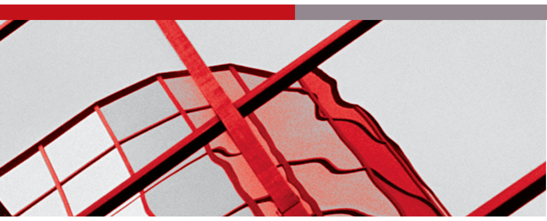

Quarterly Report 2/2007

Group Key Figures
Konzernschlüsselzahlen (IFRS)

Profit and Loss Account Gewinn-und-Verlust-Rechnung	6 Months 01.01.-30.06.07 EUR 000	6 Months 01.01.-30.06.06 EUR 000	3 Months 01.04.-30.06.07 EUR 000	3 Months 01.04.-30.06.06 EUR 000
Sales Umsatzerlöse	41 938	33 099	20 831	17 277
EBITA Operatives Ergebnis vor Abschreibungen auf immaterielle Vermögenswerte	1 840	479	184	227
EBIT Operatives Ergebnis	1 327	16	(72)	(36)
Earnings after tax Ergebnis nach Steuern	913	(1 398)	(13)	(617)
Earnings per share in EUR Ergebnis pro Aktie in EUR	0,17	(0,26)	(0,00)	(0,12)

Cash Flow Statement Mittelflussrechnung		
Cash flow from operating activities Mittelfluss aus operativer Geschäftstätigkeit	487	1 763
Cash flow from investing activities Mittelfluss aus Investitionstätigkeit	(1 425)	(15 310)
Cash flow from financing activities Mittelfluss aus Finanzierungstätigkeit	(2 273)	12 982
Cash and cash equivalents at the end of the period Zahlungsmittel und -äquivalente am Ende der Berichtsperiode	6 063	11 297

Balance Sheet Bilanz		
Balance sheet total (at period end / at 31.12.06) Bilanzsumme (zum Periodenende / zum 31.12.06)	61 834	64 299
Equity (at period end / at 31.12.06) Eigenkapital (zum Periodenende / zum 31.12.06)	25 532	24 827
Equity ratio % (at period end / at 31.12.06) Eigenkapitalquote % (zum Periodenende / zum 31.12.06)	41%	39%

Average number of personnel Personal im Durchschnitt	458	405
Personnel at period end Personal zum Periodenende	473	430

New Board Spokesman Lars Landwehrkamp
AC-Service Significantly Boosts Half-Year Sales and Earnings

AC-Service picked up great speed under the new board spokesman Lars Landwehrkamp while implementing the strategy it developed in the course of 2006 to become a full-scale SAP service provider covering the entire IT value chain and providing complete, end-to-end service and support to small and mid-sized businesses in countries where German is spoken. At the core of the strategy is the consolidation of the SAP systems contracting and consulting business and the Managed IT Services activities into one full-scale SAP service provider under the newly developed All for One brand and the endorsement »Member of AC-Group«. Accompanying this is a fundamental realignment of the AC-Group together with a truly upbeat spirit that is encouraging and supporting the accelerated expansion of the business base. Although the 2nd quarter earnings were burdened with a special expense for additions to a provision relating to a separation agreement with the former chairman of the board, sales in general and earnings in particular for the first half year 2007 were significantly above those of the prior-year period and exceeded expectations. Despite this special charge, AC-Service again performed well this 2nd quarter. The implementation of this new strategy is gaining momentum. All the operating business lines increased their sales figures and finished with positive contributions to earnings (EBITA before corporate costs). Additional momentum is provided by the ongoing excellent investment climate and SAP's midmarket strategy, one that especially strengthens the position of major partners like All for One. There has however been no let-up in pricing pressures or sensitivity to changes in prices. The shortage of qualified specialists and professionals continues unabated. In view of its further improved market position and the favourable business outlook, AC-Service has stepped-up its investment in human resource development to include successfully launching an in-house trainee programme to prepare college graduates to be SAP consultants. What's more, a special transition programme for application consultants is being put in place for those who already have the necessary industry experience with other enterprise software solutions and want to move into SAP software. Progress was also made in recruiting experienced SAP consultants in the 2nd quarter. Nonetheless, recruitment and development still remain key challenges.

In addition to activites as a full-scale SAP service provider, AC-Service is further expanding its SAP Human Capital Management (HCM) software business. The heart of these activities is Kümmel, Wiedmann + Partner Unternehmensberatung GmbH (KWP) of Talheim, which in mid-August 2007 took over a 70% equity share of Hamburg-based Magnisol Deutschland GmbH.

The board of directors' expectations for sales and earnings in the first half year of 2007 were surpassed. This development might lead to exceeding the sales and earnings estimates for the full 2007 year as announced in the annual report published in March 2007 and which lie in a range of from EUR 77 to 79 million (sales) and EUR 2.3 to 2.7 million (EBITA).

Quarterly Sales Gain 21%, Quarterly Earnings per Share Break Even, Half-Year Earnings per Share of 17 Euro Cents

Semi-annual sales rise 27% from EUR 33.1 to 41.9 million. EBITA after 6 months more than tripled from EUR 0.5 to 1.8 million. Mid-year EBIT improved from EUR 0.0 to 1.3 million. Earnings after taxes in first 6 months at EUR 0.9 million (prior-year period: minus EUR 1.4 million). Special charge in the 2nd quarter from provision relating to separation agreement with former chairman of the board.

AC-Service finished the 2nd quarter of 2007 with sales rising 21% to EUR 20.8 million (prior-year quarter: EUR 17.3 million). The 2nd quarter EBITA was EUR 0.2 million (prior-year quarter: EUR 0.2 million), while the EBIT was minus EUR 0.1 million (prior-year quarter: EUR 0.0 million). The earnings for the 2nd quarter include a special expense in the amount of EUR 0.5 million. This charge stems from provisions for a separation agreement that was made with the former chairman of the board of directors Herbert Werle in May 2007. Adjusted by this one-time expense relating to a different period, the 2nd quarter of 2007 again generated a disproportionately higher increase in EBITA and EBIT compared to the prior-year quarter. Quarterly earnings per share (IFRS) were even (prior-year quarter: minus 12 euro cents) thanks in part to a positive tax-related special effect in the amount of EUR 0.3 million. In terms of the half-year earnings per share, AC-Service posted a profit jump from minus 26 euro cents (first half year 2006) to 17 euro cents (first half year 2007).

Managed IT Services Division Improves Half-Year Sales by 38%. Impressive Increase in Earnings.

Comprehensive operating concepts for complex IT demands of midmarket and larger companies continue generating a major increase in technology consulting services. Extraordinarily large hardware revenues in connection with outsourcing projects.

In its Managed IT Services division AC-Service in the 2nd quarter of 2007 posted an increase in segment sales of 51% from EUR 4.5 to 6.9 million. The 2nd quarter EBITA (before corporate costs) improved noticeably and totalled close to EUR 0.4 million (prior-year quarter: EUR 0.1 million). Segment sales for the first half year were EUR 12.4 million (prior-year period: EUR 9.0 million) with an EBITA of EUR 0.5 million (prior-year period: EUR 0.4 million). The average staffing strength in full-time equivalents for this division for these first 6 months was 100 (prior-year period: 94). The number of individuals employed at the half-year reporting date was 102 (prior half-year mark: 96).

Besides a slight increase in recurring outsourcing services, this high level of growth is attributable mostly to an unexpectedly strong rise in demand for hardware-related consulting services. Additionally, and as a part of implementing extensive outsourcing operating concepts, projects for hardware landscapes were contracted which led to the reporting of exceptionally high hardware revenues in the 2nd quarter of 2007. The Managed IT Services division exceeded the board of directors' expectations in terms of sales and earnings. In so doing, the positive momentum from implementing the full-scale SAP service provider strategy has been reinforced.

SAP Solutions Division Posts Major Jump in Half-Year Earnings

Semi-annual sales rise by 30%. EBITA tripled after 6 months. The inclusion of low-margin external services dampens an otherwise big jump in earnings. Large increase in recurring revenues from software maintenance.

In the 2nd quarter of 2007, AC-Service generated a strictly organic increase of some 11% in segment sales within its SAP Solutions division to EUR 10.5 million (prior-year quarter: EUR 9.5 million). The EBITA of the 2nd quarter declined to EUR 0.1 million (prior-year quarter: EUR 0.2 million). Together with the results of the strong 1st quarter, half-year sales showed an increase of 30% to EUR 22.5 million (prior-year period: EUR 17.3 million). The EBITA for these first 6 months improved three-fold over that of the prior-year period to EUR 0.6 million. The SAP Solutions division's average staffing strength in full-time equivalents for these first 6 months was 247 (prior-year period: 201), while the number of individuals employed at the half-year reporting date was 257 (prior half-year mark: 225).

Despite this significant improvement, the division's half-year earnings (EBITA before corporate costs) were below the board of directors' expectations, while the growth drive in semi-annual sales developed mostly as anticipated. The stronger-than-expected expansion of the customer base in the target machine-making, supplier and project-services-company industries is showing an increasingly beneficial impact. A strong increase was posted among recurring revenues from software maintenance as a result of high license sales. Continued high investment in personnel recruitment and development further strengthened the staffing base in the 2nd quarter. Such measures are having an ever-greater effect; however the inclusion of outside resources on a project-specific basis still puts a burden on earnings. The expanded partner network continues to play an increasingly important role. This network not only broadens our market access, but also plays a growing role in supporting implementation projects among our customers.

Human Resource Services Division Posts Earnings Surge in 2nd Quarter. Another Slight Plus in Sales.

HR-sector business process consulting growing in popularity.

With its ACCURAT brand, the Human Resource Services business division is assuming an important position on the market for outsourced payroll services and for taking over personnel-administration business processes in Germany. The range of products and services is based on the industry-specific solutions for the core segments »Public Sector« and »Private Enterprises«. ACCURAT even ranks among the leading service providers in Germany within the »HR Business Process Outsourcing« sub-segment. The entire division again posted a slight increase in sales from EUR 2.4 million to near EUR 2.5 million in this 2nd quarter. The segment's EBITA (before corporate costs) in the 2nd quarter was EUR 0.4 million, which is some five times higher than in the prior-year quarter. This figure includes income from the capitalisation of AC's own development work in the amount of EUR 0.1 million (prior-year quarter: EUR 0.0 million) in connection with the human resource management software ACCURAT HCM. Together with the results of the 1st quarter, these first 6 months generated segment sales of EUR 5.4 million (prior-year period: EUR 5.3 million) and an EBITA of EUR 0.9 million (prior-year period: EUR 0.5 million). The average staffing strength in full-time equivalents for the Human Resource Services division during this first half year was unchanged from the prior year period at 90, while the number of individuals employed at the half-year reporting date was 93 (prior half-year mark: 90). After several years of receding sales, the revenue turnaround that emerged in the 1st quarter of 2007 continued into the 2nd quarter. Semi-annual sales, and half-year earnings (EBITA) in particular, exceeded the expectations of the board of directors. Following the successful completion in December 2006 of the certification based on the provisions of the Sarbanes-Oxley Act, ACCURAT further expanded its consulting activities for perfecting HR processes. This means that the positive turnaround should stabilise even more in the coming quarters.

Rise in Earnings Clearly Outperforms Sales

Besides the earnings contributions from the Managed IT Services, SAP Solutions and Human Resource Services divisions, the AC-Group EBITA also includes earnings from Other Operations. This business is where AC-Service provides hardware-related technology services for public entities, such as municipal administrations and agency-related offices and facilities, in Luxemburg and where it posted a 2nd quarter EBITA of EUR 0.3 million, which was at the same level as the prior-year quarter. The 2nd quarter EBITA for group functions not allocated to individual segments (Corporate Services segment) was minus EUR 0.9 million (prior-year quarter: minus EUR 0.5 million) and includes a special charge in the amount of EUR 0.5 million from additions to a provision relating to a separation agreement that was made in May 2007 with the former chairman of the board of directors Herbert Werle. Together with the EBITA of the 1st quarter, AC-Service posted an impressive rise in the EBITA from EUR 0.5 to 1.8 million for the first half year.

The group's semi-annual operating earnings (EBIT) totalled EUR 1.3 million (prior-year period: EUR 0.0 million). This figure includes regular amortisation of other intangible assets totalling EUR 0.5 million, which was on par with the same period a year ago. The net financial result for the 2nd quarter was positive at EUR 0.1 million (prior-year quarter: minus EUR 0.1 million) and includes among other things financial income from hardware rental which is reported as finance lease transactions (IFRIC 4 / IAS 17). The large drop in income taxes of EUR 0.5 million over the prior-year quarter is also attributable to the reversal of no-longer-needed tax provisions in the amount of EUR 0.3 million.

Earnings after taxes for the first 6 months were EUR 0.9 million (prior-year period: minus EUR 1.4 million). This represents half-year earnings per share (IFRS) of 17 euro cents (prior-year half-year period: minus 26 euro cents) as determined on the basis of an unchanged average number of 5,173,418 shares outstanding during the 1st half year 2007.

Share of Equity Climbs to 41%

The total reported assets declined slightly. The degree of equity financing, which is the share of equity to the balance sheet total, was 41% compared to 39% as at 31 December 2006. Equity in the amount of EUR 25.5 million (31 December 2006: EUR 24.8 million) was recognised as at the end of the reporting period. The degree to which equity covers assets (»non-current assets«) improved somewhat to 70% (31 December 2006: 68%). Cash and cash equivalents declined from EUR 9.3 to 6.1 million over the same period a year ago. This drop is also due to seasonally lower cash flows from operating activities. The large expansion of the business led to an increase in working capital. Furthermore, there were higher income tax payments and greater investments in tangible fixed assets and intangible assets reported in this 1st half year of 2007. However, the main reason for the decline in cash and cash equivalents were payments in connection with existing financial obligations.

Still a Tight Job Market – Greater Efforts in Human Resource Development

There continues to be a shortage of IT professionals on the labour market. Personnel recruitment and development therefore remains one of the key challenges. A trainee programme for college graduates has been started to train SAP consultants. Along with that there is a special transition programme being put in place for application consultants, who already have the requisite practical experience with other enterprise software solutions and who want to move into SAP software. The average staffing strength in full-time equivalents for this first half of the year was 458 (prior-year period: 405) and is slightly below what the plans called for. The number of individuals employed as at 30 June 2007 was 473 (30 June 2006: 430).

Changes in the Board of Directors

The former chairman of the board Herbert Werle stepped down from the AC-Service AG board of directors on 9 May 2007 and with this move relinquished all of his additional offices within the AC-Group as a result of differing views regarding the implementation of the strategy developed in 2006 of becoming a full-scale SAP service provider. Board member Lars Landwehrkamp was named spokesman of the now two-director board. No replacement is planned for the departed board chairman Werle.

Heightened Investor Relations

SES Research, a Warburg Group company, and the Landesbank Baden Württemberg (LBBW) regional central bank assumed regular coverage of AC-Service AG with in-depth initial studies in November and December 2006 respectively. The latest ratings by SES Research (10 May 2007) and LBBW (10 May 2007) are »buy« with price targets of EUR 7.60 (SES Research) and EUR 7.00 (LBBW). The complete reports are available on the AC website at www.ac-service.com/research. The AC-Service annual general meeting was held in Stuttgart on 15 May 2007. All of the management's proposals were approved by a large majority. As was the case a year ago, about 63% of the voting rights were present at the meeting. The presentations scheduled for 27 August 2007 at the DVFA Small Cap Conference and 14 November 2007 at the German Equity Forum, both to be held in Frankfurt, will help enhance and solidify the company's contacts and relationship with analysts.

The AC-Service AG annual general meeting will be held in Stuttgart on 15 May 2007. The documents pertaining to this general meeting are available on the www.ac-service.com website.

Events after the Balance Sheet Date

In mid-August, Kümmel, Wiedmann + Partner Unternehmens-beratung GmbH (KWP) of Talheim, which forms the core of the AC-Group's SAP human resource activities, acquired a 70% equity stake in Magnisol Deutschland GmbH of Hamburg. Like KWP, Magnisol Deutschland specialises in the human resources issues of SAP Human Capital Management and currently employs 12 members of staff. Its expected 2007 consolidated annual revenues lie in the range of some EUR 1.0 to 1.2 million. For KWP this equity interest represents an expansion of its local presence in the economic centers of Hamburg and Berlin, the establishment of SAP HCM Business Process Outsourcing services and an enrichment to its range of products and services for international clients.

Opportunities for Future Business Performance

AC-Service has the opportunity to move forward on a major path of growth with its strategy of being a full-scale service provider that covers the entire IT value chain and provides end-to-end support to small and mid-sized enterprises in countries where German is spoken. Now more than ever the clear focus on key industries in selected mid-size-company segments offers the chance to become the customers' first choice as consulting, solutions and services partner for whatever IT projects they may wish to undertake. Our base of reference clients will be further expanded through a rigorous and systematic sales effort together with the image of being a highly quality-conscious and economically stable services partner that has earned a very good reputation on the market by offering its customers outstanding long-term investment benefits. The prominent position as one of the leading Gold Partners with a high degree of visibility within the SAP organisation will only open up greater access to high-end mid-sized customer segments as a part of SAP's new midmarket strategy. As we extend our portfolio of one-stop products and services, there will also be ample opportunity to not only fully support our customers as they grow, but to also go beyond what was initially provided and gradually place and sell the entire range of AC-Group solutions and services. Our expanded partner network gives us an important competitive edge, which together with membership in the United VARs alliance will ensure global customer service and support through the application of uniformly high standards and best practices. The large number of actively usable references within our large pool of customer installations has so far enhanced our ability to garner new clients. Another factor that will favourably impact future business performance is that impressive share of recurring revenues, which we owe to a large extent to our years of experience and professional expertise in Managed IT Services for small to mid-sized enterprises.

Risks to Future Business Performance

Business Environment and Industry Risks

The AC-Group operates on highly competitive markets that are characterised by rapid advances in technological developments. This quite naturally results in risks and hazards, in addition to the opportunities already discussed.

Risks Involved in Strategy Development, Particularly from the Integration of All for One

Additional risks that are directly or indirectly linked to the further development and implementation of the strategy are inherent within integration projects, such as combining All for One into the AC-Group This integration is part of a wider strategy process where all the AC companies, their executive management and key and margins. The use of industry solutions that are constantly being improved also helps counteract the pressure on the daily billing rates we charge our customers.

Product and Service Portfolio Risks

Our strategy's greater focus on providing a full range of SAP services means that our dependence on the world's largest business software company has grown. Other potential risks stem from the fact that it is impossible to predict with any certainty what kind of success current and future SAP products will have on the market, or how sustainable the SAP midmarket strategy and its related concept for channel partner sales will be. The high degree of competitive pressure could lead to higher-than-expected strains on prices and margins, as well as to an unbudgeted rise in selling expenses. Along with the expanded range of high-quality services, each business division is working hard to improve the benefi ts and value for the customer in order to reduce the pressure on prices and margins. The use of industry solutions that are constantly being improved also helps counteract the pressure on the daily billing rates we charge our customers.

Personnel Risks

Other risks go hand in hand with the tight labour market and the tremendous challenges we face in recruiting, developing and motivating human resources. This is why personnel management activities have been expanded with the further development of career-path models for personnel development and more investment in in-house training programmes, which, due to the critical shortage of qualified specialist personnel, increasingly include college graduates.

Risks from the Dependence on Key Clients

AC-Service mitigates its dependence on key clients through very tight controls and intensive account management. Measures that ensure the customers' lasting satisfaction with the provided solutions and services, together with appropriate contractual commitments (terms), are also highly effective in improving customer loyalty.

Risks from a Credit Agreement for an Acquisition Loan in the Original Amount of EUR 15.5 Million and for Operational Funding of up to EUR 4.0 Million

Should certain events described within the credit agreement arise, including the failure to fulfil conditions or other obligations from the credit agreement, then the lenders, regardless of any fault on the part of the borrowers, are authorised among other things to terminate the loans, immediately call them due and payable and liquidate any collateral or security.

Risks from Interest Hedges

Interest hedges were entered into in connection with the credit agreement for funding the acquisition of All for One and must be regularly valued. Changes in value must in part be recognised in the profit and loss account and can therefore cause volatility in the financial result. On the other hand, this also limits the risk of an increase in interest expenses.

Other factors beyond the influence or control of the AC-Group also pose risks to the future business performance. These would include changes in tax legislation, particularly the corporate tax reform of 2008, or unfavourable developments in the general economic and business environment. Such changes can impair or affect the soundness of reported assets, such as goodwill and deferred tax assets.

Outlook

The AC-Group has been committed to a clear growth strategy since the spring 2006 takeover of the SAP systems contractor All for One GmbH. The fundamental repositioning under new board spokesman Lars Landwehrkamp to make AC-Service a leading full-scale SAP service provider for midmarket companies in countries where German is spoken is the driving force behind a dynamic expansion of the business base. In light of this, sales and earnings estimates for the full 2007 year announced in the annual report published in March 2007, which lie in a range of from EUR 77 to 79 million (sales) and EUR 2.3 to 2.7 million (EBITA) might be surpassed.

Directors' Responsibility Statement

To the best of our knowledge and in accordance with applicable principles for interim financial reporting, we certify that these interim financial statements provide a true and fair view of the assets, financial position and the earnings of the group, and that the interim group management report gives a true and fair view of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group in the remaining months of the financial year.

Lars Landwehrkamp
CEO

Marco Fontana
CFO

Consolidated Statement of Recognised Income and Expense
Konsolidierte Darstellung der im Eigenkapital erfassten Gewinne und Verluste

	01.01.-30.06.07 EUR 000	01.01.-30.06.06 EUR 000
Restatement of previous years (change in accounting standard IFRIC 4) Anpassung Vorjahre (Änderung der Rechnungslegung IFRIC 4)	-	1 681
Translation differences Differenz aus Umrechnung von Abschlüssen in Fremdwährung	(155)	(36)
Market valuation of financial instruments according to IAS 39 Marktbewertung von Finanzinstrumenten nach IAS 39	25	7
Deferred taxes on market valuation of financial instruments Latente Steuern auf Marktbewertung von Finanzinstrumenten	(10)	-
Dividend payments to minority shareholders Dividendenauszahlung an Minderheitsaktionäre	(31)	-
Acquisition of minority interests Erwerb von Minderheitsanteilen	(37)	-
Net income and expense recognised directly in equity **Direkt im Eigenkapital erfasste Gewinne und Verluste**	**(208)**	**1 652**
Result for the period (adjusted) **Periodenergebnis (angepasst)**	**913**	**(1 398)**
Total recognised income and expense **Total im Eigenkapital erfasste Gewinne und Verluste**	**705**	**254**

Attributable to: **Aufgeteilt auf:**		
Minority interests Anteile Dritter	16	(36)
Equity holders of the parent Anteilseigner der Muttergesellschaft	689	290
Total recognised income and expense for the period **Total für die Periode erfasste Gewinne und Verluste**	**705**	**254**

Shares Held by Members of Corporate Bodies
Von Organmitgliedern gehaltene Aktien

	30.06.07 Shares Aktien	31.12.06 Shares Aktien
Supervisory Board **Aufsichtsrat**		
Peter Brogle	18 555	14 555
Rainer Schad	333	333
Peter Fritsch	2 000	2 000
Board of Directors **Vorstand**		
Herbert Werle (Niederlegung der Organfunktion am 09.05.07)		110 000
Marco Fontana	27 000	27 000
Lars Landwehrkamp	-	-

Group Profit and Loss Account
Gewinn-und-Verlust-Rechnung des Konzerns

	Notes Erläuterungen	6 Months 01.01.-30.06.07 EUR 000	6 Months 01.01.-30.06.06 EUR 000	3 Months 01.04.-30.06.07 EUR 000	3 Months 01.04.-30.06.06 EUR 000
Sales Umsatzerlöse		41 938	33 099	20 831	17 277
Capitalised services Aktivierte Eigenleistungen		251	-	137	-
Other operating income Sonstige betriebliche Erträge	5	1 165	157	404	50
Cost of traded goods and third party services Materialaufwand und bezogene Leistungen		(13 893)	(8 971)	(7 073)	(4 881)
Personnel expenses Personalaufwand	6	(19 410)	(16 591)	(10 017)	(8 728)
Depreciation and amortisation Abschreibungen	7	(1 794)	(1 473)	(923)	(790)
Other operating costs Sonstiger betrieblicher Aufwand		(6 930)	(6 205)	(3 431)	(2 964)
EBIT Operatives Ergebnis		1 327	16	(72)	(36)
Financial income Finanzertrag		453	326	288	31
Financial expense Finanzaufwand		(443)	(800)	(227)	(145)
Financial result Finanzergebnis		10	(474)	61	(114)
EBT Ergebnis vor Steuern		1 337	(458)	(11)	(150)
Income tax Ertragsteuern	10	(424)	(940)	(2)	(467)
Earnings after tax Ergebnis nach Steuern		913	(1 398)	(13)	(617)

Attributable to: Davon zuzurechnen:					
Equity holders of the parent den Aktionären des Mutterunternehmens		871	(1 339)	(25)	(597)
Minority interests den Minderheitsanteilseignern		42	(59)	12	(20)
Earnings after tax Ergebnis nach Steuern		913	(1 398)	(13)	(617)
Earnings per share in EUR (undiluted and diluted) Ergebnis pro Aktie in EUR (unverwässert und verwässert)		0,17	(0,26)	(0,00)	(0,12)
Average number of shares in circulation Durchschnittlich im Umlauf befindliche Aktien		5 173 418	5 173 418	5 173 418	5 173 418

Group Balance Sheet
Bilanz des Konzerns

Assets Vermögenswerte	Notes Erläuterungen	30.06.07 EUR 000	31.12.06 EUR 000
Non-current assets **Langfristige Vermögenswerte**			
Goodwill Geschäfts- und Firmenwerte		6 525	6 538
Other intangible assets Sonstige immaterielle Vermögenswerte		11 966	12 184
Tangible fixed assets Sachanlagen		7 328	6 848
Financial assets Finanzielle Vermögenswerte	8	4 041	4 161
Other assets Sonstige Vermögenswerte		390	272
Deferred tax assets Latente Steueransprüche		6 361	6 751
Total non-current assets **Total langfristige Vermögenswerte**		**36 611**	**36 754**
Current assets **Kurzfristige Vermögenswerte**			
Inventories Vorratsvermögen		796	715
Trade accounts receivable Forderungen aus Lieferungen und Leistungen		13 952	13 208
Current income tax assets Laufende Ertragsteueransprüche		131	240
Financial assets Finanzielle Vermögenswerte	8	2 921	3 092
Other assets Sonstige Vermögenswerte		1 360	974
Cash and cash equivalents Zahlungsmittel und -äquivalente		6 063	9 316
Total current assets **Total kurzfristige Vermögenswerte**		**25 223**	**27 545**
Total assets **Total Vermögenswerte**		**61 834**	**64 299**

Group Balance Sheet
Bilanz des Konzerns

Equity and liabilities Eigenkapital und Verbindlichkeiten	Notes Erläuterungen	30.06.07 EUR 000	31.12.06 EUR 000
Shareholders' equity **Eigenkapital**			
Share of equity attributable to equity holders of the parent **Den Aktionären des Mutterunternehmens zurechenbarer Anteil am Eigenkapital**			
Issued share capital Gezeichnetes Kapital		16 200	16 200
Treasury stock Eigene Aktien		(1 023)	(1 023)
Capital reserve Kapitalrücklage		12 269	12 269
Currency conversion reserve Währungsumrechnungsrücklage		(343)	(191)
Market valuation of financial instruments according to IAS 39 Marktbewertung von Finanzinstrumenten nach IAS 39		46	31
Retained earnings Angesammeltes Ergebnis (Bilanzverlust)	4	(2 051)	(2 877)
Share of equity attributable to equity holders of the parent **Den Aktionären des Mutterunternehmens zurechenbarer Anteil am Eigenkapital**		**25 098**	**24 409**
Minority interests **Minderheitsanteile**	**4**	**434**	**418**
Total shareholders' equity **Total Eigenkapital**		**25 532**	**24 827**
Liabilities **Verbindlichkeiten**			
Non-current liabilities **Langfristige Verbindlichkeiten**			
Provisions Rückstellungen	6	550	1 804
Post-employment benefit liabilities Personalvorsorgeverbindlichkeiten		263	266
Financial liabilities Finanzverbindlichkeiten	9	11 294	12 196
Deferred tax liabilities Latente Steuerverbindlichkeiten		5 093	5 142
Other liabilities Sonstige Verbindlichkeiten		442	616
Total non-current liabilities **Total langfristige Verbindlichkeiten**		**17 642**	**20 024**
Current liabilities **Kurzfristige Verbindlichkeiten**			
Provisions Rückstellungen	6	2 045	414
Current income tax liabilities Laufende Ertragsteuerverbindlichkeiten		685	1 342
Financial liabilities Finanzverbindlichkeiten	9	3 109	3 335
Trade accounts payable Verbindlichkeiten aus Lieferungen und Leistungen		4 624	5 320
Other liabilities Sonstige Verbindlichkeiten		8 197	9 037
Total current liabilities **Total kurzfristige Verbindlichkeiten**		**18 660**	**19 448**
Total liabilities **Total Verbindlichkeiten**		**36 302**	**39 472**
Total equity and liabilities **Total Eigenkapital und Verbindlichkeiten**		**61 834**	**64 299**

Group Cash Flow Statement
Mittelflussrechnung des Konzerns

Cash flow from operating activities Mittelfluss aus operativer Geschäftstätigkeit	Notes Erläuterungen	01.01.-30.06.07 EUR 000	01.01.-30.06.06 EUR 000
EBT Ergebnis vor Steuern		1 337	(458)
Adjustments for: *Anpassungen für:*			
Depreciation and amortisation of non-current assets Abschreibungen auf langfristige Vermögenswerte	7	1 794	1 473
Hardware purchases under finance lease Hardwareeinkäufe im Finanzierungsleasing		218	-
Hardware sales under finance lease Hardwareverkäufe im Finanzierungsleasing		(1 318)	(1 020)
Increase (decrease) in value adjustments and provisions Zunahme (Abnahme) der Wertberichtigungen und Rückstellungen		170	(625)
Loss from sale of non-current assets Verlust aus Abgang von langfristigen Vermögenswerten		5	11
Interest result (net) Zinsergebnis, netto		88	85
Other non-cash expense and income Sonstige nicht zahlungswirksame Aufwendungen und Erträge		(116)	(9)
Adjusted net result before changes in current assets and non-financial liabilities *Bereinigtes Ergebnis vor Veränderungen der kurzfristigen Vermögenswerte und der nicht finanziellen Verbindlichkeiten*		*2 178*	*(543)*
Decrease in inventories Abnahme Vorratsvermögen		180	34
(Increase) decrease in trade accounts receivable (Zunahme) Abnahme der Forderungen aus Lieferungen und Leistungen		(867)	2 175
Decrease in financial and other assets Abnahme der finanziellen und sonstigen Vermögenswerte		1 250	6 278
Decrease in trade accounts payable Abnahme der Verbindlichkeiten aus Lieferungen und Leistungen		(681)	(4 718)
Decrease in post-employment benefit liabilities Abnahme der Personalvorsorgeverbindlichkeiten		-	(3)
Decrease in other liabilities Abnahme der sonstigen Verbindlichkeiten		(943)	(1 125)
Cash flow from operating activities before taxation *Mittelfluss aus operativer Geschäftstätigkeit vor Steuern*		*1 117*	*2 098*
Income tax paid Ertragsteuerzahlungen		(630)	(335)
Cash flow from operating activities Mittelfluss aus operativer Geschäftstätigkeit		487	1 763

Group Cash Flow Statement
Mittelflussrechnung des Konzerns

Cash flow from investing activities Mittelfluss aus Investitionstätigkeit	Notes Erläuterungen	01.01.-30.06.07 EUR 000	01.01.-30.06.06 EUR 000
Cash flow from purchase of tangible fixed assets Mittelfluss aus Kauf von Sachanlagen		(1 482)	(1 154)
Cash flow from investment in intangible assets Mittelfluss aus Investitionen in immaterielle Vermögenswerte		(301)	(12)
Cash flow from purchase of other intangible assets Mittelfluss aus Kauf von sonstigen Vermögenswerten		(46)	(6)
Cash flow from acquisition of shares (net of cash acquired) Mittelfluss aus Erwerb von Beteiligungen (abzüglich erworbene Zahlungsmittel)		-	(14 481)
Cash flow from acquisition of minority interests Mittelfluss aus Erwerb von Minderheitsanteile	4	(37)	-
Cash flow from sale of tangible fixed assets Mittelfluss aus Verkauf von Sachanlagen		31	30
Cash flow from disposal of other non-current assets Mittelfluss aus Veräußerung von sonstigen langfristigen Vermögenswerten		60	26
Cash flow from interest received Mittelfluss aus erhaltenen Zinsen		350	287
Cash flow from investing activities Mittelfluss aus Investitionstätigkeit		**(1 425)**	**(15 310)**

Cash flow from financing activities Mittelfluss aus Finanzierungstätigkeit			
Dividend payments to minority shareholders Dividendenauszahlung an Minderheitsaktionäre		(31)	-
Cash flow from change in bank overdraft Mittelfluss aus Veränderung Bankkontokorrentkredite		(276)	(54)
Cash flow from long-term financial liabilities Mittelfluss aus der Aufnahme langfristiger Finanzverbindlichkeiten		-	15 500
Cash flow from repayment of financial liabilities Mittelfluss aus Tilgung von Finanzverbindlichkeiten		(1 560)	(2 126)
Cash flow from interest paid Mittelfluss aus gezahlten Zinsen		(406)	(338)
Cash flow from financing activities Mittelfluss aus Finanzierungstätigkeit		**(2 273)**	**12 982**
Increase (decrease) in cash and cash equivalents Zunahme (Abnahme) der Zahlungsmittel und -äquivalente		**(3 211)**	**(565)**
Effect of exchange rate fluctuations on cash and cash equivalents Einfluss von Wechselkursänderungen auf die Zahlungsmittel und -äquivalente		(42)	(15)
Cash and cash equivalents at the beginning of the year Zahlungsmittel und -äquivalente zu Beginn des Jahres		9 316	11 877
Cash and cash equivalents at the end of the period Zahlungsmittel und -äquivalente am Ende der Berichtsperiode		6 063	11 297

Significant non-cash transactions Bedeutende nicht liquiditätswirksame Vorgänge			
Initial recognition of tangible fixed assets in finance leases Ersterfassung von Sachanlagen im Finanzierungsleasing		373	627
Claim to maintenance under finance lease Erwerb Wartungsansprüche im Finanzierungsleasing		174	446

Segment Reporting
Segmentberichterstattung

Segment sales Segmentumsätze	6 Months 01.01.-30.06.07 EUR 000	6 Months 01.01.-30.06.06 EUR 000	3 Months 01.04.-30.06.07 EUR 000	3 Months 01.04.-30.06.06 EUR 000
Managed IT Services	12 382	8 959	6 868	4 541
SAP Solutions	22 482	17 283	10 510	9 509
Human Resource Services	5 390	5 333	2 465	2 435
Other Operations	2 601	2 382	1 362	1 215
Elimination of intersegment sales Elimination Intersegmentumsätze	(917)	(858)	(374)	(423)
Total sales Total Umsatzerlöse	**41 938**	**33 099**	**20 831**	**17 277**

Segment sales with third parties Umsatz mit Dritten				
Managed IT Services	11 703	8 437	6 539	4 277
SAP Solutions	22 244	16 947	10 465	9 351
Human Resource Services	5 390	5 333	2 465	2 435
Other Operations	2 601	2 382	1 362	1 214
Total sales Total Umsatzerlöse	**41 938**	**33 099**	**20 831**	**17 277**

Operating segment results Operative Segmentergebnisse				
Managed IT Services	543	350	359	86
SAP Solutions	97	(235)	(192)	(14)
Human Resource Services	945	482	386	74
Other Operations	1 204	697	309	285
Unallocated corporate expenses Nicht zugeordnete Konzernaufwendungen	(1 462)	(1 278)	(934)	(467)
Total operating result Total operatives Ergebnis	**1 327**	**16**	**(72)**	**(36)**

EBITA by segment EBITA nach Segmenten				
Managed IT Services	543	361	359	91
SAP Solutions	603	200	60	235
Human Resource Services	948	482	388	74
Other Operations	1 204	697	309	285
Unallocated corporate expenses Nicht zugeordnete Konzernaufwendungen	(1 458)	(1 261)	(932)	(458)
Total EBITA Total EBITA	**1 840**	**479**	**184**	**227**

Selected Notes to the Interim Report
Ausgewählte Erläuterungen zum Zwischenbericht

1. General Principles
The unaudited consolidated interim report of the AC-Group as at 30 June 2007 was prepared in accordance with International Financial Reporting Standards (IFRS). This interim report complies with IAS 34 »Interim Financial Reporting«.

2. Accounting and Valuation Methods
With the exception of the following new provisions, this interim report was prepared using the accounting principles that applied for the consolidated annual financial statements as at 31 December 2006.

The AC-Group has been applying IFRIC 4 since 1 January 2006. The mathematical accounting model to reflect finance lease transactions at a subsidiary was refined in 4th quarter 2006 in order to more realistically reflect the actual relationships. Values for comparable periods were adjusted accordingly. Your attention is directed to the information provided in the Annual Report 2006 (page 28) regarding the effects of this refinement.

Cash flows from operating activities were modified slightly and supplemented with the other non-cash income and expenses. The figures for the comparable period were adjusted accordingly. The (net) interest income increased by EUR 7 K, while the other non-cash income and expenses changed in the same amount.

The initial consolidation of All for One Midmarket Solutions GmbH was made in the 1st quarterly report of 2006 on the basis of preliminary figures. Changes arose later in the valuation of the realised intangible assets, in the deferred tax assets and tax liabilities, as well as in goodwill. The definitive initial consolidation was presented in the Annual Report 2006 (page 37). Values for comparable periods were adjusted accordingly.

The acquisition of minority interests in already fully consolidated companies is reported under equity.

3. Seasonal Fluctuations in the Results for the Quarter
The business divisions are subject to differing seasonal fluctuations. In addition, the conclusion of large contracts and the processing of these orders can result in significant differences in quarterly sales and earnings.

4. Acquisition of Minority Interests
On 26 June 2007 All for One Midmarket Solutions & Services GmbH of Vienna (formerly: AC-Service Gesellschaft für Datenverarbeitung GmbH, Vienna) acquired a minority interest of 16.333% in AC Solutions EDV BeratungsgmbH & Co KG, Vienna, and now owns 100% of this company. The purchase cost totals EUR 37 K. This minority shareholder also sold his shareholding of 16.333% in AC Solutions EDV BeratungsgmbH, Vienna, to All for One Midmarket Solutions & Services GmbH, Vienna, for the price of EUR 1.

5. Investment Tax Credits
The Luxemburg subsidiary acquired investment tax credits totalling EUR 665 K in March 2007. This income pertains to the years 2002 to 2005 and is reported under other operating income.

6. Personnel Costs
The personnel costs include a special charge from the separation agreement with the former chairman of the board Herbert Werle in the amount of EUR 520 K. This expense relates to monthly payments to be made from June 2007 to October 2008 for which no services will be received in return. The outstanding payments to be made are reported under provisions in the total amount of EUR 485 K. As at 30 June 2007 the current provision for future payments to Mr. Werle totals EUR 346 K.

7. Depreciation and Amortisation
Included under depreciation and amortisation are EUR 513 K (comparable period: EUR 463 K) of regular amortisation of intangible assets.

8. Financial Assets
Financial assets include receivables from finance lease agreements totalling EUR 6,567 K (31 Dec 06: EUR 6,991 K). The current portion totals EUR 2,593 K (31 Dec 06: EUR 2,911 K).

7. Financial Liabilities
Funding of the Acquisition of All for One Midmarket Solutions GmbH
An acquisition loan in the amount of EUR 15,500 K with a term of up to 30 December 2010 and an operational funding line of credit in the amount of EUR 4,000 K were agreed to in 2006. Repayment of the acquisition loan is made semi-annually on 30 June and 30 December of each year at fixed contractual repayment rates. In accordance with the repayment plan EUR

3,500 K was repaid as at 30 June 2007. Additional required repayments in the amount of EUR 2,250 K are scheduled to be made by 30 June 2008.

Other Financial Liabilities

The financial liabilities include obligations from finance lease agreements in the amount of EUR 2,285 K (31 Dec 06: EUR 2,101 K). The current portion totals EUR 743 K (31 Dec 06: EUR 908 K). In addition there are also liabilities from loans and current accounts at banks in the amount of EUR 118 K (31 Dec 06: EUR 427 K). The current portions total EUR 116 K (31 Dec 06: EUR 427 K).

10. Income Taxes

Of the reported income taxes, EUR 335 K (comparable period: EUR 511 K) are attributable to deferred taxes. Current income taxes include a tax income of EUR 282 K from prior years. This resulted from the provision established in 2003 in the amount of EUR 282 K for anticipated payment of back taxes for the since-dissolved company AC Automation Center B.V., Netherlands, which was able to be reversed based on the definitive 2003 tax assessments.

11. Related Parties

BEKO HOLDING AG and its Group Companies

As of the reporting date, BEKO HOLDING AG, Nöhagen/Austria, held more than 50% of the share capital of AC-Service AG, Stuttgart.

Sales of EUR 42 K were generated with group companies of BEKO HOLDING AG in this first half of the year. As at 30 June 2007 there were still outstanding accounts receivable in the amount of EUR 13 K.

All of the business relationships and transactions with BEKO HOLDING AG and its group companies were made at terms and conditions that would apply among independent business partners.

Members of the Supervisory Board

The following fixed compensation was allocated to members of the supervisory board in the first half of the year:

Peter Brogle	EUR 11 K
Peter Fritsch	EUR 6 K
Rainer Schad	EUR 8 K

In addition to the compensation set forth in the Articles of Incorporation, Mr. Brogle also received a fee for business consulting activities in the amount of EUR 14 K in the reporting period. In its resolution of 29 May 2007, the supervisory board granted its approval to the related agreement with AC-Service AG as defined by Article 114, Section 1, German Stock Corporation Law.

Members of the Board of Directors

Marco Fontana was paid fixed compensation in the amount of EUR 94 K and allocated a performance-related component of EUR 46 K. The accrual as at 31 December 2006 for performance-based components for the 2006 year was EUR 25 K too high and was reversed in 2nd quarter 2007.

Lars Landwehrkamp was paid fixed compensation in the amount of EUR 112 K and allocated a performance-related component of EUR 20 K. The accrual as at 31 December 2006 for performance-based components for the 2006 year was EUR 15 K too low and was charged against the profit and loss account in 2nd quarter 2007.

Pension Fund of AC-Service (Schweiz) AG, Wettingen/ Switzerland

The pension fund of AC-Service (Schweiz) AG rents office space in Wettingen to AC-Service (Schweiz) AG. The terms and conditions of the rental agreement are within the range of what is customary. Rent expenses relating to this totalled EUR 157 K in the first half of the year.

AC-Service Management AG and AC-Service (Schweiz) AG provide services in connection with the administration of the pension fund of AC-Service (Schweiz) AG. Compensation for these services totalled EUR 7 K in the first half year.

12. Changes to the Board of Directors

Board chairman Herbert Werle stepped down from the AC-Service AG board of directors and relinquished all his other offices and functions within the AC-Group with immediate effect on 9 May 2007. There are currently no plans for a replacement for Herbert Werle. The business divisions and duties for which Herbert Werle was responsible were assigned to the remaining board members. Lars Landwehrkamp is the spokesman of the board of directors.

13. Contingent Liabilities

The AC-Group was in litigation with a minority shareholder of a consolidated company. The amount in dispute was set at EUR 100 K. In a brief filed on 12 June 2007, this minority shareholder withdrew the action and complaint of 22 May 2005.

14. Events after the Balance Sheet Date

In mid-August 2007 Kümmel, Wiedmann + Partner Unternehmensberatung GmbH of Talheim purchased 70% of the shareholdings in Magnisol Deutschland GmbH, Hamburg (Magnisol GmbH). Magnisol GmbH is a consulting company for the process-oriented implementation of SAP-related human resource management systems and employs a staff of 5. The base purchase price was EUR 265 K. An additional purchase price in the form of an earnout component is also payable for the years 2008 to 2011 in the amount of 20% of the annual EBIT exceeding EUR 95 K. The purchase agreement is dated 8 August 2007. Magnisol GmbH holds an equity interest of 100% in the company hcc professional services GmbH, Hamburg (HCC-PS), which has been in operation since 2005. Since its establishment, it has worked exclusively as a »Shared Services Center« in the field of electronic human resource management with SAP for a globally operating rail-transport industry group and employs a staff of 7. Furthermore, Magnisol GmbH holds an 11% share in Magnisol Ltd. of Dublin. Magnisol Ltd. is a worldwide combination of SAP HR consulting companies that work together on major international projects. The expected 2007 annual consolidated revenues for Magnisol GmbH and HCC-PS together total some EUR 1.0 to 1.2 million.

These shares were purchased shortly before the preparation of the semi-annual financial statements as at 30 June 2007. The required bases for determining the carrying amounts for assets and liabilities prior to the transaction were not yet available. The determination of the fair value of intangible assets and the adjustment of the balance sheet items previously accounted for under the German Commercial Code are being prepared and were also not available at the time the semi-annual financial statements were drawn up. It is therefore not yet possible to provide reliable information on assets, liabilities, contingent liabilities and the goodwill thereby derived, as well on the factors that led to their recognition.

Investor Relations – Facts and Figures
Investor Relations – Daten und Fakten

The AC-Service Share

ISIN	DE0005110001
WKN	511 000
Stock Exchange	Prime Standard
Date of Listing	30.11.1998
Share Capital	EUR 16.2 million
Number of Shares	5,400,000 Registered Shares
Par Value	EUR 3
Number of Shares in Circulation on 30.06.2007	5,173,418

Shareholder Structure

(approximate distribution according to statements of owners)

BEKO HOLDING AG	app. 55%
Universal-Investment-Gesellschaft mbH	app. 5%
AC-Service AG	app. 4%
Free Float	app. 36%

Accounting Standards

IFRS

Financial Calendar

22.08.2007	Quarterly Report 2/2007, Conference Call
27.08.2007	Small Cap Conference DVFA, Frankfurt
14.11.2007	Quarterly Report 3/2007
14.11.2007	Analyst Presentation
14.11.2007	German Equity Forum Fall 2007, Frankfurt
31.03.2008	Annual Report 2007
01.04.2008	Analyst Presentation, Frankfurt
08.05.2008	Quarterly Report 1/2008, Conference Call
25.06.2008	Annual General Meeting, Stuttgart
20.08.2008	Quarterly Report 2/2008, Conference Call
13.11.2008	Quarterly Report 3/2008, Conference Call

Further dates and information can be found on the internet at www.ac-service.com/english

About AC-Service

Operating primarily in Germany, Austria and Switzerland, AC-Service is an industry focussed IT full- service provider for the mid-size business market. Market observers rank AC-Service among the leading companies serving the German-language market for SAP and HR services. AC-Service AG features a number of established brands including AC, All for One, Process Partner, KWP and ACCURAT. Originating in Switzerland, the AC Group has been operating for over 45 years, offers a sustainable track record and serves over 1,200 clients. With wide-ranging expertise in the whole of the IT value chain, AC implements integral solutions providing SAP licenses and software maintenance, industry solutions, business consulting, business intelligence, managed IT services on a "leading edge technology basis", payroll and human capital management as well as HR business process outsourcing. With its outstanding service culture and extensive industry know-how, the AC Group makes claim to a quality leadership and is regularly recognised with awards for outstanding customer satisfaction and service quality. AC-Service pursues a clear growth strategy, currently employs around 445 staff members and expects sales of around 77 to 79 million Euros in 2007. AC-Service AG is listed in the Prime Standard segment of the Frankfurt Stock Exchange (ISIN DE0005110001, WKN 511 000) and is a subsidiary of BEKO HOLDING AG, which owns approximately 55 percent of its stock.

AC helps companies to focus on their core business. For over 45 years.

With wide-ranging expertise in the whole of the IT value chain, AC implements first-class integral solutions for the midmarket.

More than 1,200 customers value the quality of AC's outstanding service culture.

www.ac-service.com

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