

INTERIM MEMORANDUM

from CyBio AG for the 3rd quarter 2007

1. Business Developments

In the third quarter of 2007, CyBio AG performed significantly better than in the previous year. The main contribution for the increasing sales numbers attribute to the contract development and production. The cooperation's with both our business partners Corning and Clontar perform according to the planned numbers. The automation group CyBio Robotics contributes although to the turnover expansion. The newly founded sales subsidiary in Japan had a good start into the Japanese market.

2. Financial Situation

The capital increase in July strengthened the liquidity base of the company. The result was again negatively effected by increasing costs for structural measures in production and development.

3. Cooperation partners

Cooperation CyBio and Macherey Nagel

CyBio AG and MACHEREY-NAGEL GmbH Co. KG, recognized manufacturer and worldwide supplier of high quality products for the preparation of DNA, RNA and proteins, based on e.g. filter and silica materials, ultra filtration membranes, and magnetic beads, have signed a non-exclusive collaboration for the joint development of applications to automate MACHEREY-NAGEL kits on CyBio liquid handling instruments.

The cooperation focuses on the automation of nucleic acid preparation from various biological sample materials and the purification of PCR products, e.g. for subsequent sequencing and cloning experiments. Due to continuous advancement of the brands NucleoSpin[®], NucleoMag und NucleoFast, MACHEREY-NAGEL has gained a worldwide leading position in this field.

For CyBio the cooperation is a further milestone to strategically strengthen the company's position in genomics. The new CyBio[®]-GeneRobots product family has been especially designed for genomics applications and offers specific solutions for varying automation levels. CyBio[®]-GeneRobots incorporate the well-known pipettors CyBio[®]-DiluS^{pro}, CyBio[®]-Well vario, CyBio[®]-Genomics Workstation and CyBio[®]-RoboSpense. Their robustness, precision, and user-friendliness are a result of CyBio's long-term experience in the development of high quality pipetting systems for high-throughput screening in drug research.

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4. Capital increase in July 2007

The CyBio AG offering of 600.000 new shares of CyBio AG stock announced on 19th of June 2007 was successfully completed. According to the resolved subscription ratio of 8:1, one new CyBio share may be subscribed for eight old shares at a subscription price of 4.00 EUR.

The subscription price to CyBio shareholders and institutional investors was 4.00 EUR per share. The total number of shares has now been increased to 5,400,000 shares with each share having a book value of 1 EUR. The gross proceeds of the sale were 2.40 Mio. EUR. The influx of funds will strengthen CyBio's equity base and provide the necessary flexibility to soundly finance the planned internal and external growth in the field of automation and the innovative new generation of instruments.

5. Outlook

Our sales goal will be reached in 2007. Due to the increased structural expenses the operational result will be less good as in the previous year.

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