



STRATEC
Biomedical Systems AG

Interim Report as of March 31, 2008

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Dear Shareholders,

STRATEC Biomedical Systems AG will be celebrating the tenth anniversary of its stock market flotation this year. STRATEC's share was issued back in August 1998 at an issue price equivalent to EUR 2.96. We would like to take this opportunity of extending our thanks to all of our shareholders for the trust they have placed in us.

In view of the good and reliable prospects for the coming years, as well as of the company's ongoing very healthy earnings performance, the Board of Management and the Supervisory Board are proposing to increase the dividend from EUR 0.15 to EUR 0.22 for the 2007 financial year for approval by the Annual General Meeting.

The first three months of the 2008 financial year witnessed an expected consolidation in sales (minus 15.7%) and earnings per share (minus 11.8%) compared with the equivalent period in the previous year. This development is to be viewed in connection with a temporary slowdown in the volume of systems called up by a major customer. The acceptance forecast provided to us by this customer for the period October 2008 to September 2009 documents that this is merely a temporary phase. Based on this acceptance forecast, the volume of serial analyzer systems due to be called up in the aforementioned period will substantially exceed the previous maximum number of systems ordered by this customer in the 2006 financial year. The turnover generated with STRATEC's existing customer base continues to rise. In individual production lines, the potential production totals are as yet not complete to fully meet customers' requirements.

In February, we were able to report on our first cooperation with QIAGEN Gaithersburg Inc. in the development and production of fully automated analyzer systems for molecular diagnostic tests in the high throughput field. Based on the current schedule, the first validation units required to generate the data relevant for approval purposes (FDA/CE) are due to be delivered by STRATEC before the end of 2008 and placed by QIAGEN at selected end customers. STRATEC expects to supply higher numbers of systems starting in the fourth quarter of 2008.

Even though the current economic climate is marked by uncertain forecasts regarding the state of the US economy and although rising commodities prices are impacting on all areas of the global economy, STRATEC's business model only depends on these factors to a limited extent and continues to provide us with a high degree of budgeting reliability. On this basis, we await a significant revival in our delivery volumes from the third quarter of 2008 onwards.

Birkenfeld, May 2008

The Board of Management of
STRATEC Biomedical Systems AG



Hermann Leistner

Marcus Wolfinger
Marcus Wolfinger



Bernd M. Steidle

Group Interim Management Report

Report on the earnings, financial and net asset position

While the overall performance declined to EUR 14.8 million (previous year: EUR 16.1 million), at EUR 13.2 million the sales of the STRATEC Group also fell 15.7 % short of the previous year's figure. By analogy with the development in sales, costs of materials decreased to EUR 6.9 million (previous year: EUR 8.0 million).

Due to the further expansion in development activities, personnel expenses rose from EUR 3.6 million to EUR 3.9 million. Other operating expenses could be maintained virtually stable, as could depreciation and amortization. Net financial expenses almost doubled from EUR 0.03 million in the previous year to EUR 0.06 million. STRATEC thus generated consolidated net income of EUR 1.7 million in the first quarter of 2008 (previous year: EUR 1.9 million).

The decline in the "Shareholdings" balance sheet item reported under financial assets was due to a reduction in the fair value recognized directly in equity for the shareholding held in CyBio AG, a development which also led to a decline in other equity. This was due to the stock market price of the shares in CyBio AG suffering a collapse in the first quarter. This was chiefly attributable to the capital markets assuming an overall negative earnings performance at the CyBio Group as a whole on account of the negative impact on earnings resulting from the impairment of subsidiaries of CyBio AG in the 2007 financial year. Based on the analyses we have undertaken of the information presented in the reports of CyBio AG with regard to the company's unchanged positive economic environment and in view of the positive order situation expected by CyBio's management in the reports, we assume that the negative impact on earnings of these subsidiaries represents a one-off factor without any influence on the future performance of the core operating business of CyBio AG.

STRATEC operates in related markets and endorses this assessment. STRATEC reviewed the value of its shareholding as of the reporting date for the quarterly financial statements to ascertain whether there are any objective indications for a (permanent or long-term) value impairment. This review was based on the standard objective evidence required by IAS 39.58. On this basis, STRATEC concluded that there are no grounds for any extraordinary write-down, i.e. any amortization through profit or loss deviating from the fair-value measurement recognized directly in equity.

To account for expected order volumes, raw materials and supplies rose by EUR 1.6 million compared with December 31, 2007. As a result of the capitalization of development services for projects at an advanced stage of development, the value of unfinished products and unfinished services rose from EUR 10.6 million to EUR 11.9 million. It was possible to reduce total receivables by EUR 2.3

million to EUR 14.3 million, while cash and cash equivalents rose during the period under report from EUR 19.9 million to EUR 21.8 million. The rise in accounts payable is to be viewed in connection with the increase in raw materials and supplies.

In the first three months of the 2008 financial year, the STRATEC Group invested EUR 0.3 million in property, plant and equipment (previous year: EUR 0.3 million) and EUR 0.1 million in intangible assets (EUR 0.1 million).

Changes in the business environment and implications for STRATEC

Global demographic developments represent one of the most serious challenges facing the world. The dynamic growth in the world's population on a scale previously unseen, coupled with an unprecedented increase in the elderly share of the population and the sharp rise in the number of people with access to medical care, represent key factors which will shape the 21st century.

This situation is accompanied by scientific and technological progress, which is opening up ever new possibilities in the fields of medicine, research, diagnostics and life science. These developments will lead not only to an increase in the numbers of medical tests to be performed – they will also generate new, unique opportunities for STRATEC and its customers, for which the company is optimally positioned with its automation solutions and on which it continues to focus its strategy and operations. This positive development for the company should remain largely unaffected by any potential recession.

In view of the factors outlined above, global economic risks, such as the credit crisis, the weak US dollar and high commodities prices, only have a very limited impact on STRATEC's business performance and business model. Moreover, long-term supply agreements with our customers and the fact that the work performed is invoiced in euros further minimize the implications of the financial and credit crisis on STRATEC.

Report on forecasts and other statements concerning the company's expected development

Apart from the temporary slowdown in the volume of systems called up by the customer referred to above, other call-up orders and incoming orders are developing positively and will ensure that development and production capacity utilization rates remain high.

We expect to see a substantial increase in the numbers of new analyzer systems called up from the third quarter onwards and are therefore standing by the budget figures previously communicated

for 2008. Our planning indicators show a continuation of our positive business performance, particularly in 2008 and 2009.

Since the assessment of the situation of the company provided on March 20, 2008 upon the compilation of the Annual Report for the 2007 financial year, no new information has arisen which could lead to any change in our assessment of the expected development of the company.

Opportunity and risk report

We analyze and evaluate the risks facing the company and its environment within the framework of our risk management system, which has been established as an early warning risk identification system.

With the exception of the temporary factors outlined in the "Report on forecasts and other statements concerning the company's expected development" and the potential temporary implications of the integration of Bayer Diagnostics and Dade Behring into Siemens Healthcare Diagnostics, we do not see any changes compared with the risks and opportunities identified in the Group Management Report of March 20, 2008 for the 2007 financial year. Reference is made to the "Risk Report" section within the 2007 Group Management Report for details concerning our risk management system and our company's specific opportunity and risk profile.

Consolidated Balance Sheet as of March 31, 2008

Assets	3.31.2008	12.31.2007
Non-current assets		
Goodwill	728 T€	789 T€
Other intangible assets	3,663 T€	4,088 T€
Property, plant and equipment	6,104 T€	6,017 T€
Shares in associated companies	319 T€	338 T€
Shareholdings	1,321 T€	2,735 T€
Other financial assets	19 T€	21 T€
	12,154 T€	13,988 T€
Current assets		
Raw materials and supplies	6,727 T€	5,130 T€
Unfinished products, unfinished services	11,939 T€	10,563 T€
Finished products	355 T€	302 T€
Accounts receivable	8,163 T€	10,580 T€
Future receivables from production orders	4,913 T€	4,850 T€
Receivables from associated companies	49 T€	136 T€
Other receivables and other assets	1,146 T€	1,014 T€
Securities	376 T€	423 T€
Cash and cash equivalents	21,843 T€	19,884 T€
	55,511 T€	52,882 T€
Total assets	67,665 T€	66,870 T€

Shareholders' equity and liabilities	3.31.2008	12.31.2007
Shareholders' equity		
Share capital	11,418 T€	11,416 T€
Capital reserve	10,602 T€	10,554 T€
Revenue reserves	26,790 T€	16,799 T€
Consolidated net earnings	1,661 T€	9,991 T€
Other equity	-1,707 T€	-184 T€
	48,764 T€	48,576 T€
Debt		
Non-current debt		
Non-current financial liabilities	4,937 T€	5,103 T€
Deferred taxes	1,455 T€	1,474 T€
	6,392 T€	6,577 T€
Current debt		
Current financial liabilities	725 T€	340 T€
Accounts payable	3,300 T€	2,644 T€
Liabilities to associated companies	29 T€	91 T€
Other current liabilities	4,875 T€	5,240 T€
Current provisions	1,587 T€	1,321 T€
Tax provisions	1,993 T€	2,081 T€
	12,509 T€	11,717 T€
Total shareholders' equity and liabilities	67,665 T€	66,870 T€

Consolidated Income Statement for the Period from January 1 to March 31, 2008

	I.1.-3.31.2008	I.1.-3.31.2007
Sales	13,208 T€	15,674 T€
Increase in volume of finished and unfinished products and unfinished services	1,481 T€	409 T€
Other capitalized own-account services	78 T€	48 T€
Overall performance	14,767 T€	16,131 T€
Other operating income	276 T€	67 T€
Cost of raw materials and supplies	6,554 T€	7,840 T€
Cost of services rendered	365 T€	172 T€
Personnel expenses	3,877 T€	3,625 T€
Other operating expenses	1,556 T€	1,506 T€
EBITDA	2,691 T€	3,055 T€
Depreciation and amortization of property, plant and equipment and intangible assets	581 T€	550 T€
EBIT	2,110 T€	2,505 T€
Net financial expenses	57 T€	29 T€
Operating result (EBT)	2,167 T€	2,534 T€
Current tax expenses	525 T€	745 T€
Deferred tax income	19 T€	141 T€
Consolidated net income	1,661 T€	1,930 T€

Earnings per share	0.15 €	0.17 €
No. of shares used as basis	11,411,837	11,256,585

Earnings per share	0.15 €	0.17 €
No. of shares used as basis	11,440,669	11,430,222

Statement of Changes in Group Shareholders' Equity for the Period from January 1 to March 31, 2008

January - March 2007	Share capital	Capital reserve	Revenue reserves		Consolidated net income	Other equity			Group equity
			Cumulative earnings	Free revenue reserves		Reserve for fair value valuation	Treasury stock	Currency conversion	
Balance at 12.31.2006	11,260 T€	9,864 T€	9,239 T€	1,539 T€	7,741 T€	362 T€	-13 T€	142 T€	40,134 T€
Transfer to free revenue reserves	- T€	- T€	- T€	2,000 T€	-2,000 T€	- T€	- T€	- T€	- T€
Profit carried forward	- T€	- T€	5,741 T€	- T€	-5,741 T€	- T€	- T€	- T€	- T€
Issue of subscription shares from stock option programs	3 T€	6 T€	- T€	- T€	- T€	- T€	- T€	- T€	9 T€
Transfers due to stock option plan	- T€	33 T€	- T€	- T€	- T€	- T€	- T€	- T€	33 T€
Adjustment resulting from the valuation of assets available for sale at fair value	- T€	- T€	- T€	- T€	- T€	-10 T€	- T€	- T€	-10 T€
Currency conversion	- T€	- T€	- T€	- T€	- T€	- T€	- T€	-6 T€	-6 T€
Consolidated net income	- T€	- T€	- T€	- T€	1,930 T€	- T€	- T€	- T€	1,930 T€
Balance at 3.31.2007	11,263 T€	9,903 T€	14,980 T€	3,539 T€	1,930 T€	352 T€	-13 T€	136 T€	42,090 T€

January - March 2008	Share capital	Capital reserve	Revenue reserves		Consolidated net income	Other equity			Group equity
			Cumulative earnings	Free revenue reserves		Reserve for fair value valuation	Treasury stock	Currency conversion	
Balance at 12.31.2007	11,415 T€	10,554 T€	13,261 T€	3,539 T€	9,991 T€	105 T€	-13 T€	-276 T€	48,576 T€
Transfer to free revenue reserves	- T€	- T€	- T€	2,000 T€	-2,000 T€	- T€	- T€	- T€	- T€
Profit carried forward	- T€	- T€	7,991 T€	- T€	-7,991 T€	- T€	- T€	- T€	- T€
Issue of subscription shares from stock option programs	3 T€	6 T€	- T€	- T€	- T€	- T€	- T€	- T€	9 T€
Transfers due to stock option plan	- T€	42 T€	- T€	- T€	- T€	- T€	- T€	- T€	42 T€
Adjustment resulting from the valuation of assets available for sale at fair value	- T€	- T€	- T€	- T€	- T€	-1,399 T€	- T€	- T€	-1,399 T€
Currency conversion	- T€	- T€	- T€	- T€	- T€	- T€	- T€	-124 T€	-124 T€
Consolidated net income	- T€	- T€	- T€	- T€	1,661 T€	- T€	- T€	- T€	1,661 T€
Balance at 3.31.2008	11,418 T€	10,602 T€	21,252 T€	5,539 T€	1,661 T€	-1,294 T€	-13 T€	-400 T€	48,765 T€

Consolidated Cash Flow Statement for the Period from January 1 to March 31, 2008

	I.I.-3.31.2008	I.I.-3.31.2007
Consolidated net income	1,661 T€	1,930 T€
Depreciation and amortization	581 T€	550 T€
Other non-cash expenses	90 T€	78 T€
Other non-cash income	-147 T€	0 T€
Cash flow	2,185 T€	2,558 T€
Change in deferred taxes through profit or loss	-19 T€	-141 T€
Profit on the disposal of non-current assets	-4 T€	-6 T€
Increase in inventories, accounts receivable and other assets	-670 T€	-1,270 T€
Increase in accounts payable and other liabilities	553 T€	663 T€
Inflow of funds from operating activities	2,045 T€	1,804 T€
Incoming payments from the disposal of non-current assets	5 T€	10 T€
Outgoing payments for investments in consolidated non-current assets		
- Intangible assets	-101 T€	-102 T€
- Property, plant and equipment	-313 T€	-275 T€
Outflow of funds for investment activities	-409 T€	-367 T€
Incoming payments from taking up of financial liabilities	310 T€	0 T€
Outgoing payments for the repayment of financial liabilities	-90 T€	-15 T€
Incoming payments from the issue of shares for employee stock option programs	9 T€	9 T€
Inflow (previous year: outflow) of funds for financing activities	229 T€	-6 T€
Cash-effective change in cash and cash equivalents	1,865 T€	1,431 T€
Cash and cash equivalents at start of period	19,884 T€	11,991 T€
Change in cash and cash equivalents due to changes in exchange rates	94 T€	-20 T€
Cash and cash equivalents at end of period	21,843 T€	13,402 T€

Notes to the Interim Consolidated Financial Statements for the Period from January 1 to March 31, 2008

Summary of principal accounting and valuation methods

The consolidated financial statements of STRATEC AG as of December 31, 2007 were compiled in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU valid at the reporting report. In the interim report as of March 31, 2008, which has been compiled on the basis of International Accounting Standard (IAS) 34 "Interim Financial Reporting", application has been made of the same accounting methods as in the consolidated financial statements for the 2007 financial year. Application has also been made of all interpretations of the International Financial Reporting Interpretations Committee (IFRIC) with binding effect as of March 31, 2008. Moreover, when compiling the interim report, account was also taken of the near-final draft of German Accounting Standard No. 16 (DRS 16) – Interim Reporting – of the German Accounting Standards Committee (DRSC e.V). There were no indications of any potential impairment in the value of goodwill at the reporting date.

The company's interim reports are neither audited, nor subject to an audit review, by the group auditor, WirtschaftsTreuhand GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart.

Reference is made to the consolidated financial statements of STRATEC AG as of December 31, 2007 with regard to further information concerning the individual accounting and valuation methods applied.

The Group's currency is the euro. Unless otherwise indicated, all amounts have been stated in thousand euros (EUR 000s).

Breakdown of sales at the Group

The breakdown of sales into their respective geographical regions represents the distribution of the STRATEC Group's products. In view of the fact that the customers of the STRATEC Group generally supply their country outlets and customers from central distribution centers, however, this breakdown of sales does not represent the geographical distribution of the final operating locations of the STRATEC Group's analyzer systems. We assume that the overwhelming majority, with a rising tendency, of all analyzer systems ever produced by STRATEC are now located outside Germany.

Sales can be broken down into their respective geographical regions (customer locations) as follows:

Period	Germany	EU	Other	Total
Januar - March 2008	2,091 T€ 15.8%	9,530 T€ 72.2%	1,587 T€ 12.0%	13,208 T€ 100.0%

Period	Germany	EU	Other	Total
Januar - March 2007	2,854 T€ 18.2%	10,671 T€ 68.1%	2,149 T€ 13.7%	15,674 T€ 100.0%

Research and development expenses

The expenses relating to research and project management, and to development services not fulfilling the capitalization criteria set out in IAS 38, amounted to EUR 1.4 million in the first three months (previous year: EUR 1.6 million) and have been reported, mainly as personnel expenses, in the company's consolidated income statement. Moreover, procurement volumes of around EUR 0.2 million (previous year: EUR 0.2 million) were incurred during the period under report in connection with materials used in research and development. These have been included in the cost of materials item.

Shareholders' equity

The development in shareholders' equity at the STRATEC Group has been depicted in the statement of changes in Group shareholders' equity on Pages 10 and 11.

The number of ordinary shares with a nominal value of one euro each issued by STRATEC AG as of March 31, 2008 amounts to 11,418,355. These are all bearer shares.

Disclosures on the volume of treasury stock and on subscription rights held by members of the company's executive and supervisory bodies and its employees pursuant to Section 160 (1) Nos. 2 and 5 of the German Stock Corporation Act (AktG)

STRATEC AG owned a total of 4,492 treasury stock at the interim reporting date. This corresponds to a prorated amount of EUR 4,492.00 of its share capital and to a 0.04% share of its equity.

In view of the several "conditional capitals" created by resolutions adopted at the Annual General Meetings held on May 28, 2003, June 23, 2006 and May 16, 2007, these various items have been combined below in the interests of clarity.

The members of the Board of Management / Managing Directors and the employees held the following numbers of subscription rights (share option rights) at the interim reporting date):

Conditional Capital I / II / III	Board of Management/ Managing Directors	Employees	Total
Outstanding on 12.31.2007	79,370	38,769	118,139
Issued	-	500	500
Exercised	-	870	870
Lapsed	-	-	-
Outstanding on 3.31.2008	79,370	38,399	117,769

Employees

Including temporary employees, the STRATEC Group had a total workforce of 264 employees as of March 31, 2008.

Major events after the interim reporting date

No events which would require report in this section have occurred since the interim reporting date.

Responsibility statement

We hereby confirm that to the best of our knowledge the interim consolidated financial statements provide a true and fair picture of the net asset, financial and earnings position of the Group in accordance with the accounting principles governing interim reporting and that the course of business, including business results and the situation of the Group, are presented in such a way in the interim group management report that a true and fair picture of actual circumstances is provided, as well as the major opportunities and risks involved in the expected development of the Group in the remainder of the financial year.

Financial Calendar 2008

05.21.2008	Annual General Meeting, Pforzheim
08.14.2008	Publication of 6 month report
11.18.2008	Publication of 9 month report
November 2008	German Equity Forum, Frankfurt am Main

Partially incomplete / subject to amendment

About the Company

STRATEC Biomedical Systems AG designs and manufactures fully automated systems for its partners in the fields of clinical diagnostics and biotechnology. These partners market such systems, in general together with their own reagents, to laboratories, blood-banks and research institutes around the world. The company develops its products on the basis of its own patented technologies.

Shares in the company (ISIN: DE0007289001) are listed in the Prime Standard (segment of the official market involving additional admissions requirements) of the Frankfurt Stock Exchange.

The STRATEC Group consists of the publicly listed parent company STRATEC Biomedical Systems AG, and of subsidiaries and second-tier subsidiaries in Germany, the USA, the UK, Switzerland, and Romania.

Further information about STRATEC is available on the internet at <http://www.stratec-biomedical.de>.

Notice

Forward-looking statements involve risks – This interim report contains various statements concerning the future performance of STRATEC. These statements are based on both assumptions and estimates. Although we are convinced that these forward-looking statements are realistic, we can provide no guarantee of this. This is because our assumptions involve risks and uncertainties which could result in a substantial divergence between actual results and those expected. It is not planned to update these forward-looking statements.

Discrepancies may arise throughout this interim report on account of mathematical rounding up or down in the course of addition.

This interim report is also available in German.



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