

## **KEY FIGURES**

## FIG. 1, PAGE 1 NET SALES AND EBIT MARGIN

IN KEUR

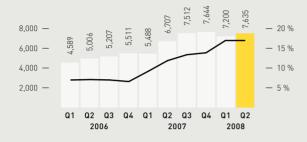


FIG. 2, PAGE 2 NET SALES AND EBIT MARGIN BY REGION



#### FIG. 3, PAGE 4 BALANCE SHEET STRUCTURE



FIG. 4, PAGE 4 DEVELOPMENT OF OPERATING CASH FLOW IN KEUR



## FIG. 5, PAGE 3 RATIO OF OPERATING INCOME TO FINANCIAL INCOME



AUTOMOBILE 41%

SALES ALLOCATION BY

VERTICAL MARKET

FIG. 6, PAGE 16

STRUCTURE

WPP 25.0%

FIG. 8, PAGE 2

MARCO SEILER 5.2%

FREEFLOAT 69.8%

SHAREHOLDER

TELEKOMMUNICATIONS / IT 16% FINANCIAL SERVICES 8% RETAIL 7% OTHERS 28%

FIG. 9, PAGE 5 EMPLOYEES BY



TECHNOLOGY 19%

PROJECT MANAGEMENT 21%

STRATEGY / CONSULTING 9% ONLINE MARKETING 21%

ADMINISTRATION 12%

DESIGN 18%

FUNCTION



BEARER BONDS 19%

FIG. 7, PAGE 3 PORTFOLIO STRUCTURE OF MARKETABLE SECURITIES



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## BUSINESS DEVELOPMENT AND MANAGEMENT REPORT

	2ND QUARTER		JANJUNE Δ PREV.			Δ PREV.
	2008	2007	YEAR	2008	2007	YEAR
Gross sales	19,061	14,783	29%	35,868	26,828	34%
Net sales	7,635	6,707	14%	14,835	12,195	22%
EBITDA	1,438	996	44%	2,809	1,681	67%
EBITDA margin	19%	15%	4рр	19%	14%	5pp
EBIT	1,285	801	60%	2,508	1,306	92%
EBIT margin	17%	12%	5pp	17%	11%	6pp
Financial Income	246	301	-18%	514	845	-39%
Net income	1,033	695	49%	2,055	1,374	50 %
Earnings per share (EUR)	0,07	0,05	40%	0,14	0,10	40 %
Employees (as per June 30)	262	207	27%	262	207	27%
Liquid assets	25,145	23,377	8%	25,145	23,377	8%
Operating cash flow	1,639	369	344%	5,493	776	608%

#### MARKET ENVIRONMENT

Syzygy is a European agency group for interactive marketing with branches in Frankfurt, Hamburg and London. With more than 270 employees, the Group offers large European companies highquality services in the area of web design and online marketing. There are outstanding growth prospects in both lines of business as companies are increasingly transferring their marketing spends from traditional media to the internet. For Germany, Nielsen Media Research determined a 40 per cent growth of spendings on displayadvertising to EUR 665 million within the first half year of 2008 (without search engine marketing). In the traditional advertising sector, television had the strongest growth rate with only 3 per cent, while magazines und radio even suffered a decline of sales.

In its 'Online-Report', the German Online Marketing Association (OVK) also takes affiliate and search engine marketing into account. For 2008, the OVK forecasts an increase in online advertising of 29 per cent to EUR 3.7 billion.<sup>1</sup>

In the UK, the online advertising market is just as buoyant and characterised by growth far above average: According to a survey conducted by the International Advertising Bureau (iab) and PricewaterhouseCoopers, it accelerates nine times faster than the entire advertising sector. In 2007, GBP 2.8 billion were spent on online advertising, which equals a year on year-increase of 38 per cent. The editors forecast that online advertising will overtake spending on TV by the end of 2009.<sup>2</sup>

- 1 Online-Vermarkterkreis im BVDW: OVK Online-Report 2008 / 01. Zahlen und Trends im Überblick.
- 2 International Advertising Bureau (iab) / PricewaterhouseCoopers: Adspend Study H1 2007.

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### SALES

The Syzygy Group has been very successful in transforming the opportunities provided by this dynamic market environment into strong business results.

Due to organic and inorganic growth, gross sales, which include the pass-through costs of the online marketing subsidiaries, increased by 34 per cent to kEUR 35,868 in the first half year of 2008. In the same period of the previous year, this figure was kEUR 26,828. Net sales grew by 22 per cent to kEUR 14,835. Of this, 14 percentage points were attributable to organic growth and 8 points to acquisitions.

 $\rightarrow$  Fig. 1

#### FOREIGN CURRENCY EFFECTS

The organic growth of the Syzygy Group was hampered by the increasing Euro exchange rate as against die British pound. The organic growth on net sales would have been 20 per cent if the exchange rate had remained constant.

#### SEGMENT REPORTING

Boosted by the acquisition of Unique Digital and interactive agency Hi-ReS!, the British segment performed exceptionally well compared to the first half year of 2007: Net sales increased by 42 per cent to kEUR 7,528. In Germany, this figure grew by 10 per cent from kEUR 6,903 to kEUR 7,587. As a result, regional sales distribution was almost balanced.

 $\rightarrow$  Fig. 2

The acquisition of Unique also had a very positive impact on the development of the secondary segment. In this business field, net sales more than doubled from kEUR 2,181 to kEUR 4,512. In the traditional web design-business area, net sales of kEUR 10,603 were generated (+ 6%). With the worldwide online account for the Jägermeister brand, Syzygy Group achieved an outstanding new client win, which will materialise in the course of the financial year 2008.

Syzygy significantly reduced its dependence on individual clients both through acquisitions and because the subsidiaries gained new clients. While 71 per cent of net sales were attributable to the ten largest clients in the first half year of 2007, this figure is now down to 60 per cent.

The trend towards diversification is also reflected in sales distribution by sector: Automobile contributed to net sales by 41 per cent, telecommunications / IT by 16 per cent, the financial sector by 8 per cent and retail by 7 per cent. The share held by companies not belonging to any of these four core areas grew considerably from 16 to 28 per cent.

 $\rightarrow$  Fig. 8

Please refer to the Notes for further details of segment reporting.

## OPERATING INCOME AND EBIT MARGIN

Operating income (EBIT) nearly doubled. At kEUR 2,508, it was up 92 per cent compared to the same figure for the previous year. The EBIT margin of 17 per cent, which exceeds last year's figure by 6 percentage points, clearly demonstrates the Group's high level of profitability.  $\rightarrow$  Fig. 1 + 5

Broken down by region and after the allocation of holding-costs of about EUR 1 million, Germany achieved an EBIT margin of 25 per cent while the figure for the UK subsidiaries was 21 per cent.  $\rightarrow$  Fig. 2

# OPERATING EXPENSES AND FIXED-ASSET DEPRECIATION

In relation to net sales (kEUR 14,835), the cost of sales (kEUR 9,230) amounted to 62 per cent, an improvement of 2 percentage points over the previous year. Sales and marketing expenses and general administrative expenses also fell slightly as a proportion, down from 9 to 8 per cent and from 17 to 14 per cent, respectively. The growth of the Syzygy Group is delivering economies of scale, particularly with regard to administrative expenses. At kEUR 301, depreciation of fixed assets was slightly below the level for the first half year of 2007 (kEUR 375).

## LIQUID FUNDS AND SECURITIES -FINANCIAL INCOME

Accumulating to kEUR 25,145, liquid funds and securities grew slightly compared to 31 December 2007. This is mainly due to the strong positive cash flow, which overcompensated for the outflow of funds caused by the acquisition of Hi-ReS! and the distribution of dividends. The decrease in financial income from kEUR 845 to kEUR 514 resulted from a special distribution of EUR 18.1 million, which was made on 18 February 2007. As a consequence, the average of liquid funds available in the period covered by this report was lower.  $\rightarrow$  Fig. 5

A return of around 4.5 per cent was obtained on average liquid assets available in the period under review. The average residual maturity was around six years. As at 30 June 2008, the portfolio consisted of 50 per cent corporate bonds, 31 per cent short-term deposits and 19 per cent bearer bonds.

 $\rightarrow$  Fig. 7

A rise in long-term interest rates has a negative effect on the performance of securities, while a decline has a positive impact. Syzygy minimises default risks by selecting investments with an excellent credit rating and counters interest rate risk by investing in varying maturities.

## NET INCOME, INCOME TAXES, EARNINGS PER SHARE

With operating income of kEUR 2,508 and financial income of kEUR 514, total income was kEUR 3,022 for the reporting period. After taxes of kEUR 967, net income was kEUR 2,055 (previous year: kEUR 1,374). Of this amount, kEUR 381 is attributable to minority shareholders and kEUR 1,674 to the shareholders of Syzygy AG. Based on 12,053 thousand shares, this represents earnings per share of EUR 0.14.

ightarrow Fig. 5

#### **OPERATING CASH FLOW**

Syzygy Group was able to generate a strong operating cash flow of kEUR 5,493 in the first half year 2008. A key factor in this respect was the sharp fall in accounts receivable. At year-end 2007, a particularly high level was reported due to special circumstances.

The drop of kEUR 1,633 in accounts payable had a negative impact on the operating cash flow. Due to media purchasing in the online marketing business, accounts payable fell by an amount similar to the relevant accounts receivable.  $\rightarrow$  Fig. 4

## **BALANCE SHEETS STRUCTURE**

The equity ratio was 61 per cent as at 30 June, significantly below the previous year's figure of 80 per cent. This decrease is due to a disproportionate increase in liabilities and provisions: while equity increased slightly by 3 per cent to kEUR 33,903, total liabilities and provisions rose by kEUR 13,080 to kEUR 21,372. Resulting from acquisitions, major items in this respect are the other obligations, which include future payment obligations and call options on outstanding company shares (kEUR 9,456). At kEUR 9,492, accounts payable are also substantially above the previous year's figure of kEUR 6,598.

On the expenditure side of the balance sheet, the acquisitions made were reflected both in the increased goodwill of kEUR 16,935 (previous year: kEUR 7,012) and in accounts receivable of kEUR 9,076 (previous year: 6,846).

 $\rightarrow$  Fig. 3

#### **INVESTMENTS, RESEARCH & DEVELOPMENT**

Amounting to kEUR 418, total investments were slightly lower than in the first half year of 2007 (kEUR 473). Investments primarily related to software and hardware for optimisation of the Company's internal infrastructure, expenditure on providing equipment for employees as well as tenant owned fixtures and fittings.

As a service provider that does not offer any products of its own, Syzygy does not engage in research and development. The exception here is the series of in-house studies, the 'Usability Monitor', which for several years has examined the usability and sales orientation of German websites.

#### EMPLOYEES

Compared to the same period of the previous year, the number of employees increased significantly from 207 to 262 as a result of both organic growth and acquisitions. Around a fifth of employees worked in technology-related roles (19 per cent), project management (21 per cent), online marketing (21 per cent) and design (18 per cent). 9 per cent were employed in strategy consulting and 12 per cent in administration. During peak periods, up to 20 freelance employees were brought in to provide added support, mostly being deployed in the design department. On that basis, sales per employee were around kEUR 120. → Fig. 9

In January 2008, the Group acquired Londonbased design studio Hi-ReS! to boost its creative portfolio. This studio has received almost all the main creative accolades in our industry for its interactive work. Additional creative directors were also recruited for Syzygy Deutschland and Syzygy UK.

### RISK MANAGEMENT

The identification of individual risks is subdivided into various risk categories. Risks are identified, quantified and qualitatively evaluated throughout the entire Group using a common management, planning and reporting system.

The information currently available shows no indications of risks that would jeopardise the continued existence of Syzygy AG and its subsidiaries as a going concern. Risk factors relate to overall economic trends, the nature of the service sector as well as to the speed with which the market for internet services is changing. More detailed notes on the individual risk factors can be found in the 2007 Annual Report.

### OUTLOOK

Forecasts for the future prospects of the Syzygy Group continue to be very positive. Syzygy considers itself to be well positioned in the buoyant market of online advertising, since the Group covers the entire web design sector as well as online marketing on a very high technical and creative level.

With the recruitment of top-creatives, the Group has taken an important measure to further raise its attractiveness for clients and highly qualified employees. In June 2008, we were awarded with a bronze Cyber Lion at the Cannes-Festival, which belongs to the most respected accolades in our business.

The order backlog for the second half of 2008 exceeds the level of last year's period. The Group achieved two particularly noteworthy successes with regard to gaining new clients during the period under review, including the worldwide online account for the Jägermeister brand. Overall, Syzygy expects growth that is well into double digits. As a result, Syzygy raises the profit forecast for the 2008 financial year from EUR 0.26 to EUR 0.28 earnings per share.

## CONSOLIDATED BALANCE SHEETS

ASSETS	06/30/2008	06/30/2007	12/31/2007
	KEUR	KEUR	KEUR
Non-current assets			
Goodwill	16,935	7,012	13,480
Fixed assets, net	1,970	1,106	1,676
Other non-current assets	655	737	695
Total non-current assets	19,560	8,855	15,851
Deferred tax assets	116	289	116
Current assets			
Cash and cash equivalents	7,810	5,446	8,024
Marketable securities	17,335	17,931	16,155
Accounts receivable, net	9,076	6,846	12,692
Prepaid expenses and other current assets	1,378	1,861	2,421
Total current assets	35,599	32,084	39,292
Total assets	55,275	41,228	55,259

EQUITY AND LIABILITIES	06/30/2008	06/30/2007	12/31/2007
	KEUR	KEUR	KEUR
Equity			
Common stock*	12,078	12,078	12,078
Additional paid-in capital	18,385	18,039	18,385
Own shares	-116	-116	-116
Accumulated other comprehensive income	-2,199	-361	-983
Retained earnings	5,346	3,083	4,496
Minority interest	409	213	639
Total equity	33,903	32,936	34,499
Deferred tax liabilities	0	0	0
Current liabilities			
Accounts payable and accrued expenses	9,492	6,598	9,513
Customer advances	671	73	402
Tax accruals and liabilities	2,360	1,018	2,623
Other current liabilities	8,849	603	8,222
Total current liabilities	21,372	8,292	20,760
Total liabilities and equity	55,275	41,228	55,259

\* Contingent Capital kEUR 1.122 (Prior year: kEUR 1.122). The accompanying notes are an integral part of the consolidated financial statements.

## CONSOLIDATED INCOME STATEMENTS

	2ND QUARTER		JANJUNE		Δ PREV.	
	2008	2007	YEAR	2008	2007	YEAR
	KEUR	KEUR		KEUR	KEUR	
Gross sales	19,061	14,783	40 %	35,868	26,828	34%
Net sales	7,635	6,707	31%	14,835	12,195	22 %
Cost of revenues	-4,817	-4,310	24%	-9,230	-7,869	17%
Sales and marketing expenses	-563	-574	20%	-1,137	-1,051	8 %
General and administrative expenses	-1,030	-1,051	7 %	-2,069	-2,020	2 %
Other operating income/expense, net	60	29	123 %	109	51	114%
Operating profit	1,285	801	142 %	2,508	1,306	92%
Financial income, net	246	301	-51%	514	845	39%
Income before taxes and minority interest	1,531	1,102	42 %	2,055	2,151	40 %
Income taxes	-498	-407	27%	-967	-777	24%
Net income	1,033	695	51%	2,055	1,374	50 %
Income share to other shareholders	172	123	-	381	213	79%
Income share to shareholders of Syzygy AG	861	572	_	1,674	1,161	44%
Earnings per share from total operations (basic in EUR)	0.07	0.05	40%	0.14	0.07	40%

The accompanying notes are an integral part of the financial statements.

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## CONSOLIDATED STATEMENTS OF CASH FLOWS

	06/30/2008	06/30/2007	12/31/2007
	KEUR	KEUR	KEUR
Net income	2,055	1,374	3,213
Adjustments to reconcile income from continuing operations to net cash provided by operating activities:			
- Depreciation and amortization	301	375	708
Changes in operating assets and liabilities:			
- Accounts receivable and other assets	4,794	-981	-6,833
- Customer advances	269	-171	158
- Accounts payable and other liabilities	-1,663	576	3,930
- Tax accruals and payables, deferred taxes	-263	-397	1,509
Cash flows provided by operating activities	5,493	776	2,685
Investments in fixed assets and proceeds from sale of fixed assets, net	-841	-473	-1,217
Purchases of marketable securities	-3,180	-783	-1,809
Proceeds from sale of marketable securities	2,000	20,355	22,771
Investments in financial assets	-1,937	-4,859	-4,878
Changes in other non-current assets	40	-609	-567
Cash flows used in investing activities	-3,918	13,631	14,300
Payments to minority shareholders	639	-60	-60
Capital increase from employee stock option plan and other	0	192	192
Dividends	-1,205	0	0
Treasury stock	0	959	959
Capital reduction	0	-18,052	-18,052
Cash flows from financing activities	-1,844	16,961	-16,961
Cash Flows total	-269	-2,554	24
Cash and cash equivalents at the beginning of the year	8,024	5,982	5,982
Changes from consolidation	55	2,018	2,018
Cash and cash equivalents at the end of the year	7,810	5,446	8,024

The accompanying notes are an integral part of the financial statements.

## STATEMENTS OF CHANGES IN EQUITY

	COMMON STOCK	ADDITIONAL PAID-IN CAPITAL	OWN Shares	OTHER COMPRE- HENSIVE INCOME	RETAINED DEFICIT	MINORITY INTEREST	TOTAL EQUITY
	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR
January 01, 2007	12,060	17,994	-858	-121	1,922	60	31,057
Net income					2,574		2,574
Foreign currency translation adjustment				-306			-306
Net unrealized gains on marketable (net of tax)				-556			-556
Treasury stock		217	742				959
Direct cost of IPO		129					129
Dividend					0		0
Capital increase from employee stock option plan	18	45					63
Minority interest						579	579
December 31, 2007	12,078	18,385	-116	-983	4,496	639	34,499
January 01, 2008	12,078	18,385	-116	-983	4,496	639	34,499
Net income					2,055		2,055
Foreign currency translation adjustment				-660			190
Net unrealized gains on marketable (net of tax)				-556			-769
Treasury stock							0
Dividend					-1,205		-1,205
Minority interest						-230	263
March 31, 2008	12,078	18,385	-116	-2,199	5,346	409	33,903

The accompanying notes are an integral part of the financial statements.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### PRINCIPLES OF THE INTERIM REPORT

The unaudited consolidated financial statements of Syzygy AG for the first six months of 2008 have been prepared in accordance with the principles of the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC).

### **BUSINESS ACTIVITY**

Syzygy is a European agency group for interactive marketing. The five operating subsidiaries of the Syzygy Group with offices in Germany and the UK offer large European companies a comprehensive range of services from strategic consulting through project planning, concept and design to technical implementation. Syzygy's range of services is rounded off by search engine marketing and online media planning. Thus, Syzygy enables its customers to use the internet as a high performance communications and sales medium and to extend and improve their interaction with customers, business partners and employees.

#### SCOPE OF CONSOLIDATION

As per June 30, 2008, besides Syzygy AG the following companies were included in the consolidated financial statements of Syzygy AG and fully consolidated:

- Gesellschaft f
  ür elektronischen Handel mbH (GFEH), Germany
- [2] Mediopoly Ltd., UK
- (3) Syzygy Deutschland GmbH, Germany
- (4) Syzygy UK Ltd., UK
- (5) Unique Digital Marketing Ltd., UK
- (6) Hi-ReS! Ltd., UK

Syzygy acquired 80 per cent of the shares in the company named under (6) Hi-ReS! Ltd. Control of the financial and corporate policy passed to Syzygy on January 15, 2008. This company is incorporated into the consolidated financial statements and fully consolidated as per January 1, 2008.

## ACCOUNTING AND CONSOLIDATING PRINCIPLES

The assets and liabilities included in the consolidated financial statements have been reported in line with the standardised accounting and measurement guidelines applicable to Syzygy in accordance with IAS 27.

Furthermore, the accounting principles and consolidation are applied as stated in the Annual Report 2007. The individual positions in the balance sheets and the income statements are prepared in the same way as described and applied in the Annual Report 2007.

The financial figures at hand shall be analyzed together with the 2007 Annual Report.

# NOTES

## LIKE-FOR-LIKE FINANCIAL FIGURES

Syzygy Group has extended the scope of consolidation by acquiring Hi-ReS! Ltd. in January 2008 and Unique Digital Marketing Ltd. in March 2007. In addition, Syzygy group achieves around half of sales in the United Kingdom, so that a change of the currency exchange rate from British pound to Euro has an effect on a comparison to the prior year figures. Therefore, the table below displays the prior year figures based on the same scope of consolidation and exchange rate given in 2008. The comparable figures show the organic growth of Syzygy group with constant exchange rates:

#### EFFECTS ON EXCHANGE RATE

An increasing Euro exchange rate against the British pound will have a negative effect on the sales development. In the first half year of 2007, the sales have been converted at an average exchange rate of EUR 1.48, whereas the exchange rate of the reported period was averaged out by EUR 1.29. The growth on net sales would have been increased by six basis points if the exchange rate had remained constant. The upward revaluation of the Euro has slowed down the growth of the Syzygy Group.

[KEUR]	06/30/2008	06/30/2007 PRO FORMA	CHANGE PRO FORMA	F/X EFFECTS	SCOPE OF CONSOLIDATION
Gross sales	35,868	28,859	24 %	-6%	14 %
Net sales	14,835	12,382	20 %	-6%	8 %
EBIT	2,508	1,237	103%	-8%	0 %
Net income	2,055	1,399	47 %	-10%	4 %

#### CHANGE IN BASIS OF CONSOLIDATION

The growth of the Syzygy Group has gone along with acquisitions of Unique and Hi-ReS! as well as organic growth. In the reporting period, the inorganic growth of net sales has been 8 basis points, so that the organic growth results in 20 per cent.

### SEGMENT REPORTING

The Company's businesses operate in the European market. These companies are managed locally and, to a major extent, operate in their local markets independently. In accordance with IAS 14, the Syzygy Group's primary segment reporting follows geographical criteria.

Syzygy AG as the holding company delivers services to the operating units and therefore

it is to be viewed separately. The segment United Kingdom consists of Syzygy UK Ltd., Mediopoly Ltd, Unique Digital Marketing Ltd. and Hi-ReS! Ltd.

Germany consolidates Syzygy Deutschland GmbH and GFEH. The different segments apply the same accounting principles as the consolidated entity. Transactions between segments have been eliminated.

Primary segment as at June 30, 2008

[KEUR]	GERMANY	UNITED Kingdom	CENTRAL FUNCTIONS AND CONSOLIDATION	TOTAL
Gross sales	18,284	17,864	-280	35,868
Net sales	7,587	7,528	-280	14,835
Operating income (EBIT)	1,887	1,614	-993	2,508
Financial income	84	130	300	514
Net income	1,576	1,697	-1,218	2,055
Fixed assets	692	884	394	1,970
Capital expenditures	348	69	1	418
Depreciation	188	110	3	301
Current assets	8,743	10,879	15,977	35,599

Primary segment as at June 30, 2007

[KEUR]	GERMANY	UNITED Kingdom	CENTRAL FUNCTIONS AND CONSOLIDATION	TOTAL
Gross sales	16,028	10,815	-15	26,828
Net sales	6,903	5,307	-15	12,195
Operating income (EBIT)	1,188	608	-490	1,306
Financial income	36	79	730	845
Net income	708	486	180	1,374
Fixed assets	534	552	20	1,106
Capital expenditures	185	284	4	473
Depreciation	214	157	4	375
Current assets	6,326	7,649	18,109	32,084

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In addition, two major service lines can be reported as a secondary segment within the Syzygy Group – 'Web Design' and 'Online Marketing'.

The 'Web Design'-business is represented in general by Syzygy Deutschland GmbH, Syzygy UK Ltd. and Hi-ReS! Ltd. whereas 'Online Marketing'services are provided primarily by GFEH and Unique Digital Marketing Ltd.

#### Secondary segment as of June 30, 2008

[KEUR]	WEB DESIGN	ONLINE MARKETING	CENTRAL FUNCTIONS AND CONSOLIDATION	TOTAL
Net sales	10,603	4,512	-280	14,835
Assets	7,779	13,140	34,356	55,275
Investments	404	13	1	418

Secondary segment as of June 30, 2007

[KEUR]	WEB DESIGN	ONLINE MARKETING	CENTRAL FUNCTIONS AND CONSOLIDATION	TOTAL
Net sales	10,029	2,181	-15	12,195
Assets	9,160	7,935	24,133	41,228
Investments	438	31	4	473

### DIVIDEND

At the Annual General Meeting a resolution has been passed on May 30, 2008, to pay a dividend of kEUR 1,205 (EUR 0.10 per share) for the fiscal year of 2007. The dividend payment was made on June 3, 2008.

#### TREASURY STOCK

As per June 30, 2008, Syzygy had 25,000 treasury stock shares. The company is authorized to resell or call in treasury stock or to offer treasury stock to third parties in the course of acquiring companies. The treasury stock does not entitle the Company to any dividend or voting rights. The extent of the share buyback is shown as a separate item to be deducted from equity.

#### DIRECTORS' DEALINGS

Transactions in shares by board members of listed companies with stock of the own organisation are called Directors' Dealings. In the period under review, 28,062 shares were bought and no shares were sold by board members.

#### OPTIONS

In the period under review, no additional options were granted and no options were exercised. Moreover, all options expired due to the end of the period for the exercise of options, so that no more options are outstanding.

Current holdings of shares and options and transactions carried out in the period under review are shown in the following tables:

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### MANAGEMENT BOARD: SHARES

[Number of shares]	MARCO SEILER	FRANK WOLFRAM	TOTAL
As per 12/31/2007	622,279	5,500	627,779
Purchases	0	0	0
Sales	0	0	0
As per 03/31/2008	622,279	5,500	627,779

## MANAGEMENT BOARD: OPTIONS

[Number of options]	MARCO Seiler	FRANK Wolfram	TOTAL
As per 12/31/2007	0	38,000	38,000
Options granted	0	0	0
Options exercised	0	0	0
Options expired	0	-38,000	-38,000
As per 06/30/2008	0	0	0

## SUPERVISORY BOARD: SHARES

[Number of shares]	MICHAEL MÄDEL	ADRIAAN Rietveld	WILFRIED BEECK	TOTAL
As per 12/31/2007	0	10,000	91,938	101,938
Purchases	0	0	28,062	0
Sales	0	0	0	0
As per 06/30/2008	0	10,000	120,000	130,000

#### SHAREHOLDERS' STRUCTURE

The shareholders' structure changed marginally as compared to last year. The WPP Group holds 25 per cent and Marco Seiler holds 5.2 per cent of Syzygy shares. Consequently, the free float amounts to 69.8 per cent. As per June 30, 2008, the total number of shares amounted to 12,078,450.

 $\rightarrow$  Fig. 6

## RESPONSIBILITY STATEMENT ACCORDING TO §37Y WPHG I.C.W. §37W (2) NO. 3 WPHG (TRANSLATION)

"To the best of our knowledge, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the Group's development and performance of its position, together with a description of the principal opportunities and risks associated with the expected development of the Group in the remaining months of the financial year, in accordance with German proper accounting principles of interim consolidated reporting."

Bad Homburg v. d. H., July 30, 2008

Syzygy AG

The Management Board

## FINANCIAL CALENDAR 2008 SYZYGY AG

6. SMALL CAP CONFERENCE, FRANKFURT August 25, 2008

INTERIM REPORT PER 9M-08 October 30, 2008

**GERMAN EQUITY FORUM, FRANKFURT** November, 10-12, 2008

MÜNCHNER KAPITALMARKTKONFERENZ December 9-10, 2008

### SYZYGY AG

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