

Quarterly Report
Third quarter, 2007

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HIGHLIGHTS – Earnings statement according to US-GAAP

Preliminary results

3rd quarter 2007

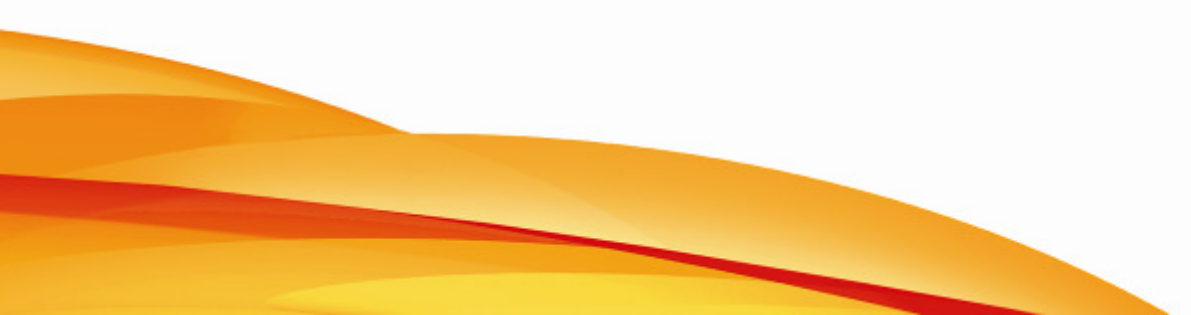
_ Turnover	€ 5,224 thousand
Increase compared to previous year by	+41 Percent
_ EBITDA	€ 904 thousand
Increase compared to previous year by	+26 Percent
_ EBT	€ 667 thousand
Increase compared to previous year by	+13 Percent
_ Operative cash flow	€ 106 thousand

Months 1-9 2007

_ Turnover	€ 14,397 thousand
Increase compared to previous year by	+53 Percent
_ EBITDA	€ 1,898 thousand
Increase compared to previous year by	+41 Percent
_ EBT	€ 1,316 thousand
Increase compared to previous year by	+23 Percent
_ Operative cash flow	€ 2,515 thousand

RTT Share

_ Signed capital	3,137,400 EUR
_ Share price over 12 months (peak/through/current)	13.27 / 9.40 / 12.75 EUR per share
_ Market capitalization (current)	40,002,000 EUR
_ ISIN / WKN	DE0007012205 / 701220
_ Exchanges traded on	Open Market Frankfurt / Xetra



Munich, November 2007

Dear valued shareholders,

We are pleased to announce that the positive business development of the company continued in 2007's third quarter. First, however, a look at the future of the business.

Company development

Our subsidiaries in Asia and the USA have continued to grow, a development reflected in the expanding workforces. Personnel has been strengthened in both regions in the areas of marketing, sales and content production, allowing RTT USA, with almost 50 employees, and RTT Asia-Pacific, with just under 20, to fully serve their respective customer bases. Both RTT Asia-Pacific Inc. and RTT USA Inc. were represented at various events during the year.

The goal at the "Visualization Technology Roadshow 2007 Asia" was both to expand business activities in China, Korea and Japan and at the same time tap into new client opportunities in India. From 24th August to 7th September RTT Asia-Pacific Inc. presented the RTT product portfolio and the new RTT DeltaGen 7.0 and RTT Portal 3.0 functionality in the respective countries. More than 200 delegates from the fields of styling, design, R&D and sales, as well as marketing experts, IT managers and students, participated in the second Asian "Visualization Technology Roadshow". The successful series of events was staged together with our partners SONY and NVIDIA, as well as HP, Uchida Yoko, Christie, Barco and Wacom.

The major happening in the USA was Siggraph 2007 in San Diego. There we presented, in August, the latest developments in realtime raytracing technology and further new RTT



DeltaGen 7.0 features at the NVIDIA, Rapidmind and Intersense booths. Our California and Michigan offices were also present at the "Siggraph Job Fair" in order to recruit visualization gurus to our US operations. A particular highlight was the evening event laid on by RTT USA Inc. in the world's first IMAX dome in the Reuben H. Fleet Science Center. 200 VR-specialists, product designers, marketing experts and decision makers from the world of advertising as well as the automobile, aviation and consumer goods industries took the opportunity to attend and exchange views and information.

The quarter in Germany was again dominated by the IAA Motor Show in Frankfurt. There we could, amongst other things, present the new virtual A4 for Audi AG. An unusual type of 3D high end configurator allowed visitors to both view and get a feel for the multitude of sedan options. A range of "plug-in elements" portrayed various materials, such as upholstery and car paint. When touched they immediately activated the 3D visualization in realtime.



A4 realtime configurator at the IAA



Plug-in activation elements

In conjunction with the IAA, RTT AG again sponsored the "AUTOMOTIVE DESIGNERS' NIGHT" in Frankfurt. More than 800 international designers congregated for networking in the Johann Wolfgang Goethe-Universität Casino rooms.



AUTOMOTIVE DESIGNERS' NIGHT 2007

Business areas in detail

Virtual Prototyping

RTT DeltaGen and RTT Portal were the subject of further improvements during the third quarter. The new versions, RTT DeltaGen 7.5 and RTT Portal 3.5, will be available during November. These two RTT software solutions, with a plethora of additional functionality, offer a supreme level of photo-realistic visualization and a multitude of opportunities for accelerating processes.

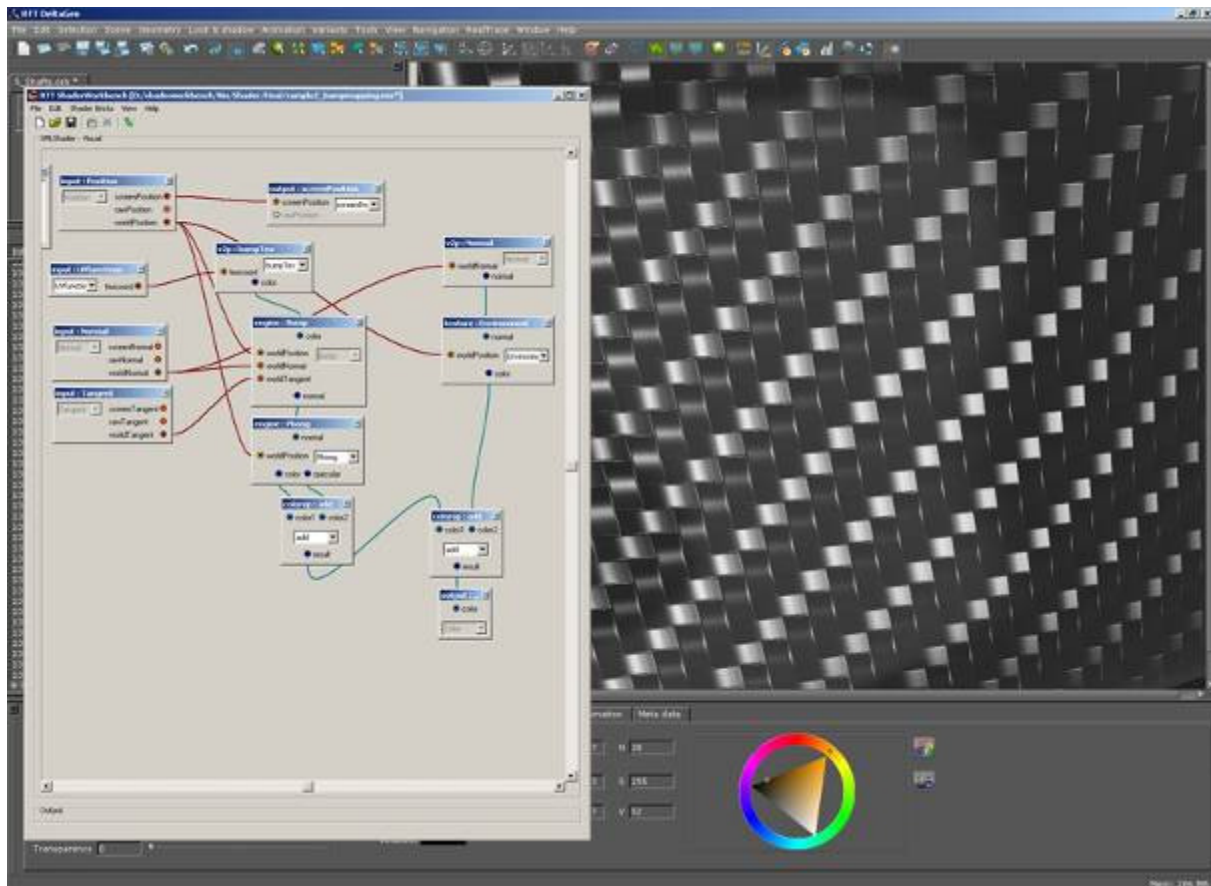
Innovations in RTT RealLight provide more effect-full and rapid computation and visualization of shadows in realtime. The computation time for the addition of realistic shadows to a scene can be shortened significantly thanks to "Ambient Occlusion". Object light sources for volume lighting can now be defined in 3D-realtime scenes. The new version also offers greater working efficiency and flexibility with the provision of three different modes and an offline conversion option for realtime shadowing. The user can thus focus on interactivity or performance, depending on the requirements of the task at hand.



Photo-realistic visualization of the Audi R8 interior created using RTT RealLight – shadowing effects are computed using "Ambient Occlusion" functionality.

RTT RealTrace now enables an even more rapid physically correct depiction of optical effects on a surface to be produced. The raytracing effects dynamically adapt themselves to any changes in the animation or model e.g. movements and component changes.

The improved RTT Shader Workbench provides the opportunity to create more individualized 3D-surfaces. It allows the simple, rapid and effect-full creation of CgFX-shaders by means of a graphical user interface.



RTT Shader Workbench: this view shows the simple and independent creation of a Carbon shader

Version 3.5 of the Asset Management Tool RTT Portal is now more fully integrated with RTT DeltaGen. Customer-specific server and front-end plug-ins allow the extension of server and RTT DeltaGen functionality in order to ensure seamless integration with existing IT infrastructure. The potential fields of application for RTT Portal have thus been widened once more.

The interplay between RTT DeltaGen and RTT Portal makes it possible to introduce a "Workflow-Design" to visualization and prototyping, which was until now not possible. The design flexibility, quality of results and process efficiencies available are unsurpassed.

In several ongoing projects with RTT customers completely new workflows and methods of utilization with respect to the topic of 3D visualization are being realized.

RTT Showroom

In the field of car configurators we can report, on the back of the success with the Opel Car Creator (OCC), the successful installation of yet another dealer-system.

Lamborghini dealers now have the possibility during sales discussions to display a dream model for customers in realtime and with photo-realistic 3D quality. The dealer can, together with the customer, use the "Lamborghini Configurator" to select and also equip the desired model before producing a quote. In addition to the classic exterior colors and the complete equipping of the interior, it is possible, for example, to define seat trims and seams. A particular highlight is the option allowing a customer to mix a personalized exterior finish for the vehicle. In addition, the entire technology of the particular model can be visualized on demand. By the end of the year the "Lamborghini Configurator" will have been installed by RTT at 104 dealers worldwide, with the help of Siemens AG.



RTT's Lamborghini configurator: a fully configurable Murciélago



RTT's Lamborghini Configurator: the perfect Lamborghini can be created with the help of an intuitive user interface

Financial data for the third quarter of 2007

The figures for the third quarter and first nine months of 2007 reflect the phenomenal growth of the business and the thereby associated investments. Our activities in the US and Asia are responsible for a significant and relatively large part of this growth; our goal is to diversify the global distribution of sales revenue by capitalizing on international opportunities.

Quarterly turnover increased by 41% (to €5.224m) while the figure for the first nine months of the year is up 53% (to €14.397m).

In the third quarter earnings before interest, tax and depreciation (EBITDA) increased by 26% to €904,000, and rose 41% (to €1.898m) compared with the previous year.

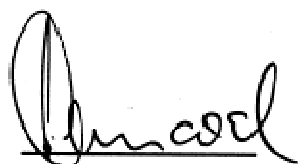
The granting of employee stock options resulted in a capital increase of 21,400 shares. This puts signed capital at €3,137,400. The capital increase was filed with Munich's commercial register on September 6th, 2007.

Munich, November 2007

RTT Board of Directors



Ludwig Fuchs



Christoph Karrasch

Annexes

- _ Earnings Statements 3rd quarter and months 1/2007 to 9/2007 according to HGB [German Commercial Code]
- _ Balance Sheet as of September 30th, 2007 according to HGB [German Commercial Code]
- _ Cash flow 3rd quarter and months 1/2007 to 9/2007 according to HGB [German Commercial Code]

_ Consolidated Earnings Statement according to HGB [German Commercial Code]

	Q3 2006 EUR	Q3 2007 EUR	Q1 to 3 2006 EUR	Q1 to 3 2007 EUR
Turnover	3,697,254.79	5,223,868.36	9,428,642.34	14,396,552.83
Misc. operating revenues	39,675.32	162,978.07	107,007.39	345,526.09
Material expenses; expenses for services received	200,603.19	381,612.18	367,887.16	1,444,733.69
Staffing expenses	2,018,123.49	2,999,469.60	5,447,530.82	8,269,108.13
Misc. operating expenses	798,097.95	1,101,775.72	2,374,713.76	3,130,595.37
EBITDA	720,105.48	903,988.93	1,345,517.99	1,897,641.73
Write-downs on tangible and intangible assets	172,753.24	235,018.54	416,992.17	666,083.51
EBIT	547,352.24	668,970.39	928,525.82	1,231,558.22
Interest revenues and payments	42,329.70	-1,480.85	140,920.54	84,927.55
EBT	589,681.94	667,489.54	1,069,446.36	1,316,485.77
Income tax	221,258.80	271,945.39	518,435.02	438,490.58
Misc. taxes	1,111.20	1,317.87	2,955.84	3,337.51
Preliminary net earnings	367,311.94	394,226.28	548,055.50	874,657.68
Preliminary earnings per share	0.12	0.13	0.17	0.28

_ Consolidated Balance Sheet as of September 2007

	2006	2007
	EUR	EUR
Assets		
Liquid funds	650,629.67	1,059,456.95
Short-term securities	3,263,646.72	3,409,523.12
Accounts receivable	2,795,958.22	4,401,579.71
Inventory	250,000.00	365,628.46
Prepayments and misc. assets	212,206.12	136,666.21
Total current assets	7,172,440.73	9,372,854.45
Tangible assets	1,367,171.87	1,899,799.32
Intangible assets	249,891.79	970,872.63
Total fixed assets	1,617,063.66	2,870,671.95
Total assets	8,789,504.39	12,243,526.40
Liabilities		
Accounts payable	196,294.12	1,056,048.90
Reserves and contingencies	1,344,766.85	1,404,305.01
Accruals and misc. liabilities	1,101,933.36	2,254,403.59
Total current liabilities	2,642,994.33	4,714,757.50
Pension reserves	90,481.00	105,417.00
Total long-term liabilities	90,481.00	105,417.00
Signed equity	3,116,000.00	3,137,400.00
Capital reserve	1,173,046.00	1,184,321.00
Reserve for own shares	13,241.10	13,241.10
Profit reserve	1,205,686.46	2,229,201.33
Accumulated profit	548,055.50	874,657.68
Currency conversion adjustment		-15,469.21
Total liabilities	8,789,504.39	12,243,526.40

_ Consolidated Cash Flow according to HGB [German Commercial Code]

	3. Qu. 2006 € thousand	3. Qu. 2007 € thousand	1. - 3. Qu. 2006 € thousand	1. - 3. Qu. 2007 € thousand
Cash Flow from operations				
Annual surplus/deficit	367	394	548	875
Write-downs	173	234	417	666
Increase/decrease in long-term reserves				
Increase/decrease in WIP	-60	58	-65	109
Increase/decrease in misc. inventory		-76	-2	-76
Increase/decrease in accounts receivable	-497	-590	-895	-406
Increase/decrease in receivables from affiliated companies				
Increase/decrease in receivables from misc. assets	24	16	10	30
Increase/decrease in reserves	-45	-292	1	-528
Increase/decrease in accounts payable	-177	326	-245	390
Increase/decrease in prepayments	61	67	-31	7
Increase/decrease in accruals	-242	-31	302	1,448
Total	-396	106	40	2,515
Cash Flow from investment activity				
Disposals/investments in intangible assets				
Disposals/investments in tangible assets	-221	-583	-961	-1,384
Disposals/investments in financial assets				
Total	-221	-583	-961	-1,384
Cash Flow from financing activity				
Change in capital		22		19
Misc. operating revenues				
Increase/decrease in bank loans/overdrafts				
Increase/decrease in misc. liabilities	426	391	210	35
Total	426	413	210	54
	0			
Cash at beginning of period	4,105	4,533	4,625	3,284
Increase/decrease	-191	-64	-711	1,185
Cash at end of period	3,914	4,469	3,914	4,469