

Half Year Report 2006/2007

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July 01 – December 31, 2006

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During second quarter of business year, the order income excellerated from 9.9 to 10.2 million € compared to first quarter. Reason for this excellent booking was among others an order from an important Swiss industrial group in the field of engineering controls amounting of 3 million Swiss Francs.

Compared to first quarter, the turnover in second quarter raised from 9.1 million to 10.9 million €. The half year turnover increased to 20.0 million € compared to 16.9 million of same period in previous year. Profit before tax and interest during first 6 months increased stepped up from 1.176 million € to 1.233 million €. Result after tax is up from 693.443 € to 755.507 €.

The risks mentioned in detail in par. "Risk management" of the "Annual Management Report 2005/06" still exist to full extent. Especially the financial expenses continued to increase as concerns the blocking of unjustified customers' warranty claims.

Besides the increase in turnover of 18% during these first 6 months of fiscal year, there is a exceptional quadruplication of the operative result from 154.525 € to 689.746 €. Along goes a doubling of the operative cash flow of 3.3 million € compared to 1.5 million € during same period of previous year.

Since the group continued to grow each year turnover- and profitwise during these previous years, plans are taken into consideration to acquire one or more company participations during remaining fiscal year. There is a considerable potential for banks due to the liquid assets of 3 million € and the open credits lines.

Annexe.

The balancing and evaluation methods of fiscal year 2005/06 according to IAS/IFRS remain unchanged. The number of full-time employees amounts to 76 (prev. year 74). The product folio is marketed under the segment Embedded Solutions; therefore a segmental report divided into product groups is not necessary. In view of the 20 million € turnover in general, 16 million € were achieved nationally and 4 million € within Europe. At the annual managers board meeting on 15 December 2006, decision was made for a dividend of 30 Cents per share for fiscal year 2005/06.

CONSOLIDATED BALANCE SHEET (uncertified) according to IAS/IFRS
31.12.2006 (last year's figures 30.06.2006)

TOTAL ASSETS	€ 31.12.2006	€ 30.06.2006	Total Equity and Liabilities	€ 31.12.2006	€ 30.06.2006
A. Non-current assets			A. Shareholders equity		
I. Tangible assets and goodwill	4.797.750	4.812.699	I. Subscribed capital	2.700.000	2.700.000
I. Tangible assets	760.488	741.350	II. Capital reserve	5.789.522	5.654.522
III. Financial assets	613.077	189.001	III. Other compreh. income	5.501.822	4.631.138
IV. Deferred taxes	197.421	197.421	IV. Deferred taxes	755.507	1.680.684
	6.368.736	5.940.471		14.746.851	14.666.344
B. Current assets			B. Long-term liabilities		
I. Inventories	5.436.439	4.970.863	I. Other accruals	179.690	179.690
II. Accounts receivables	3.521.460	7.924.870	II. Deferred taxes	83.454	259.955
III. Other assets	537.704	651.340		263.144	439.645
IV. Securities	29.000	29.000	C. Short-term liabilities		
V. Cash-on-hand, bank balances	2.782.785	901.463	I. Liabilities to banks	0	124.752
	12.307.388	14.477.536	II. Trade payables	2.120.021	2.655.249
			I. Accruals for other taxes	199.587	290.138
			II. Other accruals	1.181.569	1.832.336
			III. Other liabilities	164.952	409.543
				3.666.129	5.312.018
Total Assets	18.676.124	20.418.007	Total Equity and Liabilities	18.676.124	20.418.007

Consolidated Income Statement
(uncertified) according to IAS/IFRS

01.07. – 31.12.2006 (last year's figures 01.07. - 31.12.2005)

<u>Income Statement</u>	FY 2006/07	FY 2005/06
Sales revenues	20.044.833 €	16.922.014 €
Other operating income	543.570 €	1.021.996 €
Cost of material	15.437.106€	12.940.962 €
Personnel expenses	2.377.465 €	2.289.872 €
Depreciation	147.874 €	171.543 €
Other operating expenses	1.392.642 €	1.365.112 €
Operating income (EBIT)	1.233.316 €	1.176.521 €
Other interests and similar income	30.190 €	23.654 €
Taxes on income and profit	507.999 €	506.673 €
Net income	755.507 €	693.443 €
Earning per share/1st Half Year	0.28 €	0,26 €
Shares outstanding *	2.700.000 €	2.700.000

* adjusted o share split 1:3 of previous year

Consolidated Income Statement
(uncertified) according to IAS/IFRS

01.10. – 31.12.2006 (last year's figures 01.10. - 31.12.2005)

<u>Income Statement</u>	Q2(1.10.-31.12.06)	Q2(1.10.-31.12.05)
Sales revenues	10.956.397 €	8.602.858 €
Other operating income	376.418 €	792.017 €
Cost of material	8.758.569€	6.827.999 €
Personnel expenses	1.239.550 €	1.192.729 €
Depreciation	73.623 €	92.631 €
Other operating expenses	746.789 €	803.205 €
Operating income (EBIT)	514.284 €	478.311 €
Other interests and similar income	9.633 €	3.407 €
Taxes on income and profit	221.383 €	226.659 €
Net income	302.534 €	255.059 €
Earning per share/2 nd Quarter	0.11 €	0,09 €
Shares outstanding *	2.700.000 €	2.700.000

* adjusted o share split 1:3 of previous year

Consolidated Cash Flow Statement

(uncertified) according to IAS/IFRS
01.07. - 31.12.2006 (last year's figures 01.07. - 31.12.2005)

I. Operative Business	<u>FY 2006/07</u>	<u>FY 2005/06</u>
Net income	€ 755.507	€ 693.502
Depreciation of tangible and intangible assets	€ 147.874	€ 171.542
Increase of inventories	€ - 465.576	€ - 231.106
Reduction in accounts receivable	€ 4.403.410	€ 1.243.640
Change of liabilities	€ - 904.571	€ - 339.037
Change of short-term accruals	€ - 741.318	€ - 714.506
Change of other assets	€ 113.636	€ 14.526
Cash flow from operating business	€ 3.308.962	€ 1.516.635
 II. Investment Activities		
Investments of finance/tangible and intangible assets	€ - 631.181	€ - 37.210
Earnings from assets	€ 3.293	€ 112.565
Cash from investment activities	€ - 627.888	€ 75.355
 III. Financing Activities		
Increase of capital reserves	€ 135.000	€ 230.000
Profit earned/paid	€ - 810.000	€ - 810.000
 VI. Cash flow in total	€ 2.006.074	€ 401.280
 V. Change in Liquid Funds		
Cash at the beginning of period	€ 901.463	€ 2.601.752
Cash at the end of period	€ 2.782.785	€ 3.003.032

Company Capital. (uncertified) according to IAS/IFRS
01.07. - 31.12.2006 (last year's figures 01.07. - 31.12.2005)

	Capital stock Euro	Capital Reserves Euro	Development of reserves and accumulated profit Euro	TOTAL Euro
Balance 01.07.2005	2.700.000	5.359.522	5.504.740	13.564.262
Share option program		230.000	0	230.000
Payout dividends			-810.000	-810.000
Period earning			693.520	693.520
Balance 31.12.2005	2.700.000	5.589.522	5.388.260	13.677.782
Not transferable				
according to § 150 AktG		5.589.522		
according to § 47 AktG	2.700.000			

	Capital stock Euro	Capital Reserves Euro	Development of reserves and accumulated profit Euro	TOTAL Euro
Balance 01.07.2006	2.700.000	5.654.522	6.311.822	14.666.344
Share option program		135.000	0	135.000
Payout dividends			-810.000	-810.000
Period earning			755.507	755.507
Balance 31.12.2006	2.700.000	5.789.522	6.257.329	14.746.851
Not transferable				
according to § 150 AktG		5.789.522		
according to § 47 AktG	2.700.000			