MediGene

6-Months Report 2005

Q2 2005

Drugs for the Market

MediGenes Innovative Anti-Tumor Drug Pipeline

Products	Diseases	Clinical Phases	Approval	Commercialization	Market Potential[1] (million €)
		I II III			
Eligard ®	Prostate Cancer				> 100[2]
Polyphenon® E Ointment	Genital Tumors				> 100
	Actinic Keratosis[3]				> 200
EndoTAG-1	Pancreatic Cancer				> 200
	Prostate Cancer				> 200
Oncolytic HSV	Liver Metastases				> 200
	Brain Tumors (Glioblastoma)				> 300
Chance of reaching the market:		10 – 30 %	40 – 60 %	60 – 80 %	90 %

[1] Annually; maximum annual sales potential. MediGene will receive royalties on sales of products jointly developed or marketed with biotech or pharmaceuticals companies.

[2] Marketing partnership with Astellas (previously Yamanouchi)

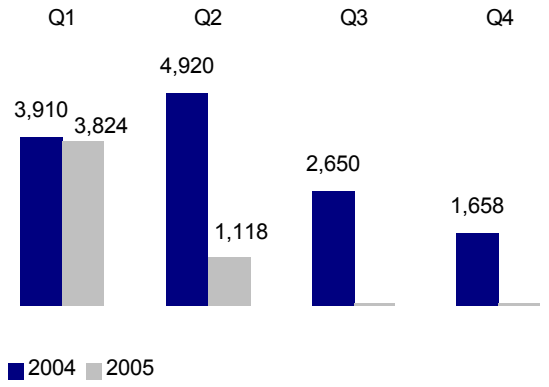
[3] Precursor of a specific type of skin cancer

Inhalt

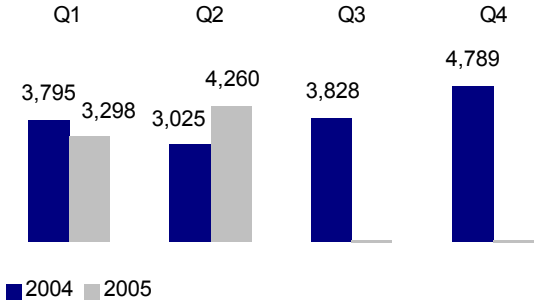
Key Figures 6-Monts Report 2005

		Q2-2005	Q2-2004	Change	H1-2005	H1-2004	Change
Total revenues	T€	1,118	4,920	-77 %	4,942	8,830	-44 %
Cost of sales	T€	904	3,225	-72 %	1,276	3,253	-61 %
R&D expenses	T€	4,260	3,025	41 %	7,558	6,820	11 %
Operating loss from continued operations (EBIT)	T€	-5,680	-2,811	-102 %	-6,940	-4,122	-68 %
Personnel expenses from continued operations	T€	2,206	1,972	12 %	4,604	4,064	13 %
Employees	Number	116	104	12 %	116	104	12 %
Cash flow from operating activities	T€	-3,050	-4,896	38 %	-6,646	-4,297	-55 %
Cash flow from investing activities	T€	-226	-16	>-200 %	-350	-69	>-200 %
Cash flow from financing activities	T€	121	-255	147 %	135	15,743	-99 %
Cash and cash equivalents at end of period	T€	41,569	32,815	27 %	41,569	32,815	27 %
Net loss per share from continued operations	€	-0.29	-0.20	-46 %	-0.34	-0.30	-12 %

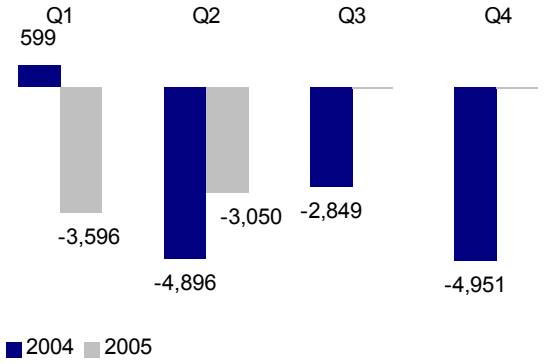
Total Revenues
in T€



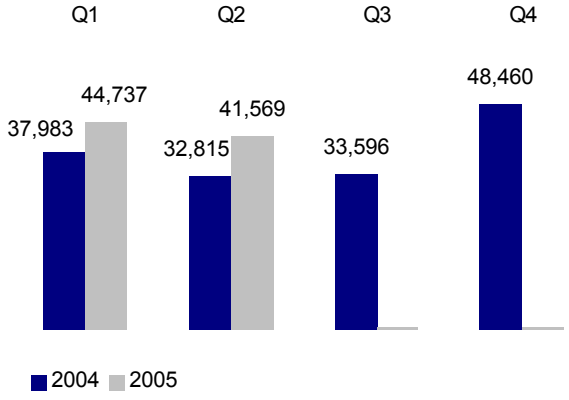
R&D Expenses
in T€



Cash Flow from Operating Activities
in T€



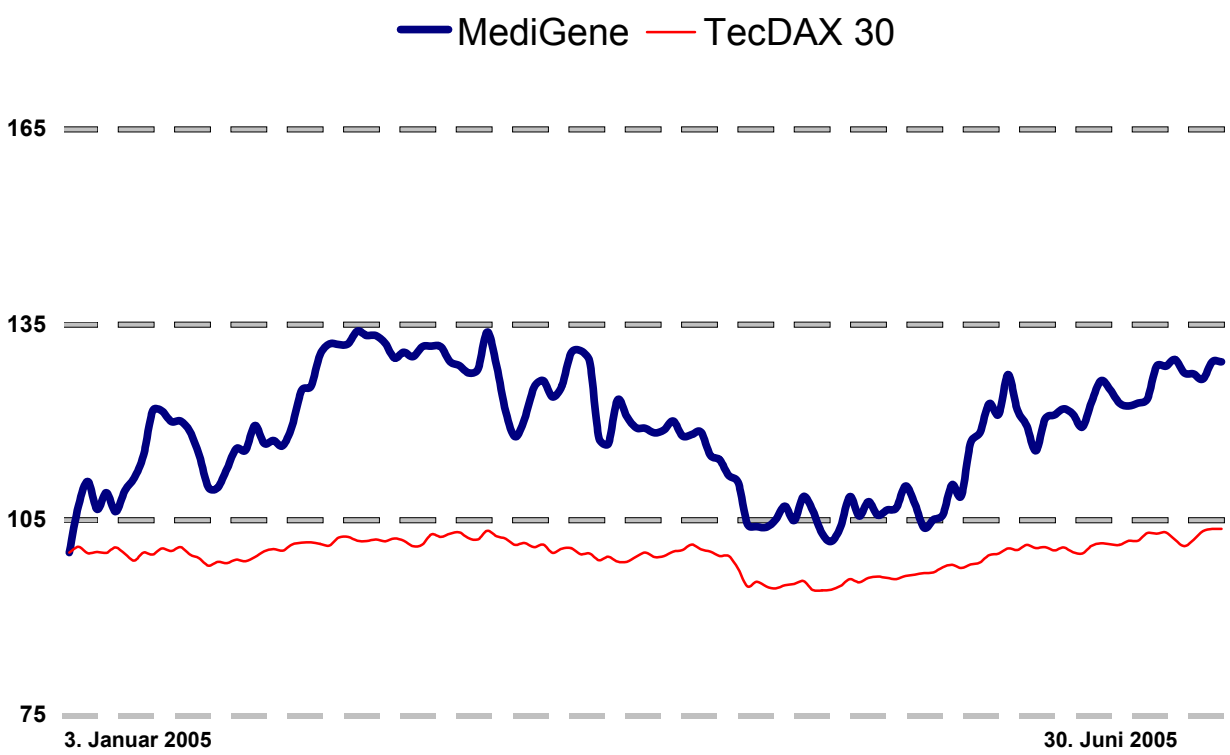
Cash and Cash Equivalents
in T€



Our Share

The MediGene Share Price

(January 3, 2005, 8,70 € indexed to 100)



Key Figures for the Share

		H1-2005	H1-2004
6 months high	€	11.66	8.19
6 months low	€	8.70	6.06
Price at beginning of the year	€	8.70	6.06
Average price since beginning of the year	€	10.33	6.76
Closing price	€	11.25	7.85
Number of shares (June 30)		18,561,452	13,474,232
Average number of shares		18,548,483	12,907,175
Average market capitalization	million €	191.6	87.3
Average daily trading volume	in shares	121,779	88,307

Interim MD&A H1-2005 / Q2-2005

- **Total revenues of 4.9 million € (Q2-2005: 1.1 million €)**
- **Net loss 6.3 million € (Q2-2005: 5.4 million €)**
- **Average monthly net cash burn rate 1.2 million € (Q2-2005: 1.1 Mio. €)**
- **Cash position 41.6 million € (December 31, 2004: 48.5 million €)**
- **First-time adoption of International Financial Reporting Standards (IFRS)**

PRELIMINARY NOTES

MediGene develops anti-cancer and anti-tumor drugs

MediGene's core competence lies in research into and development of novel approaches for the treatment of various cancer and tumor diseases. Thus MediGene focuses on indications of high medical need and great economic opportunities. Apart from the drug Eligard® which is already available on the market, R&D and technology contracts, payments received within cooperation agreements for the joint development and commercialization of products as well as product commercialization by MediGene represent potential sources of revenue.

Development status of the company's product portfolio

MediGene's first drug **Eligard®** was launched on the German market in May 2004. In December 2004, the mutual recognition procedure for Eligard® was successfully completed in 23 additional European countries (not including Great Britain). In the first six months of 2005, MediGene received the first national approvals, enabling the company to prepare for commercialization in the respective countries. Eligard® is marketed by MediGene's partner Astellas Pharma Europe Ltd. (the former Yamanouchi Ltd.)

At the end of the second quarter 2005, MediGene presented the results obtained in a concept trial of its **Polyphenon® E Ointment** for the treatment of actinic keratosis, a precursor of skin cancer. A total of 62 patients participated in this trial, 42 of whom were treated with Polyphenon® E Ointment, and 20 received placebo ointment for a period of 4 months. The primary trial endpoint, i.e. proof of a statistically significant efficacy, was not reached, however, there was an indication that the healing process was initiated by treatment with Polyphenon® E Ointment. Clinical efficacy was assessed by determination of the reduction in skin lesions in a selected area of the scalp or face. After treatment with Polyphenon® E Ointment, a significantly higher number of subclinical lesions, i.e. pre-existing lesions from beneath the top layer of the skin, emerged compared to the control group that received placebo. The dosage plan applied was not sufficient for complete healing of all lesions. The appearance and emergence of the subclinical lesions through the skin represents an essential first step in the healing process. MediGene is currently evaluating the data obtained and reviewing an optimization of the dosage plan.

In the genital warts indication, the New Drug Application submission for the Polyphenon® E Ointment to the US regulatory authorities is scheduled for the third quarter of this year. In 2004, MediGene published positive results obtained in two independent clinical phase III trials. In addition, conclusion of a development and marketing partnership for the ointment is expected for this year.

A clinical phase II trial in the indication pancreatic cancer is currently in preparation for the product candidate **EndoTAG-1**. This trial is scheduled to start in the second half of 2005. EndoTAG-1 is intended to combat cancer by "starving out" tumors, by specific attachment to newly developed tumor blood vessels, thus destroying them ("neovascular targeting"). The innovative liposomal carrier system facilitates a new method of applying the already established cytostatic drug Taxol. All in all, the therapy starts at a very early stage of angiogenesis, which is essential for tumor and metastases growth, thus providing a very promising effect. In addition, development of typical resistance to cytostatic drugs is very unlikely, since the therapeutic effect does not depend on direct damage of the tumor cells through the toxic substance.

At the beginning of June, MediGene announced the initiation of a clinical phase I trial of the **oncolytic herpes simples virus G207** for the treatment of malignant brain tumors at the University of Alabama, Birmingham (UAB), USA. This is a research collaboration between UAB and MediGene, substantially supported by a SPORE grant (Specialized Program of Research Excellence) awarded by the National Cancer Institute (NCI). The commercialization rights will remain with MediGene. G207 is a herpes simplex virus, genetically modified for the specific destruction of tumor cells without harming healthy tissue. The first patient has already been enrolled in the trial. The trial will evaluate safety, tolerability and efficacy trends of G207 as well as potential synergies with radiation therapy. A total of approximately 20 patients shall be enrolled over the next 24 months.

Moreover, the efficacy of the **oncolytic herpex simplex virus NV1020** for the treatment of liver metastases from colorectal carcinoma is currently under examination. A clinical phase I/II trial was initiated in September 2004. Completion of this trial is scheduled for 2006.

CONSOLIDATED INCOME STATEMENT

Starting this year the quarterly reports are being prepared pursuant to International Accounting Standards (IFRS). For detailed explanations of the quarterly statements, see Notes (p. 17), and the consolidated statements of 2003 and 2004. Except for the adjustments outlined, the transition to IFRS with respect to accounting and valuation methods does not lead to major deviations of the consolidated financial statements prepared according to US GAAP.

Total Revenues

Total revenues were 4,942 T€ in the first six months of the year (H1-2004: 8,830 T€), and 1,118 T€ in the second quarter of 2005 (Q2-2004: 4,920 T€). These revenues were generated almost solely by the commercialization of the drug Eligard® and are made up of proceeds from product sales, license fees and milestone payments received from MediGene's marketing partner Astellas Pharma Europe Ltd. The revenues in the second quarter 2004 and in the first six months of 2004 were higher due to one-time milestone payments due upon market launch of Eligard® in Germany. In addition, a part of the deferred income was released affecting net income in the reporting periods of 2004, which had been accrued in connection with the upfront payment received upon conclusion of the marketing agreement.

Cost of Sales

Cost of sales for Eligard® amounted to 1,276 T€ (H1-2005), and 904 T€ (Q2-2005), respectively. Costs were allocated to the purchase of the drug and to royalties paid to QLT Inc. In the second quarter of 2004, a milestone payment was made to QLT Inc. due upon market launch of Eligard® in Germany.

Consolidated Income Statement (Abbreviated)

in T€	Q2-2005 unaudited	Q2-2004 unaudited	Change	H1-2005 unaudited	H1-2004 unaudited	Change
Total revenues	**1,118**	**4,920**	**-77 %**	**4,942**	**8,830**	**-44 %**
Cost of sales	904	3,225	-72 %	1,276	3,253	-61 %
Gross profit	**214**	**1,695**	**-87 %**	**3,666**	**5,577**	**-34 %**
General, administrative, and selling expenses	1,634	1,481	10 %	3,048	2,879	6 %
Research and development expenses	4,260	3,025	41 %	7,558	6,820	11 %
Operating result (EBIT)	**-5,680**	**-2,811**	**-102 %**	**-6,940**	**-4,122**	**-68 %**
Net loss from continued operations	**-5,383**	**-2,673**	**-101 %**	**-6,330**	**-3,895**	**-63 %**
Result from discontinued operations	5	-19	126 %	4	-300	101 %
Net loss for the period	**-5,378**	**-2,692**	**-100 %**	**-6,326**	**-4,195**	**-51 %**

Gross Profit

Gross profit decreased to 3,666 T€ in the first six months, and to 214 T€ in the second quarter. In last year's reporting periods, it was especially the recognition of deferred income affecting net income that had resulted in a higher gross profit. Gross profit amount is determined by milestone payments and the ratio of revenues from product sales to license payments, and is therefore subject to substantial fluctuations comparing individual reporting periods.

General, Administrative, and Selling Expenses

Compared to last year's reporting periods, general, administrative, and selling expenses increased by 10 % (H1-2005: 3,048 T€), and by 6 % (Q2- 2005: 1,634 T€), respectively. This increase is mainly due to the first-time adoption of IFRS, according to which stock options issued to employees are now recognized as expenses of 171 T€ in the first six months of 2005.

R&D Expenses

Total R&D expenses increased by 11 % to 7,558 T€ compared to last year's reporting period (H1-2005), and by 41 % to 4,260 T€ (Q2-2005), respectively. This increase was mainly due to the EndoTAG technology acquired in August 2004.

Depreciation

Total depreciation increased by 8 % to 698 T€ (H1-2005), and by 19 % to 342 T€ (Q2-2005), respectively. Since August 2004, depreciation also includes depreciation of the assets acquired from Munich Biotech AG.

Depreciation

in T€	Q2-2005 unaudited	Q2-2004 unaudited	Change	H1-2005 unaudited	H1-2004 unaudited	Change
fixed assets including intangibles	298	241	24 %	605	386	57 %
capital lease	44	33	33 %	93	71	31 %
Total from continued operations	**342**	**274**	**25 %**	**698**	**457**	**53 %**
Discontinued operations	0	14	-100 %	0	192	-100 %
Total	**342**	**288**	**19 %**	**698**	**649**	**8 %**

Depreciation from discontinued operations accrued due to the discontinuation of LARNAX GmbH. Depreciation and Amortization of tangible and intangible assets will not be reported separately, but allocated to selling, general and administration expenses, and to research and development expenses.

EBIT

Operating result before interest and tax in the reporting periods increased by 68 % to -6,940 T€ (H1-2005), and by 102 % to -5,680 T€ (Q2-2005).

Financial Result

The financial result improved by 156 % to 610 T€ (H1-2005), and by 99 % to 297 T€ (Q2-2005). Apart from higher interest income resulting from a higher amount invested, foreign currency exchange gains mainly from the exchange of Atrix shares for QLT shares also contributed to this. Interest expenses accrued mainly from lease of fixed assets.

Financial Result

in T€	Q2-2005 unaudited	Q2-2004 unaudited	Change	H1-2005 unaudited	H1-2004 unaudited	Change
Interest income	219	181	21 %	445	280	59 %
Interest expenses	-38	-19	-100 %	-76	-27	-181 %
Foreign currency exchange gains/losses	116	-13	>200 %	241	-15	>200 %
Total	**297**	**149**	**99 %**	**610**	**238**	**156 %**

6-Months Loss

Compared to last year's reporting periods, the net loss increased by 51 % to -6,326 T€ (H1-2005), and by 100 % to -5,378 T€ (Q2-2005), since in both reporting periods of last year, higher milestone payments for the drug Eligard® were received.

Loss per Share

In the first six months of the financial year, the loss per share increased by 12 % from -0.30 € (weighted average number of shares: 12,813,606) to -0.34 € (weighted average number of shares: 18,545,276). On a quarterly basis, the loss per share increased from -0.20 € (weighted average number of shares: 13,474,132) to -0.29 € (weighted average number of shares: 18,548,483).

The diluted net loss as of reporting date corresponds to the actual loss, since the conversion of common stock equivalents would have an anti-dilutive effect.

SEGMENT REPORTING

During the reporting period, MediGene's business activities were focused on the development of anti-cancer and anti-tumor drugs. These activities are divided into the specialty pharma and biopharma segments, as well as an unallocated segment. The specialty pharma segment comprises the drug Eligard® and the product candidate Polyphenon® E Ointment. The biopharma segment includes MediGene's EndoTAG and the oncolytic herpes simplex virus technology, as well as the product candidates EndoTAG-1, NV1020, and G207 emanating from these technologies.

Segment reporting by market segments

	Specialty pharma	Biopharma	Unallocated	**Total**
Q2-2005				
Total revenues	**1,116**	**0**	**2**	**1,118**
Cost of sales	904	0	0	**904**
Gross profit	**212**	**0**	**2**	**214**
General, administrative, and selling expenses	60	0	1,574	**1,634**
Research and development expenses	1,505	2,755	0	**4,260**
EBIT	**-1,353**	**-2,755**	**-1,572**	**-5,680**
Employees	22	63	31	**116**
Investments*	0	119	127	**246**
Q2-2004				
Total revenues	**4,837**	**64**	**18**	**4,919**
Cost of sales	3,225	0	0	**3,225**
Gross profit	**1,612**	**64**	**18**	**1,694**
General, administrative, and selling expenses	39	0	1,442	**1,481**
Research and development expenses	932	2,093	0	**3,025**
EBIT	**641**	**-2,029**	**-1,424**	**-2,812**
Employees	18	50	35	**103**
Investments*	0	2	14	**16**

Segment reporting by market segments

	Specialty pharma	Biopharma	Unallocated	**Total**
H1-2005				
Total revenues	**4,929**	**0**	**12**	**4,941**
Cost of sales	1,275	0	0	**1,275**
Gross profit	**3,654**	**0**	**12**	**3,666**
General, administrative, and selling expenses	62	0	2,986	**3,048**
Research and development expenses	2,481	5,076	0	**7,557**
EBIT	**1,111**	**-5,076**	**-2,974**	**-6,939**
Employees	22	63	31	**116**
Investments*	0	212	144	**356**
H1-2004				
Total revenues	**8,697**	**87**	**45**	**8,829**
Cost of sales	3,252	0	0	**3,252**
Gross profit	**5,445**	**87**	**45**	**5,577**
General, administrative, and selling expenses	70	0	2,809	**2,879**
Research and development expenses	2,789	4,031	0	**6,820**
EBIT	**2,586**	**-3,944**	**-2,764**	**-4,122**
Employees	18	50	35	**103**
Investments*	0	45	24	**69**

* Investments also include finance lease investments

ASSETS POSITION

Cash Position 41.6 Million €; Equity Ratio 88 %

Compared with the closing date December 31, 2004, the cash position decreased by 14 % to 41,569 T€. The equity ratio increased to 88 %, partially due to the continued repayment of a loan from Aventis.

Changes in assets and capital structure

in T€	June 30, 2005	December 31, 2004	Change
Assets			
Long-term investments	2,156	2,894	-26 %
Goodwill	9,226	9,226	0 %
Fixed assets	8,253	8,585	-4 %
Cash and cash equivalents	41,569	48,460	-14 %
Other current assets	1,570	3,729	-58 %
Total assets	**62,774**	**72,894**	**-14 %**
Liabilities and shareholders' equity			
Shareholders' equity	55,097	61,711	-11 %
Long-term liabilities	1,862	1,880	-1 %
Current liabilities	5,815	9,303	-37 %
Total liabilities	**62,774**	**72,894**	**-14 %**
Liquidity cover ratio	**66 %**	**66 %**	**0 %**
Equity ratio	**88 %**	**85 %**	**4 %**

Financial Position

Cash flow from operating activities

Cash flow from operating activities was -6,646 T€ (H1-2005), and -3,050 T€ (Q2-2005), respectively. The difference between net loss (-5,377 T€) and the cash flow in the second quarter 2005 mainly results from cash inflow amounting to 1,952 T€, which corresponds to the cash portion MediGene was entitled to receive from the exchange of Atrix for QLT shares in 2004. At the same time the corresponding deferred income was recognized under other assets.

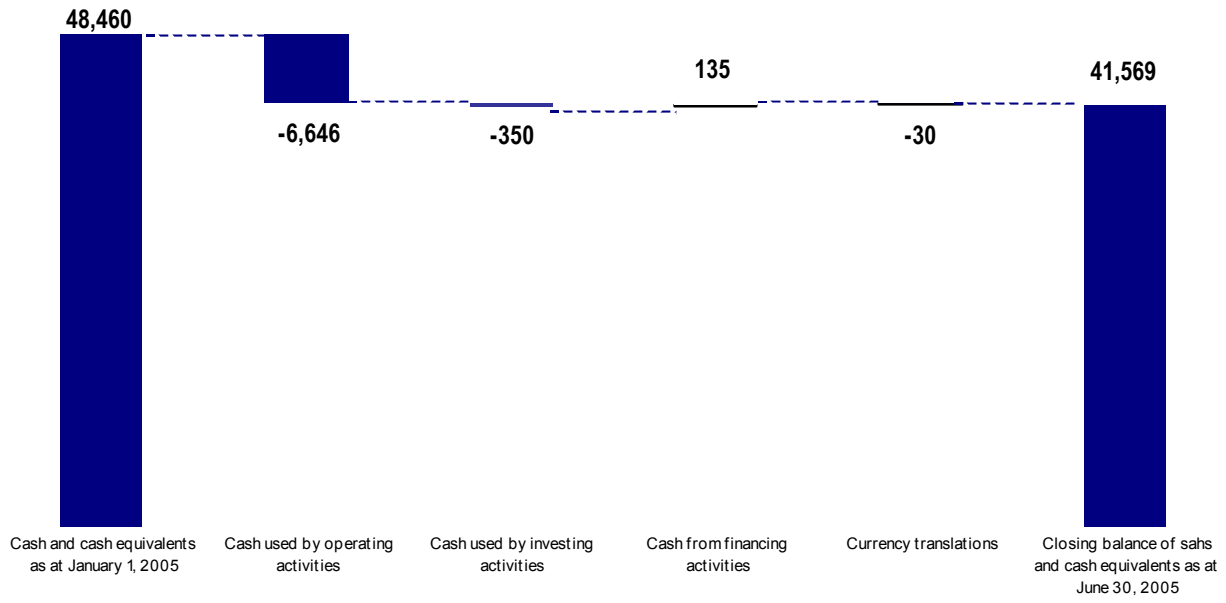
As of closing date June 30, 2005, cash and cash equivalents amounted to 41,569 T€. MediGene is using cash and cash equivalents available for the development of its drug candidates.

Monthly Net Cash Burn Rate

According to the changes in cash and cash equivalents as well as securities (see page 13, "Consolidated Balance Sheet") reported in the balance sheet, the net cash burn rate was 6,891 T€ in the first six months of the financial year. This includes cash inflow from exercise of options and convertible bonds as well as the acceptance of convertible bonds. In last year's reporting period, a net cash inflow of 11,371 T€ was posted, with 15,893 T€ originating from proceeds from capital increases as well as payments received for stock options and convertible bonds. Comparing the two quarters, net cash burn decreased from 5,168 T€ to 3,168 T€, with cash flow from capital increases having only negligible effects (< 10 %).

The average monthly net cash burn rate was 1,149 T€ in the first six months of 2005 (H1-2004: inflow of 1,895 T€), and 1,056 T€ in the second quarter of 2005 (Q2-2004: cash used 1,723 T€), respectively.

Development of cash and cash equivalents H1-2005 (in T€)



Human Resources

Due to the recruitment of new employees in the field of EndoTAG technology (biopharma segment), headcount at our headquarters in Martinsried has increased compared to last year's reporting period.

Number of employees as of closing date June 30, 2005, and December 31, 2004

	H1-2005	H1-2004	Y-2004
MediGene AG	10	93	108
MediGene, Inc.		11	9
Total from continued operations	**11**	**104**	**117**
Discontinued operations		0	0
Total	**11**	**104**	**117**

Personnel expenses			
in T€	**H1-2005**	**H1-2004**	Change
Total from continued operations	**4,604**	**4,064**	**13 %**
Discontinued operations	0	39	-100 %
Total	**4,604**	**4,103**	**12 %**

Risk Report

Legal disputes

Following the market launch of Eligard®, Takeda Chemical Industries, Takeda Pharma GmbH and Wako Pure Chemical Industries (Takeda/Wako) sued the partners MediGene AG and Yamanouchi Pharma GmbH (renamed Astellas Pharma Europe Ltd. after the merger with Fujisawa) in summer 2004 for alleged patent infringement before the Düsseldorf district court. In this suit they argue that the commercialization of MediGene's and Astella's drug Eligard® infringes specific claims of one of the plaintiffs' patents. Prior to that, MediGene had already filed an action for invalidity of the contested patent before the Federal Patent Tribunal in Germany, whereupon all claims potentially relevant for Eligard® were declared invalid on April 20, 2005. Thereupon the Düsseldorf district court abated the patent infringement proceedings until the final judgement of the Federal Patent Tribunal. In addition, parallel patent infringement proceedings are ongoing in the USA. MediGene's supplier and licensor QLT USA, Inc. and the US marketing partner of QLT USA, Inc., Sanofi-Synthelabo Inc. have been sued for patent infringement by Takeda Abbott Pharmaceutical Product Inc., Takeda Chemical Industries, Ltd und Wako Pure Chemical Industries, Ltd.

Major Events Since End of Period under Review

No major changes to the state of business have occurred up to July 31, 2005.

Forecast

Forecast for the year has been confirmed: reduction of net loss - cash 38 million € at the end of 2005

In 2005, MediGene expects to raise revenues to approximately 20 million €. At the same time MediGene is planning to further improve the result; the net loss for the year 2005 should be less than 10 million €. The cash position at the end of the year is expected to be approximately 38 million €.

Market launch of Eligard® in additional European countries planned

In December 2004, the mutual recognition procedure for approval of the one-month and three-months products of Eligard® was successfully completed in 23 European countries (not including Great Britain). The first national approvals have already been granted during the first six months. Therefore MediGene expects the successive approval and market launch in other European countries in the course of this year.

Polyphenon® E Ointment – submission of marketing authorization application to the US authorities and conclusion of a marketing partnership planned

MediGene is currently compiling marketing authorization application for the Polyphenon® E Ointment and schedules to submit it to the American regulatory authorities in the third quarter of the year 2005, and afterwards to the European authorities. Moreover, a marketing partnership for the Polyphenon® E Ointment should be concluded by the end of the year 2005.

Polyphenon® E Ointment is developed for the treatment of benign tumors of the genital tract, so-called genital warts. In March and December 2004, respectively, two clinical phase III trials with more than 500 patients each participating in the USA and in Europe were completed with positive results.

EndoTAG-1 - clinical development program resumed in phase II

At present, a clinical phase II trial of EndoTAG-1 in the indication pancreatic cancer is in preparation. The first trial is to be initiated in the third quarter of 2005. The market potential for this indication is expected to reach more than 200 million €.

Consolidated Balance Sheet
of MediGene AG as of June 30, 2005, and December 31, 2004

in T€	June 30, 2005 unaudited	December 31, 2004 unaudited
Assets		
A. Long-term assets		
I. Property, plant & equipment	1,469	1,565
II. Intangible assets	6,784	7,020
III. Goodwill	9,226	9,226
IV. Investments	2,022	2,761
V. Other assets	134	133
Total long-term assets	**19,635**	**20,705**
B. Current assets		
I. Inventories	458	0
II. Accounts receivable	25	115
III. Cash & cash equivalents	41,569	48,460
IV. Other current assets	1,087	3,614
Total current assets	**43,139**	**52,189**
Total assets	**62,774**	**72,894**
Liabilities and shareholders' equity		
A. Shareholders' equity		
I. Share capital Number of shares issued and outstanding: December 31, 2004: 18,522,684 June 30, 2005: 18,561,452	18,561	18,523
II. Additional paid-in capital	257,313	256,882
III. Accumulated deficit	-219,989	-213,665
IV. Net income recognized directly in equity	-788	-29
Total shareholders' equity	**55,097**	**61,711**
B. Long-term liabilities		
I. Long-term debt less current portion	1,710	1,674
II. Other long-term liabilities	84	55
III. Capital lease obligation less current portion	32	115
IV. Pension accrual	36	36
Total long-term liabilities	**1,862**	**1,880**
C. Current liabilities		
I. Trade accounts payable	1,839	618
II. Other current liabilities	590	3,463
III. Current portion of capital lease obligation	206	269
IV. Accruals	2,513	2,953
V. Deferred income	667	2,000
Total current liabilities	**5,815**	**9,303**
Total liabilities and shareholders' equity	**62,774**	**72,894**

IRFS
Totals may vary due to rounding

Consolidated Income Statements

of MediGene AG for the periods from April 1 to June 30 and January 1 to June 30, 2005, and 2004

in T€	Q2-2005 unaudited	Q2-2004 unaudited	H1-2005 unaudited	H1-2004 unaudited
1. Product sales	1,116	4,782	4,878	8,639
2. Other operating income	2	138	64	191
3. Total revenues	**1,118**	**4,920**	**4,942**	**8,830**
4. Cost of sales	904	3,225	1,276	3,253
5. Gross profit	**214**	**1,695**	**3,666**	**5,577**
6. Selling expenses	234	315	463	614
7. General and administrative expenses	1,400	1,166	2,585	2,265
8. Research and development expenses	4,260	3,025	7,558	6,820
9. Operating result (EBIT)	**-5,680**	**-2,811**	**-6,940**	**-4,122**
10. Interest income and expenditures	181	151	369	242
11. Foreign currency exchange gains/losses	116	-13	241	-15
12. Loss before income tax	**-5,383**	**-2,673**	**-6,330**	**-3,895**
13. Tax	0	0	0	0
14. Net loss from continued operations	**-5,383**	**-2,673**	**-6,330**	**-3,895**
15. Result from discontinued operations	5	-19	4	-300
16. Net loss for the period	**-5,378**	**-2,692**	**-6,326**	**-4,195**
Per share data in €:				
Result from continued operations („actual“ and „fully diluted“)	-0.29	-0.20	-0.34	-0.30
Result including discontinued operations	-0.29	-0.20	-0.34	-0.33
Weighted average number of shares outstanding	18,548,483	13,474,132	18,545,276	12,813,606

The number of shares used in calculating the diluted net loss per share is the same as used in calculated the basic net loss per share since conversion of common stock equivalents would have an anti-dilutive effect. The number of potentially dilutive shares related to options and convertible bonds that could dilute basic earnings per share in the future was 1,039,038 as of June 30, 2005, and 908,290 as of June 30, 2004.

IRFS
Totals may vary due to rounding

Consolidated Changes in Shareholders' Equity

of MediGene AG for the periods from January 1, 2004, until June 30, 2005

	Shares	Share capital	Capital reserves	Accumu-lated losses	Net income directly recognized in equity	Total share-holders' equity
	No.	T€	T€	T€	T€	T€
Balance January 1, 2005 audited (US GAAP)	**18,522,684**	**18,523**	**256,411**	**-213,248**	**-1,003**	**61,683**
IFRS adjustment			471	-1,416	975	30
Balance January 1, 2005 unaudited (IFRS)	**18,522,684**	**18,523**	**256,882**	**-213,664**	**28**	**61,713**
Net loss for the period				-6,325		-6,325
Unrealized loss from QLT Inc. shares					-739	-739
Currency translation adjustments					-21	-21
Comprehensive income						**-7,085**
Capital increase						0
Exercised options/bonds	38,768	38	206			244
Expenses on new options/bonds			225			225
Balance June 30, 2005 unaudited	**18,561,452**	**18,561**	**257,313**	**-219,989**	**-788**	**55,097**
Balance January 1, 2004 audited (US GAAP)	**11,206,205**	**11,206**	**218,177**	**-199,942**	**-221**	**29,220**
IFRS adjustment			110	-1,057	975	28
Balance January 1, 2004 unaudited (IFRS)	**12,206,205**	**11,206**	**218,287**	**-200,999**	**754**	**29,248**
Net loss for the period				-4,195		-4,195
Unrealized gain from QLT Inc. shares					2,141	2,141
Currency translation adjustments					1	1
Comprehensive income						**-2,053**
Capital increase	2,245,670	2,246	13,025			15,271
Capital increase expenses			-1,040			-1,040
Exercised options/bonds	22,357	22	267			289
Expenses on new options/bonds			185			185
Balance June 30, 2004 unaudited	**13,474,232**	**13,474**	**230,724**	**-205,194**	**2,896**	**41,900**

IFRS
Toals may vary due to rounding

Consolidated Cash Flow Statements
of MediGene AG for the periods from January 1 to June 30, 2005, and 2004

in T€	Q2-2005 unaudited	Q2-2004 unaudited	H1-2005 unaudited	H1-2004 unaudited
Cash flow from operating activitities				
Net loss	-5,378	-2,692	-6,326	-4,195
Adjustments to reconcile net loss with cash used in operating activities:				
Expenses on new options/bonds	140	89	225	184
Depreciation	342	288	698	649
Losses on sales of property, plant, & equipment	-4	0	-6	0
Changes in:				
Inventories	-26	-223	-458	-646
Other assets and accrued income	1,952	-547	2,616	-467
Trade accounts payable	1,433	-106	945	-589
Accruals	215	-873	-440	-1,545
Other liabilities and deferred income	-1,724	-833	-3,900	2,312
Net cash used by operating activities	**-3,050**	**-4,896**	**-6,646**	**-4,297**
Cash flow from investing activities				
Purchases of property, plant, & equipment	-230	-16	-356	-69
Sales of property, plant, & equipment	4	0	6	0
Net cash from investing activities	**-226**	**-16**	**-350**	**-69**
Cash from financing activities				
Proceeds from capital increase	0	-172	0	14,237
Proceeds from stock options	168	-7	245	61
Repayments of/proceeds from loans	23	-5	36	1,595
Principal payments under finance lease obligations	-70	-71	-146	-150
Net cash from financing activities	**121**	**-255**	**135**	**15,743**
Currency translation	-13	-1	-30	-6
Increase/decrease in cash and cash equivalents	**-3,168**	**-5,168**	**-6,891**	**11,371**
Cash and cash equivalents at beginning of period	44,737	37,983	48,460	21,444
Cash and cash equivalents at end of period	**41,569**	**32,815**	**41,569**	**32,815**

Supplementary schedule of non-cash financing activities:

Like in the reference period last year, no new leasing obligations for new laboratory and office equipment were incurred during the first six months of 2005.
Cash expenditure for interest in the first six months of 2005 was 76 T€, and 27 T€ in last year's reporting period.

IFRS
Totals may vary due to rounding

Selected Details on the Notes

These unaudited consolidated financial statements were prepared in compliance with the International Financial Reporting Standards (IFRS) for the first time. It is the Management Board's conviction that the quarterly financial statements on hand reflect all adjustments required for the presentation of the assets, financial and income situation at the end of the periods that expired in June 2004, and 2005.

The quarterly financial statements on hand should be read in connection with the annual financial statements for 2003 and 2004.

Except for the adjustments outlined below, the first-time adoption of IFRS does not lead to any major adjustments when compared to the consolidated financial statements under US GAAP as of December 31, 2004.

A) Accounting and Valuation Principles

Since January 1, 2005, International Financial Reporting Standards are mandatory, in compliance with EU ordinance. The basic rule of IFRS 1 requires the complete retrospective implementation of all standards and interpretations applicable as of closing date of the first financial statements according to IFRS.

First-time adoption of the International Financial Reporting Standards (IFRS)

The consolidated financial statements of MediGene will be prepared according to IFRS at the reporting date December 31, 2005, for the first time. The transition from US GAAP to IFRS was conducted according to IFRS 1, First-time Adoption of International Financial Reporting Standards. Therefore, MediGene fully applies the standards mandatory as of December 31, 2005, in the quarterly financial statements on hand.

The consolidated financial statements were prepared according to US GAAP at the reporting date December 31, 2004, for the last time. Differences in accounting, valuation and consolidation methods between US GAAP and IFRS were adjusted according to IFRS. This applies to both reporting and comparing periods.

Adjustments and explanations required by IFRS 1 accounting for the changes in shareholders' equity and the consolidated financial statements are presented in note C – G.

As of the transition date January 1, 2004 MediGene chose the following IFRS 1 optional exemptions:

Business combinations

In 2001, MediGene acquired a company. The management decided to make use of the optional exemption of IFRS 1 concerning business combinations. Therefore previous accounting for business combinations prior to the transition date (January 1, 2004) will not be adjusted.

Foreign currency translation differences

IFRS 1 allows the prospective application of IAS 21 ("The Effects of Changes In Foreign Exchange Rates"). Hence, all currency gains and losses accrued under US GAAP prior to the transition date will be reclassified. Differences from currency translations after the transition date have to be recognized separately for each subsidiary abroad.

Compound financial instruments

The sub-division of compound financial instruments into an equity and and a debt component was made only insofar as the debt component was still in existence at the transition date (January 1, 2004). These financial

instruments will be reported according to IAS 32, and IAS 39, respectively: The equity element is calculated as the difference between proceeds and the fair value of future payment obligations (debt component).

Share-based compensation
Equity compensation such as stock options and convertible bonds granted to employees will be reported according to IFRS 2. Equity instrument issued prior to 2003 are not recognized, as those instruments have become non-forfeitable as of January 1, 2005. The valuation of these instruments is based on a suitable option-pricing model which takes into account, among others, blocking periods, vesting periods, hurdle rates, volatility of the underlying share price and risk-free interest rates.

Other options
According to IFRS 1, no further exemptions were applied for the transition from US GAAP to IFRS.

Mandatory exemptions
The application of mandatory exemptions of IFRS 1 did not lead to any adjustments.

B) Consolidation principles

In addition to the financial statements of MediGene AG Martinsried, group accounts include the statements of the wholly-owned subsidiary MediGene, Inc., San Diego, of LARNAX GmbH, Martinsried since March 31, 2003, and, as of August 13, 2004, MediGene Oncology GmbH, Martinsried. As per December 31, 2003, LARNAX GmbH discontinued its business operations. As per June 30, 2005, MediGene AG owned no other stakes in affiliated companies, associated companies or partnerships.

The companies included in the consolidation have applied uniform accounting and valuation methods.

All intercompany receivables and payables, revenues, expenses and income as well as interim results of the companies consolidated were eliminated during consolidation.

Changes in consolidated group planned
According to announcement of July 8, 2005, MediGene AG intends to incorporate by means of merger the assets of its wholly owned subsidiary LARNAX GmbH, with registered office in Planegg, district of Martinsried, administrative district of Munich, entered on the Commercial Register of the Munich municipal court under HR B 115761, in their entity without liquidation of the company, in accordance with § 2 no. 1, §§ 62, 68 section 1 no. 1 i.V.m. §§ 46 and the following, UmwG. The shareholders' meeting of LARNAX GmbH will probably decide upon the resolution on the merger on August 11, 2005. Moreover, MediGene AG intends to incorporate by means of merger the assets of its wholly owned subsidiary MediGene Oncology GmbH, with registered office in Planegg, district of Martinsried, administrative district of Munich, entered on the Commercial Register of the Munich municipal court under HR B 153259, in their entity without liquidation of the company, in accordance with § 2 no. 1, §§ 62, 68 section 1 no. 1 i.V.m. §§ 46 and the following, UmwG. The shareholders' meeting of MediGene Oncology GmbH will probably decide upon the resolution on the merger on August 11, 2005.

C) IFRS adjustments and comments on the consolidated income statements (p. 22-24)

Share-based compensation
Equity compensation such as stock options and convertible bonds granted to employees will be reported according to IFRS 2. Equity instruments issued prior to 2003 are not recognized.

This year, the valuation of these instruments is based on a binomial model for the first time. In 2003 and 2004, valuation was made applying the Black Scholes Model. The following factors are taken into consideration:

Stock option program	2003	2004	2005
Waiting period	2 years	2 years	2 years
Option period	10 years	10 years	10 years
Obstacle to exercise, regarding base value	120 %	120 %	120 %
Volatility	81 %	106 %	40 %
Risk-free interest rate	5.65 %	5.65 %	3.24 %

In 2004, expenses for share-based compensation amounted to a total of 360 T€, according to IFRS, which are allocated as follows: 127 T€ from options issued in 2003, 215 T€ from options issued in 2004, and 18 T€ paid for interest for convertible bonds. For the first six months of the current year, expenses were 233 T€ (H1-2004: 93 T€), of which 64 T€ (H1-2004: 32 T€) were allocated to options issued in 2003, 107 T€ (H1-2004: 53 T€) to options issued in 2004, 54 T€ to options issued in 2005, and 8 T€ (H1-2004: 8 T€) paid for interest for convertible bonds.

Depreciation of intangibles and fixed assets
Depreciation and Amortization of tangible and intangible assets will not be reported separately, but be allocated instead to expenses for Selling, General and Administration as well as to Research and Development.

D) IFRS adjustments and comments on the balance sheet (p. 25-27)

Capital reserves
As per December 31, 2003, capital reserves amounted to 218,177 T€ according to US GAAP. According to IFRS, the amount rose by 111 T€ to 218,288 T€ as per January 1, 2004.

As per December 31, 2004, capital reserves amounted to 256,411 T€ according to US GAAP. According to IFRS, the amount rose by 471 T€ to 256,882 T€.

As per June 30, 2004, capital reserves amounted to 230,431 T€ according to US GAAP. According to IFRS, the amount rose by 293 T€ to 230,724 T€.

The above differences are due to the recognition of the share-based compensation plan and interest expenses for convertible bonds.

Accumulated deficit
As per December 31, 2003, the accumulated deficit according to US GAAP amounted to 199,943 T€. According to IFRS, the deficit rose by 1,057 T€ to 201,000 T€ as per January 1, 2004.

As per December 31, 2004, the accumulated deficit according to US GAAP amounted to 212,248 T€. According to IFRS, the deficit rose by 1,416 T€ to 213,664 T€.

As per June 30, 2004, the accumulated deficit according to US GAAP amounted to 203,956 T€. According to IFRS, the deficit rose by 1,239 T€ to 205,195 T€.

The gains and losses from currency translations, which will have to be recognized for subsidiaries abroad only after transition date, amount to 975 T€. In addition, expenses of the share-based compensation plan and interest expenses for convertible bonds have been accounted for.

Net income recognized directly in equity
As per December 31, 2003, the net income directly recognized in equity according to US GAAP amounted to –220 T€. The presentation according to IFRS leads to a gain of 975 T€ to 755 T€.

As per December 31, 2004, the net income directly recognized in equity amounted to –1,003 T€ according to US GAAP. The presentation according to IFRS leads to a gain of 975 T€ to -28 T€.

As per June 30, 2004, the net income directly recognized in equity amounted to 1,921 T€ according to US GAAP. The presentation according to IFRS leads to a gain of 975 T€ to 2,896 T€.

The difference arose from the reclassification of gains and losses from currency translations of 975 T€.

E) Transition to IFRS and comments on the cash flow statement

Altogether no adjustments to the cash flow statement of the second quarter and first half of the year 2004 were made. The increase by 182 T€ in the net loss of the period due to the recognition of share-based compensation is compensated accordingly under "Cash flow from operating activities", and "Cash flow from financing activities", respectively.

F) Comments on consolidated shareholders' equity statement

See also comments on the balance sheet (P. 19).

G) Other comments

Contingencies and other financial obligations
As of June 30, 2005, a rental guarantee of 206 T€. No contingencies for the benefit of board members were assumed.

H) Board of Directors and Supervisory Board

On June 10, 2005, the annual shareholders' meeting of MediGene was held. On that occasion the supervisory board member Dr. Goll declared vis-à-vis the menagement board of the company her resignation being effective as of the end of the shareholders' meeting which resolves upon the discharge regarding the financial year 2004. The former substitute member Sebastian Freitag, investment banker from Frankfurt/Main, will take her place and become a member of the supervisory board. Apart from that, the annual shareholder's meeting gave its majority consent to all requests of the administration in all items of the agenda.

„Directors Holdings“ and Notes on Company-Owned Shares and Warrants

Members	Shares H1-2005	Shares Y-2004	Options H1-2005	Options Y-2004	CB*) H1-2005	CB*) Y-2004
Prof. Dr. Ernst-Ludwig Winnacker Supervisory Board Chairman, Co-founder	292,676	292,676	38,700	38,700	3,200	3,200
Prof. Dr. Norbert Riedel Deputy Chairman of the Supervisory Board	3,300	3,300	5,590	5,590	0	0
Dr. Pol Bamelis Supervisory Board Member	1,000	1,000	0	0	1,200	1,200
Sebastian Freitag Supervisory Board Member	0	0	0	0	0	0
Dr. Manfred Scholz Supervisory Board Member	86,500	142,841	0	0	0	0
Michael Tarnow Supervisory Board Member	6,337	6,337	0	0	36,200	36,200
Total Supervisory Board	**389,813**	**446,154**	**44,290**	**44,290**	**40,600**	**40,600**
Dr. Peter Heinrich Chief Executive Officer, Co-founder	503,505	503,505	96,636	76,636	0	0
Dr. Ulrich Delvos Executive Board Member for R&D	360	360	5,000	0	0	0
Alexander Dexne Chief Financial Officer	0	0	80,000	60,000	0	0
Total Executive Board	**503,865**	**503,865**	**181,636**	**136,636**	**0**	**0**
Shareholders' Equity MediGene AG	**0**	**0**	**0**	**0**	**0**	**0**

*) Convertible Bonds

(Status as at June 30, 2005, and December 31, 2004)

I) Adjustments US GAAP to IFRS

Adjustment Consolidated Income Statements
of MediGene AG for the periods from January 1 to December 31, 2004

in T€	US GAAP Y-2004 audited	IFRS adjustment	IFRS Y-2004 unaudited
1. Product sales	12,501	0	12,501
2. Other operating income	657	0	657
3. Total revenues	**13,138**	**0**	**13,138**
4. Cost of sales	5,930	0	5,930
5. Gross profit	**7,208**	**0**	**7,208**
6. Selling expenses	1,164	0	1,164
7. General and administrative expenses	4,788	342	5,130
8. Research and development expenses	15,627	0	15,627
9. Operating result (EBIT)	**-14,371**	**-342**	**-14,713**
10. Interest income and expenditures	575	-18	557
11. Income from securities	1,581	0	1,581
12. Foreign currency exchange gains/losses	-90	0	-90
13. Loss before income tax	**-12,305**	**-360**	**-12,665**
14. Tax	0		0
15. Net loss from continued operations	**-12,305**	**-360**	**-12,665**
16. Result from discontinued operations	-1		-1
17. Net loss for the period	**-12,306**	**-360**	**-12,666**
Per share data in €:			
Result from continued operations ("actual" and "fully diluted")	-0.88	-0.02	-0.90
Result including discontinued operations ("actual" and "fully diluted")	-0.88	-0.02	-0.90
Weighted average number of shares outstanding	13,996,440		13,996,440

IFRS
Totals may vary due to rounding

Adjustment Consolidated Income Statements
of MediGene AG for the periods from January 1 to June 30, 2004

In T€	US GAAP H1-2004 unaudited	IFRS adjustment	IFRS H1-2004 unaudited
1. Product sales	8,639	0	8,639
2. Other operating income	191	0	191
3. Total revenues	**8,830**	**0**	**8,830**
4. Cost of sales	3,253	0	3,253
5. Gross profit	**5,577**	**0**	**5,577**
6. Selling expenses	614	0	614
7. General and administrative expenses	2,094	171	2,265
8. Research and development expenses	6,820	0	6,820
9. Operating result (EBIT)	**-3,951**	**-171**	**-4,122**
10. Interest income and expenditures	253	-11	242
11. Foreign currency exchange gains/losses	-15	0	-15
12. Loss before income tax	**-3,713**	**-182**	**-3,895**
13. Tax	0	0	0
14. Net loss from continued operations	**-3,713**	**-182**	**-3,895**
15. Result from discontinued operations	-300	0	-300
16. Net loss for the period	**-4,013**	**-182**	**-4,195**
Per share data in €:			
Result from continued operations ("actual" and "fully diluted")	-0.32	-0.01	-0.33
Result including discontinued operations ("actual" and "fully diluted")	-0.32	-0.01	-0.33
Weighted average number of shares outstanding	12,813,606		12,813,606

IFRS
Totals may vary due to rounding

Adjustment Consolidated Income Statements
of MediGene AG for the period from April 1 to June 30, 2004

In T€	US GAAP Q2-2004 unaudited	IFRS adjustment	IFRS Q2-2004 unaudited
1. Product sales	4,782	0	4,782
2. Other operating income	138	0	138
3. Total revenues	**4,920**	**0**	**4,920**
4. Cost of sales	3,225	0	3,225
5. Gross profit	**1,695**	**0**	**1,695**
6. Selling expenses	315	0	315
7. General and administrative expenses	1,080	86	1,166
8. Research and development expenses	3,025	0	3,025
9. Operating result (EBIT)	**-2,725**	**-86**	**-2,811**
10. Interest income and expenditures	154	-3	151
11. Foreign currency exchange gains/losses	-13	0	-13
12. Loss before income tax	**-2,584**	**-89**	**-2,673**
13. Tax	0	0	0
14. Net loss from continued operations	**-2,584**	**-89**	**-2,673**
15. Result from discontinued operations	-19	0	-19
16. Net loss for the period	**-2,603**	**-89**	**-2,692**
Per share data in €:			
Result from continued operations ("actual" and "fully diluted")	-0.19	-0.01	-0.20
Result including discontinued operations ("actual" and "fully diluted")	-0.19	-0.01	-0.20
Weighted average number of shares outstanding	13,474,132		13,474,132

IFRS
Totals may vary due to rounding

Adjustment Consolidated Balance Sheet
of MediGene AG as of January 1, 2004

in T€	December 31, 2003 US GAAP audited	IFRS adjustment	January 1, 2004 IFRS unaudited
Assets			
A. Long-term assets			
I. Property, plant & equipment	2,189	0	2,189
II. Intangible assets	76	0	76
III. Goodwill	9,226	0	9,226
IV. Investments	4,452	0	4,452
V. Other assets	42	0	42
Total long-term assets	**15,985**	**0**	**15,985**
B. Current assets			
I. Inventories	0	0	0
II. Accounts receivable	79	0	79
III. Cash & cash equivalents	21,444	0	21,444
IV. Other current assets	859	0	859
Total current assets	**22,382**	0	**22,382**
Total assets	**38,367**	**0**	**38,367**
Liabilities and shareholders' equity			
A. Shareholders' equity			
I. Share capital Number of shares issued and outstanding: December 31, 2003: 11,206,205	11,206	0	11,206
II. Additional paid-in capital	218,177	111	218,288
III. Accumulated deficit	-199,943	-1,057	-201,000
IV. Net income recognized directly in equity	-220	975	755
Total shareholders' equity	**29,220**	**29**	**29,249**
B. Long-term liabilities			
I. Long-term debt less current portion	108	-29	79
II. Other long-term liabilities	34	0	34
III. Capital lease obligation less current portion	108	0	108
IV. Pension accrual	35	0	35
Total long-term liabilities	**285**	**-29**	**256**
C. Current liabilities			
I. Trade accounts payable	1,764	0	1,764
II. Current debt and current portion of long-term debt	3,222	0	3,222
III. Other current liabilities	268	0	268
IV. Current portion of capital lease obligation	265	0	265
V. Accruals	3,342	0	3,342
Total current liabilities	**8,862**	**0**	**8,862**
Total liabilities and shareholders' equity	**38,367**	**0**	**38,367**

IFRS
Totals may vary due to rounding

Adjustment Consolidated Balance Sheet
of MediGene AG as of January 1, 2005

in T€	US GAAP December 31, 2004 audited	IFRS Adjustment	IFRS January 1, 2005 unaudited
Assets			
A. Long-term assets			
I. Property, plant & equipment	1,565	0	1,565
II. Intangible assets	7,020	0	7,020
III. Goodwill	9,226	0	9,226
IV. Investments	2,761	0	2,761
V. Other assets	133	0	133
Total long-term assets	**20,705**	**0**	**20,705**
B. Current assets			
I. Inventories	0	0	0
II. Accounts receivable	115	0	115
III. Cash & cash equivalents	48,460	0	48,460
IV. Other current assets	3,614	0	3,614
Total current assets	**52,189**	0	**52,189**
Total assets	**72,894**	**0**	**72,894**
Liabilities and shareholders' equity in T€			
A. Shareholders' equity			
I. Share capital Number of shares issued and outstanding: December 31, 2004: 18,522,684	18,523	0	18,523
II. Additional paid-in capital	256,411	471	256,882
III. Accumulated deficit	-212,248	-1,416	-213,664
IV. Net income recognized directly in equity	-1,003	975	-28
Total shareholders' equity	**61,683**	**29**	**61,712**
B. Long-term liabilities			
I. Long-term debt less current portion	1,703	-29	1,674
II. Other long-term liabilities	55	0	55
III. Capital lease obligation less current portion	115	0	115
IV. Pension accrual	36	0	36
Total long-term liabilities	**1,909**	**-29**	**1,880**
C. Current liabilities			
I. Trade accounts payable	618	0	618
II. Other current liabilities	3,463	0	3,463
III. Current portion of capital lease obligation	269	0	269
IV. Accruals	2,953	0	2,953
V. Deferred income	2,000	0	2,000
Total current liabilities	**9,303**	**0**	**9,303**
Total liabilities and shareholders' equity	**72,894**	**0**	**72,894**

IFRS
Totals may vary due to rounding

Adjustment Consolidated Balance Sheet
of MediGene AG as of June 30, 2004

in T€	US GAAP June 30, 2004 unaudited	IFRS adjustment	IFRS June 30, 2004 unaudited
Assets			
A. Long-term assets			
I. Property, plant & equipment	1,632	0	1,632
II. Intangible assets	61	0	61
III. Goodwill	9,226	0	9,226
IV. Investments	6,593	0	6,593
V. Other assets	113	0	113
Total long-term assets		**0**	**17,625**
B. Current assets			
I. Inventories	646	0	646
II. Accounts receivable	13	0	13
III. Cash & cash equivalents	32,815	0	32,815
IV. Other current assets	1,321	0	1,321
Total current assets	**34,795**	0	**34,795**
Total assets	**52,420**	**0**	**52,420**
Liabilities and shareholders' equity in T€			
A. Shareholders' equity			
I. Share capital	13,474		13,474
Number of shares issued and outstanding: June 30, 2004: 13,474,232			
II. Additional paid-in capital	230,431	293	230,724
III. Accumulated deficit	-203,956	-1,239	-205,195
IV. Net income recognized directly in equity	1,921	975	2,896
Total shareholders' equity	**41,870**	**29**	**41,899**
B. Long-term liabilities			
I. Long-term debt less current portion	1,420	-29	1,391
II. Other long-term liabilities	34	0	34
III. Capital lease obligation less current portion	40	0	40
IV. Pension accrual	35	0	35
Total long-term liabilities	**1,529**	**-29**	**1,500**
C. Current liabilities			
I. Trade accounts payable	1,175	0	1,175
II. Current portion of long-term debt	3,284	0	3,284
III. Other current liabilities	295	0	295
IV. Current portion of capital lease obligation	183	0	183
V. Accruals	1,798	0	1,798
VI. Deferred income	2,286	0	2,286
Total current liabilities	**9,021**	**0**	**9,021**
Total liabilities and shareholders' equity	**52,420**	**0**	**52,420**

IFRS
Totals may vary due to rounding

Financial Calendar / Imprint

2005

August 3
6-Months Report
Press and analysts conference call

November 2
9-Months Report
Press and analysts conference call

2006

March 22
Annual Report 2005
Press and analysts conference call

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...we look forward to speaking with you