

Annual Report 2013

Contributing to saving lives

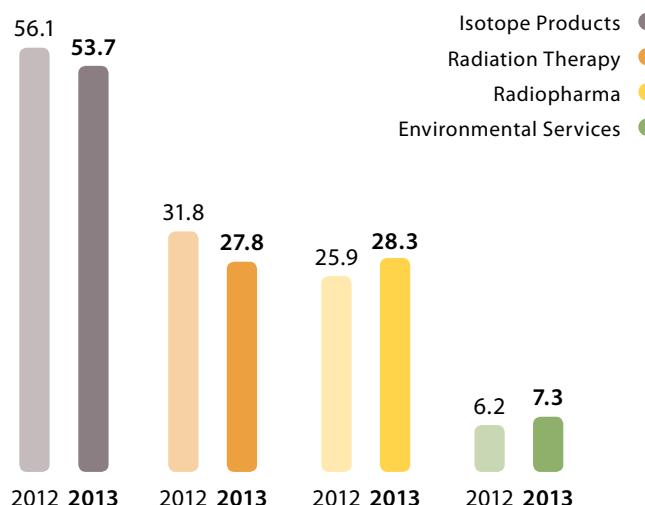


KEY DATA ECKERT & ZIEGLER

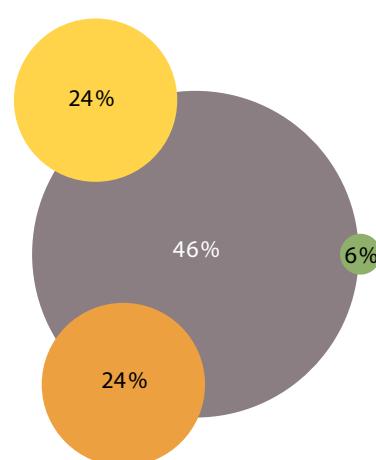
		Change	2012	2013
Sales and Earnings				
Sales	€ thousand	- 2%	119,997	117,138
EBITDA	€ thousand	- 20%	27,475	22,066
Depreciations	€ thousand	+ 19%	- 7,747	9,251
EBIT	€ thousand	- 35%	19,728	12,815
EBIT margin	%	- 33%	16%	11%
Tax rate	%	- 42%	33%	19%
Net profit for the year after taxes and minorities	€ thousand	- 12%	10,293	9,089
Earnings per share w/o one-off effects	€	- 12%	1.95	1.72
Cash Flow				
Cash flow from operating activities	€ thousand	- 12%	16,574	14,649
Liquid assets as of 31 December	€ thousand	- 5%	30,842	29,414
Balance				
Shareholders' equity	€ thousand	+ 4%	86,970	90,628
Total assets	€ thousand	+ 9%	164,444	178,910
Equity ratio	%	- 4%	53%	51%
Net liquidity (liquidity minus debts)	€ thousand	- 56%	15,396	6,787
Employees				
Average number of employees*	People	+ 7%	573	613
Number of employees as of 31 December	People	+ 12%	611	686
Key figures share				
Average number of shares in circulation	Item in thousand	-	5,288	5,288
Book value per share	€	+ 3%	15.27	15.80
Dividend	€	-	0.60	0.60**

* without executive boards, general managers, freelancer ** Dividend to be proposed to the Annual General Meeting by the Group on May 22, 2014

SALES TRENDS IN INDIVIDUAL SEGMENTS (IN € MILLION)



SALES BY SEGMENTS 2013 (in %)



Content

MANAGEMENT

Letter to the Shareholders	02
Group Executive Committee	04
Report of the Supervisory Board	06

CONTRIBUTING TO SAVING LIVES

11

COMPANY

The year 2013 in review	18
The share	20
Environment and safety	22
Social commitment	24

GROUP MANAGEMENT REPORT

1. The Group	28
2. Economic report	30
3. Research & development	42
4. Events after the balance sheet date	44
5. Opportunities and risks	45
6. Outlook	51
7. Corporate governance	53
8. Information required under takeover law	54

GROUP FINANCIAL INFORMATION

58

Consolidated income statement	59
Other net income	60
Consolidated balance sheet	61
Consolidated statement of shareholders' equity	62
Consolidated cash flow statement	64
Notes	65
Statement of changes in fixed assets	126
Balance sheet oath	130
Independent auditor's report	131
Individual financial statements of the Eckert & Ziegler AG	132

ADDITIONAL INFORMATION

Glossary	134
Financial Calendar Imprint Contact	136

COVER

Key Data
Locations and sales worldwide
Corporate structure

We have used the traditional plural form in our Annual Report when referring to men, women and others to streamline the language used and facilitate reading. It goes without saying that everyone is included.

The official version of the Eckert & Ziegler annual report is in German. The English translation is provided as a convenience to our shareholders. While we strive to provide an accurate and readable version of our annual report in English, the technical nature of an annual report often yields awkward phrases and sentences. We understand this can cause confusion. So, please always refer to the German annual report for the authoritative version.

LOCATIONS AND SALES WORLDWIDE

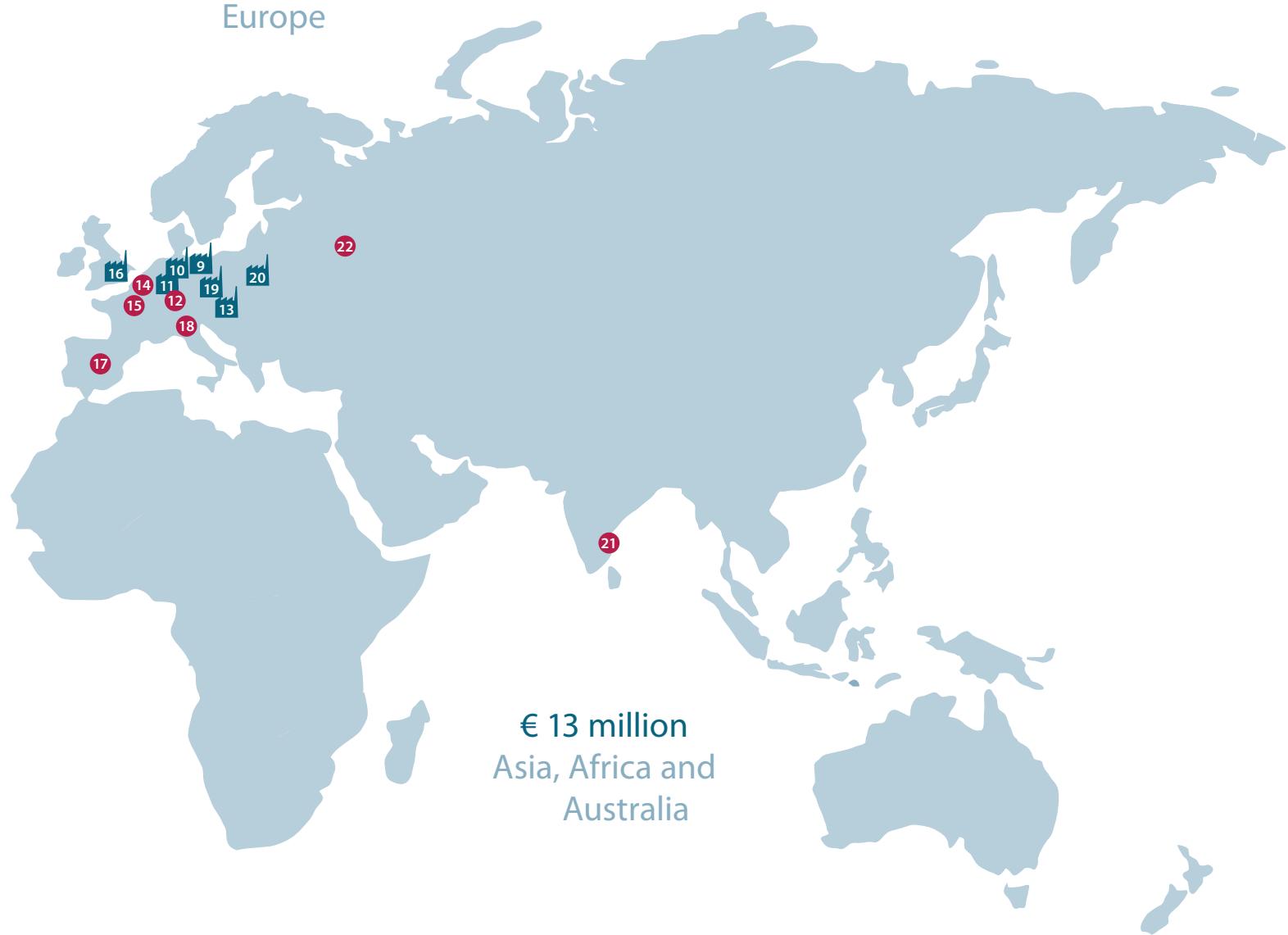


NORTH-/SOUTH AMERICA

- 1 San Francisco, California, USA
- 2 Los Angeles, California, USA
- 3 Atlanta, Georgia, USA
- 4 Washington D.C., USA
- 5 Hopkinton, Massachusetts, USA
- 6 Oxford, Connecticut, USA
- 7 Mount Vernon, New York, USA
- 8 Fortaleza, Brazil

€ 69 million

Europe



EUROPE

- 9 Berlin, Germany (Headquarters)
- 10 Braunschweig, Germany
- 11 Bonn, Germany
- 12 Holzhausen, Germany
- 13 Vienna, Austria
- 14 Seneffe, Belgium
- 15 Paris, France
- 16 London, Great Britain
- 17 Madrid, Spain
- 18 Milan, Italy
- 19 Prague, Czech Republic
- 20 Warsaw, Poland

ASIA AND REST OF WORLD

- 21 Chennai, India
- 22 Moscow, Russia

 production site

 distribution site

Letter to the Shareholders

Dear Shareholder,

2013 was not as successful as we had hoped and forecast. The anticipated expansion to a sales level of over € 120 million failed to come to pass. Business volume fell year on year by 2 % to € 117 million, while income declined by 12 % to € 1.72 per share. Key business areas such as industrial components and our equipment division both stuttered. The planned with-drawal from accessories trading in France added to the revenue decline. The resulting absence of contributions hit profits, as did unexpected increases in environmental restoration provisions. A number of positive surprises, such as favourable court rulings, were unable to compensate fully for these negative factors. As a result, not only did earnings per share fall in 2013, so did cash flows from operating activities, declining by some 12 % to just under € 15 million. Coupled with considerable increases in investments, the decline in internal financing capabilities led to a higher debt ratio. All in all, cash and cash equivalents in the Group still exceeded loan debt as of December 31, 2013, but net liquidity fell by just under € 9 million.

However, this last figure is not necessarily a bad sign. The reason for the fall in net liquidity was a series of acquisitions with the potential to provide the desired boost in sales in 2014. The Therapy segment secured the best chances of growth by acquiring two new companies. With Mick Radio-Nuclear and the US implant division of Biocompatibles, this segment not only secured additional sales, but also established an important bridgehead for its planned expansion in the US. The Radiopharma segment acquired a cyclotron isotope trader in Austria, while the Industry segment took over an isotope trading company based in Düsseldorf. In total, investments climbed to a new record of € 17 million and will hopefully bring about growth moving forward. Therefore and despite the disappointing performance, a dividend proposal of € 0.60 per share was retained for the Annual Shareholder Meeting in May.

While the financial situation can be quickly sketched with short sentences and figures, the question of qualitative performance requires a more detailed explanation. “Quality-adjusted life years” are the benchmark in oncology: the measure on which everything is based. These are what companies in the cancer therapy sector are paid for, either by the care provider, the cost bearer, or the patient – depending on the healthcare system. However, these quality-adjusted life years are often difficult or even impossible to estimate or calculate. In this case, approximations are used, such as the number of patients that benefit from specific products.

Despite declines in sales, this number of patients rose once again in 2013. As in prior years, prostate cancer patients constituted the largest single patient group. Just under 75,000 patients were treated with implants in the period under review, up by roughly 15 % year on year. On account of a long-term decline in prices, the increase in volume unfortunately had no impact on sales, causing revenues in this primary product group to fall once again, continuing the trend observed over the past five years. In terms of

... Medical products benefited almost 200,000 patients worldwide in 2013.

Dr. Andreas Eckert (Chairman of the Executive Board)

afterloader, both the number of units sold and total sales increased. A decade on from the decision to enter the irradiation equipment market, we can now safely say that this was the right move. We may not have succeeded in knocking the established market leaders off their perches, but we have identified new markets in emerging economies. In these markets, life-saving brachytherapy is particularly important, especially when it comes to gynecological tumors. Patients themselves are not the only ones who benefit from the irradiation equipment; so do their families, as more often than in the past, they can be spared the pain of losing a family member.

In the 260 clinics all over the world in which our equipment is installed, some 65,000 cancer patients are treated with an average of 250 treatments per set of equipment. Including the stable volume of eye plaque treatment, the Therapy segment hence saw approximately 140,000 patients treated in 2013, up by 20,000 year on year. Adding in the 50,000 units of contrast media sold annually (mostly FDG), medical products benefited almost 200,000 patients worldwide in 2013.

When it comes to industrial products, health benefits are more difficult to quantify. In terms of quality assurance products, such as flood sources, we could try to determine the impact through the number of avoided errors. We know the failure rate of detectors, so we can also find out how many cases of unnoticed equipment damage were discovered by flood sources and how many people were spared misdiagnosis as a result. That being said, this kind of number-crunching quickly veers off into the realms of pedantry. For the purposes of this report, all we need to say is that the Group's non-medical activities also make a key contribution to safety and quality of life. We shouldn't lose sight of this aspect when we analyze the performance of the Group once a year. As you know, doing good is not enough; occasionally you have to report on it, too.

I hope you enjoy reading this annual report.

Sincerely,



DR. ANDREAS ECKERT

Chairman of the Executive Board

Group Executive Committee



[Joe Hathcock](#) | [Frank Yeager](#) | [Dr. Edgar Löffler](#) | [Dr. Andreas Eckert](#) | [Dr. Gunnar Mann](#) | [Dr. André Heß](#)

The Group Executive Committee is comprised of the managers of the most important segments – who are mostly the same members of the Executive Board – and the executive managers of the larger subsidiaries. The responsibilities and duties of the Group Executive Committee include providing regular updates regarding business trends and transactions, discussing strategic issues and implementing decisions made by the Executive Board.

Front row, from left:

Joe Hathcock

Chief Operating Officer

Joe Hathcock studied Economics, Finance and Engineering. After graduating with a degree in Aerospace Engineering, he worked at the Northrop Grumman Corporation where he held both technical and management positions in the development of advanced aircraft. He then worked at British Petroleum where he was the General Manager of several technical businesses. Mr. Hathcock joined Eckert & Ziegler in 2002 as the Chief Operating Officer of the Isotope Products group.

Dr. Edgar Löffler

Member of the Executive Board | Radiation Therapy Segment

After completing his doctorate in physics, Dr. Löffler worked in the medical physics field for several years. He then joined Nucletron as Head of Product Management and Business Development and completed his tenure as General Manager of Theranostic GmbH, a German subsidiary of Nucletron. In May 2001, Dr. Löffler was appointed a member of the Executive Board of Eckert & Ziegler.

Dr. Gunnar Mann

Member of the Group Executive Committee | Environmental Services Segment

Dr. Mann holds an MBA and a Ph.D. in physics. After completing his studies, he worked at the Dresden University of Applied Sciences and TÜV Energie- und Systemtechnik GmbH. In 1998, Dr. Mann joined the Eckert & Ziegler Group, first as a physicist, then as Product Development Manager. Since 2000, Dr. Mann has been General Manager of various subsidiaries and affiliated companies of Eckert & Ziegler AG. Since January 2012, he has served as Head of the Environmental Services division.

Back row, from left:

Frank Yeager

Member of the Group Executive Committee | Isotope Products Segment

After completing a degree in mechanical engineering and an MBA, Mr. Yeager worked in executive-level positions at international industrial corporations. Since the end of 2001, he has served as CEO and Head of the Isotope Products division at the American subsidiary of Eckert & Ziegler Isotope Products, Inc.

Dr. Andreas Eckert

Chairman of the Executive Board

Dr. Andreas Eckert studied economics and social science in Heidelberg, New York and Berlin. After completing his Ph.D., he represented the Secretary-General as Information Officer for the United Nations in New York, Latin America, Asia and Africa. Dr. Eckert returned to Berlin after German reunification and worked as an independent management consultant. He then founded Eckert & Ziegler Strahlen- und Medizintechnik AG as well as other technology companies that are predominantly involved in the life science sectors.

Dr. André Heß

Member of the Executive Board | Radiopharma Segment

After completing his doctorate in chemistry and industrial engineering and management, Dr. Heß worked as a scientific assistant at the Humboldt University in Berlin for several years. He joined the Eckert & Ziegler Group in 1996, initially as a radiochemist and later as Head of Development and General Manager of different subsidiaries within the Group. In March 2008, he was appointed a member of the Executive Board of Eckert & Ziegler.

Report of the Supervisory Board



Prof. Dr. Wolfgang Maennig, Chairman of the Supervisory Board

Dear shareholders,

In fiscal year 2013, the Supervisory Board properly fulfilled the tasks incumbent upon it according to the law, the Articles of Association, and the rules of procedure. It continuously monitored the Executive Board and advised it on its corporate management activities. The Supervisory Board was directly involved in all decisions of fundamental importance to the company.

The Executive Board regularly, promptly, and extensively informed the Supervisory Board about corporate planning, business performance, and strategic progress, as well as the Group's current situation. The Chairman of the Executive Board also regularly informed the Chairman of the Supervisory Board outside the Supervisory Board's meetings about current developments and significant business transactions. Moreover, the Chairman of the Supervisory Board and the Chairman of the Executive Board liaised on a regular basis on issues related to strategy, planning, general business development, the risk situation, risk management and compliance.

A total of six Supervisory Board meetings took place during the period under review. If necessary, the Supervisory Board also issued authorizations by written procedure. Resolutions of fundamental importance are either passed on the basis of relevant documentation or after direct discussions with the Executive Board. There were no committees of the Supervisory Board during the period under review.

No member of the Supervisory Board took part in fewer than two thirds of the meetings. On average, all members of the Supervisory Board attended 86 % of the meetings.

FOCUSES OF SUPERVISORY BOARD MEETINGS

The following key topics formed the focus of the individual Supervisory Board meetings:

In the meeting on January 29, 2013, the Executive Board mainly informed the Supervisory Board about the forecast business figures for fiscal year 2012 as well as the strategic orientation of the Group and the development of new product areas.

The audit of the annual financial statements and the management reports for the Group and the company were the main topics addressed at the meeting on March 26, 2013. The company's risk report, which describes the key risk positions and the Group's risk management, was also presented and discussed during this meeting.

At the meeting on May 17, 2013, the main focus of discussion were the business figures for the first quarter of 2013 and preparations for the annual general meeting. In addition, Prof. Dr. Wolfgang Maennig was reelected as Chairman of the Supervisory Board following the annual general meeting.

At the Supervisory Board meeting on August 12, 2013, the financial commitment at OctreoPharm Sciences GmbH was discussed together with associated financing issues and the business figures for the second quarter 2013.

On June 23, 2013, the Supervisory Board approved the acquisition of all shares in BSM Diagnostica Ges. m.b.H., Vienna, by Eckert & Ziegler Radiopharma GmbH.

On September 16, in a written decision-making procedure, the Supervisory Board approved the acquisition of the brachytherapy business of Biocompatibles Inc., Oxford, CT, USA, by Eckert & Ziegler BEBIG Inc.

The focus of the meeting on October 18, 2013 was the presentation and approval of the budget for fiscal year 2014 as well as the presentation of the business figures for the third quarter of 2013. Another issue was the acquisition of all shares in Mick Radio-Nuclear Instruments, Inc., Mt. Vernon, NY, USA, by Eckert & Ziegler BEBIG Inc. In addition, Dr. André Heß was appointed to the Executive Board of Eckert & Ziegler Strahlen und Medizintechnik AG for a further three years.

The reorientation of the Eckert & Ziegler Group structure was the subject of a written resolution procedure on November 29, 2013. The Supervisory Board approved a reduction in the number of segments and therefore the dissolution of Kompetenzzentrum für sichere Entsorgung GmbH. The remaining shares in this company were merged into Eckert & Ziegler Umweltdienste GmbH.

CORPORATE GOVERNANCE PRINCIPLES

In the period under review, the Supervisory Board continued to deal with the further development of the standards of good and responsible corporate governance, taking into account the German Corporate Governance Code as amended on Monday, May 13, 2013. On December 3, 2013, the Executive Board and the Supervisory Board issued a new Declaration of Conformity with the German Corporate Governance Code. Additional details are available in the Group's Corporate Governance Report, which is published on the Group's website in connection with Declaration on Compliance.

In order to increase the efficiency of the Supervisory Board, it assigned the task of revising documents to the Executive Board in several cases.

In the period under review, there were no conflicts of interest among members of the Supervisory Board.

AUDIT OF THE ANNUAL FINANCIAL REPORT 2013

The annual financial statements of Eckert & Ziegler Strahlen- und Medizintechnik AG, the consolidated financial statements of the Eckert & Ziegler Group, and the management reports were audited, together with the accounting system, by the auditors appointed by the Annual General Meeting for fiscal year 2013, Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Berlin, Germany. The auditor has concluded that all legal requirements have been met and has granted an unqualified auditor's opinion. Furthermore, the auditor has concluded that the Executive Board has implemented the measures incumbent upon it pursuant to Section 91 (2) of the German Stock Corporation Act (Aktiengesetz, AktG) regarding the establishment of a risk-monitoring system in a suitable form and that this system is suitable for the early detection of developments that endanger the continued existence of the company as a going concern. In regard to the report presented by the Executive Board on the company's relationships to affiliated enterprises in accordance with Section 312 AktG (affiliated company report), the auditor has confirmed that the statements made in the report are correct and that the payments made by the company for the legal transactions listed in the report were not inappropriately high.

The annual financial statements, including the affiliated company report and the auditor's audit report, were submitted to the Supervisory Board. A representative of the auditor took part in the Supervisory Board's balance-sheet meeting on March 25, 2014 and reported on the key findings of the audit. The Supervisory Board acknowledged and approved the auditor's results.

Based on its subsequent examination, the Supervisory Board raises no objections against the audited annual financial statements and the affiliated company report, including the Executive Board's concluding statement. The Supervisory Board therefore approves the annual financial statements of Eckert & Ziegler Strahlen- und Medizintechnik AG and the consolidated financial statements of the Eckert & Ziegler Group. The annual financial statements of Eckert & Ziegler Strahlen- und Medizintechnik AG are thereby adopted. The Supervisory Board concurs with the Executive Board's recommendation on the appropriation of net profit.

CHANGES IN THE SUPERVISORY BOARD AND EXECUTIVE BOARD

The annual general meeting on May 17, 2013 appointed Prof. Dr. Wolfgang Maennig and Dr. Gudrun Erzgräber as Members of the Supervisory Board for a further term.

In the Supervisory Board meeting on May 17, 2013, Prof. Dr. Maennig was subsequently elected Chairman of the Supervisory Board.

Dr. André Heß was appointed as a Member of the Executive Board at the Supervisory Board meeting on October 18, 2013 for a further three years.

ACKNOWLEDGMENT

We would like to thank the members of the Executive Board as well as the management and employees of the companies belonging to the Eckert & Ziegler Group for their active commitment and performance in fiscal year 2013.

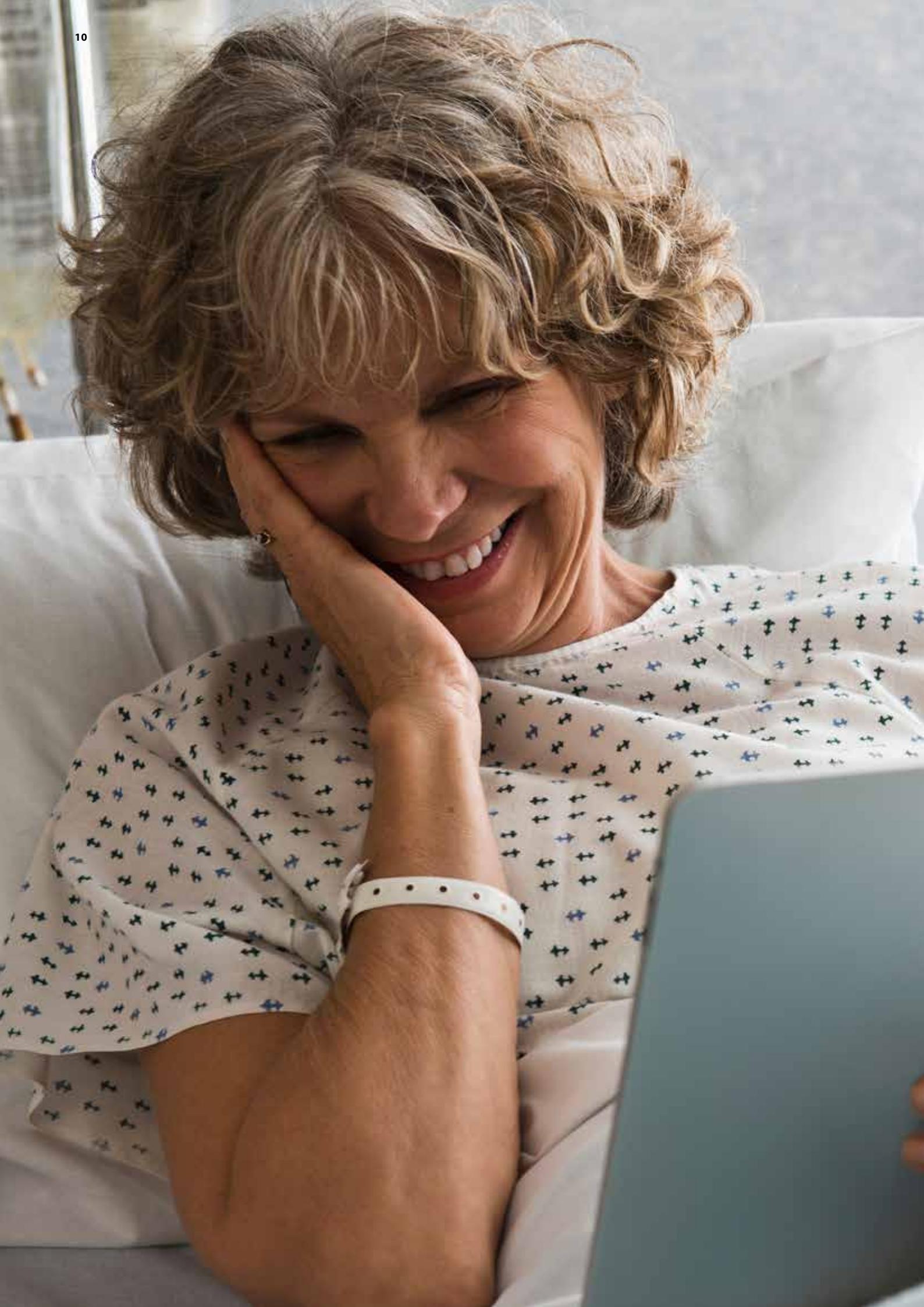
Berlin, March 2014

For the Supervisory Board



PROF. DR. WOLFGANG MAENNIG

Chairman of the Supervisory Board



CONTRIBUTING TO SAVING LIVES

Eckert & Ziegler is a globally active company specializing in radioisotope technology for industrial, scientific and medical applications.

With our products and services, we are able to help cancer patients in particular by offering physicians efficient treatment options. Our products are not only used in treatment, but also in diagnostics and downstream phases such as quality assurance and waste disposal.

Our calibration sources ensure that diagnostic equipment such as gamma cameras produce accurate images every time, thereby providing the basis for selecting the appropriate therapy. With our synthesis modules and

radiodiagnostic products, we help to ensure that cancer is detected and treated at an early stage. Our miniaturized seeds for use in brachytherapy offer prostate cancer patients a minimally invasive, outpatient treatment method. Thanks to our tumor irradiation equipment, gynecological tumors and other forms of cancer can be fought widely and efficiently in emerging markets.

At the end of the spectrum is the collection of radioactive isotope waste materials such as used injection cannulas, syringes and aprons from clinics, which we then dispose of properly.

The following pages show selected fields of application.



Eckert & Ziegler

SEGMENT**RADIATION THERAPY**

One of the world's leading manufacturers of brachytherapy products. Brachytherapy is a form of radiation therapy that irradiates the tumor from a very short distance. The products include low radioactive, miniaturized implants for the treatment of prostate cancer (seeds) and tumor irradiation systems (afterloaders).



FIGHTING CERVICAL CANCER IN BANGLADESH



PROFESSOR SHEIKH GOLAM MOSTOFA

*Director cum Professor
Radiation Oncology
National Institute of Cancer Research & Hospital
Mohakhali, Dhaka, Bangladesh*

WHAT PART DOES BRACHYTHERAPY PLAY IN THE TREATMENT OF CANCER?

During brachytherapy, the tumor is given a direct dose of radiation from a short distance (directly onto the body's surface, into the tissue or the cavities). Temporary brachytherapy, also called afterloading, involves placing a radiation source close to the tumor for only a few minutes. It is gaining ground in emerging countries due to the relatively low operating costs.

WHAT TYPES OF CANCER CAN BE TREATED USING BRACHYTHERAPY?

Each year, 200,000 people in Bangladesh develop cancer. The National Institute of Cancer Research & Hospital in Dhaka, with some 18,000 patients per year, is the country's leading cancer clinic. We treat around 100 patients per month using brachytherapy, primarily against cervical, prostate, colorectal and bladder cancer.

WHY DID YOU OPT FOR MULTI-SOURCE® ECKERT & ZIEGLER'S TUMOR RADIATION DEVICE?

Our decision to opt for MultiSource® was largely based on its unparalleled cobalt technology. The Co-60 source has a long half-life and therefore only needs to be replaced around every five years. This represents a huge financial and logistical advantage. The device also offers a wide range of applications, allowing for the treatment of various types of cancer. All this at very low treatment costs.

WHY DID YOU CHOOSE TO SPECIALIZE IN BRACHYTHERAPY?

In regions where financial resources are a lot lower than in Western industrialized nations, temporary brachytherapy is the best method of providing cancer patients with safe medical treatment.

MultiSource® afterloader for the treatment of cancer

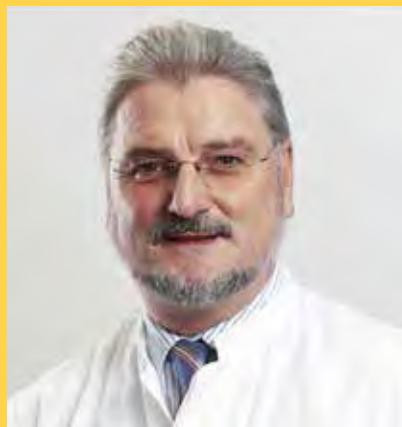


SEGMENT**RADIOPHARMA**

German market leader for the contrast agent FDG for early detection of cancer. International manufacturer of radioactive diagnostics for positron emission tomography (PET) and synthesis devices (Modular-Lab) for the production of radiopharmaceuticals.



FIGHTING CANCER WITH RADIORECEPTOR THERAPY



WHICH CANCER TREATMENT METHODS DO YOU FEEL ARE PROMISING?

Zentralklinik Bad Berka is one of Europe's leading clinics for radioreceptor therapy. This special nuclear therapy fights tumors selectively as radiation almost exclusively affects the diseased cells, and not the healthy tissue. These radiopeptides have shown to be particularly effective in patients where the tumor has a particular kind of receptor (magnet-like adhesion sites on the surface of tumor cells).

PROFESSOR RICHARD P. BAUM
*Chief Physician, Clinic for Molecular Radiotherapy
Zentralklinik Bad Berka GmbH
Bad Berka, Germany*

WHAT ARE THE BENEFITS OF RADIORECEPTOR THERAPY?

Compared to other therapy options, the response rate and progression-free survival is significantly higher in radioreceptor therapy. An in-house study of 415 patients at the clinic showed a response rate to the therapy of over 90 %. In nearly all patients with tumor growth, it is possible to prevent further progression, and many patients see long-term tumor reduction (remission). Some even experience complete healing (cure). This means a higher quality of life for patients when compared to other therapeutic methods.

WHAT KINDS OF CONDITIONS DO PATIENTS HAVE WHEN THEY COME TO YOU?

Many of our patients often have a long, difficult journey behind them. They are then very relieved to finally find the reason for their conditions with the help of modern imaging. This also includes patients with neuroendocrine tumors, for example. These tumors do not cause symptoms until late or only cause relatively non-specific symptoms, so they are difficult to discover.

HOW CAN YOU HELP THESE PATIENTS?

With the help of modern imaging methods such as PET/CT, we are able to specify the characteristics of the tumor and use this as a basis for targeted, personalized therapy. Patients then receive treatment using radioreceptor therapy. They receive an injection of a radiopharmaceutical that attaches to the surface of the tumor cell and stops the growth of the tumor. Compared to other therapeutic methods, radioreceptor therapy offers superior clinical efficiency combined with higher quality of life.

WHY DO YOU USE MODLAR-LAB SYNTHESIS EQUIPMENT FROM ECKERT & ZIEGLER?

Our radiopharmaceuticals must be made fresh daily due to their short half-lives. We use synthesis equipment to do so. Maximum reliability and flexible handling are particularly important. Modular-Lab fulfills both criteria and has therefore been making our routine processes easier for many years.



Modular-Lab PharmTracer for fully automated routine production of radiopharmaceuticals

SEGMENT**ISOTOPE PRODUCTS**

One of the world's leading manufacturers of radioactive sources for nuclear imaging, measurement technology, analysis, quality assurance and environmental monitoring. The product range extends from calibration sources for PET cameras in hospitals to radiation sources for radiometric level measurements.



Hier steht eine Bildbeschreibung, die die große einleitenden Bild für das Thema Strahlentherapie erklärt.

MAXIMUM PRECISION IN NUCLEAR IMAGING



DR. HIROYUKI TSUSHIMA
*Associate Professor
Ibaraki Prefectural University of
Health Sciences Hospital
Ami-Machi, Japan*

WHAT IS NUCLEAR MEDICINE?

Nuclear medicine reveals things that are otherwise invisible. With cutting-edge imaging technology, it is possible to detect the tiniest tumors as well as neurodegenerative diseases such as epilepsy, Parkinson's or Alzheimer's disease.

WHAT DO PATIENTS SUFFER FROM WHEN THEY COME TO YOU?

Mostly from diseases whose causes lie in the patient's brain. We can verify if a stroke patient actually suffered a stroke or to what extent a patient is suffering from epilepsy or Alzheimer's. With the help of nuclear medicine, we can shed some light on what is going on in the brain.

HOW DO YOU HELP THE PATIENTS?

We first inject them with a radio-diagnostic. By using a special camera (called a gamma camera), the substance in the body can be viewed from the outside, which allows for a precise imaging of the examined area. For example, the images (scintigraphy) can show the flow of blood in the brain.

WHY DID YOU CHOOSE PERFLEXION™ FROM ECKERT & ZIEGLER?

To ensure that the gamma camera delivers images of maximum precision, we need to conduct a daily quality check of the device. With Perfexion™, Eckert & Ziegler provides an easy-to-use tool. The flexible Co-57 flood source Perfexion™ can be rolled up and easily packed into a handy storage cylinder. It weighs only a fraction of the conventional, bulky flood sources and offers excellent radiation protection.



Perfexion™: a unique flexible radiation source used in the calibration of nuclear medicine imaging equipment

The year 2013 in review



▲ EXPANSION IN AUSTRIA

Eckert & Ziegler acquires 100 % of the shares in BSM Diagnostica Gesellschaft mbH, a leading provider of FDG (18F-fluorodeoxyglucose) in Austria. With this move, EZAG now benefits from the favorable situation regarding reimbursements by Austrian health insurers for PET examinations.



▲ CHINESE-GERMAN PHARMA DEVELOPMENT JOINT VENTURE

Eckert & Ziegler acquires an interest in OctreoPharm Sciences GmbH, a company specialized in radiopharmaceuticals for nuclear medicine. The company has a peptide currently in pre-clinical development as a potential solution for detecting neuro-endocrine tumors.

◀ COOPERATION WITH KOREAN PHARMACEUTICAL COMPANY

Eckert & Ziegler signs an agreement with BioCore Co. Ltd., the leading Korean bio-analytical contract research organization, to co-market services for generating contracts in the rapidly growing Asian pharmaceutical market.

▶ AWARDS FOR PROMISING YOUNG SCIENTISTS

Eckert & Ziegler travel grants are awarded for the sixth time to outstanding young scientists in the field of nuclear medicine at the annual congress of the European Association of Nuclear Medicine (EANM) in Lyon, France.





▲ MAJOR TENDER IN BANGLADESH

Eckert & Ziegler wins a tender to equip cancer clinics in Bangladesh with modern tumor irradiation equipment. The investment program is being supported by the World Bank, the World Health Organization, and other development partners.



▲ NEW PRODUCTION FACILITY IN POLAND

The new production facility in Poland obtains permission to manufacture cyclotron-based PET radiodiagnostic agents.



▲ ECKERT & ZIEGLER ENTERS THE US IMPLANTS BUSINESS

The acquisition of the American manufacturer of prostate implants, Biocompatibles Inc., marks Eckert & Ziegler's entry into the US market, which makes Eckert & Ziegler the third largest supplier of seeds for prostate LDR brachytherapy worldwide.

▲ MARKET LEADER FOR BRACHYTHERAPY ACCESSORIES

Eckert & Ziegler acquires Mick Radio-Nuclear Instruments, Inc. (MRNI), one of the leading manufacturers of brachytherapy instrumentation and accessories in the US. The purchase represents another important bridgehead for Eckert & Ziegler's entry into the US market.



▲ TOP 10 GERMAN SMES

Eckert & Ziegler is named one of the ten most successful German SMEs by the Munich Strategy Group.

The share

BASIC INFORMATION ON THE ECKERT & ZIEGLER SHARE

International Securities

Identification Number
(ISIN) DE0005659700

Security Identification Number

(WKN) 565 970

Stock exchange sector

Prime Standard, Frankfurt

Stock exchange abbreviation and symbols

EUZ (German stock exchange)

EUZ (Bloomberg symbol)

EUZG (Reuters symbol)

Free float

64.6 %

Quotation in indices of the German Stock Exchange

CDAX

DAX International Mid 100

DAXplus Family Index

DAXsector All Pharma & Healthcare

DAXsector Pharma & Healthcare

DAXsubsector All Medical Technology

DAXsubsector Medical Technology

Prime All Share

Technology All Share

IR CONTACT

Karolin Riehle
Robert-Rössle-Straße 10
13125 Berlin, Germany

Tel. +49 30 941084-138
Fax +49 30 941084-112
karolin.riehle@ezag.de
www.ezag.de

KEY DATA

		Dec 31, 2012	Dec 31, 2013	in %
Closing price for the financial year *	€	23.67	28.65	21
Highest price for the financial year *	€	25.31	30.00	19
Lowest price for the financial year *	€	20.51	23.52	15
Price-Earnings Ratio (PER)		12	17	42
Earnings per share (EPS)	€	1.95	1.72	-12
Cashflow per share	€	3.13	2.77	-12
Book value per share	€	15.27	15.80	3
Average shares in circulation	shares	5,288,165	5,288,165	0
Number of shares outstanding as of the reporting date	shares	5,288,165	5,288,165	0
Market capitalization	€ million	125	152	21
Average trading volume per day	shares	7,144	7,431	4

* Xetra

Development of the share

Share prices in Europe and the US climbed to new highs in the first nine months of 2013 on the back of hopes for a stabilization of the global economy and the continued expansionary monetary policy of central banks. The Eckert & Ziegler share also performed well in this market environment until the beginning of May, and outperformed the benchmarks TecDAX, Prime All Share and DAXSector All Pharma & Healthcare. Following the publication of modest Q1 results, the stock underwent a correction and fell to a year-low of € 23.52 in mid-August. However, it rallied after the announcement of the positive Q2 figures and reached a year-high of € 30 at the end of October. At the end of the fiscal year the stock closed over 20 % higher at € 28.65. The strength of the Eckert & Ziegler share is even more evident in a long-term comparison: In the last five years, its value has increased by roughly 220 %. The trading volume at the end of the fiscal year amounted to a daily average of 7,431 shares (prior year: 7,144).

Earnings per share of € 1,72

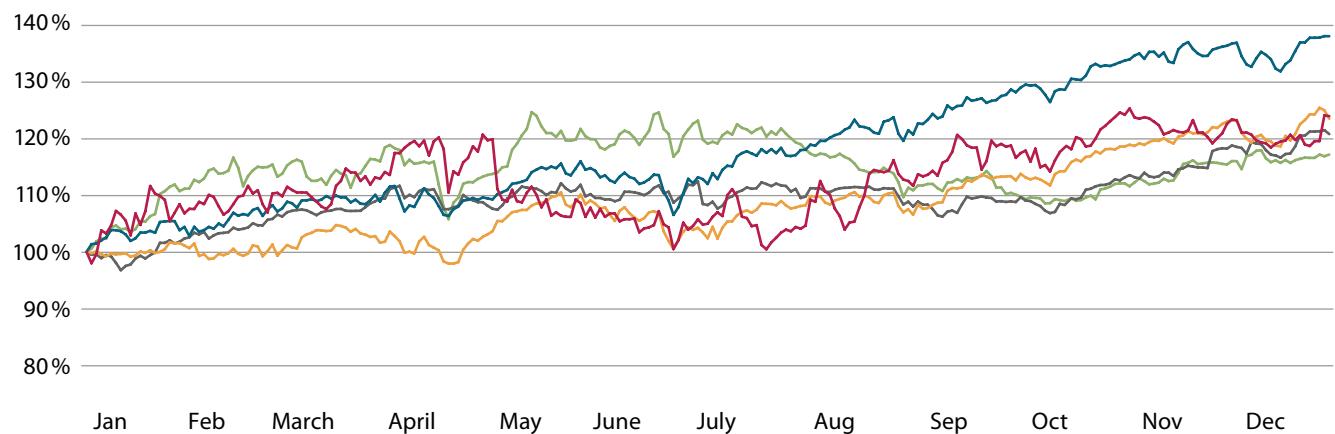
In the period under review, the Eckert & Ziegler Group generated consolidated earnings per share of € 1.72. Earnings per share is calculated by dividing the consolidated net income by the average number of shares in the fiscal year.

Dividend of € 0,60

The company intends to continue its dividend policy of the past years and distribute roughly a third of consolidated net income as dividends. The Executive Board and Supervisory Board will therefore propose to the General Annual Meeting on May 22, 2014, a dividend of € 0.60 per share for fiscal year 2013. Based on the annual closing price of € 28.65, this works out at a dividend yield of 2.1 %. In comparison, the average dividend yield of the seven TecDAX stocks that cover the healthcare sector stands at just 1.7 %.

DYNAMIC PERFORMANCE OF THE ECKERT & ZIEGLER SHARE IN 2013 (INDEXED AT 100)

● Eckert & Ziegler ● TecDAX ● Prime All Share ● DAXsector Pharma & Healthcare ● DAXsubsector All Medical Tech



Analyst recommendations

In the period under review, Hauck & Aufhäuser, BankM, and DZ Bank published a total of 16 studies and brief analyses on Eckert & Ziegler. All studies came to the same conclusion: "Buy."

Rating

The Deutsche Bundesbank certified Eckert & Ziegler AG as being "eligible" (category 4), thereby demonstrating the company's good credit rating. The Bundesbank assesses credit rating based on a scale of 1 to 7.

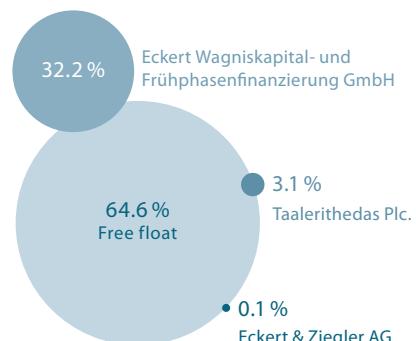
Investor relations

The objective of our investor relations activities is to provide private shareholders, institutional investors, financial analysts, and the press with open and timely information about the company. Essential components of this communication with the capital market comprise of stock exchange and press

releases, quarterly reports, interviews, and conference calls. At the press conference on the financial statements held in March, the Entry and General Standard Conference in May, the Annual General Meeting in May, the Equity Forum in November, and several investor rounds in Frankfurt, London, Paris, and Zurich, the Executive Board also presented information regarding new developments and, in cooperation with the employees from the Corporate Communications and Finance departments, were available year-round for enquiries or visits by interested parties. Published studies by stock analysts and other company information can be found on our website under www.ezag.de > Investor Relations.

If you would like to join the IR mailing list and receive stock exchange and press releases regularly by email, call or email us now.

SHAREHOLDERS' STRUCTURE AS OF DEC 31, 2013



DIVIDENDS PAID BY ECKERT & ZIEGLER AG



* Proposal to the Annual General Meeting on May 22, 2014

Environment and safety

OCCUPATIONAL SAFETY

Protecting our employees from work-related dangers has top priority at Eckert & Ziegler. We intend to reduce even further the number of accidents at our company, which is low compared to other industrial corporations. We are working towards this goal together with the relevant authorities and employers' liability insurance associations.

In the period under review, the number of work-related accidents – at 5 per 1,000 full-time employees (prior year: 7) – was significantly below comparable values for 2012 of approximately 20 work-related accidents per 1,000 full-time employees in Germany, according to the

2012 annual report of the Employers' Liability Insurance Association for Electrical Engineering, Textiles and Precision Mechanics (Berufsgenossenschaft Elektro Textil Feinmechanik). The comparable value according to the 2012 annual report of the Employers' Liability Insurance Association for Raw Materials and Chemical Industry (Berufsgenossenschaft Rohstoffe und chemische Industrie) was around 19. The year under review saw no radiological incidents (prior year: two) throughout the Group. However, it is important to note that the radiological incidents in recent years were merely deviations from normal operations.

None of the incidents were safety-relevant. The competent authorities were informed in accordance with radiation protection regulations or specific conditions set forth by the respective authorizations. Although neither persons nor the environment were harmed, the causes were examined in painstaking detail in each case, and measures were taken in conjunction with regulatory agencies to avoid similar incidents in the future. The precautions taken consisted mainly of organizational and administrative changes to the work processes in question.

WORK-RELATED ACCIDENTS AND RADIOPHYSICAL INCIDENTS

	2007	2008	2009	2010	2011	2012	2013
Work-related accidents (in absolute values)							
Reported work-related accidents	5	6	3	3	5	4	3
Reported accidents en route to work	1	2	5	1	6	5	4
Reportable work-related accidents (per 1,000 employees)							
Reported work-related	9.8	11.8	5.9	5.9	9.1	6.7	5.2
Reported accidents en route to work	1.9	3.9	9.8	1.9	10.9	8.4	6.9
Radiation protection							
Radiological incidents *	1	1	2	0	3	2	0

* Radiological incidents = reportable events in compliance with radiation protection regulations or specific conditions set forth by the respective authorizations. However, it is important to note that the radiological incidents in recent years were merely deviations from normal operations. None of the incidents were safety-relevant.



Headquarters of Eckert & Ziegler in Berlin-Buch

ENVIRONMENT

The Eckert & Ziegler Group is considered to be part of the metalworking or chemical and pharmaceutical industries. Like all industrial companies, it is subject to comprehensive rules and regulations that include guidelines on environmental impact. These rules and regulations often prescribe both limits on emissions as well as their monitoring. The guidelines usually stipulate that independent third parties or government authorities should be responsible for monitoring. The quality of the data can therefore be considered to be of high quality. In the period under review, there were no incidents that led to limits being exceeded. Furthermore, no serious deviations from require-

ments were recorded in the period under review in terms of the quality management system (DIN EN ISO 9001:2008; EN ISO 13485:2003; CMD-CAS; FDA u.a.; etc.).

We focus on energy-saving design and construction for new buildings and renovations. The Group headquarters in Berlin-Buch, which we moved into in 2012, is a prime example. The sustainable construction and facilities concept combines a variety of methods: improved insulation standards for the building envelope; district heating generated by combined heat and power; solar water heating for industrial water; solar-fed power from a solar-power

system; and a double-flow ventilation system. Thanks to these measures, the building's calculated specific primary energy consumption of 154 kWh/m²a is 25 % lower than required by the strict conditions set forth in the Energy Conservation Regulation (Energieeinsparungsverordnung – EnEV).

By taking back used sources and processing them for new products, Eckert & Ziegler is making an additional contribution to environmental conservation. This recycling is extremely useful for all parties involved and helps conserve resources.

Social commitment

At its various locations, Eckert & Ziegler is engaged in projects and initiatives through financial support and the personal commitment of its employees. In this respect, we have set strategic priorities. In particular, the company supports initiatives for education, science, and research, as well as other projects in the region of individual company locations.

Several years ago, Eckert & Ziegler launched the "Forschergarten" project (www.forschergarten.de) in cooperation with the Life Science Learning Lab Gläsernes Labor in Berlin-Buch and the Friedrich-Fröbel School for Social

Pedagogy in order to promote science education among young children. The idea of this initiative is to make science and technology come alive for children in kindergartens and schools, reduce their fear of the unknown and enhance the quality of education during early childhood. The response to the initiative, which now includes over 100 kindergartens and schools in the Berlin region, has been extremely positive. Almost 24,000 children took part in the initiative in 2013. Due to popular demand, the course range has been enhanced and now includes physics classes. Under the motto "Atoms you can touch," courses were offered in

2013 that aimed to convey the basics of radiation to high school students in a practical and visual manner. Among other things, the students are allowed to detect natural radioactivity in everyday objects such as building materials, cigarette ash or fertilizer using a Geiger counter, and gain an insight into the use of radiation in medicine.



Scientific courses for children at the Forschergarten, an experimental research garden.





Eckert & Ziegler supports the "Bucher Füchse" initiative, a program that encourages elementary school children to explore nature in the forests and meadows of Berlin-Buch.

The Eckert & Ziegler travel grant is awarded to five outstanding nuclear medicine scientists.



Since 2011, Eckert & Ziegler has supported the initiative "Bucher Füchse" (Bucher foxes), a local environmental education project that enables elementary school students in Berlin to undertake scientific explorations in woods and fields. A forest educator accompanies the children on their expeditions through flora and fauna and explains natural phenomena. Which plants and animals are native to our forests? What kind of natural habitat are meadows? How clean are our streams? In this way, the children experience nature up close and are encouraged to think about the natural world.

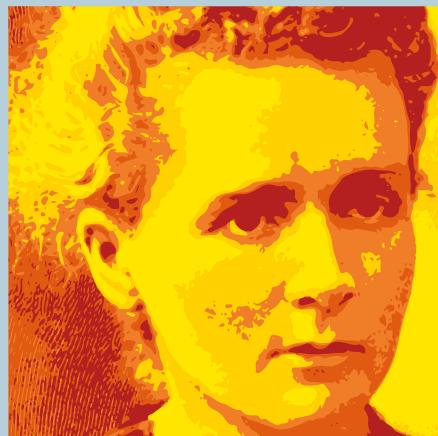


In cooperation with the European Association of Nuclear Medicine (EANM), Eckert & Ziegler has been rewarding young scientists in nuclear medicine with the "Eckert & Ziegler Abstract Award" since 2008. The prize aims to encourage young scientists to present their ideas to a wider audience and to exchange ideas with other researchers in nuclear medicine. The five Abstract Awards, each worth €1,000, were presented to five talented nuclear medical scientists from Australia, Belgium, Germany, Italy, and the Netherlands at the EAMN's Annual Congress in Lyon in October 2013. The winners were chosen from just under 600 entries by a jury of the European Association of Nuclear Medicine (EANM). The most outstanding research work was made in the fields of oncology diagnostics and therapy.

Our foreign subsidiaries are also involved in social projects. Eckert & Ziegler sponsors and donates to a team of American employees who raised more than USD 34,000 in donations by taking part in the National Multiple Sclerosis Society's annual "Walk MS" against multiple sclerosis. The donations will go towards research into fighting the disease, which is still incurable, while those afflicted with the disease will receive financial support. The fundraising campaign has been one of our projects for many years. At our Californian subsidiary, employees volunteered at the local homeless shelter. Eckert & Ziegler also supported the homeless shelter by matching employees' monetary donations to the shelter and collecting and contributing to in-kind donations.

Employees taking part in the National Multiple Sclerosis Society's annual "Walk MS" against multiple sclerosis





GROUP MANAGEMENT REPORT

1. The Group	28
2. Economic report	30
2.1 BUSINESS DEVELOPMENT	30
2.2 RESULTS OF OPERATIONS	31
2.3 DEVELOPMENT OF THE SEGMENTS	33
2.4 FINANCIAL POSITION	37
2.5 NET ASSETS	38
2.6 EMPLOYEES	39
2.7 OVERALL STATEMENT CONCERNING THE ECONOMIC POSITION	41
3. Research & development	42
4. Events after the balance sheet date	44
5. Opportunities and risks	45
5.1 RISK MANAGEMENT	45
5.2 FINANCIAL RISKS	45
5.3 LEGAL RISKS	46
5.4 IT RISKS	47
5.5 ACCOUNTING-RELATED RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM	47
5.6 PERSONNEL RISKS	48
5.7 GENERAL RISKS ARISING FROM THE PRODUCTION AND HANDLING OF RADIOACTIVITY IN PARTICULAR AND RESULTING OPPORTUNITIES	48
5.8 GENERAL COMMERCIAL AND STRATEGIC RISKS	49
5.9 MAIN CUSTOMER RISK	49
5.10 OPPORTUNITIES IN THE SEGMENTS	49
5.11 RISKS RELATING TO FINANCIAL INSTRUMENTS	49
5.12 RISK DEVELOPMENT	50
6. Outlook	51
6.1 OVERALL ECONOMIC ENVIRONMENT	51
6.2 FUTURE BUSINESS DEVELOPMENT IN THE ISOTOPE PRODUCTS SEGMENT	51
6.3 FUTURE BUSINESS DEVELOPMENT IN THE RADIATION THERAPY SEGMENT	52
6.4 FUTURE BUSINESS DEVELOPMENT IN THE RADIOPHARMA SEGMENT	52
6.5 FUTURE BUSINESS DEVELOPMENT IN THE OTHER SEGMENT	52
6.6 FUTURE BUSINESS DEVELOPMENT IN THE GROUP	52
7. Corporate governance	53
7.1 DECLARATION ON COMPLIANCE	53
7.2 REMUNERATION REPORT	53
8. Information required under takeover law	54



1



2



3

Radiation Therapy Segment

① Treatment planning software for afterloading therapy

② Applicator for the MultiSource[®] tumor irradiation device

③ MultiSource[®] afterloader for treating cancer with the afterloading technique, the radiation source (in the afterloader) is placed by remote control and with the help of applicators within the tissue immediately around the tumor. This enables the tumor to be irradiated while sparing surrounding healthy tissue.

1. The Group

The Eckert & Ziegler Group (Eckert & Ziegler) is an internationally active producer of isotope-based components for medical, scientific and industrial applications. Besides Eckert & Ziegler Strahlen- und Medizintechnik AG, a listed Aktiengesellschaft (joint-stock company) under German law with headquarters in Berlin, the Group has minority interests in 34 other companies. The Group is managed by the Executive Board, which is supported by the extended Group Executive Committee in its decisions. It comprises the Executive Board of Eckert & Ziegler AG and the heads of selected Group segments.

The company's core business includes handling and processing of isotope-based materials in specially equipped and approved production facilities in Europe and the United States. In addition, Eckert & Ziegler develops, produces, and sells medical devices for cancer therapy as well as synthesis equipment for the production of radiopharmaceuticals. Plant engineering and the retrieval of isotope related waste from hospitals and research institutions round off the portfolio.

There are relatively few providers in the international markets in which Eckert & Ziegler operates. Eckert & Ziegler has no direct competitor that offers the same wide range of products. Its competitors each only serve special market niches. This situation is unlikely to change in the future due to the fact that competitors always have to fulfill strict regulatory requirements prior to gaining authorization for market entry.

Subsidiaries in the four segments – Radiation Therapy, Radiopharma, Isotope Products and Environmental Services – are responsible for the operating business activities. With their various product groups, the subsidiaries are oriented towards diverse customer groups. An additional segment that reflects the costs and income of Eckert & Ziegler Strahlen- und Medizintechnik AG as a holding company is not operationally active.

The Isotope Products segment produces isotope-based components for medical imaging, scientific applications, quality assurance, and industrial measurement purposes. The segment's headquarters are located in Los Angeles, California, USA. The takeover of Brunswick-based nuclitec GmbH (now Eckert & Ziegler Nuclitec GmbH), the largest competitor at the time, represented a major acquisition.

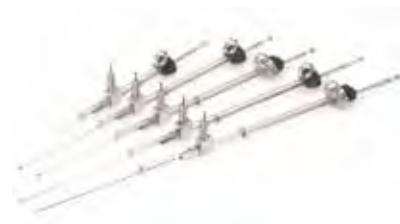
1. The Group



4



5



6

Radiation Therapy Segment

④ Ruthenium applicators for treating eye cancer

⑤ Low-level radiation iodine seeds for minimally invasive treatment of prostate cancer

⑥ Applicators for implanting iodine seeds

The Radiation Therapy segment targets its products at radiation therapists, a group of doctors that is specialized in treating cancer through irradiation. Its two most important products are small radioactive implants for treating prostate cancer based on iodine-125 (known as “seeds”) and tumor irradiation equipment based on cobalt-60 or iridium-192 (known as “afterloaders”). Since 2008, the Radiation Therapy segment has been operating under the umbrella of Eckert & Ziegler BEBIG s.a., which is listed on the NYSE Euronext in Brussels. As of the balance sheet date (December 31, 2013), Eckert & Ziegler held a 75 % share in the company’s earnings/losses and 80 % of the voting rights at the Annual General Meeting.

The Radiopharma segment is based in Berlin and has additional locations in Mainz, Bonn, Brunswick, and Vienna (Austria). Its products include diagnostic agents for positron emission tomography (PET), synthesis modules for producing radiopharmaceuticals, and quality control equipment. The modules and equipment are used both in nuclear diagnostics and therapy as well as in research. Yttrium-90 is another one of the segment’s approved products. This substance has a number of uses, such as in the production of radioactive embolic agents for the treatment of liver tumors. The segment’s products are sold worldwide, with the exception of PET diagnostic agents, which are limited to Germany, Poland, Austria and neighboring regions.

The Brunswick-based Environmental Services segment is responsible for retrieving, processing and conditioning isotope related. Its customer base includes in particular hospitals and other institutions where isotope related waste is generated. Additionally, the segment also offers project-based services in waste conditioning. In these cases, the waste remains the property of the customer.

In the annual reports from 2010 to 2013, the Environmental Services segment was reported separately. As the expected sales and earnings increases have not materialized and the focus in future will be on internal services such as the clean-up of contaminated sites and the collection and disposal of production waste, particularly from the medical divisions, the Environmental Services segment is no longer reported separately. From 2014, Environmental Services will be included in the items of the holding company Eckert & Ziegler Strahlen- und Medizintechnik AG and reported to the Executive Board as an entity. It will appear in the segment reporting under “Other”.

The markets of the segments are only loosely interconnected. Each has its own cycles and distinctive characteristics. There are also national differences in terms of general conditions. This is particularly the case with medical products, where the intensity and dynamics of demand are influenced by the level of services provided by national health care systems and the presence of local competitors.



1



2



3

Radiopharma Segment

① Modular-Lab eazy – the smallest radiosynthesis system on the market

② FDG radiopharmaceuticals for detecting oncological, cardiological and neurological disorders

③ Modular-Lab PharmTracer for fully automated routine production of radiopharmaceuticals

2. Economic report

2.1 BUSINESS DEVELOPMENT

For the first time since 2003, the Group was unable to achieve a year-on-year sales increase. Consolidated sales declined by € 2.9 million, or 2 %, to € 117.1 million. A € 6.0 million decline in sales in the existing businesses, the planned exit from the accessories trade in France as well as the subsequent loss of sales and negative impact of the euro/US dollar exchange rate were unable to be compensated for by the additional sales from acquisitions.

The Group missed its sales mark of € 125 million communicated in the 2012 outlook. Demand in the main product categories fell short of expectations or failed to rise as much as originally assumed. This applied to the Isotope Products and Radiation Therapy segments. The acquisitions were unable to compensate for the decline in sales in these segments as they either did not have an effect on income until the end of the year (Radiation Therapy) or their impact was too small in scale (Isotope Products). In the Radiopharma and Environmental Services segments, sales developed as expected.

Sales trends in individual segments

The Radiation Therapy segment reported the largest absolute decline in sales of € 3.9 million to € 27.8 million. Special sales in the prior year from a one-off license fee for the use of company patents and technologies in Russia were responsible for this, as they led to a higher comparison base. In addition, the sales figures of the prior year, 2012, also contained sales from the low-margin trade in radiation accessories. This was largely limited to France and was discontinued in 2013.

Corrected for both effects, sales in the Radiation Therapy segment actually grew. This was primarily a result of the stable demand for irradiation equipment, which was up 7 %. In the segment's other main sales pillar, implants, only the quantities delivered increased. Deteriorating prices and reimbursement fees on the other hand led to another decline in net terms of 10 %, which was initially unable to be compensated for by business in America. As this region contributed € 0.5 million to implant division sales only during the last few months of the year, a trend reversal in the implant division is only expected in the coming fiscal year.



4



5



6

Isotope Products Segment

4 Calibration source used to ensure accurate results in positron emission tomography (PET) scans

5 Radiation sources used for radiometric measurement of the density, thickness and level of materials in industrial processes

6 Perflexion™: a unique flexible radiation source used in the calibration of nuclear medicine imaging equipment

Isotope Products also reported weaker sales. Segment sales declined by 4 % to € 54 million and mostly comprised industrial components, which saw volumes drop 14 % year on year due to weaker demand in China and America. Sales of medical and scientific components were down less sharply at just 3 %, which was more than compensated for with sales generated by Düsseldorf-based Chemotrade GmbH acquired in 2013 and the base effect of Californian company Vitalea Science Inc. (combined € 1.8 million) acquired in 2012. All in all, this was insufficient to match the record sales level of the prior year. As the segment bills two thirds of its sales in US dollars (USD), the segment also suffered due to the unfavorable euro/US dollar exchange rate. This had an approximately € 1.4 million impact on the Group as a whole.

The Radiopharma segment registered a € 2.3 million, or 9 %, increase in sales. This was largely a result of the acquisition of Austrian company BSM Diagnostica GmbH, which contributed € 3.0 million to sales. Subsequently, sales in cyclotron-produced short-lived radioisotopes rose by a quarter. Sales in the device division on the other hand fell. Compared to the prior year, sales of synthesis modules and related components were down 14 %. In longer-lived pharmaceutical radioisotopes, the segment's third product pillar, sales remained at the prior year's level.

A foreign acquisition was also responsible for an improvement in sales in the Environmental Services segment at € 1.6 million. Sales increased by € 1.1 million, or 18 %, on the back of the first-time consolidation of the British waste management business acquired from Energy Solutions.

With sales of € 68.9 million in 2013, Europe remains the Group's main sales region geographically. In terms of consolidated sales, this region accounted for around 60 % of sales, which is practically unchanged year on year. The main European market was Germany at € 25.8 million and the largest sales market for Eckert & Ziegler's products in 2013 was once again the United States, where goods worth € 30.8 million (predominantly in USD) were invoiced. As in the prior year, sales in USD accounted for 38 % of total consolidated sales. The Group was therefore just as dependent on exchange rates as in the prior year.

2.2 RESULTS OF OPERATIONS

Consolidated profit after taxes and minority interests fell 12 % from € 10.3 million to € 9.1 million. The number of shares remained stable at 5.3 million. Earnings per share fell by € 0.23 per share to € 1.72 per share.



The contraction in the gross margin had the biggest impact on earnings in 2013. It fell by 12 %, or € 8.1 million, in absolute terms despite a mere 2 % decline in sales. The reasons for this were considerable one-off effects, which had an adverse impact on the gross margin in 2013 but had a favorable impact in 2012. In the period under review, the increase in provisions for disposal costs of € 2.5 million is included in the cost of sales, while in the prior year the one-off effect from the lucrative sale of licenses turned the scales. In addition to these special effects, the shift in the product mix also squeezed the gross margin. High-margin products in the Industry and Radiation Therapy segments were replaced by low-margin sales from services and merchandise, among others, in 2013.

Sales, distribution and administration costs were up by € 2.5 million, which corresponds to a 5 % increase at total fixed costs of € 50.7 million, due to acquisitions and the subsequent rise in the number of employees. Compared to the impact of the deterioration of the gross margin, the increase in costs only marginally affected EBIT (earnings before interest and taxes), but combined with the gross margin effects, led to a € 12.0 million decrease compared to 2012.

In the reporting year, profit from operations was primarily supported by other comprehensive income. This is only evident by excluding the prior year's effects from the construction of the construction site. The comparison base then amounts to € 1.9 million for other income and € 0.4 million for other expenses. Although the latter tripled to € 1.3 million in 2013, other income also tripled. Two legal disputes were won and a number of smaller items led to a € 3.8 million year-on-year increase, reducing the gap to 2012 in terms of profit from operations to € 9.2 million. It totaled € 10.7 million in 2013, just over half of the prior year's result.

The EBIT picture is even better thanks to fair value gains of € 2.8 million. The decline in EBIT dropped to € 6.9 million, or 65 % of the prior year's € 19.7 million. Interest income increased by € 2.4 million thanks to higher interest on deposits (including tax office interest) and lower interest expenses due to scheduled repayments and non-current receivables. This corresponds to a € 4.5 million lower pre-tax result. Owing to the increase in tax loss carry-forwards, the tax rate fell to 19 %, leading to a € 3.3 million decline in tax expenses compared to the prior year. At € 9.1 million (€ 1.72 per share), net profit for the year was subsequently just € 1.2 million lower than in 2012, or 88 % of the prior year's net profit, at almost unchanged minority interests.

2. Economic report



2.3 DEVELOPMENT OF THE SEGMENTS

Isotope Products segment

The Isotope Products segment is the Group's largest and most profitable segment.

The segment's main product groups are:

1. Industrial components for metrology
2. Radiation sources for medical quality assurance
3. Calibration and measurement sources
4. Trade in raw isotopes and other products

Eckert & Ziegler has long had a positive market share of at least one-third of the global market in each of the three key product groups. The segment was able to maintain or improve this position and was even able to increase it to almost 100 % in the sub-segments through the acquisition of nuclitec GmbH (now Eckert & Ziegler Nuclitec GmbH). Although some niches in this area registered impressive growth rates, the overall market merely grew at about the same pace as global GDP.

The fourth group makes use of Eckert & Ziegler's purchasing leverage to resell raw isotopes to third parties at a profit. Additionally, it realizes project sales of American company Vitalea Science, Inc., which was acquired in 2012 and offers radiocarbon dating using carbon-14 isotopes for medical and industrial applications.

External sales in the segment declined by € 2.4 million to € 53.7 million. This primarily concerns sales of industrial components in China and the USA. Excluding the acquisitions, the decline in sales would have been more pronounced although the new companies are not yet as profitable as the Group's existing operations. EBIT consequently fell € 2.4 million to € 13.5 million.

Radiation Therapy segment

The segment's main product groups are:

1. Implants for treating prostate cancer "seeds"
2. Tumor irradiation equipment "afterloaders"
3. Therapeutic accessories
4. Ophthalmological products
5. Other therapeutic products and plant engineering

The US-based Eckert & Ziegler Vitalea Science Inc. in Davis (CA) is a pioneering bioanalytical contract research organization that provides services to researchers and clinicians in drug development supported by validated accelerator mass spectrometry (AMS) technologies.



Eckert & Ziegler provides implants for treating prostate cancer in Europe, where it is one of the largest providers. The relevant market for implants has a volume of approximately € 50 million in Europe. In recent years, however, growth rates in this market have increasingly slowed. Additionally, significant pressure on margins has been noticeable for several years. This pressure is due to a decrease in reimbursement and major American competitors, who have been taking advantage of the favorable dollar exchange rate to up their expansion efforts in Europe despite high transport costs. The strategic merger with former Belgian competitor IBt s.a. (now Eckert & Ziegler BEBIG s.a.) and the subsequent refocusing of production in Berlin succeeded in further reducing the manufacturing costs per implant. Eckert & Ziegler remains competitive thanks to the economies of scale achieved. Thanks to acquisitions in the USA, the Group was able to reenter the attractive US market.

Although Eckert & Ziegler's share of the world market for tumor irradiation equipment is still low, it is growing far faster than the overall market. The primary sales markets are Russia, South America, Asia, and the Middle East. Today, annual global sales of isotope-based tumor irradiation equipment and the accompanying services are estimated at € 200 million. Their lower overhead costs give Eckert & Ziegler's equipment a competitive edge over competing products. Cobalt emitters are used in the majority of Eckert & Ziegler's devices. Cobalt has a significantly longer half-life compared to the iridium used in competing equipment. As a result, the radiation source of Eckert & Ziegler equipment does not need to be changed as often, leading to cost and logistical advantages. This gives Eckert & Ziegler a competitive edge that leads to a higher market share, especially in developing and emerging countries.

Sales to external customers fell 12 % to € 27.8 million. The reasons for this were explained in detail in the business development section.

As for the Group as a whole, the gross margin in the Radiation Therapy segment also deteriorated. The absence of project sales, the drop in seed prices and the fixed costs for the new companies were responsible for this. Sales, distribution and administration costs, on the other hand, were down. Other operating income contains the effect of an agreement with Core Oncology, Inc. In 2009, Core Oncology, Inc. was granted a loan for USD 2.0 million which was written off in 2010 as an expense. The Group generated € 1.3 million from the agreement concluded in 2013. Nevertheless, the EBIT margin contracted by € 3.3 million to € 1.6 million.

Detailed information about the Radiation Therapy segment can be found in Eckert & Ziegler BEBIG s.a.'s Annual Report (www.bebig.eu). Differences between the consolidated and subgroup financial statements of Eckert & Ziegler BEBIG s.a. and the segment reporting of the entire Eckert & Ziegler Group are depicted in the following table [in € thousand].

2. Economic report



Manufacturing of medical devices for radiation therapy at the new production site in Mount Vernon, New York, USA

€ thousand	Radiation Therapy segment of Eckert & Ziegler AG	Consolidated report of the listed Eckert & Ziegler BEBIG s.a.	Differences resulting from customer base and tax adjustments
Sales to external customers	27,838	27,838	0
Other costs & income	– 25,626	– 25,626	– 343
EBT	2,212	2,212	– 343
Income taxes	1,008	1,008	103
Net income	3,220	3,220	– 240

Radiopharma segment

The Radiopharma segment comprises the device division for synthesis modules and accessories (Modular-Lab), short-lived radioactive agents imaging using positron emission tomography (cyclotron products) and longer-lived radioisotopes for pharmaceutical applications (in particular yttrium-90).

The cyclotron-based radiodiagnostics and other products are primarily $[^{18}\text{F}]$ fludeoxyglucose (^{18}F ; FDG), which is sugar isotope-labeled with fluorine-18. The substance is used in approximately 200 hospitals throughout Europe in positron emission tomography (PET) to diagnose cancer. Eckert & Ziegler supplies the products to Germany, Poland, and Austria as well as to neighboring regions, making it one of the leading suppliers in Europe.

Contrast agents are used in medical diagnostics to image very small tumor clusters or metabolic disorders, for instance. Eckert & Ziegler produces the isotope substances and synthesis equipment necessary to make these agents. Pre-clinical and clinical trials to test efficacy and tolerance are an important part of the development of medicinal products. Using isotope-labeled substances makes it possible to image the distribution of the medicinal product being tested in the body.

Sales in cyclotron-based radiodiagnostics grew 25 % thanks to the acquisition in Austria as well as at established locations. Yttrium-90 products on the other hand have registered a slight decline since 2010. The reason for this is the expiry of various project contracts, for which subsequent contracts have not been won. In the device division, sales have fallen for the first time since its inception and are now below the 2011 level.

While sales in the segment were up 9 %, the gross margin only expanded 3 %.



The additional expenditure for the new locations in Vienna and Warsaw are responsible for the above-average increase in costs. However, EBIT rose 10 % to € 2.4 million as it includes extraordinary income (€ 2.4 million) from the fair value measurement of options on shares in Octreopharm Sciences GmbH.

Environmental Services segment

The Environmental Services segment has been reported separately since 2010. The Eckert & Ziegler Group acquired the business in 2009 when it took over nuclitec GmbH (now Eckert & Ziegler Nuclitec GmbH).

Its services can be categorized as follows:

1. Taking back radiation sources from customers of the Isotope Products segment
2. Receiving low-level isotope related waste
3. Waste conditioning projects

The segment's main activity is taking back radiation sources, which complements the Isotope Products segment very well because it improves customer loyalty by retrieving the used sources. This also enables the Group to process the sources and resell them. This recycling is extremely useful for all parties involved and helps conserve resources.

Additionally, the segment also offers to take back and properly dispose of isotope related waste from hospitals and other institutions. Waste which has come into contact with isotopes is inspected and released in accordance with procedures approved by government authorities or, if they are not permitted for release, are prepared for their final destination. This business is limited to Germany for legal reasons.

Eckert & Ziegler's extensive specialized experience in the processing of isotope related waste also allows the company to offer its expertise as a service to third parties. However, these projects do not involve the transfer of ownership of the waste to Eckert & Ziegler.

The segment's sales to external customers increased by € 1.1 million to € 7.3 million in 2013. Decisive for this growth was the acquisition of the disposal unit of Energy Solutions in the UK.

EBIT was already negative in 2012 at € 1.7 million. The loss was a result of the adjustment of provisions for environmental restoration as well as expenses for ensuring compliance. Provisions also had to be increased in 2013 due to an increase in governmental waste acceptance fees for a key disposal channel. Moreover, the actual disposal costs for the reduction of waste exceeded the provisions set aside in the past, which led to an adjustment and subsequent increase in provisions. EBIT showed a loss of € 2.7 million in 2013.



Refinement of prostate implants at the new production site in Oxford, Connecticut, USA.

2.4 FINANCIAL POSITION

The cash flow statement opens with income for the period of € 10.5 million, which corresponds to income after taxes and before minority interests from the income statement of 11 % below the prior year.

Non-cash expenditures and income totaling € 7.1 million in 2013 were added to this. This figure is € 1.5 million higher than in 2012 as high non-cash expenses were incurred in 2013. This includes increases in provisions for the disposal of isotope related waste and various depreciation/amortization. Gross cash flows, the sum of the information reported so far, thus increased by a total of 1 % to € 17.6 million.

Compared to the prior year, less liquidity went into changing current assets. On the other hand, current liabilities and provisions were reduced so that € 2.9 million went into the expansion of net working capital, which corresponds to an increase of € 2.1 million. Cash inflows from operating activities, calculated as the sum of the effects described above, fell by 12 % year on year to € 14.6 million.

Investments in property, plant and equipment increased year on year by 2 % to € 9.6 million. The figure, which is still high by long-term comparison, is largely due to continued investments in the construction of the new production site in Poland in the Radiopharma segment. Investments in the other segments declined, on account of the completion of the project to introduce the new ERP software and the fact that the segments focused on acquisitions, which led to a combined purchase volume of € 7.4 million.

Cash inflows from financing activities amounted to € 1.7 million in 2013. The main reason is the net increase in loans of € 6.1 million for acquisitions, which was partly financed by third parties. As in the prior year, the Group distributed a dividend of € 0.60 per share, or a total of € 3.2 million. In total, liquidity fell € 1.4 million to € 29.4 million in 2013.



2.5 NET ASSETS

Total assets increased by 9 %, or € 14.5 million, to € 178.9 million in 2013.

On the assets side, the increase was primarily in various non-current asset items, which were up considerably thanks to acquisitions. This mostly relates to items, which are typically affected by allocation of the purchase price, namely goodwill, intangible assets and property, plant and equipment.

Moreover, the Group acquired a minority interest in OctreoPharm Sciences GmbH in the fiscal year, the at-equity cost of which was € 0.6 million. Options on other shares totaling € 2.3 million and a loan and share option agreement concluded by the Group of € 2.0 million are reported under “other non-current assets” and the impact of the fair value measurement (€ 2.8 million) on earnings is reflected in the financial result.

Current assets also increased. Trade receivables were up 5 % to € 23.1 million. As sales contracted by 2 %, this resulted in a sharp increase in the days sales outstanding from 67 days to 72 days. This is exclusively attributable to the Radiation Therapy segment, where the days sales outstanding rose from 49 days to 126 days. Seed sales with state clinics in Spain, Italy and France are one reason for this. We have long observed an increasing delay in the payment of invoices, but do not see any risk of default. Receivables with bank guarantees also contain hedged sales of irradiation equipment, where the default risk is minimal. Inventories reported a disproportional increase of € 2.3 million to € 17.8 million. The increase equally relates to the Radiation Therapy and Isotope Products segments, which have relatively high inventories of irradiation equipment and raw materials for the production of robust drill hole sources. Moreover, the Radiation Therapy segment also gained additional inventories from its acquisitions in the USA. The average storage period thus rose by 5 days to 108 days.

Total liabilities mainly increased due to the rise in non-current liabilities. Loans saw the biggest increase as some of the acquisitions were financed by third parties. Provisions also increased due to the rise in expensing provisions, but mostly due to the non-cash increase in provisions for the disposal of radioactive waste in the Environmental Services segment and earn-out liabilities from acquisitions.

In view of these developments, the equity ratio fell from 53 % to 51 %.



Eckert & Ziegler has around 700 employees at 22 locations worldwide.

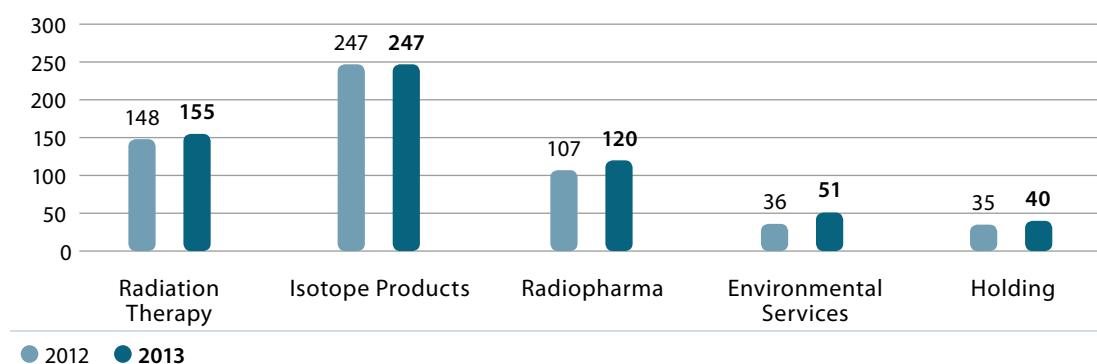
2.6 EMPLOYEES

As of December 31, 2013, Eckert & Ziegler had a total of 686 employees (2012: 611) throughout the Group. The number of employees therefore increased by 75, or 12 %, over the same period in the prior year. This is almost entirely due to the Radiation Therapy segment where the acquisition of two companies in the USA brought in an additional 55 employees. The number of employees in the segment therefore rose by a good third (37 %). Environmental Services saw an increase on a similar scale (22 %), albeit it at a lower level in absolute terms. Ten new employees joined the existing workforce (46 employees). In the Radiopharma and Isotope Products segments and at the holding company, the number of employees remained more or less stable.

Based on the definition set forth in the German Commercial Code (HGB), which reflects the average number of employees over the course of a year and excludes members of the Executive Board, general managers, trainees, and interns, but includes part-time employees and employees with minimal working hours, the number of employees rose from 573 to 613.

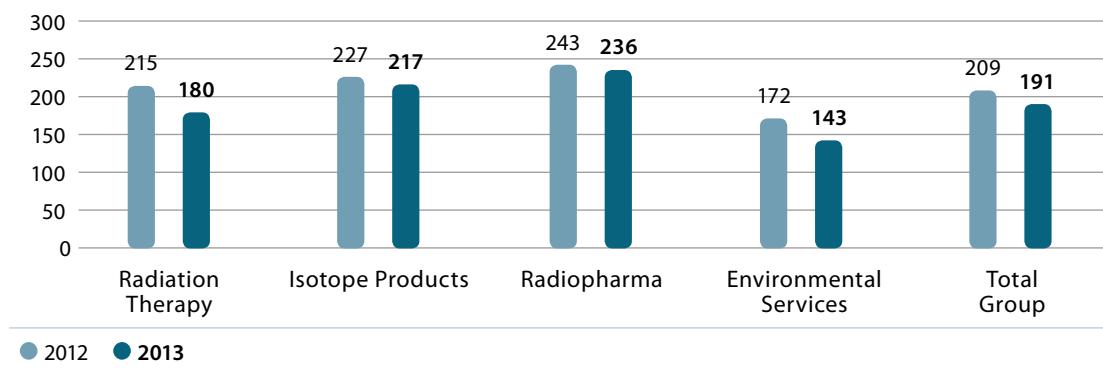
The fluctuation rate, the number of employees leaving the Group in the reporting year according to this definition, was 11 %, slightly higher than the prior year's figure of 10 %, but still at the lower end of the average fluctuation rate in Germany of roughly 10 % to 14 %. The proportion of women in the total Group workforce increased slightly from 39 % to 40 % in the period under review. The average age of the Group's workforce in the fiscal year was 45 (2012: 44) with a focus on the 40 to 49-year-old age group, but closely followed by the 30 to 39-year-old age group. Roughly half of all employees have a qualification from a university of applied sciences or a higher quality education.

AVERAGE NUMBER OF EMPLOYEES BY SEGMENT

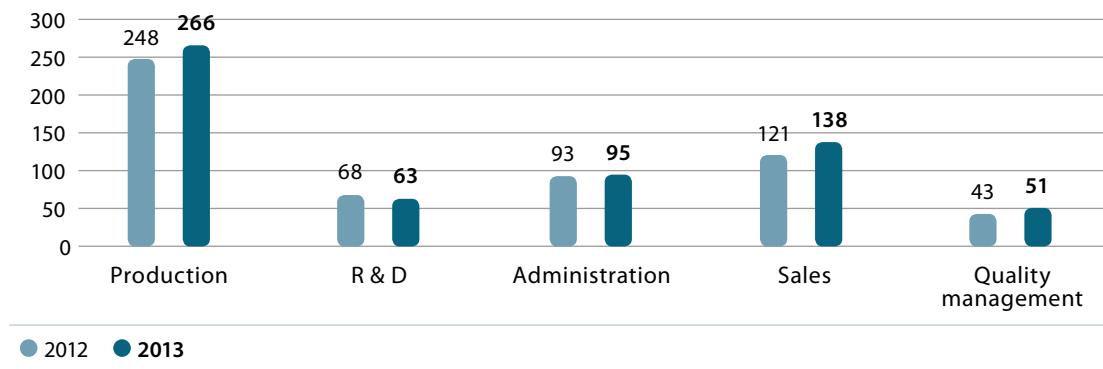




SALES PER EMPLOYEE IN € THOUSAND



NUMBER OF EMPLOYEES BY DEPARTMENT

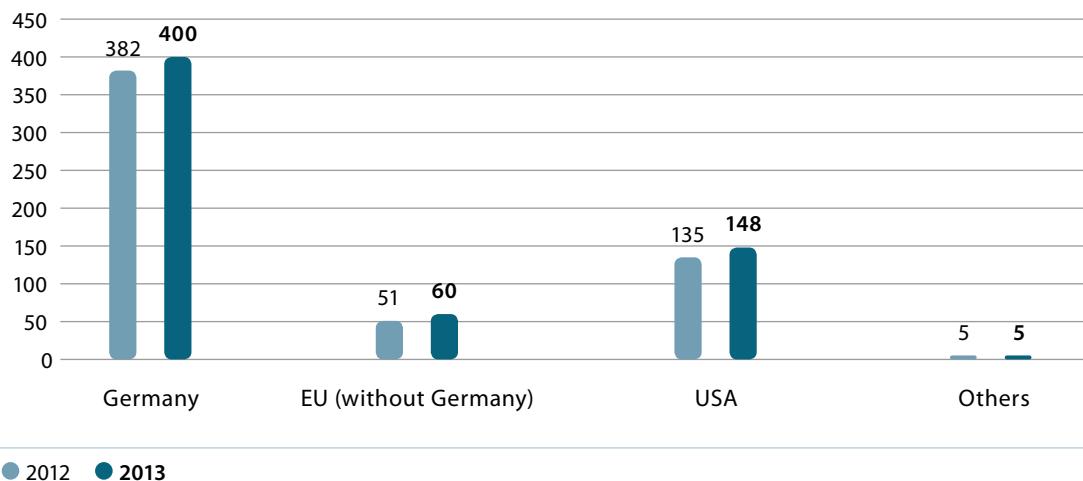


2. Economic report



Eckert & Ziegler offers its employees a wide range of career development opportunities and a modern working environment.

NUMBER OF EMPLOYEES BY REGION



● 2012 ● 2013

Personnel expenses totaled €38.7 million in the reporting period (2012: €38.6 million). This results in average personnel expenses of about €63 thousand in 2013 compared to about €67 thousand in the prior year. The decline is attributable to the US dollar/euro exchange rate as well as the acquisition of production-oriented companies.

2.7 OVERALL STATEMENT CONCERNING THE ECONOMIC POSITION

Despite the slight decline in sales and sharp drop in earnings, Eckert & Ziegler can look back on a successful 2013. It not only fulfilled expectations, it also set the path for future growth. The core business remains stable and several promising acquisitions were conducted in the reporting year. With its strong cash flow and sound balance sheet ratios, the Group remains in a position to both pursue and finance future growth and emerging business opportunities in the relevant business areas.



3. Research & development

Total expenditure on research and development, plus capitalized development costs and without amortization, rose from € 5.1 million to € 5.8 million in 2013. These values cannot be directly deduced from the income statement. The research and development expenses reported in the income statement increased from € 3.5 million in 2012 to € 4.9 million. This was largely a result of amortization, which rose from € 0.3 million to € 1.2 million, mostly due to impairments in 2013. Amortization corresponds to the development activities in the prior year and must be calculated based on the key figures. In contrast, the capitalized development expenditures must be calculated additionally. Development activities worth € 1.9 million were capitalized in the prior year. This amount went up to € 2.0 million in 2013.

The fact that the innovation ratio in the period under review was 21 % makes clear how much a general orientation towards innovation shapes Eckert & Ziegler. This key figure indicates that around € 24.4 million in sales were generated with products that were only incorporated into the Group's portfolio in the last two years. The tumor irradiation equipment launched on the market in 2011 accounted by far for the largest share of this key figure. Compared to the prior year, when sales with new products according to this definition accounted for 16 %, or € 19.6 million, the percentage of sales attributable to new products increased again thanks to the acquisitions conducted in 2013.

Specific details on the activities:

In the Radiation Therapy segment, efforts centered on the continuous development of the existing product portfolio for permanent and temporary brachytherapy. The goal is to implement new application options and further improve user-friendliness. In 2013, various projects for afterloader applicators and accessories were successfully completed. Applicators connect the cancer irradiation equipment to the patient. A new applicator was developed for gynecological applications and allows tumors to be treated via natural body cavities (intracavitary brachytherapy) as well as via cannulas in the tissue (interstitial brachytherapy). Other product innovations in afterloader applications are currently in various stages of development. A particularly ambitious development project with the aim of strengthening our position on the afterloader market is in an advanced stage and should be launched in 2014. At the beginning of the year, a production facility for seed chains was successfully installed in Russia. A production facility for the manufacture of seeds was prepared for installation in Russia.

3. Research & development



The innovation ratio at Eckert & Ziegler in the reporting year was 21 %. This figure indicates that approximately € 24 million in sales were generated with products that have only been added to the portfolio in the last two years.

In the Radiopharma segment, an entirely new technique for the transfer of liquids within a synthesis system was developed for the Modular-Lab family of equipment, which is used to produce contrast media. Unlike conventional equipment, it does not require a number of valves which come into contact with the media, but rather the transfer of the liquids occurs within a system through differences in pressure. This technique allows for a significantly smaller synthesis device, a more cost-efficient production and a greater degree of user-friendliness for the customer. The technology, which has been registered for patent, was successfully implemented in the new Modular-Lab eazy product. With Modular-Lab eazy, Eckert & Ziegler launched the smallest-ever synthesizer for routine production of radiopharmaceuticals on the market.

In the Isotope Products segment, development activities focused on the continuous testing and further development of our production methods with the aim of shortening the time it takes to produce existing product lines and optimize production processes. Moreover, the applications of the segment's own accelerator mass spectrometer were expanded. So far, the procedure has been used for biotechnology and medication development in the strategic development partnerships with GreenCross (Korea), Xenobiotic Laboratories (USA/China), CuraChem (Korea) and Loma Linda University Medical Center (USA). In October 2013, the "Eckert & Ziegler Vitalea ArcLab" was opened. The lab carries out archaeological radiocarbon dating, which involves analyzing materials that are uncovered during excavations. These contracts come from public and private companies. The government agency responsible for road, bridge and rail construction in the west of the USA certified Eckert & Ziegler for radiocarbon dating.

4. Events after the balance sheet date

At the beginning of 2014, US company Eckert & Ziegler Isotope Products, Inc. concluded a contract as part of a joint venture. The aim of the business is to secure raw materials in the national market for the long term. As part of the contract, payments in the USD single-digit million bracket are due before the deliveries are received. The company is subject to minimum purchase volumes.

5. Opportunities and risks

Eckert & Ziegler's shareholders need to be aware that the company is exposed to a wide range of opportunities and risks that may influence the company's business activities and share price. This report outlines the risks and opportunities and their potential impact on the Group as a whole. Furthermore, it describes the Group's risk management system and the hedging measures in place.

5.1 RISK MANAGEMENT

The overall responsibility for risk management lies with the Executive Board. However, the operational responsibility (the early recognition, evaluation, management, and documentation of risks; the definition and implementation of suitable countermeasures; as well as the corresponding communication) lies primarily with the respective segment management and the management of the subsidiaries. This level below the Executive Board bears responsibility for the risk management in their area. In addition to the annual procedure for the structured recording of risks, operational management is required to constantly monitor its area for a changing risk situation. Fundamental changes to the specific risk situation for the area must be reported immediately to segment management and the Executive Board. Changes to risks with fundamental financial implications must also be reported to Group accounting.

Eckert & Ziegler's specialists and executives are questioned as part of the aforementioned annual process of structured risk recording. They are asked to name new and existing risks and classify them according to the probability of occurrence and their potential impact on the company. Preventative measures are taken, emergency plans are drafted, and regular evaluations are organized for these risks to the extent possible. Among other things, these include monitoring the market and competitors, evaluating scientific literature, analyzing customer complaints, and statistics on costs and sales. The assessment of the risks according to probability of occurrence and the potential extent of damages is reported to the Supervisory Board once a year.

Overall, a risk-minimizing approach is chosen. Existing risks are consistently monitored and are minimized or hedged by means of ongoing process improvements. New product developments and acquisitions are tested for potential risks from the very start and are incorporated into the risk management system. Market developments are monitored, as are the activities of competitors, with the aim of being able to modify and implement the Group's own strategies at an early stage.

The Supervisory Board – which is informed about and approves all key decisions, and is regularly kept up to date on economic developments – serves as an additional risk-hedging element.

5.2 FINANCIAL RISKS

The Group believes it is currently in possession of sufficient funds to secure its status as a going concern and its further development. It also believes it is in a position to meet all payment obligations, even if a slight increase in the gearing ratio should become necessary in subsequent fiscal years in order to secure growth through further acquisitions and finance the development of new products. The existing loans were paid back on schedule. In 2013, various acquisition projects were pursued and some were successfully concluded. Loan offers were obtained for several projects and the company concluded new loan agreements in 2013. The loan offers received all had favorable conditions. These financing offers indicate that the Group's credit rating is good. The Executive Board sees the reason for this in the Group's sound financing with a high equity ratio as well as the good outlook of the profitable operating units. In addition to the high equity ratio, the balance sheet ratios speak for the Group's credit rating, as the non-current assets are more than covered by equity and non-current liabilities.

The existing loan agreements contain covenants pertaining to the maintenance of various balance sheet ratios. Eckert & Ziegler checks compliance with these ratios on a quarterly basis and in preparation for new investment and financing plans. For the sake of completeness, it is noted that these covenants were complied with and that no loan or line of credit line was revoked.

Due to third-party financing, the Group is principally exposed to risk resulting from a change in interest rates. However, the key loans have been taken out at fixed interest conditions and/or suitable interest rate swaps have been concluded. As a result, Eckert & Ziegler can effectively use a fixed interest rate as the basis for its calculations. The Group is therefore not exposed to risk from market interest rate fluctuations in its existing loans.

In addition to economic and technical development risks, Eckert & Ziegler is exposed to market interactions. These naturally result not only in income risks, but also liquidity risks, as the Group receives third-party financing for some of its acquisitions and issues guarantees for loans to subsidiaries. Even if management should react quickly and cut costs and/or abandon endangered business fields, the Group would remain susceptible in the event of problems. The Executive Board ensures to the greatest extent possible that the risks from granting loans or guarantees remains limited to a justifiable extent in relation to the Group's total assets.

The avoidance of financial risks is monitored and managed by tools such as annual financial planning with adjustments during the year and careful analysis of deviations from the plan. This makes it possible to identify potential risks at an early stage and launch suitable countermeasures.

Due to the high proportion of sales in the US, there is a degree of dependence on the exchange rate of the American currency. The impact of changes in the exchange rate is less than for conventional export business transactions because the subsidiary in the US that is responsible for the majority of these sales also incurs its costs in US dollars. For German exports, sales in foreign currencies are hedged by forward contracts and simple put options as necessary.

The Group bears a debtor default risk on account of its trade receivables. Risk is primarily influenced by the size of the customer as well as regional rules and practices for processing the reimbursement of medical services by public authorities.

New customers are generally assigned a credit score, and first deliveries generally require advance payment. Deliveries to customers that are considered a permanent risk due to their size or location are hedged by advance payment or letters of credit.

The risk is monitored by regular overdue analyses of all trade receivables.

5.3 LEGAL RISKS

The Group is susceptible to legal risks arising from lawsuits or legal proceedings by governments or government authorities in which it is either currently involved or that could arise in the future. The outcome of currently pending or future proceedings is not foreseeable. As a result, expenses could arise from decisions by courts or government authorities or from settlement agreements that are not or are not completely covered by insurance and could have a significant impact on the financial position and results of operations.

There are currently no lawsuits or court proceedings that could have a substantial negative influence on Group earnings.

5.4 IT RISKS

Eckert & Ziegler is exposed to the risk of IT system outages. Damages could result in loss of data and, in the worst case, could interrupt operations. As security measures, backups are regularly performed, antivirus software is used, and servers are partly virtualized.

5.5 ACCOUNTING-RELATED RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

Accounting-related risk management comprises all organizational rules and measures for detecting and handling financial reporting risks. With an eye toward the consolidated accounting process, the internal control system is intended to ensure that financial reporting conveys a realistic picture of the net assets, financial position, and results of operations in accordance with relevant laws and standards.

The consolidated financial statements contain the single-entity financial statements of Eckert & Ziegler AG as well as a total of 34 single-entity financial statements of domestic and foreign subsidiaries. Due to the number of companies and the varying regional distribution of the subsidiaries, risks exist in relation to the goal of reliable accounting. These can manifest themselves in the form of delayed publication, false statements in the consolidated financial statements, or fraudulent manipulations.

To limit and manage these risks to the greatest extent possible, the company has taken the following key measures:

- Process-integrated controls (IT-supported controls and access restrictions, principle of dual control, separation of functions, and analytical controls)
- Central processing of the financial accounting of all German companies at the headquarters of the parent company in Berlin
- Standard reporting packages for all companies included in the consolidated financial statements. Furthermore, the subsidiaries are supported by company advisors at the Group's headquarters who provide quality control for the data taken over and assist the subsidiaries with complex questions.
- Ensuring uniform accounting and valuation through uniform procedures and training on a Group-wide basis
- Analysis of the subsidiaries' monthly reports

As a listed company, Eckert & Ziegler is required to adhere to IFRS accounting standards in accordance with Section 315a of the German Commercial Code (HGB). It must therefore calculate fair values for certain intangible assets as of the balance sheet dates. However, as there are no markets with reliable price information for many intangible assets, the fair values are usually based on estimates or forecasts with serious uncertainties. As a result, there is principally a risk in terms of the recoverability of the intangible assets. Impairment tests are therefore conducted annually if mandatory and when signs of impairment arise. Key assumptions are objectified by recognized rating agencies and peer groups or by consulting external experts in order to ensure the reliability of the estimates and valuations. Despite all of these measures, it cannot be ruled out that intangible assets may turn out to be non-recoverable and/or that their value could vary rapidly and significantly. Among other things, this also relates to deferred tax assets on losses carried forward, the valuation of which also depends on earnings forecasts. Because the Eckert & Ziegler Group is active in the manufacturing industry, it must maintain adequate inventories. However, it keeps inventories to a minimum in order to reduce costs and risks. Inventories are associated with impairment and inventory risks, which are limited by regular inventory and objective valuation involving analysis of future market and sales opportunities. Pension commitments result in actuarial valuation risks in Eckert & Ziegler's consolidated financial statements. External experts are commissioned to write actuarial reports to limit these risks.

The Group generally applies the dual-control principle to work processes in accounting in order to ensure adequate quality assurance and approval processes.

5.6 PERSONNEL RISKS

In many business areas, Eckert & Ziegler depends on the specialized knowledge of its employees. The company depends on the knowledge and expertise of particularly highly qualified key individuals, especially when developing new business fields, as well as in development and sales and distribution. In order to minimize the risk of losing talented employees, the company strives to create a pleasant and supportive atmosphere, a modern and secure working environment, adequate remuneration, professional training and further education opportunities, and flexible working hours. Despite these measures and a demonstrated high degree of employee satisfaction, Eckert & Ziegler cannot guarantee that these employees will remain with the company or display the necessary level of commitment.

5.7 GENERAL RISKS ARISING FROM THE PRODUCTION AND HANDLING OF RADIOACTIVITY IN PARTICULAR AND RESULTING OPPORTUNITIES

Production risk includes the risk of being unable to source all raw materials and indirect materials at the required time and in the necessary quantities. This risk can never be fully excluded. However, it can be counteracted through warehousing and establishing alternative sources.

Both radioactivity itself and its use in medical or medicinal products entail product liability risks. Eckert & Ziegler addresses these risks by adhering to strict quality criteria. The majority of sites are ISO-certified, and the functionality of the quality management systems is regularly checked by both internal and external audits. In order to avoid accidents that could injure employees, cause damage to the environment, or prompt regulatory agencies to close down production facilities, employees regularly undergo training on occupational safety and radiation protection. Despite all these measures, it cannot be ruled out that events giving rise to liability could nevertheless occur and pose a threat to the company. As far as it is possible and feasible, appropriate insurance has been taken out to guard against liability risks.

Eckert & Ziegler is dependent on specialized service providers to ship products worldwide that are often transported as hazardous goods. It cannot be guaranteed that these offers are maintained in the existing form. Special official authorization is necessary for the manufacturing and shipment of many products. Eckert & Ziegler is only able to exert indirect influence on the issuing or renewal of such authorization.

Eckert & Ziegler has undoubtedly acquired a great deal of expertise as a result of its many years of handling radioactivity and has thereby gained an edge on potential competitors planning to enter the market. Moreover, this also offers numerous opportunities for accelerating organic and acquisition-driven growth in the business areas.

Eckert & Ziegler relies on options for the disposal of radioactive waste, which is created when taking back sources or during production. The closure or delayed opening of disposal facilities can lead to significant increases in costs. Efforts are made to reduce the impact of this risk to the greatest extent possible through internal recycling. However, this uncertainty cannot be completely eradicated.

The handling of radioactive substances requires approval from the relevant government authorities. It cannot be ruled out that production or handling in individual cases or at certain locations may become more expensive, restricted or even prevented due to changes in legal or regulatory conditions.

5.8 GENERAL COMMERCIAL AND STRATEGIC RISKS

As a specialist for a broad portfolio of isotope-based components, irradiation equipment, and radiopharmaceuticals, Eckert & Ziegler is better protected against slumps in the market than single-product companies. Although the different business fields are similar in terms of the technology they use, they differ considerably in terms of their product life cycles and in their customer and market structures. This diversification generally reduces the risk that competitors will undermine the company's business foundation with new and better products. Nevertheless, it cannot be ruled out that improved processes and efforts by competitors might cause the loss of important markets, thereby endangering the company.

To counter this threat, Eckert & Ziegler actively seeks to develop new products and to identify and develop new business fields. However, there is the risk that such efforts will remain unsuccessful and that new business fields can only be developed too late, or inadequately, or not at all. Furthermore, it cannot be ruled out that competitors might have greater success with other products or market launch strategies.

In the medical divisions, the economic success of Eckert & Ziegler's products depends on cost reimbursement for the respective applications. A reduction or elimination of cost reimbursement would have dire consequences on sales and earnings. Capital goods are also sold in the segments. There is a risk of limited budgets at public and private contractors.

5.9 MAIN CUSTOMER RISK

Sales to the Group's five largest customers in the reporting year totaled € 11.1 million, or about 9 % of total performance. Compared to the prior year, when the five largest customers accounted for 14 %, the customer base was more broadly diversified.

5.10 OPPORTUNITIES IN THE SEGMENTS

Eckert & Ziegler's outstanding market position in the Isotope Product segment – which is the result of acquisitions as well as excellent operational management of production and sales – creates opportunities to continue dominating the market, additionally increase sales and profitability, and further pursue the acquisition strategy.

The Radiation Therapy segment sees opportunities from the further regional expansion in particular.

In the Radiopharma segment, opportunities lie in particular in the newly developed pharmaceutical gallium generator and the expansion of contract manufacturing projects.

5.11 RISKS RELATING TO FINANCIAL INSTRUMENTS

As outlined in section 5.2 "Financial risks," key long-term financing was secured at favorable conditions and suitable interest swaps were concluded for the repayment structure. These financial instruments are covered by appropriate loans which develop in the opposite direction to the valuation of the financial instruments. The aim of this is to hedge the interest rate risk.

It should also be noted that currency risks are hedged using forward transactions and put options. Offsetting transactions are also used in this respect. Only the contractual partner's identity is not revealed. If the customer does not pay, the hedging transaction still has to be settled with the bank, which in turn represents a risk. As of the reporting date, no such forward or option transactions were underway.

In view of planned investment projects, the Group concluded an interest rate swap at the beginning of 2011, when interest rates for long-term loans were relatively low, but already beginning to rise. Future investment projects can therefore effectively be financed at the interest rate valid at the start of 2011. However, because the prevailing swap rate has since fallen again, book losses occurred in 2011 and 2012. In 2013, accounting profit was realized from the increase in the residual value of the swap. For the coming years, there is the opportunity to secure financing at a relatively favorable interest rate as well as a risk of further losses should investment projects fail to materialize and the prevailing swap rate fall further.

A loan and share option agreement and two options, both concerning OctreoPharm Sciences GmbH, a pharmaceutical development company, are valued at a total of €4.3 million in the consolidated financial statements. There is the risk of potential losses from the fair value of the mentioned financial instruments should the enterprise value develop negatively.

5.12 RISK DEVELOPMENT

Despite the growth in its range of products, there has been no increase in the risk profile for the Eckert & Ziegler Group that could threaten the existence of the company. Many existing risks have already been considered in the Group's detailed planning for the coming year.

The Executive Board does not expect the aforementioned risks to significantly impact fiscal year 2014.

6. Outlook

6.1 OVERALL ECONOMIC ENVIRONMENT

Economic development was mixed in 2013. Global economic growth was around 2%, particularly on account of sustained strong growth in China at approximately 8%, and moderate growth in the USA. The eurozone on the other hand did not improve. Growth was down compared to the prior year, except in Germany, where it increased by around 1%. The forecasts for 2014 indicate an improvement. Growth in China is still expected to remain at over 7% while growth in the remaining countries, including the eurozone, is also significantly higher in some countries.

Eckert & Ziegler is only partially affected by economic fluctuations, as demand in the health care sector is subject to different cycles. Its operating business, however, is also influenced by global economic developments. This will apply in particular if major projects of public institutions are cancelled due to government austerity measures or if plans are introduced to cut administrative expenditure in healthcare.

Among the general conditions, the US dollar/euro exchange rate is also important for Eckert & Ziegler. As the Isotope Products segment, which is based in the USA, makes a significant contribution to the Group's earnings and liquidity, even minor changes in the exchange rate have an impact on the Group's sales, expenses and income. The exchange rate also influences Eckert & Ziegler's competitive situation, in particular in the Radiation Therapy and Radiopharma segments. The weaker the US dollar is, the better is the cost situation of US competitors. Accordingly, the pressure on sales prices and margins of Eckert & Ziegler increases if the US dollar falls.

In 2013, the weighted average of US dollar/euro was 1.33, which was above the average in 2012. At the time of preparing the financial statements, the exchange rate was slightly above USD 1.35 to € 1. The average exchange rate for the first quarter of 2014 is therefore well above the average in 2013, an unfavorable development for Eckert & Ziegler.

However, no significant negative effects resulted from these currency fluctuations. It is difficult to forecast how exchange rates will develop throughout the remainder of 2014. This depends on numerous aspects including the development of budgets and the political situation in southern European countries as well as the US budget and trade balance deficits. Current forecasts by DZ Bank and HSBC assume a continuous appreciation of the US dollar/euro exchange rate to 1.27 and 1.28 respectively by the end of 2014. If fluctuations remain below these ranges, Eckert & Ziegler will be able to manage any changes in the exchange rate and any substantial impact will be avoided.

The following forecasts are made on the basis of these assumptions:

6.2 FUTURE BUSINESS DEVELOPMENT IN THE ISOTOPE PRODUCTS SEGMENT

The Isotope Products segment is well positioned due to its market leadership for many products. Provided the above-mentioned economic conditions prevail, sales and earnings should grow in the single-digit range year on year in 2014. The forecast is based on an exchange rate of maximum USD 1.30 to € 1. In order to return to sales levels of 2012, growth is required in industrial components as well as an increase in sales from radiocarbon dating. Planned acquisitions should also boost growth.

6.3 FUTURE BUSINESS DEVELOPMENT IN THE RADIATION THERAPY SEGMENT

The Radiation Therapy segment should see a double-digit increase in sales in percent in 2014 on the back of the acquisitions in the USA. Organic growth in irradiation equipment will also contribute. Owing to the additional costs relating to the integration of the new US companies, the continued fall in implant prices and the strong positive one-off effects on earnings in 2013, it will take a combination of favorable factors in order to be able to significantly increase net profit after taxes and minorities. Earnings are therefore expected to decline slightly in 2014.

6.4 FUTURE BUSINESS DEVELOPMENT IN THE RADIOPHARMA SEGMENT

In view of the decline in sales in the device division, 2013 was a difficult year for the Radiopharma segment. The fair value measurement of derivative financial instruments in particular had a salvaging effect. Without this positive financial result, the segment would have missed its targets for 2013 by far. The outlook for 2014 is therefore cautious. In terms of sales this is due the base effect of the acquisition of an Austrian sales company for cyclotron products, and in terms of earnings it is based on the assumption of a recovery in the device division and the commissioning of the Warsaw production facility and the subsequent strengthening of the cyclotron division. All in all, sales should see a double-digit increase in percent in 2014 while earnings should also see a substantial improvement.

6.5 FUTURE BUSINESS DEVELOPMENT IN THE OTHER SEGMENT

From 2014, Environmental Services will be included in the items of holding company Eckert & Ziegler Strahlen- und Medizintechnik AG and reported to the Executive Board as an entity. It will appear in the segment reporting under "Other". The previously separately reported segments both provide extensive services for the operating segments. As in the past, external sales will only be marginal. Provided no external effects lead to a significant increase in provisions for future disposal expenses, Environmental Services are likely to generate more or less balanced results. The holding company is obviously unable to pass all expenses onto the segments. The profit mark-up on services and the interest margin will not suffice to cover all expenses. In total, the loss in the Other segment is expected to be drastically reduced compared to the prior year (2013: € 3.0 million).

6.6 FUTURE BUSINESS DEVELOPMENT IN THE GROUP

Overall, sales and earnings are expected to see double-digit percent growth in fiscal year 2014. In terms of the reporting year, the threshold values relating to this statement will be achieved a) at sales of some € 129 million and b) earnings after taxes and minority interests of approximately € 10 million (corresponding to earnings per share of € 1.90). Internal planning figures are considerably higher than these threshold values.

7. Corporate governance

7.1 DECLARATION ON COMPLIANCE

The company has issued a Declaration on Compliance. It is available on the website under [> Investors > Corporate Governance > Declaration on Compliance](http://www.ezag.de).

7.2 REMUNERATION REPORT

The Executive Board remuneration structure is oriented toward providing an incentive for long-term successful corporate development. Therefore, it is a significant aspect of the remuneration structure to agree on variable compensation components with a multi-year measurement basis in addition to fixed compensation components. This combination ensures that remuneration of the Members of the Executive Board appropriately reflects both positive and negative developments.

The area of responsibility as well as the individual performance of the respective Member of the Executive Board are of particular importance when it comes to specifying total remuneration and splitting remuneration between various components. The financial position, success and future outlook of the company are also included in this evaluation. Ultimately, remuneration should be attractive and appropriate compared to competitors and within the context of the remuneration structure at Eckert & Ziegler, both with regard to upper management and the workforce.

The Supervisory Board determines the total remuneration of the individual Members of the Executive Board as well as the remuneration structure for a period of several years and performs regular reviews. The aim of the remuneration is the sustainable development of the company. Executive Board contracts were amended as of fiscal year 2011 according to the provisions of the German Act on the Appropriateness of Management Board Compensation (Gesetz zur Angemessenheit der Vorstandsvergütung, VorstAG), establishing a multi-year measurement basis for the calculation of any and all variable compensation components and limits. Moreover, an option was introduced to limit Executive Board remuneration to a reasonable amount if and for as long as the economic situation of the company deteriorates. Fixed compensation components are paid monthly as salary on a pro-rata basis. The Members of the Executive Board also receive additional benefits in kind, which primarily include use of a company car, a telephone and insurance premiums. As a rule, these are equally available to all Members of the Executive Board. The extent of fringe benefits, however, may vary depending on the individual member's situation. Being part of the overall remuneration of the Members of the Executive Board, these benefits are subject to taxes.

Profit-sharing bonuses are variable compensation components and are usually measured on a multi-year basis. This is based on a percentage of cumulative EBIT or net profit generated in the direct area of responsibility, observed over a defined period of multiple years. Partial payments are made annually after approval of the financial statements; final settlement will be made at the end of the defined period. It is also possible to agree on variable compensation elements that are only based on an annual review of successes and do not consider the achievement of a specific objective or provide for a share in the annual profit or loss. The variable components are subject to limits.

No severance payments have been agreed on in the event of premature or regular termination of a member's term on the Executive Board. Likewise, there are no pension commitments in the event of a member leaving the company. However, the company grants company pension benefits to two active Members of the Executive Board in the form of a so-called reinsurance-funded pension plan which is financed by deferred compensation.

8. Information required under takeover law

As of December 31, 2013, the company's nominal capital was € 5,292,983 (prior year: € 5,292,983), divided into 5,292,983 no-par value bearer shares. Each share represents one vote and is entitled to a share in profit. There are no shares with multiple, preferential or maximum voting rights.

The Executive Board is not aware of any restrictions concerning voting rights or the transfer of shares.

According to the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG), every investor who reaches, exceeds or falls short of certain amounts of voting rights in the company by way of acquisition, sale or any other action must inform the company and the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin). The lowest threshold for the disclosure of voting rights is 3 %. The following direct or indirect shareholdings in the capital of the company that exceed 10 % of the voting rights were disclosed to the company as follows:

As of December 31, 2013, Chairman of the Executive Board Dr. Andreas Eckert indirectly held 1,692,990 shares through Eckert Wagniskapital und Frühphasenfinanzierung GmbH, Panketal, Germany, and directly held 12,001 shares, amounting to a total of 32.21 % of the subscribed capital of Eckert & Ziegler Strahlen- und Medizintechnik AG of 5,292,983 shares. The total holdings of the remaining members of the Group's Executive Board and the Group's Supervisory Board in shares issued by Eckert & Ziegler Strahlen- und Medizintechnik AG amounted to under 1 % of the subscribed capital as of December 31, 2013.

Shares with special rights that confer powers of control did and do not exist.

The Executive Board manages the company and represents it in dealings with third parties. Section 84 of the German Stock Corporation Act (Aktiengesetz, AktG) governs the appointment and dismissal of Members of the Executive Board. The Supervisory Board appoints the Members of the Executive Board for a maximum of five years. Repeat appointments or extensions of the term of office for a maximum of another five years are permissible. Such repeat appointments or extensions require another resolution by the Supervisory Board, which cannot be adopted earlier than one year prior to the expiry of the current term of office. The Supervisory Board can appoint a Member of the Executive Board to the position of Chairman of the Executive Board. The Supervisory Board can revoke an appointment to the Executive Board and the appointment of a Member of the Executive Board to Chairman of the Executive Board for good cause. Possible causes include serious breach of duty, the inability to properly manage a business and a vote of no confidence by the Annual General Meeting.

According to Section 6 of the Articles of Association, the Executive Board consists of one or more persons. The Supervisory Board determines the number of Members of the Executive Board.

The Articles of Association contain general provisions on the form of the company. Pursuant to Section 119 AktG, any amendments to the Articles of Association are subject to approval by the Annual General Meeting. Resolutions on changes to the Articles of Association require a majority of three quarters of the nominal capital represented.

On April 30, 1999, the Annual General Meeting passed a resolution, amended by the resolution of the Annual General Meeting of May 20, 2003, to contingently increase the company's nominal capital by a maximum of € 300 thousand, divided into a maximum of 300,000 no-par shares (contingent capital 1999). The contingent capital increase may only be implemented to the extent that the holders of stock options, which were issued based on the authorization provided to the Executive Board by the Annual

8. Information required under takeover law

General Meeting of April 30, 1999, utilize their subscription right to shares in the Group and the Group does not fulfill the option right by transferring own shares or by making a cash payment. With the approval of the Supervisory Board, the Executive Board exercised the right to contingently increase capital by € 32 thousand and issued 31,650 no-par shares in fiscal year 2009. With the approval of the Supervisory Board, the Executive Board exercised the right to contingently increase capital by € 33 thousand and issued 32,700 no-par shares in fiscal year 2010.

On May 24, 2012, the Annual General Meeting adopted a resolution to cancel the resolution adopted by the Annual General Meeting on May 20, 2009 regarding the contingent capital 2009. At the same time, a decision was made to create a new tranche of contingent capital (contingent capital 2012). This involved the approval of a contingent increase in the subscribed capital by up to € 1,639 thousand. The contingent capital increase will only be implemented to the extent that the holders of convertible bonds or bonds with warrants, participation rights or income bonds (or combinations thereof) utilize their conversion rights or fulfill their conversion obligation and as long as the Company does not utilize own shares, shares from the authorized capital or shares of another listed company to settle the obligation.

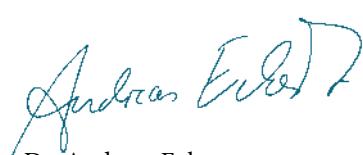
Based a resolution adopted by the Annual General Meeting on May 20, 2010, the Executive Board is empowered until November 19, 2015 to acquire own shares for purposes other than securities trading for up to 10 % of the subscribed capital. The shares purchased under this authorization together with other shares in treasury stock of the company that the company already purchased, still owns or that are attributed to the company pursuant to Sections 71a et seq. AktG, may not exceed 10 % of the company's nominal capital.

As of December 31, 2013, the company held 4,818 (2012: 4,818) shares in treasury stock with a nominal value of € 5 thousand, which was deducted from subscribed capital in the balance sheet. No treasury stocks were acquired in the fiscal year.

There are no material agreements subject to a change of control as the result of a takeover bid. Furthermore, there are no agreements with Members of the Executive Board or employees regarding compensation in the event of a takeover bid.

Berlin, March 25, 2014

Eckert & Ziegler Strahlen- und Medizintechnik AG
The Executive Board



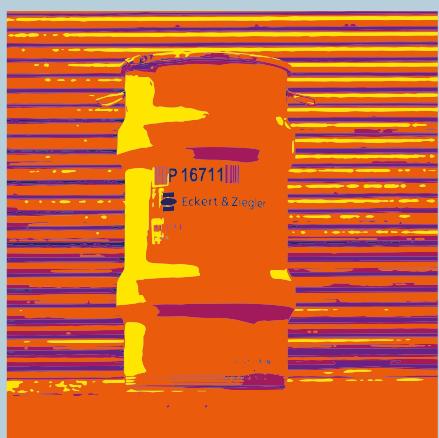
Dr. Andreas Eckert

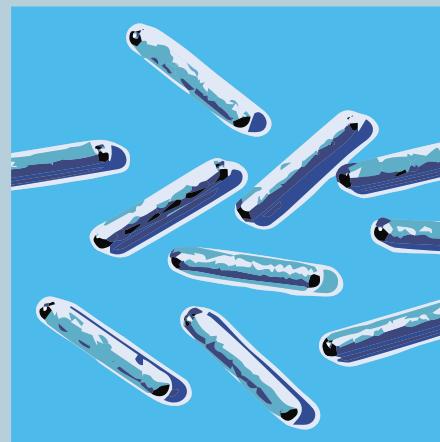


Dr. Edgar Löffler



Dr. André Heß





GROUP FINANCIAL INFORMATION

Consolidated financial statements	59
Consolidated income statement	59
Other net income	60
Consolidated balance sheet	61
Consolidated statement of shareholders' equity	62
Consolidated cash flow statement	64
Notes to the consolidated financial statements for fiscal year 2013	65
Background, accounting policies and methods	65
Notes to the consolidated statement of profit or loss	81
Notes to the consolidated balance sheet	89
Notes to the consolidated cash flow statement	112
Other disclosures	113
Disclosures as per section 315a HGB	125
Statement of changes in fixed assets	126
Balance sheet oath	130
Independent auditor's report	131
Individual financial statements of the Eckert & Ziegler AG	132
Income statement	132
Balance sheet	133

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

€ thousand	Notes	2012	2013
Revenues	7.	119,997	117,138
Cost of sales	8.	– 54,814	– 60,063
Gross profit on sales		65,183	57,075
Selling expenses	9.	– 20,612	– 21,933
General administration costs	10.	– 22,766	– 23,939
Research and development costs	11.	– 3,454	– 4,865
Other operating income	14.	8,583	5,665
Other operating expenses	15.	– 7,000	– 1,301
Operating profit		19,934	10,702
Results from shares measured at equity	16.	–	– 117
Results of financial investments measured at fair value	17.	–	2,799
Exchange rate gains		913	179
Exchange rate losses		– 1,119	– 748
Earnings before interest income and income taxes (EBIT)		19,728	12,815
Interest income	18.	526	1,314
Interest expenses	18.	– 2,794	– 1,188
Income before income taxes		17,460	12,941
Income taxes	19.	– 5,695	– 2,440
Profit or loss for the period		11,765	10,501
Profit attributable to minority interests	20.	1,472	1,412
Dividend to shareholders of Eckert & Ziegler AG		10,293	9,089
Earnings per share	21.		
Undiluted (EUR per share)		1.95	1.72
Diluted (EUR per share)		1.95	1.72
Shares in circulation on average (undiluted – in thousand units)		5,288	5,288
Shares in circulation on average (diluted – in thousand units)		5,288	5,288

OTHER NET INCOME

€ thousand	Note	2012	2013
Net profit for the year		11.765	10.501
Of which attributable to shareholders of Eckert & Ziegler		10.293	9.089
Of which attributable to minority interests		1.472	1.412
Items that may be reclassified to the income statement if certain conditions are met			
Exchange rate differences that arose during the fiscal year		– 369	– 1.391
Exchange rate differences from the translation of foreign business operations	28.	– 369	– 1.391
Income taxes attributable to items that may be reclassified to the income statement if certain conditions are met		0	0
		– 369	– 1.391
Items that will not be reclassified to the income statement in the future			
Change in the actuarial profits (+) / losses (–) from performance-oriented pension commitments		– 1.786	1.178
Revaluation of the defined benefit obligation	35.	– 1.786	1.178
Income taxes attributable to items that may subsequently be reclassified to the income statement if certain conditions are met		563	– 371
		– 1.223	807
Other comprehensive income after taxes		– 1.592	– 584
Comprehensive income		10.173	9.917
Comprehensive income attributable to:			
Shareholders of Eckert & Ziegler AG		8.681	8.577
Minority interests		1.492	1.340

CONSOLIDATED BALANCE SHEET

€ thousand

Note

As of Dec 31, 2013

As of Dec 31, 2012

Assets**Non-current assets**

Goodwill	22.	31,122	34,906
Other intangible assets	22.	14,697	17,744
Property, plant and equipment	23.	31,158	33,542
Shares in at-equity investments	24.	0	493
Trade receivables	25.	1,886	2,853
Deferred tax assets	19.	9,104	9,937
Other non-current assets	26.	4,027	6,785
Total non-current assets		91,994	106,260

Current assets

Cash and cash equivalents	27.	30,842	29,414
Securities	28.	22	22
Trade receivables	29.	20,115	20,277
Inventories	30.	15,466	17,778
Other current assets	31.	6,005	5,159
Total current assets		72,450	72,650
Total assets		164,444	178,910

Equity and Liabilities**Capital and reserves**

Subscribed capital	32.	5,293	5,293
Capital reserves		53,500	53,500
Retained earnings		25,257	28,588
Other reserves		- 3,296	- 3,808
Own shares		- 27	- 27

Equity to which the shareholders of Eckert & Ziegler are entitled

Minority interests		6,243	7,082
Total capital and reserves		86,970	90,628

Non-current liabilities

Loans and financial lease liabilities	33.	9,773	17,572
Deferred income from grants and other deferred income	34.	954	715
Deferred tax liabilities	19.	1,521	2,381
Provisions for pensions (non-current)	35.	8,476	7,560
Other provisions	36.	20,627	23,991
Other non-current liabilities	37.	1,345	4,220
Total non-current liabilities		42,696	56,439

Current liabilities

Loans and financial lease liabilities	33.	5,673	5,055
Trade payables		7,454	7,779
Advance payments received		2,344	2,241
Deferred income from grants and other deferred income	34.	92	104
Income tax liabilities		2,075	915
Provisions for pensions	35.	387	403
Other current provisions	36.	3,599	4,014
Other current liabilities	38.	13,154	11,332
Total current liabilities		34,778	31,843
Total equity and liabilities		164,444	178,910

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

Subscribed capital				
Figures in € thousand excluding the number of subscribed capital	Number	Nominal value	Capital reserve	Retained earnings
Balance as of January 1, 2013	5,292,983	5,293	53,500	25,257
Foreign currency translation differences				
Unrealized gains/losses on performance-oriented pension commitments as of balance sheet date (after tax of € - 408,000)				
Unrealized gains/losses on securities as of balance sheet date (after tax of € 1,000)				
Reversal of unrealized gains/losses on securities as of previous balance sheet date				
Total of expenditures and income recognized directly in equity	0	0	0	0
Net profit for the year				9,089
Total income for the period	0	0	0	9,089
Dividends paid				- 3,173
Purchase/sale of minority interests				- 2,585
Balance as of December 31, 2013	5,292,983	5,293	53,500	28,588

Subscribed capital				
Figures in € thousand excluding the number of subscribed capital	Number	Nominal value	Capital reserve	Retained earnings
Balance as of January 1, 2012	5,292,983	5,293	53,500	18,125
Foreign currency translation differences				
Unrealized gains/losses on performance oriented pension commitments as of balance sheet date (after tax of € - 779,000)				
Unrealized gains/losses on securities as of balance sheet date (after tax of € 1,000)				
Reversal of unrealized gains/losses on securities as of previous balance sheet date				
Total of expenditures and income recognized directly in equity	0	0	0	0
Net profit for the year				10,293
Total income for the period	0	0	0	10,293
Dividends paid				- 3,173
Purchase/sale of minority interests				12
Balance as of December 31, 2012	5,292,983	5,293	53,500	25,257

Cumulative other equity items

Unrealized profit securities	Unrealized profit commitments	Foreign currency translation differences	Own shares	Equity attributable to shareholders	Minority interests	Consolidated Equity
2	– 1,640	– 1,658	– 27	80,727	6,243	86,970
		– 1,319		– 1,319	– 72	– 1,391
		– 833		– 833		– 833
2				2		2
– 2	1,640			1,638		1,638
0	807	– 1,319	0	– 512	– 72	– 584
0	807	– 1,319	0	8,577	1,412	10,501
				– 3,173	1,340	9,917
				– 2,585	– 243	– 3,416
2	– 833	– 2,977	– 27	83,546	7,082	90,628

Cumulative other equity items

Unrealized profit securities	Unrealized profit commitments	Foreign currency translation differences	Own shares	Equity attributable to shareholders	Minority interests	Consolidated equity
2	– 417	– 1,269	– 27	75,207	5,689	80,896
		– 389		– 389	20	– 369
	– 1,640			– 1,640		– 1,640
2				2		2
– 2	417			415		415
0	– 1,223	– 389	0	– 1,612	20	– 1,592
0	– 1,223	– 389	0	8,681	1,472	11,765
				– 3,173	1,492	10,173
				12	– 713	– 3,886
2	– 1,640	– 1,658	– 27	80,727	6,243	86,970

CONSOLIDATED CASH FLOW STATEMENT

€ thousand	Notes	2012	2013
Cash flow from operating activities	40.		
Annual profit		11,765	10,501
Adjustments for:			
Depreciation, amortization and impairments		7,747	9,251
Interest income		2,268	– 126
Interest payments		– 999	– 26
Income tax expense (+)/income (–)		5,695	2,440
Income tax payments		– 4,769	– 3,961
Income not affecting payments from the writing back of deferred grants		– 182	– 440
Profit (–)/loss from the disposal of fixed assets		12	39
Change in the non-current provisions, other current liabilities		121	4,258
Change in other non-current assets and receivables		– 3,083	351
Other events not affecting payments		– 1,216	– 4,727
Changes in the current assets and liabilities			
Receivables		– 2,167	– 161
Inventories		– 1,328	– 2,064
Change in other current assets		– 2,823	2,888
Change in the current liabilities and provisions		5,533	– 3,574
Cash inflow from operating activities		16,574	14,649
Cash flow from investment activities	41.		
Expenditures on intangible assets and property, plant and equipment		– 9,832	– 9,650
Profit from the sale of intangible assets and property, plant and equipment		24	17
Expenditures on acquisitions (less cash and cash equivalents)		– 39	– 7,356
Expenditures on non-current assets		– 1,500	– 378
Cash outflow from investment activities		– 11,347	– 17,367
Cash flow from financing activities	42.		
Paid dividends		– 3,173	– 3,173
Distribution of shares of third parties		– 713	– 243
Cash inflows from the taking out of loans		3,225	11,853
Cash outflows from the redemption of loans		– 5,717	– 5,773
Purchase of equity instruments of subsidiaries		– 213	– 987
Cash inflows/outflows from financing activities		– 6,591	1,677
Changes in the financial holdings owing to exchange rates		– 98	– 387
Decrease (in the previous year increase) in the financial holdings		– 1,462	– 1,428
Financial holdings as of the beginnning of the period		32,304	30,842
Financial holdings as of the end of the period		30,842	29,414

The Executive Board approved the consolidated financial statements for submission to the Supervisory Board on March 25, 2014.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR FISCAL YEAR 2013

Background, accounting policies and methods

1. ORGANIZATION AND DESCRIPTION OF BUSINESS ACTIVITIES

Eckert & Ziegler Strahlen- und Medizintechnik AG, Berlin (hereinafter referred to as "Eckert & Ziegler AG") is a holding company whose specialized subsidiaries are engaged worldwide in the processing of radioisotopes and the development, manufacture, and sale of components based on isotope technology, irradiation equipment, and radiopharmaceuticals or of related products. The Group's products are primarily used in medical technology, particularly in cancer therapy, as well as in nuclear medical imaging and industrial measurement. In these areas, Eckert & Ziegler AG and its subsidiaries address the needs of radiation therapists, radio-oncologists, and nuclear medicine specialists, among others.

The Group operates in a market characterized by rapid technological progress, heavy research expenditure and constant new scientific discoveries. This market is regulated by German federal, state and local authorities. These regulatory authorities include the Regional Office for Health and Social Affairs Berlin (LAGeSo), the Technical Monitoring Agency (TUV Nord CERT GmbH, Essen), the Federal Institute for Drugs and Medical Devices (BfArM), and the corresponding foreign institutions, such as the US Food and Drug Administration (FDA) or the Nuclear Regulatory Commission (NRC). As a result, the Group is directly affected by changes in technology and in products used in cancer treatment and for nuclear medical imaging, by government regulations related to the industry in which Eckert & Ziegler AG operates, and by the general environment within the healthcare sector.

2. FINANCIAL REPORTING PRINCIPLES

The consolidated financial statements of Eckert & Ziegler AG as of December 31, 2013 have been prepared in accordance with International Financial Reporting Standards (IFRS). All standards of the International Accounting Standards Board (IASB), London, applicable in the EU at the reporting date, as well as the relevant interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC) have been taken into account. In addition, the supplementary applicable commercial provisions of Section 315a (1) of the German Commercial Code (hereinafter "HGB") have been observed. The consolidated financial statements provide a fair presentation of the net assets, financial position and results of operations of the Group.

The reporting currency is the euro. The amounts shown in the consolidated financial statements have been rounded to thousand euros.

The financial statements of the Group's subsidiaries have been prepared as of the same reporting date as the consolidated financial statements; this reporting date corresponds to that of Eckert & Ziegler AG. The consolidated financial statements cover the reporting period from January 1 to December 31, 2013. The consolidated income statement has been prepared in accordance with the cost of sales method. Other comprehensive income is presented in the "statement of profit or loss and other comprehensive income."

The company is registered with the Commercial Register at Berlin-Charlottenburg under the number HRB 64 997 B and the consolidated financial statements and the Group management report as of December 31, 2013, are published in the electronic version of the Federal Official Gazette [Bundesanzeiger].

3. ACCOUNTING AND VALUATION PRINCIPLES

Accounting and valuation methods – The accounting for the assets and liabilities of the domestic and foreign subsidiaries included in the full consolidation was performed using the same accounting and valuation methods applied to the comparative information from the prior year.

Disclosures – In accordance with IAS 1.56 (Presentation of Financial Statements), a distinction is made in the balance sheet between current and non-current assets as well as current and non-current liabilities.

Assessments and estimates – When preparing the consolidated financial statements in accordance with IFRS, it is necessary to make estimates and assumptions that impact the amount and disclosure of recognized assets and liabilities, revenues, and expenses. Significant assumptions and estimates are made concerning useful lives, income achievable from intangible assets and property, facilities, and equipment, recoverability of receivables, the accounting and measurement of provisions, as well as the balance, and recoverability of deferred tax assets. These assumptions and estimates are based on current knowledge. Actual amounts may differ from the originally expected estimates because conditions might develop differently than assumed. The sensitivity of book values with respect to the assumptions and estimates that underlie the calculation of the book values was evaluated by means of sensitivity analyses. If a change to an estimate has a material impact, disclosures are made in accordance with IAS 1.125 (note 6).

Discretionary decisions when applying accounting and valuation methods – Non-current intangible assets, property, facilities and equipment and real estate held as a financial investment are recognized at amortized cost in the balance sheet. The option to recognize these assets at fair value, which is also permitted, is not utilized. Securities are in general classified as available for sale so that any changes to their fair value are recognized outside profit and loss in shareholders' equity. If securities are classified as measured at fair value through profit and loss, any changes to fair value is immediately included in the profit or loss for the period.

Goodwill – Goodwill is the difference between the total purchase price for an enterprise or a business and the fair value of the net assets acquired.

Other intangible assets – Other intangible assets include customer relationships, capitalized development costs, patents, technologies, bans on competition, software, licenses, and similar rights. Development costs are capitalized as intangible assets if the prerequisites for the capitalization of internally generated intangible assets under IAS 38 are cumulatively fulfilled. Capitalized development costs consist of all directly attributable costs, which are incurred from the date when all capitalization criteria have been met. After successful completion of the development project, capitalized development costs are amortized over the planned economic life of the product. Research costs, along with development costs not eligible for capitalization, are expensed as incurred.

Intangible assets, other than intangible assets with indefinite useful lives, are capitalized at acquisition or manufacturing cost and amortized over their respective useful lives using the straight line method. The following useful lives are assumed for amortizable intangible assets:

	Internally generated	Acquired
Customer relationships	–	8 to 15 years
Capitalized development costs	3 to 10 years	–
Patents, trademarks, etc.	6 to 20 years	10 years
Other	3 to 5 years	3 to 5 years

Intangible assets with indefinite useful lives are reviewed on an annual basis to determine whether the asset continues to have an indefinite useful life.

Value impairment on intangible assets and property, facilities and equipment – Value impairments on intangible assets and property, facilities and equipment are recorded if the book value of the assets exceeds the recoverable amount of these assets due to certain events or changes in circumstances. The recoverable amount is the higher of fair value minus sales costs and value in use. Acquired goodwill and intangible assets with an indefinite useful life are tested for impairment at least once a year.

In order to carry out the impairment test, acquired goodwill is allocated to those cash-generating units (CGU) that are expected to benefit from the synergies of the Group and the business acquisitions. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows from continued use and is largely independent of the cash inflows of other assets or other groups of assets. In the Radiation Therapy segment, the CGUs correspond to the segment. In the Isotope Products and Radiopharma segments, two cash-generating units were identified for each segment (VSU and Isotope Products without VSU as well as the cyclotron and equipment division). Goodwill was attributable to the Environmental Services segment in fiscal year 2013 as a result of the acquisition of the Disposal business; this goodwill was impaired by the full amount as a result of the impairment test carried out on the balance sheet date.

The Executive Board considers amounts that exceed 10 % of the Group's total goodwill to be material. The CGUs of the Isotope Products without VSU and Radiation Therapy segments meet this criterion.

The recoverability of goodwill is tested by determining the value in use based on estimated future cash flows, which are derived from the medium-term planning for the segments. The medium-term planning horizon is five years. The cash flows after the detailed planning phase are extrapolated using a growth rate of 0 % to 1 %, which does not exceed the expected average growth rate of the market or industry.

Discount rates are calculated based on the CGU's weighted cost of capital and are between 9.1 % and 11.9 % after tax and 13.2 % and 17.0 % before tax. The following uncertainties exist regarding the estimates used in the underlying assumptions for the calculation:

- **Medium-term planning:**

The medium-term planning is based on historical empirical values and takes into account segment-specific market growth expectations.

- **Discount rates:**

The discount rates were determined based on the average weighted cost of capital that is customary for the industry.

- **Growth rates:**

The growth rates are based on published industry-related market research.

Write-ups are carried out when the recoverable value exceeds the book value of the asset. The asset is written up to the maximum amount that would have existed if the previous impairment had not been carried out. Impaired goodwill is not written up.

Property, facilities and equipment – Property, facilities and equipment are measured at acquisition or manufacturing cost less accumulated depreciation and impairment losses. The manufacturing cost of internally constructed equipment and systems include all direct costs, attributable manufacturing overhead, and financing costs – provided that the requirements defined under IAS 23 are met. If available, acquisition or manufacturing cost includes the estimated cost of the demolition or disposal of the asset and the restoration of the site. Internally generated assets mainly relate to production lines. Property, facilities, and equipment and leasehold improvements acquired based on finance lease agreements are depreciated over the term of the rental or lease agreement or the estimated useful life of the assets concerned, whichever is shorter. Depreciation is calculated using the straight-line method. The depreciation period is the expected useful life. The following useful lives are assumed:

Buildings	25 to 45 years
Leasehold improvements	10 to 15 years
Technical plants and machinery	4 to 10 years
Office equipment, furniture and fixtures	3 to 13 years

When assets are scrapped or sold, the acquisition or manufacturing cost of the assets and the related accumulated depreciation and impairment losses are written off, and any resulting gain or loss from the disposal is recognized in profit and loss.

A significant portion of the Group's depreciable assets is used for the manufacture of the Group's products. The Executive Board assesses the recoverability of these assets by taking into account relevant events in the business environment. On this basis, the useful lives of various assets in property, facilities and equipment were reassessed in 2013 and 2012, resulting in extensions in the estimated useful lives in some cases. The Executive Board assumes that there is no impairment of recoverability as of December 31, 2013. However, it is also possible that the Executive Board's assessment of the possibilities for utilization and recoverability of the Group's depreciable assets could change on short notice due to changes in the technological and regulatory environment.

Inventories – Reported inventories include raw materials, consumables and supplies, work in progress and finished goods. Inventories are recognized at the acquisition or manufacturing cost or lower net realizable value as of the reporting date. Apart from direct costs, manufacturing cost includes appropriate portions of necessary material and manufacturing overhead, manufacturing-related depreciation as well as production-related administration and social welfare costs. Due to the brevity of the manufacturing process, financing costs are not recognized as part of the manufacturing cost. Where necessary, the average cost method is applied in order to simplify valuation.

Value impairments for obsolete or excess inventory are made on the basis of an inventory analysis and future sales forecasts.

Trade receivables – Trade receivables are non-derivative financial assets with fixed or determinable payments, which are not listed on an active market. After their initial recognition, trade receivables are measured at amortized cost less value impairments. Gains or losses are recognized in the Group net income if the trade receivables are impaired.

Financial assets and securities – Investments in listed securities are not held for trading or held to maturity. As a result, they are classified as available-for-sale financial assets and are measured at fair value based on quoted market prices on the reporting date. Unrealized gains and losses arising from subsequent remeasurement of available-for-sale securities are recognized directly in equity less attributable tax until the securities are sold or an objective impairment occurs. At this point, the cumulative gain or loss must be recognized in profit or loss for the period.

Derivative financial instruments – Derivative financial instruments such as forward transactions or swaps are used exclusively for hedging purposes. They are measured in the consolidated balance sheet at fair value, with changes in value recognized in profit and loss.

Assets with restricted availability – Assets with restricted availability relate to amounts paid into a fund by the US subsidiary Eckert & Ziegler Analytics Inc., Atlanta, USA, which serves to ensure the satisfaction of its future obligations for restoration for contaminated plants.

Certain other assets are also subject to restrictions because under the law governing early employee retirement, credits under that scheme must be protected against the risk of insolvency.

We refer to the explanations in the sections on “Cash and cash equivalents”, “Other non-current assets” and “Loans and financial leasing liabilities.”

Financial holdings – The Group considers all highly liquid funds with a maturity of up to three months to be cash-equivalent investments, which are reported under financial holdings. In view of their short-term nature, the nominal value of these funds is taken as their fair value.

Financial liabilities – Financial liabilities include, in particular, trade payables, liabilities to banks, and other liabilities. After their initial recognition, financial liabilities are remeasured at amortized acquisition cost using the effective interest method.

Pension provisions – Pension liabilities are measured based on the projected unit credit method in accordance with IAS 19 (Employee Benefits). Under the projected unit credit method, future salary and pension developments are taken into account when measuring the obligation. In order to standardize Group procedures, actuarial gains and losses, including deferred tax assets, are recognized since January 1, 2009 outside profit and loss in net income and are entirely reported in pension provisions.

Provisions – Provisions are established when there is a current obligation resulting from a past event. Provisions are recognized when it is more likely than not that an obligation has been incurred and the amount of the obligation can be reliably estimated. The amounts recognized as provisions represent the best possible estimate of the expenditures required to settle the current obligation as of the reporting date.

Provisions for restoration obligations – The cost for the demolition and clearance of assets, and also the restoration of the site, are part of acquisition or manufacturing cost under IAS 16, provided that provisions must be established for the costs in accordance with IAS 37.

Provisions for restoration obligations are based on statutory and civil obligations to decontaminate assets and buildings contaminated with radioactivity, to determine by measurement that they are free from contamination and to make them accessible and usable again without danger once the assets are removed from service. Accordingly, the estimate of costs includes labor costs for the demolition of the systems, costs for the preparation of waste so that it can be decontaminated, costs for the cleaning of rooms, and the disposal of waste by experts, as well as the costs for the disposal and decontamination of isotope related waste. To that end, only the isotope related waste from the restoration of assets is taken into account. Waste arising from ongoing production is regularly decontaminated, and the associated

costs are reported as a separate item within cost of sales. Under IAS 37, provisions for restoration obligations are based on fair market value. Provisions are recognized at the present value of the expenditures expected as of the reporting date. The calculation of the restoration obligations is based on various assumptions that are derived from estimates. These include estimates on the required number of labor days, per diem rates and expected material costs. The amount of the provision allows for expected cost increases until the restoration work is carried out. The amount of the obligation is reviewed as of each reporting date. In the event of changes to the amount, property, facilities and equipment and provisions are adjusted accordingly.

Leasing – If the prerequisites for a finance lease are satisfied, the leased assets in use are capitalized in accordance with IAS 17 as property, facilities and equipment and depreciated over the term of the lease agreement or the useful life. Lease liabilities are recognized at the present value of the leasing rates.

Revenue recognition – In accordance with IAS 18, revenues from product sales are recognized when the service is performed provided a contractual agreement exists at a fixed and determinable price and payment by the customer can be expected. No guarantees or rights of return are granted to the customer beyond existing statutory rights. License fees are recognized through profit and loss in the period to which they relate.

Revenues from production orders are realized as per IAS 11 as follows: If the profit of a production order can be reliably estimated, the associated revenue and expenses are recognized during the provision of the service according to the level of completion of the order (percentage of completion method) if certain prerequisites exist, i.e., partial profits are reported in the individual periods. If the profit of a production order cannot be reliably determined, the revenues from the order are recognized only up to the amount of the incurred order costs that are likely to be recovered. If it is likely that the total order costs will exceed the total revenue for the order, the full amount of the expected loss is immediately recognized as expense. Depending on the circumstances of the respective project, the most suitable method will be applied to determine the percentage of completion of the production order. The percentage-of-completion method of revenue recognition is also applied for long-term service contracts that are not production orders as defined by IAS 11.

Advertising – Expenditures on advertising and other marketing-related costs are expensed as incurred.

Research and development – Research expenditures are expensed when incurred. Development costs are capitalized in accordance with IAS 38 (Intangible Assets) when certain conditions are cumulatively fulfilled. The costs to be capitalized include all directly attributable costs that are necessary to design and manufacture the asset and prepare it so that it is ready to be placed into service for the purpose intended by management. Development costs that cannot be capitalized are expensed when incurred.

Income taxes – Deferred tax assets and liabilities are recognized in accordance with IAS 12 in order to reflect the future tax effects arising from the temporary differences between the book value of assets and liabilities reported in the consolidated financial statements and their respective amounts in the tax accounts. Furthermore, deferred tax assets are established on interest and tax loss carry-forwards. Deferred tax assets and liabilities are measured based on the statutory tax rates applicable to taxable income in the years when these temporary differences are expected to reverse. The effects of a change in tax rates on deferred tax assets and liabilities are recognized in the statement of profit or loss of the fiscal year when the legislative changes were adopted. Deferred tax assets are only recognized if it is likely that these asset values will be recovered. Deferred tax assets and liabilities are reported on a net basis if the corresponding criteria of IAS 12 are fulfilled.

Current income taxes are calculated on the basis of the respective year's taxable income in accordance with national tax regulations.

Stock option plan/employee stock option program – The employee stock option scheme is accounted for in accordance with IFRS 2 (Share-based Payment). IFRS 2 requires that the fair value of all issued stock options must be determined at the time of their issuance and then expensed over the vesting period as staff costs. The fair value of each issued option on the day of issuance is calculated by means of an option pricing model. The staff expenses lead to an increase in the capital reserves, as the compensation is paid via equity instruments of the Group.

Investment grants and other subsidies – In accordance with IAS 20.7, subsidies are recognized only if the Group satisfies the conditions associated with the granting of the subsidy. Funds that the Group receives from public or private sources for investment or development projects are recognized as deferred income at the time of receipt. Grants for expenses are offset against the subsidized expenditure in the fiscal year in which the expenditure is incurred. The deferred grants in the consolidated financial statements were received to purchase property, facilities and equipment, and development costs. They are released through profit and loss over the useful lives of the respective property, facilities and equipment or intangible assets.

Earnings per share – Earnings or loss per share is calculated by dividing the annual net income/loss attributable to the shareholders of Eckert & Ziegler AG by the average number of shares in circulation during the fiscal year. Diluted earnings per share reflect the potential dilution that would occur if all options to acquire shares were exercised at a price below the average share price during the period. It is calculated by dividing the portion of net income/loss for the period attributable to the shareholders of Eckert & Ziegler by the sum of the average number of shares in circulation during the fiscal year plus the dilutive shares arising from the exercise of all outstanding options (calculated by applying the treasury stock method).

NEW FINANCIAL REPORTING STANDARDS

All applicable IASB, IFRIC, and SIC standards that are required to be used in the EU as of the reporting date were taken into account in the consolidated financial statements. The Executive Board expects no material effects on future consolidated financial statements from the changes to existing standards made by the IASB as part of various projects for further development of IFRS, from the efforts to achieve convergence with US-GAAP, or from the new standards that only must be applied after December 31, 2013.

Financial reporting standards applied for the first time in the current fiscal year:

In fiscal year 2013, the following financial reporting standards and interpretations were applied for the first time. None of these new financial reporting standards had a material effect on the Group's assets, financial position, and financial performance or on its earnings per share. However, their application can influence the accounting of future transactions or agreements. The resulting changes to reporting and disclosure requirements were taken into account in the consolidated financial statements, especially in the statement of profit or loss and other comprehensive income, and the notes.

Amendments to IFRS 7 – Financial Instruments

(Disclosures – Offsetting Financial Assets and Financial Liabilities)

The amendments to IFRS 7 require the disclosure of information concerning rights of set-off and any related agreements (e.g. collateral) in a valid set-off framework agreement or corresponding contract.

The amendments were applied retrospectively. As the Group has not concluded any set-off agreements, the application of these amendments have no effect on the disclosures or the reported amounts in the consolidated financial statements.

The initial application of the amendments to IFRS 7 did not lead to any significant adjustments in the disclosures. However, should the Group perform other types of financial asset transfers in the future, the associated disclosures could change.

IFRS 13 – Fair value measurement

IFRS 13 contains a common set of guidelines for measuring fair value and making disclosures about fair value measurements. The standard defines the concept of fair value, sets out a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of IFRS 13 is far-reaching and includes both financial and non-financial items. IFRS 13 must be applied whenever another IFRS prescribes or permits a fair value measurement or whenever disclosures on fair value measurements are required. This does not apply to share-based payments that fall under the scope of IFRS 2 Share-based Payments, lease agreements that fall under the scope of IAS 17 Leases, and measurements that are similar to the fair value method but do not constitute fair values (e.g. the net realizable value in IAS 2 Inventories or the utility value in IAS 36 Impairment of Assets.)

Fair value under IFRS 13 is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market condition (i.e. an exit price). Fair value under IFRS 13 is a market price, irrespective of whether this price is directly observable or estimated using another valuation technique. In addition, IFRS 13 contain extensive disclosure obligations.

IFRS 13 is to be applied from January 1, 2013. In addition, transitional regulations stipulate that disclosure obligations do not have to be applied to comparable information that is provided for periods prior to the initial application of this standard. Consequently, the Group has made none of the disclosures for comparable figures for fiscal year 2012 as defined under IFRS 13. Aside from these additional disclosures, the application of IFRS 13 has no material effect on the amounts reported in the consolidated financial statements.

Amendments to IAS 1 – Presentation of Items of Other Comprehensive Income

The amendments to IAS 1 introduced new terminology for the income statement, which was formerly known as the statement of comprehensive income. Under the amendments, the statement of comprehensive income is to be renamed as a “statement of profit or loss and other comprehensive income.” This is not mandatory, but the company applied the change in terminology regardless.

The amended IAS 1 retains the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. At the same time, the amendments to IAS 1 also require that items of other comprehensive income are grouped into two categories:

- (a) Items that will not be reclassified subsequently to profit or loss, and
- (b) Items that will be reclassified subsequently to profit or loss when specific conditions are met.

Income taxes incurred on items of other comprehensive income are attributable to these items. This does not remove the option to present items of other comprehensive income before tax. The amendments were applied retrospectively by the Group and the items of other comprehensive income were adjusted accordingly. Irrespective of the aforementioned presentation changes, the application of the amendments to IAS 1 had no further effect on the presentation of the statement of profit or loss and other comprehensive income.

Amendments to IAS 1 – Presentation of Financial Statements (as part of the annual improvements to the IFRS in the 2009-2011 cycle, published in May 2012)

The amendments to IAS 1 (as part of the annual improvements to IFRS in the 2009–2011 cycle) require entities to prepare a third balance sheet as of the beginning of the comparable period if the accounting and measurement principles must be applied retrospectively or if balance sheet items are to be adjusted

or reclassified retrospectively. The amendments to IAS 1 clarify that an obligation to prepare a third balance sheet exists only if the retrospective adjustments have a material impact on the information in the third balance sheet. Furthermore, it clarifies that notes to the third balance sheet do not have to be provided.

The application of new and amended standards in the current fiscal year had no material effect on the information in the consolidated financial statements as of January 1, 2012. In accordance with the amendments to IAS 1, the Group therefore did not prepare a third balance sheet as of January 1, 2012.

IAS 19 – Employee Benefits

IAS 19 (2011) changes the treatment of defined benefit pension plans and termination benefits. The most important update concerns the financial depiction of changes to defined benefit obligations and plan assets. The new rule requires the immediate recognition of changes to the defined benefit obligation and the fair value of the plan assets at the time of their occurrence. The “corridor” approach that was permitted until now under IAS 19 has been abolished. Furthermore, an accelerated recognition of past service cost must take place. All actuarial gains and losses are to be recognized immediately in the year of occurrence in other total comprehensive income. As a result, the net pension liability (asset) in the balance sheet shows the complete under- or over-coverage. In addition, the interest expense and expected returns on plan assets, as defined under the previous version of IAS 19, are now replaced by a net interest amount that is calculated by applying the discount rate to the net liability (asset) of the defined benefit plan.

The application of the amended IAS 19 had no material effect on the consolidated financial statements.

Annual Improvements 2009–2011 Cycle

The annual improvements to IFRS in the 2009–2011 cycle include numerous amendments to various standards. The amendments impact the following standards:

- Amendments to IAS 16 – Property, Plant, and Equipment
- Amendments to IAS 32 – Financial Instruments: Presentation

The amendments to IAS 16 clarify that spare parts, stand-by equipment and servicing equipment must be classified as property, plant, and equipment if they meet the definition thereof. Otherwise, they are to be accounted for as inventories.

The amendments to IAS 32 clarify that income taxes in connection with distributions to the holders of an equity financial instrument and the costs of an equity transaction must be accounted for in accordance with IAS 12.

IFRIC 20 relates to the stripping costs in the production phase of a surface mine. According to this interpretation, the costs of disposal (stripping) that provide better access to ore must be recognized as non-current assets if certain criteria are met. In contrast, ongoing current disposal costs must be recognized in accordance with IAS 2. The asset resulting from the stripping activity is considered to be an addition to or an enhancement of an existing asset and must be classified as tangible or intangible depending on the nature of the asset to which the stripping activity contributed additional benefit.

The Group applied the amendments as part of the annual improvements to IFRS in the 2009–2011 cycle for the first time in the current fiscal year. Application had no impact on the consolidated financial statements.

Published, but not yet applied, financial reporting standards:

The following standards and interpretations, whose application has not been mandatory until now, were not yet applied in these financial statements.

Standard	Title	Required for financial years beginning from:	Application planned from	Possible effect on future financial statements:
IFRS 9	Financial Instruments	January 1, 2015	January 1, 2015	immaterial
IFRS 10	Consolidated Financial Statements	January 1, 2013*	January 1, 2014	undetermined
IFRS 11	Joint Arrangements	January 1, 2013*	January 1, 2014	undetermined
IFRS 12	Disclosure of Interests in other Entities	January 1, 2013*	January 1, 2014	undetermined
Amendments to IFRS 9 and IFRS 7	IFRS 9: New Mandatory Effective Date and Transition disclosures	January 1, 2015	January 1, 2015	immaterial
Amendments to IFRS 10, IFRS 11 and IFRS 12	Investment Entities	January 1, 2014	January 1, 2014	none
IAS 27 (2011)	Separate Financial Statements	January 1, 2013*	January 1, 2014	undetermined
IAS 28 (2011)	Investments in Associates and Joint Ventures	January 1, 2013*	January 1, 2014	undetermined
Amendments to IAS 32	Offsetting financial Assets and Financial Liabilities	January 1, 2014	January 1, 2014	none
IFRIC 21	Levies	January 1, 2014	January 1, 2014	none
Amendments to IAS 36	Recoverable Amount Disclosures for Non-financial Assets	January 1, 2014	January 1, 2014	immaterial
Amendments to IAS 39	Novation of Derivatives and Continuation of Hedge Accounting	January 1, 2014	January 1, 2014	immaterial

* In the EU, first time application is mandatory for fiscal years starting on or after January 1, 2014 (by derogation of the provisions of the IASB)

IFRS 9 Financial Instruments, which was published in November 2009, contains new classification and measurement rules for financial assets. The IFRS 9 that was amended in October 2010 includes further rules for the classification and measurement of financial liabilities as well as for derecognition. The primary requirements of IFRS 9 are as follows:

- According to IFRS 9, all financial assets that currently fall within the scope of IAS 39 are to be subsequently measured either at amortized cost or fair value. Debt instruments held as part of a business model with the goal of obtaining contractual cash flows and whose contractual cash flows consist solely of interest and principle repayments associated with the principal amount outstanding must be accounted for in subsequent periods at amortized cost. All other instruments must be measured at fair value through profit and loss. In addition, IFRS 9 includes an irrevocable option to recognize subsequent changes to the fair value of an equity financial instrument (that is not held for trading purposes) in other comprehensive income and to only report dividend income in the income statement.
- With regard to the measurement of financial liabilities (those designated as measured at fair value through profit and loss), IFRS 9 requires that the changes to fair value resulting from the default risk of the reporting entity must be included in other comprehensive income. However, this does not apply if the recognition of these changes in other comprehensive income would result in the creation of or an increase in an accounting inconsistency versus the income statement. Any changes to fair value that are recognized in other comprehensive income due to a change in the reporting entity's own default risk may not be reclassified at a later date to the income statement. In contrast, IAS 39 requires that the changes to the fair value of debt securities measured at fair value through profit and loss must be fully recognized in the income statement.

IFRS 9 must be applied for fiscal years beginning on or before January 1, 2015; earlier application is permitted. The Executive Board expects that the application of IFRS 9 in the consolidated financial statements for the fiscal years beginning on January 1, 2015 will not have a material impact on the depiction of financial assets and financial liabilities of the Group.

In May 2011, the IASB published a packet of five standards that deal with consolidation (IFRS 10), joint arrangements (IFRS 11), disclosure of interests in other entities (IFRS 12), separate financial statements (IAS 27 (2011)), and investments in associates and joint ventures (IAS 28 (2011)).

The major requirements of the new standards are as follows:

IFRS 10 replaces the rules regarding consolidated financial statements in IAS 27 Consolidated and Separate Financial Statements. SIC-12 Consolidation of Single Purpose Entities is also replaced by IFRS 10. With IFRS 10, the IASB now establishes the principle of control as a standard principle. In accordance with IFRS 10, control exists when an investor cumulatively fulfills the following three requirements: (a) the investor must be able to exercise power over the investee; (b) the investor is subject to variable returns from its involvement with the investee, and (c) the investor has the ability to use its power over the investee to affect the amount of the investor's returns. The standard also contains detailed guidelines for implementation of complex issues.

IFRS 11 replaces IAS 31 Interests in Joint Ventures as well as SIC-13 Jointly Controlled Entities-Non-Monetary Contributions by Venturers. IFRS 11 regulates the classification of joint arrangements. A joint arrangement is a contractual arrangement over which two or more parties have joint control. Joint control can extend to joint operations or joint ventures. Contrary to IAS 31, IFRS 11 does not separately address the accounting for jointly controlled assets; instead, the rules for joint operations are applied. The classification of a joint arrangement as joint operations or as a joint venture depends on the rights and obligations that accrue to the parties of the arrangement.

Furthermore, IFRS 11 requires the application of the equity method for the consolidation of joint ventures, whereas IAS 31 permitted the use of either the proportionate method of consolidation or the equity method.

IFRS 12 is a standard regarding disclosures in the notes. It is applicable to entities that have an interest in a subsidiary, a joint arrangement (joint operations or joint ventures), an associate or an unconsolidated structured entity. In principle, the disclosures required under IFRS 12 are significantly more detailed than currently applicable standards.

In June 2012, amendments were published to IFRS 10, IFRS 11, and IFRS 12 to clarify the regulations regarding the transition guidelines for their initial application.

The five new standards including the amendments to the transition guidelines must be applied for the first time for fiscal years beginning on or after January 1, 2013. The IFRS that are to be applied in the European Union stipulate that the requirements must be applied for fiscal years beginning on or after January 1, 2014. This means that there is a discrepancy between the IFRS applied in the IFRS and the provisions of the IASB. Advance, voluntary application is permitted as long as all five standards are applied simultaneously. However, the company has not exercised this option.

According to a provisional analysis, it is expected that the application of the five new standards will not have any material effect on the consolidated financial statements.

The amendments to IFRS 10, IFRS 12, and IAS 27 – Investment Companies grant an exception with regard to the consolidation of subsidiaries if the parent company meets the definition of an "investment company" (for example, some investment funds). Accordingly, some subsidiaries may then be measured

at fair value through profit and loss in accordance with IFRS 9 and IAS 39.

The Executive Board expects that the initial application in the fiscal year beginning January 1, 2014 will have no impact on the consolidated financial statements because the Group is not an “investment company” as defined under the standard.

Amendments to IAS 32 clarify existing application issues relating to financial asset and liability offsetting requirements. Specifically, the amendments clarify the meaning of “currently has a legal enforceable right of set-off” and “simultaneous realization and settlement.”

The Executive Board anticipates that the application of these amendments will not have any effect on the consolidated financial statements, as the Group has no financial assets and liabilities for which offsetting is permitted.

IFRIC 21 provides guidance on when to recognize a liability for a levy imposed by a government (e.g. bank levies). The obligating event for the recognition of a liability is recognized as the activity that triggers the payment of the levy in accordance with the relevant legislation. Only when the obligating event takes place are levies to be recognized in the balance sheet. The obligating event can also occur successively over a period of time, meaning that the liability is to be recognized on a pro rata basis.

The Executive Board expects that IFRIC 21 will have no effect on the consolidated financial statements because the Group is not currently subject to any corresponding levies.

The amendments to IAS 36 concern the correction of disclosure requirements, which were amended in relation to IFRS 13 to a greater extent than intended. The amendments concern impaired assets of which the recoverable value equates to the fair value less disposal costs. At the current time, the recoverable value is to be disclosed regardless of whether an impairment exists or not. The correction limits disclosure requirements to actual cases of impairment, but broadens the necessary disclosures in such cases.

The Executive Board assumes that the amendments will have no material effect on the consolidated financial statements, except in isolated cases where additional disclosures may be necessary.

The amendments to IAS 39 mean that, despite a novation, derivatives remain designated hedging instruments in hedge accounting. A novation is indicated as an event where the original parties to a derivative agree that a clearing counterparty replaces their original counterparty to become the new counterparty to each of the parties. In order to benefit from the amended guidance, novation to a central counterparty must happen as a consequence of laws or regulations or the introduction of laws or regulations. In addition, amendments to contractual provisions may only concern areas necessary within the scope of the novation. The objective of the amendments is to avoid any impact on an entity’s hedge accounting from derecognizing the derivative, following its novation.

The Executive Board does not believe that the amendments will have a material effect on the consolidated financial statements, as existing Group derivatives are not subject to any statutory or regulatory requirements for a novation to a central counterparty.

CONSOLIDATION PRINCIPLES

The capital consolidation is carried out in accordance with IAS 27 and IFRS 3 using the acquisition method. The initial consolidation is carried out at the time of acquisition. The acquired assets and liabilities are measured at their fair values at the time of acquisition. The acquisition cost of the acquired shares is subsequently offset against the pro rata remeasured equity of the subsidiary. Any resulting positive difference is reported as goodwill under intangible assets, while a negative difference is recognized through profit and loss in the income statement.

All significant receivables and liabilities as well as transactions between affiliated companies have been eliminated within the consolidation. Joint ventures and associates are included in the consolidated financial statements according to the equity method.

SCOPE OF CONSOLIDATION

The consolidated financial statements of Eckert & Ziegler AG include all companies where Eckert & Ziegler AG is able, either indirectly or directly, to determine the company's financial and business policies (control concept). The companies included in the consolidated financial statements as of December 31, 2013 are:

	Share of voting rights
Eckert & Ziegler BEBIG S.A., Seneffe, Belgium ***	80.1%
Eckert & Ziegler BEBIG GmbH, Berlin *	80.1%
Isotron Isopentechnik GmbH, Berlin *	80.1%
Eckert & Ziegler Iberia S.L.U., Madrid, Spain *	80.1%
Eckert & Ziegler Italia s.r.l., Milan, Italy *	80.1%
Eckert & Ziegler BEBIG s.a.r.l., Paris, France *	80.1%
Eckert & Ziegler BEBIG Ltd., Cardiff, GB *	80.1%
Eckert & Ziegler BEBIG Inc., Oxford, USA *	80.1%
Mick Radio-Nuclear Instruments Inc., Mt. Vernon, NY, USA *	80.1%
Eckert & Ziegler BEBIG do Brasil Ltda., Fortaleza, Brazil *	80.1%
OOO "Eckert & Ziegler BEBIG", Moscow, Russia *	80.1%
Eckert & Ziegler Isotope Products Holdings GmbH, Berlin	100%
Chemotrade Chemiehandelsgesellschaft mbH, Düsseldorf	100%
Eckert & Ziegler Isotope Products GmbH, Berlin *	100%
Eckert & Ziegler Cesio s.r.o., Prague, Czech Republic *	80%
Eckert & Ziegler Isotope Products Inc., Valencia, CA, USA **	100%
Eckert & Ziegler Analytics Inc., Atlanta, USA *	100%
Eckert & Ziegler Vitalea Science Inc., Davis, USA *	100%
Eckert & Ziegler Nuclitec GmbH, Braunschweig	100%
Eckert & Ziegler Isotope Products SARL, Les Ulis, France *	100%
Eckert & Ziegler Radiopharma GmbH, Berlin	100%
Eckert & Ziegler EUROTOPE GmbH, Berlin *	100%
Eckert & Ziegler EURO-PET Berlin GmbH, Berlin *	100%
BSM Diagnostica Gesellschaft m.b.H., Vienna, Austria *	100%
Comtech Laborgeräte GmbH, Vienna, Austria *	100%
MEDPRO Vertrieb für medizinisch-diagnostische Produkte Gesellschaft m.b.H., Vienna, Austria *	100%
Eckert & Ziegler f-con Deutschland GmbH, Holzhausen *	99.1%
Eckert & Ziegler EURO-PET Köln/Bonn GmbH, Bonn *	99.1%
Eckert & Ziegler EURO-PET Warszawa sp. z o.o., Warsaw, Poland *	99.1%
Eckert & Ziegler Radiopharma Inc., Hopkinton, USA *	100%
Eckert & Ziegler Umweltdienste GmbH, Braunschweig	100%
Eckert & Ziegler Environmental Services Ltd., Didcot, GB *	100%
Kompetenzzentrum für sichere Entsorgung GmbH, Berlin *	100%

* indirect interest.

** Eckert & Ziegler Isotope Products Inc. has given a commitment to its bank to abide by certain financial covenants.

The payment of a dividend by Eckert & Ziegler Isotope Products Inc. to Eckert & Ziegler AG is only possible if doing so does not breach those covenants.

*** As of December 31, 2013, Eckert & Ziegler AG held 80.1% of the voting rights in Eckert & Ziegler BEBIG S.A., which corresponds to 74.5% of the shares with dividend rights.

CHANGES TO THE SCOPE OF CONSOLIDATION

The following interests in companies were purchased or changes to the scope of consolidation were made in fiscal year 2013. (The acquisitions are presented in Note 43):

- In February 2013, Eckert & Ziegler Isotope Products Holdings GmbH acquired all shares in Chemo-trade Chemiehandelsgesellschaft mbH, Düsseldorf.
- In May 2013, Eckert & Ziegler Umweltdienste GmbH founded a subsidiary in Didcot (GB) and, through this company, acquired the Waste Disposal segment of Energy Solutions EU in June 2013.
- Effective as of July 1, 2013, Eckert & Ziegler Radiopharma GmbH acquired all shares in Austrian company BSM Diagnostica Gesellschaft m.b.H. including both of its subsidiaries Comtech Laborgeräte GmbH and MEDPRO Vertrieb für medizinisch-diagnostische Produkte Gesellschaft m.b.H., each of which is based in Vienna.
- In November 2013, Eckert & Ziegler BEBIG Inc. acquired the Brachytherapy segment of US company Biocompatibles Inc.
- In November 2013, Eckert & Ziegler BEBIG Inc. acquired all shares in US company Mick Radio-Nuclear Instruments Inc.

The following interests in companies were purchased or changes to the scope of consolidation were made in fiscal year 2012:

- In April 2012, Eckert & Ziegler BEBIG do Brasil Ltda. was founded in Fortaleza (Brazil) as a sales subsidiary of the Radiation Therapy segment for the Latin American market.
- In April 2012, OOO “Eckert & Ziegler BEBIG” was founded in Moscow (Russia). This company belongs to the Radiation Therapy segment.
- In September 2012, Eckert & Ziegler Isotope Products Inc. acquired the bioanalytical contract research institute Vitalea Science Inc. (VSU) in Davis, USA.
- Effective as of January 1, 2012, Eckert & Ziegler Nuclitec GmbH sold its Environmental Services segment to Eckert & Ziegler Umweltdienste GmbH.

INTERESTS IN JOINT VENTURES

A joint venture is based on a contractual agreement in which the Group and other contracting parties undertake a business venture under common leadership; this is the case if the strategic financial and business policies pursued in the joint venture require the consent of all parties. Interests in joint ventures are accounted for in the balance sheet in accordance with the equity method. The consolidated statement of profit or loss contains the Group's share of revenue and expenses as well as changes in equity of the “at-equity” interests on the balance sheet. If the Group's share of the joint venture's loss exceeds the book value of the “at-equity” interest on the balance sheet, the book value of this interest is written down to zero. Further losses are not recognized unless the Group has a contractual obligation or has made payments to the benefit of the joint venture. Unrealized gains or losses from transactions by Group companies with the joint venture are eliminated against the book value of the interest in the joint venture (maximum loss up to the book value of the interest).

Joint Venture “NanoBrachyTech”: In fiscal year 2009, Eckert & Ziegler BEBIG S.A. founded the joint venture ZAO “NanoBrachy-Tech” together with OOO Santis and the Russian state fund “RUSNANO.” Eckert & Ziegler BEBIG S.A. contributed intangible assets to the joint venture and received a 15 % interest in the “NanoBrachyTech” joint venture in return.

4. CURRENCY TRANSLATION

The financial statements of subsidiaries prepared in foreign currencies and included in the Group consolidation are converted into euros in accordance with IAS 21. As the subsidiaries conduct their business affairs autonomously from a financial, economic and organizational standpoint, the functional currency of the consolidated companies corresponds to their respective national currency. Assets and liabilities are translated at middle rates on the reporting date. The statement of profit or loss and the cash flow statement are translated using the weighted average rate for the year. Equity components are translated at the historical rate when they were initially recognized. Until the subsidiary is disposed of, any currency differences resulting from the translation are recognized outside profit and loss as a separate item within shareholders' equity or under the interests of other shareholders.

At initial recognition, foreign currency items are measured at the acquisition price in the annual financial statements of the companies included in the consolidated financial statements. Monetary items are measured at the middle rate as of the balance sheet date. Any resulting currency gains and losses as of the reporting date are recognized in profit and loss.

The following exchange rates were used for the currency translation:

Country	Currency	Dec. 31, 2013	Dec. 31, 2012	Average rate 2013	Average rate 2012
USA	USD	1.3791	1.3194	1.3281	1.2867
CZ	CZK	27.4270	25.1510	25.9129	25.1459
GB	GBP	0.8337	0.8161	0.8493	0.8115
PL	PLN	4.1543	4.0740	4.1745	4.1045
RU	RUB	44.8968	40.2261	40.6783	10.4750
BR	BRL	3.2504	2.7093	2.6641	2.5733

5. LIMITED COMPARABILITY OF THE CONSOLIDATED FINANCIAL STATEMENTS WITH THE PRIOR YEAR

The changes in the scope of the consolidation during fiscal years 2013 and 2012 have affected the Group's net assets and results of operations, in part impairing the comparability of the consolidated balance sheet and the consolidated income statement with the prior year.

6. CHANGES TO ESTIMATES

In fiscal years 2013 and 2012, the Group changed its estimates in the following areas:

a) Change to the useful life of certain tangible assets (2013)

Isotope Products, Radiopharma, and Environmental Services segments: In August 2013, the existing rental agreement for one operating location for the aforementioned segments ended. In relation to the immediate conclusion of a new long-term rental agreement, the Executive Board critically examined the estimated useful lives of the property, facilities, and equipment of the operating location concerned. On this basis, the estimated useful lives for the leasehold improvements and technical plants were extended by approximately five years. At the same time, provisions for the necessary restoration and disposal of machines at the end of the useful lives were recalculated in consideration of cost developments. This resulted in an increase in provisions for restoration obligations as of December 31, 2013 of € 330 thousand, as well as a corresponding rise in property, facilities, and

equipment of € 288 thousand. In subsequent periods, the changes to the useful lives and the restoration costs will have an impact on depreciation, which is predominantly recognized in the cost of sales, and interest expense as follows:

€ thousand	2014	2015	2016	2017	Thereafter
Increase (reduction) in depreciation	– 55	– 55	37	61	142
Interest expenditure	15	15	15	15	15

b) Change to the useful life of certain tangible assets (2012)

Radiopharma segment: In connection with the construction of a new production site in Poland, the Executive Board critically examined the estimated useful lives of the property, facilities, and equipment at the existing German production sites as part of the Board's medium-term planning. Based on this analysis, the estimated useful life of two existing cyclotrons was each extended for an additional two years. At the same time, new appraisals were obtained for the planned restoration and disposal of the machines at the end of their useful lives. This resulted in an increase in provisions for restoration obligations as of December 31, 2012 of € 103 thousand, as well as a corresponding increase in costs of acquiring the cyclotrons of € 103 thousand. In subsequent periods, the changes to the useful lives and the restoration costs will have an impact on depreciation, which is recognized in the cost of sales, and interest expense as follows:

€ thousand	2013	2014	2015	2016	Thereafter
Increase (reduction) in depreciation	– 30	– 30	– 30	96	97
Interest expenditure	4	4	4	8	9

Notes to the consolidated statement of profit or loss

7. REVENUES

The Group generates its revenues mainly from the sale of goods and, to a lesser extent, from the provision of services, from production orders and from the granting of licenses or similar rights. Revenues declined in fiscal year 2013 from € 119,997 thousand to € 117,138 thousand. The decline in 2013 was the result of an organic decrease in sales of € 6 million and a decline of € 1.4 million on account of the detrimental development of the USD-EUR exchange rate from a Group perspective. This was offset by sales growth of € 4.6 million resulting from the acquisitions completed in fiscal year 2013:

Revenues are broken down as follows:

€ thousand	2013	2012
Revenues from the sale of goods	107,189	108,087
Revenues from the provision of services	9,849	9,824
Revenues from production orders	100	0
Revenues from license sale	0	2,086
Total	117,138	119,997

In fiscal year 2013, the Group reached another milestone in the project centered on the construction of production systems for third parties that began in 2010 and generated revenues from production orders in line with the POC method. In addition, € 200 thousand in provisions were released, as remaining services are able to be realized within the remaining budget. The revenues for the respective services rendered are recognized once the contractually stipulated partial performance stages (milestones) are reached. In fiscal year 2012, no revenues were recognized based on this approach. Completion is planned for 2014.

€ thousand	2013	2012
Revenues	100	0
Order costs	- 10	0
Income from the release of provisions	200	0
Profit	290	0
Balance on the liabilities sheet	0	- 200

The breakdown of revenues according to geographical segments and business fields can be seen in the segment reporting.

8. COST OF SALES

Apart from the cost of materials, labor, and depreciation that is directly attributable to sales, cost of sales also includes a share of the material and labor overhead and income from the release of deferred items. Cost of materials came to € 28,919 thousand in 2013 and € 27,119 thousand in 2012.

9. SELLING EXPENSES

Selling expenses are broken down as follows:

€ thousand	2013	2012
Personnel and employee benefit costs	9,387	8,646
Costs of goods issue	5,091	5,452
Commissions	1,187	935
Depreciation	2,049	1,525
Advertisement	1,450	1,494
Other	2,769	2,560
Total	21,933	20,612

10. GENERAL ADMINISTRATIVE COSTS

General administrative costs include:

€ thousand	2013	2012
Personnel and employee benefit costs	10,453	11,244
Depreciation	2,918	2,055
Insurance, contributions, fees, purchased services	1,636	1,845
Consulting expenses	2,027	1,842
Rent	2,581	1,747
Communication costs	392	402
IR expenses	303	309
Earning from the writing off of accrual items	– 41	– 104
Other	3,670	3,426
Total	23,939	22,766

11. RESEARCH AND DEVELOPMENT COSTS

Research and development costs stood at € 4,865 thousand for 2013 and € 3,454 thousand for 2012. The costs are composed of the following:

- Directly attributable staff and material costs associated with the research and development areas that cannot be capitalized,
- Depreciation in the research and development areas for acquired property, equipment and intangible assets, as well as the corresponding release of deferred items,
- Value impairments on internally generated intangible assets capitalized in prior years as well as the corresponding release of deferred items,
- Other directly attributable expenses in the research and development areas, and
- A pro rata share of overhead of the research and development areas.

Research and development costs of € 4,865 thousand (2012: € 3,454 thousand) include depreciation and value impairments of € 1,164 thousand (2012: € 323 thousand), staff costs of € 2,877 thousand (2012: € 2,538 thousand), cost of materials and third-party services of € 714 thousand (2012: € 331 thousand), other expenses totaling € 113 thousand (2012: € 275 thousand), and income from the release of deferred items of € 3 thousand (2012: € 13 thousand).

12. EMPLOYEES BENEFITS AND NUMBER OF EMPLOYEES

The statement of profit or loss includes staff costs in the amount of € 38,722 thousand (2012: € 38,628 thousand).

Staff costs for fiscal years 2013 and 2012 are composed of the following:

€ thousand	2013	2012
Wages and salaries	33,482	33,438
Social security contributions and expenses on retirement pensions and support	5,240	5,190
of which for pensions	191	158

Group companies employed 613 people on average during 2013 (2012: 573). They worked in the following departments:

€ thousand	2013	2012
Production	266	248
R&D/plant engineering	63	68
Administration	95	93
Sales and marketing	138	121
Quality management	51	43
Total	613	573

The employees in German and other European subsidiaries belong to government retirement plans, which are managed by government agencies. The companies must pay a certain portion of the employee's salary cost to the retirement plans in order to fund these benefits. The Group's only obligation regarding these retirement plans is the payment of these fixed amounts.

The American subsidiaries maintain defined-contribution pension plans for all eligible employees of those companies. The assets pertaining to these plans are held in trust separate from those of the Group.

The expenses recognized in the statement of profit or loss totaling € 2,485 thousand (2012: € 2,701 thousand) represent the Group's contributions that are due to the associated retirement plans. As of December 31, 2013 and 2012, all contributions due had been paid into the pension plans.

Information on the total remuneration of current and former members of the Executive Board as well as current members of the Supervisory Board is provided in the remuneration report in note 49.

13. DEPRECIATION, AMORTIZATION, AND IMPAIRMENTS

Amortization and value impairments on intangible assets are included in the following items in the statement of profit or loss:

€ thousand	2013		2012	
	Amortization	Impairments	Amortization	Impairments
Cost of sales	779	0	1,134	0
Selling expenses	807	556	662	0
General administration costs	990	764	825	0
Research and development expenses	88	937	23	0
Total	2,664	2,257	2,644	0

Depreciation and value impairments on property, facilities, and equipment are included in the following items in the statement of profit or loss:

€ thousand	2013		2012	
	Amortization	Impairments	Amortization	Impairments
Cost of Sales	2,341	0	2,710	0
Selling expenses	686	0	863	0
General administration costs	1,164	0	1,230	0
Research and development expenses	139	0	300	0
Total	4,330	0	5,103	0

14. OTHER OPERATING INCOME

Other operating income in fiscal year 2013 primarily includes income from the settlement of legal disputes of € 1,326 thousand, received subsidies totaling € 1,141 thousand, income from the release of provisions amounting to € 970 thousand, income from cost reimbursements of € 756 thousand and income from the reduction of contingent purchase price liabilities recognized through profit or loss of € 388 thousand.

In fiscal year 2012, this position mainly included income from a general contractor agreement with Eckert Beteiligungen 2 GmbH for construction of a new laboratory and executive building at the company headquarters in Berlin-Buch in the amount of € 6,696 thousand, € 264 thousand of which was due in fiscal year 2013.

15. OTHER OPERATING EXPENSES

Other operating expenses fell significantly year on year by € 5,699 thousand to € 1,301 thousand. This was largely the result of the termination of the aforementioned general contractor agreement, which only led to expenses of € 259 thousand (2012: € 6,598 thousand).

Furthermore, value impairments on receivables and losses on receivables of € 567 thousand (2012: € 146 thousand) are included, as are losses on the disposal of fixed assets totaling € 40 thousand (2012: € 37 thousand).

16. INCOME FROM SHARES MEASURED AT-EQUITY

Due to the lack of financial statements prepared according to IFRS of the joint venture ZAO “Nano-BrachyTech” as of December 31, 2013 and December 31, 2012, the disclosures concerning the joint venture’s profit and loss and balance sheet data are based on estimates. According to this data, no income from joint venture shares measured at-equity was recognized in fiscal years 2013 and 2012.

In June 2013, Eckert & Ziegler Radiopharma GmbH acquired shares in Octreopharm Sciences GmbH, Berlin as well as an option on further shares in the company. From the loan and share option agreement concluded in September 2012 with Eckert Wagniskapital- und Frühphasenfinanzierung GmbH, the Group has the option to acquire further shares in Octreopharm Sciences GmbH. In accordance with IAS 28, the company has a significant influence on Octreopharm Sciences GmbH and therefore accounts for the shares in these consolidated financial statements by applying the equity method. The Group’s share in the loss generated by Octreopharm Sciences GmbH in fiscal year 2013 stood at € 117 thousand (see also Note 24).

17. INCOME FROM PLAN ASSETS RECOGNIZED AT FAIR VALUE

The Group has a number of options for the acquisition of further shares on the basis of its investment in Octreopharm Sciences GmbH. These options were measured at fair value as of December 31, 2013, resulting in income of € 2,799 thousand (2012: € 0 thousand).

18. INTEREST INCOME

Interest and similar income on financial assets measured at amortized cost totaled € 1,314 thousand in fiscal year 2013 (2012: € 526 thousand), while interest expense amounted to € 1,188 thousand (2012: € 2,794 thousand).

Interest expense includes € 416 thousand (2012: € 1,054) resulting from the compounding of interest on non-current liabilities.

19. INCOME TAXES

The parent company’s tax rate, which was used as the Group tax rate for calculating income tax expense for corporation tax, solidarity surcharge, and trade tax purposes, amounted to 30.175 % for fiscal years 2013 and 2012. The Group tax rate consists of the following:

	2013	2012
Trade tax – basic rate	3.5%	3.5%
Trade tax – assessment rate	410%	410%
Corporation tax	15%	15%
Solidarity surcharge on corporation tax	5.5%	5.5%

The expense (+)/income (-) for taxes on earnings and on income is composed as follows for fiscal years 2013 and 2012 ending on December 31:

€ thousand	2013	2012
Earnings before taxes		
Germany	2,633	4,207
Foreign subsidiaries	10,308	13,253
	12,941	17,460

€ thousand	2013	2012
Current taxes		
Germany	125	1,219
Foreign subsidiaries	2,985	3,524
	3,110	4,743

Of the current taxes in 2013, € – 127 thousand (income) relate to prior years (2012: € – 67 thousand)

€ thousand	2013	2012
Deferred taxes		
Germany	882	593
Foreign subsidiaries	– 1,552	359
	– 670	952
Total taxes	2,440	5,695

The reconciliation of Group tax expense, determined based on the marginal tax rates applicable in Germany, to the Group's reported tax expense is as follows:

€ thousand	2013	2012
Basis for determining the tax expenditure (earnings before taxes)	12,941	17,460
Expected tax expenditure based on group tax rate	3,905	5,269
Tax rate differences at subsidiaries	– 1	338
Taxes for prior years	– 127	– 67
Non-deductible expenses	405	408
Tax-free income	– 542	– 267
Use of previously non-capitalized deferred taxes on loss carry-forwards	– 1,779	– 490
Non-capitalized deferred taxes on losses of the fiscal year	707	601
Other	– 128	– 97
Effective tax expenditure	2,440	5,695

In order to calculate deferred taxes, the following tax rates were used at the parent company as of December 31, 2013, which were unchanged as against December 31, 2012: Corporation tax 15 %, solidarity surcharge on corporation tax 5.5 %, and trade tax 14.35 %. For foreign companies, the prevailing local tax rates have been applied when calculating deferred taxes.

Deferred taxes are based on the differences between the amounts reported in the consolidated financial statements for assets and liabilities and the corresponding amounts included in the tax accounts of the respective individual Group companies. In addition, they apply to any available tax loss carry-forwards. Deferred tax assets and liabilities have been netted in the balance sheet to the extent permitted under IAS 12.

Deferred tax expenses totaling € 1,693 thousand (2012: € 1,201 thousand) and deferred tax income of € 3,207 thousand (2012: € 356 thousand) are attributable to changes in the tax loss carry-forwards in the reporting year, while deferred tax expenses of € 844 thousand (2012: € 638 thousand) are related to temporary differences. Tax loss carry-forwards are primarily attributable to the tax loss carry-forwards of Eckert & Ziegler BEBIG S.A. and the tax loss carry-forwards of the German companies of the Eckert & Ziegler Group. The losses in Belgium and Germany can be carried forward indefinitely. Tax loss carry-forwards totaling € 582 thousand are attributable to the tax loss carry-forwards of US Group companies; in some cases, tax loss carry-forwards will begin to lapse in 2017.

In total, deferred tax assets of € 8,923 thousand (2012: € 7,408 thousand) have been capitalized on tax loss carry-forwards. The vast majority of the tax loss carry-forwards existing as of December 31, 2013 may be indefinitely carried forward in full. Deferred tax assets in the amount of € 2,825 thousand (2012: € 121 thousand) relate to companies that still suffered a loss under fiscal law in 2013.

In fiscal year 2013, loss carry-forwards were used in the amount of € 1,779 thousand (2012: € 490 thousand) for which, as of December 31 of the respective previous year, no deferred tax assets for loss carry-forwards were recognized. As of December 31, 2013, the Group has tax loss carry-forwards of € 5,713 thousand for which no deferred tax assets have been recognized. Due to the different tax systems and tax regulations in individual countries, we believe that the disclosure of a total amount of existing tax loss carry-forwards provides only limited informational value. For this reason, the amount of deferred tax assets that would be attributable to these tax loss carry-forwards is also disclosed in the following. The total amount of deferred tax assets on these tax loss carry-forwards that were not recognized in the balance sheet as December 31, 2013 is € 1,912 thousand (2012: € 3,910 thousand).

Increases in the deferred tax liabilities on temporary differences in the amount of € 44 thousand (2012: € 26 thousand increase in deferred tax assets) result from currency translations.

In the period under review, deferred tax expenses of € 371 thousand (2012: € 587 thousand deferred tax income) were offset outside profit and loss directly in equity.

Within the scope of the initial consolidation of Chemotrade Chemiehandelsgesellschaft mbH and BSM Diagnostica Gesellschaft m.b.H., deferred tax liabilities of € 290 thousand were recognized in the balance sheet (2012: € 80 thousand in deferred tax liabilities within the scope of the initial consolidation of Eckert & Ziegler Vitalea Science Inc.), while deferred tax assets of € 8 thousand were recognized within the scope of the acquisition of the Waste Disposal segment by Eckert & Ziegler Environmental Services Ltd. No deferred tax liabilities were established for temporary differences resulting from the reinvested earnings of subsidiaries in the amount of € 14,984 thousand (2012: € 15,018 thousand) because Eckert & Ziegler AG is able to control the timing of the reversal and the temporary differences will not be reversed in the foreseeable future.

The deferred tax assets and liabilities attributable to individual items in the balance sheet are presented in the following overview:

€ thousand	Deferred tax assets		Deferred tax liabilities	
	2013	2012	2013	2012
Tax loss carry-forwards	8,923	7,408	0	0
Fixed assets	88	493	7,308	5,765
Securities	0	0	1	1
Receivables	745	387	239	162
Liabilities	0	381	0	0
Inventories	216	232	111	42
Provisions	4,902	4,400	0	0
Other	341	306	0	54
Subtotal	15,215	13,607	7,659	6,024
Balancing	- 5,278	- 4,503	- 5,278	- 4,503
Balance according to the consolidated balance sheet	9,937	9,104	2,381	1,521

20. PROFIT ATTRIBUTABLE TO MINORITY INTERESTS

Included in the Group net income after taxes is profit attributable to minority interests in the amount of € 1,412 thousand (2012: € 1,472 thousand).

21. EARNINGS PER SHARE

Earnings per share were calculated as follows:

€ thousand	At year-end	
	2013	2012
Numerator for calculation of the profit and the diluted earnings per share- earnings share of the shareholders of Eckert & Ziegler AG	9,089	10,293
Denominator for calculation of the earnings per share- weighted average of the number of shares (in thousands)	5,288	5,288
Effect of diluted stock options	0	0
Denominator for calculation of the diluted earnings per share- weighted average of the number of shares (in thousands)	5,288	5,288
Undiluted earnings per share (in EUR)	1.72	1.95
Diluted earnings per share (in EUR)	1.72	1.95

Notes to the consolidated balance sheet

22. INTANGIBLE ASSETS

Reported intangible assets include goodwill, customer relationships, bans on competition, patents and technologies, licenses and software, capitalized development costs as well as other intangible assets.

a) Intangible assets not subject to regular amortization

The intangible assets that are not subject to any scheduled depreciation relate exclusively to the goodwill.

The balance of goodwill changed as follows during fiscal years 2013 and 2012:

€ thousand	2013	2012
As of January 1	31,122	31,252
Additions	4,374	87
Impairments	– 27	0
Currency translation differences	– 563	– 217
As of December 31	34,906	31,122

The increase is based on the addition of goodwill in the Therapy, Isotope Products and Radiopharma segments in connection with the acquisitions in fiscal year 2013 (see also Note 43).

This was offset by a decline of € 574 thousand attributable to currency translation differences, because a significant portion of the goodwill is attributable to companies in the Isotope Products segment, whose accounting records are maintained in US dollars.

Specifically, goodwill is broken down among the business fields as follows:

€ thousand	Goodwill	Goodwill
	2013	2012
Radiation Therapy	15,879*	12,148
Isotope Products	16,400	16,550
Radiopharma	2,627	2,424
As of December 31	34,906	31,122

* Of which € 3,751 thousand from temporarily cost distributions

The capitalized goodwill was tested for impairment in fiscal year 2013 in accordance with IAS 36. The goodwill was allocated to the relevant cash-generating units (CGU). These represent the lowest levels at which goodwill and assets are monitored for corporate management purposes. In the Radiation Therapy segment, they correspond to the segment. In the Isotope Products and Radiopharma segments, two cash-generating units were identified for each segment (VSU and Isotope Products without VSU as well as the cyclotron and equipment division).

The value in use of the cash-generating units is derived from the discounted future cash flows that were determined based on the current five-year budgets. Cash flows for the period thereafter were forecast to grow between 0 % and 1 % (2012: 0 to 3 %). The discount rate before tax for the Radiation Therapy segment stood at 13.2 % (2012: 17.6 %), 17.0 % for the cyclotron division (2012: 16.3 %), 16.0 % for the equipment division (2012: 16.3 %), 16.6 % for the CGUs in the Isotope Products segment (2012: 15.7 %) (see also Note 3).

In the Environmental Services segment, goodwill of € 27 thousand resulted from the purchase price distribution for the acquisition of the “Waste Disposal” segment of Energy Solutions EU (see also Note 43). The subsequent impairment test led to an impairment requirement of € 27 thousand. These expenses were recognized under general administrative costs.

The outcome of the other impairment tests as of December 31, 2013 was that, based on the recoverable amounts of the respective goodwill positions, there is no need for impairment (2012: likewise no impairment need).

The outcome of the impairment test for the goodwill of the Isotope Products segment without VSU was that there are no conceivable potential changes to the primary assumptions that could result in the book value of the goodwill exceeding the recoverable amount.

For the impairment test of the goodwill of the Radiation Therapy segment, a scenario analysis was performed that led to the following results:

Change compared to the base scenario	Base scenario	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
Change in revenues	0%	- 5%	- 10%	0%	0%	- 10%
Change in cost of sales	0%	- 4%	- 8%	0%	0%	- 8%
Change in WACC	0%	0%	0%	+ 2%	+ 4%	+ 3%
Cumulative revenues over 5 years	100%	95%	90%	100%	100%	90%
Cumulative EBIT over 5 years	100%	82%	64%	100%	100%	64%
Cumulative FCF over 5 years	100%	79%	58%	100%	100%	58%
Calculated goodwill	100%	82%	63%	79%	64%	44%
Calculated goodwill (EZAG share) in relation to book value	1.38	1.12	0.87	1.08	0.89	0.61
Impairment need	no	no	yes	no	yes	yes

b) As of December 31 of fiscal years 2013 and 2012, amortized intangible assets consist of the following:

(1) Acquired intangible assets

€ thousand	2013	Remaining amortization period	2012
Customer relationships	5,095	1–15 years	5,096
Licenses/software/permits	4,087	1–8 years	3,154
Patents/technology	4,194	1–15 years	1,723
As of December 31	13,376		9,973

(2) Self-constructed intangible assets

€ thousand	2013	Remaining amortization period	2012
Capitalized development costs (ongoing projects)	4,355		3,128
Other	13	3 years	117
As of December 31	4,368		3,245

In fiscal year 2013, development costs totaling € 2,049 thousand (2012: € 1,533 thousand) were capitalized. Impairment tests were carried out for development projects not yet completed on the balance date, which, aside from one exception, confirm the intrinsic value of the respective capitalized amounts.

In the Radiation Therapy segment, a development project in the implant sector relating to the acquisition of the Brachytherapy segment of US company Biocompatibles Inc. was stopped as the acquired segment already possessed similar technology. Previously capitalized development costs of € 937 thousand were impaired to the full amount.

Impairment tests were performed for development projects that were not yet completed as of the reporting date. These tests confirmed the recoverability of the respective capitalized amounts. Intangible assets were amortized using the straight-line method. In accordance with the functional area of the respective intangible asset, this amortization expense is reported in the income statement in costs of sales, selling expenses, research costs, development costs that cannot be capitalized, and general administration costs (see also explanations under note 13).

The change in the balance of intangible assets from January 1 to December 31, 2013 is presented in the fixed asset movement schedule.

23. PROPERTY, FACILITIES, AND EQUIPMENT

The changes in property, facilities, and equipment from January 1 to December 31, 2013 are shown in the fixed asset movement schedule.

Assets connected to finance lease contracts are included in property, facilities, and equipment. The net book values of assets accounted for as finance leases amount to € 0 thousand as of December 31, 2013 (2012: € 61 thousand).

In addition to current replacement investments, the additions during fiscal year 2013 mainly concern constructing a new production site and expanding and modernizing existing production installations.

Assets from property, facilities, and equipment in the amount of € 0 thousand were pledged as collateral for bank loans (2012: € 1,249 thousand).

24. INVESTMENTS IN INTERESTS MEASURED AT-EQUITY

In fiscal year 2009, Eckert & Ziegler BEBIG S.A. founded the joint venture ZAO "NanoBrachy-Tech" together with OOO Santis and the Russian state fund "RUSNANO." Eckert & Ziegler BEBIG S.A. contributed intangible assets to the joint venture and received a 15 % interest in the Joint Venture ZAO "NanoBrachyTech" in return. The investment of Eckert & Ziegler BEBIG S.A. in the joint venture, which is measured using the equity method, amounted to € 0 thousand as of December 31, 2013 (2012: € 0 thousand).

In June 2013, Eckert & Ziegler Radiopharma GmbH acquired shares in Octreopharm Sciences GmbH. From the loan and share option agreement concluded in September 2012 with Eckert Wagniskapital- und Frühphasenfinanzierung GmbH, the Group has the option to acquire further shares in Octreopharm Sciences GmbH. In accordance with IAS 28, the company has a significant influence on Octreopharm Sciences GmbH and therefore accounts for the shares in these consolidated financial statements by applying the equity method. The cost of acquiring the shares stood at € 610 thousand. The Group's share in the loss generated by Octreopharm Sciences GmbH in fiscal year 2013 came to

€ 117 thousand. The investment valued at-equity as of December 31, 2013 therefore totaled € 493 thousand (see also Note 16).

The following table contains an overview of all major items in the statement of profit or loss as well as the balance of the interest in OctreoPharm Sciences GmbH recognized at-equity:

€ thousand	2013
Revenues	0
Annual profit of loss	– 1,365
Assets	10,122
Debt	7,166

No information is available for the joint venture ZAO “NanoBrachyTech” and this also cannot be estimated to a sufficient degree of accuracy. However, we assume that the equity of this company is still negative.

25. NON-CURRENT TRADE RECEIVABLES

In December 2012, the Radiation Therapy segment sold expertise totaling € 2,086 thousand to a customer. The resulting receivable includes a partial payment of € 527 thousand that is due in 2014. The remaining amount of € 1,359 thousand is due in several installments until 2016 and is therefore reported in the balance sheet as non-current trade receivables.

The Radiation Therapy segment also includes trade receivables from customers in southern European countries (Spain, Italy, France); the majority of these are due, but the company assumes that they will only be able to be realized over the long term. For this reason, an amount of € 1,494 thousand was reclassified from current trade receivables to non-current trade receivables.

26. OTHER NON-CURRENT ASSETS

Other non-current assets include a receivable from OOO BEBIG, a wholly owned subsidiary of joint venture ZAO “NanoBrachyTech,” amounting to € 1,496 thousand (2012: € 1,855 thousand). This receivable results from the conversion of trade receivables into two long-term loans from Eckert & Ziegler BEBIG S.A. to OOO BEBIG. As of December 31, 2013, the loans have a nominal amount of € 280 thousand (agreed interest rate is 8 % p.a.; to be repaid by December 31, 2014) and a nominal amount of € 1,714 thousand (agreed interest rate is 2.5 %; to be repaid by December 31, 2017).

In September 2012, a loan and share option agreement (which EWK transferred to subsidiary Eckert Life Science Accelerator GmbH in 2013) was concluded with Eckert Wagniskapital und Frühphasenfinanzierung GmbH. The amount of this agreement totaling € 2,052 thousand (2012: € 1,500 thousand) is likewise reported under other non-current assets. The fair value was determined using Black-Scholes models.

In October 2013, Eckert & Ziegler AG granted EWK a new loan amounting to € 368 thousand. This loan is also recognized under other non-current assets.

The value of two options on the acquisition of shares in OctreoPharm Sciences GmbH will continue to be recognized under other non-current assets. The fair value of these options as of December 31, 2013 stood at € 2,257 thousand (2012: € 0 thousand). The fair value of these two options was determined using Black-Scholes models.

This item also includes deposit payments made amounting to € 64 thousand (2012: € 66 thousand).

27. CASH AND CASH EQUIVALENTS

Cash and cash equivalents totaling € 29,414 thousand (2012: € 30,842 thousand) consist of checks, cash on hand, and bank balances with a maturity of less than three months. Cash and cash equivalents are consistent with the cash fund in the Group cash flow statement.

28. SECURITIES

The securities are all classified as available-for-sale financial assets. Securities as of December 31, 2013 and 2012 consist of the following:

€ thousand	December 31, 2013			
	Acquisition costs	Unrealized profits	Unrealized losses	Fair value
Investment funds	19	3	0	22
Total securities in current assets	19	3	0	22

€ thousand	December 31, 2012			
	Acquisition costs	Unrealized profits	Unrealized losses	Fair value
Investment funds	19	3	0	22
Total securities in current assets	19	3	0	22

The fair value of securities is determined by quoted prices.

29. CURRENT TRADE RECEIVABLES

The current trade receivables are composed as follows as of December 31, 2013 or 2012:

€ thousand	2013	2012
Trade receivables	21,550	21,734
Less value adjustments	– 1,273	– 1,619
As of December 31	20,277	20,115

30. INVENTORIES

Inventories as at December 31, 2013 and 2012 consist of the following:

€ thousand	2013	2012
Raw materials, consumables, and supplies	11,621	10,926
Finished products	5,239	3,600
Unfinished products	1,431	1,478
	18,291	16,004
Less impairments	– 513	– 538
As of December 31	17,778	15,466

Raw materials as well as consumables and supplies mainly relate to nuclides and components required for the production of finished goods.

The impairments carried out on the basis of a comparison of the net realizable value and the book value fell by € 25 thousand (2012: increased by € 28 thousand).

31. OTHER CURRENT ASSETS

Other current assets totaling € 5,159 thousand (2012: € 6,005 thousand) include, in addition to tax pre-payments amounting to € 906 thousand (2012: € 883 thousand) and tax receivables from tax authorities in the amount of € 2,378 thousand (2012: € 1,436 thousand), primarily deferred expenses and prepayments made.

32. CAPITAL AND RESERVES

The change in shareholders' equity and minority interests is presented in the equity movement table.

In accordance with the resolution of the Annual General Meeting on May 17, 2013, the balance sheet profit under commercial law of Eckert & Ziegler AG as of December 31, 2012 in the amount of € 6,392 thousand was used to distribute a dividend of € 0.60 per bearer share entitled to a dividend (€ 3,173 thousand). The remainder was allocated to other retained earnings (€ 3,219 thousand).

The subscribed capital of Eckert & Ziegler AG as of December 31, 2013, amounts to € 5,292,983. It is divided into 5,292,983 no-par value owner bearer shares and is paid in full. The number of shares in circulation (without consideration of own shares) is 5,288,165 as of December 31, 2013.

Pursuant to the German Stock Corporation Act (Aktiengesetz or "AktG"), any potential dividend to be distributed to shareholders must be based on the balance sheet profit as shown in the Eckert & Ziegler AG financial statements that are prepared in accordance with German commercial law standards. A proposal has been made to the Annual General Meeting to pay the shareholders a dividend of € 3,173 thousand (€ 0.60 per share) from the 2013 balance sheet profit of Eckert & Ziegler AG.

Authorized capital

Based on a resolution of the Annual General Meeting on May 20, 2010, the Executive Board was authorized, with the consent of the Supervisory Board, to increase the Company's subscribed capital until May 19, 2015, either one time or several times, by up to a total of € 1,000,000 by issuing up to 1,000,000 owner bearer shares for cash and/or non-cash contributions (authorized capital for 2010).

The exclusion of subscription rights is permitted with regard to increases in capital against non-cash contributions for the purpose of mergers or the acquisition of companies, interests in companies or other assets. The Executive Board can further exclude subscription rights, with the consent of the Supervisory Board, in order to grant holders of convertible bonds issued by the Group a subscription right to new shares to the extent that they would be entitled after exercising their convertible privileges or meeting their conversion obligations.

In case of capital increases against cash contributions, an exclusion of the subscription right is only permitted to the extent necessary to compensate for fractional shares or if the increase in capital in total does not exceed 10 % of the subscribed capital and the issue price of the new shares is not significantly below the stock market price of the shares at the time when the issue price was stipulated by the Executive Board.

Contingent capital

On April 30, 1999, the Annual General Meeting adopted a resolution, amended by the resolution of the Annual General Meeting of May 20, 2003, for a contingent increase in the Group's subscribed capital by a maximum of € 300,000, divided into a maximum of 300,000 bearer shares ("contingent capital 1999"). The contingent capital increase may only be implemented to the extent that the holders of stock options, which were issued based on the authorization provided to the Executive Board by the Annual General Meeting of April 30, 1999, utilize their subscription right to shares in the Group and the Group does not fulfill the option right by transferring own shares or by making a cash payment.

In September 2009, the Executive Board exercised this authorization and implemented a capital increase of € 31,650 from this contingent capital by issuing 31,650 no-par-value owner bearer shares.

In fiscal year 2010, the Executive Board once again exercised this authorization, with the consent of the Supervisory Board, and increased the subscribed capital by € 32,700 from this contingent capital by issuing 32,700 no-par-value bearer shares.

On May 24, 2012, the Annual General Meeting adopted a resolution to cancel the resolution adopted by the Annual General Meeting on May 20, 2009 regarding the "contingent capital 2009." At the same time, a decision was made to create a new tranche of contingent capital ("contingent capital 2012"). This involved the approval of a contingent increase in the subscribed capital by up to € 1,639,316. The contingent capital increase will only be implemented to the extent that the holders of convertible bonds or bonds with warrants, participation rights, or income bonds (or combinations thereof) utilize their conversion rights or fulfill their conversion obligation and as long as the Company does not utilize own shares, shares from the authorized capital, or shares of another listed company to settle the obligation.

Notification regarding changes to voting share percentage

On August 16, 2013, Taaleritehdas ArvoRein Equity Fund, Helsinki, Finland, notified us pursuant to Section 21 (1) of the German Securities Trading Act (Wertpapierhandelsgesetz or "WpHG") that its voting right share in Eckert & Ziegler Strahlen- und Medizintechnik AG, Berlin, had exceeded the threshold of 3 % of voting rights on July 25, 2013, and that, on this day, its voting share percentage amounted to 3.1 % (this corresponds to 164,000 voting rights).

On August 16, 2013, Taaleritehdas Plc, Helsinki, Finland, notified us pursuant to Section 21 (1) of the WpHG that its voting right share in Eckert & Ziegler Strahlen- und Medizintechnik AG, Berlin, had exceeded the threshold of 3 % of voting rights on July 25, 2013 and that, on this day, its voting share percentage amounted to 3.10 % (this corresponds to 164,000 voting rights).

Of these, 3.10 % (164,000 voting rights) are attributable to the shareholder pursuant to Section 22 (1) Sentence 1 No. 6 of the WpHG in conjunction with Sentence 2 of the WpHG.

Voting rights are attributed to it from the following shareholder holding a voting right share of 3 % or more in Eckert & Ziegler AG:

Taaleritehdas ArvoRein Equity Fund, Helsinki, Finland

On August 16, 2013, Taaleritehdas Wealth Management Ltd., Helsinki, Finland, notified us pursuant to Section 21 (1) of the WpHG that its voting right share in Eckert & Ziegler Strahlen- und Medizintechnik AG, Berlin, had exceeded the threshold of 3 % of voting rights on July 25, 2013 and that, on this day, its voting share percentage amounted to 3.10 % (this corresponds to 164,000 voting rights).

Of these, 3.10 % (164,000 voting rights) are attributable to the shareholder pursuant to Section 22 (1) Sentence 1 No. 6 of the WpHG in conjunction with Sentence 2 of the WpHG.

Voting rights are attributed to it from the following shareholder holding a voting right share of 3 % or more in Eckert & Ziegler AG:

Taaleritehdas ArvoRein Equity Fund, Helsinki, Finland

On August 16, 2013, Taaleritehdas Fund Management Ltd., Helsinki, Finland, notified us pursuant to Section 21 (1) of the WpHG that its voting right share in Eckert & Ziegler Strahlen- und Medizintechnik AG, Berlin, had exceeded the threshold of 3 % of voting rights on July 25, 2013 and that, on this day, its voting share percentage amounted to 3.10 % (this corresponds to 164,000 voting rights).

Of these, 3.10 % (164,000 voting rights) are attributable pursuant to Section 22 (1) Sentence 1 No. 6 of the WpHG.

Voting rights are attributed to it from the following shareholder, holding a voting right share of 3 % or more in Eckert & Ziegler AG:

Taaleritehdas ArvoRein Equity Fund, Helsinki, Finland

There were no situations in 2012 that must be disclosed in accordance with the WpHG.

Reserves

Capital reserves include the amount above par value (capital surplus) that was received by issuing shares, minus the issuing costs (after tax).

Furthermore, capital reserves include the amounts recognized in connection with share-based payments (IFRS 2). In the period under review, as in the prior year, no expense was recognized in capital reserves from the issuance of share options.

Retained earnings consist of undistributed prior-period earnings of consolidated Group companies. In addition, retained earnings include adjustments resulting from the first-time adoption of IFRS. Retained earnings also include exchange rate differences in the amount of € - 2,977 thousand resulting from the translation of the financial statements of foreign subsidiaries (2012: € - 1,658 thousand). Movements in 2013 and 2012 relate primarily to the American subsidiaries. In addition, the reserves include changes in the value of securities classified as available for sale that are recognized directly in equity (after tax) totaling € 2 thousand (2012: € 2 thousand) and the actuarial gains/losses recognized in equity from defined benefit pension obligations totaling € - 833 thousand (2012: € - 1,640 thousand).

Own shares

Based a resolution adopted by the Annual General Meeting on May 20, 2010, the Executive Board is empowered until November 19, 2015 to acquire own shares for purposes other than securities trading for up to 10 % of the subscribed capital. No more than 10 % of the subscribed capital may be attributable to the shares purchased based on this authorization together with other own shares of the Group that the Group had already purchased, still owns, or is apportioned according to Sections 71a et seq. of the AktG. The Executive Board was further authorized, with the Supervisory Board's consent, to use the Company's own shares that had been previously purchased based on earlier authorizations as follows, besides via the stock exchange or by an offer to all shareholders:

- Own shares may be retired without the need for a decision from an Annual General Meeting concerning the retirement or its execution.
- Own shares may be sold for contributions in kind, provided the purpose is to acquire companies, interests in companies, parts of companies, industrial property rights such as patents, trademarks or licenses for these, or assets and services that are similar to contributions in kind.

- In accordance with Section 186 (3) Sentence 4 of the AktG, own shares may be sold for cash provided that the sales price does not fall significantly below the average closing price of the share on the Frankfurt Stock Exchange over the previous five trading days prior to the sale (not including any acquisition costs).
- Own shares may be used to satisfy the obligations of the Group's stock option plan that was agreed in the Annual General Meeting of April 30, 1999 and amended in the Annual General Meeting of May 20, 2003. The Group's Supervisory Board is responsible for deciding if own shares are to be transferred to members of the Group's Executive Board.
- Own shares may be utilized to fulfill the Group's obligations from conversion rights or conversion obligations from convertible bonds issued by the Group.

In March 2003, the Executive Board exercised the authority granted to it in prior years and acquired a total of 320,000 own shares (approx. 9.8 % of the subscribed capital) at an average price of € 3.35 per share.

In October 2003, 5,503 of these shares were resold. The acquisitions of Eckert & Ziegler MMI GmbH and Eckert & Ziegler Isotope Products GmbH in fiscal year 2004 were partially financed using the Group's own shares. To this end, a total of 139,648 of the Group's own shares were utilized. Furthermore, loans due in March and August 2006 were settled with the issuance of 17,214 shares. Until now, 51,000 own shares were utilized to service the options issued under the employee stock option program (2007: 2,700 shares, 2006: 2,900 shares, 2005: 32,000 shares, 2004: 13,400 shares). In fiscal year 2007, 200 own shares, which were used for servicing employee stock options, were repurchased on the stock exchange.

In connection with the option to acquire further voting stock in Eckert & Ziegler BEBIG S.A., Eckert & Ziegler AG accepted an obligation to settle part of the effective price with 66,667 own shares if the contractual partner exercises its option. This liability was accounted for in 2008 by appropriating € 566 thousand outside of profit and loss to the capital reserve for own shares. In March 2011, the option was exercised and 66,667 shares from the balance of own shares were transferred to SMI Steglitz MedInvest UG.

In fiscal year 2009, 35,331 own shares were acquired via the stock exchange at an average price of € 12.33 per share as part of a share buy-back program. In order to service exercised share options, 1,600 own shares were used; 15,331 own shares were sold via the stock exchange. In the 2010 fiscal year, 20,000 own shares were sold via the stock exchange, and 33,750 own shares were used to acquire the shares or loan receivables of minority shareholders. Transactions with own shares resulted in a gain totaling € 951 thousand in fiscal year 2010 (2009: € 208 thousand), which was recognized outside profit and loss in the capital reserve for own shares.

The portfolio of own shares stood at 4,818 shares as of December 31, 2013. This equates to a 0.1 % share of the Company's subscribed capital. The number of shares in circulation (5,288,165) did not change in fiscal years 2013 and 2012.

The change in the number of outstanding stock options is presented in the "Other disclosures" section.

33. LOANS AND FINANCIAL LEASING LIABILITIES

Loans and financial leasing liabilities as of December 31, 2013 and 2012 consist of the following:

€ thousand	2013	2012
Loan liabilities to banks	21,539	15,319
Lease liabilities	0	88
Other loan liabilities	1,088	39
Loan and lease liabilities as of December 31, total	22,627	15,446
thereof current	5,055	5,673
thereof non-current	17,572	9,773

The following table provides an overview of the loans and financial leasing liabilities as of December 31 of the respective fiscal year:

€ thousand	Interest rate p.a.	2013	2012
Loan from Commerzbank AG	3.99%	6,500	0
Loan from DZ Bank	3.10%	5,931	2,076
Loan from previous shareholders from the takeover of shares	0% to 10%	1,088	40
Loan from Deutschen Industrie Bank AG (IKB) (ERP innovation program)	4.75% to 4.85%	2,187	3,437
Loan from Deutschen Bank AG	3M EURIBOR + 2.4%	2,063	3,713
Loan from Commerzbank AG	4.65%	1,631	1,895
Loan from Deutschen Bank AG	3.17%	1,500	0
Loan from Comerica Bank (USA)	Prime + 1 %	852	1,118
Loan from Credit Agricole	5.00%	360	508
Loan from Commerzbank AG (KfW global loan)	6.10%	291	660
Loan from Deutschen Bank AG	4.45%	0	632
Loan from Commerzbank AG (KfW global loan)	4.27%	0	440
Loan from Commerzbank AG	4.90%	0	379
Loan from related parties	6.50%	0	0
Other loans	0% to 6%	223	460
Loan liabilities as of December 31, total		22,627	15,446

In fiscal year 2013, loans and financial leasing liabilities increased significantly compared to the prior year. The rise is largely the result of loans taken out in connection with the construction of a production site in Warsaw, the modernization of a German production site, and acquisitions in the Therapy segment. In addition, a vendor note totaling USD 1.5 million (€ 1,088 thousand) was taken out in relation to the acquisition of Mick Radio-Nuclear Instruments Inc.

In September 2013, Eckert & Ziegler BEBIG GmbH took out a loan of € 6,500 thousand to finance the acquisitions completed in November. The loan has a term until September 30, 2018 and will be repaid in quarterly installments of € 465 thousand plus interest commencing in the second quarter of 2015.

In November 2013, Eckert & Ziegler EURO-PET Köln/Bonn GmbH took out a loan of € 1,500 thousand to finance the modernization of its production sites. The loan has a term until December 31, 2021 and will be repaid in quarterly installments of € 48 thousand plus interest commencing in the second quarter of 2014.

In May 2012, Eckert & Ziegler f-con Deutschland GmbH obtained a loan to finance the construction of a production site for its Polish subsidiary in Warsaw. The loan has a total volume of € 6,530 thousand, of which € 5,931 thousand (2012: € 2,076 thousand) had been utilized as of December 31, 2013. The loan has a term until April 30, 2019 and will be repaid in quarterly installments of € 218 thousand plus interest commencing in 2014.

In October 2012, Eckert & Ziegler Vitalea Science Inc. took out a loan of USD 1,500 thousand. The loan has a term until October 10, 2017 and will be repaid in monthly installments of USD 25 thousand.

In June 2011, a loan was obtained from Commerzbank AG in the amount of USD 2,500 thousand. The loan has a term until June 30, 2018, and must be repaid in quarterly installments of USD 125 thousand commencing from September 30, 2013.

In May 2010 Eckert & Ziegler AG took out a loan of the Deutsche Bank AG in the amount of € 8,250 thousand for the partial refinancing of the additional shares in International Brachytherapy S.A. acquired within the framework of a takeover bid. The loan has a term until March 31, 2015 and will be repaid in quarterly installments of € 412 thousand.

A loan from Deutsche Industriebank AG (IKB) from the ERP Innovation Program was used to finance research and development projects at Eckert & Ziegler Radiopharma GmbH. The loan has a term until September 30, 2015 and will be repaid in quarterly installments of initially € 104 thousand plus interest beginning from December 30, 2009. The quarterly payments increase to € 312 thousand plus interest starting from December 30, 2012.

Eckert & Ziegler AG took out a loan from Deutsche Bank AG in the amount of € 3,000 thousand in January 2009 for the pro-rata financing of the acquisition of Eckert & Ziegler Nuclitec GmbH. The loan has a term until December 31, 2013 and will be repaid in quarterly installments of € 158 thousand.

Eckert & Ziegler AG also obtained a loan from Commerzbank AG in the amount of USD 2,000 thousand in January 2009. The loan was then passed on by Eckert & Ziegler AG to its American subsidiary Eckert & Ziegler Isotope Products Inc. (IPL) and used to repay the short-term loan which the seller of the NASM Industrial Sources division had granted to IPL. The loan was repaid from March 31, 2010 in quarterly installments of USD 125 thousand until December 31, 2013.

In 2009, the loan from Deutsche Industriebank AG (IKB) (loan with profit participation) was repaid in full for the original amount of € 2,812 thousand as of June 30, 2008. The refinancing was carried out via a loan from Commerzbank AG (global loan from the German Reconstruction Loan Corporation (Kreditanstalt für Wiederaufbau or "KfW")) in the amount of € 2,000 thousand with a term until September 30, 2014. The loan will be repaid in equal quarterly installments (including interest) in the amount of € 100 thousand.

In order to repay the loan granted by former shareholders in fiscal year 2007 as part of the company acquisition, Eckert & Ziegler EURO-PET Köln/Bonn GmbH took out a loan from Commerzbank AG (KfW global loan) in the amount of € 2,200 thousand in 2008. The loan had a term until December 30, 2013 and was repaid in quarterly installments of € 110 thousand plus interest starting from March 30, 2009. The Group's cyclotron was pledged to the bank as collateral for the loan.

The Group has credit lines totaling € 8,035 thousand. As of December 31, 2013 and 2012, the residual terms of the loan and lease liabilities consisted of the following:

€ thousand	2013	2012
Residual term up to 1 year	5,055	5,673
Residual term > 1 to 5 years	15,606	9,030
Residual term more than 5 years	1,966	743
Loan and lease liabilities as of December 31, total	22,627	15,446

34. DEFERRED INCOME FROM GRANTS AND OTHER DEFERRED INCOME

Deferred income from grants as of December 31 of each year consists of the following:

€ thousand	2013	2012
Deferred short-term grants	104	92
Deferred long-term grants	715	954
As of December 31	819	1,046

35. PROVISIONS FOR PENSIONS

Pension obligations were calculated in accordance with IAS 19 (revised) based on the projected unit credit method (PUC method) by taking into account the present value of the pension claims earned as of the balance sheet date together with probable future increases in pensions. The actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out as of December 31, 2013 by Longial AG and Allianz Lebensversicherung AG, respectively (as in the prior year).

The most important assumptions underlying the actuarial valuation are:

%	Dec 31, 2013	Dec 31, 2012
Discounting rate(s)	2.75 to 3.80	2.75 to 3.45
Expected income from plan assets	2.75	2.75
Expected percentual salary increases	2.50	3.00
Expected percentual pension increases	1.50	1.75
Expected percentual inflation rate	2.00	2.00

As of December 31 of the respective fiscal year, the following actuarial amounts resulted:

€ thousand	2013	2012
Cash values of the defined benefit plans	8,316	9,207
Plan assets at fair value	– 353	– 344
Pension provisions as of December 31	7,963	8,863

The amount disclosed on the balance sheet for the pension provisions changed as follows:

€ thousand	2013	2012
Pension provisions as of January 1	8,863	6,816
Expenditure for pension obligations	489	473
Actuarial gains (-) and losses (+)	– 1,178	1,786
Disbursements from plan assets	4	4
Income from plan assets	– 13	– 15
Pension payments	– 202	– 201
Pension provisions as of December 31	7,963	8,863
of which current	403	387
of which non-current	7,560	8,476

The following amounts were recognized in the income statement of the respective fiscal year:

€ thousand	2013	2012
Service period cost	191	158
Interest paid	298	315
Expected income from plan assets	– 10	– 9
Total recognized amounts	479	464

The following amounts were recognized in other consolidated earnings in fiscal year 2013:

€ thousand	2013	2012
Cumulative actuarial gains (–)/losses (+) on January 1	2,419	633
Addition/disposal	– 1,178	1,786
Cumulative actuarial gains (–)/losses (+) on December 31	1,241	2,419

Plan assets consist of reinsurance, which is exclusively financed from employer's contributions. The changes in the fair values of the plan assets in the current fiscal year are as follows:

€ thousand	2013	2012
Opening balance of plan assets recognized at fair value	344	333
Expected income from plan assets	10	9
Actuarial gains	3	6
Disbursement from plan assets	– 4	– 4
Closing balance of plan assets recognized at fair value	353	344

Pension payments in the amount of € 403 thousand are expected for fiscal year 2014. These payments were recognized for the first time under current provisions for pensions in the balance sheet as of December 31, 2013. Disclosures in the prior year's balance sheet were adjusted accordingly.

The present value of the defined benefit pension entitlements and the fair value of the plan assets developed as follows:

€ thousand	2013	2012	2011	2010	2009
Defined benefit obligation	8,316	9,207	7,149	6,238	6,029
Plan assets	353	344	333	325	322
Funded status	– 7,963	– 8,863	– 6,816	– 5,913	– 5,707

Furthermore, pension plans exist for two current Executive Board members, which have been designed as employee-financed defined contribution plans (deferred compensation payments). The amount of the deferred compensation payments for the pension plans amounted to € 111 thousand in fiscal year 2013 (2012: € 111 thousand). The pension commitments are financed through a congruent reinsured benevolent fund.

36. OTHER PROVISIONS

The following table provides an overview of the changes in other provisions during fiscal years 2013 and 2012.

€ thousand	2013	2012
Provisions for restoration obligations (non-current)	13,230	13,706
Other provisions (non-current)	10,761	6,921
Other provisions as of December 31	23,991	20,627
Provisions for restoration obligations (current)	0	0
Other provisions (current)	4,014	3,599
Other current provisions as of December 31	4,014	3,599

Provisions for restoration obligations include expected expenses for the restoration and disposal of production systems and leasehold improvements. They changed as follows in fiscal years 2013 and 2012:

€ thousand	2013	2012
Provisions as of January 1	13,706	12,638
Additions/disposals	– 796	621
Compounding	445	488
Currency translation	– 125	– 41
Provisions as of December 31	13,230	13,706

In accordance with IFRIC 1, the measurement of provisions for restoration obligations in fiscal year 2013 includes an adjustment to align discount rates with matching maturities to changes in the capital markets. These adjusted interest rates lie between 0.5 % and 2.3 %. Retaining the prior year's interest rates of 0.2 % to 2.5 % would have resulted in a provision that was € 800 thousand lower (2012: € 405 thousand lower). The cash payments for the restoration are expected in fiscal years 2015 to 2030.

For some sites, amounts are paid into a fund whose use is restricted to future restoration. These payments are shown under the item "Other non-current assets" and amount to € 64 thousand (2012: € 66 thousand).

Other non-current provisions as of December 31, 2013 are primarily provisions totaling € 7,961 thousand for the obligation to process the Group's own radioactive waste and radioactive waste accepted from third parties (2012: € 7,665 thousand).

37. OTHER NON-CURRENT LIABILITIES

The item other non-current liabilities primarily includes non-current liabilities from a minority shareholders from the acquisition of shares totaling € 1,620 thousand (2012: € 0 thousand) as well as non-current liabilities from license agreement concluded in fiscal year 2013 amounting to € 1,957 thousand (2012: € 0 thousand).

The item other non-current liabilities continues to include three interest swaps amounting to € 681 thousand (2012: € 1,026 thousand). These are derivatives accounted for in accordance with IAS 39.9 as financial liabilities measured at fair value through profit and loss. Further information on derivative financial instruments can be found in the explanations under note 39. The part of these interest swaps that are likely to be due in the short term, in the amount of € 134 thousand (2012: € 176 thousand), is disclosed under other current liabilities.

38. OTHER CURRENT LIABILITIES

At December 31 of each respective year, the item other current liabilities is composed of the following:

€ thousand	2013	2012
Liabilities from wages and salaries	3,558	4,474
Liabilities from social security obligations	462	284
Liabilities to tax authorities	1,164	1,098
Liabilities from other deferrals	5,135	5,466
Other liabilities	1,013	1,832
As of December 31	11,332	13,154

39. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS

This section gives an overview of the importance of financial instruments for Eckert & Ziegler AG and provides additional information on the balance sheet positions containing financial instruments.

Overview of financial assets and liabilities

The following table shows the book value of all categories of financial assets and liabilities:

€ thousand	2013	2012
Financial assets		
Cash and cash equivalents	29,414	30,842
Financial assets available for sale	22	22
Receivables and loans	23,562	26,558
Derivative financial instruments	4,309	1,500
As of December 31	57,307	58,922
Financial liabilities		
Financial liabilities at amortized cost	45,958	40,997
Derivative financial instruments	815	1,202
As of December 31	46,773	42,199

Securities are included under the item financial assets held for sale. The Group owns a money market fund as of December 31, 2013. This fund is traded on the stock exchange. The fund's net asset value is determined on a daily basis. The item derivative financial instruments includes the loan and option contract with Eckert Wagniskapital und Frühphasenfinanzierung GmbH as well as options on the acquisition of further shares in Octreopharm Sciences GmbH that are measured at fair value through profit and loss.

In financial liabilities, interest swaps measured at fair value through profit and loss are also included in the item derivative financial instruments. Market prices, at which the swaps can be redeemed at all times, are determined for these swaps.

Loans and receivables measured at amortized costs consist of the following:

LOANS AND RECEIVABLES		2013	2012
€ thousand			
Trade receivables	current	20,277	20,115
Trade receivables	non-current	2,853	1,886
Receivables due from related parties and companies	current	0	1,983
Receivables due from related parties and companies	non-current	368	1,855
Other receivables	non-current/current	64	719
As of December 31		23,562	26,558

Financial liabilities at amortized cost consist of the following:

FINANCIAL LIABILITIES AT AMORTIZED COST		2013	2012
€ thousand			
Loan liabilities	current	5,055	5,585
Loan liabilities	non-current	17,572	9,773
Financial lease liabilities	current	0	88
Trade payables	current	7,779	7,454
Liabilities to employees	current	4,364	4,831
Other liabilities	current	6,968	11,921
Other liabilities	non-current	4,220	1,345
As of December 31		45,958	40,997

The composition of loans and financial leasing liabilities is explained in note 35.

Fair values of financial assets and liabilities

The following table presents the fair values and the book values of the financial assets and liabilities that are measured at acquisition cost or amortized cost.

€ thousand	2013		2012	
	Fair value	Book value	Fair value	Book value
Financial assets measured at cost or amortized cost				
Cash and cash equivalents	29,414	29,414	30,842	30,842
Trade receivables and other receivables	23,562	23,562	26,558	26,558
As of December 31	52,976	52,976	57,400	57,400

Financial liabilities measured at cost or amortized cost				
Trade payables	7,779	7,779	7,454	7,454
Liabilities to banks and other financial debts	24,103	22,627	15,169	15,318
Liabilities from finance leases	0	0	88	88
Other non-derivative financial liabilities	15,552	15,552	18,137	18,137
As of December 31	47,434	45,958	40,848	40,997

The fair value of cash and cash equivalents, of current receivables, of trade payables as well as of other current liabilities corresponds approximately with the book value. The primary reason for this is the short maturity of such instruments.

The Group determines the fair value of liabilities towards banks and other financial debts, liabilities from financing leasing as well as other non-current financial liabilities by discounting the expected future cash flows with the interest rate applicable for similar financial debts with a comparable residual term.

The net gains or losses recognized according to IAS 39 categories consist primarily of disposal gains or losses, changes to fair value, value impairments as well as subsequent receipts for financial instruments that have been written off. The following table shows the net gains/losses by category.

€ thousand	2013	2012
Receivables	975	– 551
Measured at fair value through profit and loss	2,881	– 367

The category "measured at fair value through profit and loss" relates to interest rate swaps as well as interest swaps and options.

Financial assets and liabilities measured at fair value are classified into the following measurement hierarchy:

€ thousand	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Financial assets available for sale	22	0	0	22
Derivative financial instruments	0	0	4.304	4.304
As of December 31, 2013	22	0	4.304	4.326
Financial liabilities measured at fair value				
Derivative financial instruments	0	– 815	0	– 815
As of December 31, 2013	0	– 815	0	– 815

€ thousand	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Financial assets available for sale	22	0	0	22
Derivative financial instruments	0	0	1.500	1.500
As of December 31, 2012	22	0	1.500	1.522
Financial liabilities measured at fair value				
Derivative financial instruments	0	– 1.202	0	– 1.202
As of December 31, 2012	0	– 1.202	0	– 1.202

Level 1: The market values for these assets and liabilities are determined based on quoted, unadjusted prices on active markets.

Level 2: The market values for these assets and liabilities are determined based on parameters for which quoted prices, derived either directly or indirectly, are available on an active market.

Level 3: The market values for these assets and liabilities are determined based on parameters for which no observable market data is available.

Risk analysis

In the course of its operational activities, the Group is exposed to credit, liquidity and market risks in the financial sector. Market risks relate in particular to interest and foreign exchange risk.

Credit risk

Credit risk or risk of non-payment is the risk that a customer or contracting party of Eckert & Ziegler Group cannot meet its contractual obligations. The result of this is, first, the risk of value impairments on financial instruments due to issues of credit rating and, second, the risk of partial or complete loss of contractually agreed payments.

A potential credit risk for the Group arises primarily from its trade receivables. Risk is primarily influenced by the size of the customer as well as regional rules and practices for processing the reimbursement of medical services by public authorities.

Fundamentally, a rating is obtained for new customers and initial deliveries are made against advance payments as a matter of principle. Deliveries to customers who are regarded as permanently uncertain due to their size or location require advance payments or letters of credit as security. As part of Group-wide risk management, credit risk is monitored using regular analyses of all overdue trade receivables.

Risk exposure

The maximum bad debt risk corresponds to the book value of financial assets as of the balance sheet date in the amount of € 27,893 thousand (2012: € 28,080 thousand).

With the exception of trade receivables, the balance sheet does not contain any overdue or impaired financial assets. The Group assesses the risk of loss from these other financial assets as very low.

As of the reporting date, a geographic breakdown of the maximum credit exposure with respect to current trade receivables is as follows:

€ thousand	2013	2012
Europe	10,154	10,003
North America	3,956	5,212
Other	6,167	4,900
As of December 31	20,277	20,115

The aging of the overdue but unimpaired receivables as of December 31 is as follows:

€ thousand	2013	2012
1 to 90 days	9,491	7,403
Over 90 days	2,404	2,640
As of December 31	11,895	10,043

The overdue but unimpaired receivables relate primarily to receivables due from doctors' practices and foreign clinics. Based on past experience, incoming payments are expected in the above amount.

Customer specifics are used to determine the value impairment on trade receivables. As a rule, the payment behavior of the respective customer to date is evaluated individually before the value impairment of a receivable is made. The development of value impairments on trade receivables is shown below:

€ thousand	2013	2012
As of January 1	2,253	1,702
Net transfers	196	1,784
Recourse	– 1,171	– 1,235
Exchange rate effects	– 5	2
As of December 31	1,273	2,253

Liquidity risk

Liquidity risk is the risk that the Group is not able to meet its financial obligations on time. The aim and function of liquidity management is to ensure that adequate amounts of borrowed funds and equity capital are always available.

As part of the Group's financial planning, a liquidity forecast is prepared, from which it is possible to identify in advance the need for borrowed funds, among other things.

In principle, the Group generates its financial funding from its operating business. As of December 31, 2013, Eckert & Ziegler AG and its subsidiaries also have, if needed, credit lines amounting to €8,035 thousand (2012: €18,628 thousand). New debt financing is sometimes raised as per the framework conditions described above for extraordinary investments and acquisitions as well as for the repayment of maturing loans.

As of the reporting date of the consolidated financial statements, the consolidated balance sheet includes various current and non-current liabilities to banks. It is necessary for the future liquidity of the Group that this debt financing continues and that it can be refinanced at short notice.

In fiscal year 2010, one significant capital measure was concluded. A loan of €8.25 million was agreed for the partial refinancing of the IBt tender offer. Fundamentally, variable interest is paid on the loan based on three-month-EURIBOR; however, interest risk was entirely hedged with an interest rate swap that fully corresponds to the repayment structure. The loan will be repaid in full over the five-year term and requires quarterly installments. In addition, Eckert & Ziegler received offers from various banks regarding credit inquiries for several projects that were not realized in 2010. There were no material effects on the increase in the equity and debt financing of Eckert & Ziegler Group even during the financial and economic crisis. The Executive Board believes the reasons for this are the solid financing of the Group with its still relatively high equity ratio, the founder's large stake in the Group and the good prospects for the profitable operating units. To complete the picture, it must also be mentioned that the financial covenants were upheld and that no loans or credit lines were terminated by creditors in fiscal year 2013.

Based on its access to third-party financing and its forecast for liquidity needs, the Group has adequate financial funds at the present time to secure its existence and further development. The Group also believes it is able to meet all of its financial obligations, even if a slight increase in the debt ratio were necessary in the coming fiscal years in order to secure growth via further acquisitions and to finance the development of new products.

Risk exposure

The contractually agreed due dates for financial liabilities, including interest payments, are shown below:

		ANALYSIS OF THE CONTRACTUALLY AGREED DUE DATES			December 31, 2013
		Book value	Cash outflow		
€ thousand		Total	Up to 1 year	1 to 5 years	Over 5 years
Loan liabilities	fixed-interest	20,564	24,202	5,686	17,867
Loan liabilities	variable interest	2,063	2,124	1,707	417
Trade payables	non-interest bearing	7,779	7,779	7,747	32
Liabilities to employees	non-interest bearing	4,364	4,364	4,364	0
Other liabilities	non-interest bearing	11,188	11,188	9,568	1,071
Derivative financial liabilities		815	815	134	681
As of December 31		46,773	50,472	29,206	20,068
					1,198

		ANALYSIS OF THE CONTRACTUALLY AGREED DUE DATES			December 31, 2012
		Book value	Cash outflow		
€ thousand		Total	Up to 1 year	1 to 5 years	Over 5 years
Loan liabilities	fixed-interest	10,528	11,432	4,116	6,569
Loan liabilities	variable interest	4,830	4,950	1,921	3,029
Finance lease liabilities	fixed-interest	88	88	88	0
Trade payables	non-interest bearing	7,454	7,454	7,454	0
Liabilities to employees	non-interest bearing	4,831	4,831	4,831	0
Other liabilities	non-interest bearing	13,266	13,266	13,266	0
Derivative financial liabilities		1,202	1,451	318	937
As of December 31		42,199	43,472	31,994	10,535
					943

The cash outflows for liabilities with variable interest rates are based on an interest rate in 2013 of 2.5 % (2012: 1.2 %).

Foreign exchange risks

The Group's international business activity exposes it to foreign exchange risks resulting from the influence of exchange rate fluctuations on transactions as well as assets and liabilities denominated in a foreign currency (transaction risks).

The main foreign currency transactions in Eckert & Ziegler Group are related to the US dollar as a result of loan repayments and dividend payments of the American subsidiaries and the export business of the German subsidiaries. This effect is only partially offset by the operating activity of some subsidiaries that buy components and goods mainly in US dollars and then sell final products mainly in euros. .

When necessary, export transactions denominated in Polish złoty are hedged using foreign currency options and forward transactions. As of the reporting date, there were no open positions arising from foreign currency forwards and option transactions.

Risk exposure

As of the reporting date, the Group's exposure to transaction risk was as follows:

Foreign exchange exposure converted in € thousand	December 31, 2013				December 31, 2012			
	USD	GBP	PLN	CZK	USD	GBP	PLN	CZK
Currency	9,819	396	185	218	6,753	248	174	156
Trade receivables	5,276	747	747	50	6,602	195	525	149
Trade payables	- 912	- 217	- 66	- 1	- 1,007	- 39	- 263	- 19
Balance sheet exposure	14,183	926	866	267	12,348	404	436	286

Balance sheet exposure equates to net exposure, as no currency swaps existed at the respective reporting dates.

Sensitivity analysis

An increase in the euro by 10 % compared to the following currencies as of the reporting date – under otherwise constant assumptions – would have led to the following increases (decreases) in the overall results:

Effect in € thousand	31.12.2013				31.12.2012			
	USD	GBP	PLN	CZK	USD	GBP	PLN	CZK
Aggregate result	- 1,418	- 93	- 87	- 27	- 1,235	- 40	- 44	- 29

A reduction in the euro by 10 % compared with the currencies referenced above would have led to an equal but opposite effect on the listed currencies as of the reporting date.

The foreign exchange rates listed under note 4 were used as the basis for the sensitivity analysis.

Interest rate risk

The Group is primarily exposed to interest risk in medium- and long-term interest-bearing financial assets and liabilities due to fluctuations in market interest rates.

No hedging is undertaken if a change in interest rates does not result in a cash flow impact for an item.

In order to limit interest risk when procuring short-term funding, the Group arranged in October 2005 an interest swap with a maturity of 12 years. A reference amount of € 2,000 thousand was hedged at a fixed interest rate of 3.53 %. Eckert & Ziegler AG pays a fixed amount of € 17,650 each quarter until October 2017. In return, the bank pays variable amounts (based on three-month-EURIBOR) quarterly until the expiration of the contract.

In May 2010, the Group concluded a further interest rate swap to limit interest risk for a loan with variable interest rates. The swap has a term of four years; a reference amount of € 6,250 thousand was hedged, which is reduced by € 412 thousand at the end of each quarter. Eckert & Ziegler AG pays fixed interest of 1.55 % on a quarterly basis on the respective reference amount and receives in return variable amounts totaling the three-month EURIBOR interest rate on the respective reference amount.

A further interest swap to limit interest risk for loans with variable interest rates was concluded in February 2011. This swap has a term of 10 years; a reference amount of € 8,000 thousand was hedged, which is reduced at the end of each quarter by € 250 thousand beginning on December 31, 2013. Eckert & Ziegler AG pays fixed interest of 3.21 % on a quarterly basis on the respective reference amount and receives in return variable amounts totaling the three-month EURIBOR interest rate on the respective reference amount.

The fair value of these swap transactions as of December 31, 2013, is € – 815 thousand (2012: € – 1,202 thousand) and is disclosed in the balance sheet under other non-current liabilities. The loss from the change in market value was reported in the income statement under other financial results. The fair value was notified to the Group by the bank with which the swap transactions were concluded. Accordingly, to determine the actual cash value of the interest rate swaps, all payments to be made by the customer or by the bank are calculated from the measurement day until the end of the contract; then they are discounted based on the current yield curve, added together and then netted. The discounting of the variable interest payments (EURIBOR) was carried out based on the forward interest rates for the current yield curve with the corresponding maturity. The ensuing balances then represent a positive and a negative cash value for the counterparties from the existing contractual relationship.

Risk exposure

As of the reporting date, the Group has the following interest-bearing assets and liabilities:

€ thousand	2013	2012
Interest-bearing financial assets	2,098	3,670
thereof variable-interest	371	1,703
thereof fixed-interest	1,727	1,967
Interest-bearing financial liabilities	22,627	15,446
thereof variable-interest	2,063	4,830
thereof fixed-interest	20,564	10,616

The fixed-interest assets include a loan from a converted trade receivable of a joint venture.

Sensitivity of the cash flows for variable-interest financial instruments

An increase in the market interest rate of 100 basis points as of the reporting date would result – subject to otherwise unchanged assumptions – in an increase (decrease) in the net profit of the period as shown below:

Effect in € thousand	2013		2012	
	+ 100 base points	– 100 base points	+ 100 base points	– 100 base points
Interest results for variable-interest financial instruments	341	– 364	450	– 407

The variable interest loan to ELSA Eckert Life Science Accelerator GmbH as well as the corresponding option transactions have the following sensitivities:

Scenario	I	II	III	IV
Variable	Discounting factor		Price of the base value	
+/-	+ 100 bp	- 100 bp	+ 30%	- 30%
Scenario value in € thousand	4	2	493	266
Change compared with base	+ 615	+ 615	+ 1,235	- 5

Scenario	I	II	III	IV
Variable	Volatility		Price of the base value	
+/-	+ 50%	- 50%	+ 30%	- 30%
Scenario value in € thousand	1	0	493	266
Change compared with base	+ 617	- 523	+ 975	- 915

Capital management

Capital at risk is the basis for the Group's capital management. All receivables, equity investments and guarantees that Eckert & Ziegler AG has given to and/or for subsidiaries are used for this purpose. The EBIT of the segment is compared to the capital at risk. The quotient from both amounts provides the return on capital at risk. The Executive Board monitors the development of this return for the segments over time and uses the knowledge gained therefrom for backward-oriented valuations and forward-oriented targets.

Over the past four years, the "return on capital at risk" metric has developed as follows:

	2010	2011	2012	2013
Total Group	20%	28%	26%	17%
Isotope Products	61%	80%	80%	40%
Radiation Therapy	7%	8%	9%	3%
Radiopharma	10%	24%	14%	13%
Environmental Services	N.A.	N.A.	N.A.	N.A.

Eckert & Ziegler AG (parent company) is subject to the provisions of German Company and commercial law regarding minimum capitalization in accordance with Section 92 of the AktG. Accordingly, an Extraordinary General Meeting must be called if the sum of the parent company's equity under commercial law falls below 50 % of the subscribed capital. This did not occur in fiscal year 2013.

Notes to the consolidated cash flow statement

The financial holdings reported in the consolidated cash flow statement comprise the balance sheet item cash and cash equivalents, which are composed of cash in hand, checks, cash at banks and all highly liquid cash equivalents maturing within three months.

The consolidated cash flow statement depicts how cash balances in the Eckert & Ziegler Group have changed due to cash inflows and outflows during the course of the fiscal year. In accordance with IAS 7 (Cash Flow Statements), cash flows in the consolidated cash flow statement have been divided into cash flows from operating, investing and financing activities.

40. OPERATING ACTIVITIES

Cash inflows and outflows are determined indirectly, starting with the profit or loss for the period. The profit (or loss) after tax is adjusted for non-cash expenses and supplemented by changes in assets and liabilities.

41. INVESTING ACTIVITIES

Cash flows from investing activities are derived from actual transactions. These transactions include cash flows in connection with the acquisition, production and sale of intangible assets, property, facilities and equipment, and securities from current assets that are not part of liquid funds.

42. FINANCING ACTIVITIES

Cash flows from financing activities are determined based on actual transactions and include not only the borrowing and repayment of loans and other financial liabilities, but also cash flows between the Group and its shareholders, such as dividend payments.

Changes in the balance sheet items that are taken into account for the preparation of the consolidated cash flow statement are adjusted to exclude non-cash effects from currency translation and changes in the scope of consolidation. Furthermore, investing and financing transactions that have not impacted liquid funds are not included in the cash flow statement. Because on these adjustments described above, changes to the balance sheet items reported in the consolidated cash flow statement are not directly reconcilable to the corresponding amounts in the published consolidated balance sheet.

Other disclosures

43. ACQUISITIONS AND SALES OF COMPANIES

a) Acquisition of Chemotrade Chemiehandelsgesellschaft mbH in fiscal year 2013

On February 15, 2013, Eckert & Ziegler Isotope Products Holdings GmbH acquired all shares in Chemotrade Chemiehandelsgesellschaft, Düsseldorf. The purchase price for the company, paid in cash, stood at € 490 thousand, excluding a contingent purchase price liability of € 56 thousand, which was calculated on the basis of forecast revenues for the period from 2014 to 2018. Costs incurred in relation to the acquisition came to € 2 thousand and were recognized as expenses in general administrative costs.

The acquisition was included in the consolidated financial statements in accordance with the acquisition method. The purchase price was distributed to the acquired assets and assumed debt on the basis of the estimated fair values at the time of the acquisition. The purchase price distribution resulted in goodwill totaling € 339 thousand. This goodwill does not constitute a tax deductible. The distribution of the purchase price on the basis of estimated fair values of assets and debt was carried out as follows:

€ thousand	Book value at the time of purchase	Reclassification	Current value at the time of purchase
Intangible assets	0	137	137
Property, facilities, and equipment	2		2
Receivables	486		486
Cash in hand and at bank	11		11
Liabilities	– 388		– 388
Deferred taxes	0	– 41	– 41
Net assets	111	96	207
Purchase price	– 546		– 546
Goodwill			– 339

The acquisition of Chemotrade GmbH saw the assumption of cash and cash equivalents totaling € 11 thousand, meaning that net cash flow from the acquisition came to € – 535 thousand. Since the initial consolidation, revenues of € 1,028 thousand and a loss of € 60 thousand are included in the 2013 consolidated financial statements. If the company had been included in the consolidated financial statements from January 1, 2013, consolidated sales would have been € 147 thousand higher and the loss would have been € 67 thousand higher.

b) Acquisition of the Waste Disposal segment of Energy Solutions EU in fiscal year 2013

In May 2013, Eckert & Ziegler Environmental Services Ltd. acquired the Waste Disposal segment of British company Energy Solutions EU effective as of June 1, 2013. The purchase price for the acquired assets and liabilities amounted to GBP 2 and was paid in cash. Costs incurred in relation to the acquisition came to € 3 thousand and were recognized as expenses in general administrative costs.

The acquisition was included in the consolidated financial statements in accordance with the acquisition method. The purchase price was distributed to the acquired assets and assumed debt on the basis of the estimated fair values at the time of the acquisition. The purchase price distribution resulted in goodwill totaling € 27 thousand. This goodwill does not constitute a tax deductible. The distribution of the purchase price on the basis of estimated fair values of assets and debt was carried out as follows:

€ thousand	Book value at the time of purchase	Reclassification	Current value at the time of purchase
Deferred taxes	0	8	8
Liabilities	0	- 35	- 35
Net assets	0	- 27	- 27
Purchase price	0		0
Goodwill			- 27

Since the initial consolidation, revenues in the amount of € 1,609 thousand and a loss of € 146 thousand have been recognized in the 2013 consolidated financial statements. If the company had been included in the consolidated financial statements from January 1, 2013, consolidated sales would have been € 891 thousand higher and profit € 18 thousand higher. The goodwill was depreciated to the full amount of € 27 thousand as a result of the impairment test, as the recoverable value is zero.

c) Acquisition of BSM Diagnostica Gesellschaft m.b.H. in fiscal year 2013

Effective as of 1 July 2013, Eckert & Ziegler Radiopharma GmbH acquired all shares in BSM Diagnostika Gesellschaft m.b.H, Vienna, Austria, (including its two wholly owned subsidiaries Comtec Laborgeräte GmbH and MEDPRO Vertrieb medizinisch-diagnostische Produkte Gesellschaft m.b.H.). The purchase price for the company totaled USD 1,500 thousand and was paid in cash. Costs incurred in relation to the acquisition came to € 20 thousand and were recognized as expenses in general administrative costs.

The acquisition was included in the consolidated financial statements in accordance with the acquisition method. The purchase price was distributed to the acquired assets and assumed debt on the basis of the estimated fair values at the time of the acquisition. The purchase price distribution resulted in goodwill totaling € 257 thousand. This goodwill does not constitute a tax deductible. The distribution of the purchase price on the basis of estimated fair values of assets and debt was carried out as follows:

€ thousand	Book value at the time of purchase	Reclassification	Current value at the time of purchase
Intangible assets	9	995	1,004
Property, facilities, and equipment	131		131
Receivables	1,282		1,282
Cash in hand and at bank	304		304
Liabilities	- 1,229		- 1,229
Deferred taxes	0	- 249	- 249
Net assets	497	746	1,243
Purchase price	- 1,500		- 1,500
Goodwill			- 257

The acquisition of BSM saw the assumption of cash and cash equivalents totaling € 304 thousand, meaning that net cash flow from the acquisition came to € – 1,196 thousand. Since the initial consolidation, revenues in the amount of € 2,964 thousand and a profit of € 104 thousand were recognized in the 2013 consolidated financial statements. If the company had been included in the consolidated financial statements from January 1, 2013, consolidated sales would have been € 2,964 thousand higher and profit € 588 thousand higher.

d) Acquisition of the Brachytherapy segment of Biocompatibles Inc. in fiscal year 2013

On November 1, 2013, Eckert & Ziegler BEBIG Inc. acquired the Brachytherapy segment of US company Biocompatibles Inc. and subsequently transferred it to BEBIG S.A. The purchase price for the acquired assets, paid in cash, stood at USD 5.0 million (€ 3,657 thousand), excluding a contingent purchase price liability amounting to USD 2.0 million (€ 1,492 thousand).

The contingent purchase price liability was calculated on the basis of forecast revenues and taken into consideration as a liability in the purchase price distribution. Costs incurred in relation to the acquisition came to € 30 thousand and were recognized as expenses in general administrative costs.

The acquisition was included in the consolidated financial statements in accordance with the acquisition method. The purchase price was distributed to the acquired assets and assumed debt on the basis of the estimated fair values at the time of the acquisition. Distribution is temporary pursuant to IFRS 3.45. The purchase price distribution resulted in goodwill totaling € 1,812 thousand, which was deemed a tax deductible in accordance with US tax law. The distribution of the purchase price on the basis of estimated fair values of assets and debt was carried out temporarily as follows:

€ thousand	Book value at the time of purchase	Reclassification	Current value at the time of purchase
Intangible assets *	2,756		2,756
Property, facilities, and equipment	227		227
Receivables	58		58
Other assets	296		296
Liabilities	– 1,492		– 1,492
Net assets	1,845	0	1,845
Purchase price	– 3,657		– 3,657
Goodwill			– 1,812

* Intangible assets were initially recognized on the basis of the purchase price distribution in the purchase agreement.

The acquisition of the segment saw the assumption of no cash or cash equivalents, meaning that net cash flow from the acquisition came to € – 3,657 thousand. Since the initial consolidation, revenues of € 52 thousand and a loss of € 214 thousand are included in the 2013 consolidated financial statements. If the company had been included in the consolidated financial statements from January 1, 2013, consolidated sales would have been € 8,000 thousand higher and the earnings contribution would have come to € 0 thousand. These figures are based on the segment's figures for fiscal year 2012 and do not take into account the voluntarily stoppage of business activities between May and November 2013. If revenues and earnings generated within this period had been included in the consolidated financial statements, this would have contributed a major loss; however, precise figures were not provided by the seller.

e) Acquisition of Mick Radio-Nuclear Instruments Inc. in fiscal year 2013

On November 5, 2013, Eckert & Ziegler BEBIG Inc. acquired Mick Radio-Nuclear Instruments Inc., Mt. Vernon, NY, USA. The purchase price for the company totaled USD 3.0 million (€ 2,194 thousand) and was paid in cash. Costs incurred in relation to the acquisition came to € 20 thousand and were recognized as expenses in general administrative costs.

The acquisition was included in the consolidated financial statements in accordance with the acquisition method. The purchase price was distributed to the acquired assets and assumed debt on the basis of the estimated fair values at the time of the acquisition. Distribution is temporary pursuant to IFRS 3.45. The purchase price distribution resulted in goodwill totaling € 1,939 thousand, which was deemed a tax deductible in accordance with US tax law. The distribution of the purchase price on the basis of estimated fair values of assets and debt was carried out temporarily as follows:

€ thousand	Book value at the time of purchase	Reclassification	Current value at the time of purchase
Intangible assets	10		10
Property, facilities, and equipment	30		30
Receivables	583		583
Other assets	430		430
Cash in hand and at bank	447		447
Liabilities	– 1,245		– 1,245
Net assets	255	0	255
Purchase price	– 2,194		– 2,194
Goodwill			– 1,939

The acquisition of Mick Radio-Nuclear Instruments Inc. saw the assumption of cash and cash equivalents totaling € 447 thousand, meaning that net cash flow from the acquisition came to € – 1,747 thousand. Since the initial consolidation, revenues in the amount of € 421 thousand and a net loss of € 87 thousand were recognized in the 2013 consolidated financial statements. If the company had been included in the consolidated financial statements since January 1, 2013, consolidated sales would have been € 4,091 thousand higher and profit would have been € 182 thousand higher.

44. EMPLOYEE SHARE PURCHASE PROGRAM

On April 30, 1999, the Annual General Meeting authorized the Executive Board to establish a stock option plan for employees and management of the Group and its subsidiaries. The Annual General Meeting of May 20, 2003 made minor amendments to some details of the plan. The employee share purchase program adopted by the Executive Board with the consent of the Supervisory Board provided for the granting of options to purchase a maximum of 300,000 shares from the contingent capital, provided the Group does not redeem the option rights by the transfer of its own shares or by making a cash payment. A single option entitles the holder to receive one share. The exercise price for the initial tranche of options is equivalent to the share price fixed at the Group's stock flotation, while the exercise price for subsequent tranches is calculated from the average price of the Eckert & Ziegler share on the last five trading days prior to the adoption of the Executive Board resolution on the granting of options.

There were no outstanding stock options as of December 31, 2013. The employee share purchase program is completed, so no further stock options will be issued.

45. LEASING ARRANGEMENTS

Financial obligations as lessee

The Group has concluded lease contracts to be capitalized (finance leases) and contracts not to be capitalized (operating leases) for equipment, vehicles, and property and buildings. As of December 31 of the 2013 and 2012 fiscal years, rental and lease expenses for operating leases amounted to € 2,341 thousand and € 1,539 thousand, respectively.

The Group concluded a long-term lease contract (finance lease) in connection with an administration and production building erected by the company in Berlin on third-party property. This contract requires annual payments of € 167 thousand, of which € 89 thousand are offset against the production costs of the building that were borne by the Group. The contract will initially run until December 31, 2014. After this time expires, the Group has the right – including multiple times and for partial areas – to opt for an extension to the usage period until the production costs for the newly constructed building paid by the Group have been used up by calculable rents. Payments for the use of any of the floor space may not be increased before December 31, 2014. Payment to use any newly created floor space will then be renegotiated at this time.

As of December 31, 2013, the future minimum rent payments on non-cancellable operating leases (with initial or residual periods to maturity of more than one year) total the following amounts:

€ thousand	Rent and lease agreements
As of the end of the respective year (December 31)	
2014	2,474
2015	2,041
2016	1,712
2017	1,620
2018	1,481
Thereafter	7,004
Minimum rent or lease payments, total	16,332

In the prior year, finance leases exclusively concerned property, facilities, and equipment. The book value of the assets on December 31, 2013 was € 0 thousand (2012: € 61 thousand). During the period under review, € 42 thousand (2012: € 162 thousand) was recognized as expense from finance leases. There are no conditional rental payments in the period under review or in the future. Furthermore, the lease agreements contain no restrictions or obligations.

46. OTHER FINANCIAL OBLIGATIONS AND CONTINGENT LIABILITIES AND RECEIVABLES

Agreements were concluded with a general contractor and a main supplier in connection with the construction of a production plant in Warsaw and the modernization of a German production plant. This results in an order commitment of approximately € 1.2 million as of December 31, 2013 (2012: € 3.5 million). This commitment will be realized in the 2014 fiscal year.

In the case of a contractual relationship between a company of the Eckert & Ziegler Group and an external company, there are differing views over the distribution of costs for future expenses. As of the reporting date, the provisions only contain the value of the expenses expected to be borne by the Eckert & Ziegler Group. Any expenses beyond this amount are not deemed to be probable.

47. SEGMENTAL REPORT

The Group has applied "IFRS 8 Operating Segments" effective from January 1, 2009. According to IFRS 8, operating segments must be separately identified based on the Group's internal management reporting. These internal segments are those that are regularly reviewed by the Group's main decision-makers with regard to decisions about the distribution of resources to this segment and the assessment of its financial performance.

The Eckert & Ziegler Group has organized its activities into four operational reporting units. The individual segments offer different products and are also organizationally separated by the location. The applicable reporting principles of the individual segments are consistent with the reporting principles described in the summary of the fundamental accounting and valuation principles (note 3). The segment reporting is not consolidated. This corresponds to the information used by the Executive Board in its regular management reporting. Transactions between the segments are processed at market prices.

The Isotope Products segment manufactures and distributes standards and radiation sources for medical and industrial purposes. Standards are radioisotopes for calibration purposes. They are generally sold to scientific institutions. Industrial radiation sources are used in various measuring facilities for industrial systems and other measuring devices, such as safety equipment in airports. They are sold to the manufacturers or operators of systems. The medical radiation sources include radioactive sources for the calibration of gamma cameras. Since 2008, Eckert & Ziegler has also been supplying radiation sources used in oil exploration. The production sites for this segment are located in North America and Europe. Worldwide sales and distribution also takes place from these locations. Following the acquisition of Nuclitec, the largest competitor, at the start of 2009, Eckert & Ziegler has been the global market leader in many products and applications. In some cases, it is the only provider.

The Environmental Services segment concerns the removal, treatment, and conditioning of isotope-related waste materials. Its customer base includes in particular hospitals and other institutions where this kind of waste is generated. Furthermore, there is a project business offering services for the decontamination of systems and waste conditioning; in these cases, the waste materials remain the property of the customer.

The Radiation Therapy segment concentrates on product development, manufacturing, the market introduction and the sale of radioactive products for cancer therapy. A special focal point is prostate cancer treatment using radioactive iodine seeds. BEBIG GmbH's merger with a former competitor, the Belgian IBt S.A., made Eckert & Ziegler the European market leader for prostate products. Another fundamental component of the segment is low- and high-dose rate radiotherapy devices. Iridium radiation sources complete the product range, which is mainly directed towards radiotherapists. Production takes place solely in Europe, while products are sold throughout the world.

The products of the Radiopharma segment, with sites in Berlin, Holzhausen, Bonn, Braunschweig, Germany, and Washington, USA, include products such as radioactive diagnostics for positron emission tomography (PET) and synthesis modules for producing radiopharmaceuticals. The equipment is used for diagnostics and therapy in nuclear medicine and radiation therapy as well as in research. The Auriga business area was added with the acquisition of Nuclitec at the start of 2009. The most important products here include yttrium-90 as well as made-to-order production projects. While the sale of PET diagnostics is restricted to Central and Eastern Europe, synthesis modules and yttrium-90 are sold throughout the world. Made-to-order production takes place centrally in Brunswick and accepts orders from all parts of the world.

SEGMENTAL REPORT

	Isotope Products		Radiation Therapy		Radiopharma		Environmental Services		Others		Elimination		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Sales to external customers	53,714	56,064	27,838	31,779	28,273	25,957	7,296	6,183	17	14	0	0	117,138	119,997
Sales to other segments	3,600	3,279	91	26	163	89	1,289	2,413	3,785	3,484	-8,928	-9,291	0	0
Total segment sales	57,314	59,343	27,929	31,805	28,436	26,046	8,585	8,596	3,802	3,498	-8,928	-9,291	117,138	119,997
Results from shares measured at equity					-117								-117	0
Segment profit/loss before interest and income taxes (EBIT)	13,518	15,946	1,615	4,918	2,435	2,213	-2,694	-1,697	-2,108	-1,561	49	-91	12,815	19,728
Interest income	247	275	944	278	112	139	74	58	1,346	1,104	-1,409	-1,328	1,314	526
Interest expense	-442	-964	-347	-663	-1,155	-1,014	-117	-130	-419	-1,348	1,292	1,325	-1,188	-2,794
Income taxes	-3,656	-4,976	1,008	-1,020	-720	-527	906	199	22	629	0	0	-2,440	-5,695
Profit/loss before minority interests	9,667	10,281	3,220	3,513	672	811	-1,831	-1,570	-1,159	-1,176	-68	-94	10,501	11,765

SEGMENTAL REPORT

	Isotope Products		Radiation Therapy		Radiopharma		Environmental Services		Others		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Segmental assets	94,570	97,341	59,561	49,623	36,799	26,336	-*	-*	98,457	101,158	289,387	274,458
Elimination of intersegmental shares, equity investments and receivables											-110,477	-110,014
Consolidated total assets											178,910	164,444
Segmental liabilities	-47,088	-49,232	-24,471	-17,768	-36,239	-23,895	-*	-*	-8,678	-13,637	-116,476	-104,532
Elimination of intersegmental liabilities											28,194	27,058
Consolidated liabilities											-88,282	-77,474
Interest in associates					493						493	0
Investments (without acquisitions)	1,630	2,782	1,931	2,405	5,532	3,517	-*	-*	540	1,501	9,633	10,205
Depreciation	-2,520	-2,315	-3,273	-2,648	-1,878	-1,961	-342	-512	-1,238	-311	-9,251	-7,747
Other non-cash income (+)/expenses (-)	1,428	27	522	-282	2,601	701	-*	-*	176	991	4,727	1,437

* In internal reporting, the asset and liability items of the Environmental Services segment are still shown in the Isotope Products segment. For this reason, the numbers are shown in the same way in the segment reporting.

Intangible assets & property, facilities, and equipment according to regions

€ thousand	2013	2012
Germany	46,718	47,185
USA	25,108	22,930
Belgium	5,559	3,249
Others	8,807	3,614
Total	86,192	76,978

External sales according to geographical regions

	2013		2012	
	€ million	%	€ million	%
Europe	68.9	59	69.6	58
North America	32.8	28	33.1	27
Asia/Pacific	11.3	10	13.1	11
Others	4.1	3	4.2	4
Total	117.1	100	120.0	100

The classification by geographical regions is based on the headquarters of the recipient of the service. Revenues in North America relate almost exclusively to the USA.

48. RELATED PARTIES AND COMPANIES

In accordance with IAS 24, transactions must be disclosed if they involve parties or companies that control Eckert & Ziegler AG or are controlled by Eckert & Ziegler AG. Transactions between Eckert & Ziegler AG and related parties and companies are handled based on the same conditions as transactions with third parties.

a) Members of the management in key positions

Executive Board

Dr. Andreas Eckert (Chairman of the Executive Board, responsible in 2013 for Group strategy, finance, capital market communications, as well as for the Isotope Products and Environmental Services segments), Wandlitz, businessman

On other boards: Chairman of the Board of Directors of Eckert & Ziegler Isotope Products Inc. (IPL), Valencia, CA, USA; Chairman of the Board of Directors of Eckert & Ziegler BEBIG S.A., Seneffe, Belgium

Dr. Edgar Löffler (member of the Executive Board, responsible in 2013 for the Radiation Therapy segment), Grünheide/Mark, medical physicist

On other boards: member of the Board of Directors of Eckert & Ziegler Isotope Products Inc. (IPL), Valencia, CA, USA; Managing Director and member of the Board of Directors of Eckert & Ziegler BEBIG S.A., Seneffe, Belgium; member of the Board of Directors of the closed joint stock company ZAO "NanoBrachyTech", Moscow, Russia

Dr. André Heß (member of the Executive Board, responsible in 2013 for Human Resources and the Radiopharma segment), Berlin, graduate chemist and industrial engineer

On other boards: member of the Board of Directors of Eckert & Ziegler Isotope Products Inc. (IPL), Valencia, CA, USA; member of the Board of Directors of Eckert & Ziegler BEBIG S.A., Seneffe, Belgium

Supervisory Board

The members of the Group's Supervisory Board in fiscal year 2013 were:

Prof. Dr. Wolfgang Maennig (Chairman), Berlin, university professor

On other supervisory boards: member of the Supervisory Board of GRETA AG, Hasloh

Prof. Dr. Nikolaus Fuchs, Berlin (Vice-Chairman). Managing Partner in Lexington Consulting GmbH and entrepreneur

On other supervisory boards: member of the Supervisory Board of Berliner Volksbank eG

Hans-Jörg Hinke, Berlin, Managing Partner in CARISMA Wohnbauten GmbH, Berlin

On other supervisory boards: none

Dr. Gudrun Erzgräber, Birkenwerder, physicist

On other supervisory boards: none

Prof. Dr. Detlev Ganten, Berlin, Chairman of the Trustees of Charité Berlin, Chairman of the Trustees of the Max-Planck Institute für Kolloid- und Grenzflächenforschung (MPI-KG), Potsdam

On other supervisory boards: member of the Supervisory Board of Glyco Universe GmbH & Co KGaA, Berlin

Dr. Fritz Oesterle, Stuttgart, attorney

On other supervisory boards: member of the Supervisory Board of Landesbank Baden-Württemberg, Stuttgart; member of the Supervisory Board of Untertürkheimer Volksbank e.G., Stuttgart,

Chairman of the Supervisory Board of CEPD N.V., Amsterdam, the Netherlands

b) Other related companies and parties

- Eckert Wagniskapital und Frühphasenfinanzierung GmbH (EWK), which holds 31.65 % of the shares in Eckert & Ziegler AG and whose sole shareholder is Dr. Andreas Eckert, Executive Board Chairman of Eckert & Ziegler AG.
- Eckert Beteiligungen 2 GmbH (EB2), which is a wholly owned subsidiary of Eckert Wagniskapital und Frühphasenfinanzierung GmbH.
- Eckert Life Science Accelerator GmbH (ELSA), which is a wholly owned subsidiary of Eckert Wagniskapital und Frühphasenfinanzierung GmbH.

The following transactions were carried out with these related parties and companies in 2013 and 2012:

In September 2012, Eckert & Ziegler AG concluded a loan and share option agreement with Eckert Wagniskapital und Frühphasenfinanzierung GmbH. This resulted in interest income of € 11 thousand for Eckert & Ziegler AG in fiscal year 2013 (2012: € 2 thousand). The value of this agreement as of December 31, 2013 stood at € 2,052 thousand (2012: € 1,500 thousand). Eckert Wagniskapital und Frühphasenfinanzierung GmbH transferred this agreement to its subsidiary Eckert Life Science Accelerator GmbH effective as of January 1, 2013.

In October 2013, Eckert & Ziegler AG concluded a further loan agreement with Eckert Wagniskapital of a maximum of € 400 thousand, of which € 368 thousand has so far been paid out to EWK. The loan has a term until December 31, 2017 and an interest rate of 3.25 %. In fiscal year 2013, this resulted in interest income of € 2 thousand for Eckert & Ziegler AG.

Eckert & Ziegler AG has concluded a general contractor agreement with Eckert Beteiligungen 2 GmbH to construct a new production and administration building in Berlin-Buch. Eckert & Ziegler AG was the general contractor for this purpose and received remuneration of € 264 thousand in the fiscal year for this activity (2012: € 6,696 thousand). Following the completion of the building, Eckert & Ziegler AG, Eckert & Ziegler BEBIG GmbH, Eckert & Ziegler Radiopharma GmbH, and Eckert & Ziegler EUROTOPE GmbH rented parts of it in October 2012. In fiscal year 2013, rent and auxiliary rental costs of € 864 thousand (2012: € 166 thousand) were incurred.

c) Joint ventures in which the Group is an investee

In June 2009, Eckert & Ziegler BEBIG S.A. contributed intangible assets to the joint venture ZAO "NanoBrachyTech" and received in return a 15 % interest in the joint venture company. Eckert & Ziegler BEBIG supplies low-level radioactive implants to OOO BEBIG, which is a wholly owned subsidiary of the joint venture. The revenues with OOO BEBIG amounted to € 1,312 thousand in fiscal year 2013 (2012: € 2,098 thousand). As of December 31, 2013, the receivables due from OOO BEBIG amounted to € 1,945 thousand (2012: € 2,394 thousand).

In fiscal year 2009, Eckert & Ziegler BEBIG S.A. further concluded several contracts with the joint venture regarding the sale of product expertise (€ 2,749 thousand), exclusive distribution rights (€ 2,500 thousand), and, with the involvement of an external leasing company, a contract to manufacture a multi-part production system. This resulted in revenues from the fulfillment of the contractual obligations in the amount of € 2,549 thousand in fiscal year 2011. Prepayments received in the amount of € 2,749 thousand were attributable to the joint venture in 2011, while further transactions in connection with these contracts took place in fiscal year 2013. The resulting receivables to the leasing company of € 100 thousand were settled in 2013.

As of December 31 of the 2013 and 2012 fiscal years, the balance of trade receivables, loan receivables, trade payables and loan liabilities in connection with parties and companies related to the Eckert & Ziegler Group are as follows:

€ thousand	2013	2012
Trade receivables due from related parties and companies	4,365	5,677
Trade payables owed to joint venture companies	0	200

49. DISCLOSURES ON THE REMUNERATION OF BOARD MEMBERS

The Group's remuneration system for the compensation of board members is explained in the Remuneration Report.

Executive Board remuneration

In fiscal year 2013, the members of the Executive Board received total remuneration of € 1,180 thousand (2012: € 1,450 thousand). This represents a decrease of 19 % compared to the prior year. Of this total remuneration, € 730 thousand (2012: € 720 thousand) was attributed to fixed salary components and € 450 thousand (2012: € 730 thousand) to variable salary components.

The following remuneration (individualized disclosures) was paid to the individual members of the Executive Board:

Name	Fixed components		Variable components Profit sharing/ bonus	Total
	Fixed salary	Benefits in kind		
€ thousand				
Dr. Andreas Eckert	300 (2012: 300)	29 (2012: 26)	212 (2012: 329)	541 (2012: 655)
Dr. Edgar Löffler	186 (2012: 186)	37 (2012: 30)	96 (2012: 251)	319 (2012: 467)
Dr. André Heß	150 (2012: 140)	28 (2012: 28)	142 (2012: 150)	320 (2012: 328)

These amounts include all remuneration from companies of the Eckert & Ziegler Group.

A provision was established for a pension obligation to a former member of the Executive Board totaling € 379 thousand (2012: € 410 thousand, each calculation based on IFRS). In fiscal year 2013, pension payments were made to this former Executive Board member in the amount of € 32 thousand (2012: € 32 thousand).

Supervisory Board remuneration

In fiscal year 2013, members of the Supervisory Board received fixed remuneration totaling € 75 thousand (2012: € 60 thousand) and attendance fees in the amount of € 31 thousand (2012: € 25 thousand). This equates to total expenses of € 106 thousand (2012: € 85 thousand).

The individual members of the Supervisory Board received the following remuneration:

Name	Remunerated function	Fixed remuneration		Attendance fees	Total
€ thousand					
Prof. Dr. Wolfgang Maennig	Chairman of the Supervisory Board	20 (2012: 16)		5 (2012: 4)	25 (2012: 20)
Prof. Dr. Nikolaus Fuchs	Deputy Chairman of the Supervisory Board	15 (2012: 12)		6 (2012: 4)	21 (2012: 16)
Hans-Jörg Hinke	Member of the Supervisory Board	10 (2012: 8)		6 (2012: 4)	16 (2012: 12)
Dr. Gudrun Erzgräber	Member of the Supervisory Board	10 (2012: 8)		6 (2012: 4)	16 (2012: 12)
Prof. Dr. Detlev Ganten	Member of the Supervisory Board	10 (2012: 8)		4 (2012: 4)	14 (2012: 12)
Dr. Fritz Oesterle	Member of the Supervisory Board	10 (2012: 8)		4 (2012: 4)	14 (2012: 12)

No remuneration or benefits were paid to Supervisory Board members for services, in particular consulting and brokerage services, rendered outside of their activities on the Supervisory Board in the period under review.

50. EVENTS AFTER THE REPORTING DATE

At the start of the 2014 fiscal year, US company Eckert & Ziegler Isotope Products Inc. concluded an agreement to invest in a joint venture. The aim of the transaction is to secure a long-term supply of raw materials from the domestic market. Within the scope of this agreement, obligatory payments for the provision of raw materials will be incurred in subsequent years.

In February 2014, the management of Eckert & Ziegler BEBIG Inc. resolved a restructuring program. In connection to this program, part of the workforce was made redundant and further cost-cutting measures were implemented.

Disclosures as per section 315a HGB

51. OTHER INCOME/EXPENSES

The other income/expenses include income relating to other periods from the sale of capital assets amounting to € 13 thousand (2012: € 25 thousand) and expenses relating to other periods from losses due to the sale of capital assets in the amount of € 52 thousand (2012: € 37 thousand).

52. AUDIT FEES

Audit fees include the fee for the year-end financial audit of the 2013 annual and consolidated financial statements in the amount of € 287 thousand (2012: € 185 thousand). The auditor also received remuneration of € 20 thousand (2012: € 55 thousand) for other services, € 3 thousand (2012: € 2 thousand) for other affirmation services, and € 5 thousand (2012: € 3 thousand) for tax consultancy services.

53. DECLARATION PURSUANT TO SECTION 161 AKTG REGARDING COMPLIANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE (COMPLIANCE STATEMENT)

The Executive and Supervisory Boards submitted the Declaration of Compliance with the recommendations of the German Corporate Governance Code, as required of Eckert & Ziegler as a listed company in accordance with Section 161 of the German Stock Corporation Act (AktG). This compliance statement was made permanently available to shareholders via the company's website.

Berlin, March 25, 2014

Eckert & Ziegler Strahlen- und Medizintechnik AG
The Executive Board

Andreas Eckert

technik AG

✓ ✓

Statement of changes in fixed assets

STATEMENT OF CHANGES IN FIXED ASSETS AS OF DECEMBER 31, 2013

€ thousand	Cost						As of Dec. 31, 2013
	As of Jan. 1, 2013	Additions from company acquisitions	Other additions	Disposals	Reclassifi- cations	Currency translation	
NON-CURRENT ASSETS							
I. Intangible assets							
1. Goodwill	36,640	4,374	0	0	0	- 643	40,371
2. Acquired intangible assets	24,046	3,907	2,284	1,203	1,003	- 411	29,626
3. Internally generated intangible assets	7,615	0	1,974	957	- 304	- 10	8,318
4. Prepayments made	1,479	0	0	780	- 699	0	0
	69,780	8,281	4,258	2,940	0	- 1,064	78,315
II. Property, plant and equipment							
1. Buildings on third-party land	15,466	0	91	99	652	- 286	15,824
2. Technical plant and machinery	40,397	220	1,240	1,749	1,764	- 419	41,453
3. Other plants and equipment fixtures and fittings	10,541	140	838	796	137	- 64	10,796
4. Assets under construction	6,180	30	5,541	0	- 2,553	- 59	9,139
	72,584	390	7,710	2,644	0	- 828	77,212
	142,364	8,671	11,968	5,584	0	- 1,892	155,527

As of Jan. 1, 2013	Depreciation and amortization					Net carrying amount		
	Additions	Impair- ments	Disposals	Reclassifi- cations	Currency translation	As of Dec. 31, 2013	As of Jan. 1, 2013	As of Dec. 31, 2013
5,518	0	27	0	0	−80	5,465	31,122	34,906
14,073	2,608	556	1,187	446	−246	16,250	9,973	13,376
4,370	56	937	937	−446	−30	3,950	3,245	4,368
0	0	737	737	0	0	0	1,479	0
23,961	2,664	2,257	2,861	0	−356	25,665	45,819	52,650
5,984	785	0	82	0	−114	6,573	9,482	9,251
27,727	2,436	0	792	0	−272	29,099	12,670	12,354
7,715	1,109	0	775	0	−51	7,998	2,826	2,798
0	0	0	0	0	0	0	6,180	9,139
41,426	4,330	0	1,649	0	−437	43,670	31,158	33,542
65,387	6,994	2,257	4,510	0	−793	69,335	76,977	86,192

STATEMENT OF CHANGES IN FIXED ASSETS AS OF DECEMBER 31, 2012

€ thousand	Cost						As of Dec. 31, 2012
	As of Jan. 1, 2012	Additions from company acquisitions	Other additions	Disposals	Reclassification	Currency translation	
NON-CURRENT ASSETS							
I. Intangible assets							
1. Goodwill	36,792	87	0	0	0	-239	36,640
2. Acquired intangible assets	23,233	450	571	33	15	-190	24,046
3. Internally generated intangible assets	6,066	0	1,553	0	0	-4	7,615
4. Prepayments made	415	0	1,095	16	-15	0	1,479
	66,507	537	3,219	49	0	-433	69,781
II. Property, plant and equipment							
1. Buildings on third-party land	13,457	7	1,679	94	554	-137	15,466
2. Technical plant and machinery	39,889	747	1,631	1,713	67	-223	40,397
3. Other plant and equipment fixtures and fittings	10,129	3	938	359	-144	-26	10,541
4. Assets under construction	3,917	0	2,738	0	-477	2	6,180
	67,392	757	6,986	2,166	0	-384	72,584
	133,899	1,294	10,205	2,215	0	-817	142,365

As of Jan. 1, 2012	Depreciation and amortization					As of Dec. 31, 2012	Net carrying amount	
	Additions	Impair- ments	Disposals	Reclassifi- cations	Currency translation		As of Jan. 1, 2012	As of Dec. 31, 2012
5,540	0	0	0	0	-22	5,518	31,252	31,122
12,321	2,243	0	33	-342	-116	14,073	10,912	9,973
3,632	402	0	0	342	-6	4,370	2,434	3,245
0	0	0	0	0	0	0	415	1,479
21,493	2,645	0	33	0	-144	23,961	45,014	45,819
5,305	769	0	57	14	-47	5,984	8,152	9,482
26,252	2,949	0	1,626	219	-67	27,727	13,637	12,670
6,947	1,384	0	360	-233	-23	7,715	3,182	2,826
0	0	0	0	0	0	0	3,917	6,180
38,504	5,102	0	2,043	0	-137	41,426	28,889	31,158
59,997	7,747	0	2,076	0	-281	65,387	73,902	76,978

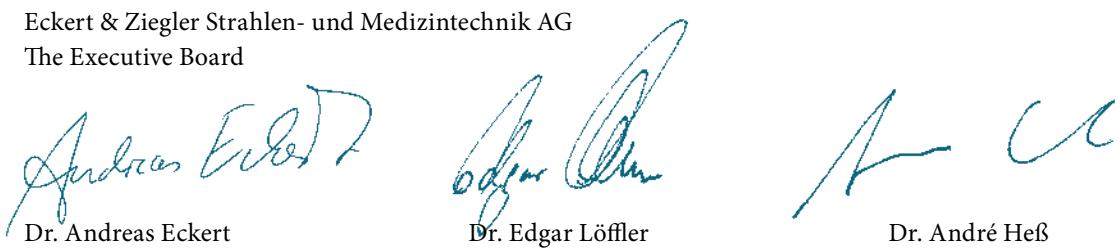
Balance sheet oath

**Assurance from the Executive Board pursuant to Section 315 (1)
in conjunction with Section 297 (2) sentence 4 of the German Commercial Code (HGB)**

We assure to the best of our knowledge that in accordance with the applicable financial reporting principles, the consolidated financial statements provide a true and fair view of the net assets, financial position, and results of operations of the Group, and that the Group management report includes a fair review of the development and performance of the business, the business results, and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Berlin, March 25, 2014

Eckert & Ziegler Strahlen- und Medizintechnik AG
The Executive Board



The image shows three handwritten signatures in blue ink. The first signature on the left is 'Andreas Eckert'. The middle signature is 'Edgar Löffler'. The third signature on the right is 'André Heß'.

Dr. Andreas Eckert

Dr. Edgar Löffler

Dr. André Heß

Independent auditor's report

We have audited the consolidated financial statements prepared by Eckert & Ziegler Strahlen- und Medizintechnik AG, Berlin – consisting of the consolidated balance sheet, the consolidated statement of profit or loss and other comprehensive income, the consolidated notes, the consolidated cash flow statement, and the consolidated statement of changes in equity – and the Group management report, for the fiscal year from January 1 to December 31, 2013. The preparation of the consolidated financial statements and the Group management report in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315a (1) of the German Commercial Code (HGB) are the responsibility of the parent company's Executive Board. Our responsibility is to express an opinion on the consolidated financial statements and the Group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with Section 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the German Institute of Public Auditors (Institut der Wirtschaftsprüfer). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position, and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the Group management report are detected with reasonable assurance. Knowledge of the business activities, the economic and legal environment of the Group, and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a random spot test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in the consolidation, the accounting and consolidation principles used, and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and the Group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements of Eckert & Ziegler Strahlen- und Medizintechnik AG, Berlin as at December 31, 2013 comply with IFRS, as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315a (1) HGB, and give a true and fair view of the net assets, financial position, and results of operations of the Group in accordance with these requirements. The Group management report is consistent with the consolidated financial statements and as a whole provides an accurate view of the Group's position and correctly presents the opportunities and risks of future development.

Berlin, March 25, 2014

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

Scharpenberg	Rietz
Wirtschaftsprüfer	Wirtschaftsprüfer
(German public auditor)	(German public auditor)

Individual financial statements of the Eckert & Ziegler AG

INCOME STATEMENT FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2013

€ thousand

	2012	2013
1. Revenues	3,499	3,891
2. Other operating income	6,800	2,065
	10,299	5,956
3. Staff costs		
a) Wages and salaries	– 2,462	– 2,283
b) Social security contributions and expenditure on pensions and old-age support of which for pensions: € 11 thousand (previous year: € 0 thousand)	– 211	– 282
	– 2,673	– 2,565
4. Depreciations on intangible assets of the fixed assets and property, facilities and equipment	– 332	– 1,238
5. Other operating expenses	– 9,208	– 3,143
6. Income from profit-transfer agreements	8,563	6,570
7. Income from other securities and from loans included under long-term investments of which from affiliates: € 568 thousand ((previous year: € 606 thousand))	606	570
8. Other interest receivable and similar income	497	601
9. Interest payable and similar expenses	– 991	– 423
10. Net income / loss (–) from ordinary activities	6,761	6,328
11. Taxes from income and revenue	– 323	68
12. Other taxes	– 46	25
13. Shortfall for the year (previous year: profit for the year)	6,392	6,421
14. Balance sheet profit	6,392	6,421

BALANCE SHEET AS OF DECEMBER 31, 2013

€ thousand	Dec 31, 2012	Dec 31, 2013
Assets		
A. Fixed assets		
I. Intangible assets		
1. Purchased industrial property rights and similar rights and values as well as licenses to such rights and values	1,537	2,037
2. Advance payments made	1,478	0
	3,015	2,037
II. Property, facilities and equipment		
1. Real properties, rights equivalent to real property and buildings	589	31
2. Other facilities and equipment, fixtures and fittings	264	371
	853	402
III. Financial investments		
1. Shares in affiliates	64,269	64,706
2. Loans to affiliates	8,658	7,977
3. Other loans	0	368
	72,927	73,051
	76,795	75,490
B. Current assets		
I. Receivables and other assets		
1. Receivables due from affiliates	8,782	10,262
2. Other assets	3,580	1,793
	12,362	12,055
II. Securities		
1. Other securities	19	19
	19	19
III. Cash at banks		
	1,090	1,043
	13,471	13,117
C. Prepaid and deferred expenses		
	4	17
	90,270	88,624
Liabilities and Shareholders' Equity		
A. Holders' equity		
I. Subscribed capital	5,288	5,288
Nominal amount of the contingent capital: € 1.875 thousand (previous year: € 1.875 thousand) minus nominal amount of own shares: € 5 thousand (previous year: € 5 thousand)		
	51,395	51,395
II. Capital reserves		
III. Retained earnings		
1. Other retained earnings: € 22 thousand (previous year: € 22 thousand)	13,781	17,000
IV. Balance sheet profit	6,392	6,421
	76,856	80,104
B. Special reserves for contributions to fixed assets		
	223	205
C. Provisions		
1. Provisions for pensions and similar obligations	382	379
2. Other provisions	2,159	1,915
	2,541	2,294
D. Liabilities		
1. Liabilities towards banks	8,820	4,541
2. Trade liabilities	460	184
3. Liabilities towards affiliates	1,300	1,242
4. Other liabilities	70	54
(of which for taxes: € 54 thousand; previous year: € 67 thousand)		
(of which for social security: € 0 thousand; previous year: € 3 thousand)		
	10,650	6,021
	90,270	88,624

Glossary

Afterloading therapy Short-term radiation in cancer treatment in which a mostly wire-bonded radioactive source is propelled electrically for a brief period into the target tumor area by means of a tube-like catheter or by cannulas. Several sessions are usually necessary

Brachytherapy Contact treatment mainly in the form of irradiation with a minimal distance between the source of radiation and the tissue which is to be irradiated

Calibrated-reference emitters Radioactive sources used as a reference standard for measuring instruments

Calibration Referencing of measuring instruments to specified standards

Cobalt sources (Co-60) Radioactive source with the radioactive nuclide Co-60 which is well suited for radiating the surface of tumors. The MultiSource® cancer radiation system uses cobalt-60 sources

Conditioning here: Processing of low and intermediate level radioactive waste; includes comprehensive measuring and categorization of waste materials, high-pressure compression of waste containers to reduce volume and the packaging of compressed waste in special containers so that it is suitable for final disposal

Contrast medium Medicinal product which improves the representation of structures and functions of the body in imaging processes

Cyclotron Circular particle accelerator for production of radioactive isotopes

Eye applicators Anatomically formed radiation source for radiotherapy for eye tumors

Emitter Here: device that transmits radioactive rays. Sometimes also referred to as "source"

Fludeoxyglucose (FDG) also: Fluorodeoxyglucose glucose metabolism mark; radioactive marked glucose

Gallium generator Device for generating gallium-68 which is obtained from germanium-68. Gallium-68 is used to mark carrier molecules which aim at specific targetstructures in the organism and combined with gallium-68 enable the diagnosis of various cancers

IFRS Abbreviation for International Financial Reporting Standards. International accounting standards according to which these consolidated financial statements were prepared

Implants Natural or synthetic elements implanted in the body (here they are synonymous with seeds)

Implantation Placement or insertion of foreign materials into an organism

Isotope Chemical element having the same atomic number but different atomic weight. Isotopes can be stable or can disintegrate when subject to ionizing radiation (radioactive isotopes)

Iodine-125 Radioisotope of iodine. Low-energy photon radiation is used therapeutically

Modular Lab Synthesis device for the production of radioactive diagnostics

NASM North American Scientific, Inc. (Nasdaq: NASM). Former competitor whose industrial sources business was acquired by Eckert & Ziegler in 2008

Neuroendocrine tumors (NET) Benign or malignant tumors that develop from hormone-producing (endocrine) cells

Nuclear Imaging Imaging and image processing for nuclear medical purposes

Nuclear medicine Medical area concerned with the diagnostic and therapeutic use of open, usually ephemeral radionuclides

Oncology Specialist medical area which deals with the origin and treatment of malignant tumors

Ophthalmology Science of the eye and eye diseases

Palliative Palliative care is an area of healthcare that focuses on relieving and preventing the suffering of patients. Often these measures are for incurable diseases, to slow the course or reduce their side effects

Peptide receptor radionuclide therapy In peptide receptor radionuclide therapy, the tumor cells are irradiated “from inside out,” which destroys the tumor cells. In the process, small peptides are attached to a radioactive molecule, a radionuclide. The radiolabeled peptides accumulate on the surface of the tumor, while healthy tissue is protected.

Permanent implants Implants intended to remain in the organism/body permanently

PET tracers Radioactively marked substances introduced into living organisms in the framework of PET examinations, main fields of application are the cancer diagnostics, however also neurological or inflammatory diseases, metabolism processes as well as the pharmacological research

Planning software Special software to support the planning of brachytherapy treatment

Positron Elementary particle with the mass of an electron, but with positive charge

Positron emission tomography (PET) Imaging process of nuclear medicine that produces sectional images of living organisms, in which it makes the distribution of low level radioactive marked substances (radiopharmacon, PET-Tracer) visible by using photons created by positron decay

Prostate Prostate gland. Chestnut-size organ situated around the neck of the male urethra

Radioactivity Property of unstable nuclides emitting spontaneously or through disintegration of the atomic nuclei alpha and beta rays or electromagnetic waves (gamma rays)

Radioactive embolizers Small balls laden with radioactive substances used for the therapy of liver tumors. The little balls remain stuck in the finest blood vessels which supply the tumor and with the help of the radioactive substance the cancer cells are irradiated and destroyed locally

Radiodiagnosis Radioactive substances which are used to diagnose illnesses. See also Radiopharmaceuticals

Radioisotope See Radionuclide

Radiolabeling Marking of biological entities (e.g. sugar molecules, protein moduels on tumor cells) with radioactive nuclides for therapy (radiation) and diagnostics (imaging)

Radiolabeled peptides Peptides are small, protein-like structures. The peptides in radiolabeled peptides act as carriers for radioactive particles (e.g. yttrium-90)

Radionuclide Radioactive isotope

Radiopharmaceuticals Substances and medications which, based on radioactive nuclides, are effective and are used in diagnosis and therapy in nuclear medicine

Raw isotope Radioactive starting substance for producing radiation sources

Seed Small metal pins containing radioisotopes for interstitial radiation therapy

Synthesis modules Here: components of the modular equipment system of the product Modular-Lab for automated synthesis of radiopharmaceuticals and radioactive chemicals

Yttrium-90 radioactive isotope used with the internal radiotherapy among others for treating chronic-inflamed joint diseases (radiosynoviorthesis) or for cancer treatment. For the transport to the tumor the yttrium-90 is either coupled to active chemical ingredients or laden on little balls (see radio embolizers)

Financial Calendar

May 6, 2014	Quarterly Report I / 2014
May 6/7, 2014	Small Cap Forum / Spring Conference 2014 in Frankfurt
May 22, 2014	Annual General Meeting in Berlin
August 5, 2014	Quarterly Report II / 2014
November 6, 2014	Quarterly Report III / 2014
November 2014	German Equity Forum in Frankfurt

Imprint

PUBLISHER

Eckert & Ziegler
Strahlen- und Medizintechnik AG

DESIGN

DianaDesign, Berlin, Germany
www.dianadesign.de

PHOTOS

Hermann Bredehorst, Berlin, Germany
Nils Hendrik Müller, Brunswick, Germany
Eckert & Ziegler Archiv

PRINTED BY

Druckerei Arnold, Großbeeren, Germany

Contact

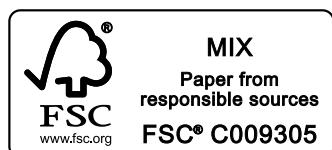
Eckert & Ziegler Strahlen- und Medizintechnik AG

Robert-Rössle-Straße 10
13125 Berlin, Germany
www.ezag.com

Karolin Riehle
Investor Relations

Phone + 49 30 94 10 84 - 0
Fax + 49 30 94 10 84 - 112
info@ezag.de

ISIN DE0005659700
WKN 565970



ClimatePartner[®]
climate neutral

Print | ID: 11102-1404-1001

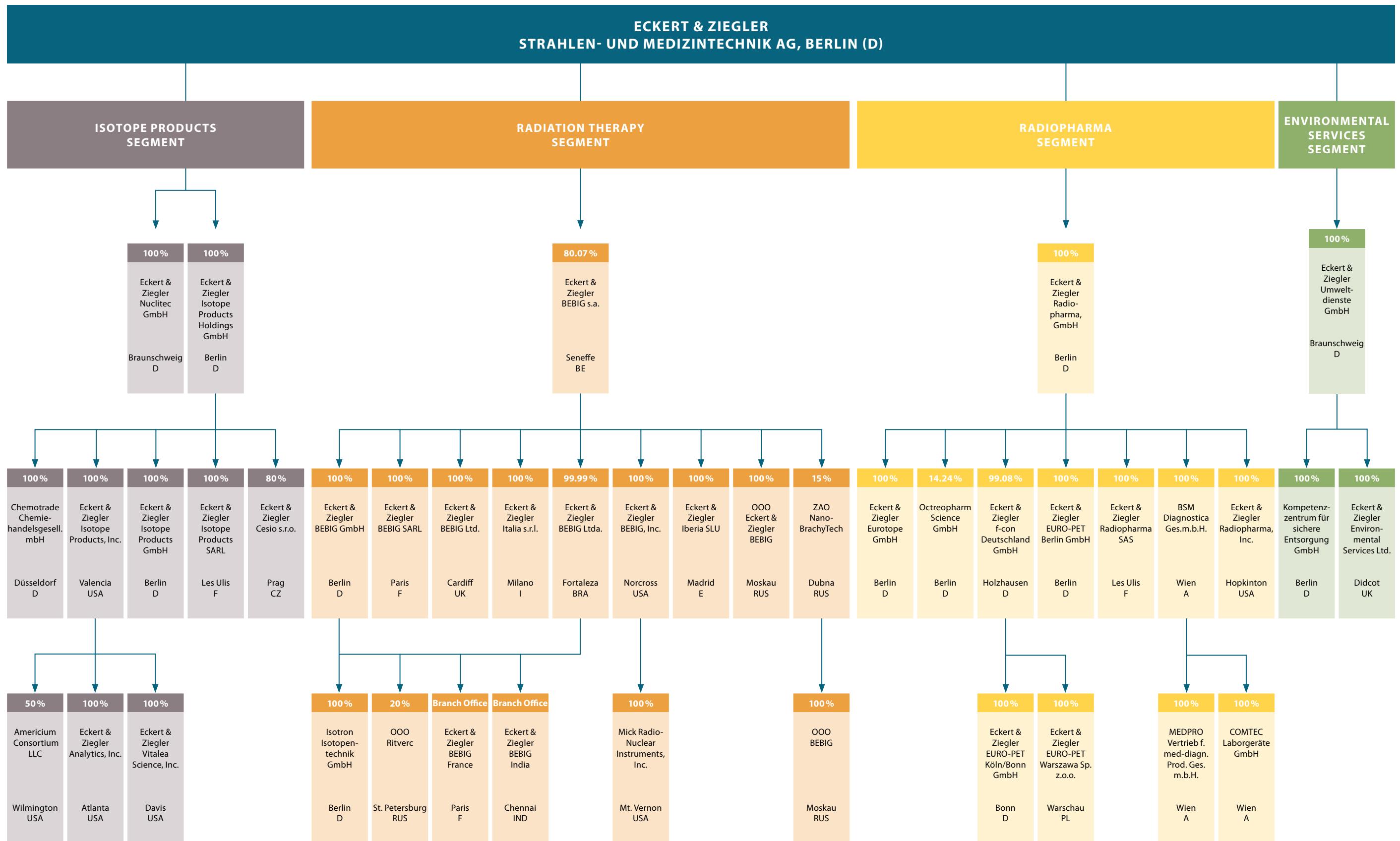
KEY DATA ECKERT & ZIEGLER

		Change	2010	2011	2012	2013
Sales and Earnings						
Sales	€ thousand	- 2%	111,093	116,197	119,997	117,138
EBITDA	€ thousand	- 20%	26,413	30,412	27,475	22,066
Depreciations	€ thousand	+ 19%	9,842	7,511	- 7,747	9,251
EBIT	€ thousand	- 35%	16,571	22,901	19,728	12,815
EBIT margin	%	- 33%	15 %	20 %	16 %	11 %
Tax rate	%	- 42%	27 %	44 %	33 %	19 %
Net profit for the year after taxes and minorities	€ thousand	- 12%	9,413	10,418	10,293	9,089
Earnings per share w/o one-off effects	€	- 12%	1.81	1.98	1.95	1.72
Cash Flow						
Cash flow from operating activities	€ thousand	- 12%	15,025	20,159	16,574	14,649
Liquid assets as of 31 December	€ thousand	- 5%	29,216	32,304	30,842	29,414
Balance						
Shareholders' equity	€ thousand	+ 4%	73,605	80,896	86,970	90,628
Total assets	€ thousand	+ 9%	144,467	154,353	164,444	178,910
Equity ratio	%	- 4%	51 %	52 %	53 %	51 %
Net liquidity (liquidity minus debts)	€ thousand	- 56%	7,413	14,315	15,396	6,787
Employees						
Average number of employees*	People	+ 7%	512	538	573	613
Number of employees as of 31 December	People	+ 12%	546	573	611	686
Key figures share						
Average number of shares in circulation	Item in thousand	-	5,194	5,274	5,288	5,288
Book value per share	€	+ 3%	12.98	14.23	15.27	15.80
Dividend	€	-	0.60	0.60	0.60	0.60**

* without executive boards, general managers, freelancer

** Dividend to be proposed to the Annual General Meeting by the Group on May 22, 2014

Corporate structure (December 31, 2013)





Eckert & Ziegler
Strahlen- und Medizintechnik AG

Robert-Rössle-Str. 10
13125 Berlin, Germany
www.ezag.com