

		Q1-3 2006	Q1-3 2005	Change
Revenue	Million EUR	35.8	30.0	19%
Return on revenue before tax	%	10	8	29%
EBITDA	Million EUR	7.3	5.4	35%
EBIT	Million EUR	4.1	2.7	52%
EBT	Million EUR	3.5	2.3	54%
Net income before minority interest	Million EUR	2.3	1.2	87%
Net income / loss	Million EUR	2.1	1.1	93%
Earnings per share (basic)	EUR	0,67	0,35	91%
Earnings per share (diluted)	EUR	0,66	0,35	91%
Cash flow from operating activities	Million EUR	2.3	2.6	-15%
Depreciation and amortization (net)	Million EUR	3.3	2.7	19%
Employees (as of September 30)	Persons	299	258	16%

Coverpage

Small photo (above):

The MultiSource® tumor radiation system from Eckert & Ziegler BEBIG GmbH is especially well suited for use in developing and newly industrialized countries. Due to its long half-life, the Co-60 radiation source does not require frequent replacement. This considerably reduces logistical and administrative loads for clinics and the overseeing agencies.

Large photo (below):

In the third quarter of 2006, the IsoCord® prostate implant was successfully added to the list of remunerable products and services. Using the needle loading station, the prostate seed chains (lower photo) can easily be cut to the desired length.

Small photos on the right side:

Ivan Simmer, General Manager,
Eckert & Ziegler Cesio s.r.o., Prague, Czech Republic

Karolin Riehle, Head of Corporate Communications,
Eckert & Ziegler AG, Berlin, Germany

Dr. Gunnar Mann, General Manager,
Eckert & Ziegler BEBIG GmbH, Berlin, Germany

Dear Shareholder,

Eckert & Ziegler AG has once again posted record figures for the third quarter of 2006, with sales exceeding the 12 million EUR mark for the first time. This quarter thus represents the strongest three-month period in the history of the company and an increase of approximately 6% over the strong second-quarter results of 2006. In cumulative terms, business volume as of September 30 increased by around 20% over that of the year before, from 30 to nearly 36 million EUR. It is expected that the overall figures for 2006 will also clearly surpass last year's record sales of 41.8 million EUR.

The main engines for growth over the past nine months were the new Radiopharmaceuticals segment, which accounted for 3.6 million EUR of the total growth over last year's period of 5.8 million EUR, and the Therapy segment, which grew by 1.4 million EUR or 14 percent over last year. Implants for treating prostate cancer showed a particularly positive development, as did tumor radiation equipment due to a large-scale order from Venezuela. Incoming orders for the new Modular-Lab™ product family, which is part of the Radiopharmaceuticals segment, have shown a promising development. In the Nuclear Imaging and Industry segment, however, business volume did not meet expectations. It reached only roughly the same level as last year, with respectable increases for medical imaging products, calibration sources, and industrial radiation sources offset by sluggish sales of raw isotopes.

The latter, however, did not have a negative effect on profits, which showed a positive trajectory during these three months similar to that of the previous quarters. Following taxes and distribution to other shareholders, profits of approx. 0.7 million EUR or 0.22 EUR per share were posted, which means that the surplus following taxes and distribution to other shareholders increased to 2.1 million EUR or 0.67 EUR per share for the nine-month period. It thus lies substantially above the value for last year, which represented a surplus of 1.1 million EUR or 0.35 EUR per share for the same point in time. It also exceeds the record value of the nine-month period in 2004, which at 1.7 million EUR or 0.54 EUR per share, was based solely on balance sheet artifacts resulting from the deconsolidation of discontinued business sectors.

As in the previous quarters, the main profit engine was the Nuclear Imaging and Industry segment, which contributed around 2.1 million EUR to the net income after taxes and minority interest, while the Therapy segment posted earnings of around 0.6 million EUR. As expected, the Radiopharmaceuticals segment and the other company divisions yielded a combined loss of around 0.6 million EUR.

This loss is due in large part to expenses associated with the authorization of new radiopharmaceutical products. The loss is lower than expected, however, because clinical trials have been postponed for the main product ²²⁴SpondylAT®, a radium 224-based drug for treating rheumatism. It has not yet been possible to reach an agreement with the authorization agencies regarding the study design or the number of patients to be included. Agreement is being held up by the fact that the two parties are currently presenting arguments at the Administrative Court regarding the withdrawal of the previous authorization for ²²⁴SpondylAT®. Before a decision is made here, it will be difficult to finalize details for the clinical tests.

Milestones

■ The IsoCord® prostate implant is added to the list of remunerable products and services in France.

■ Pharmtrace klinische Entwicklung GmbH, a commission-based research institute and a joint venture by Eckert & Ziegler AG and a group of experienced clinical developers, starts up operations in Berlin.

■ Together with the Gläsernes Labor (Life Sciences Learning Lab) in Berlin-Buch, Eckert & Ziegler launches the "Science Garden" campaign, which aims to interest kindergarten teachers in experiment-oriented science courses and to improve the quality of kindergarten education.

The decision is expected in the fourth quarter, and as soon as it is made, segment management personnel will start talks with the authorization agencies and provide updated time and cost estimates. Until that time, the Group anticipates that the 2006 results following taxes and distribution to other shareholders will show an increase of more than 50% over 2005, and that without the burden of ²²⁴SpondylAT[®] authorization, a result of around 1 EUR per share can be achieved in 2007.

Research and Development

In the Nuclear Imaging and Industry segment, tests have been successfully performed on an X-ray system that can be used for rapid and economical inspection of freight on trucks for border security purposes. In addition, a number of prototypes for analyzing food products were produced, which are expected to be available on the market starting next year.

Work in the Therapy segment concentrated on further developing cancer radiation systems and on expanding the accessory portfolio. A prototype series for a new product for treating eye cancer was successfully produced. In the Radiopharmaceuticals segment, a number of technical components and applications were added to the Modular-Lab[™] product range.

Staff

The total number of employees throughout the Eckert & Ziegler AG Group increased over the close of 2005, reaching 299 on 30 September 2006 (30 September 2005: 258). The average number of employees over the first three quarters of 2006 was 291 (Q1–Q3/2005: 247).

Outlook

The Board expects the fourth quarter to show lower surpluses than the previous three quarters, because profit-sharing payments will be due and provisions and adjustments will be made for the annual accounts. The combination of high delivery volumes in the third quarter and the upcoming winter holidays is also expected to lower sales and thus the gross margin. In sum, the surplus after taxes and distribution to other shareholders is expected to be around 2.5 million EUR or approximately 0.80 EUR per share. With estimated interest levels of 0.8 million EUR, this would mean an EBITDA of approximately 9.2 million EUR and an EBIT of around 4.9 million EUR.

Regarding sales, the targeted mark of 50 million EUR for 2006 will probably only barely be met due to sluggish sales of raw isotopes. This would amount to an increase of around 18% over last year.

Balance Sheet

The balance sheet does not show any major changes vis-à-vis the previous quarter. The largest changes derive from trade account receivables, which increased by approximately 0.9 million EUR, as well as from short-term loan liabilities, which were reduced by approximately 0.8 million EUR. The capital ratio remained constant at 55%. Eckert & Ziegler AG's share in Pharmtrace klinische Entwicklung GmbH (see also the press release of 13 September 2006) will be listed on the balance sheet under financial investments, because the amount of holdings means that only an at-equity consolidation will be done.

General Accounting and Valuation Methods

This unaudited Group Interim Report for the third quarter of the 2006 business year comprises the reports from Eckert & Ziegler Strahlen- und Medizintechnik AG and its subsidiaries (also "Eckert & Ziegler AG" below).

Eckert & Ziegler AG's Group Interim Report of 30 September 2006 is published in accordance with IFRS. Group interim reports up to and including those of 2005 were prepared in accordance with the Generally Accepted Accounting Principles valid in the United States of America (US-GAAP). For purposes of comparison, last year's figures included in this Interim Report have been converted in accordance with IFRS.

Eckert & Ziegler AG's Group Interim Report of 30 September 2006 was produced in accordance with the International Financial Reporting Standards (IFRS). It takes into account all standards stipulated for application in the EU on that date by the International Accounting Standards Board (IASB) in London, as well as official interpretations by the International Financial Interpretations Committee (IFRIC) and/or the Standing Interpretations Committee (SIC).

The same accounting and valuation methods were applied to the Interim Report as to the Group Financial Statement of 31 December 2005.

To prepare Group interim reports in accordance with IFRS, it is necessary to make estimates and assumptions about the level and extent of the assets, debts, revenues, and expenditures on the balance sheet. The actual values can deviate from the estimates. Major assumptions and estimates are made for useful lives, obtainable revenues from fixed assets, viability of outstanding accounts, and accounting and valuation of provisions.

This Interim Report contains all the information and adjustments needed to acquire a view of the asset, financial, and profit situations of Eckert & Ziegler AG corresponding to actual conditions at the time of the Interim Report. Sub-year results for the ongoing business year cannot necessarily be used to derive conclusions about the development of future results.

Consolidation Cycle

Eckert & Ziegler AG's Group Interim Report includes all essential companies for which Eckert & Ziegler AG is able to directly or indirectly determine financial and business policy (control function). Between 31 December 2005 and 30 September 2006, there were no changes to the consolidation cycle, so the companies included in the Interim Report of 30 September 2006 are the same as those in the Group Financial Statement of 31 December 2005.

Currency Conversion

Financial statements for subsidiaries outside the European Currency Union are converted in accordance with the notion of functional currency. A modified closing rate method is applied for all companies. Assets and debits are converted using the mid-rate on the date of the statement, and equity capital is converted using historical rates. Profit and loss statement items are converted by means of the weighted average for the period.

The following exchange rates were used:

Country	Currency	Exchange rate on September 30, 2006	Exchange rate on September 30, 2005	Average rate for the period January 1 – September 30, 2006	Average rate for the period January 1 – September 30, 2005
USA	US\$	1.268800	1.204800	1.256296	1.257679
Czech Republic	CZK	28.333300	29.645300	28.420394	29.961649

Significant Events

No significant events have occurred after the first nine months of the 2006 business year.

Limited Comparability of this Group Interim Report with Last Year

Eckert & Ziegler AG and/or its subsidiaries acquired a number of companies during the 2005 business year. This substantially affected the Group's asset and profit situations, which makes it difficult to compare this Group Interim Report with that of last year.

Number of Own Shares

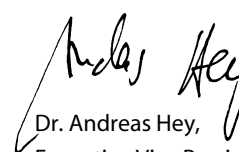
As of 30 September 2006, Eckert & Ziegler AG held 111,835 of its own shares.



Dr. Andreas Eckert,
Chief Executive Officer



Dr. Edgar Löffler,
Executive Vice President



Dr. Andreas Hey,
Executive Vice President

Berlin, October 27, 2006

	Quarterly Report III/2006 07–09/2006 TEUR	Quarterly Report III/2005 07–09/2005 TEUR	9-monthly report 2006 01–09/2006 TEUR	9-monthly report 2005 01–09/2005 TEUR
Revenue	12,659	11,211	35,835	30,022
Cost of goods sold	- 6,645	- 6,228	- 18,559	- 16,820
Gross profit on sales	6,014	4,983	17,276	13,202
Selling expenses	- 2,025	- 2,152	- 6,197	- 4,991
General and administrative expenses	- 2,717	- 2,265	- 7,824	- 6,182
Research and development expenses	- 146	- 91	- 412	- 261
Other operating income	412	268	1,277	641
Other operating expenses	149	-14	-97	-24
Operating income/loss	1,687	729	4,023	2,385
Interest receivable and payable, net	- 182	- 154	- 573	- 394
Gains/losses on currency exchange, net	- 140	- 64	- 155	273
Other income/expense, net	- 45	-	183	-
Income before tax and minority interest	1,320	511	3,478	2,264
Income tax expense	- 580	- 312	- 1,198	- 1,044
Net income/loss before minority interest	740	199	2,280	1,220
Share of profit (-) / or loss (+) attributable to minority interest	- 56	- 54	- 177	- 128
Net income/loss	684	145	2,103	1,092
Earnings per share (basic)	0.22	0.05	0.67	0.35
Earnings per share (diluted)	0.22	0.05	0.66	0.35
Average number of shares in circulation (basic)	3,132	3,107	3,128	3,096
Average number of shares in circulation (diluted)	3,167	3,154	3,163	3,136

	Sept 30, 2006 TEUR	Dec 31, 2005 TEUR
ASSETS		
Non-current assets		
Property, plant and equipment	17,383	18,501
Intangible assets	7,020	6,994
Goodwill	11,074	11,681
Equity investments	83	68
Deferred taxes	4,079	3,985
Other non-current assets	1,925	1,860
Total non-current assets	41,564	43,089
Current assets		
Cash and cash equivalents	4,215	4,950
Marketable securities	1,106	2,444
Trade accounts receivable, less allowance for doubtful accounts	10,260	9,499
Receivables from related parties	29	13
Inventories	5,919	6,029
Prepaid expenses and other current assets	1,120	973
Total current assets	22,649	23,908
Total assets	64,213	66,997
EQUITY AND LIABILITIES		
Shareholders' equity		
Subscribed capital	3,250	3,250
Capital reserve	29,550	29,346
Retained earnings	5,950	4,316
Cumulative other comprehensive income	- 3,283	- 1,623
Own shares	- 375	- 434
Minority interests	277	100
Total shareholders' equity	35,369	34,955
Non-current liabilities		
Long-term debt, less current portion and capital lease obligations	10,218	9,316
Deferred income from grants and other deferred income	1,144	1,841
Deferred taxes	2,415	2,563
Pension reserves	135	128
Other non-current liabilities	3,648	3,755
Total non-current liabilities	17,560	17,603
Current liabilities		
Short-term debt and current portion of long-term debt and capital lease obligations	1,042	3,437
Trade accounts payable	3,421	4,162
Prepayments received	15	55
Accrued expenses	3,503	3,236
Deferred income from grants and other deferred income	929	939
Income tax payable	47	592
Other current liabilities	2,327	2,018
Total current liabilities	11,284	14,439
Total liabilities and shareholders' equity	64,213	66,997

	9-monthly report 01 – 09/2006	9-monthly report 01 – 09/2005
	TEUR	TEUR
Cash flows from operating activities		
Net income/loss	2,103	1,092
Adjustments for:		
Depreciation and amortization	3,251	2,739
Proceeds from grants		
less release of deferred income from grants	- 697	55
Deferred taxes	- 154	375
Income (-)/expense from stock option plan	80	57
Unrealized foreign currency gains (-)/losses	- 231	- 524
Long-term reserves, other long-term liabilities	25	374
Gains (-) / losses (+) on the disposal of non-current assets	14	-
Gains (-) / losses (+) on the sale of securities	- 55	-
Other items, net	- 242	44
Changes in current assets and liabilities:		
Receivables	- 975	- 904
Inventories	- 143	- 697
Prepaid expenses and other current assets	- 162	- 190
Accounts payable		
and accounts payable to affiliates	- 349	237
Tax reserves	- 579	177
Other liabilities	367	- 190
Net cash generated from operating activities	2,253	2,645
Cash flows from investing activities		
Additions to / Sale of non-current assets	- 2,720	- 1,800
Acquisitions of consolidated enterprises	- 15	- 2,262
Sale of securities	1,387	- 801
Other items	-	- 19
Net cash used in investing activities	- 1,348	- 4,882
Cash flows from financing activities		
Dividends paid	- 434	- 775
Change in long-term borrowing	987	- 351
Change in short-term borrowing	- 2,276	307
Treasury stock used for stock options	218	164
Net cash generated from financing activities	- 1,505	- 655
Effect of exchange rates on cash and cash equivalents	- 135	133
Decrease/increase in cash and cash equivalents	- 735	- 2,759
Cash and cash equivalents at beginning of period	4,950	5,504
Cash and cash equivalents at end of period	4,215	2,745
Short term investments	1,106	2,439
Cash and short term investments at end of period	5,321	5,184

	<u>Subscribed capital</u>		Capital reserve	<u>Cumulative other equity items</u>			Own shares	Equity attributable to shareholders	Minority interest	Group shareholders' equity
	Shares	Nominal value		Retained earnings	Unrealized securities	Exchange differences				
	TEUR	TEUR		TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Balance Jan 1, 2005	3,250,000	3,250	29,188	3,729	19	-2,947	-541	32,698	165	32,863
Dividends paid				-775				-775	-251	-1,026
Cost of share option plan			99					99		99
Application of own shares for acquisitions and to service share option plan			59				107	166		166
Profit for the year				1,590				1,590	-99	1,491
Unrealized gains/losses on securities at balance sheet date (after tax of EUR 26 thousand)					41			41		41
Reversal of unrealized gains/losses on securities at previous balance sheet date					-19			-19		-19
Foreign currency translation differences						1,283		1,283		1,283
Increase/decrease in minority interest								0	285	285
Negative minority interest acquired				-228				-228		-228
Balance Dec 31, 2005	3,250,000	3,250	29,346	4,316	41	-1,664	-434	34,855	100	34,955

	<u>Subscribed capital</u>		Capital reserve	<u>Cumulative other equity items</u>			Own shares	Equity attributable to shareholders	Minority interest	Group shareholders' equity
	Shares	Nominal value		Retained earnings	Unrealized securities	Exchange differences				
	TEUR	TEUR		TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Balance Jan1, 2006	3,250,000	3,250	29,346	4,316	41	-1,664	-434	34,855	100	34,955
Dividends paid				-469				-469		-469
Application of own shares for acquisitions and to service share option plan			204				59	263		263
Profit for the year				2,103				2,103	177	2,280
Unrealized gains/losses on securities at balance sheet date (after tax of EUR 24 thousand)					38			38		38
Reversal of unrealized gains/losses on securities at previous balance sheet date					-41			-41		-41
Foreign currency translation differences						-1,657		-1,657		-1,657
Balance Sept 30, 2006	3,250,000	3,250	29,550	5,950	38	-3,321	-375	35,092	277	35,369

01 – 09/2006

	Nuclear Medicine & Industry	Therapy	Radio- pharma- ceuticals	Others	Consoli- dation	Totals
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Sales to external customers	18,510	13,678	3,643	4		35,835
Sales to other segments	444	69	8	494	-1,015	
Total segment sales	18,954	13,747	3,651	498	-1,015	35,835
Depreciation & amortization	-965	-1,789	-378	-119		-3,251
Non-cash income and expenses	2,046	-398	-2,661	2,102	137	1,226
Net income/loss before minority interest	2,328	596	-217	-427		2,280
Segmental assets	28,148	20,100	9,729	38,496	-32,260	64,213
Segmental liabilities	-15,604	-19,660	-10,196	-5,248	21,864	-28,844
Capital expenditure	415	2,156	141	8		2,720

Sales by geographic areas 01 – 09/2006

	Million EUR	%
North America	13.7	38
Europe	17.4	49
Asia/Pacific	1.8	5
Others	2.9	8
	35.8	100

01 – 09/2005

	Nuclear Medicine & Industry	Therapy	Others	Consoli- dation	Totals
	TEUR	TEUR	TEUR	TEUR	TEUR
Sales to external customers	18,123	11,897	2		30,022
Sales to other segments	125	122	438	-685	
Total segment sales	18,248	12,019	440	-685	30,022
Depreciation & amortization	-1,024	-1,627	-89	1	-2,739
Non-cash income and expenses	-1,240	69	918	-128	-381
Net income/loss before minority interest	516	580	124		1,220
Segmental assets	35,516	19,041	35,165	-27,923	61,799
Segmental liabilities	-14,928	-12,289	-2,003	18,346	-10,874
Capital expenditure	346	1,325	11		1,682

Sales by geographic areas 01 – 09/2005

	Million EUR	%
North America	14.1	47
Europe	14.2	47
Asia/Pacific	1.6	6
Others	0.1	<1
	30.0	100

Management Board and Supervisory Board		September 30, 2006	
		Stocks	Stock Options
Dr. Andreas Eckert	Management Board	2,100	18,500
(Eckert Consult GmbH)		(1,230,446)	(0)
Dr. Andreas Hey	Management Board	0	6,000
Dr. Edgar Löffler	Management Board	10,250	22,000
Prof. Dr. Wolfgang Maennig	Supervisory Board	0	0
Prof. Dr. Ronald Frohne	Supervisory Board	0	0
Hans-Jörg Hinke	Supervisory Board	0	0
Ralf Hennig	Supervisory Board	141	0
Frank Perschmann	Supervisory Board	1,000	0
Prof. Dr. Nikolaus Fuchs	Supervisory Board	0	0

Financial Calendar

07.11.2006

Quarterly Report III/2006

17.04.2007

Medtech Day in Frankfurt

06.11.2007

Quarterly Report III/2007

29.11.2006

German Equity Forum in Frankfurt

08.05.2007

Quarterly Report I/2007

November 2007

German Equity Forum
in Frankfurt

29.03.2007

Annual Report 2006

12.06.2007

Annual General Meeting in Berlin

29.03.2007

Balance Press Conference in Berlin

07.08.2007

Quarterly Report II/2007

Eckert & Ziegler Strahlen- und Medizintechnik AG

Robert-Rössle-Str. 10
D-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 DE 0005659700
WKN 565 970