Group Interim Report of SIMONA AG, Kirn, for the First Half of 2008

Group Management Report

1. Business Performance

During the first six months of 2008, the SIMONA Group managed to expand both revenue and earnings against the backdrop of relatively stable economic conditions. Sales revenue generated during this period stood at € 157.1 million, which corresponds to year-on-year growth of 4.1 per cent.

However, the economic climate deteriorated over the course of the first half. Whereas the German economy expanded by a significant 1.3 percent during the first quarter, the second quarter saw a decline of 0.5 per cent. Having said that, particularly the chemical and mechanical engineering industry, which are of key importance to our semi-finished plastics business, managed to generate considerable momentum in the period under review. Within the eurozone as a whole, the economy grew by 0.7 per cent in the first quarter. However, the downturn in the global economy was also felt within the eurozone over the course of the second quarter, with economic output declining by 0.2 per cent. Buffeted by the collapse of yet more mortgage banks, together with subdued consumer spending, the US economy has been standing its ground in the recessionary battle. In the first quarter, GDP rose by 0.2 per cent, followed by growth of 0.5 per cent in the second quarter. The emerging economies of Asia remain stable, although they too have had to contend with a reduction in the overall pace of growth.

The elevated price of oil continues to exert pressure on the economy as a whole, as does the spiralling cost of raw materials used by companies such as ours. On a more positive note, the price of crude oil has fallen considerably in recent weeks. Having said that, the price of the ethylene contract, which forms the procurement basis of the majority of raw materials processed by us, rose by € 180 per tonne in the third quarter of 2008, thus reaching an all-time high.

Performance within the sales regions of relevance to the SIMONA Group was anything but consistent in the period under review, a situation that must be seen within the context of bifurcated economic trends. Domestically, sales revenues stagnated at € 59.4 million. In the region covering the „Rest of Europe and Africa“ we managed to lift sales revenue by 3 per cent to € 9.3 million. In parallel, we achieved significant growth in „Asia, the Americas and Australia“. After a challenging period of business in the US during 2007, marked in particular by production stoppages as a result of our relocation, we succeeded in generating forward momentum despite having to contend with a weaker economy. We expanded sales revenue by more than 50 per cent in Asia and Australia, lifting aggregate revenue for this region by 27.9 per cent to € 22.0 million. Domestic sales in relation to total revenue declined from 39.5 per cent to 37.8 per cent.

Our overall growth in revenue was achieved within the area of semi-finished products as well as in our pipes and fittings business.

2. Financial performance

Despite the surge in energy and commodity prices, we achieved a significant increase in earnings before interest and taxes (EBIT) during the period under review. At € 13.2 million, EBIT grew by 40.4 per cent compared with the first half-year of 2007. Above all, this is a testament to the decisive manner in which we implemented the earnings improvement programme launched in 2007. With the exception of SIMONA POLSKA and SIMONA IBERICA, all Group companies managed to expand or, at the very least, maintain their bottom-line results.

After restructuring and relocation, SIMONA AMERICA improved its earnings significantly in the first half of the financial year. Overall, its EBIT was just slightly below the break-even point.

Benefiting from an enhanced product mix and the elimination of low-margin products or customer segments, we managed to boost our gross profit margin from 42.2 per cent in the first half of 2007 to 44.2 per cent in the period under review. The relatively minor increase in fixed costs helped us to lift our EBIT margin considerably in the reporting period; at 8.4 per cent (previous year: 6.2 per cent), it lies within the medium-term target range of 7 to 10 per cent.

The increase in other operating expenses and income is attributable mainly to foreign-currency losses/gains.

Earnings before income taxes amounted to € 13.5 million, which is only slightly more than EBIT due to the minor impact of net finance income. Buoyed by a lower tax rate, net profit for the period stood at € 9.7 million.

3. Interest income and expense

At June 30, 2008, interest income totalled € 0.4 million, which was attributable to short-term investments. Interest expense amounted to € 0.2 million, mainly as a result of two US dollar loans.

4. Financial position

SIMONA increased its investments considerably in the first six months of 2008. As at June 30, 2008, a total of € 12.0 million (previous year: € 5.4 million) was channelled into the expansion and modernisation of production plant. The majority of these investments were for the construction of new facilities in Litvinov, Czech Republic, and Jiangmen, China. Effective from January 1, 2008, SIMONA AG sold its ownership interest in Georg Fischer SIMONA Fluorpolymer Products GmbH, Ettenheim, to Georg Fischer Rohrleitungssysteme AG, Schaffhausen (Switzerland). The proceeds of this sale amounted to € 0.8 million.

Compared with December 31, 2007, total assets increased by € 15.1 million to € 248.9 million, buoyed in particular by more expansive business, an increase in property, plant and equipment following more pronounced investments, and the rise in cash as a result of stronger cash flow from operating activities.

5. Risks associated with future development

The risk management system of SIMONA AG controls the following material risks: risks relating to the general business environment and sector, financial risks and IT-specific risks.

The risks associated with the general business environment and the sector in which the company operates relate mainly to the economic development of customer segments supplied by SIMONA. They also include price-specific risks due to fluctuating exchange rates and risks emanating from developments on the raw material markets. Owing to our broad range of products and thorough analysis of the market, we are able to mitigate these risks and respond to changes. In establishing our own production facilities in China and the Czech Republic, we will also improve the company's flexibility when it comes to meeting new customer requirements at a global level. Price risks associated with exchange rates tend to increase in proportion to revenue generated outside the eurozone.

The expansion of production in the United States and the establishment of the new plant in China have helped to scale back risks within this area. In addition, SIMONA addresses the issue of currency risk to the largest extent possible by deploying hedging instruments. As in the past, the price of raw materials was a source of considerable risk in 2008, although we have seen a return to more stable prices recently. Having said that, procurement costs for raw materials are expected to remain high in the annual period as a whole.

Additionally, the risk of default has increased as a result of higher revenues. In this context, thorough investigations in credit ratings and continuous monitoring within this area help to mitigate risk as a whole as well as risk associated with individually identifiable items. Default-related risk associated with specific customers is limited by credit insurance and the cut-off of deliveries in the case of outstanding payments. The carrying amounts of inventories were assessed on a regular basis, and adjustments in the form of allowances were made for specific products. In our opinion, the company's overall risk situation has not changed materially in relation to the previous financial year.

6. Report on expected developments

The overall prospects for the world economy have deteriorated over the course of 2008. The global financial crisis is far from being over, and GDP in the United States, as well as in several countries of the eurozone, remained stagnant or contracted in the first six months. Some of the world's economies are exposed to the risk of recession prompted by the financial and mortgage crisis. At the same time, inflation is on the rise, fuelled mainly by elevated energy and commodity prices. What is more, the momentum once generated in the emerging economies of Asia is waning. While China's economy expanded by an impressive 10.4 per cent in the first half of 2008, this was 1.8 percentage points down on last year's figure. The International Monetary Fund (IMF) has revised downwards its forecast, projecting growth of 3.7 per cent in world GDP.

Despite this less favourable outlook, the German Council of Economic Experts remains confident that Germany can generate forward momentum at a level comparable to last year's figure. However, a number of indicators suggest a protracted period of weakness from 2009 onward. The German Association of the Plastics Processing Industry has forecast growth of 3.5–4 per cent for 2008. On this basis, the industry would again outpace the economy as a whole.

The overall business climate remains favourable for SIMONA, although we are having to contend with a more blustery headwind as the economy weakens. Operating against this backdrop, SIMONA can reaffirm its revenue and earnings targets for the 2008 financial year as a whole. Based on our results for the first half-year and order backlog, the target of € 315 million in sales revenue would appear to be attainable. Although the figures for the first half cannot be extrapolated for the purpose of determining annual results, we are confident, from today's perspective, that we can exceed the solid performance achieved last year.

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Consolidated Interim Financial Statements

Group Income Statement

in €'000	Note	01/01 – 30/06/2008	01/01 – 30/06/2007
Revenue		157,086	150,951
Other operating income		3,438	1,547
Changes in inventories of finished goods		1,883	6,015
Cost of purchased materials		88,678	90,684
Staff costs		30,379	30,607
Depreciation of property, plant and equipment, and amortisation of intangible assets		6,106	6,384
Other operating expenses		23,990	21,402
Interest income		427	372
Interest expense		229	196
Earnings before taxes		**13,452**	**9,612**
Income taxes	[6]	3,789	3,639
Net profit for the period		**9,663**	**5,973**

of which attributable to: in €'000		
– Shareholders of the parent company	9,638	5,960
– Minority interest	25	13

Earnings per share: in €		
– basic, calculated on the basis of net profit for the period attributable to ordinary shareholders of the parent company	16.06	9.95
– diluted, calculated on the basis of net profit for the period attributable to ordinary shareholders of the parent company	16.06	9.95

Group Balance Sheet

Assets in €'000	**Note**	**30/06/2008**	**31/12/2007**
Intangible assets		1,955	2,524
Property, plant and equipment	[9]	89,397	85,735
Financial assets		23	23
Non-current tax assets		5,453	5,348
Deferred tax		503	545
Non-current assets		**97,331**	**94,175**
Inventories	[10]	58,664	55,679
Trade receivables		56,683	47,449
Other assets and prepaid expenses		5,767	9,191
Derivative financial instruments	[13]	204	338
Cash	[4]	30,291	22,875
Current assets		**151,609**	**135,532**
Assets of a disposal group classified as held for sale	[7]	**0**	**4,082**
Total assets		**248,940**	**233,789**

Equity and liabilities in €'000	Note	30/06/2008	31/12/2007
Issued capital		15,500	15,500
Capital reserves		15,274	15,274
Revenue reserves		123,997	118,833
Other reserves		(1,979)	(1,499)
Equity attributable to owners of the parent		**152,792**	**148,108**
Minority interests		**246**	**227**
Shareholders' equity		**153,038**	**148,335**
Financial liabilities		4,655	4,991
Retirement benefit obligations		35,524	35,025
Other provisions		6,595	6,221
Other liabilities		244	258
Deferred taxes	[6,7]	7,630	8,047
Non-current liabilities		**54,648**	**54,569**
Financial liabilities	[4]	291	305
Retirement benefit obligations		1,506	1,496
Other provisions		3,353	3,457
Trade payables		15,740	11,978
Income tax liabilities		1,468	554
Other liabilities and deferred income		18,702	11,787
Derivative financial instruments	[13]	194	179
Current liabilities		**41,254**	**29,756**
Liabilities related to assets held for sale	[7]	**0**	**1,129**
Total equity and liabilities		**248,940**	**233,789**

Selected notes

[1] Company information

The condensed consolidated interim financial statements for the first half of 2008 were released for publication on August 11, 2008, following a resolution passed by the Management Board.

SIMONA AG is a stock corporation (Aktiengesellschaft) founded in Germany – registered office at Teichweg 16, 55606 Kirn, Germany. Its shares are traded within the General Standard of the Frankfurt and Berlin Stock Exchanges.

[2] Statement of compliance and basis of preparation

The condensed consolidated interim financial statements for the first half of 2008 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The condensed consolidated interim financial statements do not comprise all information and disclosures required for consolidated financial statements and should thus be read in conjunction with the consolidated financials statements for the annual period ended December 31, 2007.

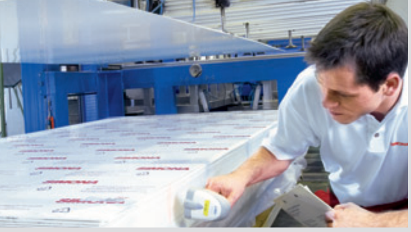
Summary of significant accounting policies
The accounting policies applied to the condensed consolidated interim financial statements are consistent with those applied to the consolidated financial statements for the annual period ended December 31, 2007.

Initial application of new or revised Standards and Interpretations
The following section provides a brief summary of the respective changes or newly issued standards to the extent that they are of relevance to the consolidated financial statements, as well as a description of the effects on measurement and recognition within the consolidated financial statements of the company. Application of the revised/amended IFRS/IAS and new Interpretations (IFRIC) is not expected to have an effect/material effect on the financial position, financial performance or cash flows of the Group.

Amendments to IFRS 1 "First-time Adoption of International Financial Reporting Standards" and IAS 27 "Consolidated and Separate Financial Statements"
Upon first-time adoption of IFRS, when preparing its separate financial statements in accordance with IFRS an entity may measure the costs of investments in subsidiaries, jointly controlled entities and associates on the basis of the fair value or the previous GAAP carrying amount. Other amendments include the deletion of the definition of the "cost method" in IAS 27 and the addition of a paragraph on the reorganisation of group structures. The amended Standards shall apply for annual periods beginning on or after January 1, 2009. The Group will not apply these Standards for an earlier period.

IAS 32 "Financial Instruments: Presentation" and IAS 1 "Presentation of Financial Statements"
On February 14, 2008, the IASB issued amendments to IAS 32 "Financial Instruments: Presentation" and IAS 1 "Presentation of Financial Statements". The amendments relate to the classification of puttable financial instruments as an entity's own equity or as a liability. The amended Standards shall apply for annual periods beginning on or after January 1, 2009. The Group will not apply these Standards for an earlier period.

Changes arising from the Annual Improvements Project
On July 31, 2008, the IASB issued changes to a number of Standards ("Improvements to IFRS"). These include changes to presentation, recognition and measurement,



as well as changes to the wording of specific sections and editorial adjustments. The changes apply for annual periods beginning on or after January 1, 2009 (with the exception of IFRS 5, which applies for annual periods beginning on or after July 1, 2009). The Group will not apply these changes for an earlier period.

IAS 39 "Financial Instruments: Recognition and Measurement"
On May 22, 2008, the IASB issued amendments to IAS 39 "Financial Instruments: Recognition and Measurement". The amendments to this Standard were incorporated for the purpose of clarifying the use of existing rules governing hedge accounting in two specific situations. The amendments to this Standard shall be applied for annual periods beginning on or after July 1, 2009. The Group will not apply these changes for an earlier period.

Consolidated group
The consolidated group was reduced in size in the first half of the 2008 financial year following the sale, effective from January 1, 2008, of interests held in Georg Fischer SIMONA Fluorpolymer Products GmbH, Ettenheim, which had been included in the consolidated financial statements of SIMONA AG in the period up to and including December 31, 2007. Since December 31, 2007, no entities have been added to the consolidated group. As at June 30, 2008, the consolidated interim financial statements comprised 16 domestic and foreign entities.

[3] Seasonal effects on business activities

Owing to seasonal factors, all business segments are generally expected to generate lower revenue and lower operating results in the second half of the year than in the first six months. Lower revenue is mainly attributable to declining demand in the principal holiday months of July and August, as well as reduced customer inventory levels towards the end of the calendar year (December).

Cash and cash equivalents [4]

For the purpose of preparing a cash flow statement, cash and cash equivalents shall be comprised of the following items:

in €'000	30/06/08	31/12/07
Cash	30,291	22,875
Current financial liabilities (excluding liabilities attributable to loans)	–80	–79
	30,211	**22,796**

Paid and proposed dividend [5]

During the first half-year the Annual General Meeting of Shareholders passed a resolution for a dividend of € 8.50 per share (prev. year: € 7.50 per share plus an anniversary bonus of € 1.50 per share) for all ordinary shares attributable to the parent company. The total dividend distribution amounted to € 5,100 thousand.
In the previous financial year, the total dividend distribution of € 5,391 thousand was executed in the second half of the financial year and was accounted for as a liability as at June 30, 2007.

[6] Income taxes

The principal components of income tax expense reported in the consolidated income statement are as follows:

in €’000	01/01 – 30/06/08	01/01 – 30/06/07
Current tax		
Current tax expense	4,309	4,036
Income from measurement of credits for the reduction of corporation tax	(118)	0
Deferred tax		
Origination and reversal of temporary differences	(402)	(397)
	3,789	**3,639**

[7] Assets of a disposal group classified as held for sale as well as liabilities related to assets held for sale

In the consolidated financial statements of SIMONA AG for the financial year ended December 31, 2007, the investment in Georg Fischer SIMONA Fluorpolymer Products GmbH, Ettenheim, was accounted for on a pro-rata basis. In this case, the assets and liabilities were presented separately in a disposal group classified as held for sale.

Effective from January 1, 2008, SIMONA AG, Kirn, disposed fully of its 50 % interest held in Georg Fischer SIMONA Fluorpolymer Products GmbH, Ettenheim. Upon disposal of the ownership interest, the investment was no longer accounted for in the consolidated financial statements of SIMONA AG; correspondingly derecognition of this item was performed effective from June 30, 2008. As at the reporting date of June 30, 2008, the assets included in a disposal group classified as held for sale and as well the liabilities relating to assets held for sale ceased to exist within the Group.

As at June 30, 2008, the disposal had the following effect on the consolidated interim financial statements:

in €’000	
Assets of a disposal group classified as held for sale	4,082
Liabilities related to assets held for sale	(1,129)
Liabilities in connection with assets held for sale eliminated as part of the consolidation process	(617)
Deferred tax liabilities	(9)
Net assets disposed of	**2,327**
Purchase price	**3,100**
Income from disposal	**773**

In contrast to the prior-year consolidated interim financial statements (June 30, 2007), the consolidated interim financial statements as at June 30, 2008, include neither assets/liabilities nor expenses/income from the business activities of Georg Fischer SIMONA Fluorpolymer-products GmbH previously allocated to the Group on a pro-rata basis, as the entity was deconsolidated effective from January 1, 2008. Therefore, year-on-year comparability of the reports incorporated within the consolidated financial statements is restricted.

Segment reporting [8]

As part of segment reporting, all activities of the SIMONA Group are categorised by region in accordance with the provisions set out in IAS 14. Segmentation is based on internal organisational, controlling and reporting structures.

The activities of the SIMONA Group can be broken down into those attributable to Germany, the Rest of Europe and Africa, as well as the Americas and Asia, including Australia. The SIMONA Group produces and markets semi-finished plastics and pipes, including fittings.

Segmentation by region

	Germany		Rest of Europe and Africa		Asia, Americas and Australia		Eliminations		Group	
in €'000	01/01–30/06/08	01/01–30/06/07	01/01–30/06/08	01/01–30/06/07	01/01–30/06/08	01/01–30/06/07	01/01–30/06/08	01/01–30/06/07	01/01–30/06/08	01/01–30/06/07
Revenue from sales to external customers	59,447	59,688	79,345	77,046	21,978	17,179	–3,684	–2,962	157,086	150,951
Revenue from sales to other segments	267	377	27,793	28,346	4,546	4,522	–32,606	–33,245	0	0
Segment revenue									**157,086**	**150,951**
Segment result	6,486	4,319	5,898	4,868	870	250	0	–1	13,254	9,436
Interest income									427	372
Interest expense									229	196
EBT									**13,452**	**9,612**

As a matter of course, segment information is based on the same principles of presentation and the same accounting policies as those applied to the consolidated interim financial statements. Revenues and expenses as well as profit/loss between the individual segments are eliminated as part of reconciliation. Internal transfer pricing between the business segments is determined on the basis of standard market prices charged to unaffiliated third parties.

In the case of segment information by region, external sales revenue relates to the country in which the customer is domiciled. The segment result refers to the result from operating activities before the effects of financing activities and excluding income tax effects. It differs from the amounts disclosed in the IFRS financial statements within the following areas:

- Finance income: the segment result does not include interest income from loans receivable or bank deposits. Additionally, it does not include income from securities, as such income does not constitute the core business activity of the respective segments.
- Finance cost: the segment result does not include interest expense from loans payable or bank overdrafts, as such expense does not constitute the core business activity of the respective segments.

Property, plant and equipment [9]

In the period from January 1 to June 30, 2008, the Group purchased property, plant and equipment at a cost amounting to € 12,025 thousand (HY1 2007: € 5,395 thousand).

During the same period, the Group disposed of assets at a carrying amount of € 23 thousand (HY1 2007: € 43 thousand). This resulted in a net gain on disposal of € 68 thousand (HY1 2007: € 9 thousand).

[10] Inventories

The amount of inventory write-downs recognised as expense in the first six months of 2008 totalled € 1,436 thousand (HY1 2007: € 1,809 thousand). The year-on-year reduction was mainly attributable to the utilisation of unsaleable products.

[11] Contingent liabilities

Compared with December 31, 2007, contingent liabilities from investment projects already initiated (obligation to purchase property/plant/equipment) decreased by € 2,005 thousand to € 8,456 thousand at the end of the reporting period.

[12] Related-party disclosures

The group of persons or entities with which the SIMONA Group has a related-party relationship changed as a result of the disposal of its ownership interest in Georg Fischer SIMONA Fluorpolymer Products GmbH as well as due to the appointment of an additional member of the Management Board and the election of the Supervisory Board of SIMONA AG during the first half of the 2008 financial year.

Management Board

- Wolfgang Moyses, Kirn
  CEO/ Chairman of the Management Board
- Detlef Becker, Saarbrücken (since April 1, 2008)
- Jochen Feldmann, Kirn
- Dirk Möller, Kirn

Supervisory Board

- Hans-Wilhelm Voss, Simmertal,
  Chairman of the Supervisory Board
  (retired on June 27, 2008)
- Hans-Werner Marx, Kirn,
  Chairman of the Supervisory Board (since June 27, 2008), previously Deputy Chairman of the Supervisory Board
- Dr. Rolf Gößler, Wolfstein,
  Deputy Chairman of the Supervisory Board (member of the Supervisory Board since June 27, 2008), Member of the Supervisory Board of J. Engelsmann AG, Ludwigshafen,
- Roland Frobel, Isernhagen,
  Tax Consultant
- Dr. Roland Reber, Stuttgart,
  Managing Director of Ensinger GmbH, Nufringen
- Bernd Meurer, Hennweiler,
  Employee Representative
- Karl-Ernst Schaab, Bergen,
  Employee Representative

There were no transactions with related parties during the first six months of 2008.en Halbjahr 2008 nicht erfolgt.

[13] Financial instruments [13]

The following section includes details of hedging transactions recently concluded by the Group as well as hedging transactions that were subject to significant changes in value. These disclosures relate to the first six months of 2008.

a) Cash flow hedging instruments
At June 30, 2008, the Group held forward currency contracts used for the purpose of hedging expected sales to

customers. In this case, the Group has given firm commitments. The forward currency contracts are deployed in order to hedge foreign currency risk associated with firm commitments. The terms and conditions of these contracts are outlined in the following table:

	in €'000	Due date	Exchange rates
Pound Sterling	1,000	11/2008	0.8008
Swiss Francs	1,500	07–08/2008	1.5730–1.6135

b) Fair value hedging instruments
At the balance sheet date the Group had two interest-rate swaps used for the purpose of hedging risk arising from changes to the fair value of floating-rate USD loans. In the first half of 2008, the change in the value of the interest-rate swaps was equivalent to expense of € 27 thousand.

As at June 30, 2008, the Group also held currency options deployed for the purpose of hedging receivables denominated in a foreign currency. The terms and conditions of these contracts are outlined in the following table:

	in €'000	Due date	Exchange rates
Pound Sterling	2,000	09–12.2008	0.7650
Swiss Francs	8,000	01.2009	1.6100

Events after the reporting period [14]

No events occurred after the reporting date that would necessitate a change to measurements or recognised amounts.

Group Cash Flow Statement

in €'000	Note	01/01 – 30/06/2008	01/01 – 30/06/2007
Earnings before taxes		13,452	9,612
Income taxes paid		(3,395)	(5,669)
Interest received and paid		(198)	(176)
Depreciation of property, plant and equipment, and amortisation of intangible assets		6,106	6,384
Other non-cash expenses and income		(196)	(217)
Change in pensions		509	1,212
Result from disposal of non-current assets	[9]	(68)	(9)
Result from disposal of investments in an entity whose assets and liabilities were included in a disposal group classified as held for sale		(773)	0
Change in inventories		(2,985)	(7,204)
Change in trade receivables		(9,234)	(7,602)
Change in other assets		7,640	(7,075)
Change in liabilities and other provisions		10,733	10,033
Net cash from/(used in) operating activities		**21,591**	**(711)**
Investments in intangible assets and property, plant and equipment		(12,114)	(5,506)
Proceeds from disposal of non-current assets		91	52
Proceeds from disposal of investments in an entity whose assets and liabilities were included in a disposal group classified as held for sale		3,100	0
Net cash used in investing activities		**(8,923)**	**(5,454)**
Payment of prior-year dividend		(5,100)	0
Interest received		427	372
Interest paid and other expenses		(229)	(196)
Net cash from/(used in) financing activities		**(4,902)**	**176**
Effect of foreign exchange rate changes on liquidity		(351)	(150)
Change in cash and cash equivalents		**7,415**	**(6,139)**
Cash and cash equivalents at January 1	[4]	22,796	25,051
Cash and cash equivalents at June 30	[4]	30,211	18,912
Change in cash and cash equivalents		**7,415**	**(6,139)**

Group Statement of Changes in Equity

in €'000	Equity attributable to owners of parent company											Minority interests	Total equity
	Issued capital			Capital	Revenue reserves						Other reserves		
	Share capital	Treasury shares	**Total**		Legal reserves	Statutory reserves	Other revenue reserves	Treasury shares	Accumulated profit for the period	**Total**	Currency translation differences		
Balance at 01/01/08	15,500	0	**15,500**	**15,274**	397	2,847	73,587	0	42,002	**118,833**	–1,449	**227**	**148,335**
Foreign currency translation	0	0	**0**	**0**	0	0	0	0	626	**626**	–480	**6**	**152**
Amount recognised directly in equity	0	0	**0**	**0**	0	0	0	0	626	**626**	–480	**6**	**152**
Net profit for the first half	0	0	**0**	**0**	0	0	0	0	9,638	**9,638**	0	**25**	**9,663**
Allocation to other revenue reserves	0	0	**0**	**0**	0	0	6,862	0	–6,862	**0**	0	**0**	**0**
Dividend payment	0	0	**0**	**0**	0	0	0	0	–5,100	**–5,100**	0	**0**	**–5,100**
Approved distribution to non-Group parties	0	0	**0**	**0**	0	0	0	0	0	**0**		**–12**	**–12**
Balance at 30/06/08	15,500	0	**15,500**	**15,274**	397	2,847	80,449	0	40,304	**123,997**	–1,979	**246**	**153,038**
Balance at 01/01/07	15,500	– 26	**15,474**	**15,032**	397	2,847	66,130	–107	40,053	**109,320**	–223	**204**	**139,807**
Foreign currency translation	0	0	**0**	**0**	0	0	0	0	–32	–32	–178	**–7**	**–217**
Amount recognised directly in equity	0	0	**0**	**0**	0	0	0	0	–32	–32	–178	**–7**	**–217**
Net profit for the first half	0	0	**0**	**0**	0	0	0	0	5,960	5,960	0	**13**	**5,973**
Allocation to other revenue reserves	0	0	**0**	**0**	0	0	7,457	0	–7,457	0	0	**0**	**0**
Dividend payment	0	0	**0**	**0**	0	0	0	0	–5,391	**–5,391**	0	**0**	**–5,391**
Balance at 30/06/07	15,500	– 26	**15,474**	**15,032**	397	2,847	73,857	–107	33,133	**109,857**	–401	**210**	**140,172**

Other information

Disclosure in accordance with Section 37w (5) WpHG
The consolidated interim financial statements and the Group interim management report have been neither reviewed nor audited in accordance with Section 317 HGB.

Disclosure in accordance with Section 37y WpHG in conjunction with Section 37w (2) No. 3 WpHG
„To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the 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 interim management report of the Group 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."

SIMONA AG
Kirn, 11 August 2008
Management Board of SIMONA AG

Wolfgang Moyses
Chairman of the
Management Board

Dirk Möller
Management Board

Jochen Feldmann
Management Board

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