

CeoTronics Group

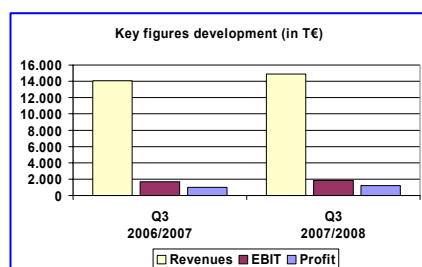
Quarterly Financial Report



Q1-3

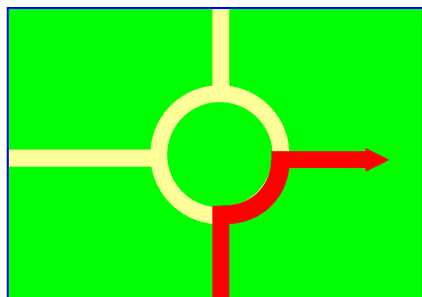
2007/2008

Key Group Figures



	Q1-3 2007/2008	Q1-3 2006/2007	Change in %
	Accounting standards IFRS/€ thousand	Accounting standards IFRS/€ thousand	
Revenues	14,889	14,036	+6.1%
of which outside Germany (in %)	58.0	70.9	-
Capital expenditure	468	2,866	-
R&D expenses	1,153	1,068	+8.0%
EBITDA	2,219	2,035	+9.0%
EBIT	1,829	1,655	+10.5%
EBIT margin (in %)	12.3	11.8	+4.2%
Profit before tax	1,727	1,608	+7.4%
Consolidated profit	1,181	973	+21.4%
Profit attributable to shareholders of CeoTronics AG	1,162	968	+20.0%
Gross cash flow	1,571	1,353	+16.1%
Cash and cash equivalents	1,480	1,202	+23.1%
Total assets	17,077	17,194	-0.7%
Equity	12,286	11,615	+5.8%
Equity ratio (in %)	71.9	67.6	+6.4%
Employees (as of Feb. 29, 2008)	148	147	-
Earnings per share (in €)	0.18	0.15	+20.0%
Gross cash flow per share (in €)	0.24	0.21	+14.3%

Contents



Key Group Figures	2
Letter from the Board of Management	4
Group Management Report.....	
• Our Market.....	5
• Business Developments	6
• Results of Operations	6
• Investments and Depreciation	7
• Net Assets and Financial Position	8
• Workforce Development.....	8
• CeoTronics' Shares	8
• Report on Risks and Opportunities up to May 31, 2008	9
• Report on Expected Developments	10
Consolidated Financial Statements as of February 29, 2008	
• Balance Sheet (IFRS)	11
• Income Statement (IFRS).....	12
• Cash Flow Statement (IFRS).....	13
• Statement of Changes in Equity (IFRS)	14
• Notes to the Consolidated Half-Yearly Financial Report.....	14
• Segment Reporting.....	15
• Executive Bodies	17
ISO Surveillance Audit — Zero Deviations Again	18
Current Financial Calendar	18

Letter from the Board of Management



Ladies and Gentlemen,
Dear Shareholders,

CeoTronics recorded 9-month consolidated revenues of €14,889 thousand as of February 29, 2008, an increase of 6.1% year-on-year. This figure for the first nine months of the current fiscal year 2007/2008 set a new record in the Company's 23-year history.

Third-quarter revenues declined 8.2% year-on-year due to preparatory production work on the second batch of the "CT-DECT JetCom Systems" order placed by the German Armed Forces. This second large batch is due to be delivered and invoiced in May 2008.

The high order backlog increased significantly, rising 177.9% year-on-year as of February 29, 2008. The order backlog is also at a record level.

Market players' patience regarding the forthcoming switch to digital radio on the part of the security authorities and organizations in Germany has been tested for years. According to the latest market information, the first major invitations to tender can be expected in summer 2008.

CeoTronics will again present a number of interesting product innovations for security authorities and organizations, especially in the area of digital radio, at the GPEC exhibition in Munich from June 3 to 5, 2008, thus demonstrating its leadership in the areas of its performance and innovation.

The probably weakening economy will not have a negative impact on the CeoTronics Group's results for fiscal year 2007/2008. At most, the threat of a recession in the U.S.A. combined with the continued unfavorable U.S. dollar exchange rate could impact business development at CeoTronics U.S.A.

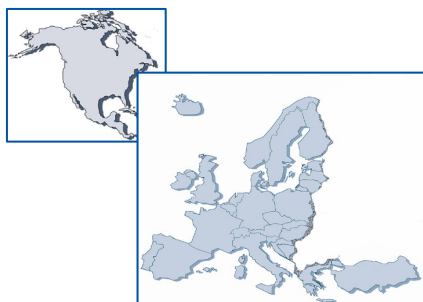
Our results as of February 29, 2008 and our very high order backlog strengthen our belief that consolidated revenues of approximately €21.0 million, EBIT of approximately €2.6 million, and profit of approximately €1.7 million are possible in fiscal year 2007/2008.

Rödermark, April 11, 2008



Thomas H. Günther
Chairman of the Board of Management

Group Management Report



Our Market

CeoTronics specializes in high-end communications under difficult conditions, and develops, produces, and sells audio, video, and data communications solutions. Above all, our top-of-the-line products ensure clear and precise interaction: in noisy or hazardous areas, while wearing protective helmets or protective clothing, in explosion hazard areas, in undercover operations, and in hands-free communication.

In addition to traditional headsets and other communications systems for connecting to analog and digital radio systems, the broad range of products for extremely diverse applications meets the toughest demands and focuses in particular on end-to-end system solutions. For example, mobile or fixed digital radio networks that can be set up in seconds and used on the move.

In line with this, our customer base includes well-known companies in industry, the service sector and sports, airlines, airports, and ground handling service companies as well as firefighters, civil defense, and rescue services.

A particular strength of CeoTronics AG is the development and supply of custom communications solutions for the German State and Federal Police, customs authorities, and the army, navy, and air force. A wide range of systems is available in this field. Fully and partially covert communication systems as well as miniature radio cameras for the wireless transfer of video images during undercover investigations and for preserving evidence.

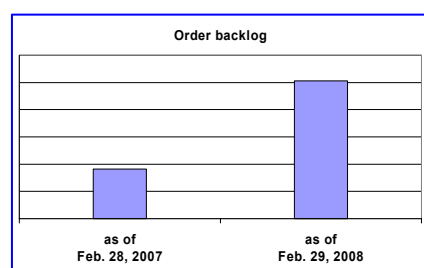
Economic growth in Europe in the first nine months of 2007/2008 was largely stable and satisfactory. However, the most important countries still have a long way to go in increasing their budgets, which have been reduced over the course of many years, i.e., adjusting them to the necessary investments and workforce requirements. Many industrial companies are again investing in new technologies that accelerate work processes, in increasing workplace safety through improved communication, and in new jobs. This development offers CeoTronics further potential for growth, provided it continues.

The threat posed by international terrorism around the globe has not waned. Accordingly, government security and law enforcement agencies must upgrade their equipment in order to maintain the highest degree of security for citizens, as well as for freedom and democracy.

Government security and law enforcement agencies in a number of priority European markets already began switching from analog to digital radio several years ago. As a result, CeoTronics' subsidiaries in Spain, France, and Switzerland recorded sustained annual revenue increases, in part even more than doubling their revenues.

Preparations are being made for the switch in a few other priority European markets. CeoTronics expects large investments in Germany on the part of security authorities and organizations (BOS — Behörden und Organisationen mit Sicherheitsaufgaben), the Armed Forces, firefighters, and industry. Those responsible for Germany's switch to digital radio at the federal and state levels are projecting 500,000 BOS digital radio users and plan to invest a total of over €4.5 billion.

Group Management Report



Additionally, CeoTronics expects to see its revenues grow through the switch to digital radio in industry and by firefighters.

CeoTronics has already produced and sold over 35,000 systems for connection to the new digital TETRA/TETRAPOL radios. Our experience in adapting communications accessories to digital radios is a major competitive advantage.

Business Developments

Once again, CeoTronics can report positive figures for the first nine months of the fiscal year 2007/2008 (reporting date: February 29, 2008). Consolidated revenues rose by 6.1% year-on-year from €14,036 thousand to €14,889 thousand, a new record.

The improvement in revenues is due in particular to revenue growth at CeoTronics Germany of 37.4%, from €5,307 thousand to €7,290 thousand. This was mainly driven by the delivery and invoicing of the first batch of the major order from the German Armed Forces.

Expressed in euros, revenues also increased — in some cases substantially — at CeoTronics Switzerland (+73.5%), CeoTronics France (+16.3%), CeoTronics Poland (+84.9%), and CeoTronics U.S.A. (+7.1%). As expected, CeoTronics Spain (-40.7%) was unable to match the previous year's very high level of revenues, but continues to make the largest contribution to revenues after CeoTronics Germany.

On account of these developments, the share of revenues generated outside Germany fell to 58.0% in the first nine months of fiscal year 2007/2008 (previous year: 70.9%). The proportion accounted for by Germany increased correspondingly to 42.0% (previous year: 29.1%).

As of February 29, 2008, the order backlog was up 177.9% as against the prior-year period. This growth was driven in particular by CeoTronics Germany (+365.2%), CeoTronics Spain (+104.9%), and CeoTronics Poland (+709.2%) in addition to CeoTronics U.S.A. (+400.0%). The other companies recorded declines in their order backlog.

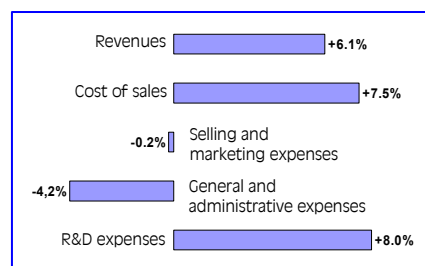
Following a renewed analysis of the location factors and a renewed calculation of the production cost advantage at the Lodz location, the Board of Management decided at the end of 2007 to discontinue production in Poland in favor of the company's German sites, and particularly Lutherstadt Eisleben. No employees had to be made redundant due to high employee turnover in Poland.

Results of Operations

During the period under review, the EBITDA and EBIT figures reported in the first nine months of fiscal year 2006/2007 were increased by a further 9.0% and 10.5% respectively, reaching new record levels in each case. EBITDA for the period under review amounted to €2,219 thousand (previous year: €2,035 thousand), while EBIT was €1,829 thousand (previous year: €1,655 thousand).

Consolidated profit before tax in the first nine months of fiscal year 2007/2008 was €1,727 thousand, up 7.4% year-on-year (previous year: €1,608 thousand). The return on sales based on profit before tax rose to 11.6% (previous year: 11.5%).

Group Management Report



Consolidated profit after tax was €1,181 thousand, up 21.4% year-on-year (previous year: €973 thousand). The tax rate fell from 39.5% to 31.6%, primarily due to the corporate tax reform in Germany. The return on sales based on profit after tax amounted to 7.9% (previous year: 6.9%).

The share of consolidated profit attributable to shareholders of the parent amounted to €1,162 thousand for the first nine months of fiscal year 2007/2008 (previous year: €968 thousand).

Earnings per share (after tax) were €0.18, up from €0.15 in the previous year. The share split at a ratio of 1:3 that took place on January 31, 2008 has already been accounted for in this calculation.

The cost of sales as a proportion of revenues increased to 50.2% (previous year: 49.5%) due to an increase in the cost of purchased components, especially for the major order for the German Armed Forces.

Operating expenses (excluding cost of materials) as a percentage of revenues were 16.2%, up slightly on the previous year (15.7%).

Selling and marketing expenses as a percentage of revenues amounted to 20.6% in the first nine months of fiscal year 2007/2008 (previous year: 21.9%). Absolute costs fell by 0.2% year-on-year.

In the first nine months of fiscal year 2007/2008, general and administrative costs decreased by 4.2% year-on-year, due among other things to decreased employee expenses. This represents 7.8% of revenues (previous year: 8.6%).

In research and development, additional costs for external testing laboratories, additional employees, and extensive development activities led to an increase in expenses of €85 thousand over the previous year, from €1,068 thousand to €1,153 thousand. At 7.7%, the ratio of research and development expenses to revenues remained virtually unchanged as against the previous year (7.6%).

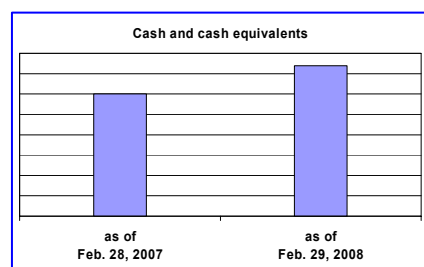
CeoTronics U.S.A.'s business performance and results improved year-on-year. In the first 9 months of fiscal year 2007/2008, its operating loss before currency translation adjustments and interest amounted to USD 73 thousand (previous year operating loss of USD 125 thousand).

Investments and Depreciation

CeoTronics has prepared itself for the challenges of the future in good time by investing in employee capacity, markets, technologies, developments, and production technologies and processes.

Investments in the first nine months of fiscal year 2007/2008 totaled €468 thousand. Excluding the one-time acquisition of real estate in the prior year, investments increased by €192 thousand or 69.6%.

Group Management Report



Net Assets and Financial Position

Gross cash flow for the period under review improved by €218 thousand, from €1,353 thousand to €1,571 thousand, breaking the previous record set in the same period of 2006/2007.

The Group's cash and cash equivalents increased by €278 thousand as against the prior-year period to €1,480 thousand.

Equity as of February 29, 2008 increased to €12,286 thousand (previous year: €11,615 thousand), while the equity ratio amounted to 71.9% (previous year: 67.6%).

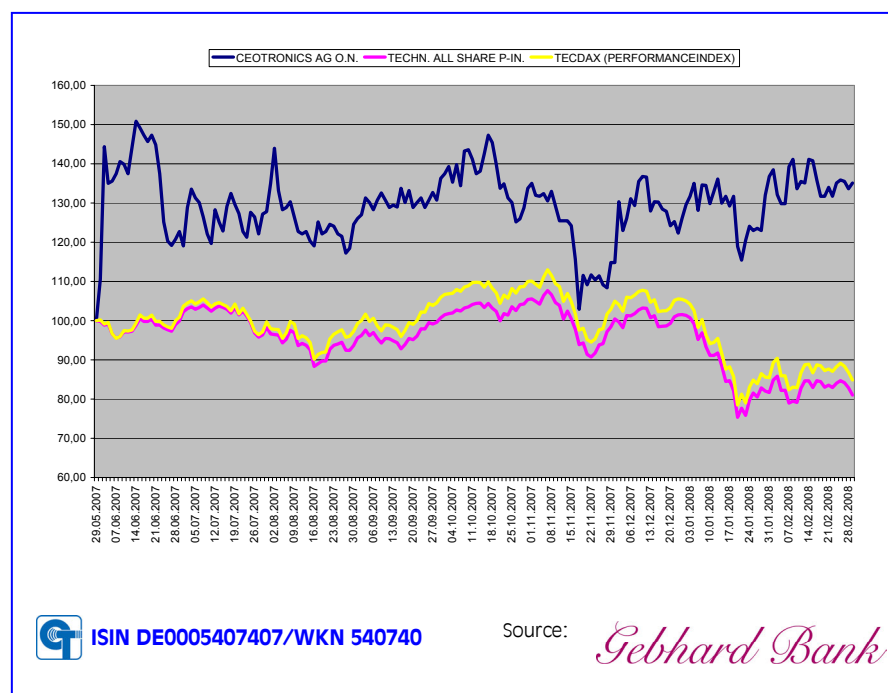
Workforce Development

The number of staff (including trainees) increased from 147 (previous year) to 148 as of February 29, 2008. The Group reallocated staff in favor of the German locations in Rödermark and Lutherstadt Eisleben (currently 133 staff compared with 129 staff at the prior-year reporting date). This reflects our clear commitment to Germany.

Additional job vacancies have been advertised in Germany but had not been filled at the print date.

CeoTronics' Shares

CeoTronics' shares performed as follows in comparison to the indices in the period since June 1, 2007 (indexed):



Group Management Report

The share split resolved at the General Meeting on November 2, 2007 was implemented on January 31, 2008 following its entry in the commercial register. Each no-par value share with a notional interest of €3.00 has been replaced by 3 no-par value shares with a notional interest of €1.00 each. This has increased the number of CeoTronics shares from 2,199,998 to 6,599,994.

CeoTronics shares performed well, bucking the generally negative trend on the international stock markets. CeoTronics AG's share price increased 35.1% in the period under review (June 1, 2007 to February 29, 2008), while the Technology All Share (-19.0%) and TecDAX (-15.2%) indices fell significantly.

The positive development of the Company's shares reflects in the CeoTronics Group's successful business development. Nonetheless, the shares have upside potential of about 33% until they reach the fair market price calculated by German Business Concepts GmbH.

Report on Risks and Opportunities up to May 31, 2008

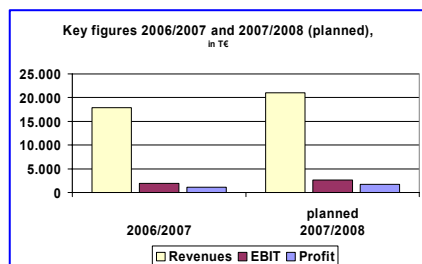
The threat of a U.S. recession combined with the ongoing unfavorable U.S. dollar exchange rate could adversely affect business developments at CeoTronics U.S.A. If CeoTronics U.S.A. is unable to meet our revenue and earnings forecasts, a decrease in the goodwill reported on CeoTronics U.S.A.'s balance sheet and a write-down by CeoTronics AG (Germany) of the value of its investment in CeoTronics U.S.A. and/or of its receivables from CeoTronics U.S.A. cannot be ruled out.

Competitors, radio dealers, and importers could step up their efforts to penetrate CeoTronics' markets — especially Germany — using cheap goods from Asia in order to win tenders during the switch to digital radio. CeoTronics will not leave the premium segment and will attempt to keep price acceptance and appreciation for its products and systems at a high level by offering value. The Company will also make greater use of its more cost-effective production location in Lutherstadt Eisleben (Saxony-Anhalt, Germany).

CT video systems will play an even more important role in fighting crime and terrorism in future. The CeoTronics Group's long-term revenue growth will be boosted by authorities investing in monitoring areas at risk — especially those temporarily at risk — and in securing video evidence, as well as by CT-Video GmbH's new product innovations.

The development and marketing of new products ensure CeoTronics' market leadership and open up new markets — not only outside of the defined geographical priority markets in Europe and North America.

Group Management Report



Report on Expected Developments

In addition to the high order backlog as of February 29, 2008, CeoTronics is pleased with the orders from Germany and abroad it has received up to the print date, and with the projects currently being negotiated or prepared for fiscal year 2007/2008.

In fiscal year 2007/2008, CeoTronics is aiming to:

- close the year with consolidated revenues of approximately €21.0 million,
- generate EBIT of approximately €2.6 million, and
- report profit for the year of approximately €1.7 million.

CeoTronics will continue to profit from the switch to digital radio in Germany and Europe in the coming fiscal years, as well as from greater investment in domestic and foreign security.

Rödermark, April 11, 2008

CeoTronics AG

Thomas H. Günther
Chairman of the Board of Management

Berthold Hemer
Deputy Chairman of the Board of Management

Günther Thoma
Chief Operating Officer

Consolidated Financial Statements as of February 29, 2008

Balance Sheet (IFRS)

Assets	Quarterly report (closing date of the current quarter) February 29, 2008	Annual report (closing date of last annual report) May 31, 2007
	€ thousand	€ thousand
Current assets		
Cash and cash equivalents	1,480	783
Trade receivables	2,721	4,886
Inventories	4,462	3,861
Other current assets	692	241
Total current assets	9,355	9,771
Noncurrent assets		
Property, plant, and equipment	5,743	5,740
Intangible assets	270	194
Goodwill	1,214	1,308
Deferred tax assets	495	520
Total noncurrent assets	7,722	7,762
Total assets	17,077	17,533

Equity and Liabilities	Quarterly report (closing date of the current quarter) February 29, 2008	Annual report (closing date of last annual report) May 31, 2007
	€ thousand	€ thousand
Current liabilities		
Current financial liabilities	175	291
Trade payables	569	814
Advance payments received	143	208
Provisions	883	1,058
Current tax payables	454	816
Other current liabilities	388	336
Total current liabilities	2,612	3,523
Noncurrent liabilities		
Noncurrent financial liabilities	2,179	2,305
Total noncurrent liabilities	2,179	2,305
Equity		
Subscribed capital	6,600	6,600
Capital reserves	4,471	4,471
Retained earnings	16	16
Cumulative other recognized income and expense	25	-36
Net retained profit	1,111	609
Equity attributable to shareholders of CeoTronics AG	12,223	11,660
Minority interest	63	45
Total equity	12,286	11,705
Total equity and liabilities	17,077	17,533

Consolidated Financial Statements as of February 29, 2008

Income Statement (IFRS)

Income Statement	Quarterly report (current quarter) December 1, 2007 - February 29, 2008	Quarterly report (comparative quarter of previous year) December 1, 2006 - February 28, 2007	Year-to-date (current fiscal year) June 1, 2007 - February 29, 2008	Year-to-date (comparative period of previous year) June 1, 2006 - February 28, 2007
	€ thousand	€ thousand	€ thousand	€ thousand
Revenues	4,321	4,705	14,889	14,036
Cost of sales	-2,164	-2,318	-7,472	-6,948
Gross profit	2,157	2,387	7,417	7,088
Selling and marketing expenses	-958	-1,107	-3,065	-3,071
General and administrative expenses	-392	-380	-1,162	-1,213
Research and development expenses	-409	-419	-1,153	-1,068
Other operating income and expenses	-95	-82	-208	-67
Impairment of goodwill	0	0	0	-14
Operating profit (EBIT)	303	399	1,829	1,655
Interest income/expense	-39	-32	-102	-47
Profit before tax	264	367	1,727	1,608
Income tax expense	-57	-110	-546	-635
Consolidated profit	207	257	1,181	973
Consolidated profit attributable to:				
Minority interest	23	1	19	5
Shareholders of CeoTronics AG	184	256	1,162	968
Earnings per share (basic) in €	0.03	0.04	0.18	0.15
Earnings per share (diluted) in €	0.03	0.04	0.18	0.15
Weighted average shares outstanding (basic)	6,599,994	2,199,998	6,599,994	2,199,998
Weighted average shares outstanding (diluted)	6,599,994	2,199,998	6,599,994	2,199,998

Consolidated Financial Statements as of February 29, 2008

Cash Flow Statement (IFRS)

Cash Flow Statement	Year-to-date (current fiscal year)	Year-to-date (comparative period of previous year)
	June 1, 2007 - February 29, 2008	June 1, 2006 - February 28, 2007
	€ thousand	€ thousand
Cash flow from operating activities		
Profit before tax	1,727	1,608
Income tax expense	-546	-635
Consolidated profit	1,181	973
Depreciation, amortization, and impairment losses	390	380
Gross cash flow	1,571	1,353
Changes in assets and liabilities		
Change in trade receivables	2,165	-1,239
Change in inventories	-601	-117
Change in other assets	-451	-429
Change in trade payables	-245	-97
Change in advance payments received	-65	-146
Change in other provisions	-175	414
Change in tax payables	-362	421
Change in other current liabilities	52	132
Change in deferred tax assets	25	98
Total changes in assets and liabilities	343	-963
Net cash provided by operating activities	1,914	390
Cash flow from investing activities		
Payments to acquire intangible assets	-132	-42
Payments to acquire property, plant, and equipment	-336	-2,826
Change in foreign currency differences	93	27
Disposal of noncurrent assets (net carrying amounts)	0	51
Net cash used in investing activities	-375	-2,790
Cash flow from financing activities		
Change in current financial liabilities	-116	0
Change in noncurrent financial liabilities	-126	1,927
Dividend payment to minority interest	0	-12
Dividend payment to shareholders of CeoTronics AG	-660	-660
Net cash used in financing activities	-902	1,255
Change in cash and cash equivalents	637	-1,145
Effect of exchange rate changes on cash and cash equivalents	60	-29
Cash and cash equivalents at beginning of period	783	2,376
Cash and cash equivalents at end of period	1,480	1,202

Consolidated Financial Statements as of February 29, 2008

Statement of Changes in Equity (IFRS)

	Equity attributable to shareholders of CeoTronics AG						Minority interest	Total equity
	Subscribed capital	Capital reserves	Retained earnings	Net retained profit/net accumulated losses	Cumulative other recognized income and expense	Total		
	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand		€ thousand
Current year								
Balance at May 31, 2007	6,600	4,471	16	609	-36	11,660	45	11,705
Consolidated profit				1,162		1,162	19	1,181
Dividend distribution				-660		-660		-660
Currency translation adjustments					61	61	-1	60
Change in minority interest						0		0
Balance at February 29, 2008	6,600	4,471	16	1,111	25	12,223	63	12,286
Previous year's figures for comparison								
Balance at May 31, 2006	6,600	4,471	16	226	-13	11,300	43	11,343
Consolidated profit				968		968	5	973
Dividend distribution				-660		-660	-12	-672
Currency translation adjustments					-29	-29		-29
Change in minority interest				-13		-13	13	0
Balance at February 28, 2007	6,600	4,471	16	521	-42	11,566	49	11,615

The equity ratio of the CeoTronics Group was 71.9% as of February 29, 2008 (previous year: 67.6%).

There were no material changes to equity compared with the last annual financial statements.

Notes to the Consolidated Half-Yearly Financial Report

Accounting policies

The unaudited consolidated quarterly financial report of CeoTronics AG as of February 29, 2008 was prepared in accordance with the International Financial Reporting Standards (IFRSs). This interim report complies with IAS 34 *Interim Financial Reporting*.

The quarterly financial report was prepared using the accounting, measurement, and consolidation principles applied in the preparation of the consolidated annual financial statements as of May 31, 2007. Further details can be found in the Annual Report for fiscal year 2006/2007.

Consolidated group structure and shareholdings

There were no changes in the consolidated Group structure in the first nine months of fiscal year 2007/2008.

The following companies are included in the consolidated financial statements:

CeoTronics AG (Rotkreuz, Switzerland), CeoTronics S.A.R.L. (Brie Comte Robert, France), CeoTronics Ltd. (Aberdeen, United Kingdom), CeoTronics Inc. (Virginia Beach, U.S.A.), CeoTronics S.L (Madrid, Spain), CT-Video GmbH (Lutherstadt Eisleben, Germany), CeoTronics Sp. z o.o. (Lodz, Poland).

The subsidiary AACOM-CeoTronics Sp. z o.o. (Lodz, Poland) was renamed CeoTronics Sp. z o.o. as of June 1, 2007.

Consolidated Financial Statements as of February 29, 2008

Subsidiaries in which the parent directly or indirectly holds the majority of shares and hence of the voting power are consolidated in accordance with the principles of acquisition accounting under IFRSs.

We account for the 25% minority interest in CeoTronics Sp.z o.o. by deducting the minority interest and the resulting effects on profit or loss within equity in the balance sheet, in the income statement, the cash flow statement, and the statement of changes in equity.

Virtual stock options

All options on virtual shares outstanding at the end of fiscal year 2006/2007 were exercised on June 4, 2007. The exercise price was €11.84. €9.72 was paid as a cash settlement per option for the fourth stock option plan, and €8.08 per option for the fifth stock option plan. A total of €107 thousand was paid out to entitled employees. Provisions for outstanding options amounted to €64 thousand at the end of fiscal year 2006/2007.

Other information

€0.30 per share was distributed in the first half of the current fiscal year in accordance with the resolution by the General Meeting on November 2, 2007.

Segment Reporting

The Company assesses the performance of the subsidiaries on the basis of their pre-tax profit. The accounting and reporting principles used for regional reporting comply with the group accounting principles. The subsidiaries in the individual countries are legally independent and have their own management teams.

The Company's product groups are comparable in terms of both the production process used and the marketing methods. Internal and external reporting primarily follows geographic criteria.

The information below is presented by region.

Revenues for the first nine months of 2007/2008 and 2006/2007 are attributable as follows:

Country of origin (primary segment):

	Q1-3 2007/2008	Q1-3 2006/2007
Revenues	€ thousand	€ thousand
Germany	8,582	6,750
Rest of Europe	6,022	7,020
Rest of world	285	266
Third-party revenues	14,889	14,036

By customer country (secondary segment):

	Q1-3 2007/2008	Q1-3 2006/2007
Revenues	€ thousand	€ thousand
Germany	6,250	4,082
Rest of Europe	8,318	9,557
Rest of world	321	397
Third-party revenues	14,889	14,036

The profit or loss for the first nine months of 2007/2008 and 2006/2007 is attributable as follows to the subsidiaries in the various regions (primary segment):

	Q1-3 2007/2008	Q1-3 2006/2007
Profit/loss	€ thousand	€ thousand
Germany	766	513
Rest of Europe	659	697
Rest of world	-244	-237
Consolidated profit	1,181	973

Consolidated Financial Statements as of February 29, 2008

Segment assets are attributable as follows to the subsidiaries in the various regions (primary segment) as of February 29, 2008 and February 28, 2007:

	February 29, 2008	February 28, 2007
Segment assets	€ thousand	€ thousand
Germany	11,543	10,579
Rest of Europe	3,973	5,022
Rest of world	1,561	1,593
Total segment assets	17,077	17,194

Segment liabilities are attributable as follows to the subsidiaries in the various regions (primary segment) as of February 29, 2008 and February 28, 2007:

	February 29, 2008	February 28, 2007
Segment liabilities	€ thousand	€ thousand
Germany	4,067	4,633
Rest of Europe	682	908
Rest of world	43	38
Total segment liabilities	4,792	5,579

Noncurrent assets are attributable as follows to the subsidiaries in the various regions (primary segment) as of February 29, 2008 and February 28, 2007:

	February 29, 2008	February 28, 2007
Noncurrent assets	€ thousand	€ thousand
Germany	5,905	5,746
Rest of Europe	564	588
Rest of world	758	882
Total noncurrent assets	7,227	7,216

Investments in the first nine months of 2007/2008 and 2006/2007 are attributable as follows to the subsidiaries in the various regions (primary segment):

	Q1-3 2007/2008	Q1-3 2006/2007
Investments	€ thousand	€ thousand
Germany	445	2,761
Rest of Europe	23	105
Rest of world	0	0
Total investments	468	2,866

Depreciation, amortization, and impairment losses are attributable as follows to the subsidiaries in the various regions (primary segment) in the first nine months of 2007/2008 and 2006/2007:

	Q1-3 2007/2008	Q1-3 2006/2007
Depreciation, amortization, and impairment losses	€ thousand	€ thousand
Germany	358	327
Rest of Europe	28	38
Rest of world	4	15
Total depreciation, amortization, and impairment losses	390	380

Consolidated Financial Statements as of February 29, 2008

Executive Bodies

Changes in the Company's executive bodies

There were no changes in the Company's executive bodies in the first nine months of 2007/2008.

Shareholdings of the members of the executive bodies as of February 29, 2008

		CeoTronics shares (ISIN DE0005407407/WKN 540740) (quantity)
Board of Management		
Chairman	Thomas H. Günther	28,494
Chief Technology Officer	Berthold Hemer	513,150
Chief Operating Officer	Günther Thoma	18,066
Supervisory Board		
Chairman	Hans-Dieter Günther	1,113,600
Deputy Chairman	Horst Schöppner	655,410
Member of Supervisory Board	Stephan Haack	0

The total number of CeoTronics AG shares at the reporting date amounted to 6,599,994.

Related party disclosures

No significant related party transactions were conducted in the first nine months of 2007/2008.

Legal Notice:

This quarterly financial report contains forward-looking statements that reflect the current views of CeoTronics AG's Board of Management. These statements are based on the Company's current plans, estimates, projections, and expectations and are therefore subject to risks and uncertainties that could cause actual results to differ from expected results. The forward-looking statements are only valid at the time of publication of this quarterly report and cannot be guaranteed. CeoTronics AG assumes no obligation to the public to update or correct forward-looking statements. This does not affect the Company's obligation to fulfill its information and reporting duties.

ISO Surveillance Audit — Zero Deviations Again

CeoTronics passed the ISO audit conducted by TÜV Rheinland with zero deviations for the second time in a row. This audit also includes the ATEX and KBA certifications. ATEX certification affects CeoTronics as a manufacturer of products for use in explosion hazard areas, such as the pharmaceutical and petrochemical industries. Certification by the Kraftfahrtbundesamt (KBA — German Federal Motor Transport Authority) is necessary because many CeoTronics products are intended for use in or on vehicles. ISO 9001 is a globally recognized, established, and comparable standard that describes the requirements for quality management systems that a company must comply with. CeoTronics undergoes a comprehensive renewal audit every three years; a regular surveillance audit by TÜV-Rheinland is performed in the intervening years.



Current Financial Calendar (subject to change)

Participation in the 5th MKK (Munich Capital Market Conference)	Wednesday, May 7, 2008
End of fiscal year 2007/2008	Saturday, May 31, 2008
Ad hoc disclosure on preliminary revenues/order backlog as of the end of fiscal year 2007/2008	
Annual report 2007/2008	Beginning of June 2008
Annual earnings press conference 2008	Friday, August 14, 2008
Analyst meeting 2008	Thursday, August 28, 2008
Ad hoc disclosure on preliminary revenues/order backlog as of the end of Q1 2008/2009	Thursday, August 28, 2008
Report on Q1 2008/2009	Beginning of September 2008
General Meeting 2007/2008	Friday, October 10, 2008
	Friday, November 7, 2008



CeoTronics AG
63322 Rödermark (Germany)
Adam-Opel-Str. 6
Tel. +49 6074 8751-722
Fax +49 6074 8751-720
E-mail: investor.relations@ceotronics.com

www.ceotronics.com