

## Consolidated cash flow statement (IFRS)

in k€	01.01.- 30.09.2008	01.01.- 30.09.2007
Net period surplus	1,958	-521
Depreciations on fixed asset objects	5,781	5,229
Interest outpayment/Interest inpayment	470	467
Increase/decrease in the accruals	854	-175
Change in deferred taxes	474	6
Change in the capital resources without affecting the payment	-53	68
Profit/loss from the outflow of fixed asset objects	103	5
Increase/decrease in the reserves	-1,714	-1,608
Increase/decrease in the receivables from deliveries and services	-340	-616
Increase/decrease in other assets, which are not allotted to the investment or financing activity	680	-643
Increase/decrease in the down payments received	696	548
Increase/decrease in the payables from deliveries and services	-264	185
Increase/decrease in other liabilities, which are not allotted to the investment or financing activity	186	163
<b>Cash flow from the ongoing business activity</b>	<b>8,831</b>	<b>3,108</b>
Inpayment from the outflow of tangible/intangible fixed asset objects	97	6
Outpayments for investments in tangible/intangible fixed assets	-6,029	-5,906
<b>Cash flow from the investment activity</b>	<b>-5,932</b>	<b>-5,900</b>
<b>Free cash flow</b>	<b>2,899</b>	<b>-2,792</b>
Inpayments/outpayments from borrowing/repayment of loans from credit institutions/banks	-300	4,500
Inpayments/outpayments convertible bond	0	-673
Interest outpayment/Interest inpayment	-470	-467
<b>Cash flow from the financing activity</b>	<b>-770</b>	<b>3,360</b>
<b>Changes in the funds that affect the payment</b>	<b>2,129</b>	<b>568</b>
<b>Funds at the beginning of the period</b>	<b>3,945</b>	<b>3,268</b>
<b>Funds at the end of the period</b>	<b>6,074</b>	<b>3,836</b>
<b>Funds available at the end of the fiscal year</b>		
Means of payment	6,074	3,836
Tax outpayments	109	0

## Consolidated balance sheet (IFRS)

Assets in k€	30.09.2008	31.12.2007
<b>A. LONG-TERM-ASSETS</b>		
<b>I. Fixed Assets</b>		
1. Other intangible assets	2,095	1,805
2. Capitalized development costs	12,805	12,708
3. Tangible assets	2,740	3,076
<b>Total</b>	<b>17,640</b>	<b>17,589</b>
<b>II. Deferred tax assets</b>	<b>6,006</b>	<b>6,325</b>
<b>Total</b>	<b>23,646</b>	<b>23,914</b>
<b>B. Short-TERM-ASSETS</b>		
<b>I. Inventories</b>		
1. Finished goods	1,890	1,384
2. Work in process and semi-finished goods	2,012	1,268
3. Raw materials and supplies	4,530	4,167
4. Trade goods	285	186
<b>Total</b>	<b>8,717</b>	<b>7,005</b>
<b>II. Short-term financial assets</b>		
1. Short-term receivables		
Trade accounts receivable	5,840	5,001
Receivables of Percentage of Completion	5,352	5,850
<b>Total</b>	<b>11,192</b>	<b>10,851</b>
2. Other short-term financial assets and accruals	524	1,162
<b>III. Claim for Tax refunds</b>	<b>384</b>	<b>429</b>
<b>IV. Cash and cash equivalents</b>	<b>6,074</b>	<b>3,945</b>
<b>Total</b>	<b>26,891</b>	<b>23,392</b>
<b>Total assets</b>	<b>50,537</b>	<b>47,306</b>

## Consolidated balance sheet (IFRS)

Liabilities in k€	30.09.2008	31.12.2007
<b>A. SHAREHOLDER'S EQUITY</b>		
I. Subscribed capital	3,500	3,500
II. Capital reserve	1,220	1,220
III. Equitization of currency exchange	155	207
IV. Accumulated earnings	23,105	21,147
<b>Total</b>	<b>27,980</b>	<b>26,074</b>
<b>B. LONG-TERM DEPT</b>		
I. Long-term liabilities		
1. Silent partnership	1,023	1,023
2. Convertible bond	0	2,139
3. Long-term liabilities to banks	6,811	7,711
II. Deferred tax liabilities	6,272	6,117
<b>Total</b>	<b>14,106</b>	<b>16,990</b>
<b>C. SHORT-TERM DEPT</b>		
I. Convertible bond	2,139	0
II. Short-term other liabilities to banks	900	300
III. Short-term accrual liabilities	2,114	1,514
IV. Short-term other liabilities		
1. Accounts payable	1,350	1,614
2. Down payments	825	129
3. Other liabilities	869	434
V. Tax provisions	254	251
<b>Total</b>	<b>8,451</b>	<b>4,242</b>
<b>Total liabilities</b>	<b>50,537</b>	<b>47,306</b>

## Primary Group Segment Information (IFRS)

as of 30.09.2008

in k€	Basler Components		Basler Solutions		Reconsolidation		Group	
	01.01.- 30.09.2008	01.01.- 30.09.2007	01.01.- 30.09.2008	01.01.- 30.09.2007	01.01.- 30.09.2008	01.01.- 30.09.2007	01.01.- 30.09.2008	01.01.- 30.09.2007
Segment revenues	22,875	21,074	19,641	15,714	0	0	42,516	36,788
Segment results (EBIT)	3,033	2,762	233	-2,571	13	-163	3,279	28
Segment assets	19,717	15,981	15,524	15,909	2,307	3,626	37,548	35,516
Segment liabilities	13	14	965	741	-153	1,541	825	2,296
Segment investments	3,475	3,310	2,010	1,977	543	619	6,028	5,906
Segment depreciations	2,105	1,650	3,119	3,051	558	528	5,782	5,229

### Third Quarter 2008

in k€	Basler Components		Basler Solutions		Reconsolidation		Group	
	01.07.- 30.09.2008	01.07.- 30.09.2007	01.07.- 30.09.2008	01.07.- 30.09.2007	01.07.- 30.09.2008	01.07.- 30.09.2007	01.07.- 30.09.2008	01.07.- 30.09.2007
Segment revenues	8,010	7,742	7,334	4,656	0	0	15,344	12,398
Segment results (EBIT)	1,031	753	279	-926	34	-247	1,344	-420
Segment investments	1,030	1,130	614	521	164	92	1,808	1,743
Segment depreciations	913	633	805	1,203	188	187	1,906	2,023

## Secondary Group Segment Information (IFRS)

as of 30.09.2008

in k€	Europe		Reconsolidation		Group	
	01.01.- 30.09.2008	01.01.- 30.06.2007	01.01.- 30.09.2008	01.01.- 30.06.2007	01.01.- 30.09.2008	01.01.- 30.09.2007
Segment revenues	42,516	36,788	0	0	42,516	36,788
Segment results (EBIT)	3,266	191	13	-163	3,279	28
Segment investments	35,241	31,890	2,307	3,626	37,548	35,516
Segment liabilities	5,485	5,287	543	619	6,028	5,906

### Third Quarter 2008

in k€	Europe		Reconsolidation		Group	
	01.07.- 30.09.2008	01.07.- 30.09.2007	01.07.- 30.09.2008	01.07.- 30.09.2007	01.07.- 30.09.2008	01.07.- 30.09.2007
Segment revenues	15,344	12,398	0	0	15,344	12,398
Segment investments	1,644	1,651	164	92	1,808	1,743

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## Consolidated Changes in Statement of Shareholder's Equity

(IFRS not subject to the audit)

as of 30.09.2008

in T€	Nominal capital	Capital reserve	Equation of currency exchange	Accumulated earnings	Total
<b>Shareholder's equity as of 01.01.2007</b>	<b>3,500</b>	<b>1,268</b>	<b>114</b>	<b>20,066</b>	<b>24,948</b>
Difference from currency conversion			67		67
Group net profit for period				-521	-521
<b>Shareholder's equity as of 30.09.2007</b>	<b>3,500</b>	<b>1,268</b>	<b>181</b>	<b>19,545</b>	<b>24,494</b>
Difference from currency conversion			26		26
Group net profit for period				1,602	1,602
Payback Convertible Bond		-48			-48
<b>Shareholder's equity as of 31.12.2007</b>	<b>3,500</b>	<b>1,220</b>	<b>207</b>	<b>21,147</b>	<b>26,074</b>
Difference from currency conversion			-52		-52
Group net profit for period				1,958	1,958
<b>Shareholder's equity as of 30.09.2008</b>	<b>3,500</b>	<b>1,220</b>	<b>155</b>	<b>23,105</b>	<b>27,980</b>

## Schedule of events for 2008

<b>Finance</b>	
November 10 – 12, 2008	Eigenkapitalforum (Equity Capital Forum), Frankfurt, Germany
Messen und Konferenzen	
<b>Basler Components</b>	
November 4 – 6, 2008	Vision Show – Stuttgart, Germany

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