

Interim Report as of 31 March 2008



**Interim Report as of 31 March 2008**

▪ Key Group Figures .....	3
▪ Foreword by the Executive Board .....	4
▪ Viscom Shares .....	6
▪ Consolidated Interim Management Report .....	8
Revenue and earnings .....	8
Net assets and financial position .....	9
Segment information .....	11
Opportunities/risks and outlook report .....	13
Significant transactions with related parties .....	14
▪ General Information on the Company .....	14
▪ IFRS Consolidated Interim Financial Statements .....	15
Income Statement .....	15
Balance Sheet .....	16
Cash Flow Statement .....	18
Statement of Changes in Shareholders' Equity .....	19
▪ Special Disclosures .....	20
▪ Responsibility Statement .....	21
▪ Financial Calendar .....	22
▪ Credits .....	23

## Key Group Figures

	01.01.- 31.03.2008	01.01.- 31.03.2007
Revenue	11,865 K€	10,716 K€
EBIT	30 K€	-108 K€
Financial result	131 K€	176 K€
Income taxes	-149 K€	-10 K€
<b>Net profit for the period</b>	<b>12 K€</b>	<b>58 K€</b>
Number of shares	9,020,000	9,020,000
<b>Diluted and undiluted earnings per share</b>	<b>0.00 €</b>	<b>0.01 €</b>
<b>Number of employees</b>	<b>400</b>	<b>368</b>

## Foreword by the Executive Board



**Dear Shareholders,  
Ladies and Gentlemen,**

Viscom has enjoyed a dynamic start into the new financial year. Following on from the success of the fourth quarter 2007, there was further good news in the first quarter 2008 in the form of considerable year-on-year revenue growth.

In terms of facts and figures, this means:

Viscom generated revenue of K€ 11,865 in the first quarter of 2008, up 10.7 % on the same period of the previous year. Incoming orders remained at a high level, increasing by 7.3 % year-on-year. This is parti-

cularly encouraging in light of the increasingly weak US dollar, which had a negative impact on both revenue and earnings. Amounts denominated in US dollars currently account for around 25 % of total group revenue. Assuming the same level of revenue, this means that the revenue deterioration amounted to some K€ 400 year-on-year.

Our future revenue drivers also had a promising start to 2008. The new IP business area, which was formed following the acquisition of the MX product family from the US light source developer Phoseon Technology Inc., is working intensively towards the development of new inspection systems for the semi-

conductor industry. This technology is expected to establish itself as a further pillar of Viscom's business activities in the medium to long term.

One particular highlight is the development of inspection systems that are specifically tailored to the needs of the photovoltaic industry. Production capacities in this global growth industry are forecast to double by 2010, and Viscom intends to participate in this growth. We expect to see increased demand and a corresponding expansion in our customer base.

The X7056RS system is one of our key products. It is the only inspection system in the world to offer simultaneous 3D X-ray and optical inspection. We are currently starting the series production of this system and will soon have the capacity to produce several machines a week, which will have a positive impact on our revenue figures over the course of the year.

We are permanently focused on the needs and demands of our customers and have successfully achieved another milestone in our efforts to improve our customer service. In February, a new application and training centre was opened in Guadalajara, Mexico – a major achievement in strengthening the service network for our inspection systems in the Americas region.

We are forecasting revenue of between € 57 million and € 60 million at year-end, with a projected EBIT margin of 7 % to 9 %. We have made extremely good progress towards our targets in the first quarter 2008, and all signs point towards success.

We would like to take this opportunity to thank the people who have driven Viscom's development with their ideas and commitment: our employees.

We are looking forward to the rest of the 2008 financial year and are optimistic that we will be able to meet your expectations with our dynamic and positive development.

At the same time, we would like to thank you for the confidence you have shown in our company, without which our success would not have been possible.

The Executive Board



Dr. Martin Heuser      Volker Pape      Ulrich Mohr

<b>ISIN</b>	<b>DE 000 7846867</b>
Market segment	Official Market of the Frankfurt Stock Exchange Prime Standard
<b>Number of shares</b>	<b>9,020,000</b>
Free float	39.9 %
<b>Market capitalisation</b>	<b>€ 59.5 million</b>
High	€ 9.05
<b>Low</b>	<b>€ 6.25</b>
Average trading volume (XETRA/day)	4,543
<b>Earnings per Share (EPS)</b>	<b>€ 0.00</b>

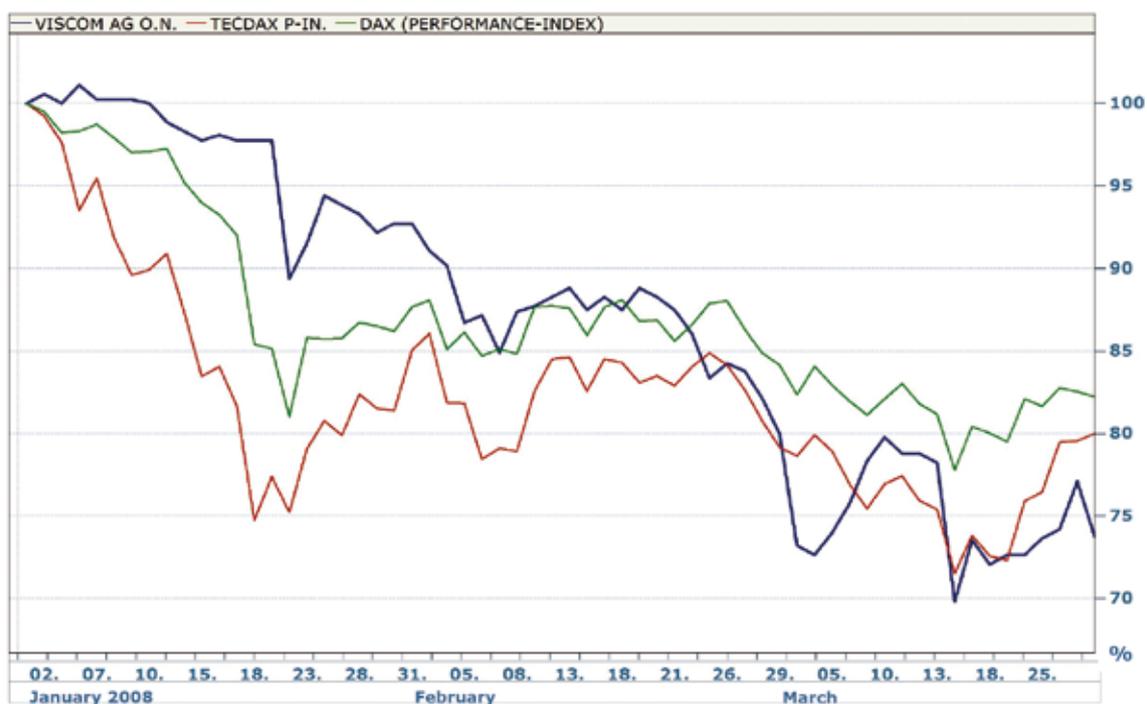
As of 31.03.2008

There was a significant deterioration in sentiment on the German stock markets in early 2008. Whereas the DAX was able to defend its gains relatively successfully compared with many international indices in the previous year, the first three months of 2008 saw an increasingly pronounced slump in prices. In March, the DAX briefly fell as low as 6,167 points on the back of sustained fears of an economic downturn in the US and the general impact of the global financial crisis, which was triggered by the default of US sub-prime risks and resulted in losses at a number of major banks. The drop in prices on the German stock markets was surprising in some cases, particularly since the majority of German companies reported positive news in February and March. Stock market developments in the rest of 2008 will depend to a large extent on companies' quarterly figures and US economic data.

Viscom's shares were unable to escape the effects of this nervous stock market environment. In uncertain times, institutional investors traditionally focus on larger issues, meaning that Viscom's shares were exposed to a degree of sales pressure in the first three months of 2008. Following a high of € 9.05 at the start of the year, the company's share price followed the development of the major indices and its direct competitors, falling to a low of € 6.25 at the end of March.

The main investment house tracking the company's development on a regular basis is maintaining its Buy recommendation for Viscom's shares. According to the analyst, the company's shares are currently trading close to their net asset value, resulting in a target price of € 9.00 and upside potential of 26 %.

Trend of the Viscom Shares



Our investor relations activities are aimed at enabling all capital market participants to make a fair evaluation of Viscom AG. Accordingly, open and honest commu-

nication is our top priority. All information relating to Viscom's shares is also published in a timely manner on the company's website at [www.viscom.com/en\\_ir](http://www.viscom.com/en_ir).

## Consolidated Interim Management Report

### Revenue and earnings

In the first three months of the 2008 financial year, Viscom generated revenue of K€ 11,865 (previous year: K€ 10,716). Despite this year-on-year revenue growth, Viscom has yet to achieve its expectations. The first quarter is traditionally one of the weaker quarters, as the majority of customers make their planned investments in the second half of the year. Revenue was further impacted by the growing weakness of the US dollar. Compared with the same period of the previous year, the average dollar rate fell by 14 %, corresponding to a reduction in revenue of around K€ 400. This means that exchange rate losses are currently having a significant impact on the company's business volume.

The revenue development is reflected in the current level of incoming orders. At K€ 14,078, however, the company recorded a significant volume of orders on hand in the first quarter 2008 – up 60.9 % on the same period of the previous year (K€ 8,700). Incoming orders also increased by 7.3 % year-on-year to K€ 11,743 (previous year: K€ 10,900). This means that the full utilisation of the company's production capacities is guaranteed for around three months. Orders for the X7056RS

inspection system alone totalled around €4 million and will be processed over the coming months.

Viscom is continuing to invest worldwide in order to ensure its expansion in growth markets. This includes the implementation of investment projects announced at the company's IPO, such as the establishment of application centres. As a result of these investments, a higher proportion of costs was attributable to personnel, sales and research and development in the first quarter 2008. EBIT for the first three months of 2008 amounted to K€ 30 (previous year: K€ -108).

The financial result declined by 26.1 % year-on-year to K€ 130 as a result of a change in the form of investment. The Group tax burden was distorted by the high level of income tax in the Americas region due to the strong quarterly figures, resulting in a tax rate of 92.5 % for the first quarter. We are forecasting a tax rate of around 27 % for the year as a whole.

All in all, the company recorded a net profit after taxes of K€ 12 (previous year: K€ 58), corresponding to earnings per share of € 0.00.

**Net assets and financial position**

**Cash flow from operating activities** amounted to K€ -389 in the first three months of 2008, compared with K€ -1,799 in the same period of the previous year. This change was largely due to the decrease in inventories, receivables and other assets (K€ 736; previous year: K€ 2,991) and liabilities (K€ -444; previous year: K€ -3,516).

**Cash flow from investing activities** amounted to K€ -19,945 in the first quarter 2008, compared with K€ -208 in the previous year. This sharp increase was primarily due to the acquisition of units of an investment fund with a volume of K€ -19,873. The amount recognised in the prior period for the acquisition of non-current assets (K€ -422) was largely attributable to the establishment of application centres in the Asia and Americas regions. No corresponding investments were made in the first three months of 2008. In addition, interest received was impacted by the slight increase in interest payments contained in the financial result (K€ 203; previous year: K€ 193).

After being impacted to a significant extent by proceeds from the issue of shares in previous quarters,

**cash flow from financing activities** returned to a normal level of K€ -8 in the first quarter 2008 (previous year: K€ -26). The sole factor affecting net cash used in financing activities was a reduction in interest paid. Total cash and cash equivalents declined significantly, from K€ 38,098 in the first three months of the previous year to K€ 7,288 at the end of the period under review. This was primarily due to a change in the form of investment.

**Working capital** amounted to K€ 56,116 at the end of the first quarter 2008, compared with K€ 55,856 at year-end 2007. Current assets and liabilities were essentially unchanged. The main developments related to cash and cash equivalents and other assets, which were impacted by the change in the form of investment: cash and cash equivalents declined to K€ 7,288 (previous year: K€ 38,098), while other assets increased to K€ 20,413 (previous year: K€ 444).

At 84.3 %, Viscom's **equity ratio** was lower than in the same period of the previous year (86.6 %), but up slightly on year-end 2007 (84.1 %). This was due in particular to the lower level of total assets.

### Employees

Despite the growing demand for skilled personnel such as engineers, Viscom has succeeded in attracting qualified new employees. Creative and productive employees will remain a key factor in the company's success. In the first three months of 2008, a total of 24 new employees joined the company: nine in Service, five in Development, two in Sales and eight in Production. This means that Viscom is well equipped for its planned revenue growth over the coming years in terms of human resources.



Status: 31 March 2008	Europe	Asia	Americas	Total
<b>Total</b>	<b>344</b>	<b>38</b>	<b>18</b>	<b>400</b>
of which: full-time	329	37	18	384
of which: part-time	15	1	0	16
plus: trainees	13	0	0	13

## Segment information

### Europe

The Europe region remains Viscom's key revenue driver, accounting for 60 % of total Group revenue in the first three months of 2008. Viscom enjoys an extremely high level of brand awareness in Europe, and particularly in Germany. However, this region is also being affected by the increase in competitive pressure, with low-cost products from Asia flooding the European market. Viscom is meeting this challenge by ensuring that it has a range of high-quality, high-end products that offer added value to European automotive clients in particular, while also developing cost-optimised inspection systems for price-conscious customers. The X7056RS and S3088-II machines in particular are expected to become significant revenue drivers in the course of the year.

In the first quarter 2008, Viscom generated revenue of K€ 7,083 in Europe (previous year: K€ 7,419). A slight shift from the European market to the Asia and Americas regions can be seen. The first quarter is generally one of the weakest in terms of revenue, as companies tend to make investments towards the end of the year. Despite the increase in staff costs at the Hanover office and higher levels of research and development expenditure, EBIT remained essentially unchanged year-on-year at K€ -263 (previous year: K€ -254).

Europe	01.01.– 31.03.2008	01.01.– 31.03.2007
Revenue (K€)	7,083	7,419
EBIT (K€)	-263	-254
EBIT margin (%)	-3.7	-3.4
Employees	344	318
Representatives	20	17

### Asia

Viscom recorded a not quite satisfactory revenue development in the Asia region in the first three months of 2008. Asia accounted for 15 % of Group revenue, up only slightly on the previous year. Among other things, this was due to delays in deliveries of new products in particular. Revenue was also impacted by the weakness of the US dollar, as the majority of orders in Asia are invoiced in US dollars.

Increasing awareness of the Viscom brand in the Asian markets remains a high priority. This will primarily be achieved via the new application centre in Shanghai, which will allow new and established Viscom customers to benefit from the improved transfer of expertise. Customers based in the region require the geographical proximity offered by the centre and direct access to the company's service and support networks. In addition, Viscom's Chinese-language website has provided customers and interested parties with information on the company's comprehensive product range since the end of last year.

Further momentum was generated by the Nepcon trade fair in Shanghai, which gave Viscom the opportunity to demonstrate the high performance of its systems to Chinese customers, generate potential future orders and initiate discussions with potential clients. Improvements in the supply of state-of-the-art demonstration machines from the middle of the second quarter 2008 will help to expand these business relationships.

At K€ 1,798, revenue in Asia remained essentially unchanged year-on-year in the first quarter 2008 (previous year: K€ 1,757). EBIT amounted to K€ -71 as a result of non-recurring expenses for the company's partici-

pation in the Nepcon trade fair in Shanghai and the effect of the exchange rate situation on the gross margin.

<b>Asia</b>	<b>01.01.– 31.03.2008</b>	<b>01.01.– 31.03.2007</b>
Revenue (K€)	1,789	1,757
EBIT (K€)	-71	161
EBIT margin (%)	-3.9	9.2
Employees	38	31
Representatives	12	7

#### **Americas**

The Americas region developed extremely positively in the first quarter of 2008, accounting for 25 % of Group revenue. This reflected the expansion of the company's sales and service activities across the continent. Viscom has succeeded in acquiring new customers, thereby reducing its dependence on major clients.

A further step in the expansion of business relationships in the Americas region was the opening of an

application and training centre with a demonstration room in Guadalajara, Mexico. This new location means that Viscom is optimally positioned to ensure the best possible service for its rapidly growing customer base, including allowing it to meet the rising demand for inspection equipment in the Mexican electronics market with a corresponding level of service.

Viscom generated revenue of K€ 2,984 in the Americas region in the first quarter 2008, compared with K€ 1,540 in the corresponding period of the previous year. This is all the more impressive in light of the growing weakness of the US dollar. EBIT amounted to K€ 364 after K€ -15 in the first quarter of 2007.

<b>Americas</b>	<b>01.01.– 31.03.2008</b>	<b>01.01.– 31.03.2007</b>
Revenue (K€)	2,984	1,540
EBIT (K€)	364	-15
EBIT margin (%)	12.2	-1.0
Employees	18	19
Representatives	15	13

### Opportunities/risks and outlook report

Viscom expects the launch of new products to present it with increased sales opportunities in the course of the current financial year. The high-end products manufactured by Viscom are used in a large number of industrial segments around the world, including the automotive, aviation, consumer and communication industries.

Following the launch of the X7056 last year, sales of the X7056RS are expected to increase significantly in 2008. This can be seen from the orders received in recent months. The X7056RS, which combines optical and X-ray inspection, gives Viscom an important technological edge.

With the S2012PV, Viscom has developed a system offering flexible inspection solutions to the photovoltaic industry. The high-performance VisCam sensors, which have been specially developed for this product, can be used on a modular basis across all applications, such as the inspection of incoming wafers, cell characterisation and the inspection of outgoing cells. Viscom expects to see growing demand for these inspection systems from the photovoltaic industry and a corresponding expansion in its existing customer base.

The new IP business area, which was formed following the acquisition of the MX product family from the US light source developer Phoseon Technology Inc., is working intensively towards the development of new inspection systems for the semiconductor industry. This technology is expected to establish itself as a further pillar of Viscom's business activities in the medium to long term.

Viscom has initiated a risk management system in accordance with section 91 (2) of the German Stock Corporation Act. The guiding principle of the risk

management system is that the relevant decision-makers should be made aware of the development of significant risks as promptly and comprehensively as possible in order to allow them to respond or initiate pre-emptive actions in a timely and appropriate manner. To this end, the risk managers from the individual business areas meet on a regular basis to discuss and clarify the current status of and approach to the significant risk positions on the basis of corresponding evaluations and reports. Specialist employees provide additional clarification where necessary.

Viscom currently considers itself to be exposed to exchange rate, major customer and development risks. Around 25 % of the Group's revenue is invoiced in US dollars. Accordingly, revenue in the first quarter of 2008 would have been higher if it had been reported in US dollars. The company counteracts the exchange rate risk to which its cash and cash equivalents are exposed by successively purchasing parts in US dollars and entering into agreements on payment in euros or at fixed exchange rates with major customers around the world.

Major customer risk is embodied in the company's revenue structure: to date, more than 50 % of its revenue has been generated from its three largest customers. The loss of one of these customers would have a substantial impact on the company's figures. Viscom aims to counteract this risk by acquiring new customers around the world, and hence reducing its dependence on major customers.

Viscom minimises the risk arising from the development of new machines by employing a systematic construction process in which the quality of the development activities performed to date is reviewed on a regular basis; corresponding measures are then derived from the results of this review.

Viscom is also addressing the challenges resulting from the growing demand for qualified applicants on the employment market. As well as entering into partnerships with the University of Hanover and participating in campaigns to attract potential employees to "careers in small and medium-sized companies" Viscom is increasingly implementing in-house employee training programmes. The qualification of the company's employees as specialists and managers is a key factor in its long-term success.

The company's management is forecasting revenue of between € 57 million and € 60 million and an EBIT margin of 7 % to 9 % for the 2008 financial year.

#### **Significant transactions with related parties**

There are rental agreements for seven properties on Carl-Buderus-Straße, Hanover, between the company and Dr. Martin Heuser/Petra Pape GbR, Hanover, Marina Heuser/Petra Pape GbR, Hanover, and HPC Vermögensverwaltung GmbH, Hanover. The parties to these agreements all constitute related parties within the meaning of IAS 24.

Viscom has also concluded leases for company cars with HPC Vermögensverwaltung GmbH.

## General Information on the Company

Viscom AG is headquartered in Hanover, Germany, where it is registered under record number HR B 59616. The business address is Viscom AG, Carl-Buderus-Straße 9-15, 30455 Hanover. The company's business activities consist of the development, manufacture

and sale of automated inspection systems for industrial production. Inspection is performed by the computer-based optical and/or X-ray comparison of the inspected objects with the specifications defined in the inspection system.

IFRS Consolidated Interim Financial Statements as of 31 March 2008  
Income Statement

Consolidated Income Statement	01.01.– 31.03.2008 K€	01.01.– 31.03.2007 K€
Revenue	11,865	10,716
Other operating income	166	163
	<b>12,031</b>	<b>10,879</b>
Changes in finished goods and work in progress	1,357	1,664
Cost of materials	-5,574	-5,589
Staff costs	-4,983	-4,644
Depreciation and amortisation expense	-252	-189
Other operating expenses	-2,549	-2,229
<b>Total operating expenses</b>	<b>-12,001</b>	<b>-10,987</b>
<b>Operating profit/loss</b>	<b>30</b>	<b>-108</b>
Interest income	132	196
Interest expense	-1	-20
Taxes on income	-149	-10
<b>Net profit for the period</b>	<b>12</b>	<b>58</b>
<b>Earnings per share (diluted and undiluted) in €</b>	<b>0.00</b>	<b>0.01</b>

## Balance Sheet: Assets

Assets	31.03.2008 K€	31.12.2007 K€
<b>Current assets</b>		
Cash and cash equivalents	7,288	27,726
Trade receivables	15,643	16,783
Current income tax assets	3,748	2,709
Inventories	19,964	19,508
Other financial receivables	489	315
Other assets	20,413	444
<b>Total current assets</b>	<b>67,545</b>	<b>67,485</b>
<b>Noncurrent assets</b>		
Property, plant and equipment	2,134	2,182
Goodwill	15	15
Intangible assets	2,672	2,725
Loans originated by the Company	22	98
Deferred tax assets	586	623
Other noncurrent assets	6	0
<b>Total noncurrent assets</b>	<b>5,435</b>	<b>5,643</b>
<b>Total assets</b>	<b>72,980</b>	<b>73,128</b>

## Balance Sheet: Liabilities and Shareholders' Equity

Liabilities and Shareholders' Equity	31.03.2008 K€	31.12.2007 K€
<b>Current liabilities</b>		
Trade payables	2,534	1,855
Payables to affiliated companies	1	28
Advanced payments received	606	718
Provisions	3,448	3,384
Current income tax liabilities	320	312
Other financial liabilities	2,217	2,625
Other current liabilities	1,771	2,178
<b>Total current liabilities</b>	<b>10,897</b>	<b>11,100</b>
<b>Noncurrent liabilities</b>		
Noncurrent provisions	162	159
Other noncurrent liabilities	370	370
<b>Total noncurrent liabilities</b>	<b>532</b>	<b>529</b>
<b>Shareholders' equity</b>		
Subscribed capital	9,020	9,020
Capital reserves	42,170	42,170
Retained earnings	10,539	10,527
Reserves for fair value adjustments	73	0
Exchange differences	-251	-218
<b>Total shareholders' equity</b>	<b>61,551</b>	<b>61,499</b>
<b>Total liabilities and shareholders' equity</b>	<b>72,980</b>	<b>73,128</b>

## Cash Flow Statement

Cash Flow Statement	01.01.– 31.03.2008 K€	01.01.– 31.03.2007 K€
<b>Cash flow from operating activities</b>		
Net profit for the period after interest and taxes	12	58
Adjustment of net profit for income tax expense (+)	149	10
Adjustment of net profit for interest expense (+)	1	20
Adjustment of net profit for interest income (-)	-132	-196
Adjustment of net profit for depreciation and amortisation expense (+)	252	189
Increase (+) / Decrease (-) in provisions	78	-188
Gains (-) / Losses (+) on the disposal of noncurrent assets	-5	-16
Increase (-) / Decrease (+) in inventories, receivables and other assets	736	2,991
Increase (+) / Decrease (-) in liabilities	-444	-3,516
Income taxes paid (-)	-1,036	-1,151
<b>Net cash used in/from operating activities</b>	<b>-389</b>	<b>-1,799</b>
<b>Cash flow from investing activities</b>		
Acquisition (-) of current assets	-19,873	0
Proceeds (+) from the disposal of noncurrent assets	16	21
Acquisition (-) of property, plant and equipment and noncurrent intangible assets	-291	-422
Interest received (+)	203	193
<b>Net cash used in investing activities</b>	<b>-19,945</b>	<b>-208</b>
<b>Cash flow from financing activities</b>		
Interest paid (-)	-8	-26
<b>Net cash from/used in financing activities</b>	<b>-8</b>	<b>-26</b>
Changes in cash and cash equivalents due to changes in interest rates	-96	-13
<b>Cash and cash equivalents</b>		
Changes in cash and cash equivalents	-20,342	-2,033
Cash and cash equivalents at 1 January	27,726	40,144
<b>Total cash and cash equivalents</b>	<b>7,288</b>	<b>38,098</b>

## Statement of Changes in Shareholders' Equity

Shareholders' Equity	Subscribed capital	Capital reserves	Exchange differences	Retained earnings	Reserves for fair value adjustments	Total
	K€	K€	K€	K€	K€	K€
<b>Shareholders' equity at 01.01.2007</b>	<b>9,020</b>	<b>42,082</b>	<b>-6</b>	<b>11,478</b>	<b>0</b>	<b>62,574</b>
Exchange rate differences	0	0	-11	0	0	-11
+ Net profit for the period	0	0	0	58	0	58
Total income and total expenses	0	0	0	58	0	58
<b>Shareholders' equity at 31.03.2007</b>	<b>9,020</b>	<b>42,082</b>	<b>-17</b>	<b>11,536</b>	<b>0</b>	<b>62,621</b>
<b>Shareholders' equity at 01.01.2008</b>	<b>9,020</b>	<b>42,170</b>	<b>-218</b>	<b>10,527</b>	<b>0</b>	<b>61,499</b>
Exchange rate differences	0	0	-33	0	0	-33
+ Net profit for the period	0	0	0	12	0	12
Total income and total expenses	0	0	0	12	0	12
Fair value adjustment	0	0	0	0	73	73
<b>Shareholders' equity at 31.03.2008</b>	<b>9,020</b>	<b>42,170</b>	<b>-251</b>	<b>10,539</b>	<b>73</b>	<b>61,551</b>

**Declaration of compliance**

These interim financial statements produced at the end of the first quarter of 2008 were produced through the uniform application of and in accordance with all International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS), including in particular IAS 34 (Interim Reporting), applicable as at the 31 March 2008 statement date.

**Basic principles of preparation**

The IFRS interim financial statement was produced in euro (€) denomination. Most figures are presented as euro thousands (K€). The same accounting, measurement and computational methods were employed as with the 2007 consolidated financial statements. The income statement was prepared in accordance with the nature of expense method.

Pursuant to IAS 1, assets and liabilities carried on the balance sheet are classified as either current or noncurrent. Current assets or liabilities are those designated for disposal/redemption within a one-year time horizon.

The consolidated financial statements contain certain estimates and assumptions that have an impact on the recognition and carrying amounts of assets, liabilities, income, expenses and contingent liabilities. Actual amounts may differ from these estimates.

**Disclosures on assets and liabilities**

The purchase price allocation for the acquisition of the MX product family from Phoseon Technology Inc. dated 23 August 2007 is still provisional, as there remains a degree of uncertainty with regard to the accuracy of the underlying data. The total cost of the acquisition was K€ 2,635.

In the first quarter 2008, Viscom acquired units of a Luxembourg-based Part II investment fund with a total volume of K€ 14,716. The investment strategy

of the fund is aimed at generating a standard money market return by employing various listed securities (fixed-income securities, equities) and derivatives in order to achieve an attractive post-tax yield while ensuring the greatest possible degree of flexibility. Derivatives are employed in order to generate returns as well as for hedging purposes.

On initial recognition, the fund units are carried at cost, which corresponds to the fair value of the consideration paid (including transaction costs). In subsequent periods, they are measured according to IAS 39, by calculating their fair value on a daily basis using the underlying asset portfolio determined by the bank in the active market, with gains and losses recognised in the period in which they occur. As the fund units are classified as available-for-sale financial instruments, any changes in fair value are taken directly to equity.

In addition to the general risks attributable to tax-optimised investments, the fund is exposed to interest rate and counterparty default risk relating to the conclusion of derivatives.

In accordance with section 8b of the German Corporate Income Tax Act, a further money market fund with a volume of K€ 4,902 allows the generation of substantially tax-free income based on the differences between the spot rates and forward rates of equities. The resulting share price risk is largely hedged in a timely manner through the use of derivatives.

The fund is exposed to interest rate and counterparty default risk relating to the conclusion of derivatives.

**Events after the balance sheet date**

No significant events occurred after the end of the first quarter of 2008.

**Seasonality**

The Viscom Group's business is seasonal in nature to a significant degree. More revenue tends to be generated in the second half of the year than in the first six months. The fourth quarter is typically the strongest quarter in terms of revenue.

**Audit of the accounts**

As was the case with previous quarterly accounts, the quarterly accounts as of 31 March 2008 were neither examined by an auditor according to 320 HGB, nor were subjected to an audit review.

Disclosures on the Group's geographical segments broken down by sales market (in K€)	Europe		Asia		Americas		Total	
	01.01.– 31.03. 2008	01.01.– 31.03. 2007	01.01.– 31.03. 2008	01.01.– 31.03. 2007	01.01.– 31.03. 2008	01.01.– 31.03. 2007	01.01.– 31.03. 2008	01.01.– 31.03. 2007
	Revenue	7,083	7,419	1,789	1,757	2,984	1,540	11,865
EBIT	-263	-254	-71	161	364	-15	30	-108
plus financial result	124	179	5	0	2	-3	131	176
less income taxes	6	-3	0	-35	-155	28	-149	-10
<b>Net profit for the period</b>	<b>-133</b>	<b>-78</b>	<b>-66</b>	<b>126</b>	<b>211</b>	<b>10</b>	<b>12</b>	<b>58</b>

**Responsibility Statement**

To the best of our knowledge, and in accordance with the applicable reporting principles for group interim financial reporting, the group interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group interim management report includes a fair review 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 for the remaining months of the financial year.

  
 Dr. Martin Heuser

  
 Volker Pape

  
 Ulrich Mohr



- 15 May 2008 ..... Publication of interim report on the first quarter, conference call      Hanover
- 12 June 2008 ..... Annual General Meeting, Expowal      Hanover
- 18 June 2008 ..... Analysts' Conference, OPTATEC      Frankfurt
- 13 August 2008 ..... Publication of interim report on the second quarter, conference call      Hanover
- 12 November 2008 ..... Publication of interim report on the third quarter, conference call      Hanover

## Viscom AG

<b>Supervisory Board</b>	Dr. Jürgen Knorr (Chairman) Hans E. Damisch (Deputy Chairman) Prof. Dr. Claus-Eberhard Liedtke
<b>Executive Board</b>	Dr. Martin Heuser    Volker Pape    Ulrich Mohr
<b>Head office</b>	Carl-Buderus-Straße 9–15, 30455 Hanover Commercial Register of Hanover Local Court HR B 59616
<b>Subsidiaries of Viscom AG</b>	Viscom France S.A.R.L., Cergy Pontoise Cedex, France Viscom Inc., Atlanta, Georgia, USA Viscom Machine Vision Pte Ltd., Singapore
<b>Subsidiary of Viscom Machine Vision Pte Ltd., Singapore</b>	Viscom Machine Vision (Shanghai) Trading Co., Ltd.

## Credits

<b>Published by</b>	Viscom AG, Carl-Buderus-Straße 9–15, 30455 Hanover, Germany Tel. +49 511 94996-0, Fax +49 511 94996-900 info@viscom.de, www.viscom.com
<b>Responsibility</b>	Viscom AG, represented by the Executive Board
<b>Editors</b>	Dr. Martin Heuser (Executive Board) Volker Pape (Executive Board) Ulrich Mohr (Executive Board) Simone Huch (Investor Relations Manager)
<b>Layout and design/Photography</b>	corinna.lorenz.grafik.design. Photography Claudia Rump, www.claudiarump.de Viscom AG (Photo-Team, Juergen Brinkmann)
<b>Printing and production</b>	Druckhaus Benatzky, www.benatzky.de
<b>Commercial register and registration number</b>	Court of registration: Hanover Local Court, Registration number: HR B 59616, VAT ID number in accordance with section 27a of the German VAT Act: DE 115675169
<b>Copyright notice</b>	All photographs and text contained in this report are protected by copyright. Reproductions of any kind require the express written permission of Viscom AG.



■ **Head office**

Viscom AG  
Carl-Buderus-Straße 9-15  
30455 Hanover  
Germany  
Tel.: +49 511 94996-0  
Fax: +49 511 94996-900  
info@viscom.de

■ **Investor Relations**

Viscom AG  
Simone Huch  
Carl-Buderus-Straße 9-15  
30455 Hanover  
Germany  
Tel.: +49 511 94996-861  
Fax: +49 511 94996-555  
simone.huch@viscom.de

**[www.viscom.com](http://www.viscom.com)**