

Q1

Consolidated quarterly report
of CeoTronics AG
Fiscal year 2009/2010

Key Group Figures

	Q1 2009/2010 IFRS / €thousand	Q1 2008/2009 IFRS / €thousand	Change
Revenues	2,822	2,998	-5.9 %
Capital expenditure	391	280	+39.6 %
R & D expenses	380	338	+12.4 %
EBITDA	-228	128	T€ -356
EBIT	-362	1	T€ -363
Loss before tax	-396	-24	T€ -372
Loss for the period	-309	-17	T€ -292
Profit attributable to shareholders of GeoTronics AG	-306	-22	T€ -284
Gross cash flow	-175	110	T€ -285
Cash and cash equivalents	430	1,617	T€ -1,187
Trade receivables	3,712	2,546	T€ 1,166
Total assets	18,396	17,795	+3.4 %
Equity	12,847	12,908	-0.5 %
Equity ratio (in %)	69,8	72,5	-2.7 %
Employees as of August 31	157	151	+6 MA
Earnings per share (in €)	-0.05	0.00	-0.05
Gross cash flow per share (in €)	-0.03	0.02	-0.05

Consolidated Interim Report of CeoTronics AG for the First Quarter

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Letter from the Board of Management

Ladies and Gentlemen,
Dear Shareholders,

in the first quarter of fiscal year 2009/2010 (the summer months of June, July, and August), the CeoTronics Group generated revenues of €2,822 thousand (previous year: €2,998 thousand).

The decline in revenues can be explained by the weak order intake in the fourth quarter of fiscal year 2008/2009. Low incoming orders in June and July also affected revenue development in the first quarter of fiscal year 2009/2010.

The decline in revenues meant that CeoTronics was unable to match the key earnings figures and financial indicators recorded in the same quarter of the previous year. The first quarter closed with EBIT of € 362 thousand, a loss before tax of €396 thousand, and a consolidated loss of €309 thousand. Gross cash flow amounted to €-175 thousand.

At €12,847 thousand, consolidated equity was virtually unchanged as against the previous year (€12,908 thousand). The equity ratio was 69.8% (previous year: 72.5%).

The order backlog fell, as expected, by 16.0% compared with the prior-year figure. The high order backlog for 2008/2009 was mainly due to the order for CT-DECT JetCom systems from the German Armed Forces, which has now been delivered and invoiced in full. Adjusted for the major order from the German Armed Forces, the order backlog as of August 31, 2009 is the highest in the Company's history at the end of a first quarter.

Incoming orders in the first quarter of fiscal year 2009/2010 were up 91.4% year-on-year and even increased 181.5% as against the fourth quarter of fiscal year 2008/2009. This growth clearly shows that incoming orders seem to have bucked the downward trend – mainly due to the worst global economic and financial crisis in 80 years. However, we do not expect the current order backlog to have a positive effect on revenue development before the third and fourth quarters of fiscal year 2009/2010.

CeoTronics increased its revenues year-on-year in Switzerland, France, Austria, the U.S.A., and the rest of Europe in the first quarter of 2009/2010, in some cases substantially. CT-Video GmbH also significantly increased quarterly revenues. CeoTronics' revenues in Germany, Spain, and Poland declined in the first quarter of 2009/2010.

As of the reporting date, the subsidiaries in Switzerland, the U.S.A., and France as well as CT-Video GmbH had a much higher order backlog in some cases.

In keeping with tradition, CeoTronics expects to issue its revenue and earnings forecasts for fiscal year 2009/2010 in January 2010, at the time of publication of its interim results for the first half of the year.

Despite the clear impact of the global economic and financial crisis, we are cautiously upbeat about fiscal year 2009/2010, given the moderate improvement in the economic climate in certain priority markets, the current high order backlog, the audio and video projects currently being prepared, and the fact that the switch to digital radio by security authorities and organizations in Germany has now started.

Rödermark, October 09, 2009



Thomas H. Günther
Chairman of the Board of Management

Group Management Report as of August 31, 2009

Our Market

CeoTronics specializes in high-end communications under difficult conditions, and develops, produces, and sells audio, video, and data communications solutions. The primary requirement in this niche market is to ensure clear and precise interaction: in noisy or hazardous areas, while wearing protective helmets or protective clothing, in explosion hazard zones, in undercover operations, and in hands-free communication.

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

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 are used for the wireless digital transfer of video images during undercover investigations and for preserving evidence.

As the key sentiment indicators have now turned and, in some cases, are far from their historic lows of spring 2009, the general consensus is that the recession will end in this calendar year. Incoming orders, especially in manufacturing industry, are on the rise again. The outlook for the last four months of 2009 and for 2010 has improved. A return to economic growth is expected in 2010. However, growth in the industrialized nations (CeoTronics' priority markets) will fall significantly short of previous upswings.

Many priority markets still need to increase their budgets, which have been reduced over the course of many years, i.e., to adjust them for necessary investments and staffing requirements. Many industrial companies are also investing again in new communication systems that accelerate work processes and increase workplace safety.

The global threat posed by international terrorism 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 to protect freedom and democracy.

Government security and law enforcement agencies in a number of priority European markets already began switching from analog to digital radio many 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 several 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. Additionally, CeoTronics expects to see its revenues grow through the switch to digital radio in industry and by firefighters.

As CeoTronics has produced and sold over 45,000 systems for connection to the new digital TETRA/TETRAPOL radios since 1999, the Company has a pool of experience that is certainly a major competitive advantage.



Business Developments

CeoTronics' revenues in the first three months of fiscal year 2009/2010 (reporting date: August 31, 2009) were below the figure for the previous year due to the lower incoming orders in the fourth quarter of the previous year as well as the first half of the first quarter of the current fiscal year. Consolidated revenues fell by €176 thousand, or 5.9%, from €2,998 thousand to €2,819 thousand.

Expressed in euros, revenues increased – in some cases substantially – at CT-Video GmbH (+49.6%), CeoTronics Switzerland (+8.6%), CeoTronics France (+96.6%), and CeoTronics U.S.A. (+206.7%). As expected, CeoTronics Germany (-21.4%) and CeoTronics Spain (-29.3%) were unable to match the previous year's very high level of revenues. CeoTronics Poland's revenues fell significantly (83.4%).

The share of revenues generated outside Germany increased to 61.2% in the first three months of fiscal year 2009/2010 (previous year 56.4%). The proportion accounted for by Germany fell correspondingly to 38.8% (previous year: 43.6%).

CeoTronics recorded a significant rise in incoming orders from the middle of the first quarter. As a result, incoming orders in the first quarter of the current fiscal year were up 91.4% as against the figure for the prior-year period. The increase against the fourth quarter of 2008/2009 amounted to 181.5%.

Adjusted for the major order for CT-DECT JetCom systems from the German Armed Forces, the order backlog as of August 31, 2009 is the highest in the Company's history at the end of a first quarter. The "unadjusted" order backlog fell, as expected, by 16% compared with the prior-year figure, as the third batch of the major order from the German Armed Forces was contained in last year's order backlog and was only delivered and invoiced in the course of fiscal year 2008/2009.

Results of Operations

The decline in revenues meant CeoTronics was unable to match the key earnings figures and financial indicators recor-

ded in the same quarter of the previous year, which developed as follows:

€thousand	Q1 / FY 2009/2010	Q1 / FY 2008/2009
EBITDA	-228	128
EBIT	-362	1
Loss before tax	-396	-24
Loss for the period	-309	-17

The share of the loss for the period attributable to shareholders of the parent amounted to €306 thousand for the first three months of fiscal year 2009/2010 (previous year: €22 thousand). This results in earnings per share of €-0.05 (previous year: €0.00).

Due to changes in the order structure, the cost of sales increased by 1.5%. Costs now account for 51.7% of revenues (previous year: 48.0%).

Operating expenses (excluding cost of materials) accounted for 23.5% of revenues. This figure is down slightly on the previous year (24.0%) despite the lower year-on-year revenues.

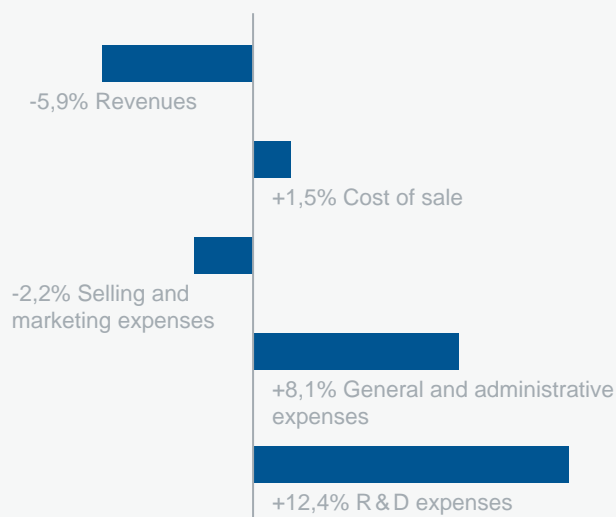
Selling and marketing expenses as a percentage of revenues amounted to 35.2% in the first three months of fiscal year 2009/2010 (previous year 33.9%). Absolute costs fell by 2.2% year-on-year.

General and administrative costs rose by 8.1% as against the prior-year level and accounted for 12.3% of revenues (previous year: 10.7%).

Research and development costs also rose year-on-year (+12.4%). The ratio of research and development costs to revenues is now 13.5% (previous year: 11.3%). This rise was primarily due to increased employee expenses for newly hired engineers.

Investments and Depreciation

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



Investments in the first three months of fiscal year 2009/2010 totaled €391 thousand, up 39.6% year-on-year.

Net Assets and Financial Position

Gross cash flow fell by €285 thousand year-on-year in the reporting period, from €110 thousand to €175 thousand.

The Group's cash and cash equivalents fell by €1,187 thousand as against the prior-year period to €430 thousand. This decline corresponds to a €1,166 thousand rise in trade receivables.

At €12,847 thousand, equity as of August 31, 2009 was virtually unchanged as against the prior-year period (€12,908 thousand). The equity ratio fell to 69.8% (previous year: 72.5%) due to the increase in total assets.

Workforce Development

The number of staff (including trainees) increased from 151 (previous year) to 157 as of August 31, 2009. All of the new jobs were created in Germany. The total trainee ratio at the German locations is 5.8%.

CeoTronics' Shares

After CeoTronics' shares had turned on a distinctly negative performance in the course of fiscal year 2008/2009, at 35.3%, the trend reversed in the course of the first quarter of fiscal year 2009/2010. CeoTronics' share price rose by 28.0% between July 1 and August 31, 2009, thus outperforming benchmark indices such as the TECDAX (+11.0%), the Technology-AllShare (+13.3%), and the GEX (+2.6%).

The driving forces behind this good performance were in particular various CeoTronics announcements about important major orders in the second half of Q1.

Assuming that the General Meeting on November 6, 2009 approves the dividend proposal of €0.10 per share, the dividend yield will be 4.3%, measured in terms of the share price on October 08, 2009 (€2.35).

CeoTronics' shares compared with the benchmark indices for the period from June 1, 2009 to August 31, 2009 (indexed)



+28,0%

Source: DZ Bank

Report on Risks and Opportunities up to May 31, 2010

CeoTronics' business development could be negatively affected if the global financial and economic crisis were to continue, contrary to general expectations.

This applies especially to CeoTronics U.S.A. If CeoTronics U.S.A. does not meet its revenue and earnings forecasts, we cannot rule out that the carrying amount of goodwill at CeoTronics U.S.A. will decrease, that CeoTronics AG (Germany) will have to write down the value of its investment in CeoTronics U.S.A., and/or that CeoTronics AG (Germany) will have to recognize impairment losses on its receivables from CeoTronics U.S.A. North America is the market with the greatest potential for CeoTronics products.

Competitors, radio manufacturers and dealers, and importers are stepping up their efforts to penetrate CeoTronics' markets – especially Germany – using cheap products 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).

The switch to digital radio by the police, firefighters, and industrial enterprises in Germany, Northern Europe, Austria, and the Benelux countries will offer CeoTronics additional market potential for audio products for many years to come.

If CeoTronics does not participate to the desired extent in the switch to digital radio, this could have an adverse effect on CeoTronics AG's revenues and earnings development.

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 audio and video products ensure the CeoTronics Group's market leadership and open up new markets – not only outside of the defined geographical priority markets in Europe and North America.

Report on Expected Developments

In keeping with tradition, CeoTronics expects to issue its revenue and earnings targets for fiscal year 2009/2010 in January 2010, at the time of publication of its interim results for the first half of the year.

Any greater lift for revenues from the switch to digital radio in Germany is not expected until fiscal year 2010/2011 at the earliest.

Despite the clear impact of the global economic and financial crisis, we are cautiously upbeat about fiscal year 2009/2010, given the moderate improvement in the economic climate in certain priority markets, the current high order backlog, the audio and video projects currently being prepared, and the fact that the switch to digital radio by security authorities and organizations in Germany has now started.

Rödermark, October 09, 2009

CeoTronics AG



Thomas H. Günther
Chairman of the Board of
Management, CEO



Berthold Heimerl
Deputy Chairman of the Board of
Management, CTO



Günther Thoma
Chief Operating Officer, COO

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*CT-BluetoothAdapter: For the use of CeoTronics headsets for radios on any mobile phone with Bluetooth function.

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Audio · Video · Data Communication



Consolidated Financial Statements as of August 31, 2009

Consolidated Balance Sheet (IFRS)

Assets in €thousand	Quarterly report (closing date of the current quarter) August 31, 2009	Annual Report (closing date of last annual report) May 31, 2009
Current assets		
Cash and cash equivalents	430	566
Trade receivables	3,387	3,577
Inventories	4,835	4,919
Other current assets	811	418
Total current assets	9,463	9,480
Noncurrent assets		
Property, plant, and equipment	6,361	6,091
Intangible assets	341	355
Goodwill	1,259	1,269
Trade receivables	325	374
Deferred tax assets	647	572
Total noncurrent assets	8,933	8,661
Total assets	18,396	18,141



Consolidated Balance Sheet (IFRS)

Equity and liabilities in €thousand	Quarterly report (closing date of the current quarter) August 31, 2009	Annual Report (closing date of last annual report) May 31, 2009
Current liabilities		
Current financial liabilities	1,445	260
Trade payables	349	682
Advance payments received	38	37
Provisions	779	1,177
Current tax payables	201	252
Other current liabilities	596	418
Total current liabilities	3,408	2,826
Noncurrent liabilities		
Noncurrent financial liabilities	2,057	2,087
Deferred tax liabilities	84	84
Total noncurrent liabilities	2,141	2,171
Equity		
Subscribed capital	6,600	6,600
Capital reserves	4,471	4,471
Retained earnings	886	886
Cumulative other recognized income and expense	-22	-47
Net retained profit	854	1,160
Equity attributable to shareholders of CeoTronics AG	12,789	13,070
Minority interest	58	74
Total equity	12,847	13,144
Total equity and liabilities	18,396	18,141

Consolidated Income Statement (IFRS)

€thousand	Quarterly report (current quarter) June 1, 2009 - August 31, 2009	Quarterly report (comparative period of previous year) June 1, 2008- August 31, 2008
Revenues	2,822	2,998
Cost of sales	-1,460	-1,438
Gross profit	1,362	1,560
Selling and marketing expenses	-993	-1,015
General and administrative expenses	-347	-321
Research and development expenses	-380	-338
Other operating income and expenses	-4	115
Impairment of goodwill	0	0
Operating profit/loss (EBIT)	-362	1
Interest income/expense	-34	-25
Loss before tax	-396	-24
Income tax expense	87	7
Loss for the period	-309	-17
Consolidated profit/loss attributable to:		
Minority interest	-3	5
Shareholders of CeoTronics AG	-306	-22
Earnings per share (basic) in €	-0.05	-0.00
Earnings per share (diluted) in €	-0.05	-0.00
Weighted average shares outstanding (basic)	6,599,994	6,599,994
Weighted average shares outstanding (diluted)	6,599,994	6,599,994



Consolidated Cash Flow Statement (IFRS)

€thousand	Year-to-date (current fiscal year) June 1, 2009 - August 31, 2009	Year-to-date (comparative period of previous year) June 1, 2008 - August 31, 2008
Cash flow from operating activities		
Loss before tax	-396	-24
Income tax expense	87	7
Loss for the period	-309	-17
Depreciation, amortization, and impairment losses	134	127
Gross cash flow	-175	110
Changes in assets and liabilities		
Change in trade receivables	239	4,050
Change in inventories	84	-638
Change in other assets	-393	-296
Change in trade payables	-333	-202
Change in advance payments received	1	5
Change in other provisions	-397	-524
Change in tax payables	-51	-94
Change in other current liabilities	178	-91
Change in deferred tax assets	-75	-4
Total changes in assets and liabilities	-747	2,206
Net cash provided by operating activities	-922	2,316
Cash flow from investing activities		
Payments to acquire intangible assets	-16	-37
Payments to acquire property, plant, and equipment	-375	-243
Change in foreign currency differences	10	-40
Disposal of noncurrent assets (net carrying amounts)	1	0
Net cash used in investing activities	-380	-320
Cash flow from financing activities		
Change in current financial liabilities	1,184	-1,218
Change in noncurrent financial liabilities	-30	-27
Dividend payment to minority interest	0	0
Dividend payment to shareholders of CeoTronics AG	0	0
Net cash used in financing activities	1,154	-1,245
Change in cash and cash equivalents	-148	751
Effect of exchange rate changes on cash and cash equivalents	12	-42
Cash and cash equivalents at beginning of period	566	908
Cash and cash equivalents at end of period	430	1,617

Statement of Changes in Equity (IFRS)

	Equity attributable to shareholders of CeoTronics AG							
€thousand	Subscribed capital	Capital reserves	Retained earnings	Net retained profit/net accumulated losses	Cumulative other recognized income and expenses	Total	Minority interest	Total equity
Current year								
Balance at May 31, 2009	6,600	4,471	886	1,160	-47	13,070	74	13,144
Profit/loss for the period				-306		-306	-3	-309
Dividend distribution						0		0
Currency translation adjustments					25	25	-13	12
Change in minority interest						0		0
Balance at August 31, 2009	6,600	4,471	886	854	-22	12,789	58	12,847
Previous year's figures for comparison								
Balance at May 31, 2008	6,600	4,471	886	898	52	12,907	60	12,967
Profit/loss for the period				-22		-22	5	-17
Dividend distribution						0		0
Currency translation adjustments					-43	-43	1	-42
Change in minority interest				-15		0		0
Balance at August 31, 2008	6,600	4,471	886	876	9	12,842	66	12,908

The equity ratio of the CeoTronics Group was 69.8% as of August 31, 2009 (previous year 72.5%).

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

Notes to the Consolidated Quarterly Report

Accounting policies

The unaudited consolidated quarterly report of CeoTronics AG as of August 31, 2009 was prepared in accordance with the International Financial Reporting Standards (IFRSs). This interim report complies with IAS 34 Interim Financial Reporting.

The quarterly report was prepared using the accounting, measurement, and consolidation principles applied in the preparation of the consolidated annual financial statements as of May 31, 2009. Further details can be found in the Annual Report for fiscal year 2008/2009.

Consolidated group structure and shareholdings

There were no changes in the consolidated Group structure in the first three months of fiscal year 2009/2010.

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). 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.

Consolidated 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

Revenues for the first quarter of 2009/2010 and 2008/2009 are attributable as follows, broken down by country of origin (primary segment):

€thousand	Q1 2009/2010	Q1 2008/2009
Germany	1,444	2,112
Rest of Europe	1,288	857
Rest of World	90	29
Third-party revenues	2,822	2,998

By customer country (secondary segment):

€thousand	Q1 2009/2010	Q1 2008/2009
Germany	1,095	1,309
Rest of Europe	1,615	1,596
Rest of World	112	94
Third-party revenues	2,822	2,998

Profit/loss

The profit or loss for the first quarter of 2009/2010 and 2008/2009 is attributable as follows to the subsidiaries in the various regions (primary segment):

€thousand	Q1 2009/2010	Q1 2008/2009
Germany	-212	-50
Rest of Europe	-38	13
Rest of World	-59	20
Loss for the period	-309	-17

Segment assets

Segment assets are attributable as follows to the subsidiaries in the various regions (primary segment) as of August 31, 2009 and August 31, 2008:

€thousand	August 31, 2009	August 31, 2008
Germany	12,410	12,966
Rest of Europe	4,089	3,225
Rest of World	1,897	1,604
Total segment assets	18,396	17,795

Segment liabilities

Segment liabilities are attributable as follows to the subsidiaries in the various regions (primary segment) as of August 31, 2009 and August 31, 2008:

€thousand	August 31, 2009	August 31, 2008
Germany	5,046	4,356
Rest of Europe	387	516
Rest of World	32	15
Total segment liabilities	5,465	4,887

Noncurrent assets

Noncurrent assets are attributable as follows to the subsidiaries in the various regions (primary segment) as of August 31, 2009 and August 31, 2008:

€thousand	August 31, 2009	August 31, 2008
Germany	6,597	6,038
Rest of Europe	528	540
Rest of World	836	793
Total noncurrent assets	7,961	7,371

Investments

Investments in the first quarter of 2009/2010 and 2008/2009 are attributable to the subsidiaries in the various regions (primary segment) as follows:

€thousand	Q1 2009/2010	Q1 2008/2009
Germany	391	274
Rest of Europe	0	2
Rest of World	0	4
Total investments	391	280

Depreciation amortization, and impairment losses

Depreciation, amortization, and impairment losses are attributable as follows to the subsidiaries in the various regions (primary segment) in the first quarter of 2009/2010 and 2008/2009:

€thousand	Q1 2009/2010	Q1 2008/2009
Germany	124	116
Rest of Europe	7	9
Rest of World	3	2
Total depreciation, amortization, and impairment losses	134	127

Executive Bodies

Changes in the Company's executive bodies

There were no changes in the Company's executive bodies in the first three months of 2009/2010.

Shareholdings of the members of the executive bodies as of August 31, 2009

(ISIN DE0005407407/WKN 540740)		CeoTronics shares (quantity)
Board of Management		
Chairman	Thomas H. Günther	28,494
Deputy Chairman	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	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 three months of 2009/2010.

Legal Notice:

This quarterly 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 statutory obligation to fulfill its information and reporting duties.

Financial Calendar*

General Meeting 2009	06.11.2009
Report on 2nd quarter as of November 30, 2009	13.01.2010
Report on 3rd quarter as of February 28, 2010	25.03.2010
End of fiscal year 2009/2010	31.05.2010
Annual report 2009/2010	13.08.2010
Annual earnings press conference 2010	26.08.2010
Analyst meeting 2010	26.08.2010
Report on 1st quarter as of August 31, 2010	08.10.2010
General Meeting 2010	05.11.2010

*(Dates may change)

CeoTronics Update

Interesting orders!

CeoTronics was commissioned to supply CT-DECT communication systems and wireless video transmission systems worth approximately €1.7 million to a foreign special forces unit (bomb disposal).

CeoTronics plans to deliver and invoice most of these systems in fiscal year 2009/2010. The wireless video transmission systems will be produced and delivered by CT-Video GmbH, and the "CT-DECT" communication systems by CeoTronics AG, Germany.

The German Armed Forces placed two orders with CeoTronics for communication systems for CBRNE teams (including throat microphones), as well as in-ear-headsets (CT-ClipCom Digital) for special forces units.

The value of the two orders totals approximately €1.0 million. Delivery and invoicing of the individual batches is planned for the period between November 2009 and February 2010.



The federal state of Berlin has awarded CeoTronics a contract to equip its security authorities and organizations with communications accessories for the new TETRA digital radios.

The products offered and supplied as samples by CeoTronics comprise communications systems for firefighter and police helmets, hand microphones with ear pieces, semi- and fully covert communication systems, and communications systems to be integrated into police motorcycle helmets. A number of systems were also requested in ATEX-compliant versions, i.e., for use in explosion hazard zones.

A minimum purchasing quantity of approximately €550 thousand is guaranteed under the tender. The maximum total volume of the batches that can be called off is approximately €3.85 million. The communication systems for police forces, firefighters, and rescue services are to be delivered over 24 months. The tender allows for the deadline to be extended by a total of up to 18 months, if the maximum quantities have not been drawn down in time.

Results of the 2009 customer survey

CeoTronics' customers once again confirmed its positioning in the premium segment. More than 99.2% of participants in the 2009 customer survey will recommend CeoTronics. The performance criteria received an overall grade of 1.84 on a scale of 1 (very good) to 6 (unsatisfactory). Customer service and advice and product quality were awarded the highest marks, with each receiving the grade 1.6.



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