ROOD TECHNOLOGY

Rood Testhouse International N.V.

Annual Report 2007

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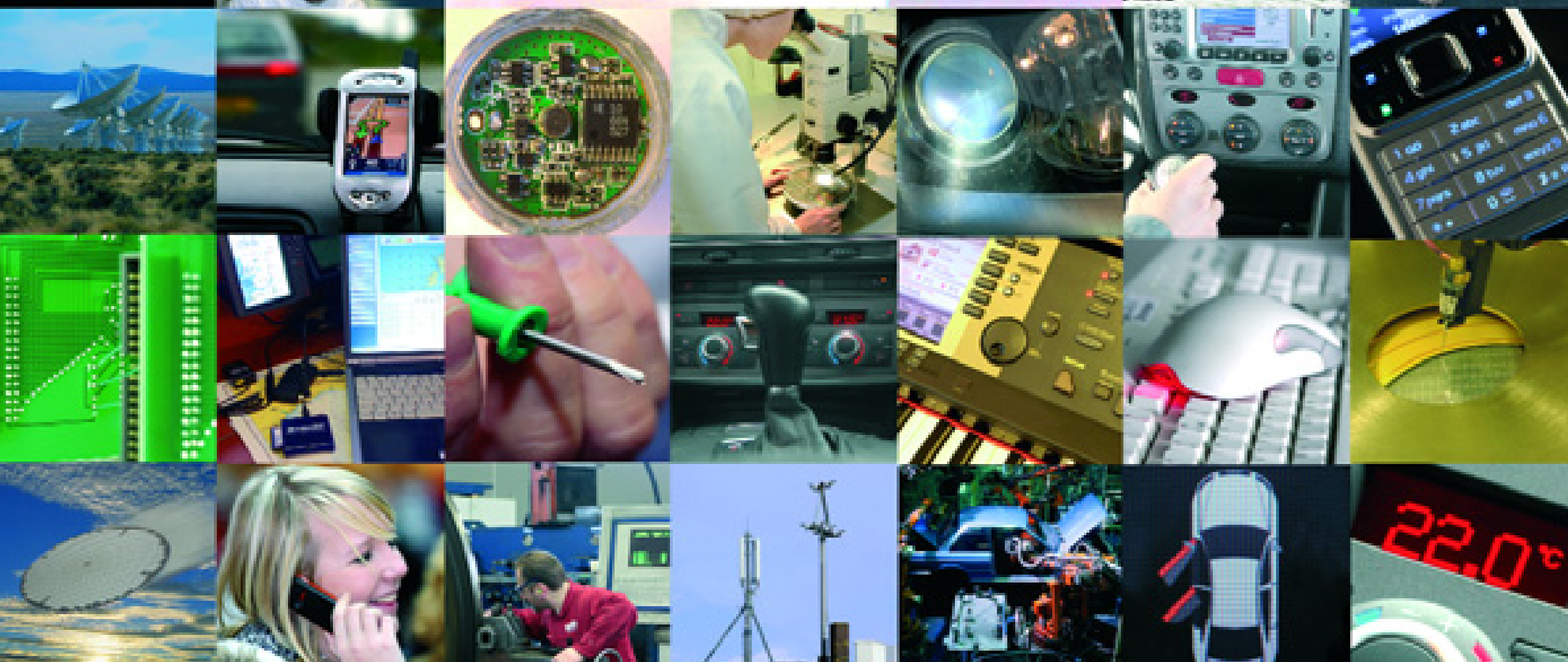
The use of technology, and thus of microchips, in our daily lives has increased at a phenomenal rate over the past few decades.

We hardly realize it, but there are microchips in virtually every appliance and electronic device, from laptops to washing machines, and from navigation systems to hearing aids.

Even cats and dogs have microchips implanted to identify them. And the end is not in sight.

This picture collage gives an impression of the many applications microchips have.



Rood Technology

certifies the integrity of customers’ applications

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Chamber of Commerce
number 33251008

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Profile of Rood Technology

General

Rood Testhouse International N.V. (Rood Technology) is listed on the Official Market of the Euronext Amsterdam stock exchange (Euronext N.V.).
The company has two subsidiaries in Germany (in Nördlingen and Dresden) and one in the Netherlands (in Zwolle).

The core activities of Test & Related Services consist of the development, production and service provision to the semiconductor industry, including:

- testing semiconductors (microchips), which represents the majority of sales;
- supplying End-of-line manufacture and service;
- developing test software for semiconductors;
- qualifying semiconductors;
- qualifying production processes;
- analyzing failures in products;
- supply chain management (SCM); managing the supply chain from Asia to Europe for European Fabless semiconductor manufacturers and Fabless design houses (FDHs)

Next to the abovementioned activities, intensive know-how development takes place within the company, giving Rood Technology a unique position in the market.
A strong sales organization with test engineers enables customers to profit maximally from the company's development work and expertise.
The majority of its customers operates in the automotive sector (approximately 56%), the telecom sector (approximately 23%) and industry/medical (approximately 15%).

At year-end 2007, the company had 100 employees on permanent staff.
In the 2007 financial year, sales of EUR 9,528,000 generated a net result of EUR 5,000.

History

The foundation for Rood Testhouse was laid in 1976 by trading company C.N. Rood B.V. in Rijswijk, the Netherlands, an electronic testing equipment trading company.

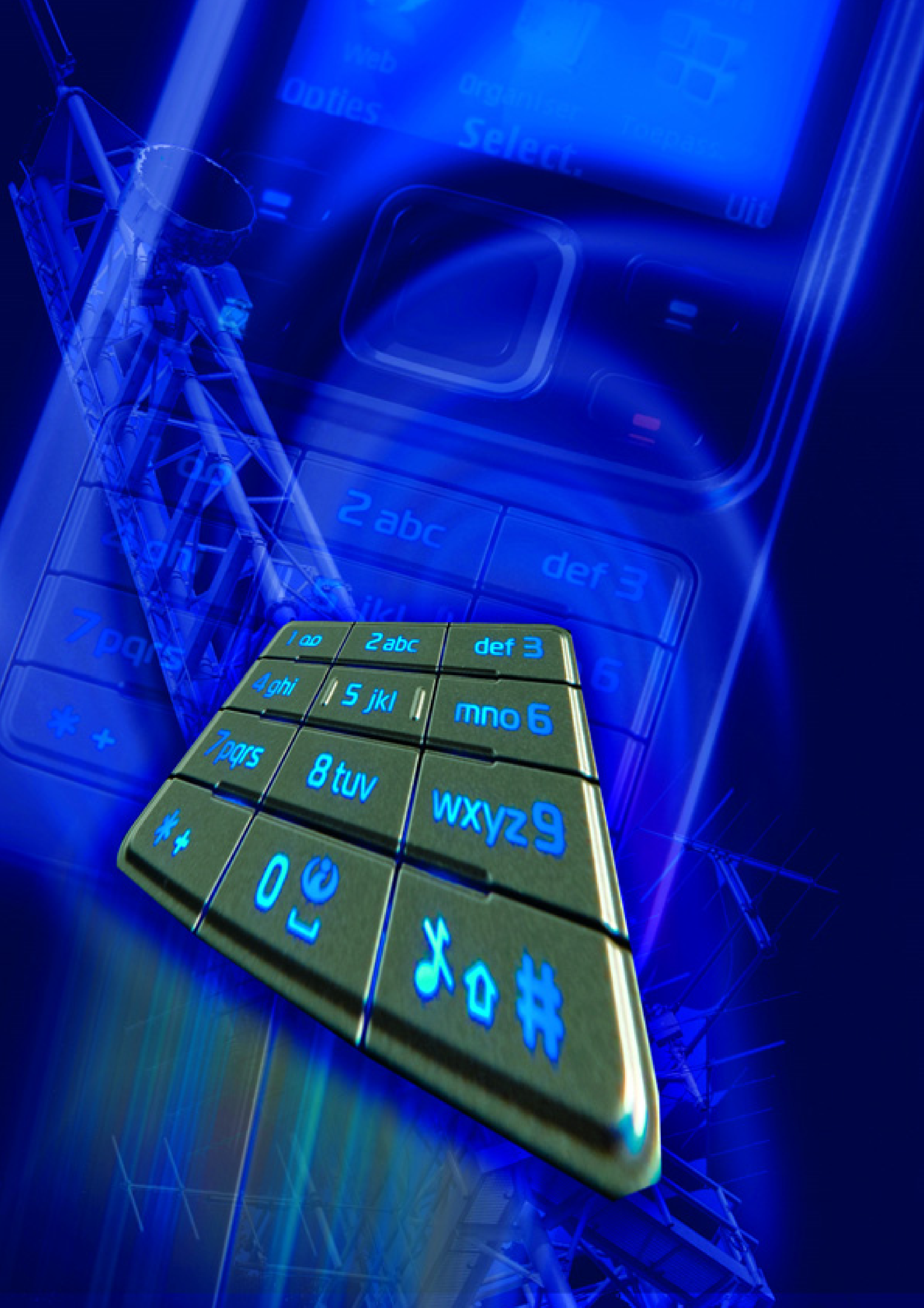
The company's headquarters is based in Zwolle, the Netherlands, since 2004. Rood was floated on the Amsterdam stock exchange in 1986.
In the following years, number of mergers and acquisitions took place.

After a difficult period, in 2003 Rood obtained EUR 2 million in risk-bearing capital from the Venture Capital Organization (TIIN). Another EUR 1 million capital injection took place in 2005.

Currently, Rood Technology is focusing on its core activity: semiconductor testing and related services. In 2005, a test facility was founded in Dresden. Activities in Asia will mostly take place through the strategic partnership with Millennium Microtech concluded in 2007.

Market position

Rood Technology's customers are mainly based in Europe. The high level of know-how in the organization enables Rood to focus more strongly on the Fabless Design houses segment.
As one of the largest independent testhouses, Rood Technology focuses on more complex products, of which 'mixed signal test' is an example.
With its Dresden facility, Rood is the only independent testhouse in Silicon Saxony (the cluster of semiconductor companies in the rapidly developing Dresden area).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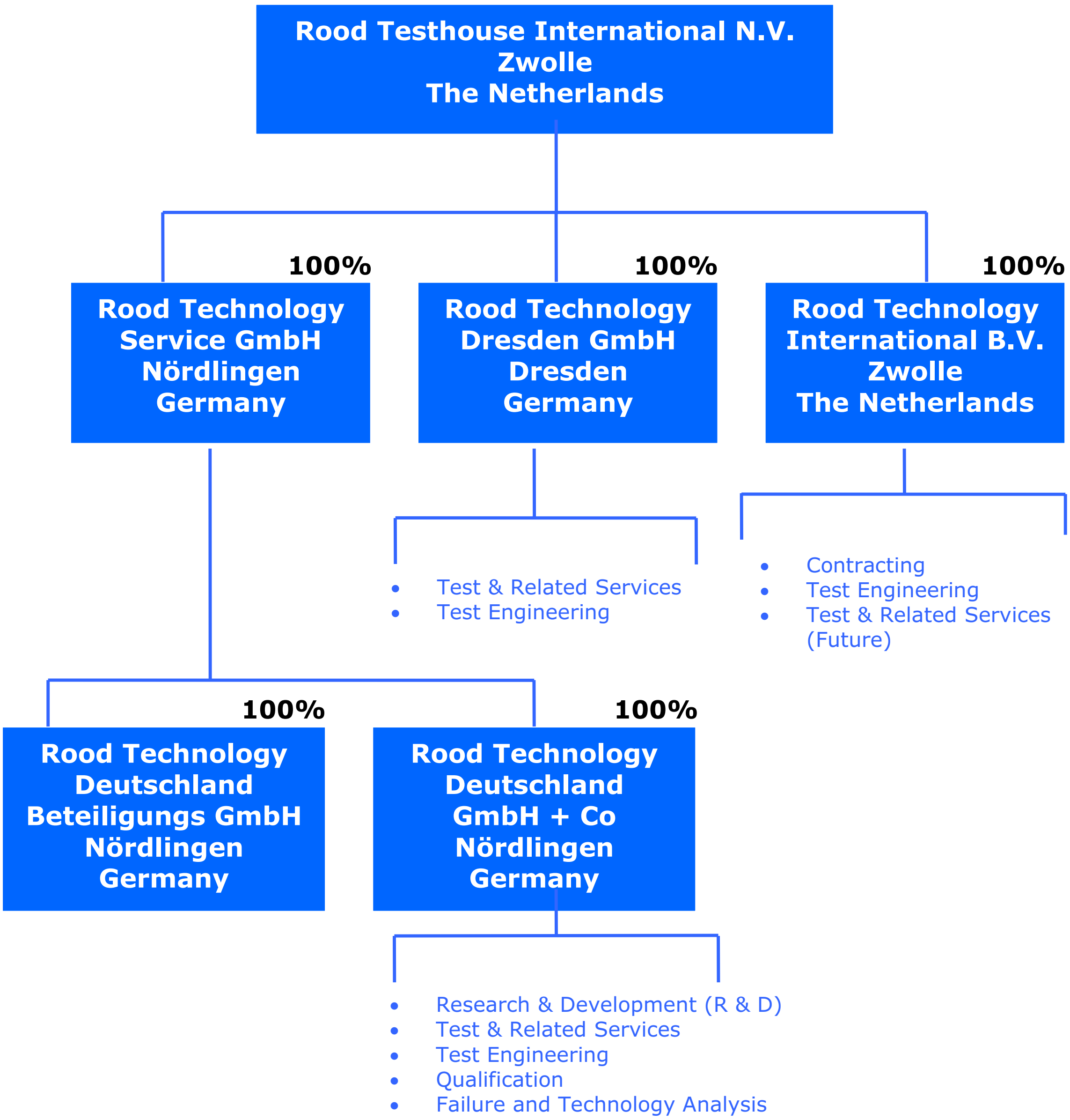
Group Structure



Corporate Management Team

Board of Management

Philip M.G. Nijenhuis (1945)
Chief Executive Officer since September 2004
Previous positions: senior management and board positions with BESI, DTS, Schlumberger, AT Kearney, ITT/Alcatel, Scania and Wavin.

Members of Corporate Management Team

Thorsten Bucksch (1968)
Chief Operational Officer
Member of Corporate Management Team since March 2007
Previous positions: senior management positions with Elmos, Siemens Semiconductor/Infineon and Qimonda.

Sebastiaan G. Hollenberg (1974)
Chief Financial Officer
Member of Corporate Management Team since August 2007
Previous positions: management positions with Falcon Leven and Eurofiber.

Supervisory Board

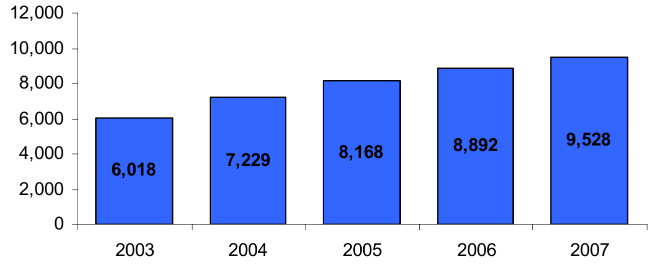
Cees W.M. Koot (1936)
Nationality: Dutch
Chairman of the supervisory board since 1998
Reappointed in 2005
Term of office ends in 2009
Previous positions: senior management and board positions with Philips Components, Communications and Semiconductors.

Ad Mommer, (1944)
Nationality: Dutch
Member of the supervisory board since March 2007
Term of office ends in 2011
Previous positions: financial positions with Philips Electronics, including CFO of the Semiconductor Division and the Consumer Electronics Division.

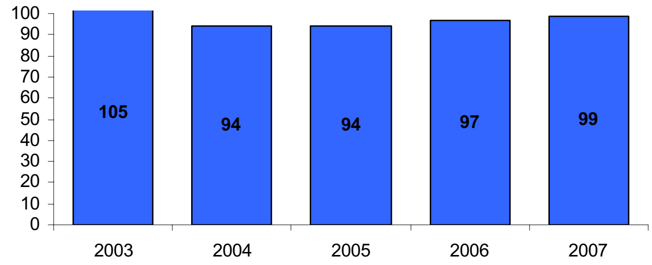
Key Figures

	(X EUR 1,000) IFRS 2007	IFRS 2006	IFRS 2005	IFRS 2004	2003
Result					
Net sales					
* Net sales core business	9,528	8,892	8,168	7,229	6,018
* Net sales equipement				580	2,022
	9,528	8,892	8,168	7,809	8,040
Total operating income	9,539	8,872	8,149	7,760	7,291
Gross margin	8,657	7,948	7,470	6,924	6,413
Operating result / EBIT	354	231	238	56	1,116
"Operating result / EBIT (excl. disposal equipement branche and waver of banks)"	354	231	238	56	-180
EBITDA	1,908	1,415	1,141	1,428	2,454
Cash flow (net result and depreciaton)	1,559	1,325	1,421	1,391	2,111
Cash flow from operating activities	1,495	151	1,269	1,632	904
Net result	5	141	518	-35	773
Capital					
Total assets	11,295	11,174	8,630	7,653	8,609
Group equity	3,344	3,335	3,075	2,543	3,193
Group equity as a percentage of total assets	29.6	29.8	35.6	33.2	37.1
Net debt as a percentage of equity	144.2	143.5	64.8	66.9	69.5
Net debt as a percentage of total assets	42.7	42.8	23.1	22.2	25.8
Assets					
Tangible fixed assets	8,449	8,433	6,597	6,014	6,521
Investments in tangible fixed assets	1,540	3,088	1,405	826	1,017
Depreciation of tangible fixed assets	1,524	1,106	822	1,325	1,338
Data per share	(x EUR 1,-)				
Capital and reserves	0.13	0.12	0.15	0.19	0.38
Operating results	0.01	0.01	0.01	0.00	0.13
Cash flow	0.06	0.01	0.08	0.12	0.11
Net result	0.00	0.01	0.03	0.00	0.09
Share price: year end	0.57	0.66	0.56	0.54	0.57
Share price: highest	0.66	0.96	0.73	0.94	0.89
Share price: lowest	0.43	0.55	0.45	0.37	0.18
Issue of nominal shares					
At year end (x 1,000)	26,741	26,741	19,867	13,578	8,389
Number of FTE's (Permanent)					
At year end	100	104	95	97	94
Average	99	97	94	94	105
Sales (total) / Average FTE's (Permanent)	96	92	87	83	77
Sales (core-business) /average FTE's (Permanent)	96	92	87	77	57

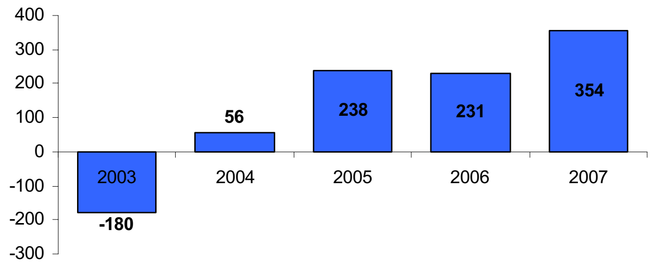
Net Sales Core Business (x EUR 1,000)



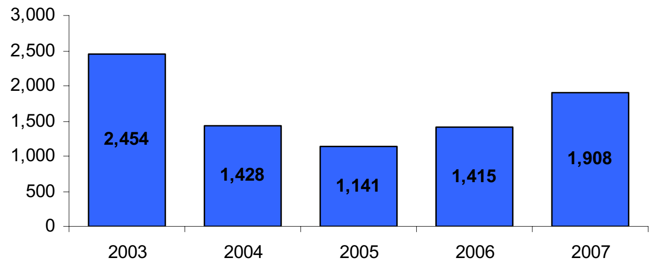
Average number of FTE's (Permanent)



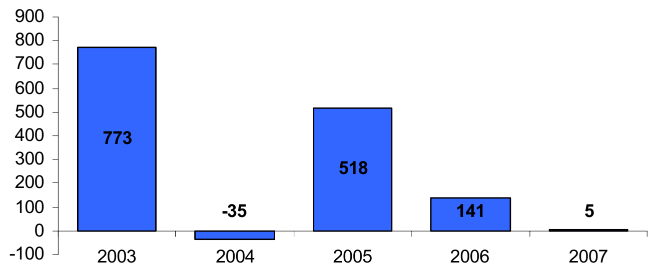
Operating Result (EBIT) (x EUR 1,000)



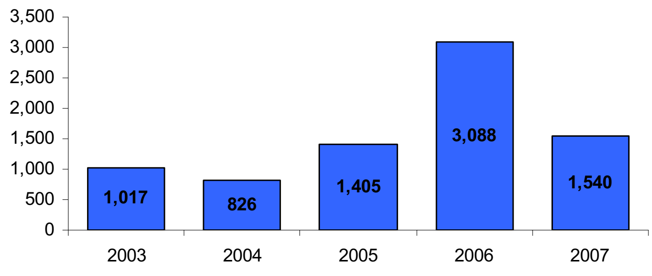
EBITDA (x EUR 1,000)



Net result (x EUR 1,000)



Investments in tangeble fixed assets (x EUR 1,000)



Report of the CEO

The total semiconductor market showed a mixed picture in 2007. The year started strong, fully in line with the macro-economic forecasts as presented by the Semiconductor Industry Association (SIA), which predicted a growth rate, denoted in dollars, of 9% for 2007.
Halfway through 2007 the economic tide turned, and forecasts fell dramatically to approximately 1% growth for 2007.
Growth eventually reached 3.5%.
As has become customary in the semiconductor market, growth mainly occurred in Asia, while the European market contracted, denoted in euros. Rood performed relatively well with 7% growth in euros.

In 2006, the basis was laid for further growth, predominantly by investing in the growth segments Qualification and Failure and Technology Analysis. Thus, Rood responded to the anticipation that test service provision to Integrated Device Manufacturers (IDMs) would show little or no growth.
IDMs are increasingly moving their operations to low-cost countries. Rood, too, has felt the impact of this trend.
Contracts from some IDMs decreased, in particular in the second half of 2007, due to the abovementioned slowdown of the total semiconductor market, as well as due to reorganizations at some of them.

Rood's strategy is aimed at compensating the slowdown in sales to IDMs and hopefully surpass it with Fabless design houses (FDHs) contracts. These houses develop new products, and tend to subcontract manufacture to third parties. As a result, they are totally dependent on their suppliers.
Rood offers these houses tailor-made solutions, on the one hand with its supply chain management activities, and on the other hand with its certified Qualification and Failure and Technology Analysis lab. In 2007, supplying these activities resulted in several strategic partnerships.
Next to Qualification and Failure and Technology Analysis, the company's focus has been shifted to Test Engineering. To obtain more test engineering contracts, Rood has entered into a strategic collaboration with a specialized engineering firm.
In September, the Dresden facility was opened officially, and Rood plans to develop further engineering operations in addition to testing, partly since Dresden has an excellent university.

Ph.M.G. Nijenhuis
CEO

Shareholder information

Financial agenda

28 February 2008	Publication annual figures 2007
28 February 2008	Conference call for press and analysts
13 March 2008	Publication annual report 2007
27 March 2008	Annual general meeting of shareholders
15 May 2008	Publication trading update
8 July 2008	Publication half year sales figures 2008
7 August 2008	Publication half year figures 2008
7 August 2008	Conference call for press and analysts
13 November 2008	Publication trading update
12 January 2009	Publication full year sales figures 2008
26 February 2009	Publication annual figures 2008
26 February 2009	Conference call for press and analysts
12 March 2009	Publication annual report 2008
26 March 2009	Annual general meeting of shareholders

Major Holdings in Listed Companies Disclosure Act

As at 27 February 2008, Rood Testhouse International N.V. had not received any reports in the context of the Major Holdings in Listed Companies Disclosure Act.

Regulations to prevent insider trading

Rood Technology complies with the Regulations on Notification and Regulation of Securities Transactions (Wte 1995).
A broad circle of employees and consultants is bound by signing a declaration to abide by the Rules as referred to in Section 46d of the Wte 1995.
The board of management and the supervisory board also comply with the WMZ 1996, as amended on 1 September 2002.
The Netherlands Authority for the Financial Markets (AFM) monitors compliance with this law.

Dividend

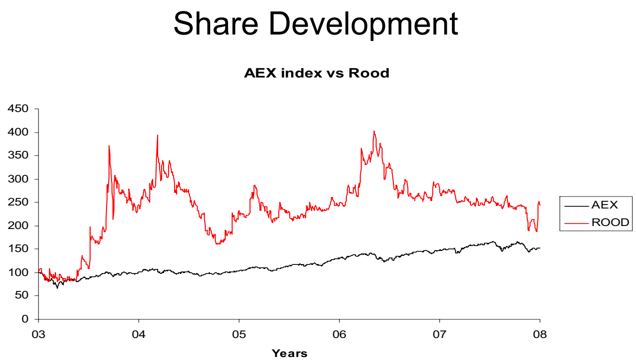
So far, Rood Technology has not set a dividend policy, since its financial position did not allow it. Rood's management prefers to allow the company to grow in the next few years and to improve its financial health.
The management prefers to use the company's own resources to finance growth, and strives to increase the market value of the share through such growth.
Consequently, it will be proposed to the shareholders not to distribute any dividend for the 2007 financial year.

Development of the number of shares in 2007

Position as per 1 January:	26,741,086
Position as per 31 December:	26,741,086

As at 31 December 2007, the company held 4,100 of its own shares.

Share price development and stock exchange value of Rood Testhouse International N.V. in 2007



Investor relations

Rood Technology is well aware of the importance of active and open communication with its stakeholders.
Rood has pursued a more active investor relations policy since 2006, organizing meetings and conference calls with the press, analysts and investors.
Communication with the various target groups is provided through the company's website, www.roodtechnology.com, and a newsletter, introduced in 2007.
Communication with the financial sector will be expanded further.

Liquidity provider

In order to promote the trade in the Rood Technology share and to optimize the company's relationship with its shareholders, SNS Securities N.V. in Amsterdam was appointed as liquidity provider on 16 January 2006.

Annual general meeting of shareholders 2007

The report of this meeting can be inspected on the website.

Vision, mission, objectives and strategy

Vision
Rood Technology provides services to the European semiconductor industry.
Rood is a familiar name in that market.
Rood Technology's vision is that new semi-conductor products will be developed and used in the relatively rich Europe, but that production will be moved to low-cost countries. Reliably marketing the complex products developed in Europe demands a focused organization.
With its test facilities and certified laboratory Rood sees excellent market opportunities.

Mission
Rood Technology has set itself the aims of:
- positioning itself as an innovative testhouse in Europe;
- developing into a significant player in the fabless semiconductor supply chain from Asia (China) to Europe.

This requires Rood Technology to:
- generate annual growth above the market growth of the semiconductor industry;
- ensuring an adequate financial structure and cash flow to guarantee continuity and growth;
- dedicated and motivated employees who are optimally qualified for the tasks entrusted to them.

Financial objectives realized in 2007
The objectives for 2007 were based on the published SIA market forecasts of a dollar-denoted growth of approximately 9%.
During the course of 2007, market growth decreased to approximately 3.5%.

In 2007, Rood accomplished the following:
- a sales increase of 7% in euros (over 15% in dollars), exceeding market growth;
- a positive operating result;
- solvency lagged behind due to limited growth;
- offers were made and orders received of a total test solution to customers, e.g. with FDHs;
- re-use of test blocks developed for internal use; still under negotiation with partners.

Objectives for 2008
Taking into account present market forecasts
- net sales between EUR 10 and 11 million;
- a rising operating result, reflecting the company's growth strategy in both Europe and Asia;
- improved solvency (2007: 29.6%);
- a positive operating result in Dresden in the second half of 2008;
- generating 15% to 30% of total sales in new markets (including Silicon Saxony, FDH and SCM) which is currently 10%;
- a merger with or takeover of a business partner by Rood Technology.

Long-term objectives
- a doubling of sales in five years (at least EUR 15 million in 2009), both autonomously and by means of strategic partnerships and/or acquisitions for Test & Related Services based on an average annual market growth of 8%. It should be noted that sales were affected by very limited growth in the semiconductor market;
- Rood maintains its long-term objective of an average double digit sales growth of 10% - 20% for Test & Related Services between 2007 and 2009, also based on 8% average annual market growth;
- year-on-year improvement of the operating result;
- further development of the markets for 'advanced packages' (such as MEMS Micro-Electro-Mechanical Systems), Multi-die packages and KGD technology (Known Good Dies);
- better balance between long-term and short-term loans, including interest rates.

Strategy

Rood Technology's strategy was discussed extensively in previous annual reports.
It comprises four stages:

- reshaping stage:
  securing sales growth in conjunction with better quality contracts;
- innovation stage:
  clearer focus on research and development;
- expansion stage:
  expansion in growth regions and fast-growing products and more complex products;
- diversification stage:
  promoting the semiconductor supply chain from Asia (China) to Europe in conjunction with establishing a test facility in China.

Rood Technology has pursued this strategy in the past few years and believes that new information demands a fine-tuning of its strategy, particularly its diversification stage.

General strategic objective

Rood Technology aims to reinforce and expand its position in those sectors in which it has been successful in the past few years, and to explore new ground in collaboration with others.
This means that the company will expand its position in Test Engineering, Failure and Technology Analysis and Qualification in Europe, both autonomously and/or through acquisitions.
Other services of the back-end test and assembly services in Europe and Asia will be developed further, inter alia through strategic partnerships.

Market choices

The global semiconductor market is expected to continue to grow in the next few years. Recent experience shows that production of semiconductors in Europe continues to decrease. However, use of semiconductors continues to rise.

In view of this, Rood Technology has made the following choices:

- Fabless design houses (FDHs)
  There are over 400 of these companies, putting many new products on the market. They predominantly develop complex chips, which is what Rood mainly focuses on.
- Integrated Device Manufacturers (IDMs)
  While the production volume of these companies is decreasing, Rood aims to keep its sales in this sector at least stable, concentrating on Failure and Technology Analysis and Qualification.

Product choices

- Supply chain management.
  Through its services like Test Engineering, Failure and Technology Analysis, Qualification and Logistics, Rood Technology has crucial supply chain know-how, in particular of the supply chain between Asia and Europe.
  As product use in Europe will increase as production decreases, the volume of the semiconductor supply chain will rise in the next few years. Rood intends to expand its role in this supply chain.
- Back-end test and assembly services.
  Offering assembly capacity is crucial in order to play a major role in the abovementioned supply chain. To ensure this, Rood has concluded a strategic partnership with Millennium Microtech in Asia. This partnership enables Rood to offer a competitive integral solution.
- High-tech Test & Related Services.
  Rood Technology will continue to focus on the mixed signal products that are used extensively in the automotive, industrial and medical and telecom sectors.
  All these market segments are strong in Europe.

Internal assessment of the company

The business units are working towards strengthening their operations based on internal assessments. These assessments can be summarized as follows

- Strengths
  - Motivated staff. Based on our motivation measurement system we concluded we have relatively highly motivated and dedicated employees.
  - Know-how. There is a high level of specialist know-how in the various business units.
  - Quality-consciousness. Employees' focus on high-quality work guarantees the quality of our products and services.
  - Broad range of services by means of strategic partnerships.

- Areas for improvement
  - Recruitment. Recruiting engineers is proving difficult, especially in Southern Germany.
    In Dresden the situation is much more favorable, partly due to the presence of a technical university.
  - Scale. Rood is still a small player in the semiconductor market, so that orders frequently go to other companies.
    The company's recent growth has improved the situation, but it continues to be a factor.
  - Financial strength. Major orders often require significant additional short-term investment, which is problematic for Rood.

- Opportunities
  - Strategic partnerships. Due to its strategic partnerships, Rood can cover and supply the entire back-end and test domain in a fast-growing market.
    This is an opportunity for Rood to increase its sales significantly.
  - Strengthening market position. Rood can strengthen its market position considerably by means of smaller or larger takeovers.

- Threats
  - Crisis. A crisis in the semiconductor industry would not leave Rood unaffected. Vigilance and quick reactions by management are required.
  - Exchange rates. A further weakening of the dollar and of related currencies would put pressure on Rood's competitiveness and would impact margins negatively.
  - Engineers. Failure to recruit engineers, or their departure, would weaken Rood's position.

Critical success factors

In relation to its mission, Rood Technology has identified the following success determining factors:

- flexibility and dedication of its employees;
- innovative capacity of the organization;

- attractive work environment for engineers;
- quality and delivery time of products and services;
- marketing quality;
- balanced stakeholder relations;
- financial performance;
- positive relations with banks.

Flexibility and dedication of employees

The semiconductor market is volatile and demand fluctuates strongly.
Quick responses are crucial, which demands a high level of flexibility and dedication of the employees.
Rood Technology is constantly trying to stimulate and motivate its employees.

Innovative capacity of the organization

Creativity is a precondition to survive in a changing market place marked by technological progress. Rood Technology can only remain attractive for major parties and stand out in this market by offering new ideas and solutions in the area of semiconductor testing and related services.

Attractive work environment for engineers

The tight labor market for engineers is marked by demand outstripping supply, in particular for specialists in the fields of Tests, Failure and Technology Analysis and related technologies. In order to meet demand for capacity, Rood Technology must create a challenging work environment for its engineers.

Quality and delivery time of products and services

Semiconductors are increasingly required to have a 'zero defect level', meaning zero failures in a million products.
As a testhouse, Rood Technology must prove itself capable of providing the highest level of quality.

The organization is maximally geared towards providing that by closely monitoring and improving its own processes at all times (continuous improvement).

Marketing quality

The high level of investment required by testing demand the highest marketing quality.
Knowing the market and responding to it adequately is key to Rood Technology's success.

Balanced stakeholder relations

In the past few years, Rood Technology has gone through hard times; it has turned its fortunes around through major efforts by its employees and informal investors.
Staff has shown great dedication, and even took a pay cut. Informal investors led by TIIN provided risk-bearing capital in a risky environment.

There is interaction between these stakeholders which demands that their interests are permanently balanced; failure in that respect would jeopardize the company's long-term continuity. This means that business operations must lead to:

- being an attractive investment for shareholders, expressed in a realistic share price development;
- offering employees challenging work with appropriate employment conditions;
- maintaining and improving the quality of the work environment for employees.

Financial performance

Rood Technology aims for a positive trend of financial results (continuous growth of EBITDA, net result and revenue per employee).
This makes the company attractive for its stakeholders, so that with the aid of investors it can continue to invest in the growth of the company.

Positive relations with banks

Relations with the HypoVereinsbank as principal bank and the Commerzbank in Augsburg have developed positively.
Rood continues to work towards further improving and broadening its relationships with banks.

Report of the Supervisory Board

We hereby present the 2007 annual report as prepared by the board of management in accordance with Article 26 of the Articles of Association of the company.

The financial statements were audited by Mazars Paardekooper Hoffman Accountants N.V. We propose to our shareholders to adopt these financial statements in the general meeting of shareholders on 27 March 2008 and also to endorse the conduct of affairs of the board of management and the supervision exercised by our board.

The appointment of Mr A. Mommer as a member of the supervisory board during the general meeting of shareholders on 26 March 2007 took the board back to the size of two members. It is the intention to increase the size of the board if necessary, related to significant expansion and/or strategic partnerships, in conjunction with possible (equity) participation of future partner(s).

The supervisory board met four times during 2007 together with the board of management. In these meetings, the following topics were reviewed and discussed extensively:

> the business update, operational and financial targets, the financial position, relevant investments and insurance issues, the scope and overall strategy of the company, supply chain management, strategic partnerships, the company's structure and organization, relevant press releases and corporate governance issues such as auditing, remuneration and appointments.

The supervisory board also met without the board of management and reviewed the performance of the organization, structural business developments and audit issues with the external auditor.

The supervisory board gives a high priority to good corporate governance practice.
Since the board consists of two members, no separate committees have been formed; all topics are discussed in the joint meetings with the board of management.

The following audit issues were discussed in the board and to a large extend with the external auditor:

> Review of implementation of the new financial control system, internal audits, the review of financial statements and annual budget, setup of a scheme of key operational indicators.

The main remuneration issues which were discussed were the following:

> Modification of Mr Ph.M.G. Nijenhuis' employment contract, implementing the agreed amendments as resolved in the 2007 general meeting of shareholders and bringing the flexibility issues more in line with the contracts in the company, the breakdown of management targets into broad operational targets for the company, and the setup of structural comparison of remuneration levels with those in the market.

Topics related to appointment and selection were:

> The appointments of Mr Th. Bucksch as COO and Mr S.G. Hollenberg as CFO and company secretary have been effected.

In Rood's 2007 business year, a good first half was followed by a slower second half.
The general trend that IDMs are moving even more of their activities to Asia, has had major consequences for Rood.

The major improvement in the supply chain management and engineering parts of our activities, including several strategic partnerships, could not offset sufficiently the decreasing industrial activity in the general test area.

The additional tasks arising from this new business are leading to changes in the structure of the company.
As a consequence, the supervisory board considers it a high priority to implement the required adjustments to the control systems.

A big increase in the number of customer contracts in the fabless design industry is considered a major factor for creating a solid position in this field.

In general, we observe healthy progress of the Asia-related activities and a slower start in Dresden, while engineering operations are experiencing excellent growth.

The supervisory board would like to thank the board of management as well as all staff of the company for their dedication and support during 2007.

We wish all the employees a great deal of success in addressing the challenges arising from the process of adapting to the changing structures in the business.

Zwolle, 27 February 2008

The supervisory board
C.W.M. Koot, chairman
A. Mommer

Report of the board of management

1. General

In the year under review, Rood Technology has shown varying but positive developments of sales and the operating result.

The first half of 2007 showed strong year-on-year growth (24%) in line with macro-economic forecasts.
In the second half of 2007, sales growth decreased considerably, in sharp contrast to our major customers' prognoses. The slow-down was, however, in line with the macro-economic forecasts.
The decrease in IDM contracts was caused to a great extent by reorganizations at some of these customers.

Staff costs saw a limited decrease (1.1%) compared to a total sales increase of 7.2% (EUR 9,528,000) in 2007.
The net result decreased to EUR 5,000 in 2007.

The operating result of EUR 354,000 showed a clear improvement of 53% compared to EUR 231,000 in 2006.
It should be noted that the developments in Silicon Saxony and the start-up costs of the supply chain management for facilitating European companies from Asia (China) required major investment, while these operations made only a limited contribution to net profit.

Building the Dresden facility and developing operations in the supply chain from Asia (China) to Europe must create the conditions for continuous positive growth in the next few years.

As sales and profit are expected to grow in SCM in the near future, an additional asset of 5% was recognised as deferred tax.

Rood Technology's reporting year featured the following projects and developments:

- a fall in sales of Test & End-of-line Services of over 11%; the profit margin of part of sales decreased during the year under review, partly due to increasing competition from Asia.
  As in 2005 and 2006, Rood continued to carry out orders related to the supply chain from Asia (China) to Europe.
  These orders were executed in the relatively expensive German facility (sales approximately EUR 1,2 million);
- significant sales growth in Test Engineering of 32%, achieved by collaborating with a strategic partner in the engineering field and by recruiting new engineers;
- significant sales growth in the business unit Failure and Technology Analysis of 58%; relatively high investments were made in this business unit in both know-how and equipment (nanotechnology);
- explosive sales growth in the business unit Qualification of 96%. In this business unit, as in Failure and Technology Analysis, relatively high investments were made;
- securing approval for production at the Silicon Saxony site (Dresden) was a major milestone. Rood hopes to get the definitive certification in the first half of 2008, which will mark the end of the start-up phase;
- further expanding the supply chain from Asia (China) to Europe by means of a major order of a Fabless design house and by approaching prospects that are to contribute substantially to sales in the next few years; Rood Technology attended the Semicon fair in Shanghai;
- after the conclusion in 2007 of a strategic partnership with Millennium Microtech, Rood now considers itself a Total Test Solution Provider;
- further expanding banking relations in Southern Germany for our Nördlingen site;
- strengthening the organization by recruiting a new manager in Dresden.

Operational and commercial objectives for 2007

In 2007, Rood Technology fully or partly realized the following objectives:

- installing test equipment and production in Dresden;
- raising productivity and contributions from the business units Failure and Technology Analysis, Qualification and Test Engineering;
- limited improvement in cost control, partly by using new tools;
- further professionalizing of management;
- further fine-tuning of business unit responsibilities;
- disappointing progress in introducing 'Re-use of Testblocks';
- partial development of the market for 'advanced packages', such as MEMS (Micro-Electro-Mechanical Systems), Multi-die packages and KGD technology (Known Good Dies).

In 2007, Rood Technology failed to achieve the following objectives:

- improving the equipment load of the Test & End-of-line Services equipment in Nördlingen.

Objectives for 2008

In the 2008 reporting year, Rood Technology will focus on:

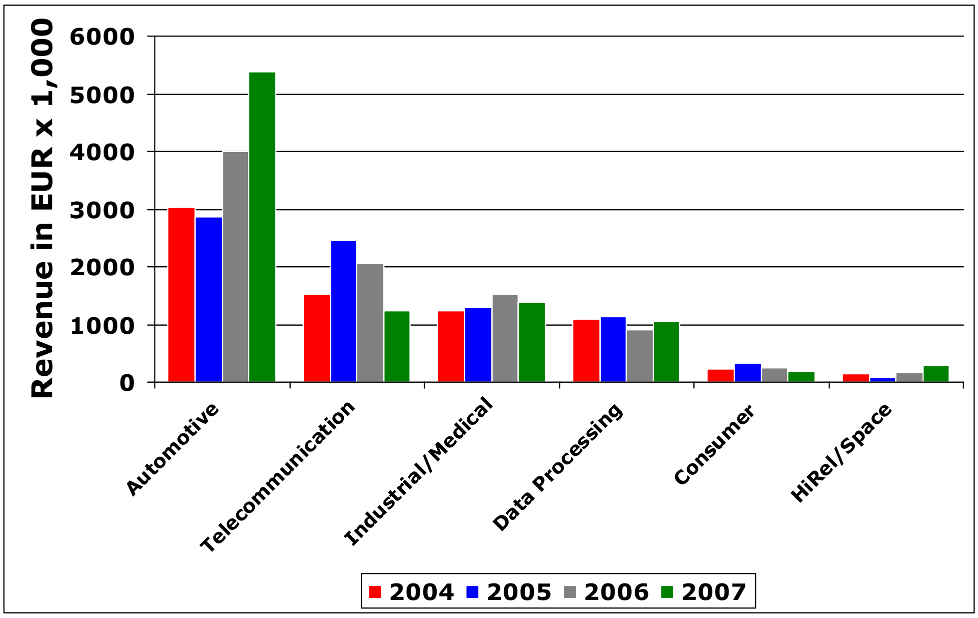
- developing and expanding its Dresden facility;
- developing SCM (Supply Chain Management), achieving strong sales growth in the supply chain from Asia (China) to Europe;
- improving Rood Technology's equipment load;
- stabilizing sales developments in the business units Failure and Technology Analysis, and Qualification;
- promoting sales growth in Test Engineering;
- developing the position of the Fabless design houses, partly with a view to promoting sales growth in Test & End-of-line Services.

1.1 Market developments and market position

The following trends can be observed in the semiconductor industry:

- ongoing globalization and corresponding pressure on prices;
- an ongoing shift of business to low-cost countries;
- review of core competences among custo mers.

Turnover market segmentation



Rood Technology responds to these developments by focusing especially on the high-end market, more complex semiconductors and on Fabless design houses and OEMs (original equipment manufacturers), but above all on SCM, the supply chain from Asia (China) to Europe, as many existing customers make a strategic decision to move production to Asia.

Due to the major subsidy that Rood Technology has received in Silicon Saxony, Rood Technology can offer test services of new high-end semiconductors competitively.
Moreover, some customers prefer production to take place in Silicon Saxony as they are eager to keep products in Europe in order to protect intellectual property.

Customers are increasingly reviewing their core business and core competences, resulting in more production operations being structurally outsourced. This gives Rood Technology new options and opportunities for business.

1.2 Strategic development

Rood Technology is emphatically striving to realize autonomous growth through expansion of sites and diversification.
Rood also continues to aim to improve its balance sheet position.

To generate autonomous growth, Rood Technology expects to require additional capital. Current options are being exploited in full.
A doubling of sales in 2009, based on the annual sales of its core activities in 2004 (EUR 7,229,000), as stated under Objectives on page 15, can only be achieved by means of strategic partnerships and/or acquisitions.

Rood is actively seeking collaborations and/or mergers with other companies in order to reduce the company's exposure and make it more attractive for its stakeholders. This can be achieved by collaborating or merging with a profitable party. Deferred tax liabilities may be effected more rapidly in this way.

1.3 Organization and personnel

At year-end 2007, Rood Technology had 100 full-time employees on permanent staff, of whom 11 were being trained. This is a reduction of 4 employees compared to year-end 2006 (104). The average number of employees permanent employees increased by 2%.

Sales per full-time employee in the core activity Test & Related Services increased by approximately 5%, from EUR 91,765 in 2006 to EUR 96,340 in 2007.
This sales increase was mainly achieved through the efforts and the willingness of employees to collaborate constructively towards the necessary development of the company.

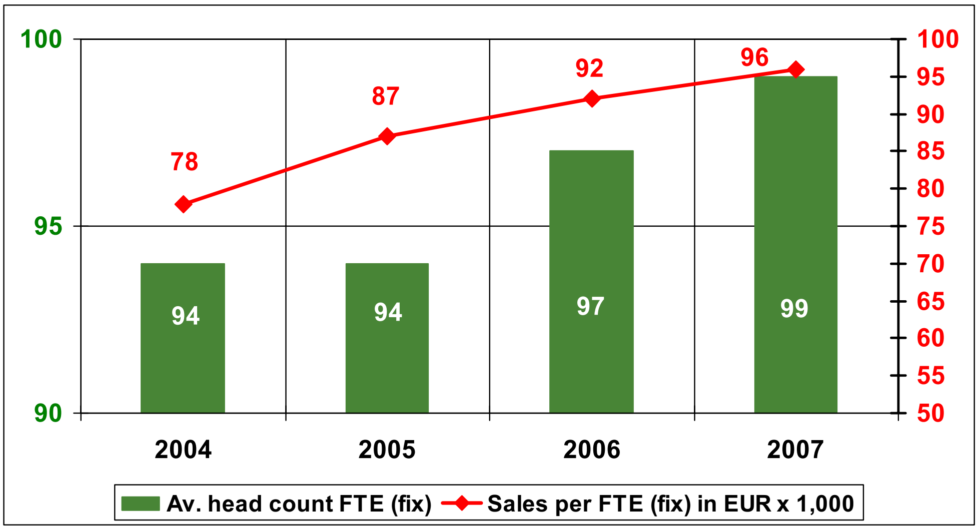
In the first quarter of 2007,
Ms Wilma H. Gomarus (CFO) left the company for personal reasons.
Mr Sebastiaan G. Hollenberg was appointed as CFO on 1 August 2007.
COO Mr Thorsten Bucksch was appointed on 1 March 2007.
Dr. Andreas Meiritz was appointed as General Manager of Rood Technology Dresden in January 2008.

Rood Technology's strategy remains focused on significantly limiting the rise of permanent staff costs in comparison to sales growth.

1.4 Sustainability

'People, planet and profit' are key elements in Rood's strategy.
In the area of 'people', we strive to explain the strategy of the company and the corresponding objectives to our employees so they can help the management realize them. Continuous training is a precondition for bringing this about.
Another factor in the success of our organization is a focus on the four basis principles of our social system. Adaptation to market changes, safeguarding company culture, goal-oriented operations and integration, i.e. matching procedures and actions.

Sales per employee and head count



Ultimately, any organization can only achieve its goals by striving to establish a performance-oriented environment for its employees, so that they can use their talents in the realization of the company's objectives. Rood strives to improve the employee assessment systems, and the corresponding introduction of objectives. With its organization in Nördlingen, Rood is playing an active role in the area of continuous improvement within the organizational improvement program (TOP), which is supported by the federal government.

With regard to 'planet', Rood has an active environmental policy in place comprising the introduction of an environmental monitoring system and preventive actions to keep environmental risks at acceptable levels and to monitor them.

Rood Technology Deutschland GmbH & Co is certified to the ISO 14001 and the ISO TS 16949 standard. The TS 16949 certification is the result of a collaboration between ISO and IATF (International Automotive Task Force) and is recognized by all automotive QS-9000 and VDA 6.1 oriented industries.

The company has the only independent Qualification and Failure Technology Analysis Lab certified to the ISO 17025 standard in Europe. This enables Rood to execute verifications as a publicly accepted reference.

ISO/IEC 17025
DAT-P-025/92-03

ISO /TS 16949:2002
291921 TS2/28847

ISO 14001:2004
291921 UM

2. Finance

2.1 IFRS

As of 2005, as a listed company on the stock exchange, Rood Testhouse International N.V. must report its financial statements in accordance with International Financial Reporting Standards (IFRS).
Rood Testhouse International has decided to adopt IFRS and report on the financial year 2007 in accordance with IFRS as endorsed by the European Union.

2.2 Sales and result

In 2007, sales in the automotive sector rose substantially in line with market developments, in spite of pressure on prices.
Net sales broken down by customer category / sector are presented below.

(x EUR 1,000)	2004	2005	2006	2007
Automotive	3,036	2,859	4,001	5,390
Telecoms	1,518	2,450	2,052	1,228
Industrial/Medical	1,229	1,307	1,521	1,388
Electronic Data Proc.	1,084	1,144	903	1,049
Consumer	217	327	254	189
Military/Space	145	81	161	284
	7,229	**8,168**	**8,892**	**9,528**

Rood Technology's net sales increased by 7.2% to EUR 9,528,000 in 2007 (2006:EUR 8,892,000), while the operating result rose by 53% to EUR 354,000 (2006:EUR 231,000).
The 2007 operating result was impacted by various specific costs:

- start-up costs of the Dresden facility of approximately EUR 250,000 (2006: EUR 125,000);
- start-up costs of the Asian operations of approximately EUR 120,000 (2006: EUR 110,000);
- China production in Germany negatively impacted margins EUR 150,000 compared to 2006
- significantly higher costs of raw materials;
- significantly higher consultancy and recruitment costs of EUR 50,000 compared to 2006;
- significantly higher energy and nitrogen consumption (approximately EUR 70,000) compared to 2006;
- a major increase in travel costs;
- lower bonuses paid out due to lower than planned results.

Conclusion: on balance, net earnings fell to EUR 5,000 (2006: EUR 141,000).
This equates to earnings per share (average number of shares outstanding in the financial year) of EUR 0.00 (2006:EUR 0.01).

2.3 Dividend proposal

Making reference to the information for shareholders, Rood Technology proposes not to distribute any dividend for 2007.

2.4 Investments and financing

In 2007, investments in tangible fixed assets amounted to EUR 1,540 million (2006: EUR 3,088 million); no extrequipment was leased. Depreciation tangible fixed assets amounted to EUR 1,524 million (2006: EUR 1,106 million). These investments were partly financed from operational cash flow.

At year-end 2007, equity amounted to EUR 3,344,000, equal to year-end 2006 (EUR 3,335,000).
Solvency fell to 29.6% (year-end 2006: 29.8%).
Over the next few years, Rood Technology expects investment to increase in Dresden and to decrease in Nördlingen.

3. Report per business unit and department

3.1 Research and development

Using its extensive experience in the semiconductor industry, Rood Technology is working towards ongoing development and improvements, including:

- yield improvement;
- time to market;
- price/quality improvement;
- new technological developments.

In this context, Rood has set up a development program entitled 'Re-use of Testblocks' (ROT), which aims to half the development time for test programs by standardization and re-use, thus shortening the time to market for new products.

In 2006, Rood joined the Semiconductor Test Consortium, a global organization dedicated inter alia to optimizing the test process.

Development of nanotechnology using Focus Ion Beam (FIB) technology is strongly supported by Rood's R&D department (see also the business unit Failure and Technology Analysis).

Objectives realized in 2007 and objectives for 2008

Assessing and improving the quality of development processes in companies by means of CMMi (Capability Maturity Model integration) was started in 2007 and will be developed further in the next few years.

- Expansion of the FIB technology at chip level using copper compounds instead of aluminum as in the normal technology. This expansion was started in 2007 and will be followed up in the next few years.
- Implementation of tracking routines in TP binning, uptime, test time, yield et cetera. There is particular focus on tracking routines in test programs; this project will take several years to complete.
- In the field of test optimization Rood is working on test solutions for test on first silicon.
- Rood collaborates with other European companies on the development of embedded technology.

3.2 Business unit Test & End-of-line Services

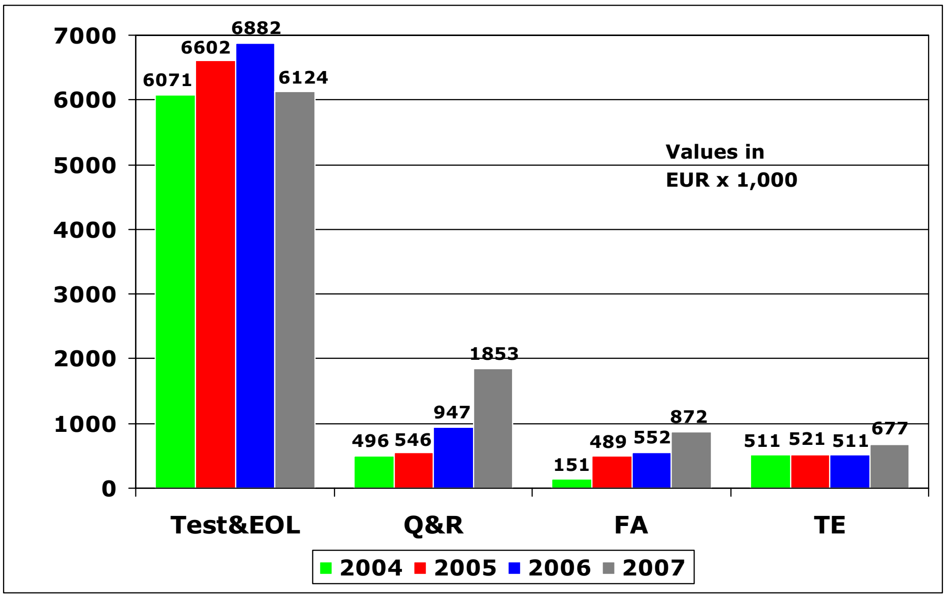
Profile of test activities

The business unit Test & End-of-line Services focuses on testing semiconductors as a subcontractor to the semiconductor industry.
For these activities, Rood Technology has 14 testers, in addition to other equipment for test-related services.

Key developments in 2007

- After a good equipment load in the first half of 2007, the load strongly decreased in the second half, primarily due to the previously mentioned reorganizations among major customers and to the slowdown of growth in the global market place. Due to this development, the equipment load decreased significantly in 2007 to 68% compared to 2006 (nearly 90%).
- In 2007, Rood Technology set a major step towards structural equipment load of its existing test facilities by means of a supply chain contract with a Fabless design house.
- An 11% fall in sales to EUR 6,124,000 (2006:EUR 6,882,000).

Sales per Business Unit



Objectives realized in 2007

Realization of the intended objectives was seriously hampered by the slowdown in sales. The following objectives were realized:

- Replacement of existing test handling equipment.
- Reduction of disruption rate in the business unit due to TPM (Total Productive Maintenance).

Objectives for 2008

- Anticipating and responding to new market conditions.
- Further development of programming activities, if possible.
- Expansion of customer relations with Fabless design houses.
- Restoring sales to the 2006 level.

3.3 Business unit Test Engineering

Profile of test programs under development

In this section of the business unit Test Engineering, Rood Technology focuses on developing test programs and the correspondingly required hardware developments.
The test equipment is selected based on these test program developments.

The business unit also develops new methods to optimize the development of test programs. There is extensive know-how in the business unit Test Engineering of the following tester platforms:

- Teradyne
- Credence SZ
- Credence Duo
- Advantest Digital
- PC based

Application know-how has been developed specifically for:

- Mixed Signal
- Digital
- Analog
- Memory
- RF
- PC applications

The business unit Test Engineering has a broad range of customers, mainly in the area of mixed signal applications in the automotive, aeronautical and aerospace, radio frequency, medical and industrial sectors.
Customers include OEMs, IDMs and Fabless design houses worldwide.

Key developments in 2007

- The anticipated breakthrough in the development of the ROT project has failed to occur. Discussions are ongoing. ROT is mainly applied in-house, contributing directly to engineering capacity.
  Mixed signal engineering projects carried out in the reporting year were mainly related to:
  a. industrial applications (ASI field bus);
  b. automotive applications, such as sensors;
  c. radio frequency applications, such as infrared components and RF modulators.
  d. power products for the telecom market.
- An increase of sales (EUR 677,000) of approximately 32% compared to 2006.
- A great deal of effort has gone into recruiting and training new test engineers.
  In order to meet test capacity, a strategic partnership has been set up with an engineering company.
  Rood is actively searching for test engi neers, both in Germany and abroad.

Objectives realized in 2007

- The engineering department has been reorganized, making better use of engineers who do not live locally.
- Enhancing developments on the Teradyne μFlex and Teradyne ultraFLEX tester platforms, for which a dedicated group has been created.
- Developments in the area of PC based (e.g. Lab View) tester platforms.


YC Netwerk (2.62)
Verbonden met internet
Grib
Temperatuur (C)
Internet en E-mail
Weerkaarten
Regenradar
Synopsis
Marifoonberichten
Stroming & Getijden
Scheepsberichten
Bruggen & Sluizen
Havengids
Nieuws
GPRS Info
Start
MAP 7V
VDO
GPS
NAVIONICS
MULTI CARD READER

- Expanding Test Engineering capacity in or on behalf of Dresden and SCM.
- In-house development of better loadboards.

Objectives for 2008

- Further expansion of physical capacity in both Nördlingen and Dresden, possibly by setting up a virtual organization.
- Extending collaborations with engineering firms.
- Raising the department's productivity.
- Supporting the semiconductor designers and engineers in selecting test methods and test hardware, both for wafer test and final test.
- Standardizing the test program development process based on the CMMi development method.
- An appropriate increase of sales.

3.4 Business unit Failure and Technology Analysis

Profile

Rood Technology's extensively equipped failure and technology analysis laboratory is capable of providing failure, construction and qualification-related analysis as well as specialized FIB services. These various types of analytical investigations can be performed as a part of a reliability assessment.

Failure and Technology Analysis

Analysis of defective devices (failure and technology analysis) is carried out by using physical, chemical and metallurgical analytical methods. These methods are applied to confirm customer-complained failures, to detect the area of the defect and identify the failure mechanisms, and to initiate corrective actions for quality improvement.

Construction Analysis and DPA

Construction Analysis and Destructive Physical Analysis (DPA) can be performed as part of a reliability assessment.
The objective of Construction Analysis is early identification of potential deficiencies that can cause zero-hour failures or reliability problems.

Qualification-related Analysis

Qualification-related analysis are carried out before and after various qualification tests performed by Rood's own Q&R laboratory. The purpose of these investigations is to determine the influence of these environmental tests on package and chip-related problems.

FIB service

Rood offers its customers the option of making modifications and/or analysis in the early stage of development of new devices (chip modification/circuit editing, micro cross-sectioning, TEM lamella preparation, micromachining, applications of material science, et cetera).

This service is a further contribution to a consistent implementation of the company roadmap aimed at supporting our customers in terms of yield improvement and cost reduction.

The business unit has a broad European customer base, primarily in the automotive, aeronautical and aerospace industries.

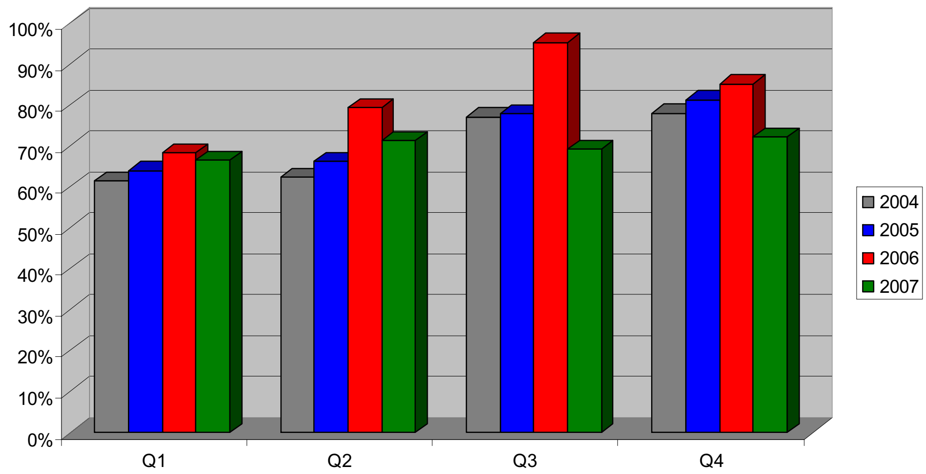
Key developments in 2007

- Sales in the business unit Failure and Technology Analysis increased (to EUR 872,000) by approximately 58% in 2007,mainly to the automotive sector.
- The level of know-how of new employees has strongly increased due to on-the-job training.
- The collaboration with EMPA in Switzerland was extended further.
- Exchange of know-how with Munich university was developed further.
- Preparations were made for ESD (electrical discharge) investigations.
- The laboratory was successfully modified and renovated.

Objectives realized in 2007

- Expansion of FIB services, focusing in particular on new technologies as described under Developments.
- Improvement of the operating result and expansion of the customer base.

Equipment load per year, per quarter



Objectives for 2008

- Expanding services in the field of Failure and Technology Analysis.
- Sales growth and improvement of the operating result.
- Intensifying the collaboration with both EMPA and Munich university.

The explosive growth in this business unit put great pressure on the employees; start-up costs were considerable. The organization must now consolidate in order to realize further growth.

- Further reinforcement of the position in the automotive sector, in particular by growth in sensor technology.
- Further growth in Micro Electronic Mechanical Systems (MEMS), specifically in the Membrane Power Devices sector.
- Growth in the telecom sector.
- Growth in the military/space sector.
- Growth in the medical sector.

These growth sectors are mainly the result of the abovementioned certification of this business unit.

3.5 Business unit Qualification

Profile

The business unit Qualification focuses on investigation semiconductors in various environments, exposing the products to extreme temperature changes and other conditions. The result of the investigations determines whether the semiconductors are qualified. The business unit is one of the leading independent certified laboratories in Europe. Tested products originate mainly from the military/space and automotive sectors.

Key developments in 2007

- Major expansion of the semiconductor testing rooms.
- An increase of sales (to EUR 1,852,000) of approximately 96% compared to 2006.

Objectives realized in 2007

- Processes have been improved significantly, which is reflected in improved customer relations.
- Profitability improved considerably.

Objectives for 2008

- Implementing internal process improvements in order to further enhance the reliability of our services.
- Optimizing the layout of the department to enhance efficiency.
- Expanding the customer base in order to raise the equipment load.
- Stable growth of the business unit in organizational terms and maintaining profitability.

3.6 Rood Technology Dresden

Profile

Supplier of Test & Related Services, concentrating on wafer test and test engineering. The organization focuses on both IDMs and Fabless design houses, in particular, though not exclusively, in the local Silicon Saxony market.

The goal is to have a lean, competitive organization with minimal administrative overhead costs.The production process strives for short lead times.
In 2006 and 2007, the infrastructure (the building and the clean room environment) were equipped to the required standards, laying the basis for starting up wafer tests and test engineering.

Equipping the facilities in Dresden and preparing them for operations was completed in the middle of 2007. Due to stringent quality requirements (authorization), operations could not be started up earlier.

Objectives realized in 2007

- Operations started in the second half of 2007, so far with a limited certification.
- The anticipated volume could not be achieved in 2007, nor therefore the anticipated result.

Objectives for 2008

- Strong sales growth, partly based on consigned testers.
- An at least neutral operating result.
- Being successful in the field of test engineering.

3.7 Supply chain management (SCM)

Profile

In this business model, Rood Technology suports European customers who wish to (partially or entirely) outsource their production of semiconductors, in particular ASICs and ASSPs, to Asia (China).

Rood does this by selecting suppliers and qualifying their services and products and, if desired, executes the entire production and logistics project management. These contracting activities require considerable lead times as they involve design and development.

Key developments in 2007

- In 2007, Rood secured a major order to supply power devices to the telecom sector.
- Strategic partnership concluded with Millennium Microtech to ensure assembly services at the high-quality standards required by the automotive industry.
- Realization of 5 to 10 prospects.

Objectives realized in 2007

The sales target for SCM has been partially realized.

Objectives for 2008

- Generating significant sales for Rood Technology.
- Setting up a marketing campaign for SCM.
- Generating brand recognition for Rood among its target group.
- Further developing partnerships.
- Optimizing the internal logistics organization for SCM.

3.8 Events after balance sheet date

No significant events have taken place after balance sheet date.

3.9 Outlook for 2008

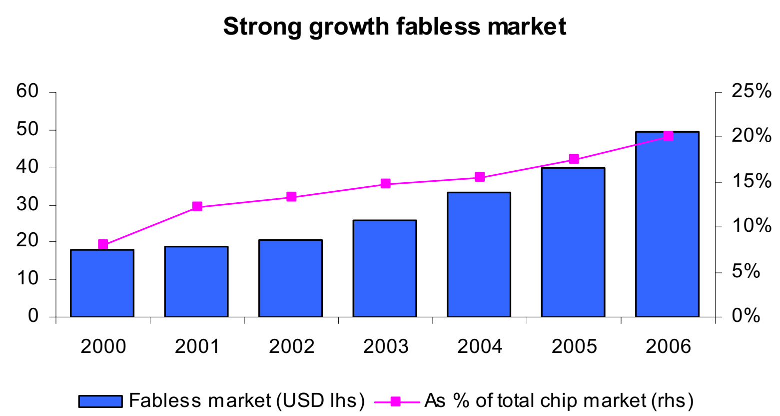
Ongoing growth of the global semiconductor market is anticipated, once again concentrated in Asia.
Rood Technology has set itself the objective of generating double digit growth (between 10% and 20%) in the next three years, at an annual global market growth of 8%.
The American mortgage and credit crisis calls for caution.
As a result, Rood cannot pronounce any concrete forecasts. Nevertheless, Rood aims to realize the growth rate mentioned above.

The efforts made so far in Silicon Saxony and for the SCM are to contribute to the realization of that growth. Rood will aim to improve the operating result further in 2008.
Collaboration with external parties is actively being sought, partly in order to claim the considerable tax losses in both Germany and the Netherlands in time.
In order to be able to achieve its short-term and long-term objectives, Rood hopes to shortly make an acquisition in order to broaden the base of the company and to be able to realize a strong increase of both the operational result and the net result in the future.

Zwolle, 27 February 2008.

The board of management
Ph.M.G. Nijenhuis

Market Growth Fabless Design houses



Risk management

General

Rood Technology's policy focuses on growth in conjunction with relatively decreasing market risks.
Operational, market-technical and financial aspects play an increasingly important role in that.

Operational

Sales

The business unit Test & End-of-line Services generates some 60% of total sales.
Rood Technology has a strong reputation in this sector, and has built up a bond of trust with its major customers, in particular in the automotive industry. Growth of demand from the automotive industry is relatively stable, which reduces risk.

While Rood Technology in most cases has multi-year contracts with its major customers, these contracts do not provide sales guarantees.
Risks are reduced to a great extent by intensive communication with customers about expected volumes.
The remaining sales are generated in the sectors Qualification, Failure and Technology Analysis and Test Engineering.
Rood concentrates on high-grade work in order to reduce the risks for the company.

Costs

Globalization is putting increasing pressure on prices, particularly for Test & End-of-line Services, necessitating continuous cost control, cost reductions and test equipment optimization.
Salaries and associated pension rights have the management's highest attention, as they comprise about half of total costs.
Working with the greatest possible number of temporary workers in Germany is crucial for Rood Technology to reduce risks.
Currently, Test & End-of-line Services has many employees on permanent staff. In the other market sectors, where high-quality staff are used, a staff surplus carries no appreciable risk.
There is a shortage of highly-trained staff in Europe.
The subsidy for the Dresden site will help to reduce part of the risk, but in the medium term a site in China will be necessary to reduce costs.

Qualified staff

In view of its technologically advanced business, Rood Technology is highly dependent on qualified employees. Since such employees cannot be found easily in the employment market,
Rood Technology has opted to set up its own training courses in order to reduce the risk of not having sufficient qualified staff.
In 2006 it became clear that further measures were needed.
In 2007, alternative scenarios were developed to find qualified personnel.
Rood is now collaborating with a number of engineering firms.

Technical aspects of the market

Market

Rood Technology operates in a strongly cyclical market, which shrank in Europe in 2007, but grew in Asia (China). Within Europe, further concentration in Silicon Saxony is expected to occur.
In order to control risks, Rood has chosen to operate in these growth regions as they offer better guarantees for continuity.
Several customers use Rood Technology as an option to generate additional sales within a short period of time, which exposes Rood to market fluctuations even more. Consequently, Rood is increasingly focusing on customers who are looking to outsource their test activities on a structural basis, such as Fabless design houses.
This means that even though the company remains exposed to the upswings and downturns of the market, it will also generate significant sales during cyclical downturns for those customers who have opted for outsourcing.

Rood's ideal and aimed for type of outsourcing is customers subcontracting all their test activities (Total Test Solution) to Rood Technology. In the other fast-growing sectors like Failure and Technology Analysis and Qualification, cyclical downturn risks are also at play.

Rood reduces these risks by means of an active human resources policy, seeking a balance between permanent and temporary staff.

Competition

In Europe, Rood Technology has competitors in various countries. The company attempts to minimize its risks by operating in the Silicon Saxony region as the only independent testhouse, and by being a key partner of Fabless design houses in the area of Test & Related Services.

Furthermore, Rood Technology tries to reduce its risks by supplying quality and by being innovative, so that avenues remain open to the company.

Financial risks

Currency and interest rate

So far, Rood Technology has mostly sold its products and services in Europe, invoicing approximately 87% in euros; this strongly limits its currency risk exposure.
Rood closely monitors this issue, particularly in view of the development of international operations.
As Rood has many relatively short-term loans, it pays comparatively high interest rates.

Repayments are also comparatively high.
In the future, Rood aims to make more use of long-term loans with lower interest rates.
Currently, Rood is actively improving its position with the help of external consultants.

Insurance

Rood Technology has taken out adequate liability insurance for production errors; this is particularly important for the automotive sector.

Internal risk management and control systems

General

In order to optimize the internal risk management and control system, Rood Technology started implementing a new central IT system in 2006, which is expected to be finalized completely in 2008. Although this risk management and control system is functioning adequately, Rood is improving this system continuously.

Strategic plans

The plans are converted into budgets, which are periodically compared to the actual situation. Reports are made on a monthly basis, which may give rise to corrective measures.

Internal assessments and external audits

Every year a schedule is made for internal assessments and external audits.
This schedule is carried out by employees of Rood Technology and external auditors.
Both the internal assessments and external audits may give rise to corrective measures; the management letters ensuing from the external audits are discussed by the supervisory board.

Audit committee

The supervisory board acting as an audit committee evaluates the internal and external reporting in its supervisory role.
The supervisory board meets at least four times a year.

Letter of representation

Rood Technology's management annually signs a detailed statement concerning the financial reports and internal control.

Corporate governance

Rood Testhouse International N.V. (Rood Technology) considers the application of the Dutch Code of Corporate governance (hereinafter referred to as the Code) in the light of the company's scale. In this context, Rood Technology has decided on a trend-follower position. The system of the Code will be leading in this chapter. The numbering corresponds with the numbers of the Code.

I. Enforcement and application of the Code

Rood Technology follows all the Code's principles and has implemented almost all best practices. Deviations from the Code will be explained in the remainder of the chapter.

II. The Board of Management

1.1 - 1.7 Tasks and working methods

Our CEO had a four-year contract, which has been extended to 2010. In compliance with article 12 of the Preamble of the Code, the term of four years shall also apply to any new board members to be appointed.
The CEO shall resign at the request of the general meeting of shareholders, provided that this concerns a broadly supported wish, rather than the request of one dominant shareholder.
Such a resignation shall be considered as the company's notice of termination of the CEO's contract.

The supervisory board supervises the policy of the board of management, as well as the general course of the corporate affairs and business, and provides advice to the board of management.
The board of management must keep the supervisory board informed, consult with the supervisory board on important matters and submit certain important decisions to the supervisory board for its prior approval.
Over the years it has become a tradition that the supervisory board and the board of management determine Rood Technology's operational and financial objectives and the company's targets in consultation.
The same applies to the strategy and the framework conditions to be implemented.
The custom of including the highlights in the annual report will be continued.

The company has an internal risk management and control system, which includes
(a) a risk analysis of the operational and financial objectives of the company,
(b) a whistle-blower policy,
(c) a code of ethics for principal executive and financial officers and a code of conduct which the board of management and employees must adhere to, which is published on the company's website www.roodtechnology.com,
(d) guidelines for the layout of financial reports and the procedures to be followed in the preparation of the reports,
(e) a system of disclosure controls.

The risk management and control system has proved to function adequately and effectively. This was achieved by special focus on the operating and control system. By the end of 2005, further organizational adjustments had been implemented, including the selection of 'empowered' management.
Based on this decision, each business unit manager is now accountable for the performance and management of his/her business unit and shall report accordingly in the future.
The necessity of optimization of the organization was discussed with the supervisory board on several occasions.

With reference to the section on Risk Management, the sales levels and results are highly sensitive to upswings and downturns of the market. However, customer structure also plays an important role.

Rood Technology employees can report suspected irregularities within the company without jeopardizing their legal position.
Rood Technology's whistle-blower policy enables employees to report any suspected irregularities

of a general, operational or financial nature within the company and its subsidiaries without having to fear for their legal position.
Insofar as the suspected irregularities do not involve Rood Technology's managing director(s) under the Articles of Association, such reports should be addressed to the chairman of Rood Technology's board of management.
However, if the report concerns actions or lack of action by Rood Technology's managing director(s) under the Articles of Association, the whistle-blower is to communicate this to the chairman of Rood Technology's supervisory board.

Before an employee may invoke that his/her legal position has been jeopardized as a consequence of a report as described above, the chairman of the board of management (in the case of a report not involving suspicions against Rood Technology's managing director(s) under the Articles of Association) or the chairman of the supervisory board (in the case of a report involving suspicions against Rood Technology's managing director(s) under the Articles of Association) must issue an assessment in writing. This assessment document must be provided within 14 days after the relevant request.

No members of Rood Technology's board of management hold the post of board member in other listed companies.
The employment contract with board members stipulates that accepting other posts in a business environment is subject to approval by Rood Technology's supervisory board. Insofar as this has been applicable, the company has complied with this provision.

2.1 - 2.14 Remuneration

Options on shares are part of the company's remuneration components.
Granting these options is subject to achieving targets (which are based on the company's four-year strategic plan), as well as the market situation in general.
An overview of the options granted can be found in the annual accounts of the company.

Regarding ownership and transactions of shares by board members, other than those issued by the company itself, the supervisory board has decided to deviate from the Code.
Board members are not allowed to hold direct or indirect interests amounting to more than 5% in other listed companies or companies in the semiconductor industry, unless the supervisory board has granted specific permission.
Furthermore, board members must report changes in shareholdings in other listed or semiconductor companies to the chairman of the supervisory board.

The existing employment contract with the CEO includes a compensation clause in case of termination of employment.
This dismissal payment amounts to a maximum of one year's salary. No personal loans or guarantees have been provided to the CEO.

The remuneration of the CEO consists of a fixed salary plus a variable part that will be paid out in options.
As stated above, the granting of options is subject to the achievement of targets set by the supervisory board in the context of the company's strategic plan.

The achievement of the targets by the CEO will be evaluated every six months and new targets will be set, taking significant changes in circumstances such as market developments into account.
The targets for the CEO in 2007 are not described in the annual accounts due to competitive reasons. Company objectives are described in this report.
The CEO has a contract ending in 2010.
The employment may be terminated by giving six months' notice in writing before the end of each calendar month.
Rood Technology complies with provision II.2.7 of the Code.
The CEO's employment contract contains no formal pension plan. However, Rood Technology pays him a pension contribution of 10% of his

salary. There are no early retirement provisions for the CEO.

3.1 - 3.4 Conflicting interests

According to Article 22 of Rood Technology's Articles of Association, the company shall be represented by the chairman of the supervisory board in the event of a conflict of interest with a managing director. The company complies with all provisions of the Code regarding refraining from competing with the company, accepting or requesting gifts for the managing director and/or his/her immediate family, providing unjustifiable benefits charged to the company, the managing director and/or his/her immediate family using business opportunities that are intended for the company, and the obligation to report a potential conflict of interest to the chairman of the supervisory board. Furthermore, the managing director may not take part in the discussion of the event in which he/she has a conflict of interest. Moreover, all transactions concerning a conflict of interest must be approved by the supervisory board and will be reported in the annual report.

III. The supervisory board

1.1 - 1.9 Task and working methods

Some years ago, the supervisory board prepared a set of rules for its own functioning, which are available for the shareholders' and stakeholders' inspection at the company offices. These rules include regulations for the interaction with the board of management. The Articles of Association of the company provide regulations regarding the interaction with the shareholders. The report of the supervisory board, which is included in this annual report, provides specific details regarding the members of the supervisory board as required by the Code.

2.1 - 2.3 Independence

Rood Technology complies with the Code, which recommends that the supervisory board should not include more than one non-independent member.

3.1 - 3.6 Expertise and composition

The profile for the supervisory board is available on Rood Technology's website.

Rood Technology is in compliance with the Code's requirement of having a financial expert on the supervisory board in the person of Mr A. Mommer.

All new members of the supervisory board are required to attend an introduction program, with attention to gener al financial and legal issues, the financial reporting of the company, the specific aspects of the company's activities and the responsibilities of a supervisory director. Current supervisory directors will annually evaluate their need for training. The company will play a facilitating role in this.

Rood Technology's Articles of Association stipulate that a member of the supervisory board shall be appointed for a maximum term of four years, and be re-appointed no more than three times. The resignation roster is set out in the report of the supervisory board.

4.1 - 4.3 Role of the chairman of the supervisory board and the company secretary

Rood Technology applies these provisions of the Code. The company has appointed a company secretary, who ensures the usage of certain procedures and ensures that the company operates in accordance with legal obligations and the Articles of Association.

5.1 - 5.13 Composition and the role of three core committees amongst the supervisory board

The company does not intend to extend the supervisory board, which currently consists of two members. If this should change in the future, the relevant committees (audit committee, remuneration committee and selection and appointment committee) will be installed.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The company will, in that event, apply the relevant provisions of the Code. Until such time, the responsibilities of the core committees will be performed by the entire supervisory board.

6.1 - 6.7 Conflict of interest

A supervisory director who has a conflict of interest as described in provision III.6.1 of the Code shall report this to the chairman of the supervisory board and the supervisory director will not take part in the discussion of the matter in which the supervisory director has a conflict of interest.

Moreover, all transactions concerning a conflict of interest must be approved by the supervisory board and will be reported in the annual report.

If relevant, the company shall comply with the provision 6.4 concerning transactions between the company and natural persons or legal entities holding 10% or more of the company's share capital.

Regulations on dealing with (potentially) conflicting interests of CEOs, managing directors, board members, including supervisory board members, and the external auditor, will be expanded with the rules of the supervisory board.

The company shares the Tabaksblat Committee's views on the tasks and authority of a delegated member of the supervisory board.

7.1 - 7.4 Remuneration

The remuneration of the supervisory board is subject to approval from the general meeting of shareholders (see also Article 24, paragraph 4 of the Articles of Association).
Regarding the remuneration of the supervisory board, no shares and/or options on shares will be granted as part of the remuneration.

The by-laws of the supervisory board, to be published on the company website, will be extended with the relevant Articles of the Code. In deviation from the Code, it has been determined that no member of the supervisory board will be permitted to hold direct or indirect interests amounting to more than 5% in the share capital of other listed companies or companies in the semiconductor industry. Furthermore, supervisory directors must report changes in shareholdings in other listed or semiconductor companies to the chairman of the supervisory board.

Rood Technology has not provided any personal loans or guarantees to members of the supervisory board.

IV. The general meeting of shareholders

1.1 - 1.7 Scope of authority

In accordance with the Articles of Association of Rood Technology, the general meeting of shareholders has the authority to suspend or remove managing and supervisory directors.

The company complies with the Code regarding the decision-making of the general meeting of shareholders on the following items:

- The voting rights on preference shares;
- The public announcement and motivation of the board's point of view concerning a published, serious private offer on a company division or participation in the company with a value exceeding the limit as stated in Book 2, Section 107(a) of the Dutch Civil Code, first paragraph, sub c;
- The allocation and dividend policy as well as the dividend distribution proposal, and granting discharge to CEOs, managing directors and supervisory directors, as separate items on the agenda of the general meeting of shareholders;
- The setting of a registration date for exercising voting and attendance rights.

2.1 - 2.8 Depositary receipts for shares

Since no depositary receipts for shares have been issued, this part of the Code is not applicable to Rood Technology.

3.1 - 3.9 Information provision/logistics of the general meeting of shareholders

Rood Technology complies with the best practice provisions concerning informing shareholders and other parties in the financial market simultaneously and similarly on issues that may affect the share price.
However, based on a cost/benefit analysis, the company will not spend money on technology aimed at attending meetings remotely.

The company will continue to provide the general meeting of shareholders with all relevant information required for properly exercising its rights and authorities, unless a material interest prevents it from disclosing certain information. In compliance with the Code, Rood Technology publishes presentations to analysts on its website after the event.
If necessary, the company will request to suspend trade in Rood Technology shares during such presentations.

Rood Technology will publish or make available all information pursuant to Corporate Law and Securities Legislation.

In accordance with best practice provision 3.7, the company will inform the general meeting of shareholders by circular letter of all facts and circumstances relevant for approval, delegation or authorization by the general meeting of shareholders.
The circular letter will be published on the website of the company.

Furthermore, the company shall at first request make the minutes of any general meeting of shareholders available to all shareholders no later than three months after the date of the relevant meeting.
Shareholders then have three months to submit reactions to the minutes.
Subsequently, the minutes will be adopted by the chairman of the meeting and the person who prepared the minutes, in accordance with Article 31, paragraph 1 of Rood Technology's Articles of Association.

The company has not put in place any protective construction against takeovers.
The reason for this is that for a relatively small company like Rood Technology, it would not be unfavorable for the shareholders nor for the operational entity to be part of a bigger organization in the semiconductor industry.

4.1 - 4.3 Responsibility of institutional investors

Rood Technology currently does not have any institutional investors. If this should change in the future, Rood Technology will ask the institutional investors to apply these best practices provisions of the Code.
However, Rood Technology does not consider compliance with the best practice provisions a requirement, since it does not wish to restrict potential institutional investors.

V. The audit of financial reports and the position of the internal audit function and the external auditor

1.1 - 1.3 Financial reporting

Rood Technology's supervisory board monitors the reporting and publication of the annual report, the annual accounts and other financial statements required by internal procedures.

The board of management bears responsibility for the internal procedures that ensure the adequacy, accuracy and reliability of the external financial reporting.

2.1 - 2.3 Role, appointment, remuneration and assessment of the external auditor's performance

The external auditor will attend the general meeting of shareholders to answer questions regarding the accuracy of the annual accounts.

The company's board of management reports annually to the supervisory board on developments in the relationship with the external auditor.
According to the company's Articles of Association (Article 25, paragraph 2), the authority to appoint the external auditor lies with the general meeting of shareholders.

3.1 Internal audit function

Rood Technology does not have an internal auditor.

4.1 - 4.3 Relation and communication with the external auditor and the departments of the company

The external auditor will attend the meetings of the supervisory board in which the external auditor's report and the annual accounts are discussed.
Furthermore, the external auditor will receive all financial information he requires to perform his tasks.
The external auditor will annually submit a management letter to the board of management and the supervisory board, which is discussed at the combined board of management and supervisory board meeting.


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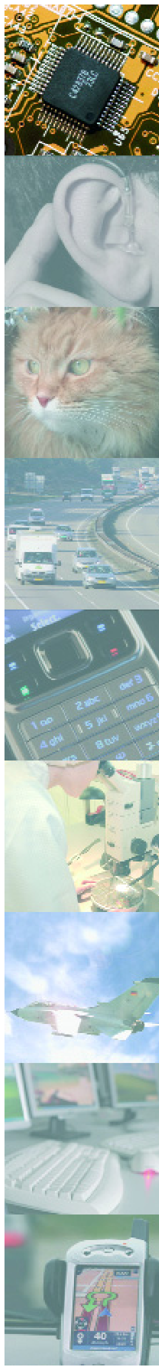
ROOD TESTHOUSE INTERNATIONAL N.V.

Annual Accounts 2007

Annual Accounts 2007

1. Consolidated balance sheet (before appropriation of net result)

Note		(x EUR 1,000) As at 31 December 2007	2006
	Assets		
	Non-current assets		
5.24	Property, plant and equipment	8,449	8,433
5.25	Intangible assets	0	30
5.26	Deferred income tax assets	422	402
		8,871	8,865
	Current assets		
5.27	Inventories	146	146
5.28	Trade and other receivables	2,073	1,956
5.29	Cash and cash equivalents	205	207
		2,424	2,309
	Total assets	11,295	11,174
	Equity		
	Capital and reserves attributable to equity holders of the company		
5.30	Ordinary shares	2,941	2,941
5.30	Share premium	16,727	16,723
5.31	Other reserves	1,991	2,021
5.31	Retained earnings	-18,315	-18,350
	Total equity	3,344	3,335
	Liabilities		
	Non-current liabilities		
5.32	Interest-bearing loans and borrowings	694	1,535
5.33	Convertible loan	1,000	1,000
5.26	Deferred income tax liabilities	1,400	1,400
5.34	Retirement benefit obligations	645	698
		3,739	4,633
	Current liabilities		
5.29	Bank overdrafts	1,174	925
5.32	Current portion of long-term debt	1,954	1,327
5.35	Trade accounts payables and other payables	1,009	860
	Current income tax liabilities	75	94
		4,212	3,206
	Total liabilities	7,951	7,839
	Total equity and liabilities	11,295	11,174



The notes on pages 51 to 78 are an integral part of these consolidated financial statements

2. Consolidated income statement

Note		2007	2006
		(x EUR 1,000)	
		Year ended 31 December	
5.36	**Net sales**	9,528	8,892
	Change in work in process	-11	20
	Cost of raw materials and consumables	882	924
5.37	Personnel expenses	4,751	4,810
5.38	Depreciation and amortization	1,554	1,184
5.39	Other operating expenses	1,998	1,723
	Total operating expenses	9,174	8,661
	Operating result	354	231
5.40	Financial expenses	-372	-183
	Result before income tax	-18	48
5.41	Income tax expenses	23	93
	Net result	5	141

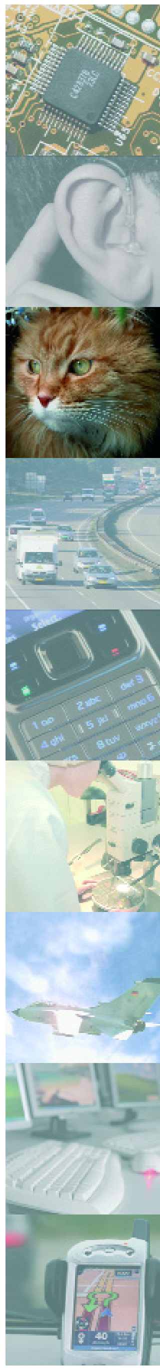
Earnings per share for profit attributable to the equity holders of the company during the year

	2007	2006
- basic	0.00	0.01
- diluted	0.00	0.01

The notes on pages 51 to 78 are an integral part of these consolidated financial statements

3. Consolidated statement of changes in equity

Note		Share capital	Other reserves	Retained earnings	Total equity
		(x EUR 1,000) Attributable to equity holders of the company			
	Balance at 1 January 2006	18,887	2,826	-18,638	3,075
5.31	Depreciation transfer, land and buildings, net of tax	0	-80	80	0
5.31	Net income/(expense) recognized directly in equity	0	-80	80	0
	Profit for the year	0	0	141	141
	Total recognized income and expense for 2006	0	-80	221	141
	Employee share option scheme:				
5.30	- value of employee services	53	0	103	156
5.31	- share options exercised through convertible loan	724	-725	0	-1
	- proceeds from shares issued	0	0	0	0
5.31	Dividends to shareholders	0	0	-36	-36
		777	-725	67	119
	Balance at 31 December 2006	19,664	2,021	-18,350	3,335
	Balance at 1 January 2007	19,664	2,021	-18,350	3,335
5.31	Depreciation transfer, land and buildings, net of tax	0	-30	30	0
5.31	Net income/(expense) recognized directly in equity	0	-30	30	0
	Profit for the year	0	0	5	5
	Total recognized income and expense for 2007	0	-30	35	5
	Employee share option scheme:				
5.30	- value of employee services	4	0	0	4
		4	0	0	4
	Dividends to shareholders	19,668	1,990	-18,315	3,344



The notes on pages 51 to 78 are an integral part of these consolidated financial statements

4. Consolidated cash flow statement

	(x EUR 1,000) Year ended 31 December	
	2007	2006
Cash flows from operating activities		
Net result	5	141
Depreciation and amortization	1,554	1,184
Increase/decrease of provisions/options to equity	-49	30
Increase/decrease of deferred income tax assets	-20	26
Changes in working capital		
- inventories	0	11
- trade and other receivables	-117	-682
- current liabilities	122	-559
Net cash generated from operating activities	1,495	151
Cash flows from investing activities		
Purchases of property, plant and equipment	-1,540	-2,942
Disposals	8	18
Net cash used in investing activities	-1,532	-2,924
Cash flows from financing activities		
Proceeds from issuance of ordinary new shares	0	156
Proceeds from issuance of new convertible loan	0	250
Proceeds from borrowings	1,150	2,502
Repayment of borrowings	-1,364	-438
Dividend (=interest of convertible loan)	0	-36
Capital tax	0	-1
Net cash used in from financing activities	-214	2,433
Net (decrease)/increase in cash, cash equivalents and bank overdrafts	-251	-340
Cash, cash equivalents and bank overdrafts at beginning of the year	-718	-378
Cash, cash equivalents and bank overdrafts at year end	-969	-718
Change in cash at banks and bank overdrafts	-251	-340

The notes on pages 51 to 78 are an integral part of these consolidated financial statements

5 Notes to the consolidated financial statements

5.1 General information

Rood Testhouse International N.V. is a company with its registered office in Zwolle, the Netherlands.
The consolidated financial statements of the company for the year ended 31 December 2007 comprise the company and its subsidiaries (together referred to as the 'Group').
The Group includes the wholly-owned subsidiaries Rood Technology Deutschland GmbH + Co (Nördlingen, Germany), Rood Technology Dresden GmbH (Dresden, Germany) and Rood Technology International B.V. (Zwolle, The Netherlands).
The 2007 financial statements were prepared by the board of management and released for publication on 13 March 2008.
The 2007 financial statements were adopted by the supervisory board on 27 February 2008 and will be submitted for approval to the annual general meeting of shareholders on 27 March 2008.

Summary of significant accounting policies

The principal accounting policies in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

5.2 Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS endorsed by the European Union) and its interpretations as adopted by the International Accounting Standards Board (IASB).
The financial statements have been prepared on historical cost basis, except that the following assets and liabilities are stated at their fair value: land and buildings, and the retirement benefits obligation resulting from defined benefit pension plans.

The preparation of the financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the result of which form the basis for making judgments about the carrying values of the assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. In the past year, Rood Testhouse International N.V. has utilized the major investments, made in 2006.
This has contributed positively to the result of 2007. A number of major customers confirmed their confidence in Rood for 2008. This together with the further expansion of Rood's business in Dresden and Rood's focus on business concerning supply chain management for fables design houses will make the operations more sustainable.
In view of these positive developments, the board of management feels that valuation on a going-concern basis is justified.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.
The accounting policies have been consistently applied by Group entities to all periods presented in these consolidated financial statements.

Notes to the consolidated financial statements - continued

5.3 Basis of consolidation

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, which are generally associated with a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

Inter-company transactions, balances and unrealized gains and transactions between group companies are eliminated. Unrealized losses are also eliminated, but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

5.4 Foreign currency translation

5.4.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in euros, which is the company's functional and presentation currency.

5.4.2 Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the transactions at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

5.5 Property, plant and equipment

5.5.1 Owned assets

Property, plant and equipment are stated at cost, except for land and buildings, which are carried at fair value, based on periodic valuations by an external independent valuator, less subsequent depreciation for buildings. The cost of self-constructed assets includes the cost of materials, direct labor and an appropriate proportion of directly allocated overheads. Property that is being constructed or developed for future use is classified as property, plant and equipment and stated at cost until construction and development is complete, at which time it is classified as property, plant or equipment. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items of property, plant and equipment.

Increases in the carrying amount arising from revaluation of land and buildings are credited to other reserves in equity. Decreases that offset previous increases of the same asset are charged against other reserves directly in equity; all other decreases are charged to the income statement.
Each year the difference between depreciation based on the revaluated carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from other reserves to retained earnings.

Notes to the consolidated financial statements - continued

5.5.2 Lease assets

Leases in terms of which the Group substantially assumes all the risks and rewards of ownership are classified as finance leases. Plant and equipment acquired by means of a finance lease is stated at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation (refer to accounting policy 5.5.4) and impairment losses (refer to accounting policy 5.10). Lease payments are accounted for as described in accounting policy 5.19.1 and 5.19.2.

5.5.3 Subsequent cost

The Group recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied in the item will flow to the Group and the cost of the item can be measured reliably.
All other costs are recognized in the income statement as an expense as incurred.

5.5.4 Depreciation

Depreciation on assets is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful life. Land is not depreciated.
The useful economical life various among the different items of the tangible fixed assets are:

Category	Years
Buildings	70
Machinery and equipment	2-10
Other fixed assets	4-10

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

5.6 Intangible assets

5.6.1 Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognized as an expense in the period in which it is incurred. An internally generated intangible asset arising from the Group's development is recognized only if all of the following conditions are met:

- an asset is created that can be identified (such as software and new processes);
- it is probable that the asset created will generate future economic benefits;
- the development cost of the asset can be measured reliably.

5.6.2 Amortization

Amortization is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite life are systematically tested for impairment at each balance sheet date.

Notes to the consolidated financial statements - continued

5.7 Inventories

Inventories are stated at the lower of cost and net realizable value. Costs comprise direct materials and, where applicable, direct labor costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method.
Net realizable value represents the estimated selling price less all estimated costs to be incurred in marketing, selling and distribution.

5.8 Trade and other receivables

5.8.1 Work in progress

Work in progress concerning services rendered on work not yet completed is stated at cost plus a mark-up for directly attributable overheads. Costs include all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity.

5.8.2 Other trade and other receivables

Trade and other receivables are stated at fair value and subsequently measured at amortized cost less impairment losses (refer to accounting policy 5.10).

5.9 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown separately on the balance sheet.

5.10 Impairment

The carrying amounts of assets, of non-financial assets and deferred tax assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is calculated. For intangible assets that are not available for use, the recoverable amount is determined at each balance sheet date.
The recoverable amount is the higher of an assets fair value less cost to sell and value in use.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the income statement.

5.11 Share capital

5.11.1 Ordinary shares

Ordinary shares are classified as equity. The Group has not issued preference shares.

5.11.2 Dividends

Dividends are recognized as a liability in the period in which they are approved by the shareholders.

Notes to the consolidated financial statements - continued

5.12 Convertible loan

The convertible loan is regarded as a compound instrument, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debts. The difference between the proceeds of issue of the convertible loan notes and the fair value assigned to the liability component, representing the embedded option for the holder to convert the loan into equity of the Group, is included in equity (capital reserves).

The interest expense on the liability component is calculated by applying the prevailing market interest rate for similar non-convertible debt to the liability component of the instrument. The difference between this amount and the interest paid is added to the carrying amount of the convertible loan.

5.13 Borrowings

Interest-bearing borrowings are recognized initially at fair value, less attributable transaction costs. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

5.14 Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects either accounting or taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of temporary differences is controlled by the Group and it is probable that temporary differences will not reverse in the foreseeable future.

5.15 Employee benefits

5.15.1 Defined contribution plan

Obligations for contributions to defined contribution pension plans and related plans are recognized as an expense in the income statement as incurred.

5.15.2 Defined benefit plans

The Group's net obligation in respect of defined benefit pension plans and related plans is calculated separately for each plan by calculating the present value of future benefits that employees have earned in return for their service in current and prior periods; that benefit is discounted to determine the present value and the fair value of any plan assets and unrecognized actuarial results is deducted.
The discount rate is the yield at balance sheet date on high-quality corporate or government bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed by qualified actuaries using the projected unit credit method.

Past service costs are recognized as an expense in the income statement on a straight-line basis over the average period until the benefits are vested. To the extent that benefits vest immediately, the expense is recognized immediately in the income statement.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions in excess of the greater of 10% of the value of plan assets or 10% of the defined benefit obligation are charged or credited to income over the employees' expected remaining working lives.

5.15.3 Share-based payment transactions

The share option program allows employees of the Group to acquire shares of the company.
The fair value of options is recognized as an employee expense with the corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest. It recognizes the impact of the revision to original estimates, if any, in the income statement, with corresponding adjustments to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

5.15.4 Profit-sharing and bonus plans

The Group recognizes a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments.
The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Notes to the consolidated financial statements - continued

5.16 Provisions

A provision is recognized in the balance sheet when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

5.17 Trade and other payable

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interst method.

5.18 Net sales

5.18.1 Net sales

Net sales comprise the fair value of the goods recognized; accepted and receivable assured services in period provided, net of value-added tax, rebates and discounts and after eliminating sales within the Group.
Sales represent the proceeds of goods and services supplied to third parties.
All amounts referred to in the income statement are stated at historical cost.

5.18.2 Government grants

An unconditional government grant is recognized in the balance sheet when the grant becomes receivable.
Any other government grant is initially recognized in the balance sheet as deferred income when there is reasonable assurance that it will be received and that the Group will comply with the conditions attaching to it.
Grants that compensate the Group for expenses incurred are recognized as revenue in the income statement on a systematic basis in the same periods in which the expenses are incurred.
Grants that compensate the Group for the cost of an asset are recognized in the income statement as revenue on a systematic basis over the useful life of the asset.

5.18.3 Other income

Other income regards income not related to the key business activities of the Group, like income from the sale of non-monetary assets or liabilities, exceptional and/or non-recurring items.

5.19 Expenses

5.19.1 Operating lease payments

Payments made under operating leases are recognized in the income statement on a straight-line basis over the term of the lease. Lease incentives are recognized in the income statement as an integral part of the total lease expense.

5.19.2 Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period in such way that this results in a constant periodical interest rate for the remaining balance of the liability during the lease term.

Notes to the consolidated financial statements - continued

5.19.3 Net financing costs

Net financing costs comprise interest payable on borrowings calculated using the effective interest rate method. The interest expenses component of finance lease payments is recognized in the income statement using the effective interest rate method.

5.20 Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date and any adjustment to tax in respect of previous years.

Deferred tax is treated as described in accounting policy 5.14.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

5.21 Statement of cash flow

The statement of cash flow is prepared using the indirect method. The cash flow statement distinguishes between operating, investing and financing activities. Payments and receipts of corporate taxes are included as cash flow from operating activities and interest is shown as cash flow from financing activities as far as the interest is related to long-term financing; remaining interest is included in the operational cash flow.
Cash flow as a result from divestment of financial interest in Group companies and subsidiaries are included as cash flow from investing activities, taking into account the available cash in these interests.
Dividends paid are part of the cash flow from financing activities.

5.22 Segment reporting

The Group is active in one segment, therefore a segment report is not stated in this annual report.

5.23 Financial risk management

The Group's activities are exposed to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of markets (debtor management) and tries to minimise potential adverse effects on the Group's financial performance. The Group does not use any derivative financial instruments to hedge certain risk exposures. Risk management is performed by the financial department.

Notes to the consolidated financial statements - continued

5.23.1 Trade account receivables

(x EUR 1,000)

Within the Group's customer portfolio, the Group is exposed to credit risk and currency risk.
In particular management has set up credit control policies to reduce the credit risk and foreign exchange risk as much as possible. Furthermore the foreign exchange risk is mitigated by exchange rate clauses in most of the Group's contracts.
Lastly by some US dollar denominated customers procurement is being done in US Dollars.

The table below gives an overview of the Group's outstanding trade receivables positions.

	2007	2006
Not overdue	939	756
< 30 days outstanding	301	671
> 30 days and < 60 days outstanding	159	165
> 60 days outstanding	146	216
Provisions for bad debt	-9	-23
Balance at 31 December	1,536	1,785

The average credit rating of the Group's customers is comparable to the industry.

The Group operates internationally and is exposed to foreign exchange risks arising from primarily the US dollar. The table below gives an overview of the sales in different currencies.

	(x EUR 1,000) 2007	2006
Euro denominated net sales	8,280	7,616
US Dollar denominated net sales	1,248	1,276
Balance at 31 December	9,528	8,892

Foreign exchange risks arises from commercial transactions. At 31 December 2007 the US dollar currency had weakened by about 9% against the euro compared to 31 December 2006.

Notes to the consolidated financial statements - continued

5.23.2 Borrowings

The Group has all its long term borrowings at a fixed rate. The bank overdrafts are at a variable rate.
The Group does not use floating-to-fixed interest rate swaps or other financial instruments.
Generally, the Group raises new long-term borrowings at fixed rates.
The table below gives an overview of the Group's borrowings positions.

	(x EUR 1,000) Fixed rate	Variable Rate
Long term borrowings at banks	1,848	0
Long term borrowings at other parties	1,800	0
Bank overdrafts	0	1,174
Balance at 31 December	3,648	1,174

The borrowings with a fixed rate are defined as a fixed rate over the period of the loan.

In 2007 the fixed rate long term borrowings at banks are at the Hypo- und Vereinsbank AG (Donauworth), rated A+ following Standard & Poor's credit rating, Commerzbank (Augsburg), rated A following Standard & Poor's credit rating, Amstel Lease (Netherlands) and VRL Leasing (Germany), rated A following Standard & Poor's credit rating.
The borrowings at other parties are at ICN part Rood B.V. (Netherlands) and a privat investor (Belgium).
In 2007 the variable rate bank overdrafts at banks are at the Hypo- und Vereinsbank AG (Donauworth) and the Commerzbank (Augsburg).

5.23.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate credit facility. Management monitors rolling forecasts of the Group's liquidity reserve and cash and cash equivalents. Furthermore in the Group's budget cycle liquidity planning is one of the major elements.

Notes to the consolidated financial statements - continued

5.24 Property, plant and equipment

(x EUR 1,000)	Land and buildings	Machinery equipment	Other	Total
At 1 January 2006				
Cost or valuation	7,741	17,383	1,504	26,628
Accumulated depreciation	-3,342	-15,339	-1,350	-20,031
Net book amount	4,399	2,044	154	6,597
Year ended 31 December 2006				
Opening net amount	4,399	2,044	154	6,597
Additions	348	2,627	113	3,088
Disposals	0	-1,131	-30	-1,161
Depreciation charge	-99	-901	-106	-1,106
Depreciation charge disposals	0	1,000	15	1,015
Closing net book amount	4,648	3,639	146	8,433
At 31 December 2006				
Cost or valuation	8,089	18,879	1,587	28,555
Accumulated depreciation	-3,441	-15,240	-1,441	-20,122
Net book amount	4,648	3,639	146	8,433
Year ended 31 December 2007				
Opening net amount	4,648	3,639	146	8,433
Additions	117	1,254	169	1,540
Disposals	0	-31	0	-31
Depreciation charge	-122	-1,260	-142	-1,524
Depreciation charge disposals	0	31	0	31
Closing net book amount	4,643	3,633	173	8,449
At 31 December 2007				
Cost or valuation	8,206	20,102	1,756	30,064
Accumulated depreciation	-3,563	-16,469	-1,583	-21,615
Net book amount	4,643	3,633	173	8,449

Notes to the consolidated financial statements - continued

5.24.1 Revaluation and historical cost

The last revaluation of the land and building took place at 30 June 2005.
The next valuation is scheduled for 2008.

	(x EUR 1,000) 2007	2006
Initial costs land and building	4,571	4,486
Accumulated depreciation	3,563	3,441
Balance at 31 December	1,088	1,045

According to the valuation report dated June 2005, as prepared by Dipl.Ing. (FH) Hermann Illenberger, the actual value of the building amounts to EUR 4,750,000.

5.24.2 Impairment loss and subsequent reversal

The company has not incurred nor reversed any impairment losses in 2006 and 2007.

5.24.3 Assets under construction

Assets under construction are included in the category 'other' amount to nil (2006: EUR 99,000).

5.24.4 Security

The following securities have been provided for long-term and current liabilities:

- mortgage to a total sum of EUR 3,323,379 on the real estate situated at Oettinger Strasse 6, Nördlingen, Germany;
- pledge on machinery and equipment;
- corporate Guarantee of EUR 113,750;
- corporate Guarantee of EUR 150,000;
- corporate Guarantee of EUR 315,000.

5.24.5 Government grants

Grants including in the property, plant & equipment amounts EUR 204,000.
This amount is included in machinery and equipment.

Notes to the consolidated financial statements - continued

5.25 Intangible assets

(x EUR 1,000)	Other	Total
At 1 January 2006		
Cost or valuation	236	236
Accumulated amortization	-128	-128
Net book amount	108	108
Year ended 31 December 2006		
Opening net amount	108	108
Additions	0	0
Amortization charge	-78	-78
Closing net book amount	30	30
At 31 December 2006		
Cost or valuation	236	236
Accumulated amortization	-206	-206
Net book amount	30	30
Year ended 31 December 2007		
Opening net amount	30	30
Additions	0	0
Amortization charge	-30	-30
Closing net book amount	0	0
At 31 December 2007		
Cost or valuation	236	236
Accumulated amortization	-236	-236
Net book amount	0	0

Notes to the consolidated financial statements - continued

5.26 Deferred income tax assets and liabilities

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same tax authority. The offset amounts are attributed to the following items in the table.

	(x EUR 1,000) 2007	2006
Deferred income tax assets		
Deferred income tax asset to be recovered after more than 12 months	322	302
Deferred income tax asset to be recovered within 12 months	100	100
	422	402
Deferred tax liabilities		
Deferred tax liability to be recovered after more than 12 months	1,400	1,400
Deferred tax liability to be recovered within 12 months	0	0
	1,400	1,400
Deferred income tax liability (net)	978	998

Notes to the consolidated financial statements - continued

The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

5.26.1 Deferred tax assets

	(x EUR 1,000) 2007	2006
Balance at 1 January	402	428
Addition to the income statement	20	-26
	422	402

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilize these benefits.
The unrecognized tax losses in the Netherlands amount to approximately EUR 14 million.
The unrecognized tax losses in Germany amount to approximately EUR 10 million 'Körperschaftssteuer' and approximately EUR 4 million 'Gewerbe-ertragssteuer'.

5.26.2 Deferred tax liabilities

	(x EUR 1,000) 2007	2006
Balance at 1 January	1,400	1,402
Addition to the income statement	0	-2
Balance at 31 December	1,400	1,400

As a result of the revaluation of land and buildings in 2002, a provision for deferred tax liabilities has been formed amounting to 40% of the difference.

5.27 Inventories

	(x EUR 1,000) 2007	2006
Raw materials and consumables	96	107
Work in progress	50	39
Finished goods and goods for resale	0	0
Total	146	146

Notes to the consolidated financial statements - continued

5.28 Trade and other receivables

	(x EUR 1,000) 2007	2006
Trade receivables (net)	1,536	1,785
Taxation and social security	23	3
Other	514	168
Total	2,073	1,956

The fair value of the trade receivables do not materially differ from the book value.
Trade receivables are shown net of impairment losses amounting to EUR 9,000 (2006: EUR 23,000) arising from identified doubtful receivables from customers.

	(x EUR 1,000) 2007	2006
Balance at 1 January	23	26
Addition to the bad debt provision	-14	-3
Balance at 31 December	9	23

5.29 Cash and cash equivalents

	(x EUR 1,000) 2007	2006
Cash at bank and on hand	205	207
Bank overdrafts	-1,174	-925
Total	-969	-718

The securities mentioned under long-term liabilities (note 5.32.2) have also been provided for the current liabilities to German credit institutions.
The credit line with the banks as of 31 December 2007 amounted to EUR 1,250,000.
The interest rate is 8.25% - 8.50% (2006: 8.75%).
The credit line with the credit institutions in the Netherlands as of 31 December 2007 amounted of EUR 25,000, without any securities.

In 2007 a bank overdraft facility of EUR 400,000 was agreed with the Commerzbank in Augsburg (Germany).
The loan has a variable interest rate at 31 December 2007 of 8.50%.

In 2007 a bank overdraft facility of EUR 850,000 was renewed with the Bayerische Hypo- und Vereinsbank AG in Donauwörth (Germany).
The loan has a variable interest rate at 31 December 2007 of 8.25%.

Notes to the consolidated financial statements - continued

5.30 Share capital

5.30.1 Share capital

(x EUR 1,000)	Number of shares	Ordinary shares	Share premium	Total
Balance at 1 January 2006	19,867	2,185	16,702	18,887
Share options exercised by employees	485	53	0	53
Share options exercised through convertible loan	6,389	703	21	724
Balance at 31 December 2006	26,741	2,941	16,723	19,664
Balance at 1 January 2007	26,741	2,941	16,723	19,664
Share granted to employees	0	0	4	4
Balance at 31 December 2007	26,741	2,941	16,727	19,668

At 31 December 2007 the authorized share capital comprised 35,900,000 ordinary shares (2006: 35,900,000). The shares have a nominal value of EUR 0.11 each.
At 31 December 2007 a number of 26,741,086 common shares (2006: 26,741,086) were in issue. As of this date, the members of the board of management and the members of the supervisory board did not hold any shares in the company.
The company held 4,100 common shares (2006: 4,100) in its own share capital. The number of treasury shares held by the company at the end of the year under review amounts to 0.02% of the issued and paid-up capital (2006: 0.02%).

5.30.2 Share options

Share options are granted to directors and to selected employees. The exercise price of the granted options is equal to the market price of the shares less 10% on the date of the grant.
Options are conditional on the employee completing three years' service (vesting period). The options are exercisable starting three years after the grant date provided that the employee is still working for the Group. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

5.30.3 Employee share option rights

The overview of all employee option rights outstanding on 31 December 2007 is as follows.

Granted In	Options 31-12-06	Granted in 2007	Exercised in 2007	Expired in 2007	Options 31-12-07	Exercise price in ☐	First date of exercise	Last date of exercise
2002	5,750	0	0	5,750	0	0.51	3 Jan 05	31 Mar 07
2004	18,500	0	0	9,000	9,500	0.68	1 Apr 07	31 Mar 09
2005	39,500	0	0	13,500	26,000	0.46	4 Jan 08	3 Jan 10
2006	63,300	0	0	15,900	47,400	0.51	5 Jan 09	4 Jan 11
2007	0	72,000	0	13,500	58,500	0.55	5 Jan 10	4 Jan 12
Total	127,050	72,000	0	57,650	141,400			

As at 31 December 2007, the members of the supervisory board did not hold any options on shares in the company.

5.30.4 Options Mr Ph.M.G. Nijenhuis

At 31 December 2007, Mr Ph.M.G. Nijenhuis did not hold any options on shares in the company.

During the time of his contract, Mr. Ph.M.G. Nijenhuis, CEO of the company, will be granted a maximum of 200,000 options per half year depending on the fulfilment of certain conditions related to the company's performance. The options will be granted in half-yearly parts.
The targets are defined by the supervisory board.

5.31 Reserves

(x EUR 1,000)	Convertible loan	Revaluation reserve	Total
Balance at 1 January 2006	725	2,101	2,826
Share options exercised through convertible loan	-725	0	-725
Addition to reserves	0	-80	-80
Balance at 31 December 2006	0	2,021	2,021

	Convertible loan	Revaluation reserve	Total
Balance at 1 January 2007	0	2,021	2,021
Addition to reserves	0	-30	-30
Balance at 31 December 2007	0	1,991	1,991

Notes to the consolidated financial statements - continued

	Convertible loan	Revaluation reserves	Other reserve	Total
Balance at 1 January 2007	0	2,021	-18,350	-16,329
Addition to reserves	0	-30	30	0
Dividends to shareholders	0	0	0	0
Net result year 2007	0	0	5	5
Balance at 31 December 2007	0	1,991	-18,315	-16,324

5.31.1 Convertible loan

This item refers to a 9% interest bearing subordinated convertible loan. Repayment has been taken place in 2006 by converting the agreed thirteen quarterly installments into newly issued ordinary shares of the company at a fixed conversion price of EUR 0.1134.

5.31.2 Dividend

The interest on the convertible loan amounts nil (2006: EUR 36,000) is regarded as dividend payment.

5.32 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings. For more information about the Group's exposure to interest and currency risk, refer to note 5.32.5.

	(x EUR 1,000) 2007	2006
Secured bank loans	1,512	1,891
Convertible loans	1,000	1,000
Finance lease liabilities	436	671
Other loans	700	300
	3,648	3,862
Less: current portion of long-term loans	-1,954	-1,327
	1,694	2,535

Notes to the consolidated financial statements - continued

5.32.1 Terms and debt repayment schedule

(x EUR 1,000)	Total	1 year or less	1 to 2 years	2 to 5 years	more than 5 years
Secured bank loans	1,512	1,014	498	0	0
Convertible loans	1,000	0	250	750	0
Finance lease liabilities	436	240	196	0	0
Other loans	700	700	0	0	0
	3,648	1,954	944	750	0

The fair values of the interest bearing loans and borrowings do not materially differ from the book value. The interest rates of the interest bearing loans and borrowings are fixed during the term of the contracts.

5.32.2 Secured bank loans

In 2007, a euro loan facility of Euro 450,000 was agreed with the Bayerische Hypo- und Vereinsbank AG in Donauwörth (Germany). The loan has a term of two years. The interest rate is 8.25%.
This facility is fully used during 2007.

The bank loans and the current liabilities to credit institutions are secured by a mortgage on land and buildings with a carrying amount of EUR 3,323,397, with pledges on machinery and equipment and pledges on trade receivables and inventories and a corporate guarantee of EUR 578,750.

5.32.3 Finance lease liabilities

The Group leases certain equipment; leases for which the Group bears substantially all the risks and rewards of ownership are classified as finance lease. Finance leases are capitalized at the lease commencement at the lower of the fair value of the leased equipment and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other short-term and other long-term payables.
The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.
The equipment acquired under finance leases is depreciated over the useful life of the asset.

Equipment includes the following amounts where the Group is a lessee under a finance lease:

(x EUR 1,000)	2007	2006
Cost-capitalized finance leases	711	711
Accumulated depreciation	-219	-35
Net book amount	492	676

Notes to the consolidated financial statements - continued

5.32.4 Other Loan

In 2007 a euro loan facility of Euro 700,000 was agreed with a private investor. The loan has a term of one year and has a fixed interest rate of 7%. This facility is used during 2007.

5.32.5 Interest rates

The average interests paid were as follows:

	Year ended 31 December	
	2007	2006
Bank overdrafts	8.25% - 8.50%	8.75%
Bank loans	7.29% - 8.25%	6.50% - 8.05%
Finance lease liabilities	5.73% - 6.056%	5.73% - 6.056%
Other loan	7.0%	7.0%

5.33 Convertible loan

The convertible loan amounts to a total of EUR 1,000,000 (2006: EUR 1,000,000). The convertible loan is issued on 29 April 2005.

The loan shall be redeemed by the company in four consecutive annual payments starting 15 April 2009. The amount of each redemption will be EUR 250,000. Interest of 4.5% will be paid annually up till that settlement date.

After 1 January 2008, the company has the right to redeem the outstanding amount of the loan in shares, subject to the average share price exceeding 130% - during 30 consecutive trading days - of the conversion price of EUR 0.84. The share related to this early redemption will be transferred to the lender within five days after the 30-day period ends.

	(x EUR 1,000)	
	2007	2006
Nominal value of convertible loan issued	1,000	1,000
Equity component (net of deferred tax)	0	0
Deferred tax liabilities	0	0
Liability components at date of issue	1,000	1,000
Interest charged	0	0
Interest paid	0	0
Liability component at 31 December	1,000	1,000

Notes to the consolidated financial statements - continued

5.34 Retirement benefit obligations

	(x EUR 1,000) 2007	2006
Present value of unfunded obligations	3,351	3,811
Fair value of plan assets	1,392	1,387
Present value of unfunded obligations	1,959	2,424
Unrecognized actuarial gains and losses	-86	401
Other pension assets	1,400	1,325
Net liability recognized in the balance sheet	645	698

5.34.1 Present value of unfunded obligations

The Group makes contributions to a number of defined benefit plans that provide pension benefits for employees upon retirement in Germany. In the Netherlands the pension plan is classified as a defined contribution plan and/or similar arrangements for employees, if customary, are maintained, taking local circumstances into account. In Germany the defined benefit pension plan comprising mitigated final pay arrangements is fully re-insured. In determining the annual costs the nature of the plan is recognized which includes (conditional) indexation of pension benefits insofar as the return on the separated investments surpasses the actuarial required interest. The required reserves of these obligations are recognized, net of plan assets, in the balance sheet.
Not all insurance meets the definition of a qualifying insurance policy as defined in IAS 19 Employee Benefits. The fair value of insurance policies that do not qualify as plan assets have been presented as other pension assets, since it is virtually certain that the insurance company will reimburse some or all of the expenditure required to settle the defined benefit obligation.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out on 31 December 2007 by Höfer Vorsorge-Management GmbH & Co. KG, Mülheim an der Ruhr. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

	(x EUR 1,000) 2007	2006
Discount rate at 31 December	5.5%	4.5%
Expected return on plan assets at 31 December	4.0%	4.0%
Future salary increase	0%	0%
Medical cost trend rate	0%	0%
Future pension increases	1.0%	1.0%

Notes to the consolidated financial statements - continued

5.34.2 Expenses recognized in the income statement

(x EUR 1,000)	2007	2006
Current service costs	23	30
Interest on obligation	168	167
Expected return on plan assets	-56	-55
Actuarial losses recognized in the year	4	9
Total	139	151

The charge for the year is included in the employee benefits expense in the income statement.
The actual return on plan assets was EUR 51,368 (2006: EUR 70,361).

Changes in the present value of the defined benefit obligation are as follows:

(x EUR 1,000)	2007	2006
Opening defined benefit obligation	3,812	3,780
Service costs	24	30
Interest costs	168	167
Actuarial gain (-) or loss	-487	-9
Pension payments	-166	-156
Closing present value of the defined benefit obligation	3,351	3,812

Changes in the fair value of plan assets are as follows:

(x EUR 1,000)	2007	2006
Opening fair value of plan assets	1,387	1,365
Expected return on plan assets	56	55
Actuarial gain (-) or loss	-4	15
Contributions by employer	17	16
Benefits paid	-64	-64
Closing fair value of plan assets	1,392	1,387

The plan assets do not include any of the Group's own financial instruments, nor any property occupied by or other assets used by the Group.

The expected rates of return on individual categories of plan assets are determined by reference to relevant indices published by the A Stock Exchange.
The overall expected rate of return is calculated by weighting the individual rates in accordance with the anticipated balance in the plan's investment portfolio.

Notes to the consolidated financial statements - continued

5.35 Trade accounts payables

	(x EUR 1,000) 2007	2006
Suppliers and trade credits	606	428
Non-trade payables and accrued expenses	403	432
Total	1,009	860

5.36 Net sales

	(x EUR 1,000) 2007	2006
EU	9,117	8,630
Outside EU	411	262
Total	9,528	8,892

5.37 Personnel expenses

	(x EUR 1,000) 2007	2006
Salaries	4,000	3,925
Social security	854	752
Share options granted to directors and employees	4	99
Pension charges	104	99
Own work capitalized	-211	-65
Total	4,751	4,810

The average number of people employed by the Group in 2007 on a full-time basis was 99 (2006: 97).

5.38 Depreciation and amortization of fixed assets

	(x EUR 1,000) 2007	2006
Intangible fixed assets		
Intangible fixed assets	30	78
Tangible fixed assets		
Land and buildings	122	99
Machinery and equipment	1,260	901
Other fixed assets	142	106
Total	1,554	1,184

Notes to the consolidated financial statements - continued

5.39 Other operating expenses

	(x EUR 1,000) 2007	2006
Other operating expenses	2,006	1,741
Special items		
Result on disposal of tangible fixed assets	-8	-18
Total	1,998	1,723

The most important task of the external auditor is the audit of the annual accounts of Rood Testhouse International N.V. Furthermore, the external auditor assists with annual accounts-related work. Tax advice is in principle given by specialist firms or specialized departments of local audit firms, which are rarely involved in the audit of the annual accounts of the relevant subsidiary. Other than these advisory services, Rood Testhouse International N.V. makes only limited use of the external advisors. If such services are required, specialists are engaged that are not associated with the external auditor. The fees for the abovementioned services, which are included in 'Other operating expenses', are evaluated on a regular basis and in line with the market.

5.40 Financial income and expenses

	(x EUR 1,000) 2007	2006
Interest expenses:		
- bank borrowings	-327	-165
- convertible loan	-45	-45
- tax	0	27
Total	-372	-183

5.41 Income tax expenses

	(x EUR 1,000) 2007	2006
Current tax expense		
Current year	3	0
Previous years	0	117
Deferred tax from expense		
Origination from and reversal of timing differences	20	2
Benefit of tax losses recognized	0	-26
Total	23	93

Notes to the consolidated financial statements - continued

5.42 Earnings per share

5.42.1 Basic

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year.

	2007	2006
Profit attributable to equity holders of the company	5	141
Weight average number of ordinary shares in issue (in thousands)	26,741	23,303
Basis earnings per share	0.00	0.01

5.41.2 Diluted

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.
The company has two categories of dilutive potential ordinary shares: convertible dept and share options. The convertible debt is assumed to have been converted into ordinary shares, and the net profit is adjusted to eliminate the interest expense less the tax effect. For the share options, a calculation is made in order to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares as calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	2007	2006
Profit attributable to equity holders of the company	5	141
Interest expense on convertible debt (net of tax)	0	-36
Profit used to determine diluted earnings per share	5	105
Weighted average number of ordinary shares in issue (thousands)	26,741	23,303
Adjustments for:		
- Share options (thousands)	141	127
Weighted average number of ordinary shares for diluted per share (thousands)	26,882	23,410
Diluted earnings per share	0.00	0.01

Notes to the consolidated financial statements - continued

5.43 Off-balance sheet commitments

5.43.1 Operational leases as lessee

(x EUR 1,000)	2007	2006
Less than one year	166	292
Between one and five years	183	441
More than five years	0	0
Total	349	733

The Group leases a number of vehicles and equipment under various operating lease agreements. The leases typically run for an initial period of between two and five years, with an option to renew the lease after that date. Lease payments are increased annually to reflect market rentals. None of the leases includes contingent rentals.

The Group does, in principle, not act as a lessor.

5.43.2 Rental commitments

The Group rents its office in Zwolle (the Netherlands) for a period of five years with renewal rights.
The annual rent amounts EUR 16,800.

5.43.3 Capital commitments

During the year ended at 31 December 2007 the Group entered into a contract to purchase property, plant and equipment for EUR nil (2006: EUR nil).

5.43.4 Contingencies

The holding company has given a guarantee amounting to EUR 5,950 to a third party. The holding company and the majority of the Dutch operating companies form a single tax unit for corporate tax. Each of the operating companies is severally liable for tax to be paid by all companies that belong to the fiscal unit.

5.44 Subsequent events

No significant events have taken place after balance sheet date.

5.45 Related parties

5.45.1 Remuneration of the managing directors

In addition to their salaries, the Group contributes to a post-employment defined benefit plan on behalf of the managing directors. The CEO also participates in the Group's share option scheme (refer to 5.30.4).

(x EUR 1,000)	Fixed salary	Bonus	Pension	Valuation options	Total 2007	Total 2006
Mr. Ph.M.G. Nijenhuis (CEO)	110	0	0	0	110	182
Total					110	182

Notes to the consolidated financial statements - continued

The CEO has been provided with a mobile telephone and a company car.
The remuneration of the managing directors is determined by the supervisory board.
The remunerations are adjusted as from 2007 based on the 'managing directors agreement' as of the appointment of the CEO in September 2004.
In determining the number of granted options, the realization of company and personal targets are taken into account. The supervisory board defines the targets each half year.

The CEO met for a large extend his targets which were set by the supervisory board for 2007.
The CEO decided to waive his options based on his personal opinion.

There are no guarantees or obligations vis-à-vis or on behalf of the directors. The information about the options granted to members of the board of management is provided on an individual basis (see notes 5.30.4).

5.45.2 Remuneration of the supervisory board

	(x EUR 1,000) 2007
Mr C.W.M. Koot (Chairman)	12
Mr A. Mommer (as of 26 March 2007)	8
Total	20

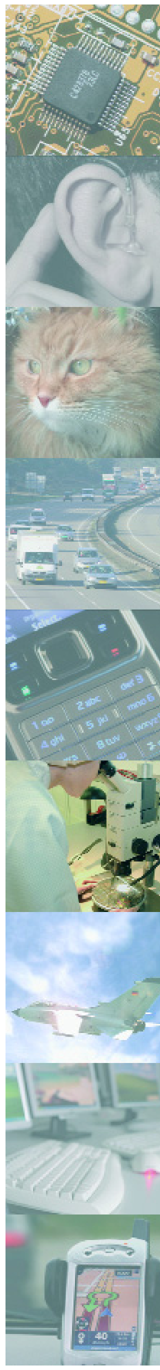
No options have been granted and no assets are available to the members of the supervisory board.
There are no loans outstanding to the members of the supervisory board and no guarantees have been given on behalf of members of the supervisory board.

5.45.3 Other related party transactions

The Group has not entered into any joint ventures.

6 Company balance sheet (before appropriation of net-result)

		(x EUR 1,000)	
		As at 31 December	
		2007	2006
	Assets		
	Non-current assets		
	Fixed assets		
	Property, plant and equipment	11	12
	Financial fixed assets		
8.20.1	Group companies	2,185	2,147
8.20.2	Loans to Group companies	1,984	1,984
		4,180	4,143
	Current assets		
	Receivables		
	Group companies	795	403
	Other receivables	52	6
	Cash and cash equivalents	174	202
		1,021	611
	Total assets	5,201	4,754
	Equity		
	Share capital	2,941	2,941
	Share premium	16,723	16,723
	Legal reserve	2,099	2,129
	Retained Earnings	-18,424	-18,563
	Result for the year	5	105
8.21	**Total equity**	3,344	3,335
	Liabilities		
	Non-current liabilities		
8.22	Subordinated convertible loan	1,000	1,000
	Current liabilities		
	Group companies	0	47
	Short loan	700	300
	Trade and other payables	157	63
	Current tax liabilities	0	9
	Total liabilities	1,857	1,419
	Total equity and liabilities	5,201	4,754



7 Company income statement

		(x EUR 1,000)	
		For the year ended	
		2007	2006
	Net profit from Group companies	38	83
	Other income	-33	22
8.23	**Net profit**	5	105

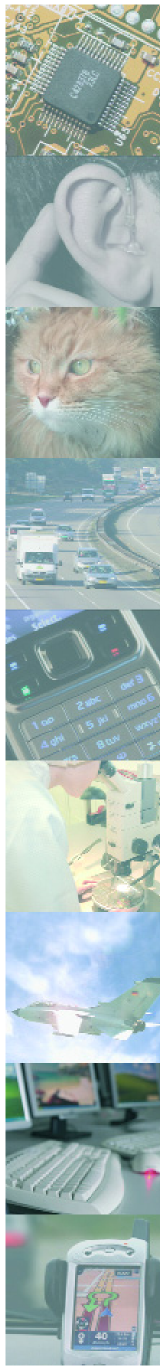
8 Notes to the company financial statements

8.1 General

The annual accounts of Rood Testhouse International N.V. as presented hereafter are prepared in conformity with Generally Accepted Accounting Principles in the Netherlands and compliant with the legal requirements concerning annual reporting as included in Volume 9 of Book 2 of the Netherlands Civil Code.

These accounting principles are generally in accordance with the valuation principles as applied in the consolidated annual accounts prepared under IFRS. Reference is made to the accounting principles set out in notes 5.2 to 5.23 of this annual report.

The facility provided by Volume 9, Book 2, Section 402 of the Netherlands Civil Code has been utilized in the preparation of the non-consolidated profit and loss account.
The notes to the consolidated Annual Accounts under IFRS form an integral part of the Annual Accounts prepared under Dutch GAAP. Material differences are separately disclosed in this section.



8.2 Presentation

Referring to Volume 9, Book 2, Section 362, paragraph 4 of the Netherlands Civil Code, there is a deviation from the rules on Models of Annual Accounts for the presentation of profit and loss account. This deviation is used inter alia for comparison purposes.

8.3 Research and development

The Group is deeply committed to research and development. However, as research and development is frequently contained within projects at cost price, or lower, a precise quantification of the amounts incurred is not possible.

8.4 Tangible fixed assets

Refer to note 5.5 to the consolidated financial statements.

Notes to the company financial statements - continued

8.5 Financial fixed assets

8.5.1 Subsidiaries of Rood Testhouse International N.V.

(Including registered office and interest)

Unless stated otherwise, the direct or indirect interest of Rood Testhouse International N.V. amounts to 100%. Insignificant subsidiary companies in terms of third-party revenue and balance sheet total have been deleted. These subsidiary companies are fully incorporated into the consolidated annual accounts of Rood Testhouse International N.V., unless stated otherwise.

Company	%	Office	Country
Rood Technology International B.V.	100	Zwolle	The Netherlands
Rood Technology Service GmbH	100	Nördlingen	Germany
Rood Technology Deutschland Beteiligungs GmbH	100	Nördlingen	Germany
Rood Technology Deutschland GmbH + Co	100	Nördlingen	Germany
Rood Technology Dresden GmbH	100	Dresden	Germany

8.5.2 Loans to Group companies

Long-term receivables included here are stated at nominal value less any provisions considered necessary.

8.6 Stocks of consumables and work in progress

Refer to note 5.7 and 5.8.1. Unlike under IFRS, work in progress is presented in total separately from advances received in total, which are included in short-term liabilities.

8.7 Receivables

These receivables are stated at nominal value less a provision for doubtful debts if required.

8.8 Liquid assets

Refer to note 5.9 to the consolidated financial statements.

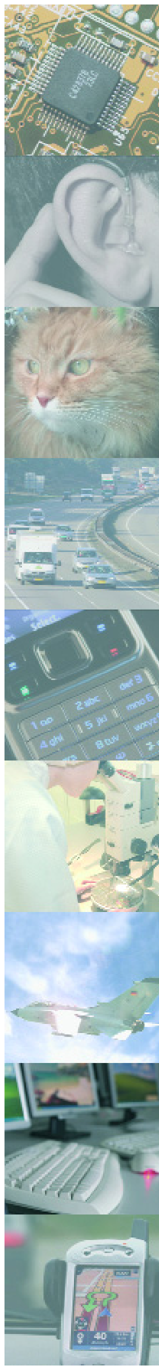
8.9 Liabilities and loans

Long-term and current liabilities and loans are stated at their nominal amounts.

8.10 Provisions

Provisions are built up for actual or legally enforceable obligations and are taken into account at nominal value except for those relating to the Group's obligations for pension back service, which are based upon actuarial valuations.

Notes to the company financial statements - continued



8.11 Deferred taxes

Deferred taxes arise as a result of temporary differences between the business economic and fiscal valuation of assets and liabilities. The deferred taxes are included at nominal value and calculated using the tax rates in force on the balance sheet date. Deferred tax receivables are only included insofar as they are offset by deferred tax obligations that relate to the same periods or if in some other manner there is high degree of probability that these deferred receivables can be realized. Deferred tax assets are included as other receivables.

8.12 Contingent liabilities

These include conditional and unconditional liabilities resulting from agreements such as guarantees, lease obligations et cetera.

8.13 Net sales

Refer to note 5.18 to the consolidated financial statements.

8.14 Depreciation

Refer to note 5.5.4 to the consolidated financial statements.

8.15 Impairment of assets

Refer to note 5.10 to the consolidated financial statements.

8.16 Personnel expenses and other operating costs

Personnel expenses and other operating costs are reported in the period to which they relate.

8.17 Interest receivable (payable)

This relates to interest income receivable from and expenses payable to third parties.

8.18 Taxes

These are computed on the commercial result before tax and after taking into account all fiscal facilities available. Income tax is computed in accordance with the rates of taxation in the various countries in which companies of the Group operate. Amounts of tax which have not yet fallen due and are caused by timing differences are included in the deferred tax assets/liabilities.

8.19 Accounting principles for the cash flow statement

Refer to note 5.21 to the consolidated financial statements.

Notes to the company financial statements - continued

8.20 Financial fixed assets

8.20.1 Group companies

This item relates to wholly-owned subsidiaries.

Movements in this item in the year under review were as follows:

(x EUR 1,000)	2007	2006
Balance as at 1 January	2,147	1,764
Addition due to partial loan conversion	0	300
Profit of Group companies	38	83
Balance as at 31 December	2,185	2,147

8.20.2 Loans to group companies

This item relates to three subordinated loans issued to the German Group company. A loan amounting to EUR 1,034,000 is subordinated to all other liabilities. A loan amounting to EUR 800,000 and a loan amounting EUR 150,000 is subordinated to bank debts. During 2004, 2005 and 2006 part of the loans issued to the German Group company was converted into equity.

The interest rate is between 6.50% and 6.75%

Movements in this item were as follows:

(x EUR 1,000)	2007	2006
Balance as at 1 January	1,984	2,134
New loan	0	150
Conversion into equity	0	-300
Balance as at 31 December	1,984	1,984

Notes to the company financial statements - continued

8.21 Equity

8.21.1 Movement in total equity

The movements in equity were as follows:

(x EUR 1,000)	Issued share-capital	Paid-in surplus	Legal reserve	Other Reserves	Total 2007	Total 2006
Balance as at 1 January	2,941	16,723	2,129	-18,458	3,335	2,351
Employee options exercised	0	0	0	0	0	156
Valuation options granted	0	4	0	0	4	0
Conversion convertible loan	0	0	0	0	0	725
Reserve development costs	0	0	-30	30	0	0
Reserve building revaluation	0	0	0	0	0	-2
	2,941	16,727	2,099	-18,428	3,339	3,230
Appropriation of result	0	0	0	5	5	105
Balance as at 31 December	2,941	16,727	2,099	-18,423	3,344	3,335

8.21.2 Legal reserves

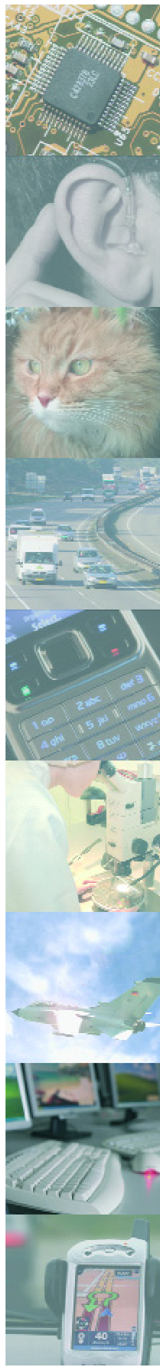
This item comprises of the revaluation reserve related to land and buildings, as well as the legal reserve for capitalized development costs.

The movements were as follows:

(x EUR 1,000)	Revaluation reserve	Development Costs	Total 2007	Total 2006
Balance as at 1 January	2,099	30	2,129	2,209
Addition due to correction revaluation reserve	0	0	0	0
Addition due to capitalized development costs	0	0	0	0
Realized through depreciation	0	-30	-30	-80
Balance as at 31 December	2,099	0	2,099	2,129

8.21.3 Reconciliation with total equity in the consolidated IFRS balance sheet

The total equity amounting to EUR 3,344,000 (2006: EUR 3,335,000) no longer differs from the Group's total equity as presented in the Group's balance sheet. Due to the mandatory conversion, the subordinated convertible loan is regarded as part of the equity in the consolidated balance sheet.



8.22 Subordinated convertible loan

This item refers to a 9% interest-bearing subordinated convertible loan. Repayment has been taken place in 2006 by converting the agreed thirteen quarterly installments into newly issued ordinary shares of the company at a fixed conversion price of EUR 0.1134.

The new convertible loan amounts to a total of EUR 1,000,000. At 31 December 2007, the amount of EUR 1,000,000 had been received by the company. The convertible loan was issued on 29 April 2005.

The loan shall be redeemed by the company in four consecutive annual payments starting 15 April 2009. The amount of each redemption will be EUR 250,000. Interest of 4.5% will be paid annually up to that settlement date.

After 1 January 2008, the company has the right to redeem the outstanding amount of the loan in shares, subject to the average share price exceeding 130% - during 30 consecutive trading days - of the conversion price of EUR 0.84. The share related to this early redemption will be transferred to the lender within five days after the 30-day period ends.

Movements in this item were as follows:

	(x EUR 1,000) 2007	2006
Balance as at 1 January	1,000	1,475
New loan	0	250
Conversions	0	-725
Balance as at 31 December	1,000	1,000

	(x EUR 1,000) 2007	2006
Presented under		
Non-current liabilities:		
Subordinated convertible loan	1,000	1,000
Current liabilities		
Current portion of long-term debt	0	0
Total	1,000	1,000

Notes to the company financial statements - continued

8.23 Reconciliation with profit in the consolidated IFRS income statement

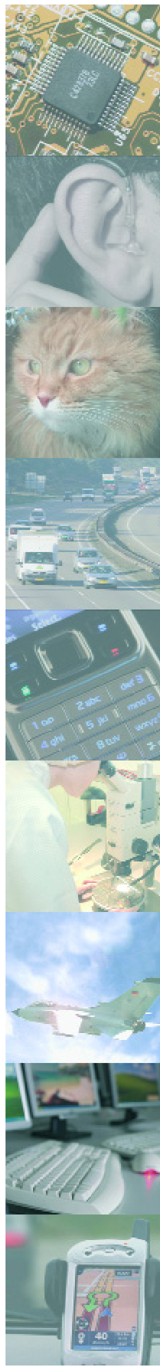
The net profit amounting EUR 5,000 (2006: profit EUR 105,000) no longer differs from the Group's net profit in IFRS as presented in the reconciliation of IFRS income statement (refer to note 5.3), due to the mandatory conversion.

The reconciliation can be shown as follows.

(x EUR 1,000)	2007	2006
Net profit in the company income statement	5	105
Interest on the convertible loan	0	36
Net profit in consolidated IFRS income statement	5	141

8.24 Guarantees

The company has provided parent company guarantees in respect of its subsidiaries of EUR 578,750.



Amsterdam, 27 February 2008

Board of Management

Ph. M.G. Nijenhuis, CEO

Supervisory board

C.W.M. Koot, Chairman

A. Mommer

Corporate Management Team

Th. Bucksch, Group COO

S.G. Hollenberg, Group CFO

9 Other information

9.1 Auditor’s report

To the General Meeting of Shareholders of Rood Testhouse International N.V.

AUDITOR'S REPORT

REPORT ON THE FINANCIAL STATEMENTS

We have audited the Annual Report of Rood Testhouse International N.V., Zwolle (The Netherlands). The Annual Report consists of the consolidated annual accounts and the company annual accounts. The consolidated annual accounts comprise the consolidated balance sheet as at 31 December 2007, the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. The company annual accounts comprise the company balance sheet as at 31 December 2007, the company income statement for the year then ended and the notes.

(i) Management's responsibility

Management is responsible for the preparation and fair presentation of the annual accounts in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code, and for the preparation of the Report of the Board of Management in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the annual accounts that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

(ii) Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

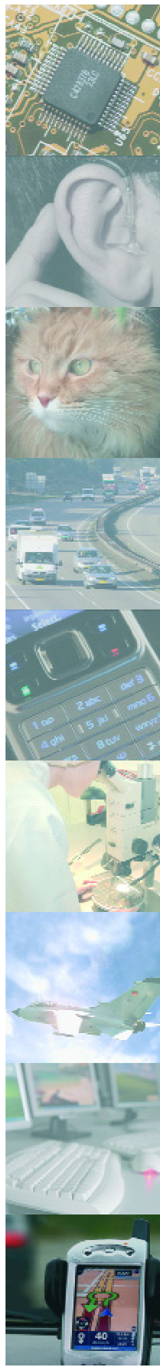
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the annual accounts, whether due to fraud or error.
In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual accounts.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

(iii) Opinion with respect to the consolidated annual accounts

In our opinion, the consolidated annual accounts give a true and fair view of the financial position of Rood Testhouse International N.V. as at 31 December 2007 and of its result and its cash flow for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code.

(iv) Opinion with respect to the company annual accounts

In our opinion, the company annual accounts give a true and fair view of the financial position of Rood Testhouse International N.V. as at 31 December 2007 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.



REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Pursuant to the legal requirement under 2:393 sub 5 part e of the Netherlands Civil Code, we report, to the extent of our competence, that the Report of the Board of Management is consistent with the annual accounts as required by 2:391 sub 4 of the Netherlands Civil Code.

Amsterdam, 27 February 2008

MAZARS PAARDEKOOPER HOFFMAN ACCOUNTANTS N.V.

P.J. Steman RA

9.2 Post balance sheet date events

Reference is made to note 5.44.

9.3 Profit appropriation

Article 27 of the Articles of Association contains inter alia the following provisions for profit appropriation:

1. the company may pay dividends and make other distributions only to the extent that its equity exceeds the amount of the paid-up and called-up portion of the share capital plus the reserves which must be maintained by law and under these Articles;
2. subject to the prior approval of the supervisory board, the board of management is authorized to add any profit in whole or in part to the reserves;
3. any profit remaining after reservation referred to in the preceding paragraph shall be at the disposal of the annual general meeting of shareholders;
4. to the extent that the general meeting of shareholders does not resolve to distribute the profit for any financial year, such profit shall be added to the reserves.

9.4 Proposed profit appropriation

In accordance with Article 27 of the Articles of Association, we propose to add the entire result to the reserves.

Colophon
Textual advice and editing: Kort Investor Relations
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The Vrije Universiteit Brussel is currently doing a survey of the users of corporate annual financial statements.
You can participate in the survey by completing a short questionnaire on the following website: http://pehelp.vub.ac.be/questvicky/.
For more information, you can contact Vicky Cole on Vicky.Cole@vub.ac.be.

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