Annual financial statements 2006

RÜCKER AG

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Group Management Report
of Rücker Aktiengesellschaft
for the Financial Year from
January 1, 2006 to December 31, 2006

I. Course of Business

The Rücker Group's course of business in the year 2006 was formed by the positive situation of incoming orders from the segments automotive and aviation. Sales rose from 155.6 million Euro during the year 2005 by 6.8 % to 166.1 million Euro in the year 2006. The economic activity, developing positively globally and within Germany, also had positive influence on the automotive industry. The aviation industry benefited from the demand for new aircrafts. The sales in the automotive business rose by 6.1 % to 108.9 million Euro, the sales in the aviation business by 6.3 % to 51.9 million Euro. The Rücker Group's customers are international groups of the automotive, aviation and electronics industries as well as their suppliers. All of these rely on our quality and experience. We provide them with our competences, which are continually developed further, within the globally acting network of the Rücker Group.

During the financial year 2006 the result of last year was clearly exceeded, the EBIT was improved from 6.6 million Euro in the year 2005 to 8.2 million Euro in the year 2006. The EBITDA rose from 14.6 million Euro in the previous year to 15.7 million Euro in the reporting year.

These figures are based on the international accounting IFRS to which the company conversed during the financial year 2005. The executive board prepared a dependence report for the year 2006.

The financial year 2006 was marked by a positive order situation in all segments of business. The measures taken by the executive board during previous years with respect to the adjustment of structural costs brought positive impulses in this year, too.

Result of these measurements is the clearly improved performance as compared to last year.

II. Market and Competition

The market for development services developed in both industries positively during the reporting year. In the automotive segment there was an increase of sales in the year 2006 of 6.1 % as compared to 2005, in the segment aviation the increase was 6.3 %.

The market of automotive industries is extremely competitive. Therefore competition in the segments served by the Rücker Group intensified further and is increasingly marked by company co-operations and takeovers. However, with our international positioning we think we are well guarded to meet these increased challenges successfully in the future, too. We were able to extend the segments of automotive and aviation. Our aim is to spur the national and international expansion of the Rücker AG further and to establish the company even better in the leading group of international development service providers.

The market for engineering services within the automotive industry is marked by high potentials for growth resulting from the increasing multitude of models and the increased share of outsourced services.

All in all the volume of R & D within the German automotive industry is estimated at about 16 billion Euro, the major part of this still being processed by the manufacturers themselves. Not before the second half year the business for the Rücker AG was increased here, too. The Rücker AG is one of the leading providers in Europe with 2,466 employees (including subcontractors) and can use this know how at the customers' for new orders.

The market chances in the segment of aviation are positive because of the predicted passenger numbers. The tourism industry, for example, is expected to grow within the next 10 years twice as fast as the global economy, mainly because of the developments in China and India. Besides that there is considerable need to replace old inefficient aircrafts. During the next 20 years a demand for more than 20.000 new planes is calculated. New models of aircrafts will lead to increased development efforts and thus to increased operating rates of our employees, although there may be variations in the degree of activity in the short run.

In the year 2006 we acquired 100 % of the shares in the Rücker Rumänien S.R.L.. A new foundation was the Rücker Automotive France SAS, Paris. The Rücker GmbH, Graz, and the Wolfgang Rücker Ges.m.b.H., Wien, were newly formed and the Rücker Beteiligungs-GmbH was established for that purpose. After the redemption of shares in the Rücker Korea this subsidiary was again fully consolidated in the year 2006.

III. Focus of Investment

During the year 2006 we invested further into the extension of the IT infrastructure and into test facilities, although to a lesser extent than in the previous year (3.9 million Euro as opposed to 5.5 million Euro in the year 2005).

IV. Research and Development

Research and Development play a major role within the industries in which the Rücker Group operates. Therefore we were again integrated into research and development projects of our customers in the year 2006.

The Rücker companies are certified according to the following standards:

DIN EN ISO 9001, DIN EN ISO 9100: 2003, DIN EN ISO/IEC 17025, DIN EN ISO 14001

Additionally we expect the EASA certification for the Rücker Aerospace GmbH at short notice.

V. Business Development

The sales within the Rücker Group rose during the past financial year from 155.6 million Euro to 166.1 million Euro. This means an increase of 6.8 %.

The trend to outsource development services was continued with some customers of the automotive segment. An increase was in the segment aviation, too. The whole development confirms the adopted strategy of virtual services and internationalisation as well as the expansion of important future-oriented divisions.

The group result (EBIT) for 2006 is about 8.2 million Euro. With an increase of 24.2 % it stepped on much faster than the sales.

The group net profit as at December 31, 2006 was about 3.3 million Euro, 97.0 % more than in the year 2005 (1.7 million Euro).

The average number of employees was clearly increased during the year. As at balance sheet date the group had 2,466 employees (including subcontractors).

Within the top selling segment of automotive design the increase was about 6.1 %. The reason for this was the increase in demand with some customers. Renowned automobile manufacturers announced large model offensives for the coming years. External developers like the Rücker group will benefit from the fact that the automobile manufacturers cannot cope with this increasing number of models and vehicle derivatives using only their internal capacities. However, at the time being only clearly less than 50 % of the total volume are contracted out to external developers by the automobile manufacturers. Here there is a clear potential for future growth. New models will be used by the manufacturers to fortify market shares and to win new markets. Additionally there is a shortening of development cycles, since the intervals between market launch of a model and its replacement by a new one become increasingly shorter. Short development cycles mean for the Rücker AG a further increase in demand for development services.

The sales within the aviation business grew during the past financial year by 6.3 % from 48.9 million Euro to 51.9 million Euro. Orders from Airbus, EADS and other manufacturers and suppliers played a role here.

During the year 2006 the Rücker Group generated 87.9 % of all its sales within the Euro zone.

The part of the division automotive in the total sales was during the business year at about 65.6 % (108.9 million Euro), the part of the aviation segment was 31.3 % (51.9 million Euro).

The increase of sales and results was accompanied by an improvement of the EBIT margin. It was increased from 4.2 % in the year 2005 to 4.9 % in the year 2006. Even more distinct was the increase of the net yield from 1.1 % to 2.0 %, which was almost doubled.

The gross operating results were increased during the financial year 2006 by 540 kEUR (+ 1.9 %). The reason for the disproportionately high increase of the EBIT is the reduced cost for administration and distribution, despite the increased sales, and the lower amortizations for goodwill.

VI. Net Assets and Financial Position

The balance sheet total of the Rücker Group was with 87.0 million Euro (previous year 86.7 million Euro) almost identical. The tangible fixed assets were 22.9 million Euro (previous year 24.9 million Euro), the liquid funds were 12.1 million Euro (previous year 12.2 million Euro).

The largest debt item is the shareholders' equity with 30.1 million Euro. With an equity ratio of 34.6 % the Rücker AG has a solid structure of the balance sheet, both in the segment-specific comparison as well as compared to other middle market stocks.

The operative cash flow from current business operations was about 8.3 million Euro as compared to 7.0 million Euro in the year 2005. Securing liquidity is an important objective of the business policy, mainly by further reduction of existing receivables during the year.

The financing of the Group is being secured by the use of Factoring, Leasing, bank lines and the positive cash flow.

VII. Chances and Risks for the Future Development

Even if the Rücker group is also oriented towards other industries, besides automotive and aviation, the largest part of the sales is still being generated with customers from these segments. Should these customers cut down their expenses for research and development or their investments the Rücker Group would be subject to additional price pressure and the capacity utilization would be affected. With a then possible planning variance also the results of operations of the company could be influenced.

Negative effects may also occur from the dependency from a few customers, if these defer projects or grant them to competitors. The executive board reacts to this with flexible resources. Furthermore the strong expansion of the aviation segment created a second supporting leg by which possible cycles are partially levelled out.

The company’s development could be infringed by problems with the recruitment of qualified personnel since it is difficult to find engineers who can be employed for the customer orders.

In order to be able to take countermeasures against the outlined risks as well as to be able to meet requirements occurring from the Corporate Sector Supervision and Transparency Act (KonTraG) we implemented in the year 2000 in the whole Group a risk management system, which was further improved in subsequent years.

This system is integrated into our current reporting system. With the recognition of important risks these are reported to the executive board which for its part informs the supervisory board at the overrun of certain threshold values in order to be able to take countermeasures timely.

Chances are in the multitude of planned new models in the segments of aviation and automotive which might lead to a clear increase of the volume.

VIII. Remuneration System

Members of the executive board receive a fixed monthly salary and a variable bonus.

The bonus for one member of the executive board is determined on the base of the profit situation by the supervisory board, while it is calculated for the other member as a percentage of the EBIT for the year.

Additionally there are insurances for members of the executive board against injuries, for legal expenses and a business liability insurance. Furthermore they will receive an employer's pension and they have a company car at their disposal.

For the organs of the company there is an additional D & O insurance.

The remuneration of the members of the supervisory board is regulated as follows: An ordinary member of this board receives 12,782.28 Euro per year, the deputy chairman receives the 1.5 times this salary and the chairman of the supervisory board the double amount.

Former member of the executive or the supervisory boards receive no payments save for the pension payments to former directors.

Contracts for the directors have a fixed term of 3 to 5 years.

Options or subscription rights as well as other remunerations with long binding effect were not granted in the year 2006.

The stock option plan started in the year 2000 is expired. The option granted to active members of the executive board in the course of that plan are presented within the notes to the consolited financial statements.

IX. Additional Information according to the Übernahmerichtlinien-Umsetzungsgesetz (Implementing Law on Acquisition of Standards)

1. The subscribed capital of the Rücker AG was 8,379,194 Euro as at December 31, 2006. It is divided into 8,379,194 individual bearer shares without nominal value. The share in the capital stock allotted to each individual share was 1.00 Euro as at December 31, 2006.

2. The executive board does not know of any limitations of the voting rights.

3. The chairman of the executive board (including Nosta GmbH) carries 58.5 % of the shares in the company . No other share ownership of more than 10 % of the capital stock is known.

4. As far as the executive board knows there are no shares with special rights.

5. As far as employees are participated in the capital they are not subject to any kind of voting right control.

6. The articles of incorporation provide for the supervisory board to appoint the members of the executive board. The statutory provisions of sections 84 and 85 AktG (German Stock Corporation Law) do apply. Changes of the articles of incorporation require the resolution of the general meeting of the shareholders. The provisions of sections 179 – 181 AktG do apply. The articles of incorporation provide for the supervisory board to resolve changes of the articles of incorporation concerning only the form. Resolutions concerning a change of the articles of incorporation require a majority of three quarters of the stock capital represented at the general meeting of the shareholders.

7. The executive board is authorized to increase the stock capital of the company, with the approval of the supervisory board, until June 30, 2011 by 4 million Euro at most by means of issue of new shares. The company is authorized to acquire own shares until December 19, 2007. This authorization is limited to the acquisition of 837,919 shares. These resolutions of the shareholders' meeting of June 20, 2006 are laid out in detail within the management report.

8. Authorized but unissued capital: The shareholders' meeting of March 17, 2000 resolved the increase of the authorized but unissued capital by up to 615,000 Euro by the issue of new shares in order to service the stock option plan.

9. There is no company's agreement subject to the condition of a change of control subsequent to a takeover bid.

10. There is no compensation agreement with the members of the executive board or the employees in the case of a takeover bid.

X. Outlook

After the discernible increase of the result in the year 2006 it is our main goal to further expand the business of the whole company on the basis of the existing structure.

Objective for 2007 and for 2008 will be the further extension of existing customer relations nationally and internationally. Further investments into hardware and software are planned in order to extend the technological leading position of the company.

After the balance sheet date there were no material new developments which were not taken into consideration with the preparation of the financial statements.

As far as the trend to outsource development services is continued and the laid out risks concerning the order placing habits of the manufacturers are not being realized we expect a positive development of sales and, with corresponding cost management, an improvement of the income situation, too.

XI. Declaration of the Executive Board of the Rücker AG according to § 312 para. 3 AktG (German Stock Corporation Law)

We declare concludingly that our company received an appropriate consideration out of all legal transactions concluded during the financial year 2005 considering the circumstances known to us at the moment of conclusion. No measurements were taken or omitted which would have discriminated our company.

Wiesbaden, March 2, 2007

Rücker Aktiengesellschaft

....	....
Wolfgang Rücker	Jürgen Vogt
-Director-	-Director-

Rücker Aktiengesellschaft, Wiesbaden

Consolidated Financial Statements for the Financial Year from January 1, to December 31, 2006

Consolidated Balance Sheet

	12/31/2006 kEUR	12/31/2005 kEUR
A1 Intangible Assets	12,716	13,349
A2 Tangible Assets	22,929	24,927
A3 Financial Assets	704	1,322
A4 Deferred Taxes	4,226	6,032
Non-current Assets	**40,575**	**45,630**
A5 Inventories (Work in Process)	1	1
A6 Trade Receivables	21,382	21,037
A7 Other Receivables	11,130	5,952
A8 Claims on Tax Refund	256	306
A9 Securities	0	162
A10 Financial Assets / Cash and Cash Equivalents	12,135	12,199
A11 Prepaid Expenses	1,563	1,387
Current Assets	**46,467**	**41,044**
ASSETS	**87,042**	**86,674**

P1 Subscribed Capital	8,379	8,379
P2 Capital Reserves	14,651	15,153
P3 Own Shares	-54	-784
P4 Recognized Income / Expenses	-864	-883
P5 Revenue Reserves	7,909	7,161
P6 Equity attributable to minority interest	83	102
Shareholders' Equity	**30,104**	**29,128**
P7 Non-current Bank Liabilities and Other Financial Liabilities	12,655	14,664
P8 Provisions for Pensions	5,095	4,488
P9 Government Grants Long Term	37	67
P10 Provisions for Taxes on Income Long Term	0	23
P11 Other Non-current Provisions	749	465
P12 Deferred Taxes	453	1,185
Non-current Liabilities	**18,989**	**20,892**
P13 Current Bank Liabilities and Other Financial Liabilities	10,875	10,926
P14 Trade Payables	6,985	5,395
P15 Other Liabilities	16,849	17,496
P16 Liabilities from Taxes on Income	1,830	1,230
P17 Government Grants Current	29	29
P18 Current Provisions	280	603
P19 Deferred Income and Other Commitments	1,101	975
Current Liabilities	**37,949**	**36,654**
SHAREHOLDERS' EQUITY AND LIABILITIES	**87,042**	**86,674**

Rücker Aktiengesellschaft, Wiesbaden

Consolidated Financial Statements for the Financial Year from January 1, to December 31, 2006

Consolidated Statement of Profit and Loss

		2006 kEUR	2005 kEUR
G1	**Sales**	**166,141**	**155,602**
G2	Cost of Sales	-137,148	-127,149
	Gross Profit	**28,993**	**28,453**
G3	Other Operating Income	5,999	5,834
G4	Research and Development	0	0
G5	Distribution Expenses	-5,570	-5,861
G6	Administration Expenses	-18,447	-18,616
G7	Other Operating Expenses	-2,545	-2,580
G8	Depreciation on Goodwill	-240	-637
	Operating Result (EBIT)	**8,190**	**6,593**
G9	Financial Result	-2,759	-3,063
	Result Before Taxes on Income	**5,431**	**3,530**
G10	Income Tax	-2,149	-1,864
	Group Profit for the Year	**3,282**	**1,666**
	of which profits attributable to the shareholders of the parent company	3,413	1,592
	of which profits attributable to minority shareholders	-131	74

	2006	2005
Average Number of Shares (undiluted)	8,318,886	8,283,599
Earnings per Share in EUR (undiluted)	0.41	0.19
Average Number of Shares (diluted)	8,675,549	8,684,849
Earnings per Share in EUR (diluted)	0.39	0.18

Rücker Aktiengesellschaft, Wiesbaden

Consolidated Financial Statements for the Financial Year from January 1, to December 31, 2006

Statement of Recognized Income and Expenses

	2006 kEUR	**2005** kEUR
Differences from Currency Translation	-20	-101
Adjustment not Affecting Net Income from Market Valuation of Financial Instruments	12	23
Adjustment not Affecting Net Income from Valuation of Pension Commitments	27	-737
Changes of Values Recognized Directly Within Equity	**19**	**-815**
Group Profit for the Year / Loss for the Year	3,282	1,666
Sum of Period's Result and Value Changes Recognized not Affecting Net Income of the Period	**3,301**	**851**

Rücker Aktiengesellschaft, Wiesbaden

Consolidated Financial Statements for the Financial Year from January 1, to December 31, 2006

Consolidated Statement of Cash Flows

			2006 kEUR	2005 kEUR
1.		Period's Result (including profits attributable to Minority Shareholders	3,282	1,666
2.	+/-	Depreciation/reinstated write-down on Items of Fixed Assets	7,465	8,027
3.	+/-	Increase/Decrease of Provisions and Accruals	-140	-1,522
4.	+/-	Other Expenses/Income not Affecting Payments	2,291	2,746
5.	-/+	Income/Loss from the Disposal of Items of Fixed Assets	50	7
6.	-/+	Increase/Decrease of Inventories, of Trade Receivables and of Other Assets not Attributable to Investment Activities or Financial Activities	-6,544	-3,597
7.	+/-	Increase/Decrease of Trade Payables and other Liabilities not Attributable to Investment Activities or Financial Activities	1,925	-338
8.	**=**	**Cash Flow from Current Business Activities (Sum of 1 to 7)**	**8,329**	**6,989**
9.		Inpayments from Disposals of Items of Tangible Assets	800	394
10.	-	Payments for Investments into Tangible Assets	-2,737	-3,547
11.	+	Inpayments from Disposals of Items of Intangible Assets	148	246
12.	-	Payments for Investments into Intangible Assets	-1,182	-1,909
13.	+	Inpayments from Disposals of Items of Financial Assets	1,239	319
14.	-	Payments for Investments into Financial Assets	-533	-1,130
15.	-	Payments for the Acquisition of Consolidated Companies and Other Business Units	-74	-422
16.	**=**	**Cash Flow from Investment Activities (Sum of 9 to 16)**	**-2,339**	**-6,049**
17.		Inpayments from Equity Contributions	228	4
18.	-	Payments to Company's Owners and Minority Shareholders	-2,525	0
19.	+	Inpayments from the Issue of Bonds and from the Raising of (Financial-) Credits	2,211	5,740
20.	-	Payments from the Redemption of Loans and (Financial-) Credits	-5,992	-6,022
21.	**=**	**Cash Flow from Financing Activities (Sum of 18 to 21)**	**-6,078**	**-278**
22.		Changes of Financial Funds Affecting Payments (Sum of 8, 17, 22)	-88	662
23.	+/-	Changes of Financial Funds from Changes of Exchange Rates, Consolidated Group, Valuations	24	103
24.	+	Financial Funds at the Beginning of the Period	12,199	11,434
25.	**=**	**Financial Funds at the End of the Period (Sum of 23 to 25)**	**12,135**	**12,199**

Additional Information:

Interest Paid:	1,703	1,762
Taxes on Income Paid:	562	322
Interest received:	138	158
Received Taxes on Income:	163	2

Rücker Aktiengesellschaft, Wiesbaden

Consolidated Financial Statements for the Financial Year from January 1, 2006 to December 31, 2006

Notes to the Consolidated Financial Statements

A - Description of Business Activities

The Rücker AG, Kreuzberger Ring 40, 65205 Wiesbaden (Germany), (hereinafter referred to as "Rücker AG" or "company") offers globally development services by means of virtual design for companies of the automotive, components supplying, aviation and the electronics industries. The locations are mainly in Germany. However, the Rücker Group is also represented in many countries of Europe, Asia and the Americas.

During the financial year 2006 the Rücker Automotive France S.A.S. was founded and the shares in the Rucker Design S.R.L., Romania, were acquired. The shareholders' capital of Rucker Desing S.R.L., Romania, was EUR 59 at the time of acquisition. The participations in Austria were newly structured. For that purpose the Rücker Beteiligungs GmbH, Wien, Austria was newly founded.

B - General

The consolidated financial statements of the Rücker AG, Wiesbaden, as at December 31, 2006 were prepared under application of § 315 a HGB and according to the regulations valid at closing date of the International Accounting Standards Managing Board (IASB), London. All International Financial Reporting Standards (IFRS) obligatory for the financial year 2006 as well as all International Accounting Standards (IAS) and interpretations of the International Financial Reporting Interpretations Committee (IFRIC), formerly Standing Interpretations Committee (SIC), were applied in the form taken over from the European Union.

For the preparation of the first consolidated financial statements according to IFRS as at December 31, 2005, the IRFS 1 "First-Time Adoption of International Financial Reporting Standards" was applied. The date of transition to IFRS was January 1, 2004.

The group currency is the Euro (EUR). The consolidated financial statements were prepared in thousand Euro. All amounts, also those in the notes, are named in thousand Euro (kEUR) if not stated otherwise.

Newly Issued Accounting Requirements not Prematurely Applied

The IASB issued the following standards, interpretations and amendments to extisting standards, the application of which is not obligatory, however. Therefore, they are not being applied prematurely by the Rücker AG. The application of these IFRS requires that they will be acknowledged by the EU in the course of the IRFS implementation procedures (endorsement).

IFRIC 8 Scope of Application of IFRS 2		Application obligatory for financial years beginning on or after May 1, 2006
IFRIC 10 Interim Reporting and Impairment of Value		Application obligatory for financial years beginning on or after November 1, 2006
Changes of IAS 1 Presentation of the Financial Statements - information on capital		Application obligatory for financial years beginning on or after January 1, 2007
IFRS 7 Financial Instruments: information		Application obligatory for financial years beginning on or after January 1, 2007
IFRIC 11 Intragroup Transactions and Business with Own Shares according to IFRS 2		Application obligatory for financial years beginning on or after March 1, 2007
IFRS 8 Operative Segments		Application obligatory for financial years beginning on or after January 1, 2009

The application for the first time of the changes of IAS 1 und IAS 7 will lead to extended information within the notes. The Rücker AG currently evaluates the effects of IFRS 8 on the consolidated financial statements. The application for the first time of the other standards listed will have no material influence on the presentation of the financial statements, according to the current estimation.

C - Essential Methods of Accounting and Valuation

Intangible Assets

Intangible assets are being disclosed at costs of acquisition or production and they are amortized according to the straight line method during their estimated effective lives of three to seven years. The Rücker AG examines regularly the value and considers all events or circumstances requiring a renewed estimation of effective lives or pointing to an impairment of value. Except for the goodwill all intangible assets of the company are amortized regularly.

Computer software developed or acquired for internal use is being amortized during its estimated effective life, which is, as a rule, not longer than seven years.

Cost of Research and Development

Cost of research are recorded as expenditure during the period in which they were incurred. Cost of development are capitalized according to IAS 38 as intangible assets at the cost of acquisition or production, as far as the conditions of IAS 38.57 are given. The cost of acquisition and production comprise all cost directly attributable to the process of development as well as appropriate parts of the development-related overhead. Depreciation is made according to the straight line method during the estimated life span of the products developed.

The above refers within the Rücker group solely to expenses for software development. For this Rücker applies, under consideration of IAS 38.57, analogously the SOP 98-1 ("Accounting for the Costs of Computer Software Developed or Obtained for Internal Use"), which is to be applied according to US-GAAP, and capitalizes the cost for software development incurred as soon as the research phase is finished and the technical feasibility is ensured. Disclosure within the balance sheet is made under intangible assets.

Since 2004 no development costs were capitalized because the company since then only rendered services of research and development for its customers.

Goodwill

IFRS 3 in accordance with IAS 36 “Impairment of Assets“ (revised 2004) and IAS 38 “Intangible Assets“ (revised 2004) was applied for the first time during the financial year 2004 for goodwill capitalized. The required impairment test was made as at January 1, 2004 (IFRS opening balance sheet) as well as at the 31st of Decembers 2004, 2005 and 2006. The impairment test was made on base of the current market values less disposal cost of the cash generating unit. According to IAS 36 the realizable amount less disposal cost of the cash generating unit, being the higher amount out of the net sales price respectively value in use (Present value of the future cash flow from an asset), was compared with the book value of the goodwill of the cash generating unit. With this the DCF-method was applied.

The cash flows underlying the DCF-valuation are based on the current business plans of the next three financial years. With this previous experiences as well as future expectations are taken into consideration. Base for the perpetuity is the third year of planning, cleared from special items. The assumed discount factor is 9.34 %.

Impairment of Assets

Tangible and intangible assets (except goodwill) are depreciated or amortized regularly. If matters or circumstances indicate that the book value of an asset might not be realizable any more this asset is depreciated irregularly. As soon as the book value of an asset is higher than the amount realizable, a debasement affecting net income is entered. The amount realizable is the higher between net sales price and the value in use of an asset.

The net sales price is the amount realizable from a sale at generally accepted market terms, less cost of realization. The value in use is the present value of the estimated future cash flows expected from the continual usage of the asset and its disposal at the end of its effective life. The amount realizable is established for each individual asset, or, if this is not possible, for the cash generating unit to which the asset belongs.

The goodwill is at least once a year subject to an impairment test.

Finance Lease

With leasing the beneficial ownership in the leased items is attributed to the group according to IAS 17, if the group bears all main risks and chances related to the possession of the leased item (finance lease). In these cases the company capitalizes assets and liabilities in the same amount within the balance sheet. This is the current market value of the leased item at the beginning of the lease or the present value of the minimum lease payments, whichever is lower. The methods and periods of depreciation of the capitalized assets correspond to those of comparable assets acquired. The leasing commitments corresponding to the assets are disclosed under other liabilities. The interest stock of the leasing payments is entered into the statement of profit and loss during the term of leasing.

As far as the beneficial ownership remains with the lessor (operating lease), the leased items are capitalized with the lessor. The lease expenditures are entered as expenses in the full amount.

Financial Instruments

With Rücker the term “financial instruments“ comprises liquid funds, securities held for trade, trade receivables, trade payables, other debts and liabilities from finance leasing contracts. The individual methods of accounting according to IAS 39 in connection with IAS 32 are explained beneath the respective item.

Financial instruments are classified either as financial property value or financial liabilities or as equity instrument with the initial entering according to the economic content of the contractual agreement.

Financial instruments are classified as follows according to IAS 39:

- financial investments to be “held to maturity”
- assets at fair value “held for trade“ purposes or financial liabilities
- loans and receivables lent by the company
- assets available for sale

Financial assets with fixed or determinable payments and fixed terms, which the company intends and is able to keep until their final maturities are being classified as financial investments to be “held until final maturity“. Financial assets mainly acquired to gain profits from short term price fluctuations are being classified as financial assets “held for trade“.

All other financial assets, except for loans and receivables extended by the company, are being classified as financial assets “available for sale“.

Financial investments to be “held to maturity” are capitalized under long term assets except for their becoming due within 12 months after the balance sheet date. Financial assets held for trade are capitalized under short term assets. Financial assets available for sale are being classified as short term assets if they are to be realized within 12 months after the balance sheet date.

With the initial capitalization a financial asset is being disclosed at the acquisition cost corresponding to the current value of the counter-performance given; transaction cost are being included. Financial assets available for sale or those held for trade are being valued in subsequent years at their current value without deduction of possible transaction costs and at their quoted price at balance sheet date.

Profits and losses from the valuation of a financial asset available for sale in comparison to its current value are being recorded directly within the equity, until the financial asset is realized, called in or otherwise disposed of or until for this financial asset an impairment was determined. Then, at this moment, the cumulative profit or loss, formerly recorded within the equity, is being included into the results of the period. Changes of the current value of financial assets held for trade are being recorded within the financial results. Financial investments to be held to maturity are being valued at their net book value under usage of the market rate method.

Market Value of Financial Instruments

The company determined the market value of the financial instruments used on the base of the following methods and assumptions:

Cash and cash equivalents

The book value of cash and cash equivalents disclosed within the balance sheet corresponds to their market value.

Investments held as fixed assets

The valuation of marketable debt issues and equity securities is based on the corresponding market value.

Long- and short-term loan capital

The outside funds received from short term credit intakes are being valued at their repayment amount. The discounting of long-term financial commitments of the Rücker AG is made by the analysis of the discounted cash flows. This analysis bases on loan capital rates for comparable credit transactions currently charged to the company.

Cash Equivalents

The company regards all liquid financial assets, including all receivables due to call from factoring companies not being part of the group and with an initial term of up to three months as cash equivalents. As at December 31, 2006 the company classified the receivables from the outside factoring company, and being due at sight, of kEUR 3,018 (previous year: kEUR 2,801) as cash and cash equivalents.

Factoring

Certain trade receivables are being transferred to an outsider factoring company for a factorage. The total non-payment risk is being transferred to the factor, too. Therefore the company cannot be held liable in case of non-payment.

As far as the requirements of IAS 39.20 sec. a) are met the trade receivables are taken out of the books and other receivables against the factors are entered.

Derivative Financial Instruments

According to IAS 39 all derivative financial instruments are to be disclosed at market value at balance sheet date, irrespective of their purpose or of the intention in which they were agreed.

As far as the financial instruments used are effective cash flow hedges within the framework of a hedging relationship according to the regulations of IAS 39, the fluctuations of the current value do not effect the period result during the term of the derivative product.

As far as the financial instruments do not qualify as effective hedge according to IAS 39 all fluctuations of the current value effect immediately the statement of profit and loss.

The group’s hedging policy is to exclusively stipulate derivative products for the hedging of interest and currency risks.

At balance sheet date there were no hedges for risks from interest- or foreign currency transactions at Rücker AG.

Trade Receivables and Other Receivables

Trade receivables and other receivables are being capitalized at nominal value, respectively acquisition cost. Trade receivables are being disclosed after a deduction of a valuation adjustment. With the establishment of the valuation adjustment the executive board relies on its knowledge of the customers’ payment behaviour, previous experiences and other current clues.

Inventories (Work in Process)

Among the inventories working hours for service orders not yet charged are being disclosed (work in process).

Cost of debt are not being included into the production cost but recorded as expenses during the respective period.

Prepaid Expenses

Prepaid expenses comprise payments before the balance sheet date being expenses for a certain time after that date.

Acquisitions and other Purchases in the sense of IFRS 3

Acquisitions are being disclosed according to the acquisition method. Accordingly the results of the acquired company are being included into the consolidated financial statements from the date of acquisition on.

Pension Commitments

The valuation of pension commitments bases on the present value of potential pension method for achievement oriented old age provision plans as laid down in IAS 19. With this the gains and losses resulting from the changes of actuarial assumptions are set off against the equity not affecting operating result after consideration of deferred taxes.

Government Grants

Investment allowances and subsidies are being accrued. The dissolution is made according to the assumed effective life of the assets concerned and in favour of the other operating income. Investment subsidies are connected to a series of requirements. These will be met, according to the current knowledge of the company.

Other Provisions and Accruals

Tax accruals and other provisions and accruals are made according to IAS 37, as far as from a past event a current legal or actual commitment toward third parties arises which probably leads to a future outflow of assets and this outflow can be assessed reliably.

Long term provisions with a remaining term of more than one year are disclosed at their performance amount discounted to the balance sheet date.

Liabilities

Liabilities are disclosed at their repayment amount.

Deferred Income

Deferrals refer to inflows before the balance sheet date, which are income for a certain time after that date.

Tax Accrual and Deferral

Tax accruals and deferrals are made for consolidations affecting net income as far as the differences in results will presumably be compensated in later financial years.

For future tax effects of differences between the valuations within the tax balance sheet and the consolidated balance sheet, tax loss carry forwards and amounts creditable against future tax liabilities are being capitalized as deferred taxes. The effects of changes in tax rates on the calculated deferred taxes will be entered affecting net income within the period in which the respective change will become legally effective.

As far as the realization of deferred taxes is more on the improbable side no capitalization is made. Capitalized deferred taxes will be adjusted to the lower attributable value if necessary.

Claims and liabilities of deferred taxes are entered independently from the moment in which the temporarily differences in accounting entries will presumably reverse. Claims and liabilities of deferred taxes are not discounted and they are disclosed within the balance sheet as long term assets, respectively liabilities.

Own Shares

The capitalization of own shares is made on the base of the acquisition cost method, in which the acquisition costs are deducted openly from the equity. Income from the sale of own shares is allocated to the capital reserves not affecting operating result.

Contingent Liabilities and Claims

Contingent liabilities are not disclosed within the consolidated financial statements. They are stated within the notes, except if the possibility of an outflow of resources with economic benefit is very unlikely.

Contingent Claims are not disclosed within the consolidated financial statements. However, they are being stated within the notes if the inflow of economic benefit is likely.

Concentration of the Credit Risk

Significant concentrations of the credit risk may arise mainly in connection with cash, cash equivalents and receivables. The company invests its available funds only in financial institutions of excellent credit standing. Receivables result mainly from business with automobile and manufacturers and aviation companies within Germany. Credits are only extended after examination of the financial situation of the customers; securities are not required as a rule. The executive board monitors the delinquency risk and has, as far as necessary, made valuation adjustments.

Estimations and Assumptions

The preparation of the financial statements in conformity with the IFRS requires estimations and assumptions by the management. These affect the amounts disclosed within the balance sheet, the disclosure of contingent claims and liabilities at closing date and the disclosure of income and expenses during the period under report. The actual result may differ from these estimations and assumptions.

Risk Management

The risk management required by § 91 para. 2 AktG (German Stock Corporation Law) is part of the reporting system of the Rücker AG.

For the early recognition of risks the Rücker AG has a unified risk management system group wide. This system controls registration, assessment and reporting of risks. The major aim of the risk management system of the Rücker AG is to secure that especially developments or risks threatening the continued existence of the company are recognized as early as possible by the organs of the company (supervisory board and executive board) as well as by the management in order to secure the permanent existence of the company by the timely introduction of suitable measurements. The corporate director of finance is in charge with the central risk management function of the Rücker AG.

The realization of the risk management process is made by the operative management. In this function the early identification, assessment, communication and covering of risks and chances in the place of their origin is the responsibility of the decentralized business units. By means of the monthly reporting new risks are named as well as the changes of already identified ones. Additionally, ratios are being analysed on the base of monthly financial statements in order to be able to identify causes of risks early.

Stock Option Plan

The treatment of employee participation schemes is provided for in IFRS 2 (share-based payment). IFRS 2 is applicable for the first time for stocks, stock options and other equity instruments granted after November 7, 2002 and which were not yet exercisable at the date of the standard’s entering into force (January 1, 2005).

The special meeting of shareholders resolved on March 27, 2000 the "Aktienoptionsplan Rücker 2000" (“Stock option plan Rücker 2000“). This option plan intends the issue of unalienable stock options for up to 615,000 common stocks to members of the executive board of Rücker AG, to members of the management of affiliated companies of Rücker AG and to branch heads and equated managers and to employees in managerial positions of Rücker AG and/or affiliated companies.

The option rights were to be issued until the end of 2003 in three annual tranches. The volume per tranche was limited to 50.0 % of the total volume of the stock option plan. The issue was made in the years 2000, 2001 and 2002.

The market value of the option rights issued during the years 2000 to 2002 was established at the moment of issue according to the Black-Scholes-option price model.

The exercise of the option rights is possible within five years after the end of the waiting period, which is two years after the allocation of the respectively granted option rights. The executive board may determine a longer waiting period of up to seven years with the consent of the supervisory board. The extension of the waiting period was not made with the option rights granted yet.

The exercise of the option rights is exclusively permitted within one of three possible exercise periods within a calendar year. Each exercise period lasts ten stock exchange work days, beginning with the respectively first stock exchange work day after the day of the ordinary general meeting of the shareholders, the day after the publication of the company data and balance sheet data for the 1st half year and the 3rd quarter of a year. As far as the end of a waiting period falls into an exercise period, this exercise period ends with the tenth stock exchange work day after the end of this waiting period.

The exercise price corresponds to the closing price of the Rücker AG share of stock at the Frankfurt Stock Exchange, Prime Standard, on the day of the granting of the option right by conclusion of the option rights contract, plus a premium of 5.0 % as performance goal. Differing from this corresponds the exercise price for option rights issued before exchange market listing to the initial offering price at introduction of the Rücker AG share of stock into the Frankfurt Stock Exchange, New Market, plus a premium of 10.0 % as performance goal.

The following table shows the stock development of the outstanding option rights during the financial year 2006:

	Number of Subscription Rights of Shares of the Rücker AG	Average Exercise Price in EUR
Number as at January 1, 2006	435,083	11.05
Exercised during the Financial Year 2006	75,950	3.00
Forfeited during the Financial Year 2006	45,500	6.16
Number as at December 31, 2006	313,633	13.72

During the financial years 2003 through to 2006 no further option rights were granted.

The following table shows the allocated options as at December 31, 2006:

	Pieces of Options	Exercise Price in EUR
Allotted during the Year 2000	208,216	22.00
Allotted during the Year 2001	214,550	6.72
Allotted during the Year 2002	188,534	3.00
Number as at January 1, 2006	611,300	
thereof		
- forfeited	220,517	
- exercised	77,150	
Number as at December 31, 2006	313,633	

Market Value Establishment according to the Black-Scholes-Option Price Model

	As at 2002
Risk free investment rate of interest	5.0%
Expected dividend yield	1.6%
Expected volatility	58%
Expected term	42 months
Market price (Fair Value)	EUR 1.04

During the financial year 2006 the following stock options from the allocation of the year 2002 were exercised. The respective market prices of the shares of stock refers to the exercise day.

	Pieces
21/06/06 exercised Stock Options at the price of 6.14 Euro	19,700
22/06/06 exercised Stock Options at the price of 6.45 Euro	7,550
23/06/06 exercised Stock Options at the price of 6.30 Euro	5,350
27/06/06 exercised Stock Options at the price of 5.98 Euro	6,300
03/07/06 exercised Stock Options at the price of 6.08 Euro	6,150
04/07/06 exercised Stock Options at the price of 6.12 Euro	2,850
22/08/06 exercised Stock Options at the price of 6.22 Euro	6,500
24/08/06 exercised Stock Options at the price of 6.03 Euro	5,000
31/08/06 exercised Stock Options at the price of 6.00 Euro	15,000
29/11/06 exercised Stock Options at the price of 5.95 Euro	1,550
	75,950

D – Principles of Consolidation and Consolidated Group

Principles of Consolidation

The consolidated financial statements comprise the annual financial statements of the Rücker Aktiengesellschaft and its subsidiaries.

The **capital consolidation** is made under application of the acquisition method. A resulting difference on the assets side will be, as far as possible, attributed to the acquired assets. A further difference will be disclosed as goodwill. According to IFRS 1, the goodwill as at December 31, 2003 from the previous US-GAAP consolidated financial statements are taken into the IFRS opening balance sheet as at January 1, 2004. Since the goodwill is disclosed in the respective national currency the consolidation causes minor differences between the IFRS and the formerly applied US Generally Accepted Accounting Principles (US-GAAP). The adopted goodwill values were subject to an impairment test.

In the course of the **consolidation of debt** receivables and liabilities are being cancelled. Within the consolidated statement of profit and loss the expenses and the income are disclosed after the setting off of inter group processes.

With occurring profits between group companies the **intermediate results** are eliminated and deferred taxes are calculated on these.

Currency Translation

Transactions and reserves in foreign currency

Transactions in foreign currency are translated at the current market price at the date of the transaction. Monetary assets and liabilities in foreign currency are translated at the current market price at balance sheet date. Translation differences from the translation of balance sheet items are recorded within the statement of profit and loss.

Annual financial statements of foreign participations

The functional currency of all foreign subsidiaries is the respective national currency.

The translation of foreign, not Euro-based financial statements, was made as follows:

The shares in consolidated companies and the equity capital are capitalized at historic prices, all other assets, the provisions and liabilities as well as accruals and deferrals are capitalized at the respective market price on reporting day. Income and expenses are translated at the annual average market price. Resulting translation differences are disclosed under a separate item within the shareholders' capital.

The exchange rates of important currencies as compared to the Euro changed as follows:

1 EUR		Price at balance sheet date		Middle market price	
		12/31/2006	12/31/2005	12/31/2006	12/31/2005
Switzerland	CHF	1.606900	1.555100	1.572900	1.548300
China	CNY	10.279300	9.547500	10.009500	10.198100
Czech Republic	CZK	27.485000	29.000000	28.341600	29.781800
Mexico	MXP	14.273000	12.605000	13.686000	13.564700
Poland	PLN	3.831000	3.860000	3.895900	4.023100
Brasil	BRL	2.810400	2.751500	2.730800	3.036700
Sweden	SEK	9.040400	9.388500	9.254500	9.282100
Romania	RON	3.383500	0.000000	3.525800	0.000000
South Korea	KRW	1224.810000	0.000000	1198.566300	0.000000
Slovakia	SKK	34.435000	37.880000	37.234200	38.599000
USA	USD	1.317000	1.179700	1.255600	1.244100

Consolidated Group

In the following there is a survey of all material majority owned subsidiaries of the Rücker AG. The participations are percentage-wise as follows:

Company	Corporate Seat	Capital Share in %
Rücker GmbH	Wiesbaden, Germany	100.0
Rücker Akademie	Wiesbaden, Germany	100.0
Rücker EKS GmbH	Weingarten, Germany	53.1
Rücker Aerospace GmbH	Hamburg, Germany	100.0
VR-Leasing Malakon GmbH & Co Immo. KG	Eschborn, Germany	85.0
Rücker do Brasil Ltda.	Sao Bernardo do Campo, Brazil	100.0
Rücker Vehicle Design (Shanghai) Co.,Ltd.	Shanghai, China	100.0
Rücker France SARL	Toulouse, France	100.0
Rücker Automotive France SAS	Paris, France	100.0
Rücker Italia S.R.L.	Robassomero, Italy	100.0
Rücker Korea Ltd.	Inchon, South Korea	90.0
Star Design de Mexico S.A. de C.V.	Mexico City, Mexico	100.0
Rücker Ges.m.b.H.	Graz, Austria	100.0
Wolfgang Rücker Ges.m.b.H.	Wien, Austria	100.0
Rücker Beteiligungs-GmbH	Wien, Austria	100.0
Rücker Polska Sp. z oo	Warsaw, Poland	100.0
Rucker Design S.R.L.	Iasi, Romania	100.0
Rücker Nord AB	Gothenburg, Sweden	100.0
Rücker GmbH	Arbon, Switzerland	100.0
Rücker SR spol. s r.o.	Bratislava, Slovakia	100.0
Rücker Lypsa S.L.	Barcelona, Spain	100.0
Rücker CR spol. s r.o.	Mlada Boleslav, Czech Republic	100.0
Star Design of Alabama Inc.	Birmingham, USA	100.0
Silver AeroSpace B.V.	Haarlem, Holland	80.0

Subsidiaries included at acquisition cost:

Company	Corporate Seat	Capital Share in %
Star Design (UK) Ltd.	Cambridge, Great Britain	99.9
CGP Cabin Production Group GmbH	Hamburg, Germany	100.0

The subsidiaries included at acquisition cost are immaterial for the presentation of the net worth, the financial and income situation of the group.

The Rucker Design S.R.L. at Iasi, Romania, was acquired as at May 2, 2006. The Rücker Automotive France SAS at Paris, France, was established on August 3, 2006. The Rücker Beteiligungs-GmbH, Wien, Austria, was founded on September 20, 2006.

The Rücker GmbH and the Rücker Aerospace GmbH call upon the exemption according to § 264 para. 3 HGB.

E- Explanations of the Balance Sheet

A 1 Intangible Assets

With the determination of the fair value of the goodwills the company has to make material estimations on the number of years of future cash flows and of the discount rate of future periods. The number of years of future cash flows and the discount rate were established on the base of relevant market data. The planned sales and expenses are based on the company's budgets. Should the actual results differ from the estimated values or should the estimations made be changed in future periods material effects on the operating result of the group may occur.

The impairment test as at December 31, 2006 identified the requirement to amortize the goodwill of the Rücker Korea Ltd., fully consolidated for the first time in the year 2006, in the amount of the value of addition of kEUR 240.

The goodwill, classified according to subsidiaries, was:

	12/31/2006 kEUR	12/31/2005 kEUR
Rücker Nord	4,453	4,290
Rücker Lypsa	4,547	4,547
	9,000	8,837

The change of goodwill of Rücker Nord results from differences from currency translation.

A 2 Tangible Assets

The tangible assets are valued at cost of acquisition or production less scheduled depreciation according to the straight line method during the total estimated effective life of the assets. The real estate is not being held as financial investment.

The scheduled depreciation is based on the following economic life:

25 years for buildings, three to 20 years for furnitures and fixtures.

A 1 + A 2 Impairment of Assets

Except for the amortization of the goodwill of the Rücker Korea Ltd. no events or changed circumstances occurred during the financial year 2006 pointing to the occurrence of unscheduled impairment of assets.

A 3 Financial Assets

	12/31/2006 kEUR	12/31/2005 kEUR
Held to maturity securities	428	0
Available-for-sale securities	226	72
Shares in affiliated companies, not consolidated	45	148
Lendings to third parties	5	87
Lendings to affiliates	0	1,015
	704	1,322

The participation in the subsidiary Star Design UK, consolidated at acquisition cost, was amortized in the amount of kEUR 100.

Consolidated Fixed Asset Movement Schedule 2006, Rücker AG, Wiesbaden

	Cost of Acquisition and Production							Cumulated Depreciation							Book Values	
	As at 01/01/2006	**Additions Consolidated Group**	**Additions**	**Disposals**	**Reclassifi-cation**	**Currency Effect**	**As at 12/31/2006**	**As at 01/01/2006**	**Additions Consolidated Group**	**Additions**	**Disposals**	**Revaluation not affecting Result**	**Currency Effect**	**As at 12/31/2006**	**12/31/2006**	**12/31/2005**
	kEUR	**kEUR**	**kEUR**	**kEUR**	**kEUR**	**kEUR**	**kEUR**	**kEUR**	**kEUR**	**kEUR**	**kEUR**	**kEUR**	**kEUR**	**kEUR**	**kEUR**	**kEUR**
1. Acquired and produced Software	16,600	3	1,447	502	0	61	17,609	12,088	0	2,097	344	0	52	13,893	3,716	4,512
2. Goodwill	19,823	240	0	0	0	204	20,267	10,986	0	240	0	0	41	11,267	9,000	8,837
A1 Intangible Assets	36,423	243	1,447	502	0	265	37,876	23,074	0	2,337	344	0	93	25,160	12,716	13,349
1. Land, Leasehold Rights and Buildings	14,186	0	0	286	0	25	13,925	2,821	0	444	0	0	5	3,270	10,655	11,365
2. Technical Equipment and Machinery	1,919	0	72	36	0	8	1,963	1,132	0	175	30	0	5	1,282	681	787
3. Other Equipment, Fixtures, Fittings and Equipments	33,397	131	4,110	4,398	0	69	33,309	20,701	92	4,509	3,621	0	59	21,740	11,569	12,696
4. Machinery under Construction	79	0	16	71	0	0	24	0	0	0	0	0	0	0	24	79
A2 Tangible Assets	49,581	131	4,198	4,791	0	102	49,221	24,654	92	5,128	3,651	0	69	26,292	22,929	24,927
1. Financial Assets	1,102	0	188	1,199	-86	0	5	0	0	0	0	0	0	0	5	1,102
2. Held-to-maturity Securities	0	0	428	0	0	0	428	0	0	0	0	0	0	0	428	0
3. Available-for-sale Securities	101	0	3	37	165	4	236	29	0	0	0	-19	0	10	226	72
4. Shares in Affiliated Companies	148	0	0	3	0	0	145	0	0	100	0	0	0	100	45	148
A3 Other Financial Assets	1,351	0	619	1,239	79	4	814	29	0	100	0	-19	0	110	704	1,322
Total	87,355	374	6,264	6,532	79	371	87,911	47,757	92	7,565	3,995	-19	162	51,562	36,349	39,598

Consolidated Fixed Asset Movement Schedule 2005, Rücker AG, Wiesbaden

	Cost of Acquisition and Production							Cumulated Depreciation								Book Value	
	As at 01/01/2005	Additions Consoli-dated Group	Additions	Disposals	Reclassifi-cation	Currency Effect	As at 12/31/2005	As at 01/01/2006	Additions Consoli-dated Group	Additions	Disposals	Revalua-tion not affecting Result	Reclassifi-cation	Currency Effect	As at 12/31/2005	12/31/2005	12/31/2004
	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR
1. Acquired and produced Software	17,190	382	1,915	3,240	145	208	16,600	12,470	116	2,199	2,994	0	132	165	12,088	4,512	4,545
2. Goodwill	18,647	637	0	0	0	539	19,823	9,636	0	637	0	0	0	713	10,986	8,837	9,011
A1 Intangible Assets	35,837	1,019	1,915	3,240	145	747	36,423	22,106	116	2,836	2,994	0	132	878	23,074	13,349	13,556
1. Land, Leasehold Rights and Buildings	14,041	0	0	0	66	79	14,186	2,347	0	383	0	0	31	60	2,821	11,365	11,694
2. Technical Equipment and Machinery	2,355	0	177	603	-29	19	1,919	1,521	0	200	591	0	-14	16	1,132	787	753
3. Other Equipment, Fixtures, Fittings and Equipments	31,061	426	5,120	3,266	-182	238	33,397	18,677	264	4,608	2,872	0	-149	173	20,701	12,696	12,465
4. Machinery under Construction	0	0	80	1	0	0	79	0	0	0	0	0	0	0	0	79	175
A2 Tangible Assets	47,457	426	5,377	3,870	-145	336	49,581	22,545	264	5,191	3,463	0	-132	249	24,654	24,927	25,087
1. Loans	0	0	1,101	0	0	1	1,102	0	0	0	0	0	0	0	0	1,102	0
2. Available-for-sale Securities	414	0	0	313	0	0	101	65	0	0	0	36	0	0	29	72	349
3. Shares in Affiliated Companies	119	0	29	0	0	0	148	0	0	0	0	0	0	0	0	148	119
A3 Other Financial Assets	533	0	1,130	313	0	1	1,351	65	0	0	0	36	0	0	29	1,322	468
Total	83,827	1,445	8,422	7,423	0	1,084	87,355	44,716	380	8,027	6,457	36	0	1,127	47,757	39,598	39,111

A 5 Inventories

	12/31/2006 kEUR	12/31/2005 kEUR
Work in process	1	1

A 6 Trade Receivables

Receivables are valued at nominal value less allowances for uncollectibles.

	12/31/2006 kEUR	12/31/2005 kEUR
Gross trade receivables	25,500	23,998
Individual value adjustments	-4,118	-2,949
General allowances	0	-12
	21,382	21,037

A 7 Other Receivables

	12/31/2006 kEUR	12/31/2005 kEUR
Other receivables from third parties	11,111	5,710
Other receivables from affiliates	19	218
Other receivables from organ members	0	24
	11,130	5,952

A 10 Financial Assets / Cash and Cash Equivalents

	12/31/2006 kEUR	12/31/2005 kEUR
Cash in bank accounts	9,051	9,343
Receivables from the factor due on first request	3,018	2,801
Petty cash	66	55
	12,135	12,199

P 1 - P 6 Subscribed Capital

P 1 Subscribed Capital

During the financial year 2006 no ordinary shares were issued. The subscribed capital of the Rücker AG is EUR 8,379,194 as at December 31, 2006. It is divided into 8,379,194 no-par-value-bearer individual shares.

The part of the capital stock attributed to the individual share as at December 31, 2006 is EUR 1.00.

Authorized but Unissued Capital I

The general meeting of shareholders of March 27, 2000 resolved, in the course of the stock option plan Rücker 2000, an conditional increase of the capital stock by up to kEUR 615, divided in up to 615,000 new bearer share certificates, by the issue of new shares. We are referring to the explanations under "C - Essential Methods of Accounting and Valuation", key word "Stock Option Plan".
The servicing of the stock options exercised yet was exclusively made by own shares.

Authorized but unissued Capital II and III

The general meeting of shareholders authorized the executive board on May 28, 2001 to issue until May 27, 2006, with the approval of the supervisory board, up to 1,000,000 pieces of warrants without bonds on bearer share certificates of Rücker AG. The authorization was not executed.

Furthermore the executive board was authorized by the general meeting of shareholders to issue to the bearer until May 27, 2006 up to 2,000,000 pieces convertible bonds and/or option bonds. The authorization was not executed.

Own Shares

The general meeting of shareholders authorized the executive board on June 20, 2006 to use, with the approval of the supervisory board, the currently company owned 94,428 pieces of own shares (individual bearer shares with no nominal value) to service the stock option plan Rücker 2000.

Furthermore the executive board was authorized for the company to acquire shares of the company until December 19, 2007 for the legally approved purposes, especially in order to

- offer these to third parties in the course of business mergers or the acquisition of companies or parts of companies or participations;
- service claims in the delivery of shares in connection to the stock option plan Rücker 2000. As far as own shares are intended to be transferred to members of the company's executive board the decision on this remains with the supervisory board;
- sell these with the supervisory board's approval. In this case the sale may be made in other ways than via the stock exchange or by a public bid to all shareholders, as far as the acquired shares are sold at a price not materially falling below the stock exchange price of the company's shares with the same terms at the time of sale. The relevant stock exchange price in the sense of the above regulation shall be the average value of the closing rates of the company's shares in the XETRA trading (or in a comparable subsequent system) at the Frankfurt Stock Exchange during the last ten days of stock exchange dealings prior to the sale of the shares;
- call them in without the requirement of a further shareholders' resolution. The authorization may be executed wholly or in parts.

a) The authorization is limited to the acquisition of 837,919 shares with a proportionate share in the capital stock of 837,919 Euro (10 % of the capital stock). The authorization may be executed wholly or in instalments, once or several times, in the pursuit of one or several purposes. The authorization may not be used by the company for the purpose of trading in own shares. The authorization comes into effect on June 21, 2006 and is valid until December 19, 2007.

b) The acquisition is made according to the executive board's discretion either via the stock exchange or by public bid to all shareholders of the company. Further, the acquisition may be effected by an off-floor block acquisition, as far as the share block to be purchased comprises at least 1 % of the current capital stock.

c) If the purchase is made via the stock exchange the counter value paid by the company (exclusive of incidentals) may not exceed or underrun the closing rate of the shares in the XETRA trade (or in a comparable subsequent system) at the Frankfurt Stock exchange on the trading day prior to the redemption by more than 5 % or 20 % respectively.

d) If the purchase is made by a public bid to all shareholders the offered price or the margins of the offered spread per share (exclusive of incidentals) may not exceed or underrun the closing rate of the shares in the XETRA trade (or in a comparable subsequent system) at the Frankfurt Stock exchange on the trading day prior to the publication of the bid by more than 5 % or 20 % respectively. The volume of the offer may be limited. So far as the total subscription exceeds the volume the acceptance has to be made according to the relation of the respectively offered number of shares. A privileged acceptance of smaller quantities of up to 100 shares per shareholder may be provided for. The regulations of the Wertpapiererwerbs- und Übernahmegesetz (Code on the Acquisition and Transfer of Securities) have to be obeyed as far as these are applicable.

e) If the purchase is made by an off-floor block acquisition, the counter value paid by the company per share (exclusive of incidentals) may not exceed the closing rate of the shares in the XETRA trade (or in a comparable subsequent system) at the Frankfurt Stock exchange on the respective trading day. Regarding this possibly existing put options of other shareholders are excluded.

f) The subscription right of the shareholders of the own shares of the company is excluded insofar as these shares are used according to the above authorizations.

Approved Capital - Revocation and Recreation in the Year 2006

It was further resolved by the general meeting of shareholders on June 20, 2006 to revoke the approved capital and to recreate approved capital as well as to amend the articles of incorporation.

The current articles of incorporation provide for approved capital in § 5 para. 1, authorizing the executive board to increase the capital stock by issue of new shares. This authorization was not executed, yet. The current authorization expired on May 27, 2006. In order to preserve price sparing possibilities to react on market circumstances for the company the executive board was authorized by recreation of the approved capital to increase the company's capital stock by the issue of new individual bearer shares.

According to the resolution of the general meeting of the shareholders on June 20, 2006, the articles of incorporation were revised as follows:

1. The approved capital of § 5 para. 1 of the articles of incorporation is abolished herewith as at the moment of the entry of the new approved capital as laid out in the following.

2. The executive board is authorized, with the supervisory board's approval, to increase the company's capital stock until June 30, 2011 once or several times by the issue of new individual bearer shares for contribution in kind and / or in cash, but by, however, not more than 4,000,000 Euro in total.

The executive board was authorized, with the supervisory board's approval, in the course of a utilization of the approved capital once or several times:

a) to exclude the shareholders' subscription right for contribution in kind with a capital increase;

b) to exclude the shareholders' subscription right for contribution in cash or in kind with a capital increase for the purpose of the acquisition of companies or participations in companies; the acquisition of a company or of a participation may only be made if the subject of the target company is substantially within the frame of the company's purpose according to § 2 para. 1 of the article of incorporation or within the well understood interest of the company;

c) to exclude the shareholders' subscription right in order to exempt possible residual amounts with the determination of subscription ratios.

The executive board was further authorized to determine with the approval of the supervisory board the further details of the individual capital increase as well as the terms of the issue of shares and the contents of the share rights. The executive board is especially authorized with the supervisory board's approval to limit the subscription right of the shareholders into an indirect subscription right according to § 186 para. 5 sentence 1 German Stock Corporation Law.

The supervisory board is being authorized to adjust the version of the articles of incorporation according to the extent of the capital increase from the approved capital.

Changes of Equity Capital as at December 31, 2006
(in kEUR)

	Subscribed Capital pieces	Subscribed Capital amount	Capital Reserves	Own Shares	Recognized Income and Expenses	Revenue Reserves	Minortiy Interest	Sum Equity
As at December 31, 2004	**8,379,194**	**8,379**	**15,150**	**-800**	**-68**	**5,728**	**28**	**28,417**
Consolidated Profit for the Year		0	0	0	0	1,592	74	1,666
Income and Expenses not Recognised within P&L								
Market Valuation of Securities		0	0	0	36	0	0	36
Share Deferred Taxes (Securities)		0	0	0	-13	0	0	-13
Actuarial Gains/Losses Pensions		0	0	0	-1,232	0	0	-1,232
Share of Deferred Taxes Actuarial Gains/Losses Pensions		0	0	0	495	0	0	495
Difference Amount from Currency Translation		0	0	0	-101	0	0	-101
Other Changes								
Expenses Employees Stock Options		0	15	0	0	0	0	15
Reclassification of Minority Interest, Silver - AeroSpace B.V.		0	0	0	0	-159	0	-159
Servicing of Employee Stock Options from Own Shares		0	0	4	0	0	0	4
Loss from Disposal of Own Shares Reclassified into Capital Reserve		0	-12	12	0	0	0	0
As at December 31, 2005	**8,379,194**	**8,379**	**15,153**	**-784**	**-883**	**7,161**	**102**	**29,128**
Consolidated Profit for the Year		0	0	0	0	3,413	-131	3,282
Dividend		0	0	0	0	-2,485	0	-2,485
Income and Expenses not Recognised within P&L								
Market Valuation of Securities		0	0	0	19	0	0	19
Share Deferred Taxes (Securities)		0	0	0	-7	0	0	-7
Actuarial Gains/Losses Pensions		0	0	0	41	0	0	41
Share of Deferred Taxes Actuarial Gains/Losses Pensions		0	0	0	-14	0	0	-14
Difference Amount from Currency Translation		0	0	0	-20	0	0	-20
Other Changes								
Expenses Employees Stock Options		0	0	0	0	0	0	0
Distribution to Minority Shareholders		0	0	0	0	0	-40	-40
Addition Negative Minority Shares Rücker Korea		0	0	0	0	0	-28	-28
Reclassification of Negative Minority Shares		0	0	0	0	-180	180	0
Servicing of Employee Stock Options from Own Shares		0	0	228	0	0	0	228
Loss from Disposal of Own Shares Reclassified into Capital Reserve		0	-502	502	0	0	0	0
As at December 31, 2006	**8,379,194**	**8,379**	**14,651**	**-54**	**-864**	**7,909**	**83**	**30,104**

Recognized Income and Expenses

The components of the income and expenses not recognized within the statement of profit and loss are as follows:

	Currency	Pensions	Securities	Sum
	kEUR	kEUR	kEUR	kEUR
As at January 1, 2004	0	-586	-80	-666
Difference from currency translation	276			276
Actuarial profits and losses from pensions (gross)		474		474
- deferred taxes for which		-190		-190
Market valuation of securities (gross)			57	57
- deferred taxes for which			-19	-19
As at December 31, 2004	276	-302	-42	-68
Difference from currency translation	-101			-101
Actuarial profits and losses from pensions (gross)		-1,232		-1,232
- deferred taxes for which		495		495
Market valuation of securities (gross)			36	36
- deferred taxes for which			-13	-13
As at December 31, 2005	175	-1,039	-19	-883
Difference from currency translation	-20			-20
Actuarial profits and losses from pensions (gross)		41		41
- deferred taxes for which		-14		-14
Market valuation of securities (gross)			19	19
- deferred taxes for which			-7	-7
As at December 31, 2006	155	-1,012	-7	-864

P 7 Long Term Bank Liabilities and Other Financial Liabilities

	12/31/2006 kEUR	12/31/2005 kEUR
Loans from banks	9,874	10,886
Leasing liabilities tangible fixed assets	2,114	2,728
Loans from third parties	510	1,028
Leasing liabilities immaterial fixed assets	157	22
	12,655	14,664

P 13 Short Term Bank Liabilities and Other Financial Liabilities

	12/31/2006 kEUR	12/31/2005 kEUR
Loans from banks	8,523	8,561
Leasing liabilities tangible fixed assets	1,606	1,667
Loans from third parties	643	663
Leasing liabilities immaterial fixed assets	103	35
	10,875	10,926

Maturity of Long Term Bank Liabilities and Other Financial Liabilities

	12/31/2006 kEUR	12/31/2005 kEUR
Year n + 2	3,064	3,618
Year n + 3	1,516	1,946
Year n + 4	1,165	1,184
Year n + 5	818	1,123
Subsequent years	6,092	6,793
	12,655	14,664

Thereof Maturity of Long Term Leasing Liabilities

	12/31/2006 kEUR	12/31/2005 kEUR
Year n + 2	1,083	1,302
Year n + 3	636	617
Year n + 4	359	284
Year n + 5	13	356
Subsequent years	180	191
	2,271	2,750

Among the lendings from banks (short and long term) there is a credit for real estate in the amount of kEUR 6,872, repayable in monthly instalments of kEUR 65 and at an interest rate of 5.27 % per year.

Furthermore there is among the lendings from banks an interest subsidized investment loan with a final maturity in the year 2008 and an interest rate of 5.12 % per year and in the amount of kEUR 227.

For the bank lendings the group gave the following collateral:

- First mortgages in a total amount of EUR 0.7 million on one piece of land
- Encumbrance of real property in a total amount of EUR 9.0 million on one piece of land.

P 8 Pension Commitments

The pension commitments are lead over as follows:

	12/31/2006 kEUR	12/31/2005 kEUR
As at the end of period	7,662	7,252
Plan assets according to IAS 19	-2,567	-2,764
Pension commitments	5,095	4,488

The pension commitments are fixed commitments to a selected group of people.

Changes of Pension Commitments

	12/31/2006 kEUR	12/31/2005 kEUR
As at the beginning of the period (DBO)	7,252	5,773
Current working time expenses (including interest expenses)	528	464
Paid benefits for plan w/o withdrawn assets	-82	-217
Actuarial profits (previous year: losses)	-36	1,232
As at the end of the period	7,662	7,252

The pension benefits are partially secured by liability life-insurance policies. The expected interest of the fund assets corresponds to the minimum interest stated by the insurance company.

Personnel Provision Expenses within the Income Statement

	2006 kEUR	2005 kEUR
Current working time expenses	220	165
Interest expenses (included within net interest income)	308	299
Personnel expenses of a provident nature including income and refunds	528	464

The personnel expenses are recorded within administrative expenses.

Actuarial Information

	2006	2005	2004
Discout rate	4.25%	4.25%	5.25%
Increase of current pension payments	1.50%	1.50%	1.50%
Calculation base: Guideline table	2005 G	2005 G	1998
Trend of income	1.50%	1.50%	2.00%
Employee turnover			
Rücker AG	0.00%	13.00%	18.00%
Rücker GmbH	5.00%	7.00%	6.00%
Rücker Akademie	0.00%	0.00%	10.00%
Aerospace GmbH	11.00%	0.00%	-
Expected interest yield of fund's assets	4.10%	4.30%	4.50%
Active members	125	137	157
Retired expectanices	98	90	79
Persons on old age pensions	39	36	32

The differences between the expected values of the pension expectancies and the pension provisions and their actual values are as follows:

in kEUR	12/31/2007	12/31/2006	12/31/2005	12/31/2004
Expectancy's present value	-	7,662	7,252	5,773
Expectancy's present values expected	8,064	7,855	6,465	-
Deviation	-	-193	787	-
Deviation in %	-	-2.46%	12.87%	-
Pension provisions	-	5,095	4,488	2,927

The actuarial gains and losses after consideration of deferred taxes developed since the date of transformation January 1, 2004 as follows:

in kEUR	cumulated	2006	2005	2004
Actuarial gains	311	27	-	284
Actuarial losses	-737	-	-737	-
Actuarial net gains/losses	**-426**	**27**	**-737**	**284**
thereof recorded within revenue reserves	-426	27	-737	284

The pension payments have the following maturities:

	kEUR
Year 2007	146.6
Year 2008	150.7
Year 2009	265.7
Year 2010	274.7
Years 2011 to 2016	2,151.1
	2,988.8

P 11 + P 18 Provisions and Accruals

P 11 Other Long Term Provisions

	12/31/2006 kEUR	12/31/2005 kEUR
Provisions for employees	555	464
Other provisions and accruals	194	1
	749	465

P 18 Short Term Provisions

	12/31/2006 kEUR	12/31/2005 kEUR
Provisions for risks of litigation	129	198
Other provisions and accruals	151	405
	280	603

Litigations and Claims for Damages

Additionally the company leads in the course of the normal business operation further litigations. The executive board assumes that these litigations probably do not cause material effects on the financial situation or the consolidated result beyond the provided for amounts.

Survey of Provisions and Accruals
(in kEUR)

	As at 01/01/2006	Addition	Retransfer	Consumption/ Usage	Reclassi- fication	Currency Effect	As at 12/31/2006	Due within 1 Year	Due within 2 to 5 Years	Due after 5 Years
Provisions for Onerous Contracts	1	0	0	1	0	0	0	0	0	0
Other Provisions	1	89	0	0	109	-5	194	0	194	0
Provisions and Accruals for Employees	463	224	176	0	42	2	555	0	432	123
Other Long Term Provisions	465	313	176	1	151	-3	749	0	626	123
Provisions for Risks of Litigation short t.	198	0	0	27	-42	0	129	129	0	0
Other Provisions short term	405	54	104	97	-109	2	151	151	0	0
Short Term Provisions	603	54	104	124	-151	2	280	280	0	0

P 14 Trade Payables

	12/31/2006 kEUR	12/31/2005 kEUR
Trade liabilities		
- to third parties	4,996	3,813
- to affiliated companies, not consolidated	109	142
- to affiliated persons	86	89
Liabilities for outstanding invoices		
- for other outstanding invoices	1,525	1,066
- for year-end works	219	235
- for shareholders' meeting	50	50
	6,985	5,395

P 15 Other Liabilities

	12/31/2006 kEUR	12/31/2005 kEUR
Other liabilities to third parties	3,858	3,652
Liabilities other taxes	4,509	4,332
Other liabilities to employees		
- Overtime	2,677	2,048
- Holidays	2,076	1,506
- Profit shares	1,887	2,700
- Severance payments	26	169
- Others	950	392
Other liabilities from social security	820	2,681
Other liabilities to affiliated persons	46	16
	16,849	17,496

A 4 + P 12 Deferred Taxation Claims and Tax Liabilities

Deferred taxes are capitalized for temporary differences between tax balance sheet and IFRS-balance sheet, as well as for accumulated losses brought forward.

The Deferred Taxes on the Asset Side and on the Liabilities Side are attributed to the following Balance Sheet Items:

	12/31/2006 Assets	12/31/2006 Liabilities	12/31/2006 Net
Deferred taxes	kEUR	kEUR	kEUR
Intangible assets	117	170	-53
Tangible fixed assets	191	1,503	-1,312
Other financial assets	0	135	-135
Inventories	0	384	-384
Trade receivables	279	5	274
Long term bank and other finance liabilities	892	0	892
Pension commitments	952	0	952
Other long term provisions and accruals	0	0	0
Short term bank and other finance liabilities	670	0	670
Trade payables	3	42	-39
Other liabilities	188	0	188
Short term provisions and accruals	681	154	527
Accrued expenses and other commitments	3	0	3
Tax loss carryforwards	2,190	0	2,190
Subtotal	6,166	2,393	3,773
thereof eligible for netting out	-1,873	-1,873	0
	4,293	520	3,773

Deferred taxes	12/31/2005 Assets TEUR	12/31/2005 Liabilities TEUR	12/31/2005 Net TEUR
Intangible assets	349	142	207
Tangible fixed assets	316	1,928	-1,612
Other financial assets	0	12	-12
Inventories	12	619	-607
Trade receivables	215	0	215
Long term bank and other finance liabilities	1,087	0	1,087
Pension commitments	1,039	0	1,039
Other long term provisions and accruals	0	283	-283
Short term bank and other finance liabilities	615	0	615
Trade payables	20	20	0
Other liabilities	166	0	166
Short term provisions and accruals	35	0	35
Accrued expenses and other commitments	3	0	3
Tax loss carryforwards	3,994	0	3,994
Subtotal	7,851	3,004	4,847
thereof eligible for netting out	-1,819	-1,819	0
	6,032	1,185	4,847

As at December 31, 2006 there are tax loss carry forwards in the amount of about EUR 7.3 million, which can be set off unlimitedly with future taxable profits and for which deferred taxes in the amount of EUR 2.2 million were capitalized.

For domestic companies there is still the tax rate of 40.02 % valid. The foreign tax rates are between 5 % and 35 % (in the previous year: 5 % and 35 %).

Further existing loss carry forwards of EUR 9.3 million are currently not usable.

Transition of Deferred Taxes from the Expected to the Actual Tax Expenditures

	2006 kEUR	2005 kEUR
Profit before taxes	5,431	3,530
Expected taxes on income	2,173	1,413
Foreign differences caused by tax rate	67	-201
Effects from valuation adjustment goodwill	96	255
Tax free income	-105	-50
Expenses not tax deductible	177	70
Capitalisation of deferred taxes on loss carryforwards	186	605
Exercise of stock options during financial year	-59	0
Tax refunds/payment of taxes for prior years	-185	0
Tax burden from prior years	48	0
Deferred taxes unrelated to accounting period	-73	0
Others	-176	-228
	2,149	1,864

F - Explanations on the Statement of Profit and Loss

Preparation According to Type of Expenditure Format

Personnel expenses and cost of materials as well as amortizations and depreciations which would have to be disclosed in a statement of profit and loss classified according to the type of expenditure format are shown in the following table:

	2006 kEUR	2005 kEUR
Personnel expenses	103,540	97,963
Cost of materials	2,531	2,654
Scheduled depreciation	7,225	7,390
Non-scheduled depreciation	340	637

In the Cost of Sales Accounting Format the above Items are stated as follows:

	2006 kEUR	2005 kEUR
Personnel expenses	**103,540**	**97,963**
thereof in cost of sales line G 2	92,188	88,144
thereof in sales cost line G 5	2,409	1,868
thereof in administration expenses line G 6	8,943	7,951
Cost of materials in cost of sales line G 2	**2,531**	**2,654**
Scheduled depreciation	**7,225**	**7,390**
thereof in cost of sales line G 2	6,353	5,925
thereof in sales cost line G 5	37	39
thereof in administration expenses line G 6	835	1,426
Non-scheduled depreciation	**340**	**637**
- thereof in amortisation of goodwill line G 8	240	637
- thereof in financial results line 9	100	0

The breakdown of depreciation and amortization according to intangible assets, tangible assets and other financial assets is shown within the group fixed asset movement schedule.

G 1 Sales

Income from service transactions are to be capitalized according to IAS 18 regarding their degree of completion as at balance sheet date, if:

a) the amount of income can be reliably measured;

b) it is sufficiently probable that economic benefits associated with the transaction will flow to the enterprise;

c) the stage of completion of the transaction is reliably determined as at balance sheet date;

d) the costs incurred and the costs to be expected until the total completion of the business transaction were reliably determined.

In the following there is a survey of the main customers with whom the company achieves more than 10 % of the sales each:

	2006 kEUR	2005 kEUR
Customer A	46,026	40,767
Customer B	25,083	22,643
Customer C	25,047	21,665
Other customers	69,985	70,527
	166,141	155,602

G 3 Other Income

	2006 kEUR	2005 kEUR
Rental income	2,119	2,033
Cost transfer trainings	594	660
Income from grants from public authorities	419	459
Currency translation profits	244	252
Income from the retransfer of provisions	173	506
Others	2,450	1,924
Total other income	5,999	5,834

G 7 Other Expenses

	2006 kEUR	2005 kEUR
Other operating expenses affiliates	1,173	1,046
Other taxes	421	548
Currency translation losses	400	328
Losses from the disposal of fixed assets	107	30
Repairs and maintenance	49	263
Others	395	365
Total other expenses	**2,545**	**2,580**

G 9 Financial Results

	2006 kEUR	2005 kEUR
Interest income	156	122
Market price differences on financial assets	1	1
Total financial income	**157**	**123**
Interest expenses for loans from third parties	1,059	1,040
Interest expenses from leasing	328	392
Interest expenses from pensions IAS 19	308	299
Valuation adjustment of participations not consolidated	100	0
Losses from the sale of securities	19	21
Market price differences on financial assets	9	47
Other financial expenses	1,093	1,387
Total financial expenses	**2,916**	**3,186**
Balance financial results	**-2,759**	**-3,063**

G 10 Taxes

	2006 kEUR	2005 kEUR
Income taxes	1,163	1,001
Deferred taxes	986	863
Total tax expenses	2,149	1,864

Earnings per Share

The following table shows the calculation of the Earnings per share (undiluted and diluted):

	2006	2005
Net profit for the year distributable to shareholders (in kEUR)	3,413	1,592
Average number of shares - undiluted - (pieces)	8,318,886	8,283,599
Net earnings per share in EUR	**0.41**	**0.19**
Average number of shares - diluted - (pieces)	8,675,549	8,684,849
Net earnings per share in EUR	**0.39**	**0.18**

G - Segment Reporting

The following presentation gives a survey over regionally achieved sales, over the distribution of fixed assets according to locations of the company, the segment liabilities and the depreciation, amortization and valuation adjustments according to segments.

With the primary segment reporting Rücker chose a geographical segmentation in “Euro“ and “Non Euro“, since the management of the group bases on this segmentation. The income from external customers are disclosed from the geographical point of view, if the location of the customer and the location of the asset differ.

The secondary segment reporting bases on divisions. Rücker is divided into three reporting segments: Automotive, Aviation and Others. The segments Automotive and Aviation, the main performers of the group, comprise development services for the automotive and the aviation industries, consisting mainly of two fields of operation: product development and technical design. Apart from that there are development services in connection with electronic components contained. The segment Others comprises activities in the fields environmental simulation, vehicle safety and software as well as training activities. An exception from this segmentation is the Rücker AG which was attributed to the field corporate assets, since the assets are used by several segments.

The valuation of the respective earning power and the attribute of resources are made on the base of the EBIT. All amounts to be eliminated on segment level refer to inter group business transactions. The accounting rules observed by the reporting segments correspond to the methods set forth under the explanations of main accounting and valuation methods.

The primary segment reporting is as follows:

	Euro	Non Euro	Elimination within the group	Group
	kEUR	kEUR	kEUR	kEUR
Sales according to the location of assets as at December 31, 2006				
External sales	146,056	20,085	0	166,141
Intercompany sales	1,367	7,260	-8,627	0
Segmental sales	147,423	27,345	-8,627	166,141

	Euro	Non Euro	Elimination within the group	Group
	kEUR	kEUR	kEUR	kEUR
Sales according to the location of assets as at December 31, 2005				
External sales	138,329	17,273	0	155,602
Intercompany sales	1,027	6,117	-7,144	0
Segmental sales	139,356	23,390	-7,144	155,602

	Euro	Non Euro	Elimination within the group	Group
	kEUR	kEUR	kEUR	kEUR
Sales according to the location of customers as at December 31, 2006				
External sales	147,904	18,237	0	166,141
Segmental result according to location of the assets as at December 31, 2006				
Operating result	6,387	1,803	0	8,190
Financial result				-2,759
Tax expenses				-2,149
Consolidated profit for the year				3,282
thereof shareholders				3,413
thereof minority shares				-131
Segm. assets as at December 31, 2006	74,812	16,677	-4,447	87,042

	Euro	Non Euro	Elimination within the group	Group
	kEUR	kEUR	kEUR	kEUR
Sales according to the location of customers as at December 31, 2005				
External sales	139,933	15,669	0	155,602
Segmental result according to location of the assets as at December 31, 2005				
Operating result	5,919	674	0	6,593
Financial result				-3,063
Tax expenses				-1,864
Consolidated profit for the year				1,666
thereof shareholders				1,592
thereof minority shares				74
Segm. assets as at December 31, 2005	76,615	14,136	-4,077	86,674

Acquisition Costs of the Period for Tangible Assets and Intangible Assets (Investments) in the Year 2006

	Euro	Non Euro	Elimination within the group	Group
	kEUR	kEUR	kEUR	kEUR
AC intangible fixed assets	1,190	257	0	1,447
AC tangible fixed assets	3,816	382	0	4,198
Additions fixed assets	5,006	639	0	5,645

Acquisition Costs of the Period for Tangible Assets and Intangible Assets (Investments) in the Year 2005

	Euro	Non Euro	Elimination within the group	Group
	kEUR	kEUR	kEUR	kEUR
AC intangible fixed assets	1,632	283	0	1,915
AC tangible fixed assets	5,244	133	0	5,377
Additions fixed assets	6,876	416	0	7,292

Additions in foreign currency are translated at average rate of the year.

	Euro	Non Euro	Elimination within the group	Group
	kEUR	kEUR	kEUR	kEUR
Segmental debts as at December 31, 2006	52,210	9,162	-4,434	56,938

	Euro	Non Euro	Elimination within the group	Group
	kEUR	kEUR	kEUR	kEUR
Segmental debts as at December 31, 2005	54,179	7,414	-4,047	57,546

Depreciation and Impairments as at December 31, 2006

	Euro	Non Euro	Elimination within the group	Group
	kEUR	kEUR	kEUR	kEUR
Scheduled depreciation	6,582	643	0	7,225
Non-scheduled depreciation	100	240	0	340
Total depreciation	6,682	883	0	7,565

Depreciation and Impairments as at December 31, 2005

	Euro	Non Euro	Elimination within the group	Group
	kEUR	kEUR	kEUR	kEUR
Scheduled depreciation	6,852	538	0	7,390
Non-scheduled depreciation	637	0	0	637
Total depreciation	7,489	538	0	8,027

Segmentation According to Divisions – Secondary Segmental Information as at December 31, 2006

	Automotive	Aviation	Others	Group
	kEUR	kEUR	kEUR	kEUR
Segmental sales	108,918	51,932	5,291	166,141
Segmental assets	56,835	15,442	10,615	82,892
Assets not attributed				4,150
Total assets				**87,042**

Segmentation According to Divisions – Secondary Segmental Information as at December 31, 2005

	Automotive	Aviation	Others	Group
	kEUR	kEUR	kEUR	kEUR
Segmental sales	102,652	48,853	4,097	155,602
Segmental assets	51,462	19,421	10,912	81,795
Assets not attributed				4,879
Total assets				**86,674**

Acquisition Cost of the Period for Tangible Assets and Intangible Assets (Investments) in the year 2006

	Automotive	Aviation	Others	Group
	kEUR	kEUR	kEUR	kEUR
AC intangible fixed assets	796	237	68	1,101
AC tangible fixed assets	2,731	1,024	63	3,818
Fixed assets	3,527	1,261	131	4,919
AC not attributed				726
Additions fixed assets				**5,645**

Acquisition Cost of the Period for Tangible Assets and Intangible Assets (Investments) in the year 2006

	Automotive	Aviation	Others	Group
	kEUR	kEUR	kEUR	kEUR
AC intangible fixed assets	538	1,243	60	1,841
AC tangible fixed assets	2,799	2,439	33	5,271
Fixed assets	3,337	3,682	93	7,112
AC not attributed				180
Additions fixed assets				**7,292**

H - Additional Information

Related Party Transactions

The chairman of the executive board and a company carried by him at 100 % carry 58.5% of the 8,379,194 shares issued. Thus the chairman has a dominating influence on the management of the Rücker Group.

Relations to affiliated companies and persons
Between the group and the affiliated persons
the following material business transactions took place:

	kEUR 2006	kEUR 2005
Group with supervisory board		
Remuneration and expenses	55	80
Liabilities from remuneration	15	80
Counselling	269	128
Liabilities from counselling	86	0
Short term accrual outstanding invoice	20	0
Group with chairman of the executive board		
Credit	0	1,015
Collateral 100,000 shares, interest rate 7 %		
Interest income	34	0
Interest expenses	359	772
Rent Troisdorf (including incidentals)	31	32
Liabilities	0	9
Group executive board		
Income from the sale of fixed assets	1	0
Group with Nosta GmbH		
Sold car, income	17	4
Translation services, expenses	94	74
Rent, expenses	0	42
Liabilities	2	9
Car rental, expenses	18	18
Management services, expenses	144	144
Liabilities from counselling	12	0
Receivables from loan	0	202
Group with Rücker Immo		
Rent Ml.Boleslav, Czech Republic (including incidentals)	247	247
Income from the cost transfer telephone	4	0
Receivables from rent	9	16
Liabilities from rent	17	10
Receivables from telephone expenses	8	0
Rücker Lypsa with the management		
Receivables	0	24

Contingencies and Other Financial Commitments

Contingencies

The total sum of all contingencies against third parties was kEUR 270 as at December 31, 2006.

Future Minimum Leasing Payments from Operating Leasing with Outside Third Parties and Not Consolidated Affiliated Companies:

	2006 kEUR	2005 kEUR
Year n + 1	366	426
Year n + 2	281	151
Year n + 3	101	87
Total minimum payment leasing	**748**	**664**

Events Subsequent to the Balance Sheet Date

Events subsequent to the balance sheet date which bring new information and affect the financial position of the group at balance sheet date (giving new information on the value of capitalized items) are taken into consideration with the consolidated financial statements. Events subsequent to the balance sheet day which are not to be taken into consideration with the preparation of the consolidated financial statements are presented within the notes and the management report if they are of material importance.

Number of Employees

The number of employees was at the end of the year:

	12/31/2006 number	12/31/2005 number
Employees	2,072	1,983
Managerial employees	83	89
	2,155	2,072
Subcontractors and others	311	149
	2,466	2,221

Resolution of the General Meeting of the Shareholders

The ordinary general meeting of the shareholders on June, 20, 2006 made a resolution in the sense of § 286 para. 5 HGB.

Executive Board

The executive board is comprised as follows:

Wolfgang Rücker, Merchant, Wiesbaden
- Director Operative Business (Chairman) -

Jürgen Vogt, Master's Degree in Business Administration, Wiesbaden
- Director Finance and Accounting -

Authorized to represent the company are both directors jointly or each together with an authorized representative.

The remuneration for the executive board was 1,112 kEUR in the year 2006 (previous year: 731 kEUR). The total remuneration for former members of the executive board was 34 kEUR in the year 2006 (previous year: 34 kEUR).

IAS 24.16 Statement on Remuneration of Members of the Management in Key Positions

Remuneration

	2006 kEUR	2005 kEUR
Salaries and other short term payments	2,312	1,939
Payments after the end of the employment relationship	273	256
	2,585	2,195

The pension provisions for retired members of the executive board are 856 kEUR (previous year: 1,070 kEUR).

The stock option plan started in the year 2000 is expired. As at December 31, 2006 there were 105,040 option rights issued to members of the executive board. The attributable current value at the time of the issuing of the option rights was 1.04 € per option right.

Supervisory Board

Name, Function	Profession, Other Assignments
Tomas Mielert -Chairman of the Supervisory Board-	Lawyer, tax consultant, auditor, Hofheim im Taunus and Wiesbaden Legal counsel of the company Further supervisory or advisory assignments: -Ffynnon 23. Vermögensverwaltungs AG, Königstein (Member of supervisory board) -MP Marketing Partner AG, Wiesbaden (Chairman of supervisory board) - MTV Capital Invest AG, Frankfurt/M. (Chairman of supervisory board) -Comperio AG, Wiesbaden (Chairman of supervisory board) -IMP Computersysteme AG, Berlin (Member of supervisory board)
Dipl.-Ing. Otto Happich - Deputy chairman -	Entrepreneur, Wuppertal Member of the company Johann Knupp, Solingen Partner of the company Metapoint Partners, Peabody, MA, USA Further supervisory or advisory assignments: -Firma Dr. Franz Schneider Kunststoff-werke GmbH & Co. KG (Deputy chairman of advisory board)
Dr. Wolfgang Gerhardt	Member of the German House of Parliament Member of the Foreign Committee (Auswärtiger Ausschuss) Chairman of the management board of the Friedrich-Naumann-Foundation Member of the board of trustees of the Foundation Bundespräsident Theodor Heuss Haus Further supervisory or advisory assignments: Hallesche & Alte Leipziger Versicherung, Stuttgart (Member of the advisory board)

The remuneration of the members of the supervisory board was kEUR 55 during the financial year. Consulting services performed by a member of the supervisory board were remunerated in the amount of kEUR 269.

Fees for Statutory Auditors

The fees incurred during and recorded during the financial year are kEUR 159; the further consulting expenses amounted to kEUR 58.

Declaration of Compliance according to § 161 AktG (German Stock Corporation Law)

The executive board published the declaration of compliance according to § 161 AktG on the website of the Rücker AG and thus made it available to the public general.

Declaration of the Executive Board of Rücker AG according to § 312 para. 3 AktG

We declare concludingly that our company received an appropriate consideration out of all legal transactions concluded considering the circumstances known to us at the moment of conclusion. No measurements were taken or omitted which would have discriminated our company.

Proposed Appropriation of Profit

Executive board and supervisory board suggest to the general shareholders' meeting to distribute a dividend out of the net profit for the year of the Rücker AG.

The executive board of the Rücker AG authorized the consolidated financial statements on March 2, 2007.

Wiesbaden, March 2, 2007

Rücker Aktiengesellschaft

Wolfgang Rücker - Director -	Jürgen Vogt -Director -

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Wiesbaden, March 2, 2007

Rücker Aktiengesellschaft

Wolfgang Rücker - Director -	Jürgen Vogt -Director -

AUDIT OPINION

We have audited the consolidated financial statements prepared by the Rücker Aktiengesellschaft, Wiesbaden, consisting of balance sheet, statement of profit and loss, presentation of income and expenses recognised, cash flow statement and notes - as well as the group management report for the financial year from January 1, 2006 to December 31, 2006. The preparation of the consolidated financial statements and the group management report according to the International Financial Reporting Standards (IFRS), as to be applied within the European Union, and to the regulations to be applied additionally according to § 315a paragraph 1 HGB (German Commercial Code) are the responsibility of the company's statutory representatives. Our responsibility is to express an opinion on the consolidated financial statements and the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with Article 317 HGB and the German generally accepted standards for the audit of consolidated financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). These standards require that we plan and perform the audit such that material misstatements affecting the presentation of net assets, financial positions and results of operations conveyed by the consolidated financial statements under observance of applicable accounting requirements and by the group management report detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the group of companies, and evaluations of possible misstatements, are taken into account in the determination of audit procedures. The effectiveness of the accounting related internal control system and the evidence supporting disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessment of the financial statements of the companies integrated into the consolidated financial statements, definition of the consolidated group, the applied principles of accounting and consolidation and of the main assessment of the statutory representatives as well as evaluating the overall presentation of the consolidated financial statements and the group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit did not result in any objections.

In our opinion on the base of the knowledge obtained during the audit, the consolidated financial statements comply to the International Financial Reporting Standards (IFRS), as to be applied within the European Union, and to the regulations to be applied additionally according to § 315a paragraph 1 HGB (German Commercial Code) and present, in compliance with these regulations, a true and fair view of the net assets, financial positions and results of operations of the group of companies. The group management report is in accordance with the consolidated financial statements and overall conveys a correct presentation of the group's situation and represents the chances and risks of the future development correctly.

Wiesbaden, March 2, 2007

BDO Deutsche Warentreuhand
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Schumacher
Auditor

Geis-Sändig
Auditor