sinnerschrader

QUARTERLY FINANCIAL REPORT 2008 | 2009

1

Key Figures

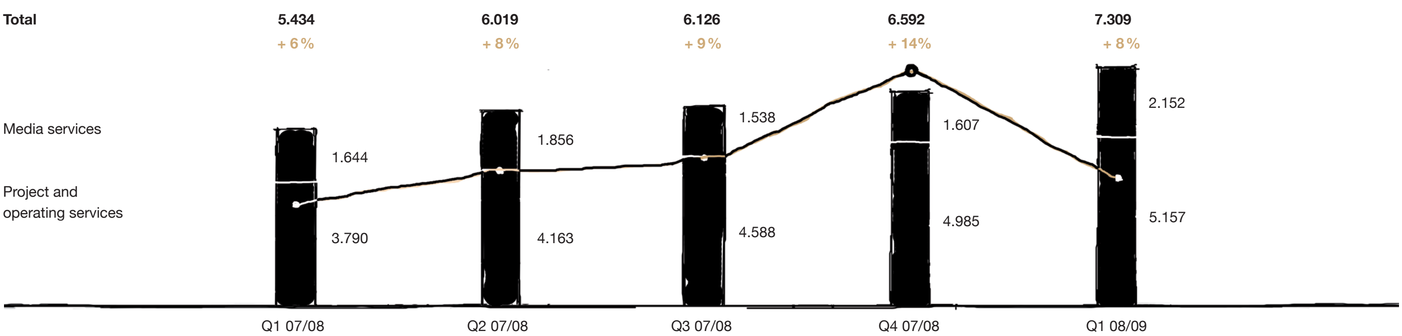
in € 000s, €, and number	Q1 2008/2009	Q1 2007/2008	Change
Revenues	7,309	5,434	+35 %
Gross profit	1,767	1,434	+23 %
EBITDA	698	455	+53 %
EBITA	561	335	+67 %
Net income	415	322	+29 %
Net income per share	0.04	0.03	+33 %
Cash flows from operating activities	-217	754	-129 %
Employees, full-time equivalents	216	142	+52 %

	30.11.2008	31.08.2008	Change
Cash and cash equivalents	8,637	9,075	-5 %
Employees, end of period	237	241	-2 %

CONTENTS

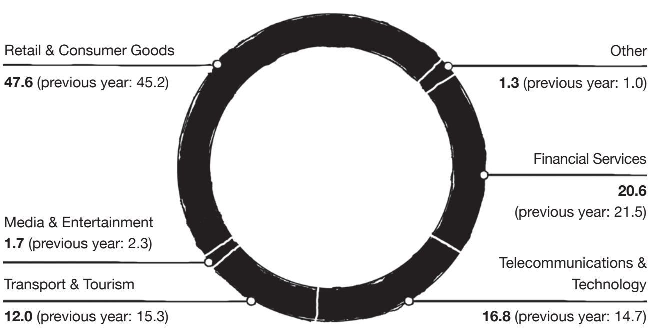
Development of Gross Revenues and Gross Revenue Margin

Gross revenues in € 000s; gross revenue margin in %



Revenues by Sector

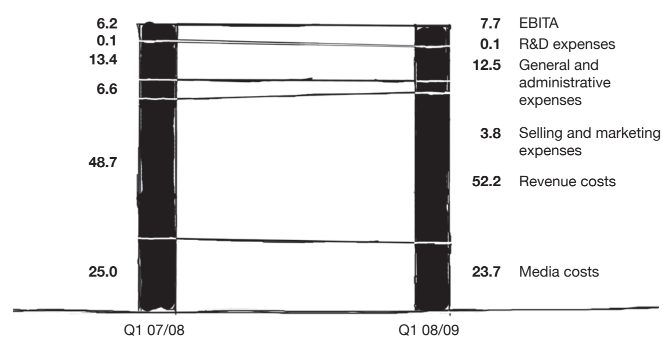
in % for Q1 2008/2009



previous year = fiscal year 2007/2008

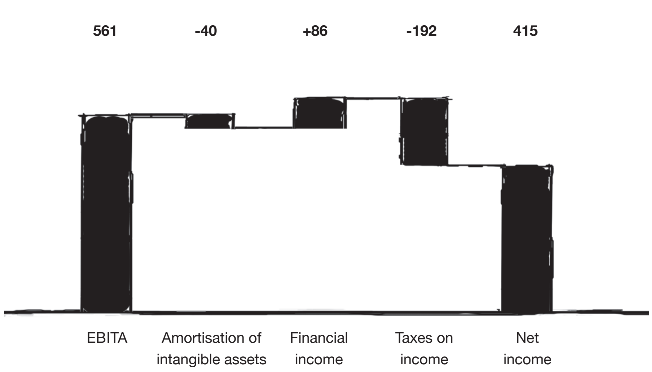
Development of Operating Costs and EBITA

in % of gross revenues



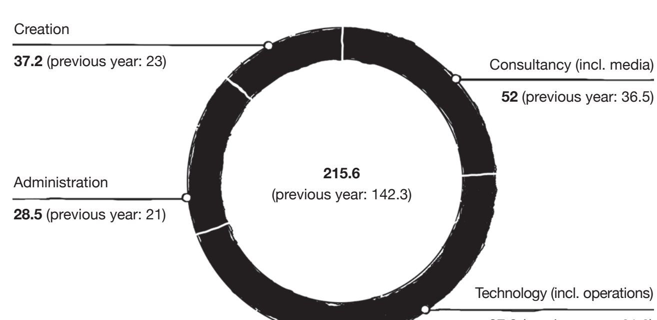
Reconciliation of EBITA to Net Income

in € 000s for Q1 2008/2009



Employee Structure According to Areas

in average number of full-time employees for Q1 2008/2009



previous year = Q1 2007/2008

Interim Status Report as of 30 November 2008

1 General

This Interim Status Report as of 30 November 2008 represents the development of the income, financial, and assets status of the SinnerSchrader Group ("SinnerSchrader" or "Group"), which is managed by SinnerSchrader Aktiengesellschaft ("SinnerSchrader AG" or "AG"), in the first quarter of the 2008/2009 financial year from 1 September 2008 to 30 November 2008. It deals with the major risks and opportunities and the probable future development of business in the rest of the financial year.

The Consolidated Financial Statements to which this Status Report refers were drawn up according to International Financial Reporting Standards ("IFRS"). The Interim Status Report, particularly Section 4, contains statements and information aimed at the future. Such forward-looking statements are based on current knowledge, estimates, and assumptions. They therefore entail a number of risks and uncertainties. A variety of factors, many of which are outside SinnerSchrader's sphere of influence, have an impact on business development and its results. These factors mean that the actual future business development of SinnerSchrader and the actual results achieved may differ significantly from the explicit or implicit information in the forward-looking statements.

2 Group Structure

The composition of the Group has not changed in comparison with the situation at the end of the last financial year on 31 August 2008. SinnerSchrader Deutschland GmbH and the operatively inactive SinnerSchrader Benelux BV and SinnerSchrader UK Ltd. are still part of the consolidation group of the AG, as is spot-media and its single subsidiary as of 1 February 2008. In the comparable period of the previous year, spot-media AG did not yet belong to the Group.

The share in activeGATE GmbH, which has been in place since April 2008, continued to be posted as a minority share without dominating influence "at equity" in the first quarter of 2008/2009.

3 Business Development and Group Situation

In the first quarter of 2008/2009, SinnerSchrader was able to continue on from the successful development in the 2007/2008 financial year in spite of the financial and economic crisis that started in the quarter. For the first quarter of the 2008/2009 financial year, SinnerSchrader posted growth of just under 35 % and 37 % in gross and net revenues, respectively, and an improvement of 67 % in the operating result (EBITA).

In the quarter covered by the report, the operating margin was 7.7 % in relation to gross revenues and 10.0 % in relation to net revenues; the values for the same quarter of the previous year were surpassed by 1.5 and 1.8 percentage points, respectively.

spot-media AG, which was taken over in February 2008 and which did not contribute to the Group revenues and earnings in the first quarter of last year, played a noticeable part in the good developments.

3.1 Revenues, Incoming Orders, and Price Development

SinnerSchrader earned gross revenues of € 7.3 million in the first quarter of 2008/2009. This was 34.5 % more than in the first quarter of 2007/2008 and 10.9 % more than in the directly preceding fourth quarter.

Of the total € 1.9 million increase in gross revenues in comparison to the same quarter of the previous year, € 1.4 million were incurred in business with project and operating services, which thus grew by 36.1 % in comparison to the previous year. Around € 1 million of this growth was accounted for by spot-media AG, which was not yet part of the SinnerSchrader Group in the first quarter of 2007/2008. Business with media services rose by € 0.5 million or 30.9 % gross in comparison to the previous year.

As regards net revenues – i.e. without the volume of the media budget that it manages – SinnerSchrader earned € 5.6 million in the period covered by the report, which was 36.9 % above the value for the previous year.

As in the whole of the previous year, the growth in the first quarter was mainly earned in business with the large existing customers in SinnerSchrader's key sectors of Retail & Consumer Goods, Telecommunications & Technology as well as Financial Services. However, the share of revenues accounted for by customers for whom SinnerSchrader was not yet active one year ago rose slightly to just under 5 % in the first quarter of 2008/2009 in comparison to the previous quarters. In the quarter covered by the report, spot-media AG acquired a new customer with great potential in the form of HanseNet.

Gross revenues rose in comparison to the previous quarter by € 0.7 million. Three quarters of this increase was achieved with media services, which traditionally have their seasonal high in the last few months of the calendar year because of the Christmas trade.

The distribution of gross revenues according to sectors shifted in favour of the Retail & Consumer Goods and Telecommunications & Technology sectors in the first quarter of 2008/2009 in comparison to the distribution in the whole of 2007/2008. The shares of both sectors rose by a good 2 percentage points to just under 48 % and 17 %, respectively, although the share of the Retail & Consumer Goods sector was influenced by the seasonally strong media business. In spite of absolute rises, the share of Financial Services customers fell to just under 21 %. With rather stagnant absolute revenues, the revenue shares of the Transport & Tourism and Media & Entertainment sectors fell more clearly.

The revenue share of the ten biggest customers was a good 91 % in the quarter covered by the report. This means that the share was still above the comparable value for the whole of the 2007/2008 financial year, which is mainly due to the seasonally strong media business.

Incoming orders in project and operating services in the first quarter of 2008/2009, including the effect of the spot-media acquisition, were nearly 13.5 % above the comparable value of the previous year. Without the incoming orders from spot-media AG, incoming orders would have fallen slightly. This means that the dynamic growth in orders has slowed down, which should be viewed in the context of the financial crisis and the associated negative expectations for overall economic development.

In spite of the negative prospects for the economy as a whole and a certain amount of reticence in placing orders, no price pressure could be seen in the first quarter of 2008/2009. However, further improvements to the price position should not be expected in the current environment.

3.2 Operating Result

As a consequence of the positive revenue development in the first quarter of 2008/2009, the operating result has improved markedly. The result before interest, taxes, and depreciation effects from acquisitions (EBITA) reached a value of € 561,000 in the period covered by the report. This represents a rise of 67 % over the previous year.

The rise in earnings was largely due to the contribution of spot-media AG. Without this, the EBITA would have improved in comparison to the first quarter of the previous year by around 9 %.

The cost development in comparison to the previous year is characterised by a disproportionate rise in revenue costs, which resulted in a reduction in the gross profit margin with respect to gross revenues by 2 percentage points to a good 24 %. In relation to net revenues, the gross profit margin in the quarter of the report was just under 32 %. The marketing expenses, the general and administrative costs, and the research and development costs rose disproportionately slowly in comparison to the previous year or they fell, with the result that they decreased further with respect to gross revenues. On balance, the operating margin rose in relation to gross revenues and net revenues by just about 2 percentage points to 7.7 % and 10.0 %, respectively, in the period of the report.

Research and development costs were still at a low level. Around € 9,000 were invested in the quarter covered by the report, mainly in the further development of SinnerSchrader's own programming platforms. The figure was € 7,000 in the first quarter of the previous year.

The comparison between the first quarter of 2008/2009 and the first quarter of 2007/2008 reveals growth in all cost types because of the consolidation of spot-media AG. The 44 % rise in personnel costs was disproportionate because SinnerSchrader will provide a greater proportion of the overall output with its own employees thanks to the take-over of spot-media AG and the expansion of its personnel capacity in the 2008/2009 financial year. Personnel capacity measured in the average number of full-time employees amounted to 216 employees and was thus 53 % above the level of the same quarter of the previous year. By contrast, the costs for external services fell from nearly 14 % to 12 % in relation to gross revenues.

In comparison to the directly preceding fourth quarter of 2007/2008, the operating result fell by around 40 %. With the same level of gross revenues, this was partially a result of increased sales efforts, especially due to the fact that general and administrative costs are incurred in the first two quarters of the financial year in connection with the listing on the stock market (Annual Report, Annual General Meeting).

3.3 Consolidated Income

In line with the operating performance, the consolidated income improved in the first quarter of 2008/2009 by 29 % to € 415,000 or € 0.04 per share in comparison to the same quarter of the previous year.

Starting with the EBITA, the consolidated income comes about after deduction of the depreciation related to the existing customers acquired within the context of the initial consolidation of spot-media AG, after addition of the result from the investment of liquid funds, and after deduction of taxes on income. A burden on income of € 40,000 was incurred for the depreciation of the existing customers; there was no corresponding item in the previous year.

The financial income amounted to € 86,000 and was thus € 21,000 or 20 % lower than in the first quarter of 2007/2008. The effect of the average available liquidity, which was lower because of the dividend payment in December 2007 and the investments in the first half of 2008, can be seen here.

The income tax liability in the reporting quarter was € 192 million, corresponding to a tax rate of 31.6 %. In the previous year, the tax burden was 27.1 %. The rise in the tax rate is largely due to the fact that, as part of the further reduction of credit risks from the investment of liquidity, the position of tax-advantaged investments on the financial markets was reduced when the financial crisis started. Furthermore, there was a tax reimbursement that was to have been posted in the previous year.

The comparison with the previous quarter is much more favourable in the consolidated income than in the operating results. The fall in comparison between the quarters was only 5 % here. In particular, this is due to the fact that the item for the investment in activeGATE GmbH was completely depreciated in the fourth quarter of 2007/2008, which resulted in a one-off burden of around € 240,000.

3.4 Cash Flows

The cash flows of the quarter of the report were characterised by a marked increase in the tying up of funds in working capital in comparison to the level at the end of the previous year. Because of the considerable slowdown in cash inflows from customers due to the uncertainty caused by the financial crisis, around € 1 million more funds were tied up in the accounts receivable as of 30 November 2008 than as of 31 August 2008. However, SinnerSchrader does not see this as a risk to the income situation because of the quality of its customer structure. A considerable proportion of the outstanding accounts receivable on 31 November 2008 have now been settled.

The increase in the tying up of funds in the working capital resulted in cash consumption of around € 0.2 million in operating activities. In the previous year, nearly € 0.8 million were earned in the same period. Nearly € 0.1 million were invested in tangible assets and software, roughly the same amount as in the previous year. Cash was also used up from the financing activity because of the share buy-back programme. A good € 0.1 million were used for this in the quarter of the report. In the previous year, a similar number of shares were bought back from the market.

Overall, the liquid funds and cash equivalents fell by a good € 0.4 million from 31 August 2008 to 30 November 2008. In the comparable period of the previous year, an increase of € 0.5 million was achieved.

3.5 Balance Sheets

The growth in business in the first quarter is reflected in a further extension to the balance sheet. The balance sheet total rose from the level of 31 August 2008 by around € 1 million to € 20.9 million.

On the assets side of the balance sheet, the position vis-à-vis customers, comprising accounts receivable and unbilled revenues, increased by a total of € 1.4 million, partially to the detriment of the liquid funds and cash equivalents, which fell by € 0.4 million. The fixed assets fell slightly by € 0.1 million due to the scheduled depreciation of the existing customers from the spot-media acquisition and due to the investment level which was lower than the depreciations. Conversely, the other current assets rose by the same amount.

The growth in assets was contrasted on the liabilities side mainly by the increase in the volume of deposit payments received to the tune of € 0.4 million, the building up of accrued expenses by € 0.3 million, and the rise in shareholders' equity by € 0.3 million. The rise in shareholders' equity was less than the consolidated income of € 0.4 million of the first quarter of 2008/2009 because the amount of treasury stock, listed as a deducted item in the shareholders' equity, rose by a good € 0.1 million. The equity rate declined in the quarter covered by the report by around 1.7 percentage points to 63.4 % as of 30 November 2008.

3.6 Employees

In the first quarter of 2008/2009, the average number of full-time employees was 216, 52 of whom worked in consultancy (including media), 98 in technology (including operations), 37 in creation, and 29 in administration. In the comparable quarter of the previous year, the personnel capacity at SinnerSchrader – without spot-media AG, which was only taken over in February – was 142 full-time employees. In comparison to the fourth quarter of 2007/2008, SinnerSchrader expanded its capacity by 7 full-time employees from 209 in the quarter of the report.

On 30 November 2008, there were 237 employees at SinnerSchrader. The final amount at the end of the previous quarter was 241 employees. On 30 November of the previous year, the number of employees was 154.

4 Risks and Opportunities

As regards risk management at SinnerSchrader and the major risks and opportunities in particular, there have been no major changes in the first quarter of 2008/2009 in comparison to the situation in the 2007/2008 Annual Report.

Because of the intensification of the worldwide financial crisis in the course of the quarter of the report, the economic prospects have darkened considerably. The effects on SinnerSchrader's business development can also not be clearly estimated. This is why it will be especially important to observe the economic risks in the months ahead in order to react to them in time.

However, the economic crisis could also entail opportunities for SinnerSchrader. The crisis will force companies to increase efficiency, including in marketing. As an efficient and performance-oriented marketing platform, the Internet could benefit from this by speeding up the shift of the marketing budget from the classical marketing channels to the online sphere.

5 Major Events after the Balance Sheet Date

In December 2008, SinnerSchrader took over the marketing business of newtention technologies GmbH with two employees and ongoing customer relations in order to strengthen its own business with media services in the field of performance marketing. At the same time, SinnerSchrader and newtention technologies GmbH agreed to a far-reaching cooperation for the n7 profiling, targeting, and ad management technology which was developed by newtention technologies.

Also in December 2008, spot-media AG signed a contract to take over the project business of the Hamburg interactive agency Con Structores with five employees and ongoing customer relations with effect from 1 January 2009.

Furthermore, SinnerSchrader AG divested itself of its 20 % share in activeGATE GmbH and transferred it to the co-owner in return for a share of the future revenues of the company.

Finally, the Annual General Meeting of SinnerSchrader AG on 18 December 2008 decided to pay a dividend of € 0.12 per share from the accumulated income as of 31 August 2008 at the suggestion of the Management Board and Supervisory Board. The dividend with a volume of € 1.4 million was paid out on 19 December 2008.

6 Forecast

In the first quarter of 2008/2009, SinnerSchrader was able to continue the positive development of the last financial quarters and further expand its business. The crisis on the international money markets that unfolded fully in early October 2008 and the subsequent collapse of the worldwide economy did not have an impact on the development in the quarter covered by the report.

The development of incoming orders, however, shows that the dynamic business growth is noticeably slowing down. Without taking account of spot-media AG, the incoming orders in the first quarter were below those in the comparable period of the previous year. Taking the month of December in account, there was growth in the mid-single-digit percentage range for the first four months, even without the positive effect from the expansion in business resulting from the take-over of spot-media.

SinnerSchrader is convinced that the phase of economic downturn will speed up the shift in marketing towards the Internet, which has been underway for some time, and that interactive agencies will benefit from this change. This is particularly true for those who have geared their business more towards the marketing infrastructure than brand and marketing communication. Based on this conviction, SinnerSchrader took further steps towards expanding its business in December and will continue to do so.

This does not mean that the economically difficult phase will not leave traces on SinnerSchrader's figures and revenues and/or that the results in the second half of the year will not reach the values of the previous year. In view of the high degree of uncertainty about the exact course of the economic downturn, it would be foolhardy to rule this out.

However, SinnerSchrader is convinced that, for the 2008/2009 year as a whole, its revenues and operating result will rise in comparison to the previous year and, against the background of solid finances and capitalisation, it will be able to greatly improve its competitive position with the aim of becoming the leading agency of the interactive age in the German market.

Consolidated Balance Sheets

as of 30 November 2008 and 31 August 2008

Assets in €	30.11.2008	31.08.2008
Current assets:		
Liquid funds	6,085,436	9,075,148
Marketable securities	2,551,452	–
Cash and cash equivalents	8,636,888	9,075,148
Accounts receivable, net of allowances for doubtful accounts of € 157,924 and € 157,924	5,814,244	4,829,850
Unbilled revenues	1,694,302	1,245,615
Other current assets and prepaid expenses	357,471	241,823
Total current assets	16,502,905	15,392,436
Non-current assets:		
Property and equipment	1,032,980	1,081,485
Goodwill	2,592,463	2,592,463
Other intangible assets	391,613	436,985
Tax receivables	204,640	203,009
Other non-current assets and prepaid expenses	196,552	227,586
Total non-current assets	4,418,248	4,541,528
Total assets	**20,921,153**	**19,933,964**
Liabilities and shareholders' equity in €		
Current liabilities:		
Trade accounts payable	2,088,338	2,358,219
Advance payments received	819,088	435,290
Accrued expenses	2,127,933	1,814,767
Tax liabilities	477,233	434,643
Deferred income and other current liabilities	922,149	809,528
Total current liabilities	6,434,741	5,852,447
Non-current liabilities:		
Other non-current liabilities	745,366	738,092
Deferred tax liability	484,288	372,580
Total non-current liabilities	1,229,654	1,110,672
Shareholders' equity:		
Common stock, stated value € 1, issued: 11,542,764 and 11,542,764, outstanding: 11,410,758 and 11,497,579 at 30.11.2008 and 31.08.2008, respectively	11,542,764	11,542,764
Additional paid-in capital	3,601,770	3,601,770
Reserves for share-based compensation	79,225	70,778
Treasury stock, 132,006 and 45,185 at 30.11.2008 and 31.08.2008, respectively	-210,090	-72,192
Accumulated deficit	-1,781,982	-2,197,346
Changes in shareholders' equity not affecting net income	25,072	25,071
Total shareholders' equity	13,256,759	12,970,845
Total liabilities and shareholders' equity	**20,921,153**	**19,933,964**

The accompanying notes are an integral part of these Consolidated Financial Statements.

Consolidated Statements of Operations

from 1 September to 30 November 2008

in €	Q1 2008/2009	Q1 2007/2008
Revenues, gross	7,308,842	5,433,857
Media costs	-1,728,612	-1,359,188
Total revenues, net	5,580,230	4,074,669
Costs of revenues	-3,813,171	-2,640,836
Gross profit	**1,767,059**	**1,433,833**
Selling and marketing expenses	-280,871	-360,837
General and administrative expenses	-914,789	-739,925
Research and development expenses	-8,753	-6,723
Amortisation of intangible assets from first consolidation	-39,517	–
Operating income	**523,129**	**326,348**
Other income/expenses, net	-1,926	8,741
Financial income, net	85,573	106,883
Income before provision for income tax	**606,776**	**441,972**
Income tax	-191,412	-120,236
Net income	**415,364**	**321,736**
Net income per share (basic)	0.04	0.03
Net income per share (diluted)	0.04	0.03
Weighted average shares outstanding (basic)	11,425,453	11,382,766
Weighted average shares outstanding (diluted)	11,425,918	11,383,331

The accompanying notes are an integral part of these Consolidated Financial Statements.

Consolidated Statements of Shareholders' Equity
from 1 September to 30 November 2008

in €	Number of shares outstanding
Balance at 31.08.2007	**11,401,878**
Foreign currency translation adjustment	–
Changes in shareholders' equity not affecting net income	–
Net income	–
Deferred compensation	–
Purchase of treasury stock	-68,868
Balance at 30.11.2007	**11,333,010**
Balance at 31.08.2008	**11,497,579**
Foreign currency translation adjustment	–
Changes in shareholders' equity not affecting net income	–
Net income	–
Deferred compensation	–
Purchase of treasury stock	-86,821
Balance at 30.11.2008	**11,410,758**

The accompanying notes are an integral part of these Consolidated Financial Statements.

Common stock	Additional paid-in capital	Reserves for share-based compensation	Treasury stock	Retained earnings/ losses	Changes in share-holders' equity not affecting net income	Total shareholders' equity
11,542,764	**3,612,775**	**32,536**	**-217,350**	**-2,447,384**	**24,961**	**12,548,302**
–	–	–	–	–	27	27
–	–	–	–	–	27	27
–	–	–	–	321,736	–	321,736
–	–	8,200	–	–	–	8,200
–	–	–	-112,560	–	–	-112,560
11,542,764	**3,612,775**	**40,736**	**-329,910**	**-2,125,648**	**24,988**	**12,765,705**
11,542,764	**3,601,770**	**70,778**	**-72,192**	**-2,197,346**	**25,071**	**12,970,845**
–	–	–	–	–	1	1
–	–	–	–	–	1	1
–	–	–	–	415,364	–	415,364
–	–	8,447	–	–	–	8,447
–	–	–	-137,898	–	–	-137,898
11,542,764	**3,601,770**	**79,225**	**-210,090**	**-1,781,982**	**25,072**	**13,256,759**

Consolidated Statements of Cash Flows

from 1 September to 30 November 2008

in €	Q1 2008/2009	Q1 2007/2008
Cash flows from operating activities:		
Net income	415,364	321,736
Adjustments to reconcile net profit to net cash used in operating activities:		
Amortisation of intangible assets from first consolidation	39,517	–
Depreciation of property and equipment	137,280	120,468
Share-based compensation	8,447	8,200
Gains/losses on the disposal of fixed assets	1	–
Deferred tax provision	111,708	120,237
Changes in assets and liabilities:		
Accounts receivable	-984,394	104,321
Unbilled revenues	-448,687	-222,284
Tax receivables	-1,631	-5,909
Other current assets and prepaid expenses	-84,614	-135,490
Accounts payable, deferred revenues and other liabilities	233,813	522,218
Tax liabilities	42,589	–
Other accrued expenses	313,166	-79,206
Net cash provided by (used in) operating activities	**-217,441**	**754,291**
Cash flows from investing activities:		
Purchase of property and equipment	-82,922	-129,514
Net cash provided by (used in) investing activities	**-82,922**	**-129,514**
Cash flows from financing activities:		
Payment for treasury stock	-137,898	-112,560
Net cash provided by (used in) financing activities	**-137,898**	**-112,560**
Net effect of rate changes on cash and cash equivalents	1	27
Net increase/decrease in cash and cash equivalents	**-438,260**	**512,243**
Cash and cash equivalents at beginning of period	9,075,148	10,449,726
Cash and cash equivalents at end of period	8,636,888	10,961,969
thereof back-up of bank guarantees	867,855	171,450
For information only, contained in cash flows from operating activities:		
Interest payment received	52,896	37,006
Paid interest	-1,001	-60

The accompanying notes are an integral part of these Consolidated Financial Statements.

Notes

1 General Foundations

The Consolidated Financial Statements as of 30 November 2008 of SinnerSchrader Aktiengesellschaft (“SinnerSchrader AG” or “AG”) and its subsidiaries (“SinnerSchrader Group”, “SinnerSchrader”, or “Group”) for the first quarter of the 2008/2009 financial year from 1 September 2008 to 30 November 2008 were drawn up according to the International Financial Reporting Standards (“IFRS”) of the International Accounting Standards Board (“IASB”) in force on the report date, taking account of the interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) and in compliance with the standard for interim financial reports specified by DRS 16 of the German Accounting Standards. They were not subject to an audit and are to be read in conjunction with the Consolidated Financial Statements of SinnerSchrader AG as of 31 August 2008.

The accounting, valuation, and consolidation methods of the Quarterly Report at hand were unchanged from the Consolidated Financial Statements as of 31 August 2008. They are disclosed and explained in the Consolidated Financial Statements as of 31 August 2008, which are published in the 2007/2008 Annual Report.

2 Consolidation Group

The consolidation group as of 30 November 2008 did not change in comparison to 31 August 2008 and consisted of SinnerSchrader AG as well as the following direct and indirect subsidiaries of the AG, each of which was fully consolidated:

1. SinnerSchrader Deutschland GmbH, Hamburg, Germany
2. spot-media AG, Hamburg, Germany
3. spot-media consulting GmbH, Hamburg, Germany
4. SinnerSchrader UK Ltd., London, Great Britain
5. SinnerSchrader Benelux BV, Rotterdam, the Netherlands

Furthermore, as of 30 November 2008, the AG still held a 20 % share in activeGATE GmbH, unchanged in comparison to 31 August 2008; this investment should be balanced according to the equity method. The value of this participation was completely corrected in the 2007/2008 Consolidated Financial Statements.

In the comparable period of the 2007/2008 financial year, spot-media AG and its subsidiary spot-media consulting GmbH were not yet part of the consolidation group. Assuming that the spot-media companies had also been part of the Group in the first quarter of 2007/2008, the comparison in Table 1 shows the key operating figures of the reporting period vis-à-vis the previous year:

Table 1 | Previous year comparative figures pro forma in €

	Q1 2008/2009	Q1 2007/2008 pro forma
Revenues, gross	7,308,842	6,280,936
Total revenues, net	5,580,230	4,921,748
EBITA	560,720	512,235

As part of the initial consolidation of spot-media AG in the 2007/2008 financial year, a segment of the purchase price was to be allocated to a set of existing customers, which was activated as intangible assets of € 382,000 in the Consolidated Balance Sheet. The value should be depreciated in a linear fashion over the expected usage period of 29 months, which resulted in a charge of € 39,000 from the depreciations to intangible assets from initial consolidation in the first quarter of 2008/2009.

3 Taxes from Income and from Earnings

The taxes reported in the Statements of Operations from income and from earnings are made up of current and deferred components, as shown in Table 2:

Table 2 | Income tax in €

	Q1 2008/2009	Q1 2007/2008
Current	79,705	–
Deferred	111,707	120,236
Total	**191,412**	**120,236**

In the first quarter of 2008/2009, current tax liabilities in the amount of around € 80,000 were incurred. Corporation tax and trade tax loss carry-forwards of the tax group led by SinnerSchrader AG were used up by the end of the 2007/2008 financial year. In the first quarter of the previous year, no current taxes were incurred because the pre-tax profits incurred in Germany could still be completely offset against tax loss carry-forwards. Deferred taxes were formed in accordance with IAS 12 on temporary differences between the book values in the Consolidated Balance Sheet and the tax assumptions.

The statutory income tax rate to which SinnerSchrader was subject as of 30 November 2008 and 30 November 2007 was 32.3 % and was made up of the trade tax rate of 16.5 %, the corporation tax rate of 15 %, and the solidarity surcharge of 5.5 % on the corporation tax.

4 Financial Obligations and Contingent Liabilities

The contingencies and other financial obligations as of 30 November 2008 were largely unchanged compared to the Consolidated Financial Statements as of 31 August 2008.

5 Treasury Stock

As of 30 November 2008, the treasury stock of SinnerSchrader AG amounted to 132,006 shares with a calculated face value of € 132,006, representing 1.14 % of the share capital. As of 31 August 2008, the treasury stock amounted to 48,185 shares, representing 0.39 % of the share capital.

In the first quarter of the 2008/2009 financial year, SinnerSchrader bought back 86,821 shares of treasury stock via the stock market at a total purchase price of € 137,899, which is an average of nearly € 1.59 per share.

The 132,006 shares of treasury stock held by SinnerSchrader as of 30 November 2008 had a purchase price of € 210,900, or an average of € 1.59 per share.

6 Stock Option Plans

With resolutions of the Annual General Meetings of October 1999, December 2000, and January 2007, SinnerSchrader AG created the SinnerSchrader Stock Option Plan 1999, the SinnerSchrader Stock Option Plan 2000, and the SinnerSchrader Stock Option Plan 2007, along with the necessary conditional capital of € 375,000 (Stock Option Plans 1999 and 2000) and € 600,000 (Stock Option Plan 2007). Detailed information on the stock option plans can be found in the Notes to the Consolidated Financial Statements as of 31 August 2007.

Within the framework of the Stock Option Plans 1999 and 2000, options have been allocated to employees and members of the Management Board of SinnerSchrader AG and its subsidiaries in the past years.

In the 2006/2007 and the 2007/2008 financial years, 75,000 and 175,000 options, respectively, from the 2007 Plan were allocated to a member of the SinnerSchrader AG Management Board and to members of the management of subsidiary companies. In the first quarter of the 2008/2009 financial year, no options were allocated.

Table 3 summarises the changes in the number of outstanding options from the 1999 Plan, the 2000 Plan, and the 2007 Plan in the first quarter of the 2008/2009 financial year:

Table 3 | Outstanding stock options in € and number

	Number of options	Weighted average exercise price
Outstanding at 31 August 2008	**311,135**	**1.69**
Granted	–	–
Exercised	–	–
Cancelled	-3,333	2.08
Expired	-8,835	1.53
Outstanding at 30 November 2008	**298,967**	**1.69**

IFRS 2 calls for the costs resulting from the issue of employee options to be entered in the balance sheet on the basis of their current value with an effect on income. The market value of the option on the issue date should be distributed over the waiting period for exercising the option and then proportionately entered in the Statements of Operations as personnel costs for the relevant period. The costs are recorded against the shareholders' equity in the reserve for share-based compensation. In the first quarter of 2008/2009, the costs affecting income amounted to € 8,447, compared to € 8,200 in the comparable period of 2007/2008.

7 Related Party Transactions

In the first quarter of the 2008/2009 and 2007/2008 financial years, SinnerSchrader achieved revenues in the amount of € 2,984,995 and € 1,646,852, respectively, with companies in which members of the Supervisory Board of SinnerSchrader held supervisory board positions.

8 Major Events after the Balance Sheet Date

In early December 2008, SinnerSchrader took over the marketing business of the Hamburg ad management specialist newtention technologies GmbH within the context of an asset deal and thus expanded its own media team by two members of staff.

The Annual General Meeting of SinnerSchrader AG on 18 December 2008 agreed to the proposal of the Management Board and Supervisory Board to pay a dividend in the amount of € 0.12 per share from the accumulated income as of 31 August 2008. On 19 December 2008, the amount of € 1,367,906 was paid to shareholders, and the liquid funds and shareholders' equity were reduced by the same amount.

At the end of December, SinnerSchrader AG also transferred its 20 % share in activeGATE GmbH to the co-owner in return for a share of the future revenues of the company.

Also in December 2008, spot-media AG took over the project business of the Hamburg interactive agency Con Structores, along with its five employees and current customer relationships, effective 1 January 2009.

9 Directors' Holdings of Shares and Subscription Rights to Shares ("Directors' Dealings")

Table 4 shows the number of shares of SinnerSchrader AG and the number of subscription rights to these shares held by directors of Sinner-Schrader AG as of 31 August 2008 and any changes in the first quarter of 2008/2009:

Table 4 | Shares and options of the Board members in number

Shares	31.08.2008	Additions	Disposals	30.11.2008
Management Board member:				
Matthias Schrader	2,415,175	32,500	–	2,447,675
Thomas Dyckhoff	74,950	–	–	74,950
Total shares of the Management Board	2,490,125	32,500	–	2,522,625
Supervisory Board member:				
Prof. Dr Reinhard Pöllath	–	–	–	–
Dieter Heyde	–	–	–	–
Prof. Cyrus D. Khazaeli	–	–	–	–
Total shares of the Supervisory Board	–	–	–	–
Total shares of the Board members	**2,490,125**	**32,500**	**–**	**2,522,625**

Options	31.08.2008	Additions	Disposals	30.11.2008
Management Board member:				
Matthias Schrader	–	–	–	–
Thomas Dyckhoff	75,000	–	–	75,000
Total options of the Management Board	75,000	–	–	75,000
Supervisory Board member:				
Prof. Dr Reinhard Pöllath	–	–	–	–
Dieter Heyde	–	–	–	–
Prof. Cyrus D. Khazaeli	–	–	–	–
Total options of the Supervisory Board	–	–	–	–
Total options of the Board members	**75,000**	**–**	**–**	**75,000**

10 Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the Consolidated Financial Statements of the SinnerSchrader Group give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the Interim Status Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principle opportunities and risks associated with the expected development of the Group.

Hamburg, 14 January 2009

The Management Board

Matthias Schrader   Thomas Dyckhoff

Events & Contact Information

Financial Calendar 2008/2009	
2nd Quarterly Report 2008/2009 (December 2008–February 2009)	16 April 2009
3rd Quarterly Report 2008/2009 (March 2009–May 2009)	15 July 2009
Annual Report 2008/2009	November 2009

Conference Calendar 2008/2009	
next09 conference	5–6 May 2009

For more information please visit our conference website at www.next09.de.

Contact

SinnerSchrader AG, Investor Relations
Völckersstraße 38, 22765 Hamburg, Germany
T. +49. 40. 39 88 55-0, F. +49. 40. 39 88 55-55
www.sinnerschrader.de, ir@sinnerschrader.de

Editorial Information

Published by: SinnerSchrader Aktiengesellschaft, Hamburg, Germany
Concept and design: heureka! – profitable communication, Essen, Germany

Date of publication: 15 January 2009

SinnerSchrader
Aktiengesellschaft

Völckersstraße 38
22765 Hamburg
Germany

www.sinnerschrader.de