SHAREHOLDER'S LETTER 1st HALF 2008

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JoWooD Group

Macroeconomic environment

Following four years of above-average growth rates, the world economy faces serious challenges, such as dealing with major concerns on global financial markets as a consequence of the subprime mortgage crisis in the USA (and Europe to a certain extent), resulting corrections in several financial markets, and increasing inflation rates as a result of high commoditiy and food prices.

Growth in the eurozone remained robust until recently. Nevertheless, it can hardly be expected that the European economies will be completely be able to remain immune from development in the US economy in the long term. Moreover, the strong Euro and ongoing high oil prices negatively affect the economic expansion of the eurozone. Given the present data experts only expect the economic growth rate in the eurozone to reach a level of 1.6% in 2008, below previous year's figure of 2.7%.

In the light of the general economic environment, the Austrian economy remains relatively stable. Thanks to the high level of orders, and the country's orientation to the dynamically growing markets of Eastern Europe, the business climate is quite good. The growth driver is local production for export purposes, with exports at particularly high level to the dynamic growth markets of Central and Eastern Europe.

Industry environment

The entertainment software sector is one of the best positioned consumer discretionary spaces to withstand a drop in consumer spending. The computer and video games industry always had its own cycle thereby gaining independence from economic trends so that from a current point of view, insecurities regarding the macroeconomic environment, fears of recession etc. should not have a negative impact on the progress of the video games industry.

Video games stand to weather a downturn since they offer a compelling value proposition in terms of dollars spent relative to entertainment value delivered. According to experts and analysts, consumers have tightened their spending on entertainment outside of the home (i.e., travel, eating out, movies) in times of recession or slower economic periods, but in-home entertainment increases.[1] This 'nesting' behavior, combined with approaching the "sweet spot" of the cycle (current console generation introduced and spread worldwide, increasing software sales for these systems), consumers will increase the amount of time they spend playing videogames and the sector should prove resilient and anti-cyclic in times of a downturn.

The history of computer - and video games shows its own cycle, seemingly detached from general, economic conditions.

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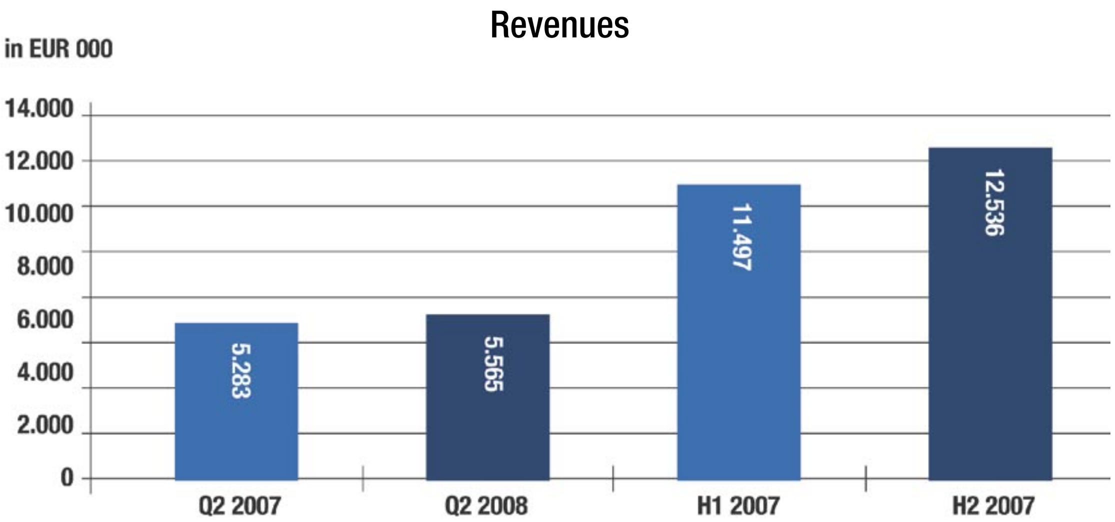
[1] Credit Suisse – Video Games Strategy Guide February 2008

Business and profit situation

JoWooD Productions Software Inc. has increased its revenues for the first half year 2008 by 8% to EUR 12,3 million compared to last year's reference period (EUR 11,4 million).

Revenues and EBT exceeded corporate planning, despite flattening of revenues caused by the typical industry cycle and the particular rearrangement of releases in the second quarter. This result undermines the management's forecast of 20% growth in FY 2008. Market- and distribution-specific requirements for the second half-year 2008 have been fulfilled, because of the realignment and investments into the expansion of the direct distribution structure in the first half-year.



The strong release pipeline of the second half-year 2008 substantiates this estimate. The management of the company puts emphasis on an optimal hedge regarding the release dates of new products in Q3 and Q4 of FY 2008. Because of the high share of console products, which undergo a standard certification process of the respective console manufacturer (i.e. Nintendo®), numerous external factors arise which can not entirely be controlled by the management of the company. Counteracting measurements of the company involve targeted investments into the subsidiary Quantic lab S.R.L. which is responsible for quality assurance of products.

The first half year 2008 was designated to the adjustment of the distribution model and the consequent, structural changes of the company. Based on the ongoing adjustment, management of the company decided to push some of the releases (even finished projects) into the second half year 2008 out of strategic reasons, in order to execute the roll-out over the more profit-yielding and profitable (direct) distribution structure.

Despite the adjustment and reallocation of various game titles, the company generated an increase of revenues compared to previous year's reference period, attributable to increased distribution efficiency in established markets.

In North America, business has mainly been driven by new releases within the classic adventure games genre. Key releases of "The Adventure Company" were Dracula PC and Sherlock Holmes PC.

Revenue drivers in the European market in the second quarter were RPG and Action franchises (Painkiller Collection, Gothic 3 Game of the Year Edition etc.). Moreover, the marketing of the extensive back catalogue has been intensified in already established core markets with direct distribution access i.e. Austria, Germany, United Kingdom. In the second quarter, classic long-sellers in this field were Agatha Christie, Dungeon Lords as well as prequels of the actual Gothic and SpellForce franchises.

Revenues in the second quarter have been increased by 8.6% to EUR 5.707 million over last year's reference period. As per June 30th, EBT amounts to EUR 175.000. Because of scheduled one-off payments in relation to the setup of the direct distribution structure, the EBT is lower than in previous year's reference period (EUR 389.000). Start-up costs for the expansion and realignment of the distribution structure comprise of organizational expenses (EUR 7.000), Recruitment (EUR 22.000), contract and consulting fees (EUR 28.000), increased travel expenses (EUR 46.000), personnel and material expenses (EUR 64.000) for the start-up of operations in Germany, Spain and Mexico amounted to approx. EUR 168.000 in the second quarter. Additionally, costs for re-listing from former distributors to own listings as well as expenditures for repurchasing of goods and shelf space for the direct distribution amounted to EUR 62.000 in the second quarter. Furthermore, JoWooD Productions Software Inc. closed successful distribution deals of "third party products" for more than 50 PC and console titles (partially included in the 2008/2009 line up). These deals include territories such as Germany, Austria, Spain, Portugal, United Kingdom, India, South- and North America. Territorial expansions of these deals are currently in negotiation. When reassessing the half year results with the above mentioned one-off payments, EBT of the second quarter would amount to EUR 405.000 and would be higher than in last year's reference period (EUR 389.000). The EBT margin of the first half year 2008 amounts to 8% (previous year: 11%), and EBIT margin to 12% (previous year: 17%).

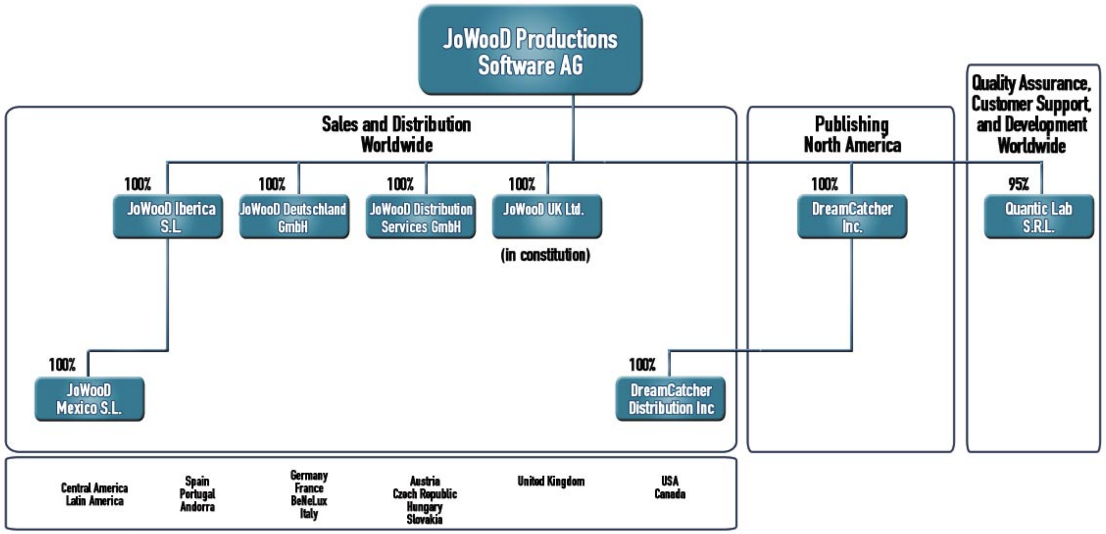
Revenue segmentation of core markets is as follows:

	Europa (Excluding GSA)	GSA (Germany, Austria, Switzerland)	North-/ Southamerica	Rest of World
January 2008 till June 2008	TEUR 2.625	TEUR 4.607	TEUR 3.814	TEUR 1.259

The balance sheet total increased to EUR 46.09 million compared to EUR 44.6 million as per December 31st 2007. The equity ratio amounts to 58% as per June 30th 2008 (December 31st 2007: 59%). The asset values of capitalized game titles amounts to EUR 10.59 million at the end of the second quarter of FY 2008 (December 31st 2007: 10.49 million). In the first half year of 2008, depreciation of game titles amount to EUR 2.1 million. Cash on hand and in banks amounts to EUR 7.34 million as per June 30th 2008. In the reporting period (01.01.2008 – 30.06.2008), the cash flow from operating activities amounts to EUR 1.88 million (previous year: EUR 2.06 million). The cash flow from investing activities – which basically represents investments in game titles – amounts to EUR -2.17 million (previous year: EUR -2.53 million). The lower investments compared to the previous year mainly result from closed deals with developers and publishers on a US-Dollar basis.

Market strategy

In the course of market strategic measurements, the Spanish and Portuguese market has been opened up, and preparations for the tapping of the Mexican (as a consequence also the Central - and South American) market have been made. According to Management, first positive impacts are expected to have effect on the third and fourth quarterly results of FY 2008 already. These measurements result in the actual corporate structure, as shown in the following illustration:



The strategic focus is on establishing sustainable market positions in markets which are currently less competitive, but which have shown very attractive growth rates over the past years. For this reason, negotiations with other South American retailers and wholesalers have already been initiated and are pushed from Mexico. According to a sector report of *PriceWaterhouseCoopers*, Brazil showed the highest market growth rates in FY 2007. Within the next four quarters, the market coverage in Brazil will be enforced by an own subsidiary.

Clear objective of the distribution strategy is the preparation of the company for the releases of its most successful brands in the second half year 2008, FY 2009, and FY 2010.

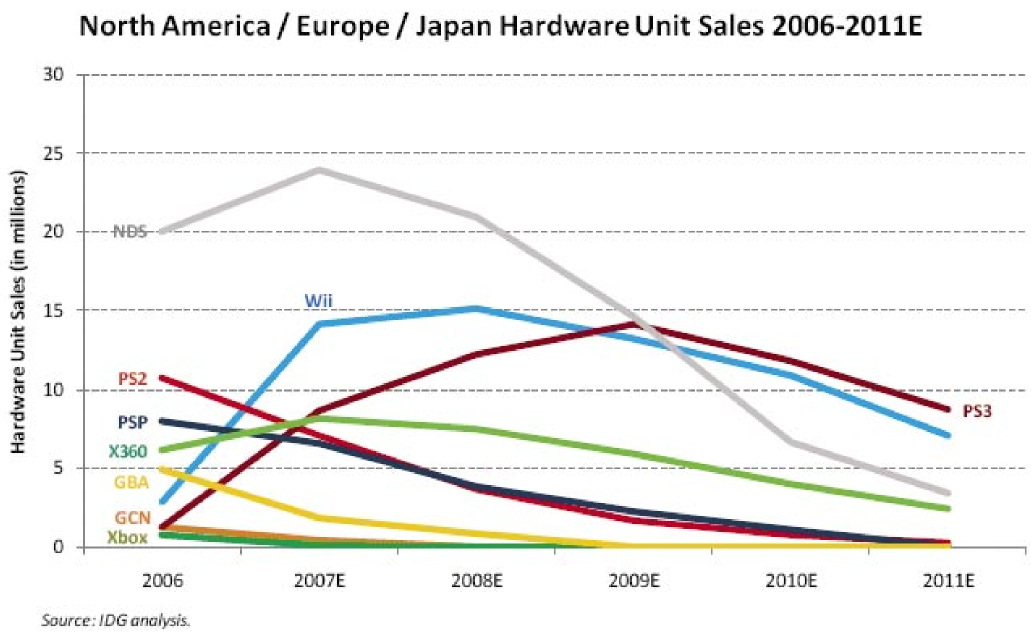
The ongoing expansion of distribution structures is the prerequisite to achieve further, sustainable optimization of unit-margins as well as a strong life-cycle management of the extensive product catalogue, thereby laying the foundation for long term, organic growth. As for the upcoming second half year, the following titles are in the pipeline: Gothic 3: Forsaken Gods PC, The Guild 2: Venice PC, Hardy Boys PC, Agatha Christie: Evil Under The Sun Wii™, Music Monstar DS™, and Inkheart DS™.

For FY 2009 and 2010 strong internationally acclaimed franchises are already in development, especially „ArcaniA – A Gothic Tale“, the innovative trend product Yoga Wii™, as well as currently not yet announced sequels of JoWooD RPG and RTS franchises.

Product strategy

From a product strategic point of view third party products will be acquired group-wide along with the own product portfolio. Third party products are complementary products to the own publishing portfolio of the company i.e. products of developers and publishers with the intention of selling their products through the widespread distribution network of JoWooD Productions Software Inc. The emphasis of these third party products is put on the genre of kids & family and casual games, with a platform orientated focus on Nintendo® DS™ and Nintendo® Wii™. In addition to above mentioned titles, the following games will be published in this area in the second half-year: Pet Pals Wii™, Australia Zoo DS™, Driver Ed DS™, Safecracker Wii™, Life Signs DS™, Paint by DS™, Paint Military Vehicles by DS™, Aquarium by DS™, Crossword challenge by DS™ etc.

The segment of family entertainment has a focus on Nintendo® platforms and is one of the strongest growing segments in Europe as well as in North America, which is why special emphasis is put on products from this category. In North America, the share of the family genre lies between 18 and 34% of total software sales since January 2008.



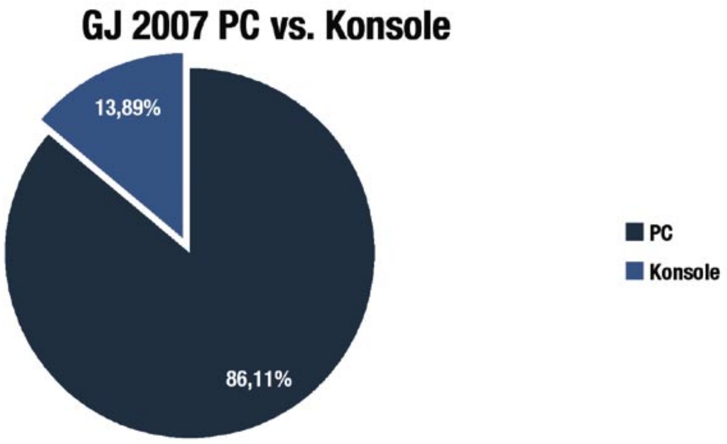
Hardware sales 2006-2011E (NA, EU, Japan)

The focus on these products results in a double synergy for the JoWooD Group:

- complementary to the own publishing line up of RPG/RTS and adventure franchises,
- the strong platform orientated focus in this segment on Nintendo® platforms which have very dominant market positions especially in Southern Europe and South America.

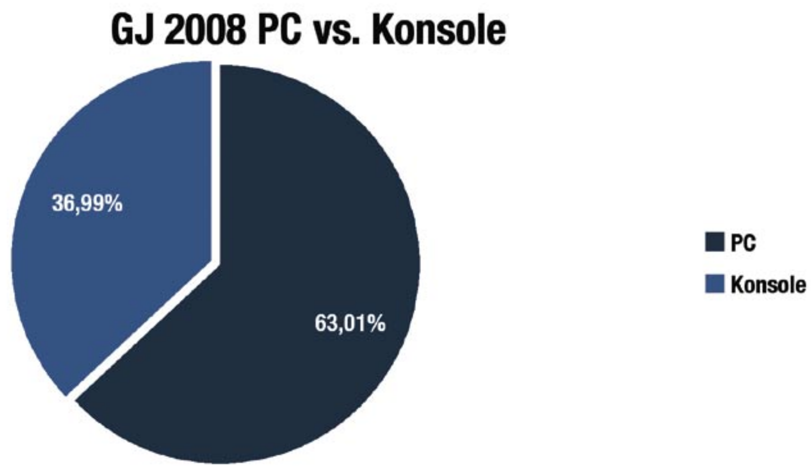
Line Up 2008

In FY 2007, approx. 86% of the group wide portfolio (related to the amount of new releases) has been released for the PC platform and approx. 14% for various console platforms (cf. illustration).



Platform segmentation related to releases in FY 2007

Because of the structural realignment and adaption of product strategic measurements, a very different picture emerges for the FY 2008. In FY 2008, the emphasis is put on console platforms, here again with a clear, strategic focus on the strong growing platforms Nintendo® Wii™ and Nintendo® DS™. In 2008, a share of approx. 37% of the product catalogue is released on console platforms, which approx. correspond to a tripling of the share compared to FY 2007.



Platform segmentation related to releases in FY 2008

In the short- to mid-term, further products will be released for other current-gen consoles, such as the Microsoft® Xbox 360™ and Sony ® Playstation™ 3.

Especially in the adventure games genre – traditionally a PC domain– publishing shifts towards consoles. JoWooD has been a first mover in converting its most successful adventure IPs for new console systems with increasing devotion to publish further titles.

Overall, the amount of products in the pipeline has nearly been doubled from 36 (FY 2007) to scheduled 74 (FY 2008), whereas in FY 2008, approx. 78% of the Line Up will be released in the second half-year.

The performance of key Adventure titles that were launched in Q2 have been performing very well in the North American retail marketplace helping to strengthen and further solidify the Adventure Company's leading position in the Adventure game category. Key titles such as Sherlock Holmes Nemesis and Dracula Origin have been selling well at all major US and Canadian retailers in the second quarter of FY 2008. Furthermore the entry into the Nintendo ®Wii™ market with the first Agatha Christie title continued to perform well in North America, as well as the new Painkiller title (Painkiller Triple Dose) that just recently has been launched.

The emphasis put on Nintendo® DS™ and Wii™ in the segment of adventure games is based on the high target segment congruence factor of hardware users and gamers of adventure games. Demographically, the strongest target audience for adventure games is the casual gamers between 25 and 30+ years of age. This target audience is also the second strongest user group of Nintendo® DS™ with constantly growing tendency.

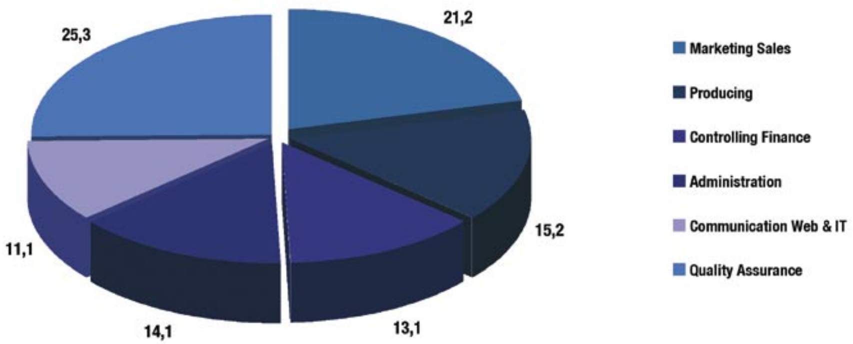
	Total	7 & Under	8 to 12	13 to 17	18 to 24	25 to 34	35 and Older	Multiple
Nintendo Wii	49.9	3.8	9.9	5.0	6.0	4.8	4.7	14.3
Nintendo DS	32.6	5.5	13.5	3.5	1.8	2.5	4.6	0.2
Xbox 360	26.5	0.4	2.7	7.1	8.0	5.2	1.2	1.7
PlayStation 3	18.2	0.2	1.5	2.3	4.5	3.7	3.2	2.2
PSP	5.4	0.6	1.9	0.6	1.2	0.6	0.4	0.4
Playstation 2	-22.0	-2.2	-4.0	-0.8	-5.4	-4.5	-1.5	-3.1
GBA	-16.0	-4.9	-6.1	-1.7	-0.7	-0.8	-0.6	-0.7
All Other	-33.5	-3.8	-8.7	-5.3	-3.9	-4.2	-3.5	-2.9

Above Average Positive Growth
Above Average Growth Contraction
Near Average Positive Growth
Near Average Growth Contraction

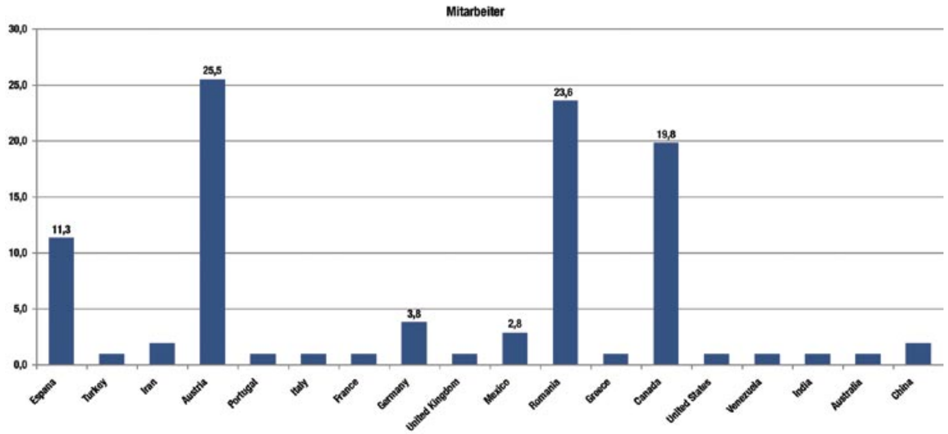
Demographic target segments and platforms

Personnel

As the group wide repositioning of the distribution structure has been carried out, effects on the structure of personnel become evident. The following pie chart illustrates that as per July 31st 2008, a clear focus within Human Resources has been put on the development of the distribution department in order to strengthen the strategic core competency. The headcount of personnel has been increased by 12% and amounts to 102 employees (compared to 91 as per December 31st 2007).



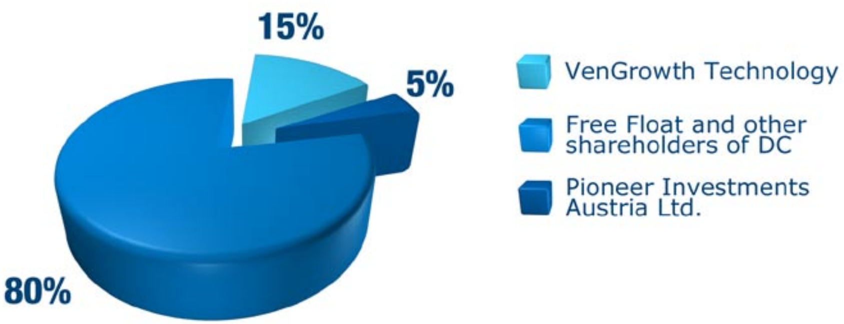
In the course of opening up new and expand established markets, a very diverse picture of the nationality-mix of personnel emerges (cf. illustration).



IR-Highlights Q2

Shareholder structure

JoWooD Productions Software AG was informed on 11 August 2008 about the following change in shareholding pursuant to Sec. 91 of the Austrian Stock Exchange Act: Pioneer Investments Austria Ltd. now holds 147.728 shares of JoWooD Productions Software AG after an acquisition of shares on 6 August 2008. In total, Pioneer Investments Austria GmbH holds 147.728 voting rights in JoWooD Productions Software AG as per 6 August 2008, which corresponds to a share in the share capital and voting rights of 5.04%. The actual shareholder structure comprises as follows:



Reverse stocksplit

In an extraordinary general meeting of the company on April 22nd 2008, a reverse stocksplit at a ratio of 10:1 has been resolved. The resolution of the extraordinary general meeting on the reclassification of the share capital has been registered with the commercial register on May 7th 2008.

The share price after the stocksplit has been taken into trade on the Vienna Stock Exchange on May 27th 2008.

Resolution on the simplified Capital Reduction

Moreover the extraordinary general meeting resolved on a simplified capital reduction pursuant to §§ 182 in connection with 188 Stock Exchange Act.

Pursuant to §§ 182 ff Stock Exchange Act, the share capital has hereby been reduced from EUR 27.356.950 by EUR 8.207.085 to EUR 19.149.865, retroacting to December 31st 2007 pursuant to § 188 Stock Exchange Act. This simplified capital reduction serves the purpose of netting out the still existing accumulated loss of the past. The simplified capital reduction ensues according to § 175 Par. 4 AktG through a reduction of the nominal value of the share of currently 10 EUR per share to 7 EUR per share.

The new share capital amounts to EUR 19.149.865. it is split up into 2.735.695 shares at a par value of EUR 7.

The simplified capital reduction as well as the dissolution of reserves for contingencies according to § 183 AktG, effected a reduction of the accumulated loss to the extent of the capital reduction and dissolution of reserves for contingencies. The total equity capital remained unchanged.

Acquisition of own shares

In the course of the Annual General Meeting (AGM) on June 25th 2008 the following points with regards to the buyback of own shares have been resolved:

a.) Authorization of the management board to buy back own shares pursuant to § 65 passage 1 subparagraph 8 Stock Exchange Act, wheras the amount of these shares is limited to 10% of the company's share capital, the authorization is valid for 30 months after resolution and the counter value per share lies within a range of +/- 30% of the average closing price of the company's share of the past 30 trading days on the Vienna Stock Exchange, with the management board's obligation to publicly announce the resolution, the key data of the program, as well as its duration pursuant to § 65 passage 1a subparagraph 8 Stock Exchange Act. Pursuant to § 65 passage 1 subparagraph 8 Stock Exchange Act, the management board is authorized to acquire own shares by other means than a public offering or over the Stock Exchange, with consideration of § 47a Stock Exchange Act. The authorization can be exercised full or in tranches and in pursuing one or more purposes of the company, its subsidiaries or third parties on their reckoning.

b.) Authorization of the management board, with agreement of the supervisory board, to resolve on the selling of own shares by other means than public offering or over the Vienna Stock Exchange without or partial exclusion of shareholders' preemptive rights. This authorization can be exercised once or multiple times full or in tranches, individually or collectively and is valid until (including) June 24th 2013.

c.) Authorization of the management board to pull in these shares without a resolution of the general meeting.

Risk situation for the remaining six months of the 2008 business year, pursuant to § 84 (4) Austrian Stock Exchange Act

As a globally operating company, which operates in a broad range of markets and targets many different customers, the Group is subject to general and sector-specific risks. The main risks and uncertainties in respect to the business development of the JoWooD Group in the remaining six months of FY 2008 are primarily relate to the company's dependence on “in time, in quality, in budget” completion of new products, as well as to potential upcoming adjournments within the release-pipeline and the respective overall economic environment.

On balance, the new, broader-based business model of the JoWooD Group has led to an improvement of the overall risk situation. The acquisitions carried out during the period under review represent a systematic continuation of the company's diversification efforts as a means of more effectively counteracting risks. For more detailed information on the main risks confronting the JoWooD Group, please refer to the 2007 Annual Financial Report (page 39ff).

Information pursuant to § 87 (4) Austrian Stock Exchange Act

In the first half of 2008, the JoWooD Group did not conclude any significant business transactions with related companies and individuals.

Required disclosure pursuant to § 87 (3) Austrian Stock Exchange Act

This interim report of JoWooD Productions Software Inc. for the first half year of FY 2008 was neither subject to a comprehensive audit nor was it subject to an auditor's review.

Statement of all Members of the Management Board pursuant to § 87 (1) Austrian Stock Exchange Act

We confirm to the best of our knowledge that the condensed interim financial statements give a true and fair view of the assets, liabilities and financial position and profit or loss of the group as required by the applicable accounting standards, and that the Group Management Report gives a true and fair view of important events that have occurred during the first six months of the financial year and their impact on the condensed interim financial statements, of the principal risks and uncertainties for the remaining six months of the financial year and of the major related party transactions disclosed.

Liezen, August 31, 2008
The Management Board of JoWooD Productions Software Inc.

Albert Seidl / CEO

Selected notes to the financial statements

The consolidated interim financial statements, in the opinion of management, include all adjustments necessary for a fair presentation in accordance with International Financial Reporting Standards (IFRS).

These financial results in accordance with IAS 34 "Interim Financial Reporting" are unaudited and should be read in connection with the Company's annual consolidated financial statements according to IFRS for the year ended December 31, 2007. The consolidated results for the interim periods are not necessarily indicative of results for the full year.

Accounting and valuation methods

The accounting and valuation methods applied in the interim financial statements are fundamentally based on the same accounting and valuation methods underlying the consolidated financial statements as at December 31st 2007.

Segment report

JoWooD Productions Software Inc. will allocate upcoming business activities to the two segments "Publishing" and "Distribution". The segment of "Publishing" covers revenues of game titles which are designed and produced by third parties (third party developers) after being assigned to a project by the company. Within these activities, JoWooD takes on the role as a financier and Project controller and constantly reviews the status of the project in terms of "in time, in quality, in budget". In exchange, JoWooD receives underlying exploitation rights (licenses). Further, JoWooD is responsible for the localization and manufacturing of the product and coordinates marketing and distribution activities.

The segment "Distribution" covers revenues of the distribution of third party products i.e. titles of third party publishers transferring distribution rights to JoWooD. These distribution contracts change on a deal-by-deal basis. Sometimes, JoWooD is responsible for marketing and sometimes these contracts are limited to certain territories or comprise multiple distribution regions.

Business activities of the first half year 2008 concerned the "Publishing" segment only. In the third and fourth quarter of FY 2008, first revenues will be generated within the "Distribution" segment and are going to be reported separately.

Upcoming IR-events in FY 2008:

16.9.2008 Börse-Express Roadshow #7 in the „Grosse Festsaal" in the „Haus der Industrie" („House of Industry", 1010 Wien, Schwarzenbergplatz), Admission: 5.00 pm, Beginning 5.30 pm

28.11.2008 Release of third quarter results 2008

JoWooD Group Balance sheet as of 30.06.2008 according to IAS

in EUR 000	30.06.2008	31.12.2007
ASSETS		
A. Non-Current Assets		
1. Intangible assets		
Trademark rights	32	38
Finished and unfinished goods	10.589	10.492
Brands	2.578	2.590
Sub-total	13.199	13.120
2. Goodwill	10.072	10.072
3. Tangible fixed assets	189	178
4. Deferred tax assets	3.620	3.620
5. Financial assets	0	7
TOTAL NON-CURRENT ASSETS	27.080	26.997
B. Current Assets		
1. Inventory merchandise	1.272	1.487
2. Receivables from the supply of goods and services	7.728	8.402
3. Other accounts receivable	2.514	382
4. Cash on hand and in banks	7.340	7.114
5. Financial investments	0	24
6. Prepaid expenses and deferred charges	154	193
TOTAL CURRENT ASSETS	19.008	17.602
TOTAL ASSETS	46.088	44.599

	30.06.2008	31.12.2007
LIABILITIES		
A. Shareholders` Equity		
1. Share Capital	19.150	19.150
2. Capital reserves	890	890
3. Reserves from retained earnings and group result	7.048	6.042
4. Curreny Conversions	-329	11
Sub-total	26.759	26.093
5. Minorities	-3	3
TOTAL SHAREHOLDERS' EQUITY	26.756	26.096
B. Mezzanine Capital		
TOTAL MEZZANINE CAPITAL	3.780	3.780
C. Long Term Debts		
1. Corporate bond	3.979	3.948
2. Provision for termination payments	105	95
TOTAL LONG TERM DEBTS	4.084	4.043
D. Short Term Debts		
1. Shortterm debts to banks	5.242	4.424
2. Accounts payable from the supply of goods and services	2.260	3.586
3. Other accruals	2.416	1.606
4. Other liabilities and deferred income	1.550	1.064
TOTAL SHORT TERM DEBTS	11.468	10.680
TOTAL LIABILITIES	46.088	44.599
Equity ratio	58%	59%

JoWooD Group
Income Statement 01-06/2008 according to IAS

All values in EUR 000	Jan - Jun 2008	%	Jan - Jun 2007*	%
1. Revenues	12.305		11.393	
2. Standard Provisions for Returns	-501	-4%	-821	-7%
3. Costs of goods sold	-3.669	-30%	-1.848	-16%
4. Gross profit before depriciation of games	8.135	66%	8.724	77%
5. Depriciation of games	-2.080	-17%	-2.971	-26%
6. Gross profit after depriciation of games	6.055	49%	5.753	50%
7. Distribution expenses	-2.022	-16%	-2.252	-20%
8. Administrative expenses	-1.787	-15%	-1.473	-13%
9. Other operating income	227	2%	141	1%
10. Other operating expenses	-979	-8%	-284	-2%
11. Operating result (EBIT)	1.494	12%	1.885	17%
12. Financial result	-469	-4%	-631	-6%
13. Result from ordinary operations	1.025	8%	1.254	11%
14. Taxes on income	-19	0%	-19	0%
15. Group result	1.006	8%	1.235	11%
Earnings per share in EUR (non diluted)	0,37		0,05	
Earnings per share in EUR (diluted)	0,36		0,05	
Average number of outstanding shares	2.735.695		26.657.713	

* Because of rearrangements, the reference values of the previous year have been adapted in the course of compiling the annual results 2007. Figures of the previous year have been adjusted.

JoWooD Group
Income Statement 04-06/2008 according to IAS

All values in EUR 000	Apr - Jun 2008	%	Apr - Jun 2007*	%
1. Revenues	5.707		5.283	
2. Standard Provisions for Returns	-194	-3%	-398	-8%
3. Costs of goods sold	-1.900	-33%	-883	-17%
4. Gross profit before depriciation of games	3.613	63%	4.002	76%
5. Depriciation of games	-949	-17%	-1.493	-28%
6. Gross profit after depriciation of games	2.664	47%	2.509	47%
7. Distribution expenses	-1.125	-20%	-1.125	-21%
8. Administrative expenses	-1.059	-19%	-596	-11%
9. Other operating income	148	3%	79	1%
10. Other operating expenses	-186	-3%	-16	0%
11. Operating result (EBIT)	442	8%	851	16%
12. Financial result	-267	-5%	-462	-9%
13. Result from ordinary operations	175	3%	389	7%
14. Taxes on income	-13	0%	-18	0%
15. Group result	162	3%	371	7%
Earnings per share in EUR (non diluted)	0,06		0,01	
Earnings per share in EUR (diluted)	0,06		0,01	
Average number of outstanding shares	2.735.695		26.657.713	

* Because of rearrangements, the reference values of the previous year have been adapted in the course of compiling the annual results 2007. Figures of the previous year have been adjusted.

JoWooD Group
Shareholders‘ Equity 06/2008 IAS

All values in EUR 000	Share capital	Additional paid in capital	Reserves from retained earnings and group result	Own Shares	Minorities	Currency conversion	Total
As per 31.12.2005	13.922	595	-16.137	-23	0	0	-1.643
Capital increase 14.02.2006	6.000	3.000					9.000
Capital increase 30.05.2006	572	429					1.001
Capital increase 18.08.2006	100						100
Capital increase 13.09.2006	200						200
Capital increase 01.10.2006	71	57					128
Costs of capital increase			-458				-458
Other changes in Equity		61					61
Changes in Consolidation Scope			184				184
Group Result 2006			2.006				2.006
As per 31.12.2006	20.865	4.142	-14.405	-23	0	0	10.579
Acquisition DreamCatcher	6.480	6.480					12.960
Capital increase 15.03.2007	2	1					3
Capital increase 04.05.2007	10	8					18
Simplified capital decrease	-8.207	-9.490					-17.697
Costs of capital increase		-251					-251
Changes in own shares				23			23
Changes in Consolidation Scope			343				343
Group Result and minorities 2007			20.103		3		20.106
Currency conversion						11	11
As per 31.12.2007	19.150	890	6.041	0	3	11	26.095
Group Result and minorities as per June 30th 2008			1.006		-6		1.000
Currency conversion						-341	-341
As per 30.06.2008	19.150	890	7.047	0	-3	-329	26.756

Cash Flow Statement 01-06/2008 according to IAS

All values in EUR 000	**Jan - Jun 2008**	**Jan - Jun 2007**
Operating Cash flow before working capital changes	1.026	1.066
Cash flow from operating activities	1.882	2.056
Cash flow from investment activities	-2165	-2.530
Cash flow from financing activities	849	-2.191
Effects of currency fluctuations	-340	-17
Changes of financial resources	226	-2.684
Liquid funds at the beginning of period	7.114	7.786
Liquid funds at the end of period	7.340	5.101

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