



Consolidated Interim Report for H1 2009/2010

Revenues €6,745 thousand / EBIT €468 thousand / Consolidated loss €468 thousand / Order backlog down 20.0%/ Incoming orders (ytd) -5.3% / Forecast 2009-2010

CeoTronics AG Audio Video Data Communication (ISIN: DE0005407407), Adam-Opel-Strasse 6, 63322 Rödermark (Germany), listed in the Prime Standard of the Frankfurt Stock Exchange, generated consolidated revenues of €6,745 thousand in accordance with IFRSs in the reporting period from June 1 to November 30, 2009 (previous year: €10,193 thousand).

As of November 30, 2009, the consolidated order backlog was down 20.0% as against the prior-year period. Orders received in the first six months of the year declined by 5.3% year-on-year.

The first half of fiscal year 2009/2010 closed with EBIT of €-468 thousand (previous year: €1,549 thousand), a loss before tax of €536 thousand (previous year: profit of €1,512 thousand), and a consolidated loss of €468 thousand (previous year: consolidated profit of €1,170 thousand). Earnings per share were €-0.07 (previous year: €0.17). Gross cash flow amounted to €-191 thousand (previous year: €1,430 thousand).

Consolidated equity amounted to €12,072 thousand as of November 30, 2009. The equity ratio was 61.4% (previous year: 59.7%).

Investments in the first six months of fiscal year 2009/2010 totaled €513 thousand, up 12.0% year-on-year. The Group's cash and cash equivalents increased to €1,161 thousand.

The number of employees in the Group (including trainees) increased to 157 as of November 30, 2009 (August 31, 2009: 154), of whom two work in Research and Development.

The Company's share price recorded positive growth of 6.8% in the period under review.

Consolidated revenues of €16.0 million, consolidated EBIT of €300 thousand, and consolidated profits of €100 thousand are expected for fiscal year 2009/2010.

Issuer's information and explanatory remarks on this ad hoc disclosure:

The decline in revenues towards the end of the first half of the year is due, among other things, to the last of the batch of the major order from the German Armed Forces worth over €3.1 million being delivered and invoiced in Q2 last year. Furthermore, the effects of the worst global economic and financial crisis in 80 years impacted the course of business at CeoTronics AG, despite the obvious investment

bottleneck and customers having to make up ground in communications technology. Moreover, the weak order intake in the past quarter and in the fourth quarter of fiscal year 2008/2009, as well as the delays to the switch to digital radio by security authorities and organizations in Germany and Northern Europe, had an adverse effect on revenue and order backlog development.

The significant decline in revenues meant that CeoTronics was unable to match the key earnings figures and financial indicators recorded in the prior-year period.

Due to the continual weak order intake and the as yet unreleased orders for the tender for digital radio accessories the Company won from the federal state of Berlin, the Board of Management resolved to introduce short-time working for some departments at the production location in Rödermark as of December 2009. Short-time working was expanded from January 2010.

“In subsequent fiscal years, CeoTronics should achieve significantly higher revenues and corresponding more positive earnings figures due, among other things, to the economic recovery and the switch to digital radio by governments and industry in Germany and Northern Europe,” said Thomas H. Günther, Chairman of the Board of Management.

Further information:

CeoTronics AG
Audio Video Data Communication
Investor Relations, Adam-Opel-Strasse 6, 63322 Rödermark, Germany
Tel.: +49 (0)6074/8751-722, Fax: +49 (0)6074/8751-720
E-mail: chairman@ceotronics.com, Internet: <http://www.ceotronics.com>