



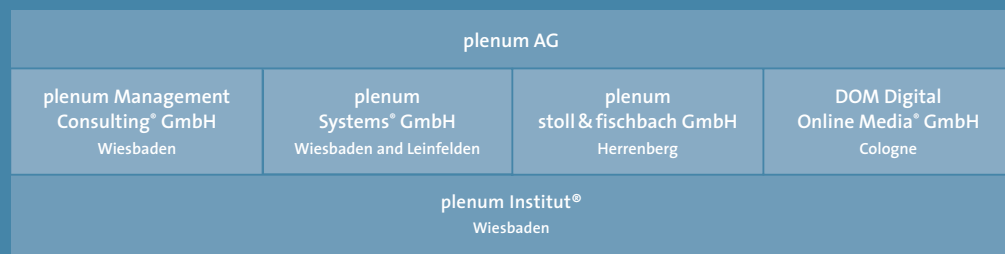
Quarterly Report 2/2006 as of June 30, 2006
according to the
International
Financial Reporting
Standards (IFRS)

Overview

plenum Group – key figures € thousands	Q2 2006	Q2 2005	Jan. 1 – June 30, 2006	Jan. 1 – June 30, 2005
Sales revenues	6,521	8,194	12,753	16,599
Gross profit	1,109	911	1,949	1,585
EBITDA	-179	-839	-305	-1,336
EBIT	-335	-1,032	-611	-1,694
Group net loss	-329	-810	-642	-1,605
Earnings per share in € (undiluted/diluted)	-0.04	-0.09	-0.07	-0.17
Shares outstanding (undiluted, in thousands)	9,577	9,577	9,577	9,577
Shares outstanding (diluted, in thousands)	9,650	9,577	9,621	9,577

Key figures € thousands	June 30, 2006	Dec. 31, 2005
Equity ratio	42%	42%
Net liquidity*	3,622	5,477
Employees	193	195

* Cash and cash equivalents / securities less short-term bank liabilities and advance payments received

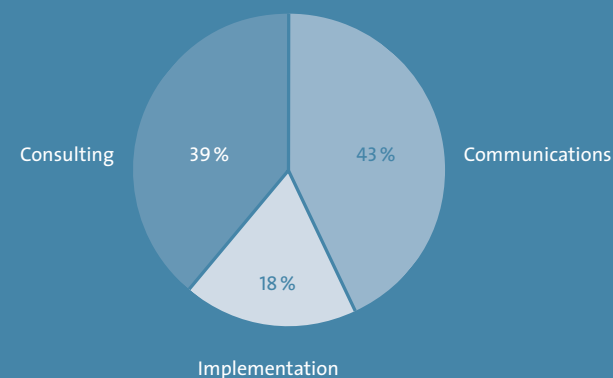


Organizational structure of the plenum Group as of March 2006

Revenues development (€ million)



Revenues structure Jan. 1 – June 30, 2006



Letter to our Shareholders

We are getting there faster than scheduled!



Hartmut Skubch
Chairman of the
Management Board
of plenum AG

This is the core of my message to you, dear shareholders, for the second quarter 2006, which is also confirmed by the perspectives for the second half of 2006.

With sales revenues of EUR 6.5 million in Q2 (Q1: EUR 6.2 million) in 2006, our company continues to be on a growth trend at 5% at the quarter level since the beginning of 2006.

Compared to Q4 2005 (EUR 5.2 million), growth is already at 25%.

The scheduled exit from the margin-weak implementation business, which represented about 50% of our revenues in 2004, has been more than compensated by growth in our core segments: consulting and communications. The consulting business reported a rise of 12% versus Q1 and 3.7% versus Q2 2005; the communications business grew by 3.7% versus Q1 and 11.5% versus Q2 2005.

Strategic growth remains to be the primary topics of consideration for our customers. Together with our thematic focus on issues regarding strategic business

optimization by using innovative potential from information technology (IT), we are excellently prepared to face this demand.

After acquiring the Lead Agency for the „Dubai Metro Campaign“ against leading international competitors, plenum stoll & fischbach opened the market for plenum in the Middle East. Due to the high volume of this project and the realistic opportunities for obtaining further orders, even in the consulting business, preparations are underway for establishing a subsidiary of plenum AG in the United Arab Emirates.

As part of implementing the Refocusing strategy, an efficiency program was launched in the past months. Along with reducing overhead costs, the administrative structures have been adapted to the changed business realignment. Subsequently, the number of full and part time employees in the head administration office has been reduced by 42%. Consequently, we anticipate total annual savings of at least EUR 0.9 million starting 2007.

The measures undertaken for the Refocusing strategy have significantly affected the earnings side of our company. Including the restructuring costs incurred

from the staff downsizing, our earnings (EBIT) of EUR –0.3 million for Q2 2006 were substantially above our budget.

My management board colleagues and I regard our company to have returned to the path towards growth. Owing to the satisfying development, we have raised the sales and earnings forecast to EUR 25 million (previously: EUR 24 million) and EUR –1 million (previously: EUR –1.9 million), respectively. The return to profitability in 2007 announced in the medium term plan at the end of 2004 has been strongly confirmed.

Dear ladies and gentlemen, shareholders and business partners, the results reached thus far encourage us and confirm our strategic alignment. I look forward to your further support along our path into the future.

Wiesbaden, August 2006

A handwritten signature in blue ink, appearing to read 'H. Skubch', written in a cursive style.

Hartmut Skubch

Management's Discussion and Analysis

Market and Industry Development

Benefited by the worldwide, dynamic developments in the economy, the economic activities in Germany also accelerated and expanded in the second quarter 2006. According to current calculations by the German Institute of Economic Research (*Deutsches Institut für Wirtschaftsforschung (DIW)*) growth of 0.7% is anticipated in the second quarter 2006 compared to 0.4% in the first quarter 2006.

Driven by a strong domestic economy, the Federal Ministry of Economics anticipates that the German national economy will show economic growth of 1.8% for the entire year 2006, which is more than twice the rate in the previous year.

Following a substantial recovery in the second quarter, the German Association for Information Technology, Telecommunications and new Media e.V. (BITCOM) expects the ITC sector to grow by 2.4% for the entire year. The German Advertising Federation (ZAW) also anticipates double growth for 2006 and a rise of 2%.

Sales revenues and new orders

Compared to the prior period, sales revenues declined from EUR 8,194 thousand by 20.4% or EUR 1,673 thousand to EUR 6,521 thousand during Q2. Even on a six-month basis, sales revenues fell by a comparable percentage rate. Hence, sales revenues for the first half of the year declined by 23.2% or EUR 3,846 thousand from EUR 16,599 thousand to EUR 12,753 thousand compared to the same prior year period. The drop arose from reduced sales from implementation business as was announced already in the past year. Net sales from the consulting business and from communications slightly climbed – in the consulting business by 0.8% and in communications by 2.8%.

Compared to the first quarter 2006, sales revenues rose in Q2 2006 by 4.6% or EUR 289 thousand from EUR 6,232 thousand to EUR 6,521 thousand. The rise is primarily due to the development of the consulting business. Sales revenues in communications rose by 1.2% and in implementation sales revenues declined by 4.5%.

€ thousands	Order backlog Jan. 1, 2006	New orders	Sales revenues	Order backlog June 30, 2006	Calculated lifespan of the order backlog in month
Consulting	2,235	6,413	5,022	3,626	4.1
Communications	2,102	7,514	5,452	4,164	4.6
Implementation	1,123	2,022	2,279	866	2.3
Total	5,460	15,949	12,753	8,656	4.0

Following the significant rise in Q1 2006, the order backlog rose once again by 13.1% or EUR 1,003 thousand compared to EUR 8,656 thousand as of June 30, 2006 compared to March 31, 2006. This represents the highest balance since March 2005; and this is the result of the high order backlog from communications in Q2, particularly from the project in Dubai. The order backlog for implementation has slumped since the beginning of the current year as was expected.

Earnings performance and cost development

Despite the fallen sales revenues versus the second quarter 2005, gross profit rose by EUR 198 thousand in Q2 2006 compared with Q2 2005. The gross profit margin climbed from 11% to 17%. When comparing Q2 2006 with Q1 2006, gross profit rose by EUR 269 thousand to EUR 1,109 thousand and the margin rose from 13% to 17%. Overall, gross profit for the first half of 2006 increased by EUR 364 thousand to EUR 1,949 thousand and the margin rose from 10% to 15% compared to the first half of 2005. This was mainly due to higher prices on the market and to a substantial decline in projects with lower contribution margins.

Selling and marketing expenses dropped by EUR 517 thousand to EUR 1,213 thousand versus the prior period. The reason for lower selling costs is mostly due to the withdrawal from the implementation business, causing participation in major bids to decline.

As a result of the improved orders situation, project utilization has risen. Administrative costs declined by EUR 374 thousand to EUR 1,245 thousand during the first half of 2006 compared to the prior period. Administrative costs rose from EUR 409 thousand to EUR 836 thousand between the first and second quarter 2006. This resulted from employee downsizing and to seasonal cycles.

The development of new topics as part of refocusing the core business to consulting led to higher research and development costs. Compared to the prior period, such costs more than tripled and amounted to EUR 392 thousand as of the first half of 2006. Research and development costs increased already during the course of 2005 totaling EUR 206 thousand in the fourth quarter 2005.

Based on a by EUR 19 thousand lower financial result of EUR 40 thousand and tax expenses of EUR 71 thousand, which arose from subsequent payments resulting from the final external tax field audit and from deferred taxes,

the Group net result amounted to EUR –642 thousand for the first half of 2006 representing a rise of EUR 963 thousand over the comparative prior period. Compared to Q1 2006, the Group net result for Q2 2006 was lower by EUR 16 thousand amounting to EUR –329 thousand.

Group allocations have been recalculated for 2006. This was necessary due to organizational changes within the Group and an overall change in the size of the segments and companies. Such measures have not affected the Group's results. However, the segment results have been affected, which will be relieved by a total of about EUR 1.4 million for 2006.

Consulting

The rise in gross sales revenues of EUR 148 thousand or 5.5% from EUR 2,668 thousand to EUR 2,816 thousand is the result of a comparison between Q2 2005 and Q2 2006. A comparison of the second and first quarter 2006 results in a rise of EUR 322 thousand or 12.9%. Gross sales revenues from consulting for the first half of 2006 rose by EUR 241 thousand or 4.8% to EUR 5,310 thousand versus the comparative prior period.

The share of the consulting segment from total gross sales revenues represents 40.2%, which is significantly higher than the prior year's share of 30.2%. The share from consulting from total gross sales revenues in Q2 2006 represents 41.4%.

Segment results rose by EUR 203 thousand to EUR 230 thousand during Q2 2006 versus Q1 2006. The results for the first half of 2006 improved by EUR 637 thousand totaling EUR 257 thousand in relation to the comparative prior period.

The second quarter continued to show a very good acceptance by our clients of plenum's consultancy core topics. In particular, IT-Governance, IT-Architecture and IT-Efficiency led to high demand.

Hence, several orders were acquired from well-known regional banks following subsequent measures in IT-Strategy. Efficiency projects to generate synergy in applications development have been acquired in operations and processing with current notable bank fusions.

For example, synergy potential was procured from two integrated credit institutions. Furthermore, plenum supports a large savings institution by optimizing its credit transactions by standardizing and consolidating processes. Also, the IT migration was supported from a large savings institution to an IT-provider.

New topics have also been positively accepted by our customers. Consequently, we were able to generate orders to launch „IT-Value Management“. Project contents include the identification of service indicators and metrics in IT with respect to the company's contribution value.

Consequently, plenum Management Consulting gained a high number of notable projects in core areas and in new innovative topics thereby confirming its thematic alignment.

Communications

When comparing the gross sales revenues of Q2 2005 with Q2 2006, an increase arises of EUR 242 thousand or 9.2% amounting to EUR 2,866 thousand. Compared to Q1 2006 gross sales revenues rose by 4.8%. The communications segment also reported a rise in gross sales revenues to EUR 5,602 thousand. This represents an increase of EUR 179 thousand versus the first half of 2005.

The communications segment's ratio in total gross sales revenues represented 42.5% for the first half of 2006 (first half 2005: 32.3%). The second quarter represents a ratio of 42.2% in total gross sales revenues.

Segment results declined from EUR 69 thousand to EUR 10 thousand when comparing the first two quarters in 2006. Segment results for the first half of 2006 totaled EUR 89 thousand, which represents an improvement of EUR 788 thousand over the first half of 2005.

Following plenum stoll & fischbach's high success in the Pitch in Dubai in the first quarter 2006, budgeted profits can now be reported. plenum stoll & fischbach is the international Lead Agency for the traffic project „Dubai Metro“ thus prevailing against top-notch competitors. This portrays one of the largest orders for the agency in the history of the company.

Implementation

A comparison between Q2 2006 and Q2 2005 results in a drop in gross sales revenues of EUR 1,931 thousand to EUR 1,113 thousand caused by the planned exit from the implementation business. Gross sales revenues declined by EUR 53 thousand from EUR 1,166 thousand in Q1 2006 to EUR 1,113 thousand in Q2 2006. Compared to the first half of 2005, gross sales revenues for the first half of 2006 fell by EUR 4,036 thousand to EUR 2,279 thousand.

The share in gross sales revenues for the first half of 2006 represents 17.3 % (first half 2005: 37.6 %). Despite the strong sales drop, gross profit rose by EUR 397 thousand to minus EUR 13 thousand.

Assets and Financial Position

The cash and cash equivalents balance at the end of the second quarter 2006 (EUR 3,707 thousand) decreased by EUR 2,127 thousand compared to December 31, 2005. Compared to the end of the first quarter, cash and cash equivalents declined by EUR 620 thousand.

Non-current assets decreased by EUR 215 thousand, which was mainly due to depreciation. The intensity of investments (non-current assets in relation to total assets) slightly rose versus the most recent balance sheet date due to the lower balance sheet total.

Overall, the balance sheet total declined by 11.6 % versus December 31, 2005 and by 9.2 % at the end of the first quarter amounting to EUR 10,917 thousand.

The equity ratio slightly rose from 42% to 43%. The non-current financial position (the relation of non-current asset to non-current equity) minimally increased from 0.4 to 0.5. The current financial position (the relation of current assets to current equity) slightly declined from 1.8 to 1.5.

The reduction in cash and cash equivalents of EUR 2,127 thousand compared to the end of the previous financial year corresponds to the cash outflows for operating activities of EUR 1,948 thousand. The cash outflows for operating activities mainly corresponds to the rise in receivables of EUR 765 thousand and payments from other provisions of EUR 710 thousand. The cash outflows for operating activities significantly declined in Q2 2006 compared to Q1 2006. This was mainly due to the decrease in trade accounts receivables as of June 30, 2006 compared to March 31, 2006, while the receivables considerably increased in the first quarter 2006. The cash outflows in the second quarter 2006 mainly resulted from the payments of variable salary components for consultants for the financial year 2005.

Only minimal replacement investments were conducted in the first quarter 2006. As announced in 2005, material capital expenditures are not planned for the remainder of 2006.

plenum AG did not pay or propose to pay any interim dividends or make any other distributions for the reporting period from January 1 through June 30, 2006.

Employees

As a result of staff downsizing in 2005, the number of employees dropped by 33 to 193 as of June 30, 2006 compared to June 30, 2005. Therefore, the average number of employees fell from 231 to 196. Compared to the end of 2005, the number of employees only slightly dropped by 5 persons. The effect on the number of employees from staff downsizing measures during the second quarter 2006 will first be noticeable during the course of the financial year.

Risk development

Compared to the detailed risk situation of plenum AG and its affiliated companies in the Annual report 2005, material changes have not occurred.

Outlook

Based on the positive development in the first two quarters of 2006, the very favorable order backlog in the consulting segment and the million-Euro's worth of orders in Dubai in the communications segment allows plenum AG's management to elevate sales expectations for 2006 by 4.2% from EUR 24 million to EUR 25 million and the results (EBIT) for 2006 by 47.4% from minus EUR 1.9 million to minus EUR 1 million. The Refocusing strategy implemented at the end of 2004 with the following areas of emphasis

- concentration on consulting business
- creating an image in the communications business
- exit from the pure implementation business

has brought the company back to a growth course in the core business areas.

Subsequent events

Significant events requiring disclosure after the close of the reporting period have not occurred.

The plenum Stock

Overall, plenum's stock trend developed positively during the first half of 2006. Management considers this as an indication of the increasing trust of the capital market in the refocusing strategy of plenum AG.

During the first half of the year, the stock rose by 47% from EUR 1.17 at the beginning of the year to EUR 1.72 as of June 30, 2006 (high/low: EUR 1.87/1.03).

Despite a very weak stock exchange environment in the meantime, the stock continued to develop positively after the six-month closing date and occasionally closing at EUR 1.90.

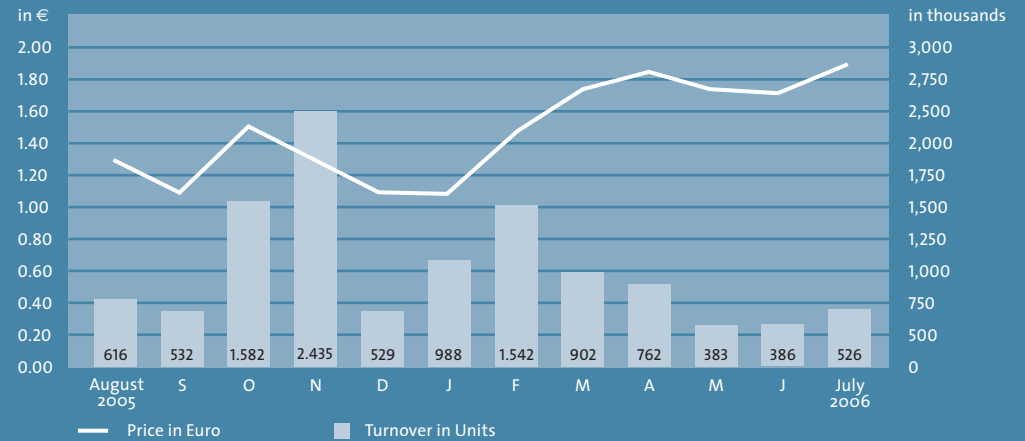
plenum AG continued its discussions with shareholders and analysts during the current year. Institutional investors were able to directly address management in individual meetings about the success of the refocusing strategy, milestones in operative developments and the business strategy.

plenum AG will continue to inform the Financial Community about the development of the company in a timely and comprehensive manner and intensively continue discussions with the shareholders.

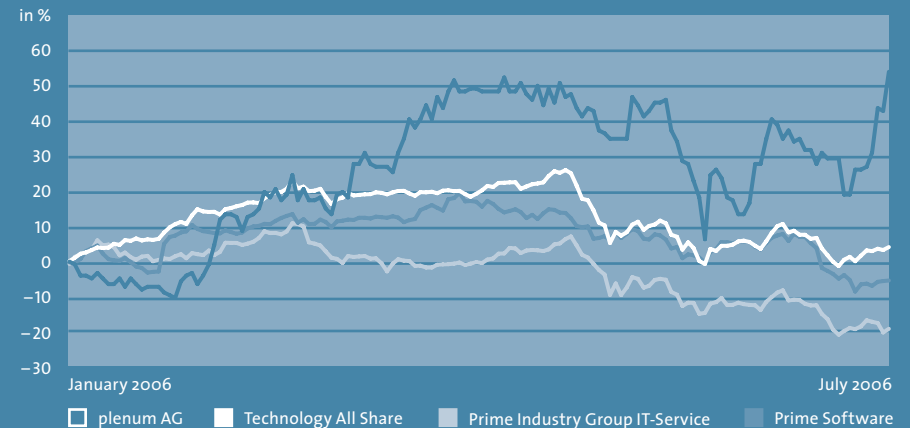
Private investors can continue to obtain all relevant information via the Investor Relations Internet website: www.plenum.de/investorrelations.

The plenum Stock

Price move and trading volume from August 2005 through July 2006



Price move from January 2006 through July 2006 (index-linked)



Consolidated Income Statement

(unaudited)

€ thousands	Q2 2006	Q2 2005	Jan. 1 – June 30, 2006	Jan. 1 – June 30, 2005
Sales revenues	6,521	8,194	12,753	16,599
Cost of revenues	-5,412	-7,283	-10,804	-15,014
Gross profit	1,109	911	1,949	1,585
Selling and marketing expenses	-595	-755	-1,213	-1,730
General and administrative expenses	-836	-1,206	-1,245	-1,619
Research and development expenses	-155	-108	-392	-123
Other operating income and expenses	142	126	290	193
Operating result	-335	-1,032	-611	-1,694
Financial result	16	31	40	58
Result from ordinary activities	-319	-1,001	-571	-1,636
Income taxes	-10	191	-71	31
Group net loss	-329	-810	-642	-1,605
Earnings per share (in €, diluted and undiluted)	-0.04	-0.09	-0.07	-0.17
Average number of shares outstanding (in thousands, undiluted)	9,577	9,577	9,577	9,577
Average number of shares outstanding (in thousands, diluted)	9,650	9,577	9,621	9,577

Consolidated Balance Sheet

(unaudited)

Assets € thousands	June 30, 2006	Dec. 31, 2005
Cash and cash equivalents/securities	3,707	5,834
Trade accounts receivables	4,229	3,464
Inventories	45	60
Prepaid expenses and other current assets	463	337
Total current assets	8,444	9,695
Property, plant and equipment	926	1,067
Intangible assets	170	244
Financial assets	123	123
Loans	1,182	1,157
Deferred tax assets	72	65
Total non-current assets	2,473	2,656
Total assets	10,917	12,351

Liabilities and stockholders' equity € thousands	June 30, 2006	Dec. 31, 2005
Current portion of debt and current portion of long-term debt	0	18
Trade accounts payable	813	858
Advance payments received	85	339
Current provisions	3,956	3,747
Other current liabilities	647	528
Total current liabilities	5,501	5,490
Long-term debt	0	44
Deferred tax liabilities	0	855
Non-current provisions	58	8
Pension provisions	792	770
Total non-current liabilities	850	1,677
Capital stock	9,577	9,577
Capital reserves	14,201	14,177
Treasury stock	-83	-83
Accumulated deficit	-19,129	-18,487
Total stockholders' equity	4,566	5,184
Total liabilities and stockholders' equity	10,917	12,351

Consolidated Cash Flow Statement

(unaudited)

€ thousands	Jan. 1 – June 30, 2006	Jan. 1 – June 30, 2005
Group net loss	-642	-1,605
Depreciation and amortization	306	358
Income taxes	71	-31
Results from the disposal of intangible assets and property, plant and equipment	0	6
Financial result	-40	-58
Other non-cash expenditures and income	24	0
Changes in working capital		
Inventories	15	80
Receivables	-765	1,605
Prepaid expenses and other assets	-76	-176
Trade accounts payable	-45	-36
Other liabilities	-135	-108
Change in provisions	-624	-897
Change in other assets and liabilities	-28	-11
Proceeds from interest	15	41
Payments / proceeds from income taxes	-24	1
Cash outflows / inflows from operating activities	-1,948	-831
Proceeds from the disposal of intangible assets and property, plant and equipment	0	1
Purchases of intangible assets and property, plant and equipment	-118	-207
Cash outflows for investing activities	-118	-206
Repayment of debt	-61	-10
Cash outflows for financing activities	-61	-10
Movement in cash and cash equivalents/securities	-2,127	-1,047
Cash and cash equivalents/securities at the beginning of the period	5,834	6,632
Cash and cash equivalents/securities at the end of the period	3,707	5,585

Statement of Changes in Stockholders' Equity

(unaudited)

€ thousands	Number of shares in thousands	Group Net loss	Capital stock	Capital reserves	Treasury stock	Accumula- ted deficit	Total stock- holders' equity
January 1, 2005	9,577		9,577	14,151	-83	-15,324	8,321
Group Net loss		-1,605				-1,605	-1,605
June 30, 2005	9,577		9,577	14,151	-83	-16,929	6,716
January 1, 2006	9,577		9,577	14,177	-83	-18,487	5,184
Stock Options				24			24
Group net loss		-642				-642	-642
June 30, 2006	9,577		9,577	14,201	-83	-19,129	4,566

Segment Information

(unaudited)

€ thousands		Consulting	Communi- cations	Implemen- tation	Total ¹
Gross sales revenues	Q2 2006	2,816	2,866	1,113	6,795
	Q2 2005	2,668	2,624	3,044	8,336
	First half 2006	5,310	5,602	2,279	13,191
	First half 2005	5,069	5,423	6,315	16,807
Internal sales	Q2 2006	150	124	0	274
	Q2 2005	51	76	1	128
	First half 2006	288	150	0	438
	First half 2005	89	118	1	208
Net sales revenues	Q2 2006	2,666	2,742	1,113	6,521
	Q2 2005	2,617	2,548	3,043	8,208
	First half 2006	5,022	5,452	2,279	12,753
	First half 2005	4,980	5,305	6,314	16,599
Depreciation	Q2 2006	-50	-58	0	-108
	Q2 2005	-55	-84	0	-139
	First half 2006	-101	-109	0	-210
	First half 2005	-113	-138	0	-251
Segment costs	Q2 2006	-2,386	-2,674	-1,129	-6,189
	Q2 2005	-2,682	-3,092	-3,259	-9,033
	First half 2006	-4,664	-5,254	-2,292	-12,210
	First half 2005	-5,247	-5,866	-6,724	-17,837
Segment results (EBIT)	Q2 2006	230	10	-16	224
	Q2 2005	-65	-544	-216	-825
	First half 2006	257	89	-13	333
	First half 2005	-380	-699	-410	-1,489
EBITDA	Q2 2006	280	68	-16	332
	Q2 2005	-10	-460	-216	-686
	First half 2006	358	198	-13	543
	First half 2005	-267	-561	-410	-1,238
Segment investments	Q2 2006	3	33	0	36
	Q2 2005	4	139	0	143
	First half 2006	13	78	0	91
	First half 2005	8	167	0	175
Segment assets	June 30, 2006	3,852	1,965	954	6,771
	Dec. 31, 2005	3,460	1,931	670	6,061
Segment liabilities	June 30, 2006	-2,461	-1,701	-2,129	-6,291
	Dec. 31, 2005	-2,035	-2,299	-2,691	-7,025

¹ Reconciliation to Group figures under note D. 5 to the notes to the interim financial statements

Notes to the Interim Financial Statements

A. General principles

The consolidated financial statements of plenum AG as of December 31, 2005 were prepared in conformity with International Financial Reporting Standards (IFRS) in effect as of the balance sheet date as applicable in the EU. The consolidated interim financial statements (interim report) as at June 30, 2006, which have been prepared according to International Accounting Standard (IAS) 34 „Interim Financial Reporting“, primarily apply the same accounting principles as applied to the consolidated financial statements for the financial year ended 2005. Necessary adjustments arising from new or revised Standards have been explained below. All binding Interpretations of the International Financial Reporting Interpretations Committee (IFRIC) have been recognized as at June 30, 2006. In addition, this interim report is consistent with the German Accounting Standard No. 6 (DRS 6) – Interim reporting of the German Accounting Standards Committee e.V. (DRSC). The interim financial statements have been neither audited nor reviewed by the Group auditors, Deloitte & Touche GmbH, Wirtschaftsprüfungsgesellschaft. Regarding further information to the individual accounting and valuation principles, please refer to the consolidated financial statements of plenum AG as at December 31, 2005.

The consolidated financial statements of plenum AG for the first half of 2006 include plenum AG and four German subsidiaries.

Amended accounting principles applicable for the first half 2006

The following revised or supplemented Standard is applicable for the first time to the consolidated financial statements as at June 30, 2006:

– Amendment to IAS 21 (“Effects of Changes in Foreign Exchange Rates”)

Since all consolidated companies of the plenum Group are in Germany, this Standard does not affect the consolidated financial statements of plenum AG.

New accounting principles issued in the first half of 2006

IASB issued the following new Interpretations during the first half of 2006:

– IFRIC 8 (“Scope of IFRS 2”)
– IFRIC 9 (“Reassessment of Embedded Derivatives”)

IFRIC 8 is applicable starting May 1, 2006 and IFRIC 9 starting June 1, 2006. These Interpretations do not materially affect the plenum Group.

B. Notes to the Consolidated Income Statement

B1. Other operating income and expenses

The other operating income comprises of the following positions:

€ thousands	Q2 2006	Q2 2005	Jan. 1– June 30, 2006	Jan. 1– June 30, 2005
Income from the release of provisions	64	62	187	91
Income from the reduction of valuation allowances on receivables	6	64	28	77
Other	74	4	78	29
	144	130	293	197

The other operating expenses amount to EUR 3 thousand (Q2 2006: EUR 2 thousand; 1st Half 2005: EUR 7 thousand; Q2 2005: EUR 4 thousand).

B2. Financial result

The financial result is broken down as follows:

€ thousands	Q2 2006	Q2 2005	Jan. 1– June 30, 2006	Jan. 1– June 30, 2005
Income from other loans	12	12	25	25
Other interest and similar income	40	22	55	41
Interest and similar expenses	-36	-3	-40	-8
	16	31	40	58

B3. Income taxes

Income taxes of the Group are broken down as follows:

€ thousands	Q2 2006	Q2 2005	Jan. 1– June 30, 2006	Jan. 1– June 30, 2005
Current taxes	-28	0	-28	0
Deferred taxes	18	191	-43	31
	-10	191	-71	31

The current taxes relate to back payments arising from the most recent external tax field audit.

B4. Earnings per share

The earnings per share is calculated by dividing the Group net results by the weighted average number of shares issued. The earnings per share are diluted when the average number of shares increase from the addition of potential shares issued from option rights.

In 2005 option rights were issued to employees. The average stock price of the plenum stock in Q2 2006 was EUR 1.71 and in the first half of 2006 EUR 1.52 and the subscription price was EUR 1.31. The issuance of the option rights in 2005 thus resulted in 2006 in the following dilution effect:

	Earnings	Shares	Earnings per share
Profit attributable to ordinary equity holders of the parent entity in Q2 2006 (€ thousands)	-329		
Weighted average shares outstanding during Q2 2006, undiluted (thousands)		9,577	
Basic earnings per share (undiluted) (€)			-0.04
Weighted average number of shares under option in Q2 2006 causing a dilution effect (thousands)		310	
Weighted average number of shares under option in Q2 2006 that would have been issued at average market price (thousands)		-237	
Weighted average shares outstanding during Q2 2006, diluted (thousands)		9,650	
Earnings per share, diluted (€)			-0.04

Profit attributable to ordinary equity holders of the parent entity for the first half of Q2 2006 (€ thousands)	-642		
Weighted average shares outstanding for the first half of 2006, undiluted (thousands)		9,577	
Basic earnings per share (undiluted) (€)			-0.07
Weighted average number of shares under option in the first half of 2006 that would have been issued at average market price (thousands)		317	
Weighted average number of shares under option for the first half of 2006 that would have been issued at average market price (thousands)		-273	
Weighted average shares outstanding in the first half of Q2 2006, diluted (thousands)		9,621	
Earnings per share, diluted (€)			-0.07

C. Notes to the Consolidated Balance Sheet

C1. Cash and cash equivalents / securities

The cash and cash equivalents comprise of cash and bank balances with original maturities of less than three months.

The securities of current assets include a short term deposit in a money market fund in the amount of EUR 1,342 thousand.

C2. Non-current assets

Capital expenditures were conducted in the amount of EUR 118 thousand during the reporting period. Non-current assets declined during the same reporting period by EUR 306 thousand for depreciation and amortization.

C3. Provisions

The prior year's non-current provisions in the amount of EUR 855 thousand relate to warranty provisions created for two years. According to management's estimates, claims from the respective warranties are no longer expected starting after June 30, 2007. Therefore, this position was reclassified to current provisions as of June 30, 2006.

C4. Liabilities

The loan with a credit institute still existing as at December 31, 2005 was prematurely repaid without incurring premature payment penalties.

C5. Stockholders' equity

Capital stock, capital authorized for issue and conditional capital at the beginning and end of the financial year is as follows:

€ thousands

Capital stock	9,577
Capital authorized for issue	4,789
Conditional capital	957

plenum held 16,790 treasury shares as of June 30, 2006, which were acquired at a total price of EUR 83 thousand in 2001 and are offset against equity. In the first half of 2006 no treasury shares were acquired, used or drawn.

In the prior year, new option rights were issued to employees of plenum AG and employees of affiliated companies at a grant date of June 14, 2005. The capital reserves increased by the amount of personnel expenses of EUR 24 thousand during the first half of 2006.

D. Other Disclosures to the Consolidated Income Statement, Balance Sheet and Cash Flow Statement

D1. Costs of purchased merchandise and services

The costs for purchased merchandise and services amounted to EUR 1,984 thousand in the second quarter 2006 (Q2 2005: EUR 3,109 thousand).

D2. Personnel expenses

The personnel expenses are broken down as follows:

€ thousands	Q2 2006	Q2 2005	Jan. 1– June 30, 2006	Jan. 1– June 30, 2005
Wages and salaries	3,259	3,684	6,378	7,370
Social security costs	445	562	874	1,097
Expenses for pension benefits	30	25	62	50
	3,734	4,271	7,314	8,517

The average number of employees in the first half of 2006 represented 196 (first half 2005: 231).

D3. Stock-based compensation

Stock options were not issued in the second quarter 2006.

D4. Consolidated cash flow statement

The cash flow statement does not take into account non-cash increases in the capital reserve of EUR 24 thousand (first half 2005: EUR 0 thousand).

D5. Segment information

The segment figures are derived from the Group figures as follows:

€ thousands		Segments		Group
		Total	Reconciliation	
Gross sales revenues	Q2 2006	6,795	-274	6,521
	Q2 2005	8,322	-128	8,194
	First half 2006	13,191	-438	12,753
	First half 2005	16,807	-208	16,599
Internal sales	Q2 2006	274	-274	0
	Q2 2005	128	-128	0
	First half 2006	438	-438	0
	First half 2005	208	-208	0
Net sales revenues	Q2 2006	6,521	0	6,521
	Q2 2005	8,194	0	8,194
	First half 2006	12,753	0	12,753
	First half 2005	16,599	0	16,599
Depreciation	Q2 2006	-108	-48	-156
	Q2 2005	-139	-53	-192
	First half 2006	-210	-96	-306
	First half 2005	-251	-107	-358
Other expenses	Q2 2006	-6,189	-510	-6,699
	Q2 2005	-8,880	-153	-9,033
	First half 2006	-12,210	-847	-13,057
	First half 2005	-17,837	-100	-17,937
Earnings before interest and taxes (EBIT)	Q2 2006	224	-558	-334
	Q2 2005	-825	-206	-1,031
	First half 2006	333	-943	-610
	First half 2005	-1,489	-207	-1,696
Internal Operating Profit (IOP) (EBITDA)	Q2 2006	322	-510	-178
	Q2 2005	-686	-153	-839
	First half 2006	543	-847	-304
	First half 2005	-1,238	-98	-1,336
Investments	Q2 2006	36	26	62
	Q2 2005	143	4	147
	First half 2006	91	27	118
	First half 2005	175	7	182
Assets	June 6, 2006	6,771	4,146	10,917
	Dec. 31, 2005	6,061	6,290	12,351
Liabilities	June 6, 2006	-6,291	-60	-6,351
	Dec. 31, 2005	-7,025	-591	-7,616

The Group allocations were recalculated at the beginning of the financial year 2006. As a result of the recalculation, the segments will be relieved by EUR 1.4 million for the financial year 2006 compared to 2005. The Group's customer structure did not result in any major concentration of any given geographical region.

Revenues of 13.7% were generated from one major customer in the implementation segment in the first half of 2006 (first half 2005: 35.5%).

Important subsequent events did not arise after the close of the first half of 2006.

D6. Executive bodies of the company

The shares and stock options held by the executive bodies of plenum AG are presented as follows:

Shares held by the Management Board	Hartmut Skubch	Klaus Gröne	Michael Rohde	Andreas Janssen	Gesamt
Number of shares					
Jan. 1, 2006	1,891,253	20,453	0	0	1,911,706
June 30, 2006	1,891,253	20,453	0	0	1,911,706

Stock options of the Management Board	Hartmut Skubch	Klaus Gröne	Michael Rohde	Andreas Janssen	Gesamt
Number of shares					
Jan. 1, 2006	50,000	20,000	10,000	3,900	83,900
expired	-50,000	-20,000	-10,000	-3,900	-83,900
June 30, 2006	0	0	0	0	0

Shares held by the Supervisory Board	Michael Bauer*	Dr. Wolfgang Händel	Norbert Rohrig	Gesamt
Number of shares				
Jan. 1, 2006	370,360	1,000	700	372,060
June 30, 2006	370,360	1,000	700	372,060

* shares held indirectly

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