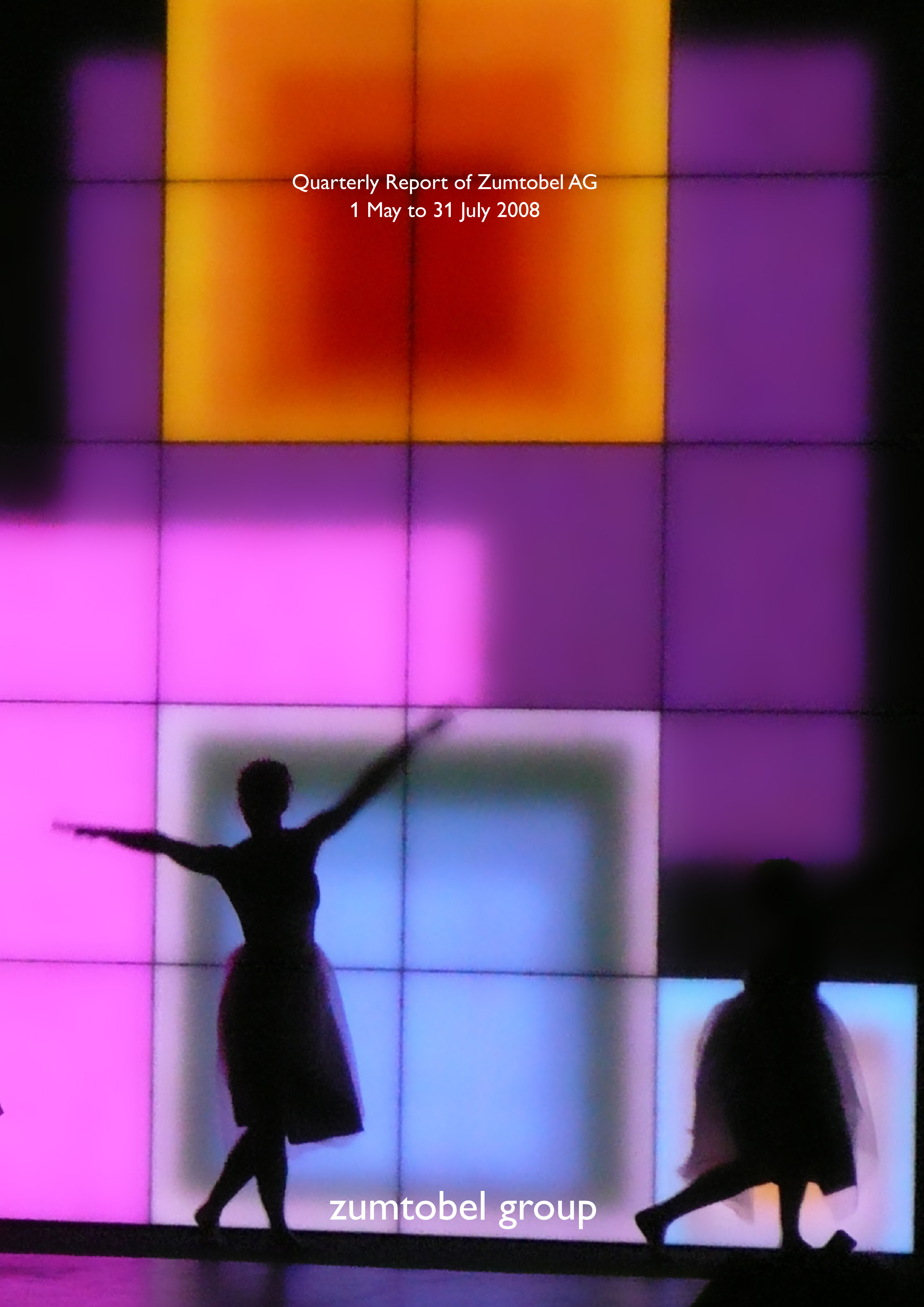
Quarterly Report of Zumtobel AG
1 May to 31 July 2008



zumtobel group

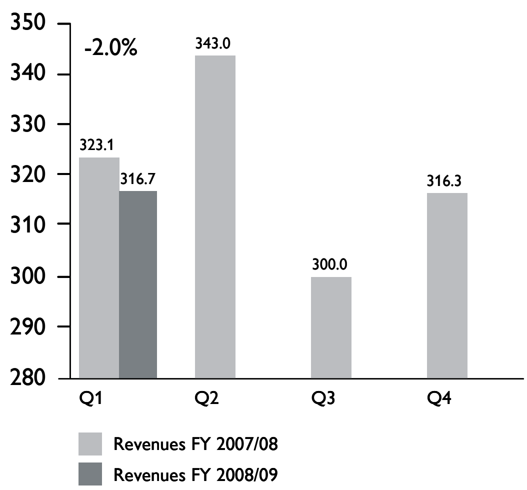
Overview of the First Quarter

>> Moderate growth of 1.8% after adjustment for foreign exchange effects
>> Foreign currency effects reduce revenues by EUR 12.3 million
>> Adjusted EBIT margin declines 150 basis points to 8.8%
>> Positive development of working capital continues
>> Revenues from the sale of LED-based products rise 35.1%

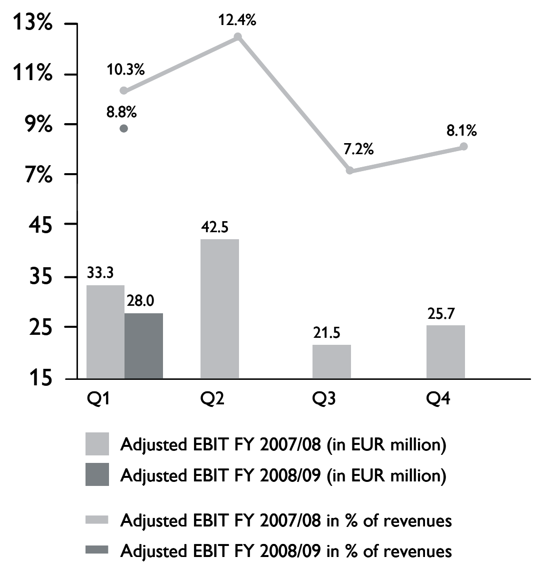
Key Data in EUR million	Q1 2008/09	Q1 2007/08	Change in %	Full Prior Year 2007/08
Revenues	316.7	323.1	(2.0)	1,282.3
Adjusted EBITDA	38.3	43.3	(11.7)	162.2
as a % of revenues	12.1	13.4		12.7
Adjusted EBIT	28.0	33.3	(15.8)	123.0
as a % of revenues	8.8	10.3		9.6
Net profit for the period	14.3	25.1	(43.2)	93.5
as a % of revenues	4.5	7.8		7.3
Total assets	1,135.8	1,147.0	(1.0)	1,105.9
Equity	497.5	447.1	11.3	514.2
Equity ratio in %	43.8	39.0		46.5
Net debt	167.6	203.1	(17.5)	129.0
Cash flow from operating results	34.2	41.5	(17.7)	166.0
ROCE in %	18.0	17.8		18.9
Investments	14.5	10.2	42.6	66.0
as a % of revenues	4.6	3.2		5.1
Headcount (full-time equivalent)	7,782	7,394	5.2	7,708

The seasonal development of business

Revenues (in EUR million)



Adjusted EBIT



Letter to Shareholders

Dear Shareholders,

Against the backdrop of growing weakness in the global economy, the Zumtobel Group is able to report a solid start into the 2008/09 financial year. Group revenues for the first quarter totalled EUR 323.1 million, which is 2% less than the high comparable prior year value. However, this development was influenced above all by more than EUR 12 million of negative foreign exchange effects resulting from the strength of the Euro, in particular versus the British Pound. After an adjustment for these effects, revenues would have increased 1.8%. A continuation of the upward trend was registered on our key core markets in Europe, with growth of 2.9% in the D/A/CH-region, 6.1% in North Europe and roughly 6% in the UK before foreign exchange effects. Business in both segments of the Zumtobel Group – the Lighting Segment with the Zumtobel and Thorn brands and the Components Segment with TridonicAtco – reflected our expectations for the reporting period, although revenues were slightly lower than the previous year. However, the first three months of 2008/09 brought a further substantial increase in revenues from the sale of LED products. As expected, earnings were negatively influenced by higher personnel costs as well as foreign exchange factors. These expenses also reflect additional hiring for the sales force as an investment in the future of our company. Consequently, the Zumtobel Group recorded a decline of 15.8% in adjusted earnings before income and taxes (EBIT) to EUR 28.0 million for the first quarter of 2008/09 as well as a return on sales of 8.8%.


Andreas Ludwig


Thomas Spitzenpfeil

During the reporting period, the Annual General Meeting (AGM) approved an increase in the dividend from EUR 0.50 in the prior year to EUR 0.70 per share. This represents a return of over 6% based on the current price of the Zumtobel share. The AGM also authorised the Management Board to repurchase up to 10% of share capital. A first share buyback programme encompassing 1.9 million shares was started on 11 August 2008.

Outlook for the full year confirmed

The development of business during the first quarter was in line with our expectations, and we are therefore able to confirm the previously announced outlook for the 12 months of 2008/09. This financial year will be influenced by a highly volatile economic environment, a marked rise in personnel expenses and negative foreign exchange effects. In accordance with our earlier statements, we are forecasting growth in revenues of 2 to 3% (after an adjustment for foreign exchange effects) above the weakening commercial construction sector in Europe. As indicated during our presentation of results for the 2007/08 financial year on 30 June, we consider an EBIT margin of 8 to 9% to be realistic for 2008/09 due to the general lack of impulses for growth as well as negative foreign exchange effects and higher costs. We expect the largest negative variances in relation to 2007/08 during the first half of this financial year.

Andreas J. Ludwig	Thomas Spitzenpfeil
Chief Executive Officer	Chief Financial Officer

Group Management Report

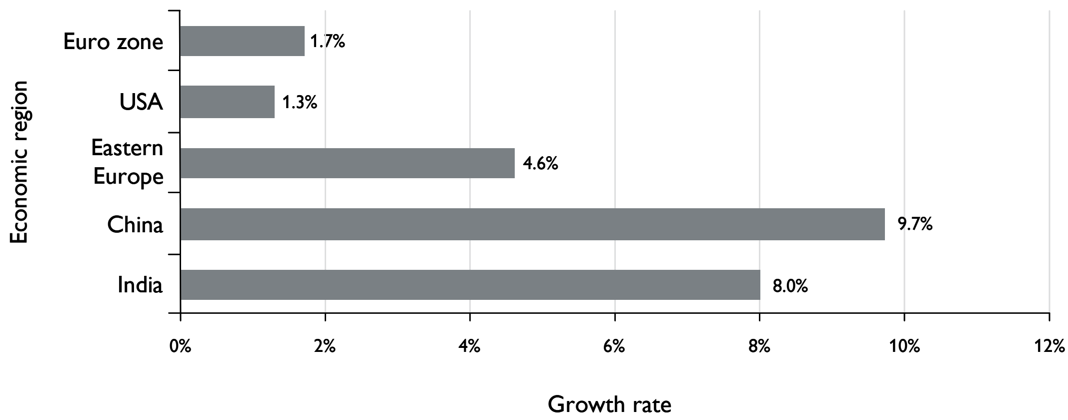
The Economic Environment

Fears of recession influence economic forecasts for 2008 and 2009

Economists see a growing danger of recession in the western industrial countries as a consequence of the US subprime crisis. The International Monetary Fund (IMF) has forecasted continued growth for the global economy during the financial year of the Zumtobel Group, which began on 1 May 2008, but this development will be driven primarily by the steady high pace of growth in the emerging markets of Asia, Eastern Europe and South America. Worldwide growth is expected to reach 4.1% in 2008 and 3.9% in 2009. In contrast, the US economy is expected to lose substantial momentum. Forecasts call for an increase of only 1.3% in the US gross national product during 2008, with a slight decline forecasted for the second half of the year and a plus of only 0.8% in 2009.

For the Eurozone, the experts have noted recessionary tendencies in Spain, Italy and increasingly also in Great Britain and France. The gross national product for Europe is expected to rise by only 1.7% in 2008 and 1.2% in 2009. The Organisation for Economic Cooperation and Development (OECD) predicts growth of 1.5% to 2.3% for the D/A/CH countries of Germany, Austria and Switzerland in 2008 and only 1.1% to 1.7% in 2009. According to the IMF, the emerging countries will again serve as the primary driver for the global economy. Forecasts call for the Chinese gross national product to grow by 9.7% in 2008 and 9.8% in 2009, while the Indian economy should increase by 8.0% in each of these two years. The comparable values for Eastern Europe are plus 4.6% and 4.5%.

Economic growth 2008



In its June forecast Euroconstruct revised its estimates for the commercial construction sector in the seven key European markets for the Zumtobel Group (Austria, Switzerland, Germany, France, Great Britain, Italy and Scandinavia) downward from 3.0% to 1.5% for the 2008 calendar year and from 2.1% to 0.6% for 2009. The continuing financial crisis does not lead us to expect any improvement in the operating environment for these key markets over the short-term.

Significant events since 30 April 2008

Acquisition in new areas of application

As of 5 May 2008 the acquisition of SpaceCannon, which was announced in April 2008, was consolidated in the Group financial statements. SpaceCannon is specialised above all in LED-based lighting solutions for exterior, facade and event lighting and is integrated in the organisation of the newly created Zumtobel LED Division.

New credit arrangement secures long-term financing

On 12 June 2008 a five-year credit arrangement was concluded with a consortium of seven banks. This credit has a total volume of EUR 480 million, whereby EUR 186 million were used to refinance existing liabilities. The remaining line of credit equals EUR 294 million and is available above all to finance growth and potential acquisitions.

Share buyback programme started

Zumtobel AG is currently carrying out a share buyback programme, which covers the repurchase of up to 1,943,555 of the company's shares at a maximum price of EUR 20.50 per share on or before 11 February 2009. This programme was started on 11 August 2008, and roughly 300,000 shares had been repurchased as of 12 September 2008.

Dividend payment of EUR 0.70 per share

In accordance with a recommendation by the Management Board and Supervisory Board, the Annual General Meeting on 29 July 2008 approved the payment of a EUR 0.70 dividend per share for the 2007/08 financial year. This represents an increase of 40% over the previous dividend. This distribution was paid out to shareholders on 4 August 2008.

There are no other significant events to be reported.

Revenues

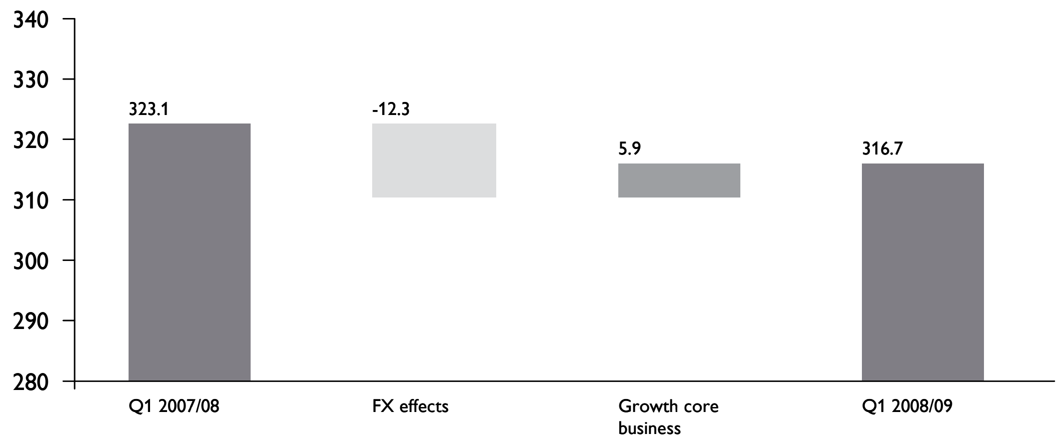
>> Moderate growth of 1.8% after adjustment for foreign exchange effects
>> Plus of 35.1% in revenues from LED-based products
>> 31.1% revenue growth in Eastern Europe
>> Continuation of positive development in Asia

Moderate growth of 1.8% after FX effects

Group revenues for the first quarter of the 2008/09 financial year (1 May to 31 July 2008) declined 2% to EUR 316.7 million. This development was the result of currency translation effects, which had a negative impact of EUR 12.3 million or 3.8%. An adjustment for these effects results in an increase of 1.8% in revenues.

The currency translation effects are a direct consequence of the continuing strength of the Euro, above all with respect to the British Pound (GBP). The increase in the value of the Euro over the comparable prior year period was responsible for a reduction of 14.5% or EUR 9.5 million in revenues based on the average quarterly exchange rates. Additional negative effects resulted from a decline in the value of revenues recorded in the US Dollar (USD), Australian Dollar (AUD) and New Zealand Dollar (NZD) as well as a number of Asian currencies. These factors were only offset to a limited extent by positive contributions from the Swiss Franc (CHF) and several East European currencies. The combined total of all currency translation adjustments was a negative effect of EUR 12.3 million.

Development of revenues (in EUR million)



FX adjusted growth in both segments

The foreign exchange developments had an above-average effect of EUR 9.2 million on the Lighting Segment. As a result, revenues declined 0.5% to EUR 234.7 million (prior year: EUR 235.9 million). The growth in revenues equalled 3.4% after an adjustment for foreign exchange factors.

The Components Segment was negatively influenced by foreign exchange adjustments of EUR 3.2 million, which triggered a decline in revenues to EUR 102.6 million (-2.3%). After an adjustment for these effects, revenues rose by 0.7%. The slower growth in relation to the prior year resulted above all from the relatively weak market environment in Southern Europe. The technological substitution effect for ballasts remained unchanged: as a result, the strong rise in sales volumes of technologically more sophisticated and higher priced electronic ballasts largely offset the drop in sales volumes of magnetic ballasts and the expected downward shift in the price of electronic ballasts. In contrast to earlier reporting periods, there were no notable effects from changes in the price of copper.

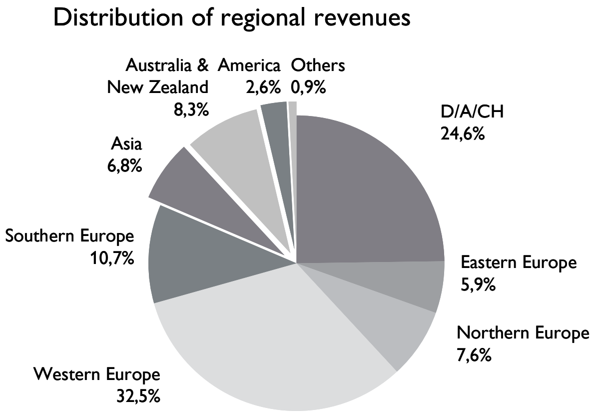
Segment development in EUR million	Q1 2008/09	Q1 2007/08	Change in %	FX adjusted in %
Lighting Segment	234.7	235.9	(0.5)	3.4
Components Segment	102.6	105.0	(2.3)	0.7
Other & Consolidation	(20.6)	(17.9)	(15.1)	-
Zumtobel Group	316.7	323.1	(2.0)	1.8

Revenues from LED products +35.1%

The Zumtobel Group successfully continued its growth course in the LED area during the past quarter. The acquisition of the Italian company SpaceCannon has expanded the know-how for the development of LED-based exterior, facade and event lighting. Revenues from the sale of LED-based products and solutions rose by 35.1% to EUR 11.6 million in the first quarter of 2008/09 (prior year: EUR 8.6 million).

Distribution of revenues by region

Q1 2008/09	Growth +- in %	Revenues in EUR million
D/A/CH	2.9	78.0
Eastern Europe	31.1	18.6
Northern Europe	6.1	24.2
Western Europe	(9.1)	103.0
Southern Europe	(7.8)	33.9
Europe	(2.0)	257.7
Asia	5.5	21.6
Australia & New Zealand	(3.0)	26.1
America	(16.1)	8.2
Others	1.8	3.0
Total	(2.0)	316.7



FX adjusted moderate increase in Europe

Zumtobel generated revenues of EUR 257.7 million in Europe, or 81% of Group revenues, during the reporting period. The decline of 2% in comparison with the first quarter of 2007/08 was caused by negative foreign exchange effects of EUR 9 million (3.4%). After an adjustment for these effects, the Zumtobel Group recorded revenue growth of 1.4% in this region.

31.1% revenue growth in Eastern Europe

The D/A/CH region (Germany, Austria and Switzerland) presented a heterogeneous picture with a plus of 2.9%: The German and Swiss businesses profited from the still favourable market environment and recorded solid growth. In Austria, a number of projects were postponed to later quarters. Sound development was reported by the dynamic markets of Eastern Europe with an overall increase of 31.1% in revenues to EUR 18.6 million. Growth was also positive in Northern Europe, above all due to the continuing consolidation of the turnaround in Norway. In Western Europe, weakness in France and the above-mentioned devaluation of the British Pound (GBP) had a negative influence on revenues during the first quarter as expected. The development of revenues in Great Britain would have been clearly positive without the negative currency translation adjustments. In Southern Europe the Components Segment was affected by increasing economic weakness in Italy and Spain, while the Lighting Segment recorded positive growth rates.

Continued positive development in Asia

The positive development that began in Asia during the fourth quarter of 2007/08 continued into the first quarter of 2008/09 with an increase of 5.5% in revenues. In the America region the US Dollar (USD) lost a further 15% in value compared with the first quarter of the prior year and was responsible for nearly the entire decline in revenues. The situation in Australia/New Zealand remained unsatisfactory with a 3% decrease in revenues, but an adjustment for foreign exchange effects results in a slight improvement.

Earnings

>> EBIT margin declines by 150 basis points
>> Gross profit margin increases 40 basis points to 38.3%
>> Currency transaction effects from the strong Euro reduce EBIT
>> Production costs improve in spite of wage increases
>> Financial results negatively influenced by the strong Euro and non-recurring effects

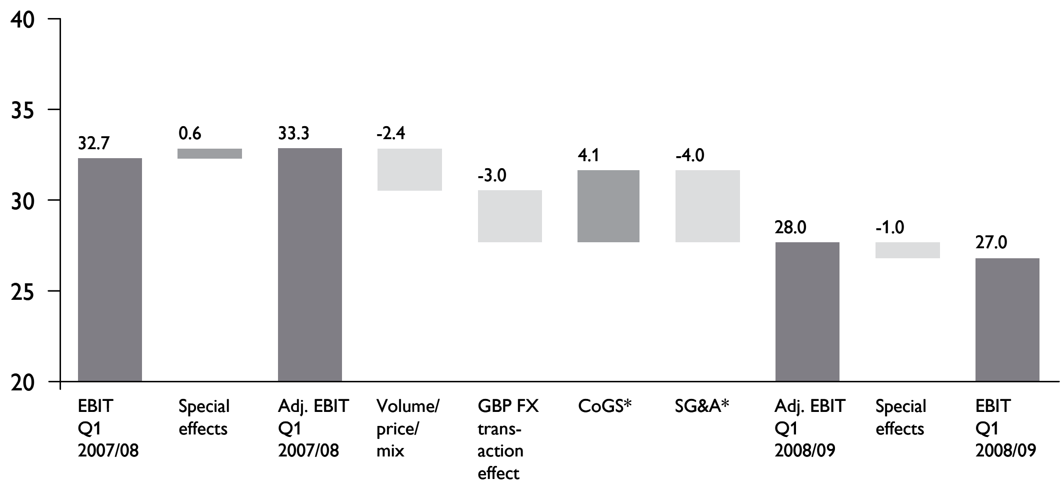
Income statement in EUR million	Q1 2008/09	Q1 2007/08	Change in %
Revenues	316.7	323.1	(2.0)
Cost of goods sold	(195.4)	(200.5)	2.5
Gross profit	121.3	122.6	(1.1)
as a % of revenues	*38.3*	*37.9*	
SG&A expenses adjusted for special effects	(93.2)	(89.3)	(4.4)
Adjusted EBIT	28.0	33.3	(15.8)
as a % of revenues	*8.8*	*10.3*	
Special effects	(1.0)	(0.6)	(73.8)
EBIT	27.0	32.7	(17.4)
Financial results	(10.0)	(4.7)	<(100)
Profit before tax	17.0	28.0	(39.2)
Income taxes	(3.0)	(2.9)	(6.5)
Net profit for the period from discontinued operations	0.3	0.0	>100
Net profit for the period	14.3	25.1	(43.2)
Depreciation and amortisation adjusted for special effects	10.2	10.1	1.7
Earnings per share (in EUR)	0.32	0.56	(42.9)

Note: EBITDA (EBIT plus depreciation and amortisation) equalled EUR 37,2 million.

150 bp decline in adjusted EBIT margin

EBIT adjusted for special effects fell EUR 5.3 million to EUR 28.0 million for the first quarter of 2008/09 (previous year: EUR 33.3 million). This reflects a decrease of 150 basis points from the comparable prior year level to a return on sales of 8.8% for the reporting period.

Development of adjusted EBIT (in EUR million)



* CoGS = Cost of goods sold, SG&A = Selling, general and administrative expenses

Gross profit margin rises 40 bp to 38.3%

The gross profit margin improved by 40 basis points to 38.3% of revenues for the first quarter. The decrease in the contribution that resulted from the decline in revenues and the significant negative impact of the stronger Euro was largely offset by the successful implementation of efficiency and cost reduction programmes in the production area.

Lower CoGS in spite of wage increases

The increase in the value of the Euro versus the British Pound (GBP) compared with the first quarter of the prior year led to a negative currency transaction adjustment of roughly EUR 3 million on exports to Great Britain. However, productivity improvements and currency-based relief from the US Dollar (USD) more than offset the increase in personnel expenses and the cost of materials. Personnel expenses as a percentage of the cost of goods sold declined from 15.3% to 14.7%.

4.4% increase in SG&A expenses

After an adjustment for special effects, selling, administrative and other expenses (SG&A) rose by 4.4% year-on-year to EUR 93.2 million (previous year: EUR 89.3 million). This development was triggered by a general rise in costs, above all an increase of roughly 4% in wages and salaries in accordance with collective bargaining agreements as well as additional hiring in the sales area to reflect the expansion of business activities.

Special effects in operating profit

Special effects of minus EUR 1 million were recognised during the first quarter of 2008/09. They are the result of restructuring costs related to preparations for the relocation of the plant in Spennymoor (redundancy payments of EUR 0.5 million) as well as costs for an efficiency improvement programme that has been started in the Lighting Segment in Australia.

The following table shows the Group's operating performance after an adjustment for the above-mentioned special effects:

Adjusted EBIT in EUR million	Q1 2008/09	Q1 2007/08	Change in %
Reported EBIT	27.0	32.7	(17.4)
thereof special effects	(1.0)	(0.6)	(73.8)
Adjusted EBIT	28.0	33.3	(15.8)
as a % of revenues	8.8	10.3	

Financial results negatively influenced by strong Euro and non-recurring effects

Financial results declined by EUR 5.3 million year-on-year to minus EUR 10.0 million for the first quarter of 2008/09. Interest expense of EUR 8.9 million includes non-recurring expenses of roughly EUR 4.4 million in connection with the premature refinancing of the loan contracted in 2001 to fund the Thorn acquisition. Other financial income and expenses totalled minus EUR 2.6 million. In addition, the comparable prior year value of EUR 0.9 million includes positive effects of EUR 1.4 million from the valuation of foreign currency positions.

Financial result in EUR million	Q1 2008/09	Q1 2007/08	Change in %
Interest expense	(8.9)	(5.6)	(59.4)
Interest income	1.1	0.8	33.3
Net financing costs	(7.8)	(4.8)	(63.8)
Other financial income and expenses	(2.6)	(0.9)	<(100)
Profit/(loss) from associated companies	0.5	1.0	(55.2)
Financial results	(10.0)	(4.7)	<(100)

39.2% decline in profit before tax

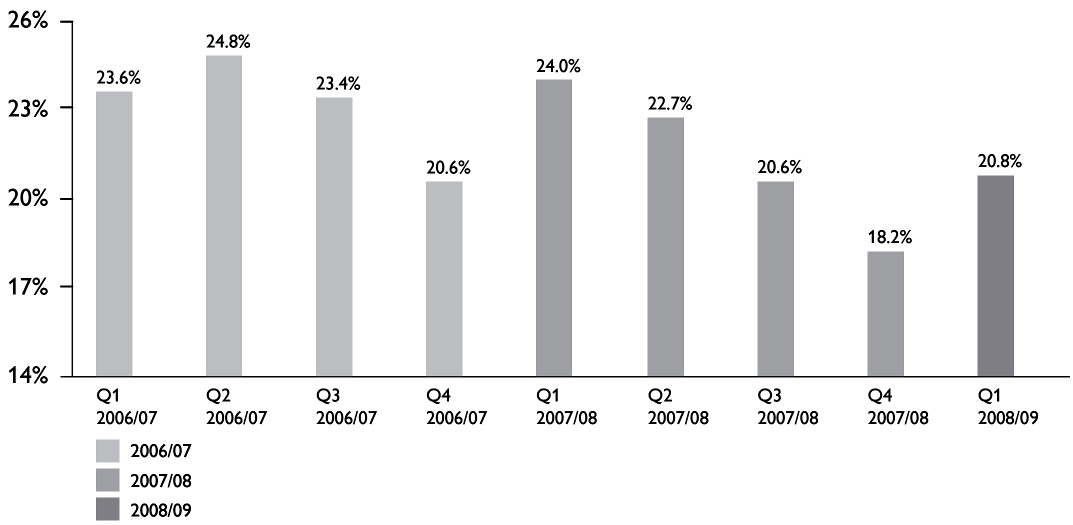
Profit before tax fell by 39.2% or EUR 11.0 million to EUR 17.0 million, and income tax expense equalled EUR 3.0 million for the reporting period. Earnings per share for the shareholders of Zumtobel AG (basic EPS on 44.6 million shares) totalled EUR 0.32 for the reporting period (previous year: EUR 0.56).

Cash Flow and Asset Position

Improvement in working capital continues

In accordance with the normal seasonal pattern, working capital increased during the period from 30 April to 31 July 2008. Cash outflows of EUR 28.4 million for the first three months were substantially less than the comparable figure for the first quarter of 2007/08 (EUR 44.5 million). Active working capital management allowed the Group to reduce inventories and receivables by a sizeable amount in comparison with the level at 31 July 2007 and, at the same time, to also increase trade payables. As of 31 July 2008 working capital totalled EUR 264.9 million (previous year: EUR 300.7 million). Working capital as a percentage of revenues (based on rolling 12-month revenues) declined significantly year-on-year for the fourth quarter in succession and totalled 20.8% (previous year: 24.0%).

Working capital as a % of rolling 12-month revenues



Cash outflows for investments totalled EUR 14.5 million for the first quarter of 2008/09, which is EUR 4.4 million more than in the previous year. Of this amount, EUR 3 million represented equipment for the new plant in Spennymoor.

Balance sheet data in EUR million	31 July 2008	31 July 2007	30 April 2008
Total assets	1,135.8	1,147.0	1,105.9
Net debt	167.6	203.1	129.0
Equity	497.5	447.1	514.2
Equity ratio in %	*43.8*	*39.0*	*46.5*
Gearing in %	*33.7*	*45.4*	*25.1*
Average capital employed	655.4	648.5	650.2
ROCE in %	18.0	17.8	18.9
Investments	14.5	10.2	66.0
Working capital	264.9	300.7	232.9
As a % of rolling 12 month revenues	*20.8*	*24.0*	*18.2*

Solid balance sheet structure

Equity decreased slightly to 43.8% from the level on 30 April 2008 following the approval of a EUR 31.2 million dividend payment by the Annual General Meeting. Net liabilities rose in accordance with the normal seasonal pattern and increased gearing from 25.1% to 33.7%. The solid balance sheet structure of the Zumtobel Group showed a further improvement in comparison with the first quarter of the previous year.

Outlook: still cautiously optimistic

Outlook for 2008/09 confirmed

The development of business during the first quarter reflected expectations, and the Management Board of the Zumtobel Group is therefore able to confirm the previously announced outlook for the 12 months of 2008/09. This financial year will be influenced by a highly volatile economic environment, a marked rise in personnel expenses and negative foreign exchange effects. In line with earlier statements, the Management Board is forecasting growth in revenues of 2 to 3% (after an adjustment for foreign exchange effects) above the weakening commercial construction sector in Europe. As indicated during the presentation of results for the 2007/08 financial year on 30 June, the Management Board considers an EBIT margin of 8 to 9% to be realistic for 2008/09 due to the general lack of impulses for growth as well as negative foreign exchange effects and higher costs. The largest negative variances in relation to 2007/08 are expected to occur during the first half of this financial year.

Dornbirn, September 2008

Andreas Ludwig	Thomas Spitzenpfeil
Chief Executive Officer	Chief Financial Officer

Income Statement

in TEUR	Q1 2008/09	Q1 2007/08	Change in %
Revenues	316,670	323,061	(2.0)
Cost of goods sold	(195,400)	(200,496)	(2.5)
Gross profit	**121,270**	**122,565**	**(1.1)**
as a % of revenues	38.3	37.9	
Selling expenses	(75,521)	(72,965)	3.5
Administrative expenses	(18,955)	(17,780)	6.6
Other operating results	193	864	(77.7)
thereof special effects	*(1,036)*	*(596)*	*73.8*
Operating profit	**26,987**	**32,684**	**(17.4)**
as a % of revenues	8.5	10.1	
Interest expense	(8,863)	(5,561)	59.4
Interest income	1,070	803	33.3
Other financial income and expenses	(2,626)	(949)	>100
Profit/(loss) from associated companies	463	1,033	(55.2)
Financial results	**(9,956)**	**(4,674)**	**>100**
as a % of revenues	(3.1)	(1.5)	
Profit before tax	**17,031**	**28,010**	**(39.2)**
Income taxes	(3,049)	(2,864)	6.5
Net profit for the year from continuing operations	**13,982**	**25,146**	**(44.4)**
Net profit for the year from discontinued operations	**294**	**0**	
Net profit for the period	**14,276**	**25,146**	**(43.2)**
as a % of revenues	4.5	7.8	
thereof due to minority shareholders	*2*	*197*	*(99.0)*
thereof due to shareholders of the parent company	*14,274*	*24,949*	*(42.8)*
Average number of shares outstanding - basic (in 1000 pcs.)	44,592	44,413	
Average diluting effect (stock options) (in 1000 pcs.)	55	220	
Average number of shares outstanding - diluted (in 1000 pcs.)	44,647	44,633	
Earnings per share (in EUR)			
Basic earnings per share	0.32	0.56	
Diluted earnings per share	0.32	0.56	
Earnings per share from continuing operations (in EUR)			
Basic earnings per share	0.31	0.56	
Diluted earnings per share	0.31	0.56	

Balance Sheet

in TEUR	31 July 2008	in %	30 April 2008	in %
Goodwill	287,182	25.3	278,967	25.2
Intangible assets	43,636	3.8	40,635	3.7
Property, plant and equipment	232,050	20.4	211,222	19.1
Investments in associated companies	6,869	0.6	6,486	0.6
Financial assets	676	0.1	15,604	1.4
Other receivables & assets	5,400	0.5	5,338	0.5
Deferred taxes	43,196	3.8	43,035	3.9
Non-current assets	**619,009**	**54.5**	**601,287**	**54.4**
Inventories	166,682	14.7	162,181	14.7
Trade receivables	234,043	20.6	225,113	20.4
Other receivables & assets	23,074	2.0	28,750	2.6
Financial assets	38	0.0	497	0.0
Liquid funds	92,527	8.1	87,678	7.9
Available for sale assets	442	0.0	442	0.0
Current assets	**516,806**	**45.5**	**504,661**	**45.6**
ASSETS	**1,135,815**	**100.0**	**1,105,948**	**100.0**
Share capital	111,761	9.8	111,761	10.1
Additional paid-in capital	356,327	31.4	355,893	32.2
Reserves	12,949	1.1	(48,409)	(4.4)
Net profit for the period	14,274	1.3	92,986	8.4
Capital attributed to shareholders of the parent company	495,311	43.6	512,231	46.3
Capital attributed to minority shareholders	2,164	0.2	1,969	0.2
Equity	**497,475**	**43.8**	**514,200**	**46.5**
Provisions for pensions	34,410	3.0	35,762	3.2
Provisions for severance compensation	30,013	2.6	29,931	2.7
Other provisions	10,617	0.9	10,392	1.0
Borrowings	221,690	19.5	211,631	19.1
Other liabilities	714	0.1	1,012	0.1
Deferred taxes	10,199	0.9	10,224	0.9
Non-current liabilities	**307,643**	**27.1**	**298,952**	**27.0**
Provisions for taxes	32,219	2.8	29,196	2.6
Other provisions	16,984	1.5	21,121	1.9
Borrowings	38,398	3.4	5,024	0.5
Trade payables	124,433	11.0	144,326	13.1
Other liabilities	118,663	10.4	93,129	8.4
Current liabilities	**330,697**	**29.1**	**292,796**	**26.5**
EQUITY AND LIABILITIES	**1,135,815**	**100.0**	**1,105,948**	**100.0**

Cash Flow Statement

in TEUR	Q1 2008/09	Q1 2007/08
Operating profit from continuing and discontinued operations	27,281	32,684
Depreciation and amortisation	10,239	10,066
Other non-cash changes	(3,367)	(1,228)
Cash flow from operating results	**34,153**	**41,522**
Inventories	(5,573)	(10,110)
Trade receivables	(2,998)	(13,460)
Trade payables	(20,964)	(21,330)
Prepayments received	1,106	429
Change in working capital	**(28,429)**	**(44,471)**
Non-current provisions	(1,426)	(1,630)
Current provisions	(4,116)	160
Other current and non-current receivables and liabilities	(5,165)	(3,039)
Change in other operating items	**(10,707)**	**(4,509)**
Taxes paid	**(1,018)**	**(1,530)**
Cash flow from operating activities	**(6,001)**	**(8,988)**
Proceeds from the sale of non-current assets	87	987
Capital expenditures	(14,529)	(10,186)
Change in non-current and current financial assets	12,896	4,609
Change in liquid funds from changes in the consolidation range	(6,036)	0
Cash flow from investing activities	**(7,582)**	**(4,590)**
FREE CASH FLOW	**(13,583)**	**(13,578)**
Change in net borrowings	2,982	920
thereof restricted cash	*(53)*	*17*
Exercise of options	433	0
Interest paid	(5,989)	(4,367)
Cash flow from financing activities	**(2,574)**	**(3,447)**
Effects of exchange rate changes on cash and cash equivalents	125	418
CHANGE IN CASH AND CASH EQUIVALENTS	**(16,032)**	**(16,607)**
Cash and cash equivalents at the beginning of the period	86,163	118,970
Cash and cash equivalents at the end of the period	70,131	102,363
Change absolute	**(16,032)**	**(16,607)**

Statement of Changes in Equity

1st Quarter 2008/09

in TEUR	Attributed to shareholders of the parent company: Share capital	Additional paid-in capital	Reserves	Net profit for the period	Total	Minority interests	Total equity
30 April 2008	**111,761**	**355,893**	**(48,409)**	**92,986**	**512,231**	**1,969**	**514,200**
+/- Additions to reserves	0	0	92,986	(92,986)	0	0	0
+/- Net profit for the period	0	0	0	14,274	14,274	2	14,276
+/- Share buyback / Exercise of options	0	434	0	0	434	0	434
+/- Dividends	0	0	(31,255)	0	(31,255)	0	(31,255)
+/- Currency differences not recognised through profit or loss	0	0	(379)	0	(379)	3	(376)
+/- Currency differences arising from loans	0	0	(328)	0	(328)	0	(328)
+/- Hedge accounting not recognised through profit or loss	0	0	(82)	0	(82)	0	(82)
+/- Stock options - Addition	0	0	416	0	416	0	416
+/- Initial consolidation	0	0	0	0	0	190	190
31 July 2008	**111,761**	**356,327**	**12,949**	**14,274**	**495,311**	**2,164**	**497,475**

1st Quarter 2007/08

in TEUR	Attributed to shareholders of the parent company: Share capital	Additional paid-in capital	Reserves	Net profit for the period	Total	Minority interests	Total equity
30 April 2007	**111,761**	**354,143**	**(129,074)**	**103,193**	**440,023**	**1,567**	**441,590**
+/- Additions to reserves	0	0	103,193	(103,193)	0	0	0
+/- Net profit for the period	0	0	0	24,949	24,949	197	25,146
+/- Share buyback / Exercise of options	0	1,479	0	0	1,479	0	1,479
+/- Dividends	0	0	(22,280)	0	(22,280)	0	(22,280)
+/- Currency differences not recognised through profit or loss	0	0	85	0	85	2	87
+/- Hedge accounting not recognised through profit or loss	0	0	(287)	0	(287)	0	(287)
+/- Stock options	0	0	1,222	0	1,222	0	1,222
+/- Business combination achieved in stages	0	0	0	0	0	157	157
31 July 2007	**111,761**	**355,621**	**(47,140)**	**24,949**	**445,191**	**1,923**	**447,114**

Statement of recognised income and expense

in TEUR	Q1 2008/09	Q1 2007/08
Net profit for the period	**14,274**	**24,949**
Hedge accounting	(145)	(382)
Deferred taxes	63	95
Income recognised directly in equity	**(82)**	**(287)**
Total	**14,192**	**24,662**
Attributed to shareholders of the parent company	14,190	24,465
Attributed to minority interests	2	197

Notes

Accounting and Valuation Methods

The interim financial statements as of 31 July 2008 were prepared in accordance with the principles set forth in International Financial Reporting Standards (IAS 34, Interim Financial Reporting). The company has elected to make use of the option set forth in IAS 34 and provide selected explanatory notes.

The accounting and valuation methods remain unchanged as of 31 July 2008. Additional information on these methods is provided in the consolidated financial statements as of 30 April 2008.

The quarterly financial statements of all companies included in the consolidated financial statements were prepared in accordance with uniform accounting and valuation principles.

The condensed consolidated interim financial statements were prepared in accordance with all IFRS/IAS issued by the International Accounting Standards Board (IASB) as well as all interpretations (IFRIC/SIC) of the International Financial Reporting Interpretations Committee and Standing Interpretations Committee that were valid as of the balance sheet date and have been adopted by the European Union through its endorsement procedure.

Consolidation range

The condensed consolidated interim financial statements include all major Austrian and foreign companies that are controlled by Zumtobel AG.

The changes in the consolidation range during the interim financial period are shown below:

	Consolidation Method		
Consolidation Range	full	at equity	TOTAL
30 April 2008	**97**	**5**	**102**
Included during reporting year for first time	4	0	4
Thereof newly founded	*2*	*0*	*2*
Thereof acquisition	*2*	*0*	*2*
Merged during reporting year	(1)	0	(1)
31 July 2008	**100**	**5**	**105**

As of 5 May 2008 Zumtobel acquired 100% of the shares in the Italian Space Cannon VH S.P.S. (now SpaceCannon), which is headquartered in Fubine. The preliminary allocation of the purchase price led to the recognition of TEUR 6,679 in goodwill. This company recorded net profit of TEUR 336 during the first quarter of 2008/09.

In addition, 90% of the shares in Zumtobel Residential Lighting S.r.l. (formerly Oylight - now Zumtobel Residential), which is headquartered in Milan, were initially consolidated during May. The purchase price equalled TEUR 1,574. Goodwill disclosed during the preliminary allocation of the purchase price amounted to TEUR 1,535. This company reported a loss of TEUR 358 for the first quarter of 2008/09.

The following two companies were founded during the first quarter of the reporting year: Zumtobel LED Illuminazione Holding s.rl, Italy, and Zumtobel Licht doo, Croatia.

Luxmate GmbH, Germany, was merged with Zumtobel Licht GmbH, Germany, in May 2008.

Notes to the Income Statement

The following comments explain the major changes to individual items in relation to the comparable prior year period.

Earnings per share

Basic earnings per share were calculated by dividing net profit for the period by the average number of shares outstanding as of the balance sheet date for these interim financial statements.
Diluted earnings per share are based on the assumption that that the options granted under the stock option programme (SOP/MSP) will be exercised.These shares are included in the calculation of the average number of shares outstanding.

Seasonality

Sales volumes are higher during the first two quarters of the financial year than during the second half-year for seasonal reasons; in particular, the third quarter lies significantly below the average. This distribution reflects the Group's dependency on developments in the construction industry as well as the seasonal distribution of business in this sector.

Expenses

The income statement was prepared in accordance with the cost of sales method. The cost of goods sold (incl. development expenses), selling expenses (incl. research expenses) and administrative expenses as well as other operating results include the following categories of expenses and income:

1st Quarter 2008/09

in TEUR	Cost of goods sold	Selling expenses	Administrative expenses	Other operating results	Total
Cost of materials	(133,400)	(1,533)	(67)	0	(135,000)
Personnel expenses	(46,469)	(37,856)	(11,606)	(13)	(95,944)
Depreciation	(8,265)	(1,510)	(464)	0	(10,239)
Other expenses	(13,854)	(32,978)	(8,812)	(1,048)	(56,692)
Own work capitalised	3,542	18	504	0	4,064
Internal charges	1,464	(2,679)	1,215	0	0
Total expenses	**(196,982)**	**(76,538)**	**(19,230)**	**(1,061)**	**(293,811)**
Other income	**1,582**	**1,017**	**275**	**1,254**	**4,128**
Total	**(195,400)**	**(75,521)**	**(18,955)**	**193**	**(289,683)**

1st Quarter 2007/08

in TEUR	Cost of goods sold	Selling expenses	Administrative expenses	Other operating results	Total
Cost of materials	(134,431)	(1,313)	(96)	(4)	(135,844)
Personnel expenses	(49,306)	(36,658)	(11,009)	(19)	(96,992)
Depreciation	(8,254)	(1,395)	(415)	0	(10,064)
Other expenses	(13,169)	(32,536)	(7,844)	(584)	(54,133)
Own work capitalised	3,061	2	0	0	3,063
Internal charges	1,404	(2,277)	874	(1)	0
Total expenses	**(200,695)**	**(74,177)**	**(18,490)**	**(608)**	**(293,970)**
Other income	**199**	**1,212**	**710**	**1,472**	**3,593**
Total	**(200,496)**	**(72,965)**	**(17,780)**	**864**	**(290,377)**

The cost of goods sold includes development costs of TEUR 7,920 (prior year: TEUR 7,270). Development costs of TEUR 3,164 (prior year: TEUR 2,899) were capitalised during the reporting period, and the amortisation of capitalised development costs equalled TEUR 1,230 (prior year: TEUR 934).

Other Operating Results

in TEUR	Q1 2008/09	Q1 2007/08
Government grants	584	1,053
License revenues	361	287
Special effects	(1,036)	(596)
Restructuring	*(1,036)*	*(976)*
Gains / losses on sale	0	380
Miscellaneous	284	120
Total	**193**	**864**

Public subsidies are comprised entirely of government grants related to income.

The license fees represent income from the LED business.

Special effects as defined in IAS 1 include the following major items:

Restructuring includes the costs for redundancy plans in Great Britain (TEUR 508) and Australia (TEUR 452).

The position "other" represents the net total of income and expenses from ordinary business activities, which cannot be clearly allocated to another functional area.

Interest expense

Interest expense includes a bonus margin, transaction costs and commitment charges for credits, which total approximately EUR 4.4 million and are related to the refinancing of the 2001 acquisition credit agreement. The remaining EUR 4.5 million (prior year: EUR 5.6 million) are comprised primarily of interest expense for the current credit agreement.

Other Financial Income and Expenses

in TEUR	Q1 2008/09	Q1 2007/08
Interest component as per IAS 19 less income on plan assets	(657)	(624)
Foreign exchange gains and losses	(88)	1,374
Market valuation of financial instruments	(1,755)	(1,531)
Gains / losses on sale	(126)	192
Total	**(2,626)**	**(949)**

Foreign exchange gains and losses consist above all of effects from the valuation of receivables and liabilities that are denominated in a foreign currency.

The market valuation of financial instruments shows the results from the valuation of forward exchange contracts at fair value as of the balance sheet date for the interim financial statements.

Income Taxes

The classification of income taxes into current and deferred taxes is shown in the following table:

in TEUR	Q1 2008/09	Q1 2007/08
Current taxes	(3,206)	(3,322)
Deferred taxes	157	458
Income taxes	**(3,049)**	**(2,864)**

Notes to the Balance Sheet

The following comments refer to major changes in individual items compared to the balance sheet date on 30 April 2008.

Goodwill

The change in this position reflects the recognition of goodwill in SpaceCannon and Zumtobel Residential.

Property, plant and equipment

The increase in property, plant and equipment resulted above all from the recognition of the newly constructed plant in Spennymoor, England.

Financial assets

Non-current financial assets declined during the first quarter of 2008/09, primarily due to the sale of a fixed-interest financial asset that was contracted with a financial institution.

Financial liabilities

The increase in non-current financial liabilities resulted from the recognition of a finance lease for the Spennymoor plant in accordance with IAS 17. This lease has a volume of TEUR 20,345 and a term of 21 years. The increase in current financial liabilities was related to the use of short-term lines of credit.

On 12 June 2008 two five-year credit agreements were concluded with a consortium of seven banks; one of these credit agreements represents a framework contract The credits have a total volume EUR 480 million, whereby EUR 186 million were used to repay the EUR 200 million acquisition credit that was concluded in 2001. The remainder was repaid from cash balances.

Notes to the Cash Flow Statement

The more effective management of working capital was reflected in the continued improvement of cash flow from operating results.

Cash flow from investing activities includes the redemption of a financial asset as well as the difference in cash and cash equivalents that resulted from changes in the consolidation range.

Transition to cash and cash equivalents

in TEUR	31 July 2008	31 July 2007
Liquid funds	92,528	107,316
Not available for disposal	(688)	(2,878)
Demand deposits and others	(21,709)	(2,075)
Cash and cash equivalents	**70,131**	**102,363**

Notes to the Statement of Changes in Equity

Dividend

The Annual General Meeting on 29 July 2008 approved the payment of a EUR 0.70 dividend per share. A total of TEUR 31,255 was distributed to the shareholders of Zumtobel AG on 4 August 2008.

Stock Option Programme and Share Buyback

in psc.	Total
30 April 2008	**112,181**
Share buyback	0
Exercised	(57,527)
31 July 2008	**54,654**

A total of 57,527 (prior year: 186,085) stock options were exercised during the first quarter of 2008/09. The exercise price paid by employees equalled TEUR 432 (average price of EUR 7.5 per share; prior year, average price of EUR 8.0).

Reserve for Stock Options

in TEUR	SOP	MSP	Total
30 April 2008	**15,986**	**1,558**	**17,544**
Addition through profit or loss	0	416	416
31 July 2008	**15,986**	**1,974**	**17,960**

The Stock Option Programme (SOP) has now been fully replaced by the Matching Stock Programme (MSP). No further options were allocated from the SOP.

The addition to the Matching Stock Programme (MSP) represents the options to be granted from the MSP I segments 2 and 3, MSP II segments 1 and 2 as well as MSP III segment 1 for a total of TEUR 416. The addition will be accrued over two years through profit or loss.

Related Party Transactions

Related parties include the Managing Board and Supervisory Board of Zumtobel AG. The company had no business relationships with related parties as of the closing date for the interim financial statements on 31 July 2008.

Supply and delivery transactions are conducted with associated companies at normal market conditions.

Contingent Liabilities and Guarantees

The Zumtobel Group holds contingent liabilities of TEUR 147 (30 April 2008: TEUR 440) for guarantees and warranties that do not meet the criteria for recognition as a provision. Bank guarantees of TEUR 9,098 (30 April 2008: TEUR 9,072) have been provided for various liabilities.

Subsequent Events

The Annual General Meeting on 29 July 2008 authorised the Management Board of Zumtobel AG, contingent upon the approval of the Supervisory Board, to repurchase the company's shares at an amount equalling up to 10% of share capital for a minimum price of EUR 5 and a maximum price of EUR 50 per share. This authorisation is valid for 18 months beginning on the date the resolution was passed. On the same date the Management Board of Zumtobel AG decided to utilise this authorisation to repurchase up to 1,943,555 of the company's shares at a maximum price of EUR 20.50 on or before 11 February 2009. The share buyback was started on 11 August 2008 after the Supervisory Board granted its approval. This programme will be managed by a financial institution that will decide on the timing of the purchase independently and without the influence of the company in accordance with the so-called "safe harbour rule". Roughly 300,000 shares had been repurchased as of 15 September 2008.

Segment Reporting

Business Segments

The following two subgroups represent the primary segments of business for the Zumtobel Group: the Lighting Segment (formerly the Zumtobel Lighting Division - lighting solutions, interior and exterior lighting, electronic-digital lighting and room management systems) and the Components Segment (formerly the TridonicAtco Division - electronic and magnetic lighting components). The prices charged on inter-segment sales reflect normal market conditions.

Segment assets and liabilities comprise directly allocated property, plant and equipment, intangible assets and working capital (excluding accrued interest, tax refunds and tax liabilities).

The column "Other and Consolidation" contains the assets, liabilities and related income statement items which were not allocated to the individual segments as well as property, plant and equipment, financial liabilities and taxes that relate to more than one segment.

	Lighting Segment			Components Segment			Other & Consolidation			Group		
in TEUR	Q1 2008/09	Q1 2007/08	Q1 2006/07	Q1 2008/09	Q1 2007/08	Q1 2006/07	Q1 2008/09	Q1 2007/08	Q1 2006/07	Q1 2008/09	Q1 2007/08	Q1 2006/07
Net revenues	234,664	235,931	226,753	102,623	105,043	95,386	(20,617)	(17,913)	(17,601)	316,670	323,061	304,538
External revenues	233,552	236,061	226,300	82,837	86,828	77,837	281	172	401	316,670	323,061	304,538
Inter-company revenues	1,111	(131)	453	19,786	18,216	17,549	(20,898)	(18,085)	(18,002)	0	0	0
Operating profit	15,441	21,242	21,216	14,313	12,343	10,299	(2,766)	(901)	(1,153)	26,987	32,684	30,361
Investments	9,919	6,533	5,804	3,880	3,584	4,271	730	69	599	14,529	10,186	10,674
Depreciation	(6,175)	(6,047)	(6,087)	(3,767)	(5,226)	(4,795)	(296)	1,208	1,380	(10,239)	(10,066)	(9,502)
in TEUR	31 July 2008	30 April 2008	30 April 2007	31 July 2008	30 April 2008	30 April 2007	31 July 2008	30 April 2008	30 April 2007	31 July 2008	30 April 2008	30 April 2007
Assets	765,987	754,848	728,292	230,864	233,295	242,104	138,963	117,805	174,983	1,135,815	1,105,948	1,145,379
Liabilities	259,576	281,339	293,825	88,896	96,774	102,283	289,866	213,635	307,681	638,339	591,748	703,789

Regional Segments

The distribution of countries to the individual regions is as follows:

DACH:	Germany, Austria, Switzerland
Eastern Europe:	Czech Republic, Croatia, Hungary, Poland, Romania, Russia, Slovakia, Baltic States
Northern Europe:	Denmark, Finland, Norway, Sweden, Iceland
Western Europe:	Great Britain, Benelux, France
Southern Europe:	Italy, Spain, Greece, Turkey
America:	North and South America
Asia:	Countries in the Far East and Middle East
Other:	Africa

The region "Europe" and the total Group level include various assets such as goodwill, which could not be directly allocated to secondary regions during the consolidation.

	External revenues			Assets			Investments		
in TEUR	Q1 2008/09	Q1 2007/08	Q1 2006/07	31 July 2008	30 April 2008	30 April 2007	Q1 2008/09	Q1 2007/08	Q1 2006/07
D/A/CH	77,999	75,832	74,329	388,884	389,430	393,566	8,422	5,941	8,752
Eastern Europe	18,608	14,189	14,237	22,594	20,932	9,753	247	215	(662)
Northern Europe	24,151	22,757	23,280	27,948	31,346	29,162	236	247	67
Western Europe	103,043	113,345	97,764	201,300	178,089	178,887	4,811	2,091	1,482
Southern Europe	33,887	36,738	32,306	44,594	23,133	19,918	390	10	22
Europe	257,688	262,860	241,916	685,319	642,930	631,285	14,107	8,505	9,661
Asia	21,601	20,484	21,068	37,614	40,260	39,449	169	426	299
Australia & New Zealand	26,143	26,950	27,174	60,178	60,909	71,405	121	1,150	600
America	8,238	9,819	10,528	13,273	13,162	14,472	132	104	114
Others	3,000	2,948	3,852	0	0	0	0	0	0
Other & Consolidation	0	0	0	338,470	348,686	388,768	0	0	0
Total	**316,670**	**323,061**	**304,538**	**1,135,815**	**1,105,948**	**1,145,379**	**14,529**	**10,186**	**10,674**

Dornbirn, 16 September 2008

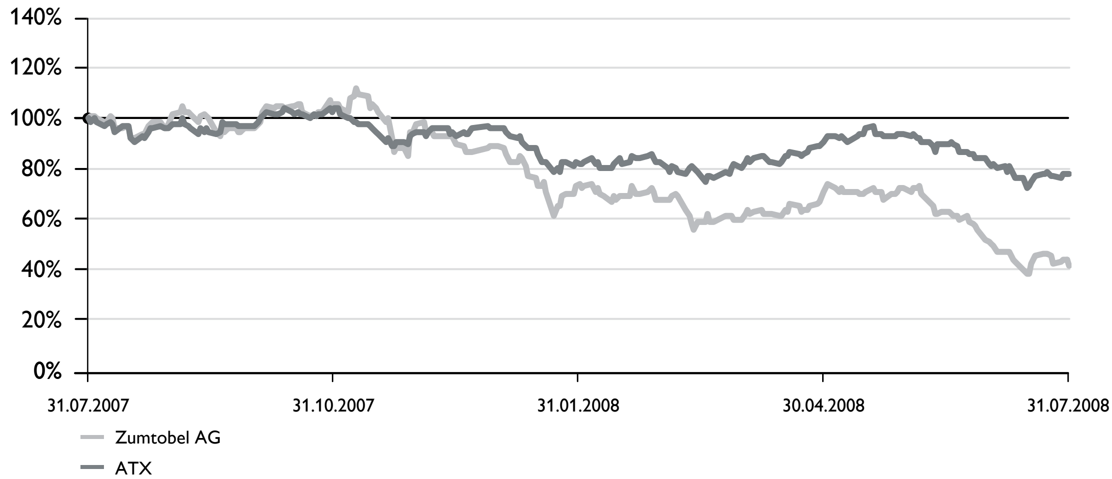
The Management Board

Andreas Ludwig　　　　Thomas Spitzenpfeil

The Zumtobel Share

The Zumtobel share was unable to disengage from the negative climate and general weakness on international capital markets during the reporting period from 1 May 2008 to 31 July 2008. A further negative aspect was the downward revision of the company's forecasts for the new financial year. The price of the Zumtobel share came under increasing pressure as a result of these factors, and closed the first quarter of 2008/09 at EUR 11.52 and a minus of roughly 40%. The price on 31 July (ex-dividend day) reflects a dividend discount of EUR 0.70. The leading Austrian Traded Index (ATX), which includes Zumtobel, also remained weak during these three months with a decline of 14%. The Zumtobel share recorded a good start into the reporting period, with the share price rising above the EUR 20-mark in early May and remaining at this level until the beginning of June. However, worldwide fears of a recession and the above-mentioned revision of earnings forecasts subsequently led to a sharp decline in the share price. In this phase Zumtobel was affected by the generally strong pressure on smaller and mid-sized corporations. Unfavourable forecasts by the financial market for the development of business in the construction industry and related sectors also had a negative influence on the share performance. The market capitalisation of the Zumtobel Group fell to EUR 515 million by the end of July. The shareholder structure did not change during the reporting period; 66% of the shares are held in free float and the Zumtobel family continues to hold a stake of 34%.

Development of the Zumtobel Share



Key Data on the Zumtobel Share for the 1st quarter

Closing price at 30.04.08	€ 19,64	Currency	EUR
Closing price at 31.07.08	€ 11,52	ISIN	AT0000837307
Performance Q1 2008/09	-41,3%	Ticker symbol Vienna Stock Exchange (XETRA)	ZAG
Performance since IPO	-43,8%	Market segment	Prime Market
Ø Market capitalisation at 31.07.08	€ 515 million	Reuters symbol	ZUMV.VI
Share price - high at 02.05.08	€ 20,49	Bloomberg symbol	ZAG AV
Ø Turnover per day (shares)	175.678	Datastream	O:ZAG
Free float	66%	Number of issued shares	44.704.344

Service

Financial Terms

Adjusted EBIT	EBIT adjusted for special effects
Adjusted EBIT margin	= Adjusted EBIT as a percentage of revenues
Adjusted EBITDA	EBITDA adjusted for special effects
Average capital employed	= Goodwill + intangible assets + tangible assets + inventories + trade receivables – trade payables – provisions for income taxes – other provisions – other liabilities, as average over a period of four quarters
CAPEX	Capital expenditure
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortisation
Equity ratio	= Equity as a percentage of assets
Gearing	= Net debt as a percentage of equity
Net debt	= Non-current borrowings + current borrowings – liquid funds
ROCE	(Return On Capital Employed) = Total return based on adjusted EBIT as a percentage of average capital employed
WACC	Weighted average cost of capital (debt and equity)
Working capital	= Inventories + trade receivables – trade payables – prepayments received

Financial Calendar

Interim Financial Report 2008/09 (1 May 2008 – 31 October 2008)	09 December 2008
3rd Quarterly Report 2008/09 (1 May 2008 – 31 January 2009)	12 March 2009

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Financial Reports

Our financial reports are available for download under: http://www.zumtobelgroup.com.
You can also order a copy by calling +43 (0)5572 509-1510.

More Information

on Zumtobel AG, our brands and LED activities can be found in the Internet under:

www.zumtobelgroup.com
www.zumtobel.com
www.thornlighting.com
www.zumtobellighteriors.com
www.tridonicatco.com
www.ledonlighting.com

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