



Quarterly Report of Zumtobel AG
1 May 2010 to 31 July 2010

zumtobel group

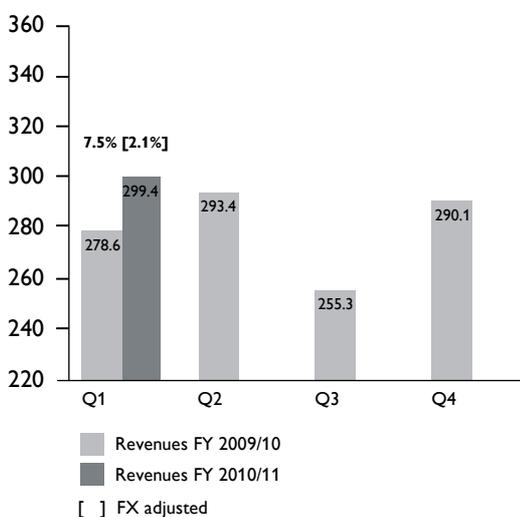
Overview of the First Quarter 2010/11

- >> 7.5% year-on-year increase in revenues (FX-adjusted: plus 2.1%)
- >> Dynamic upward trend continues in Components Segment (plus 20.9%)
- >> Late cyclical Lighting Segment negatively affected by ongoing recession in construction sector (plus 2.3%)
- >> Adjusted EBIT margin of 5.7%; prior year margin of 8.2% supported by significant license income
- >> Net profit 33.9% higher than first quarter 2009/10
- >> Revenues from the sale of LED-based products grow by 21.5%

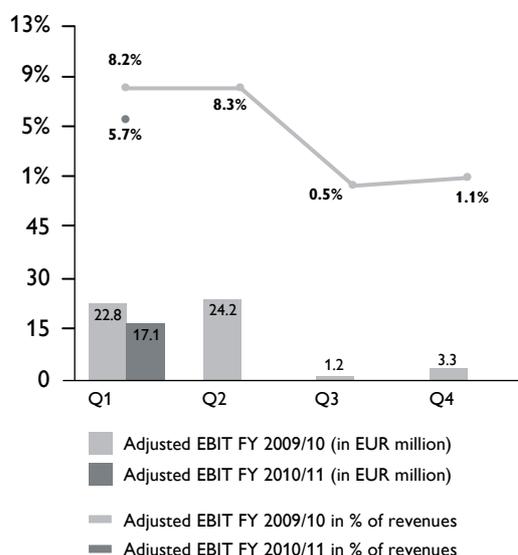
Key Data in EUR million	Q1 2010/11	Q1 2009/10	Change in %
Revenues	299.4	278.6	7.5
Adjusted EBITDA	29.0	33.6	-13.7
as a % of revenues	9.7	12.1	
Adjusted EBIT	17.1	22.8	-25.2
as a % of revenues	5.7	8.2	
EBIT	18.8	19.2	-2.1
as a % of revenues	6.3	6.9	
Net profit/loss for the period	13.6	10.2	33.9
as a % of revenues	4.6	3.7	
Cash flow from operating results	28.7	29.4	-2.2
Investments	10.5	7.8	35.4
	31 July 2010	30 April 2010	Change in %
Total assets	1,003.3	983.5	2.0
Equity	362.0	351.6	3.0
Equity ratio in %	36.1	35.8	
Net debt	162.8	121.9	33.5
ROCE in %	8.1	8.8	
Headcount incl. contract worker (full-time equivalent)	7,613	7,329	3.9

Seasonal development of business

Revenues (in EUR million)



Adjusted EBIT



Letter to Shareholders

Dear Shareholders,

The Zumtobel Group started the 2010/11 financial year on a positive trend, even though the market for professional lighting remains difficult. Group revenues rose by 7.5% to EUR 299.4 million during the period from May to July. This satisfactory development was supported by positive currency translation effects of EUR 15.0 million. After an adjustment for this effect, the growth in revenues amounted to 2.1%. An analysis of the Group's performance by segment is again characterised by two speeds. The components business benefited from a general improvement in demand as well as a higher-value product mix and an increase in our market share of electronic ballasts. Segment revenues rose by more than 20% (FX-adjusted: plus 15.6%) to EUR 106.2 million. Further growth was limited by supply shortages for electronic parts. In contrast, the late cyclical Lighting Segment was negatively affected by the continuing recession in the construction sector. Revenues for the first quarter rose 2.3% to EUR 212.3 million, but this growth was attributable solely to currency translation effects (FX-adjusted: minus 2.7%). Adjusted operating profit for the Group reached EUR 17.1 million, which is less than the comparable prior year value of EUR 22.8 million. However, it should be noted that earnings for the first quarter of 2009/10 included a sizeable, non-recurring license payment. The additional contribution from sales growth was contrasted by price declines, an increase in personnel expenses and higher expenditures for research and development. Profit after tax rose by a strong 33.9% to EUR 13.6 million for the first quarter.



Harald Sommerer

The balance sheet of the Zumtobel Group remains solid. A slight increase in the equity ratio from 35.8% as of 30 April 2010 to 36.1% and a debt coverage ratio of 2.13 give the Group a sound position. The development of free cash flow followed the normal seasonal pattern, totalling minus EUR 38.3 million at the end of July 2010 due to an increase in working capital that reflected the rising volume of business and shorter payment terms for trade liabilities to support a continuing supply of material.

Optimism, but no reason for enthusiasm

Despite the still limited visibility, the solid development of business during the first quarter leads us to confirm our forecasts for 2010/11, which call for a year-on-year improvement for the Group as whole in both revenues and operating earnings. The dynamic revenue growth in the components business should slow during the course of the year, and we are expecting at least a stabilisation in the Lighting Segment. With this development the Zumtobel Group will again outpace the European construction sector, based on the latest Euroconstruct report from July 2010. The industry experts have issued a further downward revision to their 2010 forecast for commercial construction in the seven European core markets of the Zumtobel Group (Austria, Switzerland, Germany, France, Great Britain, Italy and Scandinavia), correcting from minus 2.7% to minus 5.1%. The first signs of stabilisation are not expected to appear before 2011. The expected improvement in operating earnings will be accompanied by continuing pressure on prices, higher material costs that can only be passed on in part to customers and supply shortages for electronic parts. However, we continue to view the long-term development of the Zumtobel Group with optimism – a view that is supported by the dynamic growth in revenues from LED-based products and the steady demand for energy-efficient lighting systems.

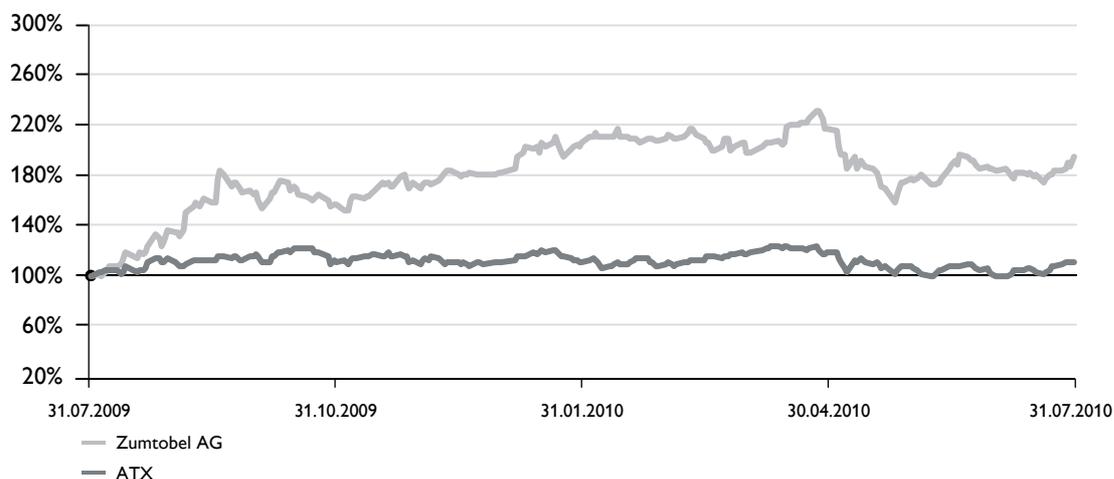
Harald Sommerer
Chief Executive Officer

The Zumtobel Share

Zumtobel share with profit-taking in first quarter

An increase of 140% in the Zumtobel share during the 2009/10 financial year was followed by profit-taking during the first quarter of 2010/11. The share price fell roughly 11% from May to July to close the reporting quarter at EUR 14.54. The leading Austrian ATX index – which also includes Zumtobel – lost more than 6% during this same period. Share performance of plus 92% in 12-month comparison places Zumtobel well ahead of the ATX, which rose by only a modest 10%. The strong improvement in the share price was supported by positive analyst statements as well as a general expectation that the economic recovery could have a positive effect on the company's operating business. The market capitalisation of Zumtobel stood at slightly more than EUR 632 million as of 31 July 2010 based on an unchanged number of 43.5 million shares outstanding. The shareholder structure is relatively stable: the Zumtobel Family continues to hold 35.3% of voting rights. The largest institutional investors are the British insurance company Aviva plc and FMR LLC with a stake of more than 5% each, and the remaining 54.3% of the company's shares represent free float.

Development of the Zumtobel Share



Key Data on the Zumtobel Share for the 1st quarter 2010/11

Closing price at 30.04.10	EUR 16.34	Currency	EUR
Closing price at 31.07.10	EUR 14.54	ISIN	AT0000837307
Performance 1st quarter 2010/11	-11.0%	Ticker symbol/Vienna Stock Exchange (XETRA)	ZAG
Performance last 12 months	92.6%	Market segment	Prime Market
Market capitalisation at 31.07.10	EUR 632 Mio	Reuters symbol	ZUMV.VI
Share price - high at 03.05.10	EUR 16.17	Bloomberg symbol	ZAG AV
Ø Turnover per day (shares)	72,473	Datastream	O:ZAG
Free float	54.3%	Number of issued shares	43,500,000

Group Management Report

The Economic Environment

The optimism conveyed by experts for global growth in 2010 has been subdued by growing uncertainty. In its July forecast the International Monetary Fund (IMF) increased its prediction for 2010 from 4.2% to 4.6%, but noted that far-reaching reforms in the financial system and economic structures will be required to safeguard the sustainability of this upward trend. With meagre growth of 1.0%, the Euro zone continues to lag behind the USA (plus 3.3%) and Japan (plus 2.4%). The discrepancy is even greater in relation to economic forecasts for the emerging countries, which can expect a plus of 6.8%. This momentum is driven by China (plus 10.5%) and India (plus 9.4%), whose high pent-up demand also influences development in the industrial countries. For example, Germany announced a sharp rise in July exports close to the 2008 pre-crisis level. That could lead to an increase in earlier OECD forecasts for the countries in the key Zumtobel D/A/CH region (Germany, Austria and Switzerland). According to May estimates by the OECD, these three countries could expect growth of 1.8% to 1.9%. A number of experts have even forecasted a plus of 2.5 to 3.0% for Germany. In addition to structural risks, the IMF has also noted the approaching expiration of many economic stimulus programmes and the still highly restrictive lending practices of many financial institutions. Economic warning signals from the USA and Japan have also fuelled doubts concerning the sustainability of the economic recovery.

Global growth dynamic in 2010 – but risks are increasing

Due to the late cyclical nature of the commercial construction sector the Euroconstruct industry experts now see this market segment in an even deeper crisis during 2010. In June 2010 the organisation issued a new forecast, revising the estimates for the seven most important European markets for the Zumtobel Group (Austria, Switzerland, Germany, France, Great Britain, Italy and Scandinavia) further downwards to minus 5.1% for 2010 from the minus 2.7% announced in November 2009. This correction also shows that the decline in investments during the financial crisis will now be followed by the impact of government austerity programmes. The first indications of stabilisation are only expected in 2011 (minus 0.3%).

Further drop in commercial building during 2010

Significant events since 30 April 2010

Thomas Spitzenpfeil, Chief Financial Officer of the Zumtobel Group since May 2004, announced his intention to leave the company in order to pursue an external career opportunity on the management board of a German corporation. His contract with Zumtobel AG will be terminated as of 30 September 2010. The Supervisory Board has already started the process to select a replacement, whereby these activities will be carried out in close coordination with the Management Board. The responsibilities presently assigned to the CFO will be taken over by Harald Sommerer, CEO, and Martin Brandt, COO, on an interim basis.

CFO announces resignation

The 34th annual general meeting on 23 July 2010 approved the payment of a EUR 0.15 dividend per eligible share for the 2009/10 financial year. This dividend was distributed on 30 July 2010.

AGM approves dividend for 2009/10

No other significant events occurred after 30 April 2010.

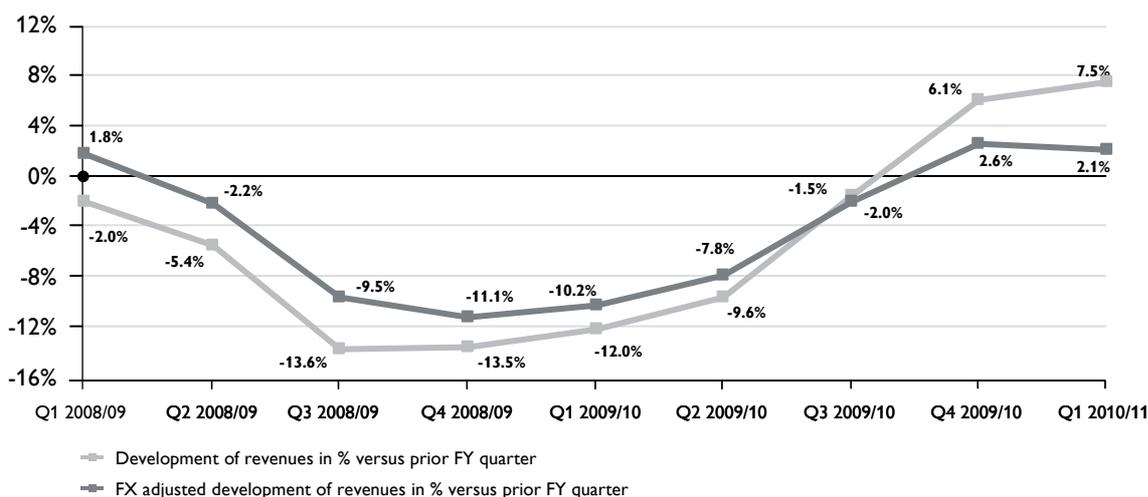
Revenues

- >> 7.5% year-on-year increase in revenues (FX-adjusted plus 2.1%)
- >> Market environment continues to slow late cyclical Lighting Segment (plus 2.3%)
- >> Dynamic upward trend continues in Components Segment
- >> 21.5% increase in revenues from LED-based products

2.1% FX-adjusted increase in revenues

The first quarter of the 2010/11 financial year (1 May to 31 July 2010) brought a strong 7.5% increase in revenues to EUR 299.4 million (prior year: EUR 278.6 million). However, this development was also supported by positive currency translation effects of EUR 15.0 million. After an adjustment for these effects, revenues exceeded the comparable prior year period by 2.1%. This improvement resulted above all from the continued positive development of the Components Segment. The year-on-year stabilisation of revenues that began at the Group level during the third quarter of 2009/10 has now extended into the first quarter of 2010/11 (3rd Quarter 2009/10: minus 1.5%; 4th Quarter 2009/10: plus 6.0%; 1st Quarter 2010/11: plus 7.5%).

Development of revenues over the last nine quarters



The positive foreign exchange effects resulted mainly from an increase in the value of the Australian Dollar (AUD), the Swiss Franc (CHF), the Swedish Krone (SEK) and the British Pound (GBP) in relation to the Euro. Based on the average exchange rate for the reporting period, the FX-based increase amounted to more than 20% for the Australian Dollar and 10% for the Swiss Franc. A slight rise in the value of the Pound versus the Euro also had a positive impact on revenues. In contrast to the strong negative currency translation effects that influenced the first quarter of the prior year (minus EUR 5.8 million), current developments show a reversal of this trend.

Market environment continues to slow late cyclical Lighting Segment

A large part of the translation effect (EUR 10.4 million) is attributable to the Lighting Segment. The growth in revenues from EUR 207.5 million to EUR 212.3 million (plus 2.3%) resulted entirely from the currency shift. After an adjustment for foreign exchange effects, revenues fell 2.7% below the prior year. This reflects the late cyclical nature of the business in this segment as well as the still difficult market environment. The Lighting Segment was able to defend its strong market position against the competition during the first quarter.

Positive foreign exchange effects of EUR 4.7 million were attributable to the Components Segment. Revenues rose by a strong 20.9% (FX-adjusted: 15.6%) to EUR 106.2 million (prior year: EUR 87.8 million). The crisis had a more far-reaching impact on the components business, but demand is now recovering faster. This segment also benefited from a continuation of the technical substitution trend in favour of technologically more sophisticated electronic ballasts as well as an increased market share of electronic ballasts.

Dynamic upward trend continues in Components Segment

Segment development in EUR million	Q1 2010/11	Q1 2009/10	Change in %	FX adjusted in %
Lighting Segment	212.3	207.5	2.3	-2.7
Components Segment	106.2	87.8	20.9	15.6
Reconciliation	-19.1	-16.8	14.1	-
Zumtobel Group	299.4	278.6	7.5	2.1

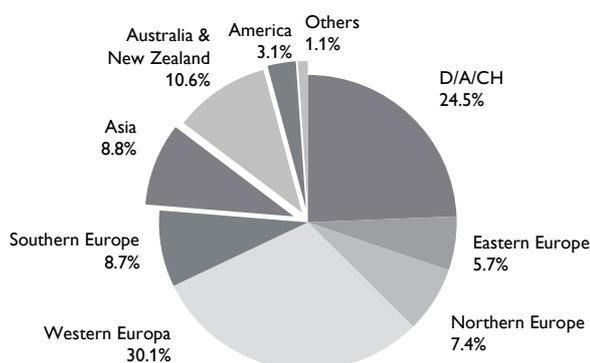
The Zumtobel Group continued to record dynamic growth in the future-oriented technological field of LED during the reporting period. Revenues from the sale of LED-based products and solutions rose by 21.5% to EUR 19.1 million in the first quarter of 2010/11.

21.5% increase in revenues from LED-based products

Regional business development

Q1 2010/11	Revenues	Change in %
D/A/CH	73.4	0.9
Eastern Europe	17.1	7.4
Northern Europe	22.3	12.2
Western Europe	90.1	3.6
Southern Europe	26.1	2.9
Europe	229.0	3.7
Asia	26.5	12.8
Australia & New Zealand	31.6	34.3
America	9.2	14.1
Others	3.2	17.4
Total	299.4	7.5

Regional revenue distribution



Despite fluctuations in individual regions, all Zumtobel Group markets reported stabilising demand and in some cases even an improvement in revenues. Revenues recorded by the Zumtobel Group in Europe rose by 3.7% (FX-adjusted: 1.1%) to EUR 229.0 million in the first quarter of 2010/11 (prior year: EUR 220.9 million). Only the key D/A/CH region (Germany, Austria, Switzerland) registered a year-on-year decline after an adjustment for foreign exchange effects (minus 1.9%). Rapid recovery is not in sight for this region, in particular due to the ongoing weakness of the construction sector in Germany and Austria. Higher growth rates in the other regions reduced the relative contribution from Europe in year-on-year comparison from 79.3% to 76.5% of Group revenues.

Stabilisation on European markets

Revenues in Asia rose by 12.8% to EUR 26.5 million (prior year: EUR 23.5 million). After an adjustment for foreign exchange effects, revenues in this region were only slightly higher than the prior year (plus 2.4%). America recorded for the first time after the crisis positive growth at 14.1% (FX-adjusted: plus 3.8%), despite a continuation of the unfavourable climate in the construction industry. This improvement was supported by an expanded sales network and sound demand for newly launched products. The Australia/New Zealand

Asia and Australia / New Zealand clearly positive

region received strong support of EUR 6.0 million from currency translation effects, with a revenue increase of 34.3% (FX-adjusted 8.7%) for the reporting period.

Earnings

- >> Adjusted EBIT equals EUR 17.1 million
- >> Gross profit margin falls slightly to 33.1%
- >> Positive special effects in operating profit (EUR 1.7 million)
- >> Improvement in financial results
- >> Net profit for the period rises 33.9%

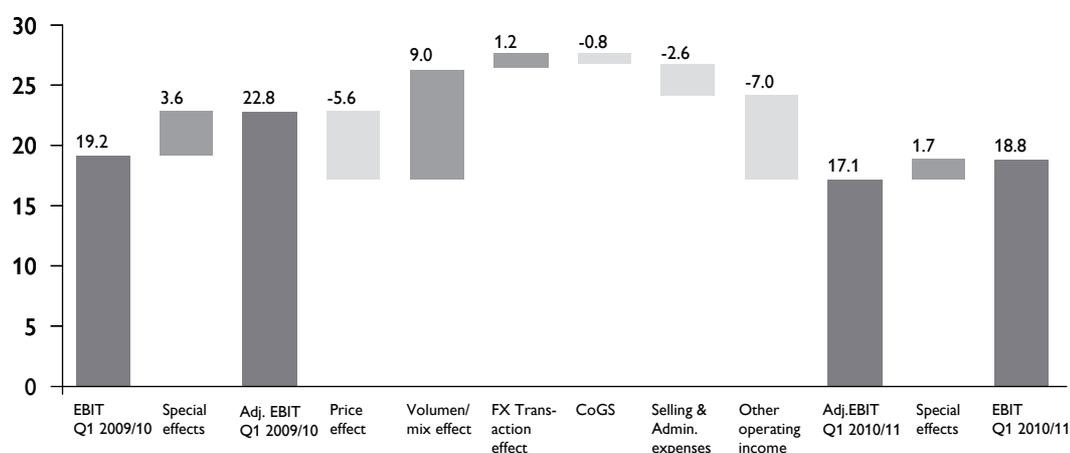
Income statement in EUR million	Q1 2010/11	Q1 2009/10	Change in %
Revenues	299.4	278.6	7.5
Cost of goods sold	-200.2	-183.2	-9.3
Gross profit	99.2	95.4	4.0
<i>as a % of revenues</i>	33.1	34.2	
SG&A expenses adjusted for special effects	-82.1	-72.5	-13.2
Adjusted EBIT	17.1	22.8	-25.2
<i>as a % of revenues</i>	5.7	8.2	
Special effects	1.7	-3.6	>100
EBIT	18.8	19.2	-2.1
<i>as a % of revenues</i>	6.3	6.9	
Financial results	-3.6	-7.8	54.1
Profit before tax	15.2	11.4	33.9
Income taxes	-1.6	-0.5	<-100
Net profit/loss for the period from discontinued operations	0.0	-0.7	100.0
Net profit/loss for the period	13.6	10.2	33.9
Depreciation and amortisation	9.9	10.7	-7.8
Earnings per share (in EUR)	0.32	0.23	40.5

Note: EBITDA (EBIT plus depreciation and amortisation) amounted to EUR 28.7 million for the first quarter of 2010/11.

Adjusted EBIT equals EUR 17.1 million

EBIT adjusted for special effects fell from EUR 22.8 million to EUR 17.1 million for the reporting period, thereby reducing the return on sales from 8.2% to 5.7%. However, it should be noted that the prior year includes non-recurring license income from a cross-licensing agreement concluded with the Philips Group.

Development of adjusted EBIT (in EUR million)



The gross profit margin fell by 110 basis points to 33.1% of revenues for the first quarter of 2010/11, in spite of a higher contribution from the increase in revenues and positive currency transaction effects. This decline reflected the steady pressure on prices (ca. 2% in relation to the first quarter of 2009/10) and above all higher personnel and development expenses. The personnel component of production costs rose from 16.4% to 17.2%. These higher personnel-related production costs are related to insourcing, wage and salary increases required by collective bargaining agreements and capacity adjustments. The strong increase in production volumes led to additional hiring, above all in the components area. In addition, personnel expenses in the prior year were influenced by measures such as short-time work and educational leave. The materials component of the cost of goods sold – after an adjustment for price and positive currency transaction effects – was reduced by advantageous contracts concluded during the past year and favourable changes in the product mix. Material costs were also positively influenced by changes in inventories, and consequently declined from 43.5% to 41.0%. However, an increase in the cost of materials was noted at the end of the first quarter. The focus of the Zumtobel Group on innovation led to an increase of EUR 2.3 million in development expenses and the amortisation of capitalised development costs, which are included under the cost of goods sold.

Gross profit margin falls to 33.1%

The growth initiatives launched in the sales area as well as salary and wage increases required by collective bargaining agreements were reflected in an increase of EUR 2.6 million in selling and administrative expenses from EUR 80.5 million in the comparable prior year period to EUR 83.1 million for the first quarter of 2010/11. Other operating income in the first quarter of 2009/10 included non-recurring income from the cross-licensing agreement concluded with the Philips Group.

Growth initiatives increase selling expenses

Special effects of EUR 1.7 million were recognised during the reporting period (prior year: minus EUR 3.6 million). This income represents a revaluation of EUR 1.9 million to a building written off in 2008/09 to reflect the fact that the reasons for the original impairment charge no longer exist.

Positive special effects in operating profit

The following table shows the Group's operating performance after an adjustment for the above-mentioned special effects:

Improvement in financial results

Adjusted EBIT in EUR million	Q1 2010/11	Q1 2009/10	Change in %
Reported EBIT	18.8	19.2	-2.1
thereof special effects	1.7	-3.6	>100
Adjusted EBIT	17.1	22.8	-25.2
<i>as a % of revenues</i>	5.7	8.2	

Financial results improved by EUR 4.2 million to minus EUR 3.6 million for the first quarter of 2010/11. Interest expense consisted primarily of interest on the current credit agreement, and declined during the reporting period due to the lower level of interest rates and a reduction in net debt. Other financial income and expenses totalled minus EUR 1.7 million (prior year: minus EUR 5.2 million) and are comprised primarily of results from the fair value measurement of forward exchange contracts as of 31 July 2010.

Financial result in EUR million	Q1 2010/11	Q1 2009/10	Change in %
Interest expense	-2.3	-2.6	12.2
Interest income	0.3	0.2	86.2
Net financing costs	-2.0	-2.4	18.7
Other financial income and expenses	-1.7	-5.2	66.9
Profit/loss from companies accounted for at-equity	0.1	-0.2	>100
Financial results	-3.6	-7.8	54.1

Net profit rises by one-third

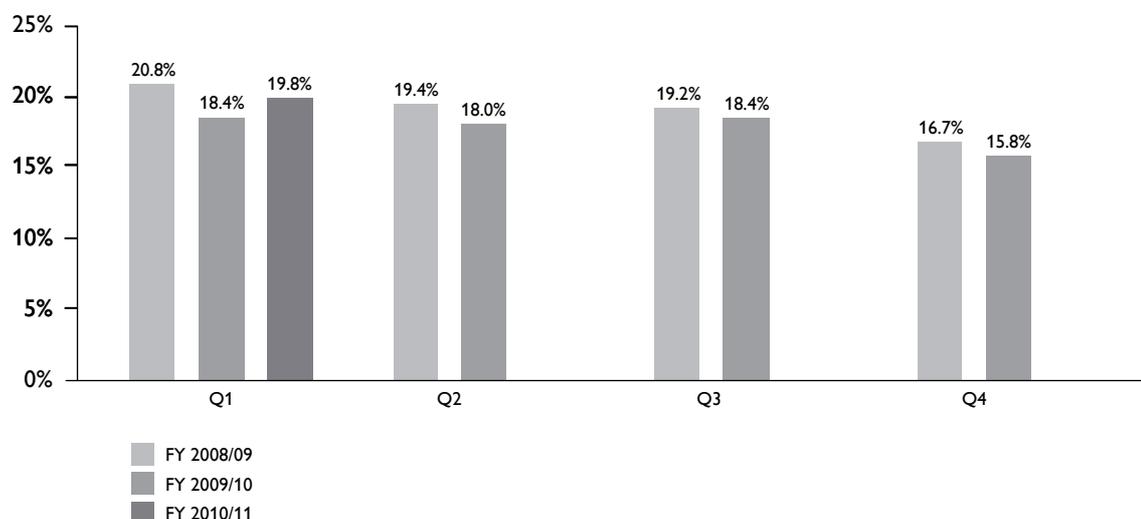
Profit before tax rose by 33.9% to EUR 15.2 million for the first quarter of 2010/11 (prior year: EUR 11.4 million) and income tax expense amounted to EUR 1.6 million. Prior year earnings were influenced by results of minus EUR 0.7 million from discontinued operations (former residential lighting activities). Net profit for the period increased to EUR 13.6 million, compared with EUR 10.2 million in 2009/10. Earnings per share for the shareholders of Zumtobel AG (diluted EPS based on 42.7 million shares) equalled EUR 0.32 (prior year: EUR 0.23).

Cash Flow and Asset Position

Working capital increased by higher business volume

Working capital totalled EUR 225.2 million as of 31 July 2010 (prior year: EUR 176.2 million). As a percentage of rolling 12-month revenues, this indicator increased from 18.4% in the first quarter of 2009/10 to 19.8% for the reporting period. The seasonal increase in working capital was higher than the previous year because of the strong rise in the volume of business. This was reflected in an increase in inventories and receivables as well as a decline in trade payables. The procurement of sufficient material supplies was protected by reducing the payment terms for liabilities. The resulting cash outflows of EUR 47.0 million (prior year: minus EUR 5.6 million) had a negative effect on cash flow from operating activities, which declined from minus EUR 2.3 million in the first quarter of the prior year to minus EUR 24.7 million.

Working Capital as % of rolling 12-month revenues



Investments in property, plant and equipment amounted to EUR 10.5 million in the first quarter of 2010/11 (prior year: EUR 7.8 million). This position comprised capitalised research and development costs (EUR 3.1 million) as well as the replacement and upgrade of production equipment. Capacity was expanded on a selective basis, above all in the Components Segment. Free cash flow was negative in accordance with the normal seasonal pattern, and totalled minus EUR 38.3 million due to the higher volume of business (prior year: minus EUR 13.8 million).

**Free cash flow
of minus
EUR 38.3 million**

Cash flow of EUR 4.1 million from financing activities was influenced primarily by the payment of the EUR 0.15 dividend per share (EUR 6.4 million).

**Dividend payment of
EUR 0.15 per share**

Balance sheet data in EUR million	31 July 2010	30 April 2010
Total assets	1,003.3	983.5
Net debt	162.8	121.9
Equity	362.0	351.6
Equity ratio in %	36.1	35.8
Gearing in %	45.0	34.7
Average capital employed	565.9	587.5
ROCE in %	8.1	8.8
Investments	10.5	49.4
Working capital	225.2	176.2
As a % of rolling 12 month revenues	19.8	15.8

The sound development of earnings supported an increase in the equity ratio, which rose from 35.8% on 30 April 2010 to 36.1% on 31 July 2010 despite the dividend payment. Net liabilities rose according to the normal seasonal pattern, resulting in an increase in gearing from 34.7% at the end of the previous financial year to 45.0%.

**Solid balance sheet
structure**

In order to safeguard its ability to meet payment obligations at all times, the Zumtobel Group concluded a five-year, EUR 480 million financing agreement in June 2008 that provides sufficient financial latitude. This agreement requires compliance with specific financial covenants, i.e. a debt coverage ratio of less than 3.5

**Secured liquidity
position**

and an equity ratio of more than 25%. As of 31 July 2010 the financial covenants were met in full with a debt coverage ratio of 2.13 and an equity ratio of 36.1%.

Optimism, but no reason for enthusiasm

Despite the still limited visibility, the solid development of business during the first quarter leads us to confirm our forecasts for 2010/11, which call for a year-on-year improvement for the Group as whole in both revenues and operating earnings. The dynamic revenue growth in the components business should slow during the course of the year, and we are expecting at least a stabilisation in the Lighting Segment. With this development the Zumtobel Group will again outpace the European construction sector, based on the latest Euroconstruct report from July 2010. The industry experts have issued a further downward revision to their 2010 forecast for commercial construction in the seven European core markets of the Zumtobel Group (Austria, Switzerland, Germany, France, Great Britain, Italy and Scandinavia), correcting from minus 2.7% to minus 5.1%. The first signs of stabilisation are not expected to appear before 2011. The expected improvement in operating earnings will be accompanied by continuing pressure on prices, higher material costs that can only be passed on in part to customers and supply shortages for electronic parts. However, we continue to view the long-term development of the Zumtobel Group with optimism – a view that is supported by the dynamic growth in revenues from LED-based products and the steady demand for energy-efficient lighting systems.

Dornbirn, 6 September 2010

Harald Sommerer
Chief Executive Officer

Thomas Spitzenpfeil
Chief Financial Officer

Martin Brandt
Chief Operating Officer



Zumtobel Group

Through Light, we care.

For the 2009/10 financial year the Zumtobel Group has published for the first time a sustainability report.

Download and further information via the following link:

<http://www.zumtobelgroup.com/en/1018.htm>

Income Statement

in TEUR	Q1 2010/11	Q1 2009/10	Change in %
Revenues	299,373	278,581	7.5
Cost of goods sold	(200,191)	(183,228)	(9.3)
Gross profit	99,182	95,353	4.0
<i>as a % of revenues</i>	33.1	34.2	
Selling expenses	(73,430)	(70,338)	(4.4)
Administrative expenses	(9,693)	(10,201)	5.0
Other operating results	2,736	4,375	(37.5)
<i>thereof special effects</i>	1,715	(3,643)	>100
Operating profit	18,795	19,189	(2.1)
<i>as a % of revenues</i>	6.3	6.9	
Interest expense	(2,271)	(2,586)	12.2
Interest income	301	161	86.2
Other financial income and expenses	(1,731)	(5,228)	66.9
Profit/loss from companies accounted for at-equity	108	(179)	>100
Financial results	(3,593)	(7,832)	54.1
<i>as a % of revenues</i>	(1.2)	(2.8)	
Profit before tax	15,202	11,357	33.9
Income taxes	(1,572)	(515)	<(100)
Net profit from continuing operations	13,630	10,842	25.7
Net profit/loss from discontinued operations	0	(666)	100.0
Net profit for the period	13,630	10,176	33.9
<i>as a % of revenues</i>	4.6	3.7	
<i>thereof due to non-controlling interests</i>	46	310	(85.1)
<i>thereof due to shareholders of the parent company</i>	13,584	9,866	37.7
Average number of shares outstanding - basic (in 1000 pcs.)	42,742	43,618	
Average diluting effect (stock options) (in 1000 pcs.)	44	12	
Average number of shares outstanding - diluted (in 1000 pcs.)	42,786	43,630	
Earnings per share (in EUR)			
Basic earnings per share	0.32	0.23	
Diluted earnings per share	0.32	0.23	
Earnings per share from continuing operations (in EUR)			
Basic earnings per share	0.32	0.25	
Diluted earnings per share	0.32	0.25	
Earnings per share from discontinued operations (in EUR)			
Basic earnings per share	0.00	(0.02)	
Diluted earnings per share	0.00	(0.02)	

In order to further improve the informative value of these financial statements and achieve conformity with internal reporting, the costs for decentralised management are no longer included under administrative expenses, but allocated to the cost of goods sold or selling expenses as appropriate. The prior year data were adjusted accordingly.

Statement of Comprehensive Income

in TEUR	Q1 2010/11	Q1 2009/10 (restated*)	Change in %
Net profit for the period	13,630	10,176	33.9
Currency differences	1,655	490 *	>100
Currency differences arising from loans	697	3,009	(76.8)
Hedge accounting	12	(184)	>100
Taxes	(3)	46	<(100)
<i>thereof Hedge Accounting</i>	(3)	46	<(100)
Subtotal other comprehensive income	2,361	3,361	(29.8)
<i>thereof due to non-controlling interests</i>	79	(52)	>100
<i>thereof due to shareholders of the parent company</i>	2,282	3,413	(33.1)
Total comprehensive income	15,991	13,537	18.1
<i>thereof due to non-controlling interests</i>	125	258	(51.5)
<i>thereof due to shareholders of the parent company</i>	15,866	13,279	19.5

* The comparable prior year data were adjusted to reflect the retrospective application of IAS 21 ("The Effects of Changes in Foreign Exchange Rates") as of 30 April 2010 to the valuation of goodwill. The resulting changes are marked with an asterisk (*) in the following text and tables.

Balance Sheet

in TEUR	31 July 2010	in %	30 April 2010	in %
Goodwill	184,876	18.4	183,451	18.7
Other intangible assets	49,647	4.9	48,913	5.0
Property, plant and equipment	234,079	23.4	231,385	23.6
Financial assets accounted for at-equity	4,112	0.4	4,112	0.4
Financial assets	11,592	1.2	11,236	1.1
Other assets	4,493	0.4	4,163	0.4
Deferred taxes	34,308	3.4	33,894	3.4
Non-current assets	523,107	52.1	517,154	52.6
Inventories	159,847	16.0	146,077	14.9
Trade receivables	197,584	19.7	173,649	17.6
Financial assets	17,248	1.7	16,706	1.7
Other assets	25,855	2.6	32,603	3.3
Liquid funds	79,616	7.9	97,308	9.9
Current assets	480,150	47.9	466,343	47.4
ASSETS	1,003,257	100.0	983,497	100.0
Share capital	108,750	10.8	108,750	11.1
Additional paid-in capital	335,071	33.4	334,597	34.0
Reserves	(99,342)	(9.9)	(28,326)	(2.9)
Net profit/loss for the period	13,584	1.4	(67,225)	(6.8)
Capital attributed to shareholders of the parent company	358,063	35.7	347,796	35.4
Capital attributed to non-controlling interests	3,954	0.4	3,825	0.4
Equity	362,017	36.1	351,621	35.8
Provisions for pensions	56,862	5.6	57,268	5.8
Provisions for severance compensation	33,241	3.3	32,639	3.3
Provisions for other defined benefit employee plans acc. to IAS19	11,670	1.2	11,513	1.2
Other provisions	755	0.1	813	0.1
Borrowings	214,950	21.4	214,448	21.7
Other liabilities	51	0.0	46	0.0
Deferred taxes	11,557	1.2	11,552	1.2
Non-current liabilities	329,086	32.8	328,279	33.3
Provisions for taxes	21,695	2.2	20,988	2.1
Other provisions	34,481	3.4	33,056	3.4
Borrowings	30,505	3.0	4,807	0.5
Trade payables	117,177	11.7	130,560	13.3
Other liabilities	108,296	10.8	114,186	11.6
Current liabilities	312,154	31.1	303,597	30.9
EQUITY AND LIABILITIES	1,003,257	100.0	983,497	100.0

Cash Flow Statement

in TEUR	Q1 2010/11	Q1 2009/10
Operating profit from continuing and discontinued operations	18,795	18,523
Depreciation and amortisation	9,913	10,747
Gain/loss from disposal of fixed assets	37	671
Results from discontinued operations	0	(561)
Cash flow from operating results	28,745	29,380
Inventories	(12,302)	7,826
Trade receivables	(18,882)	(7,429)
Trade payables	(17,411)	(8,585)
Prepayments received	1,565	2,568
Change in working capital	(47,030)	(5,620)
Non-current provisions	(1,569)	(1,965)
Current provisions	1,223	(4,100)
Other current and non-current assets and liabilities	(8,552)	(18,600)
Change in other operating items	(8,898)	(24,665)
Taxes received/paid	2,521	(1,365)
Cash flow from operating activities	(24,662)	(2,270)
Proceeds from the sale of non-current assets	142	925
Capital expenditures on non-current assets	(10,534)	(7,779)
Change in non-current and current financial assets	(3,293)	(4,713)
Cash flow from investing activities	(13,685)	(11,567)
FREE CASH FLOW	(38,347)	(13,837)
Change in net borrowings	11,548	11,540
<i>thereof restricted cash</i>	(7)	(74)
Dividends	(6,418)	(100)
Share buyback / exercise of options	474	0
Interest paid	(1,513)	(1,961)
Cash flow from financing activities	4,091	9,479
Effects of exchange rate changes on cash and cash equivalents	1,115	1,209
CHANGE IN CASH AND CASH EQUIVALENTS	(33,141)	(3,149)
Cash and cash equivalents at the beginning of the period	94,164	55,953
Cash and cash equivalents at the end of the period	61,023	52,804
Change absolute	(33,141)	(3,149)

Statement of Changes in Equity

1st Quarter 2010/11

in TEUR	Attributed to shareholders of the parent company										Total equity
	Share capital	Additional paid-in capital	Other Reserves	Currency reserve	Hedge accounting	Reserve for stock options	Reserve IAS 19	Net profit/loss for the period	Total	Non-controlling interests	
30 April 2010	108,750	334,597	60,433	(48,577)	(2,594)	17,270	(54,858)	(67,225)	347,796	3,825	351,621
+/- Additions to reserves	0	0	(67,225)	0	0	0	0	67,225	0	0	0
+/- Total comprehensive income	0	0	0	2,273	9	0	0	13,584	15,866	125	15,991
+/- Stock options - exercises	0	474	0	0	0	0	0	0	474	0	474
+/- Stock options - addition/reversal	0	0	0	0	0	345	0	0	345	4	349
+/- Dividends	0	0	(6,418)	0	0	0	0	0	(6,418)	0	(6,418)
31 July 2010	108,750	335,071	(13,210)	(46,304)	(2,585)	17,615	(54,858)	13,584	358,063	3,954	362,017

1st Quarter 2009/10

in TEUR	Attributed to shareholders of the parent company										Total equity
	Share capital	Additional paid-in capital	Other Reserves	Currency reserve (restated)*	Hedge accounting	Reserve for stock options	Reserve IAS 19	Net profit/loss for the period	Total	Non-controlling interests	
30 April 2009	111,761	331,497	47,007	(75,807)	(1,524)	17,717	(25,118)	13,426	418,959	1,962	420,921
+/- Additions to reserves	0	0	13,426	0	0	0	0	(13,426)	0	0	0
+/- Total comprehensive income	0	0	0	3,551 *	(138)	0	0	9,866	13,279	258	13,537
+/- Stock options - exercises	0	0	0	0	0	0	0	0	0	0	0
+/- Stock options - addition/reversal	0	0	0	0	0	363	0	0	363	0	363
+/- Dividends	0	0	0	0	0	0	0	0	0	(100)	(100)
+/- Change in consolidation method	0	0	0	0	0	0	0	0	0	2,019	0
31 July 2009	111,761	331,497	60,433	(72,256) *	(1,662)	18,080	(25,118)	9,866	432,601	4,139	436,740

The balance sheet position "reserves" comprises other reserves as well as the currency reserve, the reserve for hedge accounting, the reserve for stock options and the IAS 19 reserve.

Notes

Accounting and Valuation Methods

The condensed interim financial statements as of 31 July 2010 were prepared in accordance with the principles set forth in International Financial Reporting Standards (IAS 34, Interim Financial Reporting). The company has elected to make use of the option set forth in IAS 34 and provide selected explanatory notes. The condensed interim financial statements as of 31 July 2010 were neither audited nor reviewed by a certified public accountant.

These condensed unaudited interim financial statements were prepared in accordance with all IFRS/IAS issued by the International Accounting Standards Board (IASB) as well as all interpretations (IFRIC/SIC) of the International Financial Reporting Interpretations Committee and Standing Interpretations Committee that were valid as of the balance sheet date and have been adopted by the European Union through its endorsement procedure.

The accounting and valuation methods applied as of 31 July 2010 remain basically unchanged. Additional information on these methods is provided in the consolidated financial statements as of 30 April 2010. In order to further improve the clarity and informative value of these financial statements, individual positions on the income statement and balance sheet were combined and are reported separately in the notes. The amounts in the tables are presented in thousand euros (TEUR), unless indicated otherwise. The use of automatic data processing equipment can lead to rounding differences.

The quarterly financial statements of the companies included in the consolidated financial statements were prepared on the basis of uniform accounting and valuation principles.

Foreign Currency Translation

The major currencies used to translate the financial statements of subsidiaries into the euro are as follows:

1 EUR equals	Average exchange rate Income Statement		Closing rate Balance sheet	
	31 July 2010	31 July 2009	31 July 2010	30 April 2010
AUD	1.4445	1.7585	1.4466	1.4292
CHF	1.3785	1.5161	1.3541	1.4341
USD	1.2523	1.3935	1.3028	1.3315
SEK	9.5724	10.7756	9.4333	9.6217
GBP	0.8396	0.8661	0.8349	0.8703

Consolidation Range

The condensed consolidated interim financial statements include all major Austrian and foreign companies that are controlled by Zumtobel AG. The changes in the consolidation range during the interim financial period are shown below:

Consolidation Range	Consolidation Method		
	full	at equity	TOTAL
30 April 2010	96	6	102
Change in consolidation method	0	0	0
Included during reporting period for first time	0	0	0
Merged during reporting period	(1)	0	(1)
31 July 2010	95	6	101

- >> The following companies were merged during the first quarter of 2010/11: Thorn Lighting (Guangzhou) Ltd. (merger with Thorn Lighting (Guangzhou) Operations Ltd.).
- >> In the third quarter of 2009/10 the majority shareholders of z-werkzeugbau gmbh exercised their option to acquire the remaining 30% of the company. The transfer of shares has not yet taken place.

Notes to the Income Statement

The following comments explain the major changes to individual items in relation to the comparable prior year period.

Seasonality

Sales volumes are generally higher during the first two quarters than during the second half-year for seasonal reasons; in particular, the third quarter falls significantly below the average. This distribution reflects the Group's dependency on developments in the construction industry as well as the seasonal distribution of business in this sector.

Revenues

Revenues rose by 7.5% in year-on-year comparison to TEUR 299,373 for the first quarter of 2010/11.

Expenses

The income statement was prepared in accordance with the cost of sales method. The cost of goods sold (incl. development expenses), selling expenses (incl. research expenses) and administrative expenses as well as other operating results include the following categories of expenses and income:

1st Quarter 2010/11

in TEUR	Cost of goods sold	Selling expenses	Administrative expenses	Other operating results	Total
Cost of materials	(123,916)	(1,118)	(16)	20	(125,030)
Personnel expenses	(52,529)	(38,810)	(7,162)	(218)	(98,719)
Depreciation	(10,177)	(1,296)	(173)	1,733	(9,913)
Other expenses	(19,443)	(30,991)	(3,800)	(99)	(54,333)
Own work capitalised	3,414	40	12	0	3,466
Internal charges	1,439	(2,783)	1,351	(7)	0
Total expenses	(201,212)	(74,958)	(9,788)	1,429	(284,529)
Other income	1,021	1,528	95	1,307	3,951
Total	(200,191)	(73,430)	(9,693)	2,736	(280,578)

1st Quarter 2009/10

in TEUR	Cost of goods sold	Selling expenses	Administrative expenses	Other operating results	Total
Cost of materials	(121,122)	(902)	(61)	(19)	(122,104)
Personnel expenses	(45,674)	(36,126)	(6,524)	(1,544)	(89,868)
Depreciation	(9,113)	(1,449)	(183)	(2)	(10,747)
Other expenses	(14,222)	(30,060)	(4,858)	(2,647)	(51,787)
Own work capitalised	2,776	0	0	0	2,776
Internal charges	1,543	(2,596)	1,218	(165)	0
Total expenses	(185,812)	(71,133)	(10,408)	(4,377)	(271,730)
Other income	2,584	795	207	8,752	12,338
Total	(183,228)	(70,338)	(10,201)	4,375	(259,392)

In order to further improve the informative value of these financial statements and achieve conformity with internal reporting, the costs for decentralised management are no longer included under administrative expenses, but allocated to the cost of goods sold

or selling expenses as appropriate. The adjustment of the prior year data involved the reclassification of expenses totalling TEUR 6,730 from administrative expenses to the cost of goods sold (TEUR 3,813) and to selling expenses (TEUR 2,917).

The cost of goods sold includes development costs of TEUR 11,092 (prior year: TEUR 9,774). Development costs totalling TEUR 3,121 were capitalised during the reporting period (prior year: TEUR 2,562), and the amortisation of capitalised development costs equalled TEUR 2,488 (prior year: TEUR 1,648).

Other Operating Results

in TEUR	Q1 2010/11	Q1 2009/10
Government grants	107	573
License revenues	1,211	8,150
Special effects	1,715	(3,643)
<i>Write up to non-current assets</i>	1,972	0
<i>Restructuring</i>	(261)	(3,643)
<i>Litigation</i>	4	0
Miscellaneous	(297)	(705)
Total	2,736	4,375

The government grants consist entirely of grants related to income.

In the first quarter of 2010/11 this position includes license revenues from the LED business. License revenues was unusually high in the prior year due to the conclusion of an extensive worldwide cross-licensing agreement between the Zumtobel Group and the Philips Group in May 2009 for current and future patents in the areas of lighting technology and solid state lighting. In connection with the agreement, the Zumtobel Group is required to make revenue-based license payments. These payments are included under the cost of goods sold.

A revaluation of TEUR 1,972 was recognised to a building during the first quarter of 2010/11 to reflect the fact that the reasons for the impairment loss recorded in 2008/09 have ceased to exist.

A wide-ranging cost reduction programme was launched during the second half of 2008/09 in reaction to the economic crisis. The related expenses are reported on the line "restructuring".

Miscellaneous items represent the net total of income and expenses arising from ordinary business operations, which cannot be clearly allocated to other functional areas.

Interest Expense

Interest expense is comprised primarily of interest on the current credit agreement.

Other Financial Income and Expenses

in TEUR	Q1 2010/11	Q1 2009/10
Interest component as per IAS 19 less income on plan assets	(870)	(905)
Foreign exchange gains and losses	1,215	760
Market valuation of financial instruments	(2,076)	(5,083)
Total	(1,731)	(5,228)

Foreign exchange gains and losses consist above all of effects from the valuation of receivables and liabilities that are denominated in a foreign currency.

The market valuation of financial instruments shows the results from the valuation of forward exchange contracts at fair value as of the balance sheet date for these interim financial statements.

Income Taxes

The classification of income taxes into current and deferred taxes is shown in the following table:

in TEUR	Q1 2010/11	Q1 2009/10
Current taxes	(1,970)	(1,116)
<i>thereof current year</i>	<i>(1,946)</i>	<i>(1,010)</i>
<i>thereof prior years</i>	<i>(24)</i>	<i>(106)</i>
Deferred taxes	398	601
Income taxes	(1,572)	(515)

Earnings per Share

Basic earnings per share were calculated by dividing net profit for the period by the average number of shares outstanding as of the balance sheet date for these interim financial statements.

Diluted earnings per share reflect the assumption that the options granted under the stock option programme (SOP/MSP) will be exercised. These shares are included in the calculation of the average number of shares outstanding.

1st Quarter 2010/11

in 1000 pcs.	Balance Sheet Date	Average
1 May 2010	42,725	42,725
Stock options - exercises	63	18
31 July 2010	42,788	42,742

2009/10 Financial Year

in 1000 pcs.	Balance Sheet Date	Average
1 May 2009	42,713	42,713
Stock options - exercises	0	0
31 July 2009	42,713	42,713
Stock options - exercises	12	2
30 April 2010	42,725	42,715

Notes to the Statement of Comprehensive Income

Currency Differences

This position comprises translation effects resulting from the conversion of the financial statements of subsidiaries.

Currency Differences arising from Loans

These currency differences result from long-term SEK and GBP loans that qualify as a net investment in a foreign operation and must therefore be reported under comprehensive income.

Notes to the Balance Sheet

The following comments refer to major changes in individual items compared to the balance sheet date on 30 April 2010.

Goodwill

The application of IAS 21 ("The Effects of Changes in Foreign Exchange Rates") resulted in the recognition of TEUR 1,424 in currency differences to goodwill during the first quarter of 2010/11 (prior year: TEUR 3,718); this adjustment was not recognised through profit or loss. These foreign exchange effects are allocated to the Lighting Segment for segment reporting.

Intangible Assets

The change resulted chiefly from the capitalisation of internally generated intangible assets from development projects.

Non-current Financial Assets

This position includes the non-current portion of the receivable arising from the sale of the old factory in Spennymoor during December 2008 as well as the non-current components of the cross-licensing agreement with the Philips Group.

Other Non-current Assets

This position consists primarily of capitalised reinsurance for the fulfilment of pension commitments.

Inventories

The Group has an off balance sheet commitment of TUSD 9,800 with a supplier to purchase LED modules, which must be fulfilled by 31 March 2011.

Provisions for Pensions

The decline in the provisions for pensions resulted from pension payments that were made during the first quarter of 2010/11.

Other Current Provisions

The change in this position resulted chiefly from an increase in the provisions for guarantees.

Current Financial Liabilities

The change in current financial liabilities resulted from the use of the current working capital credit line to finance the seasonal increase in working capital.

Notes to the Cash Flow Statement

Cash flow was determined on a monthly basis in accordance with the indirect method. The resulting monthly cash flows were translated at the respective average monthly exchange rate and then aggregated, while the balance sheet positions were translated at the exchange rate in effect on the respective closing date. Individual positions on the cash flow statement therefore differ significantly from the respective balance sheet positions, above all under cash flow from operating activities.

In agreement with the indirect method, operating profit is adjusted for the effects of non-cash transactions (e.g. depreciation and amortisation) as well as income and expenses that relate to investing or financing activities.

The development of cash flow from operating activities reflected an increase in inventories and trade receivables as well as a decline in trade payables. These changes are based on the seasonal increase in working capital. The other current and non-current receivables and liabilities consist primarily of a reduction in vacation liabilities. During the first quarter of the prior year this position also included the non-cash portion of the receivable due from Philips in connection with the worldwide cross-licensing agreement. The position "taxes received/paid" comprises refunded tax prepayments.

Cash flow from investing activities consists primarily of investments relating to development projects and the replacement of equipment.

Cash flow from financing activities consists chiefly of the dividend paid to the shareholders of Zumtobel AG.

Transition to Cash and Cash Equivalents

in TEUR	31 July 2010	30 April 2010	31 July 2009
Liquid funds	79,616	97,308	73,041
Not available for disposal	(9)	(3)	(473)
Overdrafts	(18,584)	(3,141)	(19,764)
Cash and cash equivalents	61,023	94,164	52,804

Notes to the Statement of Changes in Equity

Dividend

The annual general meeting on 23 July 2010 approved the payment of a EUR 0.15 dividend per share. On 30 July 2010 a total of TEUR 6,418 was distributed to the shareholders of Zumtobel AG.

Other Reserves

This position includes profit carried forward.

Currency Translation Reserve

This reserve includes the currency differences resulting from the application of the historical exchange rate on the date of initial consolidation and the exchange rate in effect on the balance sheet date for companies that do not report in EUR as well as differences resulting from the translation of the income statement at the monthly average exchange rate and the exchange rate in effect on the balance sheet date. Also included here are the currency differences arising from long-term Group loans granted in SEK and GBP, which are classified as net investments in foreign operations in accordance with IAS 21.

Hedge Accounting

The changes in equity from the application of hedge accounting reflect the changes in the fair value of derivative contracts that are recorded directly in equity as well as amounts transferred from equity to profit or loss following the exercise or realisation of contracts and the related deferred taxes.

Stock Option Programme and Share Buyback

in pcs.	Total
Share buyback (to 30 April 2009)	1,039,211
Exercised (to 30 April 2009)	(764,254)
30 April 2010	274,957
Exercised	(63,320)
31 July 2010	211,637

A total of 63,320 stock options were exercised during the first quarter of 2010/11 (prior year: 0).

Reserve for Stock Options

in TEUR	SOP	MSP	Total
30 April 2010	15,985	1,285	17,270
Addition through profit or loss	-	345	345
31 July 2010	15,985	1,630	17,615

The Stock Option Programme (SOP) was replaced by the Matching Stock Programme (MSP) in 2008. No further options were allocated from the SOP.

The addition to the MSP is accrued and recognised through profit or loss over a period of two years. During the first quarter of 2010/11, TEUR 345 were accrued (prior year: TEUR 363).

IAS 19 Reserve

This position includes the actuarial losses in connection with accounting for employee benefits in accordance with IAS 19.

Segment Reporting

The subsidiary groups form the primary areas of business for segment reporting by the Zumtobel Group: the Lighting Segment (lighting solutions, interior and exterior lighting, electronic-digital lighting and room management systems) and the Components Segment (electronic and magnetic lighting components). The transfer of goods and services between the two divisions is based on ordinary market conditions.

The segment information is principally based on the same presentation, accounting and valuation methods used to prepare the consolidated financial statements. In accordance with the management approach prescribed by IFRS 8, operating profit (EBIT) – a key indicator used for internal reporting – is included as part of the segment information.

The segment assets allocated to the two divisions include property, plant and equipment that can be directly assigned as well as intangible assets and working capital (excluding accrued interest, tax receivables and tax liabilities).

The column "Reconciliation" comprises assets and the related income statement items that could not be allocated to either of the two segments as well as property, plant and equipment that are used by or involve both segments.

in TEUR	Lighting Segment			Components Segment			Reconciliation			Group		
	Q1 2010/11	Q1 2009/10	Q1 2008/09	Q1 2010/11	Q1 2009/10	Q1 2008/09	Q1 2010/11	Q1 2009/10	Q1 2008/09	Q1 2010/11	Q1 2009/10	Q1 2008/09
Net revenues	212,281	207,483	234,663	106,205	87,848	102,623	(19,113)	(16,750)	(20,616)	299,373	278,581	316,670
External revenues	212,083	207,232	233,552	87,183	71,232	82,837	107	117	281	299,373	278,581	316,670
Inter-company revenues	198	251	1,111	19,022	16,616	19,786	(19,220)	(16,867)	(20,897)	0	0	0
Operating profit/loss	9,443	6,596	15,441	13,183	15,334	14,313	(3,831)	(2,741)	(2,766)	18,795	19,189	26,988
Investments	5,932	5,545	9,919	4,176	2,197	3,880	426	37	730	10,534	7,779	14,529
Depreciation	(5,000)	(6,431)	(6,175)	(4,593)	(4,017)	(3,767)	(320)	(299)	(296)	(9,913)	(10,747)	(10,238)

in TEUR	31 July 2010	30 April 2010	30 April 2009	31 July 2010	30 April 2010	30 April 2009	31 July 2010	30 April 2010	30 April 2009	31 July 2010	30 April 2010	30 April 2009
Assets	635,025	602,099	662,994	217,624	210,648	204,661	150,608	170,751	151,158	1,003,257	983,497	1,018,813

in TEUR	31 July 2010	30 April 2010	30 April 2009	31 July 2010	30 April 2010	30 April 2009	31 July 2010	30 April 2010	30 April 2009	31 July 2010	30 April 2010	30 April 2009
Headcount (full-time equivalent)	5,332	5,155	5,261	2,157	2,048	1,775	131	126	129	7,613	7,329	7,165

The number of employees reported in the above table includes temporary employees working in the Zumtobel Group.

The elimination of inter-segment revenues is shown in the reconciliation column.

The transition column comprises the following items:

in TEUR	Transition	
	Q1 2010/11	Q1 2009/10
Group parent companies	(3,956)	(2,679)
Group entries	125	(62)
Operating loss	(3,831)	(2,741)

The Group parent companies represent companies that provide administrative or financing services for the entire Group and cannot be allocated to a specific segment. The transition to operating profit includes Group entries for the elimination of interim profits in current and non-current assets.

in TEUR	Transition	
	31 July 2010	30 April 2010
Assets used by more than one segment	160,742	179,024
Group parent companies	44,166	57,475
Group entries	(54,300)	(65,748)
Assets	150,608	170,751

The decrease in assets used by more than one segment is related above all to the decline in cash and cash equivalents.

The revenues recorded with external customers represent less than 10% of total revenues.

Related Party Transactions

Related parties include the Managing Board and Supervisory Board of Zumtobel AG. The company had no business relationships with related parties as of the closing date for the interim financial statements on 31 July 2010.

Supply and delivery transactions are conducted with associated companies at normal market conditions.

Contingent Liabilities and Guarantees

The Zumtobel Group has issued bank guarantees totalling TEUR 9,912 (30 April 2010: TEUR 9,316) for various liabilities.

Subsequent Events

No significant events occurred after the balance sheet date.

Dornbirn, 6 September 2010

The Management Board

Harald Sommerer
Chief Executive Officer

Thomas Spitzenpfeil
Chief Financial Officer

Martin Brandt
Chief Operating Officer

Service

Financial Terms

Adjusted EBIT	EBIT adjusted for special effects
Adjusted EBIT margin	= Adjusted EBIT as a percentage of revenues
Adjusted EBITDA	EBITDA adjusted for special effects
Average capital employed	= Goodwill + intangible assets + property, plant and equipment + inventories + trade receivables – trade payables – provisions for income taxes – other provisions – other liabilities, as an average over four quarters
CAPEX	Capital expenditure
Debt coverage ratio	Net debt divided by EBITDA
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortisation
Equity ratio	= Equity as a percentage of assets
Gearing	= Net debt as a percentage of equity
Labour productivity	= Adjusted EBIT as a percentage of personnel expenses
Net debt	= Non-current borrowings + current borrowings – liquid funds
ROCE	(Return On Capital Employed) = Total return based on adjusted EBIT as a percentage of average capital employed
WACC	Weighted average cost of capital (debt and equity)
Working capital	= Inventories + trade receivables – trade payables – prepayments received

Financial Calendar

Interim Financial Report 2010/11 (1 May 2010 – 31 October 2010)	02 December 2010
3rd Quarterly Report 2010/11 (1 May 2010 – 31 January 2011)	07 March 2011
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Financial Reports

Our financial reports are available in English and German for download under: <http://www.zumtobelgroup.com>. You can also order a copy by calling +43 (0)5572 509-1510.

More Information

on Zumtobel AG and our brands can be found in the Internet under:

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