

**technotrans HY figures better than expected –
CFO to leave the company**

revenue up 19 percent to € 75.5 million / EBIT up 46.8 percent to € 8.0 million / net profit € 4.8 million or 0.71 per share / CFO is leaving the Board of Management

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Following the exceptionally dynamic start to the 2006 financial year, the second quarter likewise proved highly successful for technotrans. The Group posted revenue of € 37.6 million, 15.2 percent more than in the second quarter of the previous year (€ 32.7 million). Revenue at the year's mid-way point had thus already reached € 75.5 million, equivalent to 19 percent growth (previous year € 63.4 million). Growth this year stems first and foremost from the substantially improved mood within the printing industry.

Revenue growth once again produced a marked improvement in earnings. Gross profit in the second quarter rose to € 12.5 million (previous year € 11.6 million, up 8.5 percent) and amounted to € 25.8 million at the half-way mark for the current financial year (previous year € 21.4 million), representing an improvement of 20.5 percent. Earnings before interest and tax (EBIT) were € 4.2 million in the second quarter of 2006. This figure already includes some of the anticipated costs of the merger of production operations in the USA. Compared with the corresponding prior-year figure of € 2.7 million, this represents an increase of 56.7 percent. In addition to the higher revenue volumes, the change is attributable to slight improvements in certain cost items. The net profit for the period rose to € 2.4 million, compared with € 1.7 million in the previous year. At the year's half-way mark it had reached € 4.8 million (previous year € 3.1 million), an increase of 51.5 percent. Earnings per share mirrored this development, rising from € 0.25 in the previous year's second quarter to € 0.36. The halfyear figure is € 0.71 (previous year € 0.48).

The number of employees showed a moderate rise over the first six months of 2006; the group had an average of 708 employees (previous year 680, up 4.1 percent).

The segments

The **Technology segment** again enjoyed substantial growth in the second quarter of 2006. Revenue rose to €28.7 million (previous year €25.2 million), representing an increase of 13.6 percent. In the first half of the year, revenue showed an overall increase of 19.5 percent to €58.3 million (previous year €48.8 million). Those product lines that are aimed at customers in the printing industry proved particularly successful. The Technology segment continues to account for the bulk of revenue, with a share of 77.3 percent.

technotrans again succeeded in improving the earnings for the segment in the second quarter by topping a figure of €2.9 million (previous year €1.5 million). The EBIT margin is now 10.3 percent compared with 5.9 percent in the second quarter of the previous year, and therefore back up at the level before the printing industry's multi-year crisis.

Second-quarter revenue for the **Services segment** showed a rise of 20.9 percent to €9.0 million (previous year: €7.4 million), thus reaching a new record level. Revenue at the year's half-way mark was up 17.4 percent to €17.2 million (previous year €14.6 million). This rise in revenue went hand in hand with an improvement in earnings to €1.1 million compared with both the corresponding prior-year quarter (€1.0 million) and the distinctly weak first quarter of this year (€0.9 million). The margin in the Services segment improved as announced, rising slightly in the second quarter to 12.7 percent, from 10.9 percent in the first quarter of this year. The measures that have been taken are beginning to make an impact, and Management expects to see a further improvement in profitability as the financial year progresses.

Outlook

“technotrans is able to look back on a decidedly successful first half,” says Heinz Harling, CEO of technotrans. “It yet again succeeded in making better progress than the industry in general. On the basis of existing plans, we expect the favourable climate to continue over the coming months and are consequently very confident of achieving our targets for the year as a whole, namely revenue of more than €140 million and a net profit for the year of between €8.5 and 9 million.” Board of Management describes business progress for the year to date as “better than expected”, and will review these targets when the next quarterly report is published.

New Finance Director

The company furthermore announces that Burkard Rausch (50), Finance Director of technotrans since April 2005, is leaving the Board of Management with effect from August 8, 2006. His departure is by mutual agreement. He will be succeeded by Dirk Engel (39), who has been in charge of Finance and Accounts for the technotrans Group since April 2004 and will also assume responsibility for the areas Controlling, IT and Human Resources in his new post as CFO.

Note: Any forward-looking statements contained in this report represent our best judgment as to what will occur in the future. The Company's actual results could differ materially from those forecast, depending on a number of competitive and economic factors, some of which are and will be outside the control of the Company.

Download: The Interim Report 1-6/2006 can be downloaded from the Internet on www.technotrans.de, under Investor Relations - Reports.

Dates: Publication of the figures for the third quarter and the first nine months 2006 is scheduled for November 7, 2006.

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technotrans Group
Key figures acc. to IFRS

		Change	1.1.-30.6.06	1.1.-30.6.05	2005	2004 adjusted
Earnings						
Revenue	€000	19.0%	75,474	63,432	129,787	117,259
Technology	€000	19.5%	58,304	48,809	99,871	89,545
Services	€000	17.4%	17,170	14,623	29,916	27,714
Gross profit	€000	20.5%	25,766	21,380	44,408	39,694
EBITDA ¹	€000	27.8%	9,529	7,458	16,687	14,799
Earnings before interest and taxes (EBIT)	€000	46.8%	7,952	5,416	13,008	11,071
Net profit for the period	€000	51.5%	4,757	3,140	7,525	6,670
as % of revenue	%		6.3	5.0	5.8	5.7
Earnings per share (IFRS)	EUR	49.5%	0.71	0.48	1.13	1.01
Consolidated Balance Sheet						
Issued capital	€000	1.2%	6,762	6,684	6,684	6,600
Equity	€000	14.8%	48,908	42,586	46,932	40,674
Equity ratio	%		57	49	54	53
Return on equity	%		20	15	17	17
Balance sheet total	€000	0.2%	86,239	86,092	87,066	76,086
Working capital	€000	10.9%	32,890	29,644	29,607	27,024
Employees						
Average employees over the period		4.1%	708	680	682	628
Personnel expenditure	€000	12.5%	19,569	17,402	34,904	32,344
as % of revenue	%		25.9	27.4	26.9	27.6
Revenue per employee	€000	14.3%	107	93	190	187
Cash flow						
Cash flow ²	€000	18.1%	4,225	3,578	14,829	11,595
Free Cash flow ³	€000		2,563	-1,921	4,382	9,364
Shares						
Number of shares attend of period		1.2%	6,761,783	6,683,601	6,683,601	6,600,000
Highest share price	€	41.6%	24.29	17.15	18.43	14.69
Lowest share price	€	30.6%	17.25	13.21	13.21	9.90

1 EBITDA = EBIT + depreciation and amortisation of tangible and intangible assets

2 Cash flow = net cash from operating activities acc. to Cash Flow Statement

3 Free cash flow = net cash from operating activities
+ net cash used for investments acc. to Cash Flow Statement