



2/2009

Quarterly Report

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Key Data

| All amounts in € million | H1 2009 (IFRS) | H2 2008 (IFRS) | Q2 2009 (IFRS) | Q2 2008 (IFRS) |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|
| Revenues | 48.4 | 52.9 | 24.3 | 26.0 |
| Business | 25.8 | 29.8 | 12.8 | 14.7 |
| Wholesale | 16.8 | 16.0 | 8.7 | 8.0 |
| New Business | 5.8 | 7.1 | 2.8 | 3.3 |
| Gross profit | 11.8 | 13.6 | 5.9 | 6.9 |
| Business | 9.5 | 11.3 | 4.6 | 5.7 |
| Wholesale | 0.7 | 0.7 | 0.4 | 0.4 |
| New Business | 1.6 | 1.6 | 0.9 | 0.8 |
| EBITDA | 2.5 | 3.4 | 1.3 | 1.7 |
| as % of revenues | 5.2% | 6.4% | 5.3% | 6.5% |
| EBIT | 0.6 | 1.6 | 0.3 | 0.9 |
| as % of revenues | 1.2% | 3.0% | 1.2% | 3.5% |
| Consolidated net income | 0.1 | 0.8 | 0 | 0.5 |
| Earnings per share *(€) | 0.03 | 0.19 | 0.00 | 0.13 |
| Total assets | 53.4 | 59.8 | 53.4 | 59.8 |
| Equity | 22.5 | 27.4 | 27.4 | 27.4 |
| as % to total assets | 42.2% | 45.8% | 45.8% | 45.8% |
| Number of shares | 3,900,000 | 3,900,000 | 3,900,000 | 3,900,000 |
| Net debt | 12.2 | 12.0 | 12.2 | 12.0 |
| Operating Cash Flow | 2.2 | 5.6 | 1.7 | 3.8 |
| Free Cashflow | -0.1 | 2.5 | 0.7 | 1.1 |
| Employees as of Juni 30 | 206 | 222 | 206 | 222 |

* Basic and diluted

Content

| | |
|---|----|
| Key Data | 1 |
| Content | 2 |
| Letter to our shareholders | 3 |
| Status report | |
| Earnings situation | 5 |
| Financial situation | 6 |
| Asset situation | 6 |
| Risk Report | 7 |
| Outlook | 7 |
| Investor Relations | |
| ecotel shares | 8 |
| Shareholders structure | 9 |
| Financial statements | |
| Consolidated balance sheet as of March 31, 2009 | 10 |
| Consolidated profit and loss statement as of March 31, 2009 | 12 |
| Cash flow statement as of March 31, 2009 | 13 |
| Statement of changes in equity as of March 31, 2009 | 14 |
| Notes to the consolidated statements as of March 31, 2009 | 15 |
| Declaration of the legal representatives under Section 37y of the German Securities Trading Law (WpHG) | 19 |
| Financial calender | 20 |
| Contact | 20 |
| Imprint | 20 |
| Disclaimer | 20 |

Letter to our shareholders

Dear shareholders,

In the second quarter of 2009, ecotel Group was able to restabilize its revenue development and even achieve a slight increase in revenue from € 24.1 million to € 24.3 million compared with the first quarter. As a result, in half-year comparison, revenue declined by 8% from 2008. The decrease in revenue compared with the previous year continues to be driven by the loss of preselection voice revenue in the Business Solutions segment, which still could not be sufficiently offset by new revenue from mobile telephone and data services. Deutsche Telekom AG's (DTAG) continued obstruction of the uninterrupted transfer of access lines, which for ecotel represents the basis for marketing bundled products, was an additional obstacle.

EBITDA in the second quarter amounted to € 1.3 million, thus € 0.1 million higher than in the first quarter of 2009, but € 0.4 million lower than in the same period in the previous year. Cumulative EBITDA for the first half of 2009 totaled € 2.5 million. This included approximately € 0.1 million in one-time expenses for legal advice related to ongoing legal disputes.

EBIT in the second quarter of 2009 amounted to € 0.3 million, € 0.6 million less than the previous year's figure. Consolidated net income for the first half of the year totaled € 0.1 million, which corresponds to earnings per share of € 0.03.

In the meantime, the merger of nacamar's B2B segment and PhaseFive has now been legally finalized. For both companies an entry was made in the commercial register for their retroactive merger with ecotel as of January 1, 2009. nacamar GmbH continues to operate the New Media business.

Initial successes were achieved with regard to the regulatory environment. As early as February 11, 2009, the German Federal Network Agency had issued a ruling granting ecotel the uninterrupted transfer of analog and ISDN connection products in abuse proceedings against Deutsche Telekom. DTAG's subsequent expedited injunction against this ruling was rejected in July. Along with the now anticipated uninterrupted processing of access line transfer orders, this created the basis for ecotel to enforce retroactive claims against DTAG for the suspended processing of orders since January 1, 2008 and the related loss of revenue.

Furthermore, in September 2009 we anticipate the final regulatory decision in favor of the resale of Deutsche Telekom's analog and ISDN connections under wholesale conditions (resale of connections), thus ensuring fair competition in the German telecom market even in areas still untapped by alternative suppliers.

Liberated from this burden, ecotel will approach the market in coming weeks with innovative bundled product offers based on the infrastructure of alternative network operators. ecotel is therefore also pursuing a multi-supplier strategy in the area of complete connection products. In the process, ecotel is creating the prerequisites for the marketing of attractive bundled products for existing and new customers throughout Germany.

Furthermore, in order to boost profitability ecotel has launched an additional efficiency improvement program in the areas of procurement, administration, and personnel in order to achieve € 0.8 million in cost savings by the end of 2009 and synergies of more than € 2.5 million in 2010. Most of the necessary related measures have already been put in motion.

Letter to our shareholders

With the new complete connection products we are pursuing the goal of turning around the Business Solutions segment in the second half of the year and thus bringing the Company's profitability back on course. Nevertheless, we remain committed to the strategy of launching competitive bundled products based on one of Deutsche Telekom's connection resale tools so that we can offer a product portfolio accessible to business customers throughout Germany.

In view of the generally strained economic situation as well as the renewed delay of regulatory decisions regarding the resale of connections now not expected until September, from today's perspective we are anticipating revenue of approximately € 100 million and EBITDA adjusted for extraordinary expenses and income of € 5 million to € 5.5 million for the year 2009.

Düsseldorf, Germany, August 2009



Bernhard Seidl (CFO)



Peter Zils (CEO)



Achim Theis (CSO)

Earnings Situation

In the second quarter of 2009, revenue declined by 7% to € 24.3 million from € 26.0 million in the same period of the previous year. This resulted in total revenue of € 48.4 million in the first half of 2009 after € 52.9 in the first half of 2008 – a decline of 8% compared with the previous year. The gross profit in the second quarter of 2009 amounted to € 5.9 million – after € 5.9 million in the previous quarter and € 6.9 million in the second quarter of 2008.

The Business Solutions unit contributed 53% of ecotel Group's total revenue and 78% of its gross profit in the second quarter of 2009. Revenue in the Business Solutions unit in the second quarter amounted to € 12.8 million – after € 13.0 million in the previous quarter and € 14.7 million in the same period of the previous year. The revenue decline of 13% from the previous year is primarily attributable to the high churn rate for carrier preselection voice products, driven by the aggressive pricing of bundled product offers by Deutsche Telekom AG (DTAG) and the until now discontinued processing by DTAG of the uninterrupted transfer of access lines. The gross profit in the second quarter of 2009 amounted to € 4.6 million – after € 4.9 million in the previous quarter and € 5.7 million in the same quarter of the previous year.

The Wholesale Solutions unit generated revenue of € 8.7 million and gross profit of € 0.4 million in the second quarter of 2009 and thus contributed 36% of total revenue and 7% of total gross profit. Compared with the previous quarter, revenue rose by 7%, while the gross profit remained constant both with respect to the previous quarter and the same quarter in the previous year.

The New Business unit generated revenue of € 2.8 million and gross profit of € 0.9 million in the second quarter of 2009. In the previous quarter, revenue was € 3.0 million and gross profit was € 0.7 million. Thus, gross profit increased both compared with the previous quarter and the same quarter of the previous year. Beginning in the third quarter, it will be possible to compensate for the temporary reduction in revenue at easybell attributable to the technology-based decline in narrowband dial-up connections through new revenue from the private client business.

Personnel expenses came to € 2.5 million in the second quarter and were therefore € 0.1 million below the previous quarter's figure. The number of employees declined slightly from 210 to 206. Other operating expenses fell from € 2.6 million in the previous quarter to € 2.3 million. In the same quarter of the previous year, other operating expenses still amounted to € 2.9 million.

EBITDA in the second quarter totaled € 1.3 million, compared with € 1.7 million in the same quarter of the previous year and € 1.2 million in the previous quarter. Depreciation and amortization amounted to € 1.0 million, compared to € 0.9 million in the same quarter of the previous year. The increase resulted primarily from write-downs on new investments carried out in 2008.

EBIT in the second quarter of 2009 amounted to € 0.3 million – after € 0.9 million in the same quarter of the previous year. Cumulative EBIT for the first half of 2009 totaled € 0.6 million.

The finance result in the second quarter came to € -0.2 million after € -0.3 million in the previous quarter. This consisted primarily of interest expense.

Tax expense in the second quarter of 2009 amounted to € 0.2 million. For the first half of the year, tax expense totaled € 0.1 million, of which € 0.1 million related to deferred taxes.

Consolidated net income amounted to € 7 thousand in the second quarter of 2009 after € 96 thousand in the first quarter. This resulted in consolidated net income of € 0.1 million in the first half of the year, which corresponds to earnings per share of € 0.03.

Financial Situation

Cash flow from operating activities came to € 1.6 million in the second quarter after € 0.5 million in the previous quarter. Of this, approximately € 0.3 million resulted from the reduction of working capital.

Cash flow from investing activities totaled € 1.0 million in the second quarter of 2009. This is made up of investments of € 0.2 million in own work capitalized, investments of € 0.35 million in software licenses, investments of € 0.35 million in router equipment and other hardware, and € 0.1 million in capital contribution to synergyPLUS.

Cash flow from financing activities in the second quarter of 2009 totaled € -1.1 million and is primarily made up of the repayment of loans amounting to € 0.9 million as well as interest payments of € 0.2 million.

Cash and cash equivalents in the second quarter of 2009 declined slightly from € 1.8 million to € 1.4 million.

Asset Situation

Total assets as of June 30, 2009 amounted to € 53.4 million; this represents a 1% decline from the figure of € 54.1 million as of March 31, 2009.

On the assets side, non-current assets decreased from € 33.8 million to € 33.6 million as a result of the investments carried out, despite ongoing depreciation and amortization of € 1.0 million. Current assets sank by 3% from € 20.3 million to € 19.7 million. This drop is primarily due to a reduction in trade receivables.

On the liabilities side, equity remained constant at € 22.5 million. The equity ratio increased slightly from 41.6% at the end of the first quarter of 2009 to 42.2%. Non-current provisions and liabilities fell from € 11.9 million to € 11.1 million. Of this amount, € 1.3 million pertains to deferred income taxes. Current provisions and liabilities declined slightly from € 19.7 million to € 19.5 million. Net debt (financial liabilities minus cash and cash equivalents) amounted to € 12.2 million at the end of the second quarter.

Risk Report

ecotel's business activities are still subject to the opportunities and risks of the telecommunications market as well as company-specific risks. In order to identify, manage, and control these risks, ecotel has adopted an appropriate risk management system.

In this regard, we refer to the explanations made in the risk report of the 2008 Annual Report, which still apply with regard to the current risk situation.

Outlook

As a result of the cost savings measures implemented, investments carried out in the first half of the year, and an attractive portfolio of new products, ecotel considers itself well-equipped for the future despite slight declines in revenue and an unclear regulatory environment.

The biggest challenge for ecotel remains securing its existing customer base by replacing legacy products with bundled offers of connection, voice, and mobile telephony products.

For the current fiscal year, the Management Board expects revenue of approximately € 100 million and EBITDA adjusted for extraordinary expenses and income of €5 million to €5.5 million.

Investor Relations

Overview of the ecotel Share

The ecotel share began the second quarter at €3.75 and climbed at the end of April to more than €4. In June, the share price declined below the €3 mark and ended the quarter at €2.62. This latest price drop is in the opinion of the Management Board neither reasonable nor justified.

The average daily trading volume of the share amounted to 7,794 in the second quarter of 2009, compared with an average figure of 1,200 in the previous quarter and 4,600 in 2008.

At the end of the quarter, ecotel had a market capitalization of €10.6 million and a share price of €2.73.

| Overview of ecotel shares | | | |
|----------------------------------|---|---|------------------------|
| WKN | 585434 | Initial listing | 29.03.2006 |
| ISIN | DE0005854343 | Number of shares as of 30.06.2009 | 3,900,000 |
| Symbol | E4C | Average daily trading volume in Q2 2009 | 7,794 |
| Market segments as of 01.07.2007 | Prime Standard | Share price high / share price low in Q2 2009 (€) | 4.33 / 2.42 |
| Index | CDAX, Prime All Share, Technology All Share | Market capitalization as of 30.06.09 (€ m)* | 10.6 |
| Type | No-par value shares | Designated Sponsor | Close Brothers Seydler |

* Based on the closing share price on June 30, 2009 of 2.73 Euro per share

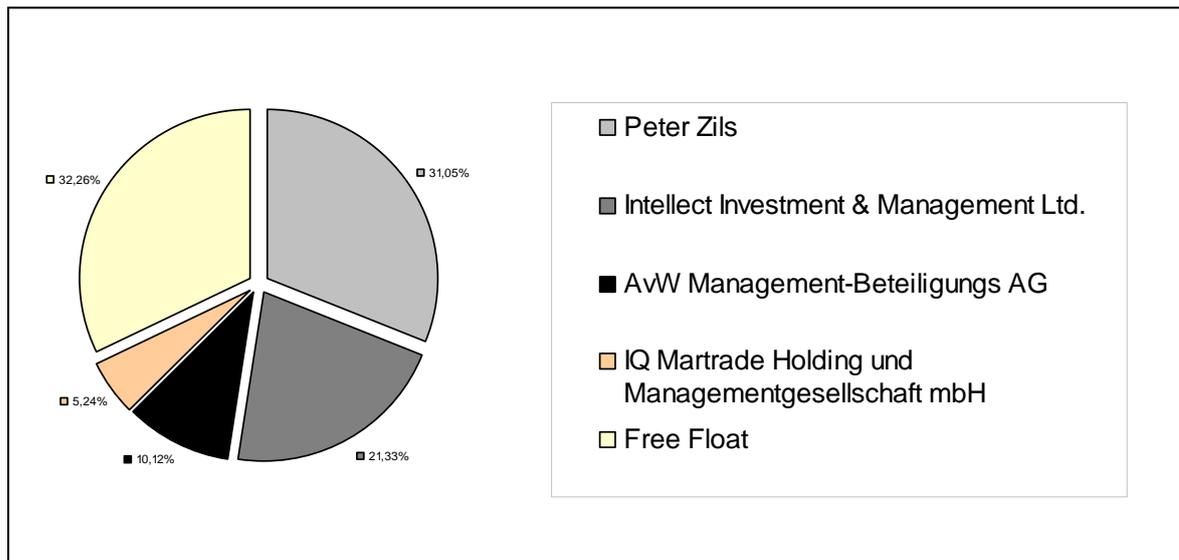
Investor Relations

Variations in the ecotel share price in percent



Shareholder Structure

The capital stock of ecotel communication ag totaled 3,900,000 shares as of June 30, 2009. The Company's major investors remain Intellect Investment & Management Ltd. (formerly Information Technologies R&D Holding AG) with 21.33% of the voting stock, AVW Gruppe AG with 10.12% of the voting stock, and IQ Martrade Holding und Managementgesellschaft mbH, which expanded its investment in the Company during the second quarter from 3.66% to 5.24%. Peter Zils, the CEO of ecotel, remains ecotel's principle shareholder with 31.05% of the voting stock. Free float amounts to 32.26%.



Consolidated balance sheet as of June 30, 2009 (unaudited)

| Assets | All amounts in € | 30.06.2009 | 31.03.2009 | 31.12.2008 |
|---|------------------|----------------------|----------------------|----------------------|
| A. Non-current assets | | | | |
| I. Goodwill and other intangible assets | | 23,357,839.02 | 23,437,334.21 | 23,614,060.67 |
| II. Fixed assets | | 6,399,090.51 | 6,647,217.96 | 6,116,326.30 |
| III. Financial assets | | 222,852.61 | 182,429.19 | 107,529.19 |
| IV. Non-current receivables | | 2,335,764.97 | 2,309,294.39 | 2,282,823.80 |
| V. Deferred tax assets | | 1,088,991.31 | 1,269,954.97 | 1,274,788.61 |
| Total non-current assets | | 33,625,616.42 | 33,846,230.72 | 33,395,528.57 |
| B. Current assets | | | | |
| I. Inventories | | 92,146.13 | 94,342.44 | 77,926.15 |
| II. Trade receivables | | 13,869,849.58 | 14,299,133.89 | 14,387,678.98 |
| III. Other receivables and current assets | | 2,798,808.85 | 2,870,391.89 | 2,777,055.00 |
| IV. Current income tax assets | | 222,743.79 | 222,743.79 | 134,907.60 |
| V. Cash and cash equivalents | | 2,751,978.67 | 2,815,688.53 | 4,188,387.27 |
| Total current assets | | 19,735,527.02 | 20,302,300.54 | 21,565,955.00 |
| Total assets | | 53,361,143.44 | 54,148,531.26 | 54,961,483.57 |

Consolidated balance sheet as of June 30, 2009 (unaudited)

| Passiva | All amounts in € | 30.06.2009 | 31.03.2009 | 31.12.2008 |
|---|------------------|----------------------|----------------------|----------------------|
| A. Equity | | | | |
| I. Share capital | | 3,900,00.00 | 3,900,000.00 | 3,900,000.00 |
| II. Reserves | | | | |
| 1. Capital surplus | | 17,958,529.99 | 17,936,468.20 | 17,914,406.41 |
| 2. Other reserves | | 148,916.27 | 142,036.60 | 46,506.01 |
| III. Shares held by other shareholders | | 517,626.13 | 550,352.02 | 594,207.23 |
| Total equity | | 22,525,072.39 | 22,528,856.82 | 22,455,119.65 |
| B. Non-current provisions and liabilities | | | | |
| I. Deferred tax liabilities | | 1,273,466.52 | 1,281,574.13 | 1,332,142.82 |
| II. Other provisions | | 0.00 | 0.00 | 0.00 |
| III. Non-current liabilities | | 9,500,000.00 | 10,375,000.00 | 11,250,000.00 |
| IV. Other financial liabilities | | 344,957.39 | 242,869.93 | 261,380.90 |
| Total non-current provisions and liabilities | | 11,118,423.91 | 11,899,444.06 | 12,843,523.72 |
| C. Current provision and liabilities | | | | |
| I. Income tax liabilities | | 261,727.64 | 323,836.68 | 353,782.59 |
| II. Other provisions | | 0.00 | 0.00 | 0.00 |
| III. Financial liabilities | | 5,274,036.21 | 5,042,497.58 | 4,470,805.40 |
| IV. Trade liabilities | | 12,458,425.21 | 13,265,100.11 | 13,919,859.82 |
| V. Other liabilities | | 1,723,458.08 | 1,088,796.01 | 918,392.39 |
| Total current provisions and liabilities | | 19,717,647.14 | 19,720,230.38 | 19,662,840.20 |
| Total equity and liabilities | | 53,361,143.44 | 54,148,531.26 | 54,961,483.57 |

Consolidated profit and loss statement as of June 30, 2009 (unaudited)

| All amounts in € | 01.01.-30.06. 2009 | 01.01.-30.06. 2008 | 01.04.-30.06. 2009 | 01.04.-30.06. 2008 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| 1. Revenues | 48,401,365.31 | 52,904,542.59 | 24,303,317.53 | 26,053,541.01 |
| 2. Other operating revenues | 442,197.55 | 280,051.88 | 144,128.90 | 87,133.07 |
| 3. Increase or decrease in the portfolio of finished goods and works in progress | 4,796.00 | 0.00 | 0.00 | 0.00 |
| 4. Other own work capitalized | 269,096.30 | 191,074.19 | 105,377.48 | 117,950.19 |
| 5. Total revenue | 49,117,455.16 | 53,375,668.66 | 24,552,823.91 | 26,258,624.27 |
| 6. Raw materials and consumables used | -36,606,068.82 | -39,280,316.28 | -18,392,770.00 | -19,134,354.45 |
| 7. Personnel expenses | -5,053,426.64 | -5,126,038.88 | -2,492,375.61 | -2,528,331.31 |
| 8. Scheduled depreciation and amortization | -1,864,183.47 | -1,781,605.78 | -984,814.22 | -858,210.70 |
| 9. Other operating expenses | -4,945,890.68 | -5,538,678.24 | -2,318,210.54 | -2,854,642.46 |
| 10. Earnings before interest and tax (EBIT) | 647,885.55 | 1,649,029.48 | 364,653.54 | 883,085.35 |
| 11. Financial result | -428,924.87 | -325,375.99 | -157,074.70 | -114,006.62 |
| 12. Financial result of companies valued at equity | -590,376.58 | 0.00 | -59,376.58 | 0.00 |
| 13. Operating result before tax | 159,584.10 | 1,323,653.49 | 148,202.26 | 769,078.73 |
| 14. Taxes on income | -133,754.94 | -612,353.38 | -174,048.48 | -325,220.43 |
| 15. Group net income from ongoing operations | 25,829.16 | 711,300.11 | -25,846.22 | 443,858.30 |
| 16. Net income attributable to minority interests | 76,581.10 | 42,912.04 | 32,725.89 | 49,498.36 |
| 17. Net income attributable to ecotel communication ag shareholders | 102,410.26 | 754,212.15 | 6,879.67 | 493,356.66 |
| Undiluted earnings per share / Diluted earnings per share | 0.03 | 0.19 | 0.00 | 0.13 |

Consolidated cash flow statement as of June 30, 2009 (unaudited)

| All amounts in € | 01.01.-30.06. 2009 | 01.01.-30.06. 2008 | 01.04.-30.06. 2009 | 01.04.-30.06. 2008 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Consolidated net income for the year before taxes and minority interests | 159,584.10 | 1,323,653.49 | 148,202.26 | 769,078.73 |
| Net interest income | 402,057.37 | 450,572.22 | 138,957.20 | 230,962.52 |
| Depreciation (+)/ write-ups (-) on fixed assets | 1,864,183.47 | 1,781,605.78 | 984,814.22 | 858,210.70 |
| Cashflow | 2,425,824.94 | 3,555,831.49 | 1,271,973.68 | 1,858,251.95 |
| Other non-cash expenses (+) and income (-) | 103,500.16 | 44,123.57 | 81,438.37 | 22,061.78 |
| Increase (-) / decrease (+) in trade receivables | 580,009.59 | -207,762.66 | 472,441.55 | 2,232,674.95 |
| Increase (+) / decrease (-) in other receivables and assets | -98,154.01 | 1,251,288.08 | 30,622.12 | 1,220,355.19 |
| Increase (+) / decrease (-) in other provisions | 0.00 | -43,900.00 | 0.00 | -12,770.00 |
| Increase (+) / decrease (-) in trade liabilities | -1,461,434.61 | 1,703,555.39 | -806,674.90 | -650,171.23 |
| Increase (+) / decrease (-) in liabilities (excl. financial liabilities) | 805,065.69 | -412,331.05 | 634,662.07 | -749,333.15 |
| Taxes paid | -186,525.08 | -331,338.28 | -63,301.47 | -130,049.01 |
| Cash flow from operating activities | 2,168,286.68 | 5,559,466.54 | 1,621,161.42 | 3,791,020.48 |
| Inflow from disposals of tangible and intangible assets | 3,687.93 | 11,862.62 | 3,387.93 | 10,364.73 |
| Outflow for investments in tangible and intangible assets | -2,115,491.96 | -1,093,969.12 | -881,657.51 | -656,015.14 |
| Outflow for investments in financial assets | -174,700.00 | 0.00 | -99,800.00 | 0.00 |
| Outflow/inflow from the purchase/sale of shares from/to minority shareholders | 0.00 | -2,031,800.00 | 0.00 | -2,031,800.00 |
| Inflow for interest | 20,607.81 | 60,939.41 | 11,025.52 | 11,426.75 |
| Cash flow from investing activities | -2,265,896.22 | -3,052,967.09 | -967,044.06 | -2,666,023.66 |
| Inflow from payments from minority shareholders | 0.00 | 99,600.00 | 0.00 | 99,600.00 |
| Outflow from the repayment of financial loans | -1,585,601.56 | -1,661,952.72 | -871,007.18 | -919,220.90 |
| Outflow for interest | -415,668.76 | -564,452.81 | -202,842.75 | -268,859.86 |
| Cash flow from financing activities | -2,001,270.32 | -2,126,805.53 | -1,073,849.93 | -1,088,480.76 |
| Cash-related changes in cash and cash equivalents | -2,098,879.86 | 379,693.92 | -419,732.57 | 36,516.06 |
| Changes in posting cash and cash equivalents | 0.00 | 0.00 | 0.00 | 0.00 |
| Change in cash and cash equivalents | -2,098,879.86 | 379,693.92 | -419,732.57 | 36,516.06 |
| Cash and cash equivalents at beginning of period | 3,466,152.10 | 3,879,398.62 | 1,787,004.81 | 4,222,576.48 |
| Cash and cash equivalents at end of period | 1,367,272.24 | 4,259,092.54 | 1,367,272.24 | 4,259,092.54 |

Statement of changes in equity as of June 30, 2009 (unaudited)

| Amount in TEUR | Share capital | Capital surplus | Accumulated surplus | | Equity attributable to ecotel communication ag shareholders | Minority interests | Total |
|---|---------------|-----------------|------------------------|--------------------|---|--------------------|--------|
| | | | Other revenue reserves | Consol. net income | | | |
| As of December 31, 2007 | 3,900 | 17,826 | 1,435 | 3,312 | 26,473 | 2,094 | 28,567 |
| Transfer of prior-year result | 0 | 0 | 3,312 | -3,312 | 0 | 0 | 0 |
| Stock option plan | 0 | 22 | 0 | 0 | 22 | 0 | 22 |
| Consolidated net income Q1 2008 | 0 | 0 | 0 | 261 | 261 | 6 | 267 |
| Equity changes recognised in income | 0 | 22 | 0 | 261 | 283 | 6 | 289 |
| As of March 31, 2008 | 3,900 | 17,848 | 4,747 | 261 | 26,756 | 2,100 | 28,856 |
| Share purchase / sale of minority shareholders | 0 | 0 | -553 | 0 | -553 | -1,380 | -1,933 |
| Equity changes not recognised in income | 0 | 0 | -553 | 0 | -553 | -1,380 | -1,933 |
| Stock option plan | 0 | 22 | 0 | 0 | 22 | 0 | 22 |
| Consolidated net income Q2 2008 | 0 | 0 | 0 | 493 | 493 | -49 | 444 |
| Equity changes recognised in income | 0 | 22 | 0 | 493 | 515 | -49 | 466 |
| As of June 30, 2008 | 3,900 | 17,870 | 4,195 | 754 | 26,718 | 671 | 27,389 |
| Reclassification due to profit/loss transfer agreement with easybell GmbH | 0 | 0 | 41 | 0 | 41 | -41 | 0 |
| Equity changes recognised in income | 0 | 0 | 41 | 0 | 41 | -41 | 0 |
| Stock option plan | 0 | 44 | 0 | 0 | 44 | 0 | 44 |
| Consolidated net profit H1 2009 | 0 | 0 | 0 | -4,942 | -4,942 | -36 | -4,978 |
| Equity changes recognised in income | 0 | 44 | 0 | -4,942 | -4,898 | -36 | -4,934 |
| As of December 31, 2008 | 3,900 | 17,914 | 4,235 | -4,188 | 21,861 | 594 | 22,455 |

Statement of changes in equity as of June 30, 2009 (unaudited)

| Amount in TEUR | Share capital | Capital surplus | Accumulated surplus | | Equity attributable to ecotel communication ag shareholders | Minority interests | Total |
|--|---------------|-----------------|------------------------|--------------------|---|--------------------|--------|
| | | | Other revenue reserves | Consol. net income | | | |
| As of December 31, 2008 | 3,900 | 17,914 | 4,235 | -4,188 | 21,861 | 594 | 22,455 |
| Transfer of prior-year result | 0 | 0 | -4,188 | 4,188 | 0 | 0 | 0 |
| Stock option plan | 0 | 22 | 0 | 0 | 22 | 0 | 22 |
| Consolidated net income Q1 2009 | 0 | 0 | 0 | 96 | 96 | -44 | 52 |
| Equity changes recognised in income | 0 | 22 | 0 | 96 | 118 | -44 | 74 |
| As of March 31, 2009 | 3,900 | 17,936 | 47 | 96 | 21,979 | 550 | 22,529 |
| Stock option plan | 0 | 22 | 0 | 0 | 22 | 0 | 22 |
| Consolidated net income Q2 2009 | 0 | 0 | 0 | 7 | 7 | -33 | -26 |
| Equity changes recognised in income | 0 | 22 | 0 | 7 | 29 | -33 | -4 |
| As of June 30, 2009 | 3,900 | 17,958 | 47 | 103 | 22,008 | 517 | 22,525 |

Notes to the Consolidated Financial Statements as of June 30, 2009

General Information

The consolidated financial statements of ecotel communication ag, as the reporting parent as of June 30, 2009, were prepared in accordance with the provisions of IAS 34 and, under application of Section 315a of the German Commercial Code (HGB), in accordance with the provisions of the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) valid as of the balance sheet date, taking into consideration the interpretations of the International Financial Reporting Interpretation Committee (IFRIC) as adopted by the EU. IFRS standards or their interpretations not yet in effect have not been applied prematurely. The comparison figures for the previous year's period were determined in accordance with the same principles.

The same accounting and valuation methods as in the consolidated financial statements for the 2008 fiscal year were applied for the interim financial statements. The mandatory application of the revised IAS 1 beginning on 01/01/09 fundamentally requires the separate presentation of the components of other comprehensive income during the period under review within the consolidated statement of comprehensive income as a supplement to the consolidated profit and loss statement. Since ecotel Group has not encountered any related issues thus far, it was possible to dispense with the disclosure of such a separate presentation of other comprehensive income as of 06/30/09.

The internal organization and management structure as well as the internal reporting to the Management Board and the Supervisory Board form the basis for defining the segmentation criteria of ecotel communication ag.

Segments

The **primary segment format** occurs in accordance with internal reporting by product segments, defined as follows:

- In the Business Solutions segment (core operating unit), ecotel provides small and medium-sized companies with one-stop voice, data, and mobile telephone solutions as well as direct connections for telephony and data communication in the form of complete packages.
- In the Wholesale Solutions segment, ecotel markets products and complete solutions for other telecommunications companies (including resellers and call shops) as well as for outside marketers.
- The New Business/Consolidation segment is composed of ecotel's high-growth business areas such as new media, internet-based payment systems, and internet service providers (ISP) for niche markets in the private client market.

This results in the following segment presentation for the **first half-year**:

| Amounts in TEUR | Business | | Wholesale | | New Business | | Group | |
|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2009 6 months | 2008 6 months |
| Revenues | 25,760.8 | 29,824.3 | 16,790.2 | 15,965.6 | 5,850.4 | 7,114.6 | 48,401.4 | 52,904.5 |
| Gross profit | 9,498.8 | 11,289.7 | 722.2 | 734.2 | 1,574.3 | 1,600.3 | 11,795.3 | 13,624.2 |
| EBIT | 665.1 | 4,964.9 | 123.2 | 50.8 | -140.4 | 28.8 | 647.9 | 1,649.0 |

Notes to the Consolidated Financial Statements as of June 30, 2009

This results in the following segment presentation for the **second quarter**:

| Amounts in TEUR | Business | | Wholesale | | New Business | | Group | |
|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2009 6 months | 2008 6 months |
| Revenues | 12,746.3 | 14,719.9 | 8,685.8 | 7,987.6 | 2,871.2 | 3,346.0 | 24,303.3 | 26,053.5 |
| Gross profit | 4,614.7 | 5,721.0 | 458.2 | 386.6 | 837.6 | 811.6 | 5,910.5 | 6,919.2 |
| EBIT | 188.9 | 823.3 | 225.3 | 57.6 | -49.5 | 2.4 | 364.7 | 883.1 |

Consolidated Group

The consolidated group of the ecotel consolidated financial statements as of June 30, 2009 has not changed from December 31, 2008. In the first quarter of 2009, ecotel acquired a shareholding of 49.9% in the newly founded synergyPLUS GmbH, Berlin, at a purchase price of € 49,900.00. After executing a capital increase at this company in the second quarter of 2009, the carrying amount of the shareholding rose to € 149,700.00. As of June 30, 2009, the shareholding is accounted for using the equity method. Reflecting a proportional share of the company's loss in the first half of 2009, its equity carrying amount within the Group declined as of June 30, 2009 to € 90,323.42.

On March 18, 2009, the subsidiary easybell GmbH founded the company sparcall GmbH, Potsdam, Germany, and holds 100% of the shares in this company. For reasons of materiality, the company had not yet been consolidated as of June 30, 2009. As of June 30, 2009, this subsidiary had total assets of € 44 thousand and net income for the first half of the year of € 0.2 thousand.

Taxes on Income and Earnings

The income taxes recognized in the income statement are comprised as follows:

| | 01.01.-30.06. 2009 | 01.01.-30.06. 2008 | 01.04.-30.06. 2009 | 01.04.-30.06. 2008 |
|------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Taxes – current | -9,728.42 | -368,645.60 | -4,165.83 | -294,916.25 |
| Taxes – deferred | -124,026.52 | -243,707.78 | -169,882.65 | -30,304.18 |
| Taxes | -133,754.94 | -612,353.38 | -174,048.48 | -325,220.43 |

Notes to the Consolidated Financial Statements as of June 30, 2009

Earnings per Share

In line with IAS 33, basic earnings per share are determined as the consolidated net income for the year attributable to shareholders of ecotel communication ag divided by the weighted average number of bearer no-par value shares in circulation during the period under review.

Dilution of earnings per share occurs when the average number of shares increases by taking into account the issue of potential shares from stock options and convertible bonds. In the period under review as well as the previous year, the Company did not issue any equity instruments with dilutive effect. The virtual stock options granted did not result in any potentially dilutive shares to be issued as of June 30, 2009. As such, the diluted earnings per share are the same as the basic earnings per share.

| | 01.01.-30.06. 2009 | 01.01.-30.06. 2008 | 01.04.-30.06. 2009 | 01.04.-30.06. 2008 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| Profit attributable to equity holders (in €) | 102,410.26 | 754,212.15 | 6,879.67 | 493,356.66 |
| Average number of shares | 3,900,000 | 3,900,000 | 3,900,000 | 3,900,000 |
| Basic / diluted earnings per share (in €) | 0.03 | 0.19 | 0.00 | 0.13 |

Excluding deferred taxes, the following earnings per share result for the periods indicated:

| | 01.01.-30.06. 2009 | 01.01.-30.06. 2008 | 01.04.-30.06. 2009 | 01.04.-30.06. 2008 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| Profit attributable to equity holders (in €) | 102,410.26 | 754,212.15 | 6,879.67 | 493,359.66 |
| Minus deferred taxes | -124,026.52 | -243,707.78 | -169,882.65 | -30,304.18 |
| Profit attributable to equity holders (in €) Without deferred taxes | 226,436.78 | 997,919.93 | 176,762.32 | 523,660.84 |
| Average number of shares | 3,900,000 | 3,900,000 | 3,900,000 | 3,900,000 |
| Basic / diluted earnings per share (in €) | 0.06 | 0.26 | 0.05 | 0.13 |

Other Information

No significant transactions with related parties were carried out in the first half of 2009.

The business solutions division of nacamar GmbH was retroactively merged into ecotel communication ag as of January 1, 2009. No effects on earnings will result for ecotel's consolidated financial statements for fiscal year 2009.

Düsseldorf, Germany, August 14, 2009

The Management Board

Declaration of the legal representatives under Section 37y of the German Securities Trading Law (WpHG)

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the Group Interim Management Report includes a fair view of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Düsseldorf, Germany, August 14, 2009

The Management Board

Financial calendar

28 – 29 August 2009

Analysts´ conference (Rüttbauer Research)

13 November 2009

Publication of Q3 quarterly report

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Disclaimer

Exclusion of liability:

The information provided in the quarterly report has been examined carefully. However, we cannot accept liability that all information has been represented completely, currently and on an up-to-date basis at all times.

This quarterly report contains explicit and implicit forward-looking statements based on assumptions and forecasts by the company management of ecotel communication ag. These statements are subject to various known and unknown risks, uncertainties and other factors due to which the actual events, financial conditions, performances and achievements of ecotel communications ag may differ substantially from those expressed in such explicit or implicit statements. ecotel communications ag makes these statements at the time of the publication of this report and is under no obligation to update the forward-looking statements contained in this report, including on receipt of new information or on occurrence of future events or for other reasons.