



2007  
REPORT ON THE THIRD QUARTER 2007  
JULY 1 – SEPTEMBER 30, 2007

Q3

# Overview

## In focus

- ▶ Strong growth continues in third quarter 2007 (plus 9.8 percent)
- ▶ Consistent improvement of results
- ▶ Positive free cash flow
- ▶ Forecast for 2007 confirmed
- ▶ Outlook for 2008 positive

## Key figures

3 <sup>rd</sup> quarter 2007 in million Euro or percent, unless otherwise indicated	Results (in consideration of restructuring expenses)			Results (without consideration of restructuring expenses)	
	7/1 – 9/30/2007	7/1 – 9/30/2006	Change	7/1 – 9/30/2007	Change
<b>Sales</b>	45.5	41.4	9.8%	45.5	9.8%
Semiconductor	42.1	38.6	9.3%	42.1	9.3%
Micromechanics	3.4	2.9	17.0%	3.4	17.0%
<b>Gross profit</b>	19.4	18.6	4.2%	20.0	7.3%
in percent of sales	42.7%	45.0%		43.9%	
R&D expenses	7.4	7.5	-1.3%	7.4	-1.3%
in percent of sales	16.3%	18.2%		16.3%	
Operating income	5.6	5.2	7.2%	6.2	18.2%
in percent of sales	12.3%	12.6%		13.5%	
<b>EBIT</b>	5.2	5.2	-0.2%	5.8	10.8%
in percent of sales	11.5%	12.6%		12.7%	
Net income for the period	3.3	3.1	6.5%	3.6	19.4%
in percent of sales	7.1%	7.4%		8.0%	
<b>Earnings per share in Euro</b>	0.17	0.16	6.7%	0.19	11.5%
Operating cash flow	9.5	8.6	10.2%		
Capital expenditures	6.5	6.5	0.0%		
in percent of sales	14.2%	15.6%			

in million Euro or percent, unless otherwise indicated	9/30/2007	12/31/2006	Change
<b>Equity</b>	157.0	152.9	2.7%
in percent of total assets	62.1%	63.2%	
<b>Employees (end of period)</b>	1,130	1,127	0.3%

## Key figures

9 months 2007 in million Euro or percent, unless otherwise indicated	Results (in consideration of restructuring expenses)			Results (without consideration of restructuring expenses)	
	1/1 – 9/30/2007	1/1 – 9/30/2006	Change	1/1 – 9/30/2007	Change
<b>Sales</b>	<b>130.4</b>	<b>118.5</b>	<b>10.1%</b>	<b>130.4</b>	<b>10.1%</b>
Semiconductor	121.3	110.4	9.8%	121.3	9.8%
Micromechanics	9.1	8.1	13.1%	9.1	13.1%
<b>Gross profit</b>	<b>54.0</b>	<b>53.4</b>	<b>1.2%</b>	<b>57.2</b>	<b>7.1%</b>
in percent of sales	41.4%	45.0%		43.8%	
R&D expenses	22.2	22.2	0.2%	22.1	-0.5%
in percent of sales	17.0%	18.7%		16.9%	
Operating income	11.7	13.6	-13.8%	16.0	17.7%
in percent of sales	9.0%	11.4%		12.2%	
<b>EBIT</b>	<b>9.5</b>	<b>13.2</b>	<b>-28.1%</b>	<b>14.6</b>	<b>10.3%</b>
in percent of sales	7.3%	11.2%		11.2%	
Net income for the period	5.4	7.4	-27.9%	8.6	16.1%
in percent of sales	4.1%	6.3%		6.6%	
<b>Earnings per share in Euro</b>	<b>0.28</b>	<b>0.38</b>	<b>-27.8%</b>	<b>0.44</b>	<b>16.2%</b>
Operating cash flow	16.2	19.1	-15.3%		
Capital expenditures	20.3	20.5	-0.8%		
in percent of sales	15.6%	17.3%			

# Interim group management report

## Course of business

### Sales development and order situation

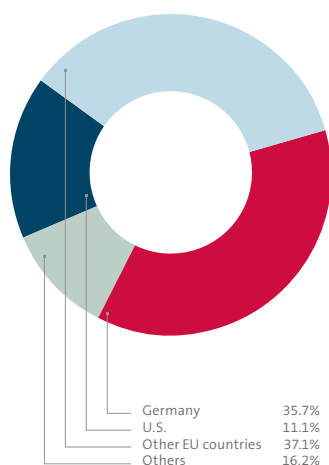
ELMOS has continued the positive trend of the first half-year 2007. Compared to the market, the ELMOS performance was above average. Sales of the first nine months 2007 came to 130.4 million Euro, corresponding to a growth of 10.1 percent over the prior-year period. In spite of the weak U.S. dollar, with 13.1 percent the micromechanics segment made a disproportionately high contribution to this growth.

The ramp-up of the production at the Duisburg location proceeds according to plan. Presently about 70 wafers a day are introduced to manufacturing. The number of wafers introduced daily is scheduled to rise up to 100 by the end of the year 2007.

The volume of orders received continues to support our growth forecast for 2007.

The breakdown of regional sales by nine-month comparison essentially shows a shift of sales from the U.S. towards the "other countries". This change with regard to the U.S. is due primarily to changes of delivery addresses and to a much lesser extent to the current weakness of the U.S. dollar.

Sales according to regions 9 months 2007



Region	1/1 – 9/30/2007 thousand Euro	in percent of sales	1/1 – 9/30/2006 thousand Euro	in percent of sales	Change
Germany	46,545	35.7%	43,274	36.5%	7.6%
Other EU countries	48,321	37.1%	45,236	38.2%	6.8%
U.S.	14,481	11.1%	17,007	14.4%	-14.9%
Other countries	21,073	16.2%	12,991	11.0%	62.2%
<b>Group sales</b>	<b>130,420</b>	<b>100.0%</b>	<b>118,508</b>	<b>100.0%</b>	<b>10.1%</b>

### Profit situation, finances and asset situation

The profit situation of the third quarter 2007 as well as of the first nine months 2007, is characterized by provisions and revaluations concerning the subsidiaries Silicon Microstructures Inc. (SMI) in Milpitas, U.S.A., and ELMOS Advanced Packaging (ELAP) in Nijmegen, Netherlands. As has already been reported, the expenses to be recognized in the income statement amount to altogether 5.6 million Euro for the total year 2007. Of these non-recurring expenses, 5.1 million Euro have incurred in the first nine months of 2007. The remaining amount will lead to increased expenses in the final quarter of 2007. In order to provide as transparent an overview of the profit situation as possible, the individual items are each stated in consideration and without consideration of the non-recurring restructuring expenses for the first nine months of 2007.

The gross margin of 43.8 percent for the first nine months of 2007 is slightly more than one percentage point below the prior-year period's level, due essentially to the relocation of production to the new Duisburg location. In consideration of restructuring expenses, the gross margin comes to 41.4 percent. The gross profit rose by 7.1 percent to 57.2 million Euro (or 1.2 percent to 54.0 million Euro, restructuring expenses considered).

Despite the high preproduction costs for the Duisburg location and increased cost of materials, the semiconductor segment's gross margin of 44.8 percent is just slightly below the prior-year period's level (46.6 percent). The profit figures of the micromechanics segment are characterized by the expenses for restructuring, resulting in a gross loss of 0.4 million Euro for the first nine months of 2007.

By nine-month comparison, research and development expenses about remain on the previous year's level in absolute figures; expressed in percent of sales, R&D expenses were reduced, from 18.7 percent to 16.9 percent (before one-off effects). The restructuring expenses only had a marginal impact on R&D expenses. Distribution expenses increased at a slightly higher rate than sales to 8.3 million Euro or 6.3 percent of sales (9M 2006: 7.2 million Euro or 6.1 percent). The increase of administrative expenses, however, was disproportionately low in the first nine months of 2007, from 10.4 million Euro (or 8.8 percent of sales) in the prior-year period to 10.9 million Euro (or 8.3 percent of sales). Restructuring expenses considered, administrative expenses climbed to 11.8 million Euro (or 9.0 percent of sales).

The operating income was thus increased by 17.7 percent, from 13.6 million Euro in the first nine months of 2006 to 16.0 million Euro in the period under report. This equals a margin improvement from 11.4 percent to 12.2 percent. In consideration of the restructuring expenses, the operating income amounts to 11.7 million Euro or 9.0 percent of sales.

The EBIT (earnings before interest and taxes) rose from 13.2 million Euro in the first nine months of 2006 to 14.6 million Euro in the reporting period. The EBIT margin thus leveled off at 11.2 percent. In consideration of the one-off effects, the EBIT margin dropped to 7.3 percent.

The lower effective tax rate had its share in the disproportionately high increase of the net income by 16.1 percent. Accordingly the net income margin rose to 6.6 percent in the period under report (9M 2006: 6.3 percent). Restructuring expenses considered, the net margin fell to 4.1 percent. The resulting earnings per share come to 0.44 Euro for the first nine months of 2007 (0.28 Euro in consideration of the non-recurring expenses), compared to 0.38 Euro in the prior-year period.

Despite the one-off effects, an operating cash flow of 16.2 million Euro was generated in the first nine months of 2007, covering the cash required for investing activities. Efforts continue for achieving a positive free cash flow in 2007.

## Economic environment and significant events

### Economic environment

The strong export figures achieved by the German car manufacturers continued to compensate for the weak domestic demand in the third quarter. According to the VDA (German Association of the Automotive Industry), the export trade has even grown by eleven percent since the beginning of the year. On the other hand, domestic demand dropped eight percent in comparison with the previous year's first nine months.

The development of the U.S. automotive market was positive for most German car manufacturers. Yet the American auto brands continue to have sales problems. Generally speaking, low-priced and medium-priced vehicles find fewer buyers than they did in the prior-year period. This development is in part accounted for by the high gas prices and the mortgage crisis in the United States. However, manufacturers of premium cars recorded gains.

The development of the global semiconductor sales volume has been cautiously positive. Principal driving forces behind this trend are the Asian markets and Europe.

Prices for raw materials and energy remain on a high level in the third quarter.

The continuing weakness of the U.S. dollar is still affecting sales generated in this currency. Positive effects could be achieved with investments and the assembly services in Asia.

### Significant events

At the beginning of August 2007 ELMOS announced the conclusion of **agreements with Asian distributors** for an increased expansion on the Asian market. These partners are going to distribute the complete ELMOS portfolio of application and customer specific components (ASSPs and ASICs). ELMOS subsidiary Silicon Microstructures has completed its international distribution channels as well, with three new distributors in China, India, and Italy.

Subsequent to the publication of results for the second quarter of 2007, ELMOS **repurchased 29,000 own shares for servicing stock awards**. This transaction has temporarily reduced the number of shares outstanding. The repurchased shares will be issued until the end of the year 2007.

At the beginning of October ELMOS announced that the company is a **supplier of components of the new high-speed bus standard FlexRay™ for BMW**. Start of delivery will probably be in mid-2008, and initial shipments will contain the first star coupler for FlexRay™ systems available on the market worldwide. This newly developed component replaces four conventional single transceivers and thus makes the realization of space and cost-optimized control devices possible. Over the next years BMW will implement the high-speed bus FlexRay™ as the new standard for time-critical applications.

## Other information

### Staff development

The ELMOS Group had 1,130 employees as of September 30, 2007. This number reflects the scheduled staff reduction at ELMOS Advanced Packaging in the course of relocating standard packaging to Asia. The number of employees was reduced by 4.0 percent compared to June 30, 2007, while it is virtually unchanged in comparison to the end of 2006 (12/31/2006: 1,127).

### ELMOS share

The ELMOS share moved sideways in the first nine months of 2007. It closed on September 28, 2007 at 7.59 Euro (December 29, 2006: 7.58 Euro). In the third quarter of 2007, the ELMOS share lost 9.4 percent. It reached its quarterly high at 8.60 Euro on July 17, the quarterly low at 6.90 Euro on August 13 (all prices Xetra). The average daily trading volume was approximately 26 thousand shares in the third quarter of 2007. Market capitalization amounted to 147 million Euro as of September 28, 2007.

The Philadelphia Semiconductor Index (SOX), specialized in semiconductor quotations, recorded a slightly negative performance in the third quarter of 2007 (minus 0.2 percent). The DAX lost 1.8 percent in value. The TecDAX, however, gained 3.6 percent. All these indices show gains for the first nine months of 2007, considerable ones for DAX and TecDAX at 19.2 and 29.1 percent, respectively. The SOX gained 6.9 percent.

### Directors' dealings

One reportable securities transaction (directors' dealings) was realized in the third quarter of 2007. The following transaction involves shares of ELMOS Semiconductor AG (ISIN DE0005677108). The issuer is ELMOS Semiconductor AG, Heinrich-Hertz-Str. 1, 44227 Dortmund, Germany.

Date	Name	Function	Transaction	Number of shares	Price (Euro)	Total volume (Euro)
9/28/2007	Dr. Anton	CEO of	Purchase of			
Frankfurt	Mindl	ELMOS Semiconductor AG	ELMOS shares	1,000	7.55	7,550

### Share capital and options

As of September 30, 2007 the share capital of ELMOS Semiconductor AG is represented by 19,385,205 shares. 400 share options from the third tranche have been exercised since January 1, 2007. Due to a repurchase of stock, the number of shares outstanding has been reduced by 29,000; these will be issued again within the framework of stock awards in the fourth quarter of 2007. The number of shares held by ELMOS Finanzholding GmbH (EFH) is unchanged; its shareholding has increased slightly to 53.0 percent because of the reduced number of shares outstanding. The free float amounts to 47.0 percent.

Staff development  
ELMOS Group



Altogether 584,150 options are outstanding as of September 30, 2007. The options are accounted for by the different tranches as follows:

No.	Year of resolution	Years of issue	Exercise price in Euro	Blocking period (in years from issue)	Execution period (in years) after blocking period's end	Options outstanding as of 12/31/2006	Options outstanding as of 9/30/2007
2	2000	2001	35.14	3	3	124,100	0
3	2002	2003	7.87	2	3	164,836	162,286
4	2003	2004	11.59	2	3	274,622	271,822
5	2004	2005	13.98	2	3	151,643	150,042
						<b>715,201</b>	<b>584,150</b>

## Company boards

### SUPERVISORY BOARD

**Prof. Dr. Günter Zimmer, *chairman***

Graduate physicist | Duisburg

**Dr. Burkhard Dreher, *deputy chairman***

Graduate economist | Dortmund

**Jörns Haberstroh**

Business management graduate | Kerken

**Dr. Peter Thoma**

Graduate physicist | Unterschleißheim

**Jutta Weber**

Graduate educationist | Tarrytown, New York, U.S.A.

**Dr. rer. nat. Klaus G. Weyer**

Graduate physicist | Schwerte

### MANAGEMENT BOARD

**Dr. rer. nat. Anton Mindl, *chairman***

Graduate physicist | Lüdenscheid

**Nicolaus Graf von Luckner**

Graduate economist | Oberursel

**Dr.-Ing. Frank Rottmann**

Graduate engineer | Dortmund

**Reinhard Senf**

Graduate engineer | Iserlohn



## Outlook

### Forecast 2007

The forecast for the year 2007 remains unchanged. In detail, it provides for the following targets: ELMOS expects a growth in sales of roughly ten percent. The gross margin is scheduled to come to roughly 45 percent. The earnings before interest and taxes (EBIT) are anticipated to turn out at about twelve percent of sales. The target for the net income is roughly seven percent of sales. Because of the extraordinary expense due to the subsidiaries' restructuring, the margins will each be burdened by approximately three percentage points.

This outlook is based on a sound economic situation, especially with regard to the automotive market. We also currently assume there will be no further burdens caused by exchange rate fluctuations regarding the U.S. dollar.

### Outlook 2008

ELMOS is announcing its forecast for 2008 for the first time: ELMOS expects a growth rate above market average for the next year. ELMOS estimates a sales increase between seven and nine percent. The EBIT margin is anticipated to range between 12 and 14 percent. Furthermore, a positive free cash flow is targeted.

Part of the Dortmund manufacture will be converted from 150mm (six-inch) to 200mm (eight-inch) wafers in the year 2008. Despite this systematic modernization, the amount of capital expenditures in 2008 will be considerably lower than in the current year. With this step we will enhance our capacity and – following Duisburg – prepare our Dortmund location for the technology generations to come as well.

# Interim consolidated financial statements

## Condensed consolidated balance sheet

<b>Assets</b>	<b>9/30/2007</b>	<b>12/31/2006</b>
	<b>Euro</b>	<b>Euro</b>
<b>Non-current assets</b>		
Intangible assets	40,358,707	39,023,949
Property, plant and equipment	97,365,890	95,556,490
Investments accounted for at equity	1	2
Securities and investments	464,091	126,154
Deferred tax assets	3,479,264	4,725,700
<b>Total non-current assets</b>	<b>141,667,953</b>	<b>139,432,295</b>
<b>Current assets</b>		
Inventories	34,881,793	31,142,235
Trade receivables	29,436,157	27,774,401
Cash and cash equivalents	22,393,242	16,634,086
Other assets	14,212,493	13,586,114
	<b>100,923,685</b>	<b>89,136,836</b>
Non-current assets classified as held for sale	10,068,212	13,343,658
<b>Total current assets</b>	<b>110,991,897</b>	<b>102,480,494</b>
<b>Total assets</b>	<b>252,659,850</b>	<b>241,912,789</b>

Equity and liabilities	9/30/2007 Euro	12/31/2006 Euro
<b>Equity</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	19,385,205	19,413,805
Additional paid-in capital	88,553,764	88,733,815
Surplus reserve	102,224	102,224
Accumulated other comprehensive income	– 5,677,068	– 4,991,418
Retained earnings	54,282,225	49,091,408
	<b>156,646,350</b>	<b>152,349,834</b>
<b>Minority interest</b>	<b>363,160</b>	<b>505,088</b>
<b>Total equity</b>	<b>157,009,510</b>	<b>152,854,922</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Provisions	1,115,515	1,142,637
Financial liabilities	67,141,088	28,284,983
Other liabilities	117,512	354,307
<b>Total non-current liabilities</b>	<b>68,374,115</b>	<b>29,781,927</b>
<b>Current liabilities</b>		
Provisions	5,597,716	5,122,981
Income tax liabilities	276,530	280,169
Financial liabilities	4,166,813	36,712,756
Trade payables	14,908,987	12,731,544
Other liabilities	2,326,179	4,428,490
<b>Total current liabilities</b>	<b>27,276,225</b>	<b>59,275,940</b>
<b>Total liabilities</b>	<b>95,650,340</b>	<b>89,057,867</b>
<b>Total equity and liabilities</b>	<b>252,659,850</b>	<b>241,912,789</b>

## Condensed consolidated income statement

9 months 2007	1/1 – 9/30/2007 Euro	in percent of sales	1/1 – 9/30/2006 Euro	in percent of sales	Change
Sales	130,419,507	100.0%	118,507,522	100.0%	10.1%
Cost of sales	76,437,973	58.6%	65,141,198	55.0%	17.3%
<b>Gross profit</b>	<b>53,981,534</b>	<b>41.4%</b>	<b>53,366,324</b>	<b>45.0%</b>	<b>1.2%</b>
Research and development expenses	22,222,300	17.0%	22,170,102	18.7%	0.2%
Distribution expenses	8,261,161	6.3%	7,206,462	6.1%	14.6%
Administrative expenses	11,798,388	9.0%	10,423,852	8.8%	13.2%
<b>Operating income before other operating expenses/(income)</b>	<b>11,699,685</b>	<b>9.0%</b>	<b>13,565,908</b>	<b>11.4%</b>	<b>-13.8%</b>
Finance income	-550,774	-0.4%	-326,680	-0.3%	68.6%
Finance expenses	2,810,045	2.2%	2,666,897	2.3%	5.4%
Foreign exchange losses/(income)	190,787	0.1%	116,227	0.1%	64.2%
Equity in losses of unconsolidated subsidiaries	-48,999	0.0%	0	0.0%	na
Other operating expenses/(income)	2,037,574	1.6%	207,008	0.2%	na
<b>Earnings before taxes</b>	<b>7,261,052</b>	<b>5.6%</b>	<b>10,902,456</b>	<b>9.2%</b>	<b>-33.4%</b>
<b>Income tax expenses</b>					
Current taxes	350,034	0.3%	2,029,584	1.7%	-82.8%
Deferred taxes	1,751,216	1.3%	1,503,553	1.3%	16.5%
	<b>2,101,250</b>	<b>1.6%</b>	<b>3,533,137</b>	<b>3.0%</b>	<b>-40.5%</b>
<b>Net income</b>	<b>5,159,802</b>	<b>4.0%</b>	<b>7,369,319</b>	<b>6.2%</b>	<b>-30.0%</b>
Thereof:					
Minority interest	-192,928	-0.1%	-52,800	0.0%	na
<b>Attributable to equity holders of the parent</b>	<b>5,352,730</b>	<b>4.1%</b>	<b>7,422,119</b>	<b>6.3%</b>	<b>-27.9%</b>
Basic earnings per share	<b>0.28</b>		<b>0.38</b>		<b>-27.8%</b>

## Earnings before interest and taxes (EBIT)

	1/1 – 9/30/2007 Euro	in percent of sales	1/1 – 9/30/2006 Euro	in percent of sales	Change
<b>Operating income before other operating expenses/(income)</b>	<b>11,699,685</b>	<b>9.0%</b>	<b>13,565,908</b>	<b>11.4%</b>	<b>-13.8%</b>
Foreign exchange losses/(income)	190,787	0.1%	116,227	0.1%	64.2%
Other operating expenses/(income)	2,037,574	1.6%	207,008	0.2%	na
Equity in losses of unconsolidated subsidiaries	-48,999	0.0%	0	0.0%	na
<b>EBIT</b>	<b>9,520,323</b>	<b>7.3%</b>	<b>13,242,673</b>	<b>11.2%</b>	<b>-28.1%</b>

<b>3rd quarter 2007</b>	<b>7/1 – 9/30/2007</b> Euro	<b>in percent</b> <b>of sales</b>	<b>7/1 – 9/30/2006</b> Euro	<b>in percent</b> <b>of sales</b>	<b>Change</b>
Sales	45,504,593	100.0%	41,428,346	100.0%	9.8%
Cost of sales	26,082,500	57.3%	22,791,291	55.0%	14.4%
<b>Gross profit</b>	<b>19,422,093</b>	<b>42.7%</b>	<b>18,637,055</b>	<b>45.0%</b>	<b>4.2%</b>
Research and development expenses	7,437,168	16.3%	7,532,674	18.2%	-1.3%
Distribution expenses	2,811,515	6.2%	2,431,405	5.9%	15.6%
Administrative expenses	3,584,468	7.9%	3,459,856	8.4%	3.6%
<b>Operating income before other operating expenses/(income)</b>	<b>5,588,942</b>	<b>12.3%</b>	<b>5,213,120</b>	<b>12.6%</b>	<b>7.2%</b>
Finance income	-270,672	-0.6%	-108,585	-0.3%	na
Finance expenses	1,097,765	2.4%	931,840	2.2%	17.8%
Foreign exchange losses/(income)	57,213	0.1%	-60,366	-0.1%	na
Equity in losses of unconsolidated subsidiaries	0	0.0%	0	0.0%	na
Other operating expenses/(income)	315,931	0.7%	48,580	0.1%	na
<b>Earnings before taxes</b>	<b>4,388,705</b>	<b>9.6%</b>	<b>4,401,652</b>	<b>10.6%</b>	<b>-0.3%</b>
<b>Income tax expenses</b>					
Current taxes	253,297	0.6%	780,353	1.9%	-67.5%
Deferred taxes	929,734	2.0%	591,516	1.4%	57.2%
	<b>1,183,031</b>	<b>2.6%</b>	<b>1,371,869</b>	<b>3.3%</b>	<b>-13.8%</b>
<b>Net income</b>	<b>3,205,674</b>	<b>7.0%</b>	<b>3,029,783</b>	<b>7.3%</b>	<b>5.8%</b>
Thereof:					
Minority interest	-44,898	-0.1%	-21,051	-0.1%	113.3%
<b>Attributable to equity holders of the parent</b>	<b>3,250,571</b>	<b>7.1%</b>	<b>3,050,833</b>	<b>7.4%</b>	<b>6.5%</b>
<b>Basic earnings per share</b>	<b>0.17</b>		<b>0.16</b>		<b>6.7%</b>

## Earnings before interest and taxes (EBIT)

	<b>7/1 – 9/30/2007</b> Euro	<b>in percent</b> <b>of sales</b>	<b>7/1 – 9/30/2006</b> Euro	<b>in percent</b> <b>of sales</b>	<b>Change</b>
<b>Operating income before other operating expenses/(income)</b>	<b>5,588,942</b>	<b>12.3%</b>	<b>5,213,120</b>	<b>12.6%</b>	<b>7.2%</b>
Foreign exchange losses/(income)	57,213	0.1%	-60,366	-0.1%	na
Other operating expenses/(income)	315,931	0.7%	48,580	0.1%	na
Equity in losses of unconsolidated subsidiaries	0	0.0%	0	0.0%	na
<b>EBIT</b>	<b>5,215,798</b>	<b>11.5%</b>	<b>5,224,907</b>	<b>12.6%</b>	<b>-0.2%</b>

## Condensed consolidated statement of changes in equity

	Shares Number	Share capital Euro	Paid-in capital Euro
<b>As of January 1, 2006</b>	<b>19,412,424</b>	<b>19,412,424</b>	<b>88,270,716</b>
Share option expense			376,790
Exercise of share options	1,081	1,081	7,426
Changes in unrealized gains/losses on marketable securities after taxes			
Foreign currency adjustments			
Net income first nine months 2006			
<b>As of September 30, 2006</b>	<b>19,413,505</b>	<b>19,413,505</b>	<b>88,654,932</b>
<b>As of January 1, 2007</b>	<b>19,413,805</b>	<b>19,413,805</b>	<b>88,733,815</b>
Exercise of share options	400	400	2,748
Purchase of own stock	-29,000	-29,000	-182,799
Foreign currency adjustments			
Changes of the basis of consolidation			
Net income first nine months 2007			
<b>As of September 30, 2007</b>	<b>19,385,205</b>	<b>19,385,205</b>	<b>88,553,764</b>

Surplus reserve Euro	Accumulated other comprehensive income Euro	Retained earnings Euro	Total Euro	Minority interest total Euro	Group total Euro
102,224	- 2,943,060	38,912,998	143,755,302	528,190	144,283,492
			376,790		376,790
			8,507		8,507
	-1,211,241		-1,211,241		-1,211,241
	- 574,618		- 574,618		- 574,618
		7,422,119	7,422,119	-52,800	7,369,319
102,224	- 4,728,919	46,335,117	149,776,859	475,390	150,252,249
102,224	- 4,991,418	49,091,408	152,349,834	505,088	152,854,922
			3,148		3,148
			- 211,799		- 211,799
	- 685,650		- 685,650		- 685,650
		-161,913	-161,913	51,000	- 110,913
		5,352,730	5,352,730	-192,928	5,159,802
102,224	- 5,677,068	54,282,225	156,646,350	363,160	157,009,510

## Condensed consolidated cash flow statement

	1/1 – 9/30/2007 Euro	1/1 – 9/30/2006 Euro	7/1 – 9/30/2007 Euro	7/1 – 9/30/2006 Euro
<b>Cash flow from operating activities</b>				
Net income after minority interest	5,352,730	7,422,119	3,250,571	3,050,833
Depreciation	14,808,015	12,195,126	4,793,999	4,107,368
Deferred taxes	1,751,216	1,503,553	929,734	591,516
Current tax expense	350,034	2,029,584	253,297	780,353
Minority interest	-192,927	-52,800	-44,898	-21,051
Equity in losses of unconsolidated subsidiaries	-48,999	0	0	0
Changes in pension liabilities	-27,122	-66,301	68,649	-18,782
Share option expense	0	376,790	0	125,597
Changes in net working capital:				
Trade receivables	-1,661,756	1,201,213	-962,616	513,126
Inventories	-3,739,558	-3,673,850	-638,048	-1,755,995
Prepaid expenses and other assets	-367,822	-3,302,387	520,749	241,840
Trade payables	2,177,445	6,325,426	824,241	3,936,568
Other provisions and other liabilities	-1,627,576	-2,736,176	499,489	-875,670
Income tax payments	-612,232	-2,144,603	3	-2,060,086
<b>Cash flow from operating activities</b>	<b>16,161,448</b>	<b>19,077,694</b>	<b>9,495,170</b>	<b>8,615,617</b>
<b>Cash flow from investing activities</b>				
Capital expenditures for intangible assets	-5,295,705	-7,257,892	-1,626,990	-2,027,104
Capital expenditures for property, plant and equipment	-15,007,164	-13,213,526	-4,836,800	-4,435,382
Capital expenditures for non-current assets classified as held for sale	3,275,446	-6,936,098	-28,841	-1,969,413
Disposal of fixed assets	1,297,624	6,362,827	388,158	65,399
Purchase/Disposal of marketable securities	0	3,629,862	0	0
Purchase/Disposal of investments	-399,850	-49,000	-337,937	-49,000
<b>Cash flow from investing activities</b>	<b>-16,129,649</b>	<b>-17,463,828</b>	<b>-6,442,410</b>	<b>-8,415,501</b>
<b>Cash flow from financing activities</b>				
Payment from capital increase	3,148	8,507	0	0
Purchase of own stock	-211,799	0	-211,799	0
Proceeds from non-current liabilities	40,204,907	0	40,204,07	0
Repayment of non-current liabilities	-2,653,738	-2,680,957	-612,384	-956,244
Proceeds from/Repayment of current liabilities to banks	-31,477,802	-418,139	-31,027,721	2,773,775
<b>Cash flow from financing activities</b>	<b>5,864,716</b>	<b>-3,090,589</b>	<b>8,353,003</b>	<b>1,817,531</b>
<b>Decrease/Increase in cash and cash equivalents</b>	<b>5,896,515</b>	<b>-1,476,723</b>	<b>11,405,763</b>	<b>2,017,647</b>
Effect of exchange rate changes in cash and cash equivalents	-137,359	817,163	-78,280	234,040
Cash and cash equivalents at beginning of reporting period	16,634,086	11,418,640	11,065,759	8,507,393
<b>Cash and cash equivalents at end of reporting period</b>	<b>22,393,242</b>	<b>10,759,080</b>	<b>22,393,242</b>	<b>10,759,080</b>



## Segment reporting

9 months 2007	Semiconductor segment			Micromechanics segment			Group		
	1/1 – 9/30/ 2007	1/1 – 9/30/ 2006	Change	1/1 – 9/30/ 2007	1/1 – 9/30/ 2006	Change	1/1 – 30/9/ 2007	1/1 – 9/30/ 2006	Change
In thousand Euro or percent, unless otherwise indicated									
Sales	121,297	110,442	9.8%	9,122	8,066	13.1%	130,420	118,508	10.1%
Gross profit	54,342	51,506	5.5%	–361	1,860	na	53,982	53,366	1.2%
in percent of sales	44.8%	46.6%		–4.0%	23.1%		41.4%	45.0%	
Operating income	15,875	14,362	10.5%	–4,176	–796	na	11,700	13,566	–13.8%
in percent of sales	13.1%	13.0%		–45.8%	–9.9%		9.0%	11.4%	
Depreciation	13,442	11,570	16.2%	1,366	625	na	14,808	12,195	21.4%
Capital expenditures	19,700	19,053	3.4%	603	1,419	–57.5%	20,303	20,471	–0.8%
	9/30/2007	9/30/2006	Change	9/30/2007	9/30/2006	Change	9/30/2007	9/30/2006	Change
Total assets	232,088	222,870	4.1%	20,090	20,432	–1.7%	252,178	243,302	3.6%
Liabilities	92,449	90,141	2.6%	3,000	2,908	3.1%	95,449	93,049	2.6%

3rd quarter 2007	Semiconductor segment			Micromechanics segment			Group		
	7/1 – 9/30/ 2007	7/1 – 9/30/ 2006	Change	7/1 – 9/30/ 2007	7/1 – 9/30/ 2006	Change	7/1 – 9/30/ 2007	7/1 – 9/30/ 2006	Change
In thousand Euro or percent, unless otherwise indicated									
Sales	42,149	38,559	9.3%	3,356	2,869	17.0%	45,505	41,428	9.8%
Gross profit	18,809	18,051	4.2%	613	586	4.6%	19,422	18,637	4.2%
in percent of sales	44.6%	46.8%		18.3%	20.4%		42.7%	45.0%	
Operating income	5,928	5,747	3.1%	–339	–534	na	5,589	5,213	7.2%
in percent of sales	14.1%	14.9%		–10.1%	–18.6%		12.3%	12.6%	
Depreciation	4,543	3,920	15.9%	251	187	34.1%	4,794	4,107	16.7%
Capital expenditures	6,236	5,990	4.1%	228	472	–51.8%	6,464	6,462	0.0%

# Financial

October 31, 2007	Report on the third quarter 2007
November 14, 2007	Analysts' conference at the German Equity Forum
February 14, 2008	Preliminary results
March 13, 2008	Results 2007, press conference, analysts' conference
April 30, 2008	Report on the first quarter 2008
May 8, 2008	Annual General Meeting (Dortmund)
August 13, 2008	Report on the second quarter 2008
November 5, 2008	Report on the third quarter 2008

## Contact

ELMOS Semiconductor AG  
Investor Relations  
Heinrich-Hertz-Str. 1  
D-44227 Dortmund  
Germany  
Phone + 49 (0) 231 - 75 49 - 0  
Fax + 49 (0) 231 - 75 49 - 548  
invest@elmos.de  
www.elmos.de

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