



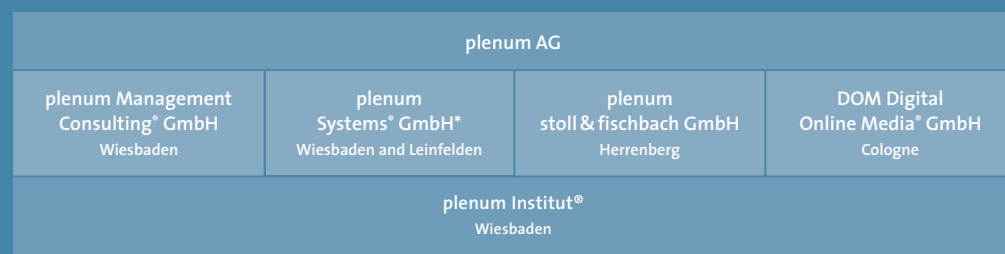
**Quarterly Report 3/2006** as of  
September 30, 2006  
according to the  
International  
Financial Reporting  
Standards (IFRS)

# Overview

plenum Group – key figures € thousands	Q3 2006	Q3 2005	Jan. 1 – Sept. 30, 2006	Jan. 1 – Sept. 30, 2005
Sales revenues	6,769	5,653	19,522	22,252
Gross profit	1,111	507	3,060	2,092
EBITDA	107	-861	-197	-2,197
EBIT	-13	-1,026	-624	-2,721
Group net loss	-4	-984	-646	-2,588
Earnings per share in € (undiluted/diluted)	0,00	-0,10	-0,07	-0,27
Average number of shares outstanding (undiluted, in thousands)	9,577	9,577	9,577	9,577

Key figures € thousands	Sept. 30, 2006	June 30, 2006	March 31, 2006	Dec. 31, 2005
Equity ratio	42.7%	41.8%	40.6%	42.0%
Net liquidity*	2,903	3,622	4,173	5,477
Employees	188	193	198	195

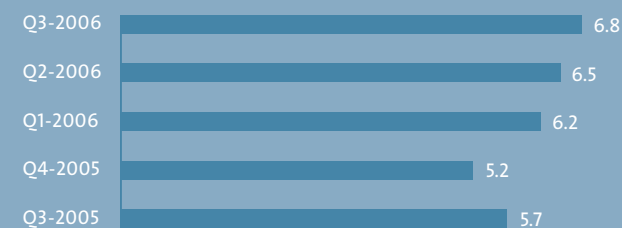
\* Cash and cash equivalents / securities less short-term bank liabilities and advance payments received



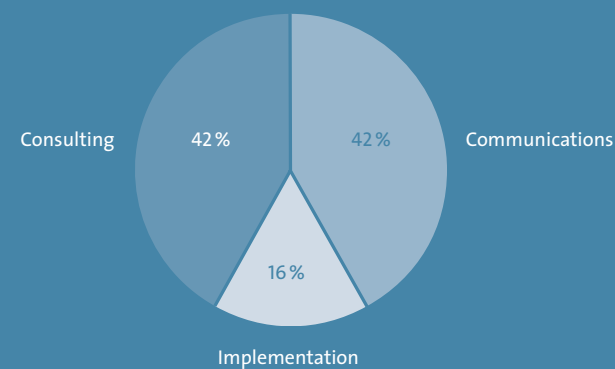
\* The merger in plenum Management Consulting GmbH has been filed for entry in the Commercial Register

Organizational structure of the plenum Group as of September 2006

Revenues development (€ million)



Sales revenues distribution for the period January 1, 2006 – September 30, 2006



# Letter to our Shareholders

We have reached Break Even – faster than expected.



Hartmut Skubch  
Chairman of the  
Management Board  
of plenum AG

I am very pleased to inform you already before the end of the financial year 2006 that we have successfully implemented our Refocusing strategy.

Along with the focus placed on the consulting business, distinction in the communications business and the related exit from the implementation business, we have realigned our core business segments again in a clear and resolute manner and have brought these segments on a growth course.

Consequently, revenues climbed in Q3 (EUR 6.8 million) consecutively for the third time versus the respective prior quarter and for the first time since implementation of the Refocusing strategy compared to the prior year's quarter (EUR 5.7 million).

The scheduled exit from the pure implementation business (programming) is now being overcompensated by growth experienced from both core business segments: Consulting and Communications.

Hence, revenues from consulting rose by 16.6% in the first nine month period 2006 over the prior year's comparative period. This development was driven mostly by an increased demand in Management Consulting following the restructuring of the German

banking market. But insurance companies also build on our competence and experience as part of their organisational alignment towards future market developments.

Revenues from communications climbed by 13.3% in the first nine month period 2006 versus the comparative prior year period. This was noticeably marked by the increased demand in online-communications (Internet).

A return to profitability in 2007 was our main goal as part of the medium term planning. The exit from the implementation business (still represented 50% of sales revenues in 2004) was linked with substantial costs. But, since refocusing on the strong margin-yielding consulting business occurred faster than planned and the consequent implementation of our efficiency program, the company reached break-even already in the third quarter ended September 30, 2006. EBIT of EUR 0.0 million in Q3 2006 (Q2 2006: –EUR 0.3 million) was considerably above the prior year's comparative period (Q3 2005: –EUR 1.0 million).

The forecast for the economic development of our industry appears to me to be very optimistic for 2007. We should noticeably partake in the expected industry growth of 5% to 9%. Following the implementation of the Refocusing strategy, we are excellently equipped for this.

Dear ladies and gentlemen, shareholders, business partners and employees, reaching break-even represents a milestone in the strategic development of our company and an occasion enough for me to take a moment to pause and express my gratitude, in particular to my colleagues and employees for their extraordinary efforts and the successful implementation of our Refocusing, as well as my appreciation to our customers whose trust forms the basis of our business success and a final thank you to our shareholders for remaining loyal during a very difficult time. Such loyalty is an obligation for us for the future.

Wiesbaden, November 2006

A handwritten signature in blue ink, appearing to read 'H. Skubch', written over a white background.

Hartmut Skubch

# Management's Discussion and Analysis

## A. Market and Industry Development

The positive growth trend stabilized after the nine-month period. The German economy grew by 0.6 % from July to September (adjusted for seasonal activity and the calendar year) compared to the prior quarter. According to the Bureau of Statistics, the economic performance of the first two quarters 2006 grew by 0.8 % and 1.1%, respectively, which has not been so strong since 2000. The report stated the causes for the growth impulse in the third quarter 2006 in Germany and abroad to be: Foreign trade gained in momentum once again during the reporting quarter; in Germany, higher capital expenditures and higher private spending contributed to the growth of the gross domestic product.

However, economic expectations will be overshadowed by the following factors: an eventual cooling off of the US economy, probable further increases in interest rates by the European Central Bank and, particularly, from lower consumer purchasing power due to the rise in the sales tax rate and additional tax burdens in 2007. Analysts of the Institute of Global Economics in Kiel have therefore adjusted their forecasts for the rise in the real gross domestic product from 2.1% to 2.4% for 2006, which lowers the estimations for 2007 from 1.2 % to 1.0 %.

The growth prognosis of the research institutes represents a realistic preview of the coming year according to the bank association. Just like the institutes, the private banks also await a significant slowdown of growth; in part from the higher tax burden and in part from the hesitant political behavior in major reforms. Consequently, negotiating needs of the bank sector could be derived for higher effectiveness and efficiency, which could be primarily implemented in the IT.

Based on growth of the worldwide ITK market of 4.6 % and volume of EUR 1.95 trillion, the increase for 2005 was above the prior year's level of 3.9%. In 2006 and 2007, growth is expected to stabilize at around 4 % (German Association for Information Technology, Telecommunications and new Media e.V. (BITCOM); whereby Germany's 6.8 % share in the global market represents a third place standing behind Japan and USA.

The expectations of the German advertising market for 2006 are evaluated differently. Hence, the ifo Institute and the German Advertising Federation (ZAW) scaled its sales prognosis of the German advertising market upwards. Based on a trend survey of its 41 association members, ZAW calculated a growth of about 2 % based on the present market situation.

In contrast, the online market grows at a high level. According to an analysis of online cooperative of the German National Digital Economy (BVDW), online advertising in Germany grew considerably in the late summer months of August and September 2006. The total online advertising revenues did not result in the

amount of EUR 1.3 billion as forecasted in February, but to EUR 1.65 billion (growth of 59 %). With a share of 7.6 % in total advertising revenues, internet has surpassed radio as an advertising vehicle for the first time and represents the fourth largest advertising carrier in Germany.

## B. Sales revenues and new orders

€ thousands	Order backlog Jan. 1, 2006	New orders	Sales revenues	Order backlog Sept. 30, 2006	Calculated lifespan of the order backlog in month
Consulting	2,235	8,129	7,888	2,476	2,6
Communications	2,102	11,479	8,380	5,201	5,3
Implementation	1,123	2,987	3,254	856	2,6
<b>Total</b>	<b>5,460</b>	<b>22,595</b>	<b>19,522</b>	<b>8,533</b>	<b>3,8</b>

Compared to the prior period, sales revenues climbed by 19.7% or EUR 1,116 thousand from EUR 5,653 thousand to EUR 6,769 thousand in the third quarter 2006. In contrast, sales revenues within the first nine months in 2006 fell by 12.3 % or EUR 2,730 thousand compared with the prior period (from EUR 22,252 thousand to EUR 19,522). The decline versus the prior period was caused by the reduction in sales revenues from the implementation business, as was already announced in the past year. Sales revenues from consulting rose

during the first nine months of the period under review by 16.6 % compared to the prior period. The consulting business was able to effect major changes in the IT organization of large, international financial providers by way of customer projects during the current year. The sales revenues from communications increased during the first nine months of 2006 by 13.3 % versus the nine-month period of the prior year.

Compared to the Q2 2006, the sales revenues for Q3 2006 climbed by 3.8 % or EUR 248 thousand. The rise is mainly due to the development of the consulting business (+10.8%). The gross sales from communications also increased (+4.3 %) and gross sales from implementation decreased by 12.4 % versus the prior quarter.

The order backlog of EUR 8,533 thousand as of September 30, 2006 came close to the level as of June 30, 2006 and is 56.3 % above the order backlog as of December 31, 2005.

### C. Earnings performance and cost development

Gross profit disproportionately rose by EUR 604 thousand in Q3 2006 versus the comparable prior period. The gross profit margin climbed from 9.0 % to 16.4 %. When comparing Q3 with Q2 2006, gross profit remained constant while the margin slightly fell from 17.0 % to 16.4 %. In all, gross profit rose during the first nine months ended 2006 by EUR 968 thousand to EUR 3,060 thousand compared to the prior period ended 2005 and the margin increased from 9.4 % to 15.7 %.

Selling and marketing expenses dropped in the first three quarters of 2006 from EUR 2,401 thousand to EUR 1,626 thousand versus the prior year. The reason for lower selling costs is mostly due to the withdrawal from the implementation business, causing participation in major bids to decline.

The general and administrative expenses decreased during the nine month period by EUR 361 thousand to EUR 2,156 thousand versus the comparative prior period.

The development of new topics as part of refocusing the core business to consulting led to higher research and development expenses. Compared to the prior period, such costs more than doubled and amounted to EUR 525 thousand for the first nine month period ended 2006. Research and development expenses constantly increased already during the course of 2005. Research and development costs totaled EUR 206 thousand in the fourth quarter 2005. Starting Q2 2006, the costs declined and amounted to EUR 133 thousand in Q3 2006.

Based on a lower financial result of EUR 3 thousand totaling EUR 87 thousand and tax expenses of EUR 109 thousand, the Group net result amounted to –EUR 646 thousand representing a rise of EUR 1,942 thousand for the first nine months ended 2006 compared to the prior period.

Compared to Q2 2006, the Group net result for Q3 2006 was higher by EUR 325 thousand amounting to –EUR 4 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 net results. However, the segment results have been affected, which will be relieved by EUR 1.4 million for 2006.

### D. Consulting

Gross sales revenues from consulting for the third quarter 2006 rose by EUR 962 thousand or 44.6 % from EUR 2,158 thousand to EUR 3,120 thousand compared to Q3 2005. A comparison of the third quarter with the second quarter 2006 results in a rise of EUR 304 thousand. Gross sales revenues from consulting for the first three quarters rose by EUR 1,203 thousand or 16.6 % to EUR 8,430 thousand versus the comparative prior period.

The share of the consulting segment from total gross sales revenues for the first nine months represents 41.6 %, which is considerably above the prior year's share of 32.0 %. The share of consulting from total gross sales revenues in Q3 2006 represents 44.0 %.

Segment results (EBIT) fell by EUR 33 thousand to EUR 197 thousand in Q3 2006 compared to Q2 2006. The results for the first nine months 2006 improved by EUR 1,048 thousand totaling EUR 454 thousand in relation to the comparative prior period.

The figures reflect the path, which is to intensify existing projects and customer relations and to place new topics on the market. Hence, a major outsourcing project was successfully implemented for the industrialization of processing securities.

For financial service providers we realized improvements in the IT organization and the setup of professional skill management in IT. Accordingly, we assist our customers in implementing such actions in a swift and purposeful manner. The development of architecture governance in this customer segment also had sustained effects for the strategic and operative monitoring of IT initiatives.

Based on an international level, a marketing project for traffic authorities in Dubai was acquired for strategic and operative professionalism of the marketing initiative. In particular, synergy procured from the consulting and communications business is illustrated here. The acquisition of subsequent and supplemental projects underlines the positive development of the international consulting activities.

### E. Communications

When comparing the gross sales revenues of Q3 2006 with Q3 2005, an increase arises of EUR 828 thousand or 38.3 % amounting to EUR 2,990 thousand. Also, the gross sales revenues increased by 4.3 % versus Q2 2006. The gross sales revenues generated in the first nine months 2006 of EUR 8,592 thousand represent a rise of EUR 1,007 thousand or 13.3 % over the comparative prior period.

The communications segment's ratio in total gross sales revenues represented 42.4 % for the first nine months 2006 (comparative prior period 2005: 33.6 %). The third quarter 2006 represents a ratio of 42.2 % in total gross sales revenues.

The segment results (EBIT) totaling EUR 103 thousand improved by EUR 1,144 thousand during the first nine months 2006 versus the comparative prior period.

The communications agent, plenum stoll & fischbach, reported new clients in the third quarter 2006. In this manner, a leading producer of dental equipment and disinfection supplies was acquired as well as a leading international media and communications service

provider in Germany. The 10-year old customer relationship with a market leader in power saws was further strengthened. As the Lead Agent, plenum stoll & fischbach performs the relaunch of the worldwide intranets.

Two major projects were in the foreground for DOM during this quarter. On one hand, the relaunch of a large producer of cosmetic and styling products is in a decisive phase. An international rollout is planned, which is intended to assure the customer a uniform market appearance. On the other hand, the successful cooperation with a leading provider of mobile telecommunications services was expanded. The implementation of an international customer access is also the focus here.

#### F. Implementation

A comparison between Q3 2006 and Q3 2005 results in a decline in gross sales revenues of EUR 501 thousand to EUR 975 thousand, which is caused by the planned exit from the implementation business. Gross sales revenues declined by EUR 138 thousand between Q3 and Q2 2006. Compared to the first three quarters 2005, gross sales revenues for the first three quarters 2006 dropped by EUR 4,537 thousand to EUR 3,254 thousand.

The share in total gross sales revenues for Q3 2005 represented 25.5% and only 13.8% in Q3 2006. The share in gross sales revenues for the first nine months 2006 represented 16.0%.

Despite the strong sales drop, the segment results (EBIT) for the first nine months 2006 improved by EUR 755 thousand versus the comparative prior period.

#### G. Assets and Financial Position

The cash and cash equivalents / securities balance at the end of the third quarter 2006 (EUR 3,092 thousand) decreased by EUR 2,742 thousand versus December 31, 2005. Compared to the end of the second quarter, cash and cash equivalents / securities declined by EUR 615 thousand.

Non-current assets decreased by EUR 269 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.

Overall, the balance sheet total declined by 13.3% versus December 31, 2005 and by 1.9% versus the end of the second quarter 2006 to EUR 10,711 thousand. The main reason for the decline in the balance sheet total compared to the prior year is the change in cash and cash equivalents / securities on the assets side and to the change in provisions and accumulated deficit on the liabilities side.

The equity ratio slightly increased from 42.0% (as of December 31, 2005) to 42.7%. The non-current financial position (the relation of non-current assets to non-current liabilities and equity) remained unchanged compared to the end of the prior year. The current financial position (the relation of current assets to current liabilities) dropped by 0.2 to 1.6.

The reduction in cash and cash equivalents / securities of EUR 2,742 thousand versus the end of the prior year corresponds to the cash outflows from operating activities of EUR 2,649 thousand. The cash outflows from operating activities mainly arose from the rise in receivables, payments to other provisions and the loss of the period. The cash outflows from operating

activities for Q3 2006 slightly rose by EUR 143 thousand versus Q2 2006. The cash outflows of the third quarter 2006 are mostly due to the change in inventories, receivables and provisions.

Only minimal replacement investments were conducted in the third quarter 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 September 30, 2006.

#### H. Employees

Corresponding to the market development, plenum intensified its investments in the competence development of its consultants. The consultants are further qualified by targeted training measures and the structure of other consultants of the core topics surrounding consulting. Recruiting focuses on procuring experienced consultants with proven client contacts and students with excellent diplomas.

As a result of staff downsizing in 2006, the number of employees dropped by 14 to 188 as of September 30, 2006 compared to September 30, 2005. The average number of employees fell from 228 to 190. Compared to the end of 2005, the number of employees only slightly dropped by 7 persons.

## I. Risk development

Compared to the detailed risk situation of plenum AG and its affiliated companies presented in detail in the company annual report 2005, a foreign currency risk arose in 2006 in connection with the Dubai transactions. This risk is constantly monitored by the central finance department of plenum.

## J. Outlook

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 and
- exit from the pure implementation business (programming)

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

The exit from the implementation business (still representing 50% of sales in 2004) was linked with considerable expenditures.

Based on this background, a promising financial year awaits plenum AG in 2007; in particular, since the demand for high-quality management consulting services presumably persists.

## Subsequent events

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

## The plenum stock

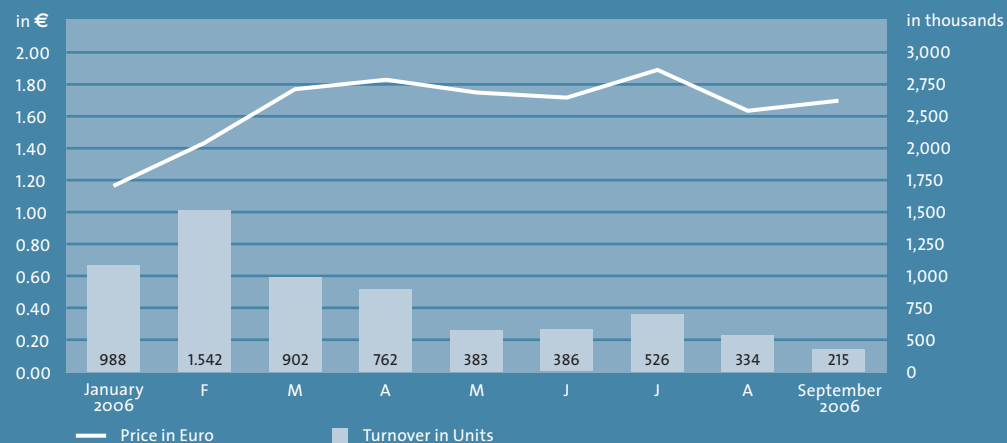
The plenum stock trend in the third quarter 2006 was marked by a continued sideways movement. Based on the reporting period from the beginning of July to the end of September 2006, the stock climbed by about 5% from EUR 1.62 to EUR 1.70 (high/low: EUR 1.90/1.43). Compared to the stock value of EUR 1.17 reached at the beginning of the year, the growth of 47% attained in Q2 could be stabilized on a sustainable basis.

Discussions held with shareholders and investors were further intensified in this past quarter. Institutional investors had the opportunity to gain information on the results of the refocusing strategy by way of direct discussions.

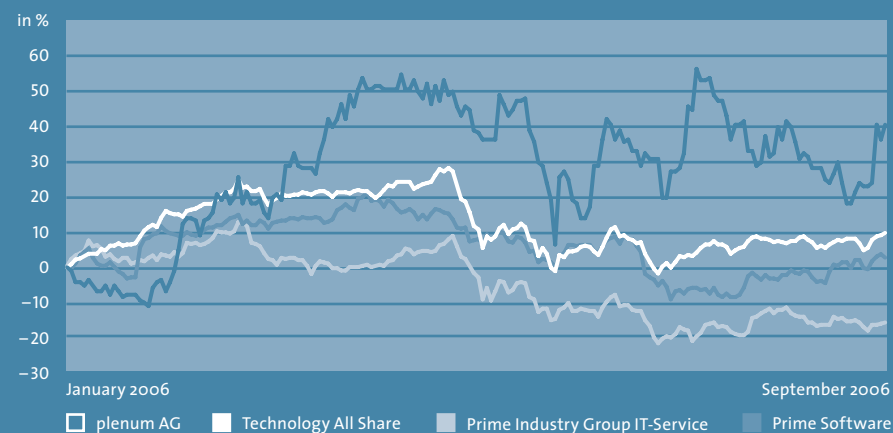
Investors can obtain all relevant information via the Investor Relations internet site: [www.plenum.de/investorrelations](http://www.plenum.de/investorrelations).

# The plenum Stock

Price move and trading volume from January 2005 through September 2006



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



## Consolidated Income Statement (unaudited)

€ thousands	Q3 2006	Q3 2005	Jan. 1 – Sept. 30, 2006	Jan. 1 – Sept. 30, 2005
Sales revenues	6,769	5,653	19,522	22,252
Cost of revenues	-5,658	-5,146	-16,462	-20,160
<b>Gross profit</b>	<b>1,111</b>	<b>507</b>	<b>3,060</b>	<b>2,092</b>
Selling and marketing expenses	-413	-671	-1,626	-2,401
General and administrative expenses	-911	-897	-2,156	-2,517
Research and development expenses	-133	-101	-525	-224
Other operating income and expenses	333	136	623	329
<b>Operating result</b>	<b>-13</b>	<b>-1,026</b>	<b>-624</b>	<b>-2,721</b>
Financial result	47	31	87	90
<b>Result from ordinary activities</b>	<b>34</b>	<b>-995</b>	<b>-537</b>	<b>-2,631</b>
Income taxes	-38	11	-109	43
<b>Group net result</b>	<b>-4</b>	<b>-984</b>	<b>-646</b>	<b>-2,588</b>
Earnings per share (in €, diluted and undiluted)	0,00	-0,10	-0,07	-0,27
Average number of shares outstanding (in thousands, undiluted)	9,577	9,577	9,577	9,577
Average number of shares outstanding (in thousands, diluted)	9,635	9,579	9,627	9,586

## Consolidated Balance Sheet (unaudited)

Assets € thousands	September 30, 2006	Dec. 31, 2005
Cash and cash equivalents/securities	3,092	5,834
Trade accounts receivables	4,521	3,464
Inventories	220	60
Prepaid expenses and other current assets	491	337
<b>Total current assets</b>	<b>8,324</b>	<b>9,695</b>
Property, plant and equipment	870	1,067
Intangible assets	163	244
Financial assets	84	123
Loans	1,194	1,157
Deferred tax assets	76	65
<b>Total non-current assets</b>	<b>2,387</b>	<b>2,656</b>
<b>Total assets</b>	<b>10,711</b>	<b>12,351</b>

Liabilities and stockholders' equity € thousands	September 30, 2006	Dec. 31, 2005
Current debt and current portion of long-term debt	0	18
Trade accounts payable	766	858
Advance payments received	189	339
Current provisions	3,828	3,747
Other current liabilities	453	528
<b>Total current liabilities</b>	<b>5,236</b>	<b>5,490</b>
Long-term debt	0	44
Deferred tax liabilities	0	855
Non-current provisions	100	8
Pension provisions	802	770
<b>Total non-current liabilities</b>	<b>902</b>	<b>1,677</b>
Capital stock	9,577	9,577
Capital reserves	14,212	14,177
Treasury stock	-83	-83
Accumulated deficit	-19,133	-18,487
<b>Total stockholders' equity</b>	<b>4,573</b>	<b>5,184</b>
<b>Total liabilities and stockholders' equity</b>	<b>10,711</b>	<b>12,351</b>



## Consolidated Cash Flow Statement (unaudited)

€ thousands	Jan. 1 – Sept. 30, 2006	Jan. 1 – Sept. 30, 2005
Group net result	-646	-2,588
Depreciation	427	524
Income taxes	109	-43
Results from the disposal of intangible assets and property, plant and equipment	4	2
Financial result	-87	-101
Other non-cash expenditures and income	35	203
<b>Changes in working capital</b>		
Inventories	-160	80
Receivables	-1,057	5,279
Prepaid expenses and other assets	-104	-18
Trade accounts payable	-92	-1,124
Other liabilities	-225	-438
Change in provisions	-742	-1,601
Change in other assets and liabilities	-60	-33
Payments / proceeds from interest	34	-58
Payments from income taxes	-24	-2
<b>Cash outflows / inflows from operating activities</b>	<b>-2,588</b>	<b>82</b>
Proceeds from the disposal of intangible assets and property, plant and equipment	1	13
Proceeds from the disposal of financial assets	61	0
Purchases of intangible assets and property, plant and equipment	-155	-304
Payments for investments in financial assets	0	-25
<b>Cash outflows for investing activities</b>	<b>-93</b>	<b>-316</b>
Repayment of debt	-61	-10
<b>Cash outflows for financing activities</b>	<b>-61</b>	<b>-10</b>
<b>Change in cash and cash equivalents/securities</b>	<b>-2,742</b>	<b>-244</b>
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	3,092	6,388

## Statement of Changes in Stockholders' Equity (unaudited)

€ thousands	Number of shares in thousands	Group net result	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 result		-2,588				-2,588	-2,588
Sept. 30, 2005	9,577		9,577	14,151	-83	-17,912	5,733
January 1, 2006	9,577		9,577	14,177	-83	-18,487	5,184
Stock Options				35			35
Group net result		-646				-646	-646
Sept. 30, 2006	9,577		9,577	14,212	-83	-19,133	4,573

# Segment Information

(unaudited)

€ thousands		Consulting	Communi- cations	Implemen- tation	Total <sup>1</sup>
Gross sales revenues	Q3 2006	3,120	2,990	975	7,085
	Q3 2005	2,158	2,162	1,476	5,796
	Jan. 1 – Sept. 30, 2006	8,430	8,592	3,254	20,276
	Jan. 1 – Sept. 30, 2005	7,227	7,585	7,791	22,603
Internal sales	Q3 2006	254	62	0	316
	Q3 2005	111	32	0	143
	Jan. 1 – Sept. 30, 2006	542	212	0	754
	Jan. 1 – Sept. 30, 2005	200	150	1	351
Net sales revenues	Q3 2006	2,866	2,928	975	6,769
	Q3 2005	2,047	2,130	1,476	5,653
	Jan. 1 – Sept. 30, 2006	7,888	8,380	3,254	19,522
	Jan. 1 – Sept. 30, 2005	7,027	7,435	7,790	22,252
Depreciation	Q3 2006	-40	-52	0	-92
	Q3 2005	-53	-62	0	-115
	Jan. 1 – Sept. 30, 2006	-141	-161	0	-302
	Jan. 1 – Sept. 30, 2005	-166	-200	0	-366
Segment costs	Q3 2006	-2,629	-2,862	-957	-6,448
	Q3 2005	-2,208	-2,410	-1,816	-6,434
	Jan. 1 – Sept. 30, 2006	-7,293	-8,116	-3,249	-18,658
	Jan. 1 – Sept. 30, 2005	-7,455	-8,276	-8,540	-24,271
Segment results (EBIT)	Q3 2006	197	14	18	229
	Q3 2005	-214	-342	-340	-896
	Jan. 1 – Sept. 30, 2006	454	103	5	562
	Jan. 1 – Sept. 30, 2005	-594	-1,041	-750	-2,385
EBITDA	Q3 2006	237	66	18	321
	Q3 2005	-161	-280	-340	-781
	Jan. 1 – Sept. 30, 2006	595	264	5	864
	Jan. 1 – Sept. 30, 2005	-428	-841	-750	-2,019
Segment investments	Q3 2006	2	59	0	61
	Q3 2005	0	121	0	121
	Jan. 1 – Sept. 30, 2006	15	137	0	152
	Jan. 1 – Sept. 30, 2005	8	288	0	296
Segment assets	Sept. 30, 2006	4,778	2,439	674	7,891
	Dec. 31, 2005	3,460	1,931	670	6,061
Segment liabilities	Sept. 30, 2006	-3,008	-2,158	-1,986	-7,152
	Dec. 31, 2005	-2,035	-2,299	-2,691	-7,025

<sup>1</sup> Reconciliation to Group figures under note D. 5 to the notes to the interim financial statements

## Notes to the Interim Consolidated Financial Statements for the first nine months ended September 30, 2006

### 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 September 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 September 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 as of September 30, 2006 include plenum AG and four German subsidiaries den plenum AG.

### Amended accounting principles applicable for the first time as of September 30, 2006

The following revised or supplemented Standard is applicable for the first time to the consolidated financial statements as at September 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 during the first nine months 2006

IASB issued the following new Interpretations up through September 30, 2006:

– IFRIC 8 (“Scope of IFRS 2”)  
– IFRIC 9 (“Reassessment of Embedded Derivatives”)  
– IFRIC 10 (“Interim Financial Reporting and Impairment”)

IFRIC 8 is applicable starting May 1, 2006 and IFRIC 9 starting June 1, 2006. These Interpretations do not materially affect the plenum Group. IFRIC 10 is applicable for financial years beginning November 1, 2006 or later.

## B. Notes to the Consolidated Income Statement

### B1. Other operating income and expenses

Other operating income comprises of the following positions:

€ thousands	Q3 2006	Q3 2005	Jan. 1– Sept. 30, 2006	Jan. 1– Sept. 30, 2005
Income from the release of provisions	277	116	464	207
Income from the reduction of valuation allowances on receivables	57	0	85	77
Other	6	31	84	60
	340	147	633	344

Other operating expenses amount to EUR 10 thousand (Q3 2006: EUR 7 thousand; Q1 – Q3 2005: EUR 15 thousand; Q3 2005: EUR 8 thousand).

### B2. Financial result

The financial result is broken down as follows:

€ thousands	Q3 2006	Q3 2005	Jan. 1– Sept. 30, 2006	Jan. 1– Sept. 30, 2005
Income from other investment companies	22	4	22	4
Results from loans	13	12	38	38
Other interest and similar income	13	20	68	61
Interest and similar expenses	-1	-5	-41	-13
	47	31	87	90

### B3. Income taxes

Income taxes of the Group are broken down as follows:

€ thousands	Q3 2006	Q3 2005	Jan. 1– Sept. 30, 2006	Jan. 1– Sept. 30, 2005
Current taxes	0	0	-28	0
Deferred taxes	-38	11	-81	43
	-38	11	-109	43

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

### B4. Earnings per share

The earnings per share are 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.

price of the option rights. As a result of the option rights issued in 2005, the 2006 average stock price of the plenum stock was EUR 1.62 in Q3 2006 and EUR 1.56 in the first nine months 2006; and a subscription price of EUR 1.31 resulted in the following dilution effect:

In 2005 option rights were issued to employees. The earnings per share are diluted when the average stock rate during the financial year is higher than the issuance

	Earnings	Shares	Earnings per share
Profit attributable to ordinary equity holders of the parent entity in Q3 2006 (€ thousands)	-4		
Weighted average number of shares outstanding during Q3 2006, undiluted (thousands)		9,577	
Basic earnings per share, undiluted (€)			0.00
Weighted average number of shares under option in Q3 2006 causing a dilution effect (thousands)		302	
Weighted average number of shares under option in Q3 2006 that would have been issued at average market price (thousands)		-244	
Weighted average shares outstanding during Q3 2006, diluted (thousands)		9,635	
<b>Earnings per share, diluted (€)</b>			<b>0.00</b>

Profit attributable to ordinary equity holders of the parent entity for the period from January 1 to September 30, 2006 (€ thousands)	-646		
Weighted average shares outstanding for the period from January 1 to September 30, 2006, undiluted (thousands)		9,577	
Basic earnings per share (undiluted) (€)			-0.07
Weighted average number of shares under option in the period from January 1 to September 30, 2006 that would have been issued at average market price (thousands)		312	
Weighted average number of shares under option for the period from January 1 to September 30, 2006 that would have been issued at average market price (thousands)		-262	
Weighted average shares outstanding in the period from January 1 to September 30, 2006, diluted (thousands)		9,627	
<b>Earnings per share, diluted (€)</b>			<b>-0.07</b>

## C. Notes to the Consolidated Balance Sheet

### C1. Cash and cash equivalents / securities

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

The securities under 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 192 thousand during the reporting period. Non-current assets declined during the same reporting period by EUR 427 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 of the financial year is as follows:

### € thousands

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

The stockholders' meeting of plenum AG held on July 3, 2006 resolved to establish conditional capital in the amount of EUR 3,832 million for issuance of convertible bonds (conditional capital II). At the end of the reporting period, capital stock, capital authorized for issue and conditional capital was as follows:

### € thousands

Capital stock	9,577
Capital authorized for issue I	4,789
Conditional Capital	957
Conditional Capital II	3,832

plenum held 16,790 treasury shares as of September 30, 2006, which were acquired at a total price of EUR 83 thousand in 2001 and are offset against equity. In the first nine months 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 35 thousand during the first nine months of 2006.

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

### D1. Costs for purchased merchandise and services

The costs for purchased merchandise and services amounted to EUR 2,077 thousand in Q3 2006 (Q3 2005: EUR 1,660 thousand).

### D2. Personnel expenses

The personnel expenses are broken down as follows:

€ thousands	Q2 2006	Q2 2005	Jan. 1– Sept. 30, 2006	Jan. 1– Sept. 30, 2005
Wages and salaries	3.267	3.387	9.644	10.757
Social security costs	428	474	1.302	1.571
Pension benefit costs	21	12	83	62
	<b>3.716</b>	<b>3.873</b>	<b>11.029</b>	<b>12.390</b>

The average number of employees in the first three quarters of 2006 represented 190 (comparative prior period: 228).

### D3. Stock-based compensation

Stock options were not issued in the third quarter 2006.

### D4. Consolidated Cash Flow Statement

The cash flow statement does not take into account non-cash increases in capital reserves of EUR 35 thousand (Q1 – Q3 2005: EUR 0 thousand).

## D5. Segment Informationen

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

€ thousands		Segments		Group
		Total	Reconciliation	
Net sales revenues	Q3-2006	6,769	0	6,769
	Q3-2005	5,653	0	5,653
	Jan. 1–Sept. 30, 2006	19,522	0	19,522
	Jan. 1–Sept. 30, 2005	22,252	0	22,252
Depreciation	Q3-2006	-92	-28	-120
	Q3-2005	-115	-50	-165
	Jan. 1–Sept. 30, 2006	-302	-125	-427
	Jan. 1–Sept. 30, 2005	-366	-158	-524
Other expenses	Q3-2006	-6,448	-214	-6,662
	Q3-2005	-6,434	-80	-6,514
	Jan. 1–Sept. 30, 2006	-18,658	-1,061	-19,719
	Jan. 1–Sept. 30, 2005	-24,271	-178	-24,449
Earnings before interest and taxes (EBIT)	Q3-2006	229	-242	-13
	Q3-2005	-896	-130	-1,026
	Jan. 1–Sept. 30, 2006	562	-1,186	-624
	Jan. 1–Sept. 30, 2005	-2,385	-336	-2,721
EBITDA	Q3-2006	321	-214	107
	Q3-2005	-781	-80	-861
	Jan. 1–Sept. 30, 2006	864	-1,061	-197
	Jan. 1–Sept. 30, 2005	-2,019	-178	-2,197
Investments	Q3-2006	61	14	75
	Q3-2005	121	39	160
	Jan. 1–Sept. 30, 2006	152	40	192
	Jan. 1–Sept. 30, 2005	296	46	342
Assets	Sept. 30, 2006	7,891	2,820	10,711
	Dec. 31, 2005	6,061	6,290	12,351
Liabilities	Sept. 30, 2006	-7,152	1,014	-6,138
	Dec. 31, 2005	-7,025	-142	-7,167

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 12% were generated from one major customer in the implementation segment in the first nine months 2006 (January 1 to September 30, 2005: 31%).

Important events did not arise after the close of September 30, 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	Total
Number of shares					
Jan. 1, 2006	1,891,253	20,453	0	0	1,911,706
<b>September 30, 2006</b>	<b>1,891,253</b>	<b>20,453</b>	<b>0</b>	<b>0</b>	<b>1,911,706</b>

Stock options of the Management Board	Hartmut Skubch	Klaus Gröne	Michael Rohde	Andreas Janssen	Total
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
<b>September 30, 2006</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Shares held by the Supervisory Board	Michael Bauer*	Dr. Wolfgang Händel	Norbert Rohrig	Total
Number of shares				
Jan. 1, 2006	370,360	1,000	700	372,060
<b>September 30, 2006</b>	<b>370,360</b>	<b>1,000</b>	<b>700</b>	<b>372,060</b>

\* shares held indirectly

#### Corporate calendar

April 24, 2007  
Publication of  
Annual Report 2006

May 23, 2007  
Publication of report  
for the first quarter 2007

July 5, 2007  
Annual Shareholder Meeting 2007

August 29, 2007  
Publication of report  
for the first half 2007

November 28, 2007  
Publication of report  
for the first three quarters 2007

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