

Developing innovation means finding
what moves people.

Experience the innovations of Carl Zeiss Meditec

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OUR COMMITMENT

Always one step ahead

We live in an information-rich, fast-paced mobile society. Our mission is to provide the solutions that allow everybody to enjoy a high quality of life in our modern world. Everyone should be able to have best possible vision throughout their lifetime and the possibility of enjoying mental health and mobility.

We are passionate about what we do.
Making life more worth living for as many
people as possible.

Carl Zeiss Meditec stands for innovative solutions in medical technology.

Our products permanently offer new insights to the doctors performing treatments, and enable therapies that no-one previously thought possible – for the treatment of ophthalmic diseases and for neuro/ENT surgery, as well as spinal surgery.

Our challenge is to contribute to medical advancement through innovative solutions. In the future, our products will continue to enable optimal medical diagnoses and treatments, remaining both safe and gentle on patients and efficient and cost-effective for doctors.

Competence and reliability make us a trusted partner for doctors, patients, investors and employees.


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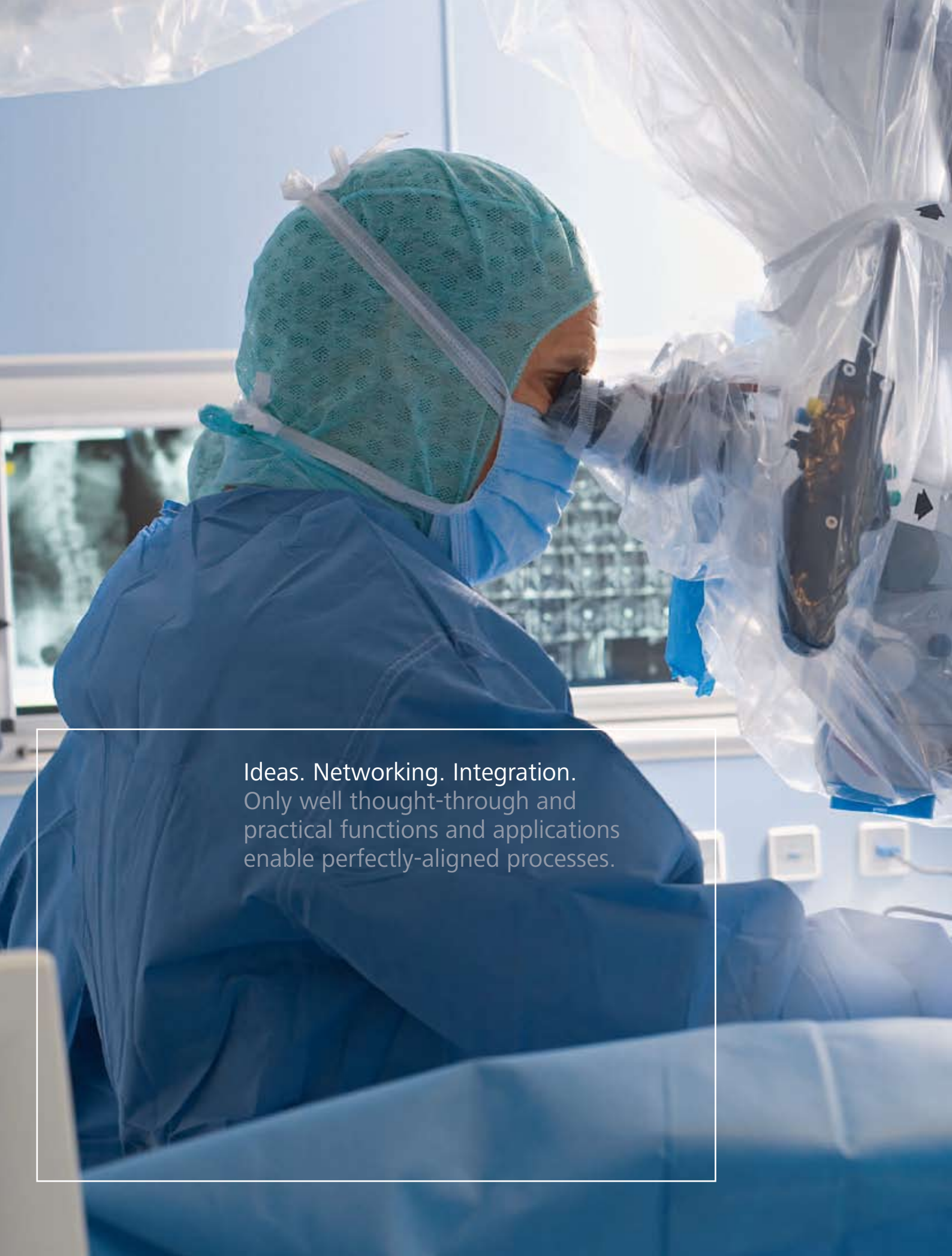
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Quality. Competence. Innovation.
Committed to the highest standards,
the best researchers and specialists
continually develop and optimise our
product portfolio.





Ideas. Networking. Integration.
Only well thought-through and
practical functions and applications
enable perfectly-aligned processes.







Understanding. Reliability. Trust.
We understand our customers and offer
you comprehensive support for a trusting
relationship between doctor and patient.

**Innovative medical technology
offers solutions for the challenges
in health care.**

Modern medical technology helps us to heal – and save money

In the medical technology markets in which we are active and in which we assume a leading position, we can observe three key developments.

Huge demand for ultra-modern solutions

Many diseases that are recording growing incidence rates can be diagnosed at an earlier stage or better treated by modern medical technology. These include ophthalmic diseases such as cataracts and glaucoma as well as various retinal diseases that can lead to blindness. Older people are primarily affected, and in the future there will be more and more older people worldwide.

However, disease diagnostics is also making progress in the area of the brain. Vascular diseases are now often identified at an earlier stage and can be effectively treated. Early diagnosis also plays a major role in tumor diagnostics. In all areas, whether it is brain or breast cancer or cancer of the throat, patients will benefit from early detection and treatment.

In addition to this, more and more young people are suffering from the consequences of what are being called 'diseases of civilisation'. These include short-sightedness caused by overstraining of the eye, or certain spinal changes, especially slipped disks.

In modern medicine there is also an increasing demand for high-end treatments, most of which are privately incurred. Examples for this are the permanent correction of vision defects through surgical procedures and implant surgery for dental or inner ear treatments.

Better quality of life for more people

It is not just an aging society, which is today already becoming very apparent in industrial countries, that is leading to an increased demand for medical technology solutions. Even in the so-called emerging markets, growing prosperity and increasing investment in health care are allowing more people to have diseases treated or modern surgical procedures performed on them.

Health must remain affordable

In many countries, tight budgets for public health care systems necessitate major private investment. Cost consciousness, which has risen overall, strengthens the demand for efficient treatment methods: Diseases must be diagnosed earlier, treatments performed in a more targeted fashion and producing better results, while convalescence periods must also be shortened – for example through minimally invasive procedures. Innovative medical technology is the key to this.



Read small print and at long distances – with your own eyes!

Permanently correct vision defects, identify vision disorders at an early stage and perform efficient therapy with our comprehensive diagnostic and treatment solutions.

Take in and enjoy life – with all your senses!

Surgical procedures can be performed effectively and gently with our outstanding imaging methods and surgical microscopes.

Remain mobile even into old age!

Better results and more safety for patients during spinal and vascular operations thanks to modern and efficient procedures in the operating theatre.

As an integrated medical technology solution provider, Carl Zeiss Meditec has pole position in key growth markets.

WELL-POSITIONED

Innovation. Safety. Efficiency. You can depend on it!

Our vision is to contribute to improvements in the lives of as many people as possible, re-establish their quality of life and preserve this quality well into old age.

Patient well-being and customer benefit

The contribution we make to the healthcare of the maximum possible number of people has patient welfare at heart, above all. We live up to this through our innovative medical technology devices and systems.

We earn the trust placed in us through the highest possible performance, quality and precision of our products. Patients benefit from ever-improving treatment results and safer treatments. Consistent user orientation meets the needs of the doctors performing the treatments and allows the patients to be efficiently cared for. In our customer orientation, we will turn our attention to an even greater extent than before to our service philosophy.

With positive economic effects, because a more efficient treatment is ultimately always the more profitable form of healthcare.

Three markets – three strategic business units

Carl Zeiss Meditec's new organisational structure is geared towards the growth markets in each of which we operate as one of the leading companies. Our three Strategic Business Units (SBUs) form effective organisational units and above all, help to focus our business more closely on the needs of the corresponding customer groups:

Ophthalmic Systems SBU
Surgical Ophthalmology SBU
Neuro/ENT SBU (neurosurgery and ear, nose and throat surgery)



Innovation and precision for ophthalmology

Carl Zeiss Meditec is the leading provider of complete solutions for ophthalmology, providing – primarily to ophthalmologists and optometrists – proven and innovative instruments for all tasks associated with improving and preserving sight – from examinations and diagnosis through therapy to aftercare.

Early detection of retinal diseases

Due to the changed age structure, the number of retinal diseases is increasing in two forms in particular: age-related macular degeneration (AMD) and retinopathy caused by diabetes (mellitus). If left untreated, both macular degeneration, which leads to failures in the central field of vision due to excrescent vascularisation, and chronic circulatory disorder in the retina among diabetics, result in blindness. What is crucial here is early identification through careful examination of the fundus of the eye, in order to slow the progress of the disease or stop it altogether. With the systems in the VISULAS® laser family we offer ophthalmologists continually-developed treatment solutions for the photocoagulation of the retina and for cutting-edge photodynamic therapy.

In 2007, Carl Zeiss Meditec presented a new diagnostic system for examining the retina. The Cirrus™ HD-OCT belongs to the family of optical coherence tomography devices that we have established as a pioneer in ophthalmology. What happens acoustically in ultrasound diagnostics is done using light waves during optical coherence tomography (OCT). This technology allows us to measure the retinal layers without contact and reconstruct them in two or three dimensions. Already with its two-dimensional Stratus OCT™, Carl Zeiss Meditec set a global standard which has now again been surpassed by the spatial resolution and brilliant image quality of the new Cirrus™ HD-OCT. With this innovation, in addition to our existing product range we offer doctors the best possible decision-making basis for diagnosis and therapy.

The insidious age-related disease of glaucoma

For years, Carl Zeiss Meditec has been the world leader in devices for the diagnosis and progress management of glaucoma.

This disease, which begins stealthily, does not cause any pain but nevertheless leads to lasting damage to the optic nerve head and to characteristic losses initially in the periphery of the field of vision through to blindness. Glaucoma is one of the most common causes of blindness in industrialised countries.

Thanks to a deeper understanding of the structural and functional effects of glaucoma on the retina, we offer the most comprehensive program in the industry of perfectly-tuned, ultraprecise devices for early identification, comprehensive treatment and progress management.



In addition to the optical coherence tomography devices Cirrus™ HD-OCT and Stratus OCT™ for examining the fundus of the eye, these are, in particular, the world's leading device for measuring the field of vision (Humphrey® Field Analyzer/Humphrey FDT® Perimeter) and the non-mydratic fundus cameras VISUCAM^{NM/FA} and VISUCAM^{PRO NM} for diagnosis of the fundus of the eye. During examinations with these fundus cameras it is not necessary to artificially dilate the patient's pupils using drops.

If the glaucoma is diagnosed at the earliest possible stage, a special therapy, normally using medication, can prevent blindness.

Lasting correction of vision defects

Our position is also excellent in the market for medical technology solutions for the correction of vision defects, so-called refractive defects. According to international studies, short-sightedness (myopia), in particular, is increasing in almost all industrialised countries. This trend is particularly drastic in Asia.

More and more often, vision defects are no longer corrected by glasses or contact lenses (which must be continually adjusted), but rather by a one-off surgical procedure. Currently refractive surgery by laser are performed 3 to 4 million times per year. By far the most common method to correct vision defects by means of laser surgery is "LASIK".

At the end of 2007, Carl Zeiss Meditec has completed its product portfolio for the treatment of vision defects with the femtosecond laser VisuMax®, thus putting a unique offering on the market. This new technology provides the highest precision for the so-called flap incision, preparing the eye for laser treatment, and outstanding clinical results when used in combination with the MEL 80™ Excimer laser and the CRS-Master®. The superior technology of the VisuMax® also provides the basis for a completely new surgical method for the correction of visual defects, the so-called FLEx method (Femtosecond Lenticule Extraction). This method, during which the entire surgery is exclusively performed with the VisuMax® femtosecond laser without using an excimer laser, is currently in the clinical trials phase.

It underscores Carl Zeiss Meditec's potential in femtosecond technology and is further proof of our untiring innovative strength, which we apply for the benefit of patients and in the service of optometrists, ophthalmologists and eye surgeons.

I don't want to have to wear either glasses or contact lenses any more!

Dr. Rainer Wiltfang trusts in Carl Zeiss Meditec's refractive surgery



"This was the best investment of my life! I am a sprightly 47 and only regret not having done it sooner." The guest-book of the SMILE EYES eye laser clinic at Munich Airport speaks volumes. The notes of thanks that Dr. Rainer Wiltfang and his team are given are almost euphoric: for enabling me to live without glasses, for a faithful, personal care and

perfect treatment with the most modern laser technology.

Even since his student days, the opportunities offered by microsurgery have held a special fascination for him. "For me, ophthalmology is one of the most innovative medical fields, especially in terms of operative care. Thanks to it we have been in a position for some years now to realise our goal of enabling good-quality vision without the need for visual aids." The passionate sportsman's patients include – aside from Lufthansa pilots – world names in tennis and golf, who especially appreciate being able to perform to their peak and concentrate intently on their sport without fatigue, without the need for visual aids.

Laser treatment is a question of trust

"Our patients trust us, just as we build on the quality and precision of Carl

Zeiss Meditec's devices. Thanks to them, the services we offer are always at the forefront of ophthalmological development. A good example for innovation that optimally supports the correction of vision defects is the femtosecond laser VisuMax®."

During refractive surgery, the VisuMax® uses a laser procedure and, thus, replaces the mechanical blade of the microkeratome, which represents an inhibition threshold prior to the operation for many patients.

"The ultraprecise femtosecond laser fits marvellously into Carl Zeiss Meditec's system chain, which we use during diagnosis, treatment and aftercare. This allows us to treat our patients even more precisely, more efficiently and more gently", stresses Dr. Rainer Wiltfang.

Complete solutions for ophthalmic surgery

In close collaboration with eye surgeons and eye clinics, we continuously work to improve our devices and solutions to make things in the operating theatre run smoothly and more efficiently. Thanks to our offerings, which are strictly oriented towards customer needs, Carl Zeiss Meditec is the world's first choice when it comes to surgical microscopes or systems for the diagnosis and aftercare after eye surgery.

A good example for this are cataract surgeries. Currently, each year over seven million patients around the world who are affected by cataracts undergo this operation. This number is constantly increasing, due to demographic developments. Even in emerging markets, the number of operations is growing due to the increasing availability of this procedure.

The lens of the eye clouds up in many people over the age of 65 because, among other reasons, it is increasingly poorly supplied with nutrients. At the end, most people can only see blurry images and would end up not seeing anything at all without their lens being exchanged. The cataract operation is currently one of the most commonly-performed operations of all.

One-stop shop

During cataract surgeries, the doctor removes the clouded, natural lens and replaces it with an intraocular lens (IOL) made of plastic. To be able to supply the patient with the right intraocular lens for his or her individual anatomy – ideally, glasses will no longer be required after the surgery – the doctor will measure the eye before the operation: using the contactless and precise measurement of the IOLMaster® by Carl Zeiss Meditec. The results of this laser biometry have been proven to be five times more accurate than the conventional method using ultrasound.

In recent years, we have systematically expanded our portfolio of artificial intraocular lenses: with the aspherical IOLs of the new ZEISS Optics (ZO®) family XL Stabi ZO® and Invent ZO®, which have been on the market since September 2007, and thanks to the acquisition of the German ophthalmic surgery specialist Acri.Tec we now cover the entire lens spectrum. This ranges from monofocal lenses, which are routinely used to treat cataract, to innovative multifocal, toric and "tailor-made" lenses and IOLs for micro-incision surgery. Our lenses are among the leading lenses in terms of biocompatibility, transparency and stability.

IOLs such as the XL Stabi ZO® or the Invent ZO® contribute to greater patient safety. This is because with their corresponding pre-loaded one-way injection system (SkyJet and SkyInvent), the time-consuming and error-prone preparation of the lens for insertion into the eye is dramatically simplified and made safer.

Looking at the big picture

During cataract surgery, where precision to fractions of a millimetre is vital, we are using two surgical microscopes to set new standards in ophthalmology. As the first and to date only company, we have developed surgical microscopes with Stereo Coaxial Illumination (SCI). This enables the generation of the so-called 'red reflex' (also known from photography as "red-eye effect"), which is very bright and can be used to illuminate transparent structures from behind and thus make them visible. Thanks to this special illumination technology, surgeons can use the OPMI Lumera® and OPMI Lumera® T to make out details of the human eye in ways that were previously unknown; for example, the various areas that play an important role in the treatment of cataract. This makes work far easier for the doctor performing the operation, especially if the disease is already well advanced and the natural ocular lens is heavily clouded.

The future for Carl Zeiss Meditec has never looked brighter!

Respected mentor Dr. Robert Osher on the challenges in ophthalmology.



This is the prognosis from one of the most famous specialists in the field of cataract surgery. Until recently, Dr. Robert H. Osher headed a special clinic for ophthalmology that was founded by his own father, Dr. Morris Osher.

With 45 surgeons, the renowned Cincinnati Eye Institute is the largest private ophthalmological centre in the US and one of the leading establishments for ophthalmological treatment, research and vocational training.

Following more than twenty years as medical director, Dr. Robert Osher limits his practice to referral cataract surgery. He is also a devoted educator, not only as a professor at the University of Cincinnati and editor of the Videojournal of Cataract & Refractive Surgery, but also through groundbreaking publications, his internationally distinguished operation videos and specialist lectures, for which he travels around the world.

Our close collaboration with specialists and mentors such as Dr. Robert Osher allows our development teams to plan

for tomorrow's challenges, today. "For example, selecting an ideal intraocular lens for patients who have already undergone a LASIK surgery", specifies Dr. Robert Osher.

Looking back on many long years of positive experiences with the systems of the quality brand ZEISS for the successful treatment of cataracts, he sums up his expectations for the company as follows: "Carl Zeiss Meditec can play a major role in the future of global ophthalmology by setting clear priorities, investing in research in order to continue to manufacture top-class products, and bringing all components together under the CZM roof as an integrated company."

Reliable partner for the toughest challenges

Carl Zeiss Meditec is constantly working to develop even better solutions for doctors who have committed themselves to one of the most demanding challenges in medicine: neurosurgery.

In particular, operations on the brain number among the most difficult operations in this area. Here we need to develop particularly safe, gentle and efficient methods in order to prevent any interference with essential human functions.

Carl Zeiss Meditec's ultra-modern visualisation methods produce the best possible precision methods. These come into play during the operation and superbly complement the optical concept of the surgical microscope.

BLUE 400 visualises what can only be guessed at using conventional white light.

The most recent example for this are the two additional diagnostic modules BLUE 400 and INFRARED 800 for our surgical microscope platform OPMI® PENTERO®, which we have developed in close collaboration with leading neurosurgeons. These allow both tumours and aneurysms in the brain to be operated more efficiently and with greater precision.

Completely and safely removing brain tumours

When malignant brain tumour are removed, the main difficulty is clearly telling the edges of the tumour apart from the healthy tissue. The fluorescence method offers the latest help here. In patients who have been administered 5-Aminolavulin acid (5-ALA) prior to the operation, the malignant tissue shows up red under the purple-blue stimulating light of the BLUE 400, allowing the surgeon to identify, in particular, the tumour borders and any remaining leftover tissue during the operation itself, and remove it.

BLUE 400 visualises what can only be guessed at using conventional white light – for the operating doctors, this is a decisive advantage compared with conventional microsurgery during brain operations and provides a major improvement for the patients affected.

Blood vessels clearly visible

Some people suffer from “tissue bulges” – aneurysms – in the brain due to a connective tissue weakness or congenital deformities. If the thinner tissue wall at the affected site tears, life-threatening brain bleeding occurs. Around 15 % of strokes can be attributed to this cause.

Aneurysms in the brain are especially insidious because people who are affected do not necessarily show any symptoms. If an aneurism happens to be discovered or if it bursts, it must be operated on. The objective of every treatment is to close the aneurism. During the neurosurgical procedure, a clip is inserted in order to interrupt the connection to the blood circulation.

What is decisive for the success of the treatment is that aneurysms that have not successfully been clipped off or unintentionally closed blood vessels must be discovered as quickly as possible, i.e. intraoperatively and safely. Carl Zeiss Meditec has achieved a decisive breakthrough with the technical integration of video angiography in the optical beam path of the surgical microscope. The INFRARED 800 module allows surgeons to immediately check their success while the surgery is still underway.

INFRARED 800 allows surgeons to immediately check their success while the surgery is still underway.

At the push of a button, INFRARED 800 switches from white light to infra-red light, and once a contrast substance is introduced, the bloodflow can be visualised within the shortest possible time. This allows surgeons, by looking at the monitor, to examine even the smallest visible vessels and make any clip corrections required immediately. Compared to a situation where this diagnosis can only be made after the operation, this represents a significant time saving that can save lives.

For the rapidly-growing number of bypass surgeries in the brain, these gains in precision and certainty thanks to the INFRARED 800 fluorescence option represent a vital step on the path to routine intraoperative vessel mapping.

Two exceptionally successful careers

The history of Professor Hirotohi Sano and the PENTERO® surgical microscope.



Hirotohi Sano was barely 28 years old when he first performed an operation using a surgical microscope in 1973. Even then, he was already impressed by the ZEISS brand because of the high image quality. The young surgeon and OPMI® 6 surgical microscope have successfully continued their development over the years – and have remained true to themselves.

The assistant professor for neurosurgery at one of Japan's most renowned university clinics, Fujita Health University, became a renowned specialist for cerebrovascular surgery. Thanks to his medical successes and merit, in 1999

he was nominated as one of the most outstanding people of the 20th century.

Supported by the most modern technology

"Enormous progress have brought us two things. Computer tomography and the surgical microscope have revolutionised diagnosis and therapy possibilities in such a way that the number of patients we can treat rose dramatically", says Professor Sano as he describes developments of recent years.

This had the curious side-effect of it already being mentioned twice in the Guinness Book of Records – due to its impressive figure of over 2,000 aneurysms operations he had carried out since then. Professor Sano has stopped counting, but today it is estimated to be around 2,800 operations. Each year a further 200 aneurysms operations are performed by this surgeon, who is known for his precisions.

However, for him it is not the records that count, but the fact "that 2,800 people can live again without fear. Something like this is of course only possible with the most modern quality technology, even if that comes at a price. But it is worth it to me. I have

been using the OPMI® Pentero® platform for years and I also immediately bought myself the INFRARED 800 when it came onto the market. Because this additional visualisation module, which clearly shows blood even in the smallest vessels, is a terrific aid for examining if the arteriovenous malformations (AVMs) have been clipped completely."

Excited about the future

Today, Professor Sano is Director of the centre for emergency medicine and head of the neurosurgical department of Fujita Health University in Toyoake, a city of 5 million.

His leading positions and activities in many professional associations make him the most appropriate candidate for the office of President, in which role he will preside over the 9th International Conference on Cerebrovascular Surgery. "Although this event does not take place until 2009, planning is already underway. And I am already very curious as to what Carl Zeiss Meditec, with whom the story of my own career development is so closely linked, will by then be presenting us again by way of its useful innovations!"

Cutting-edge neurosurgery

Our ideas are keeping up. We do not offer doctors individual OR devices, rather we support them with reliable solutions for the major challenges they are faced with every day in the operating theatre.

In particular the older portion of the population must increasingly undergo a surgical operation, for example for the treatment of age-related scoliosis or narrowing of the vertebral canal or nerve canal. Today, such spinal operations are still predominantly performed using conventional open surgery. This kind of surgery usually involves major tissue damage that requires a relatively long recovery period.

Experts estimate that the number of neurosurgical procedures on spinal disks, which is already very high today – the figure in the US alone in 2005 was 750,000 – will almost double in the next five years. A high percentage of these operations, which are so important in preserving people's mobility, could be performed more safely and much less invasively by using a microscope. Added to this is the fact that patients spend less time in hospital.

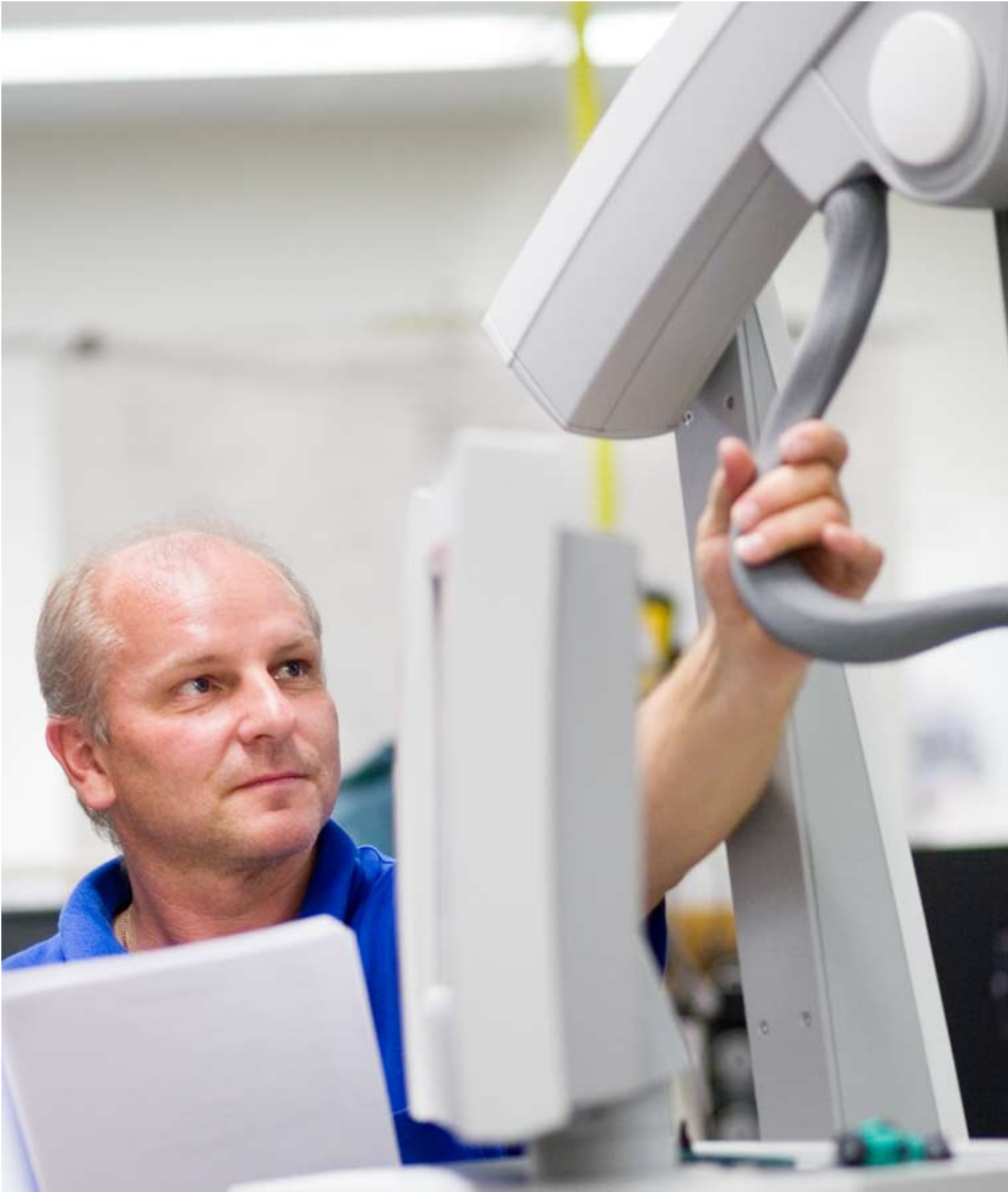
From the microscope to the OR cockpit

Today, surgical microscopes, whose original function was once simply enlargement, have become high-performance visualisation platforms thanks to consistent and continuous ongoing development.

The best example for our approach of intelligently combining futuristic solution approaches and outstanding technical innovations is our visualisation platform OPMI® Pentero® for neuro-, ENT- and spinal surgery, into which the new fluorescence modules BLUE 400 and INFRARED 800 are fully integrated.

The OPMI® Pentero® represents the culmination of 50 years of knowledge. We are setting new standards here both in terms of performance and user-friendliness and are quickening the rapid development in the area of neurosurgery. This is essentially similar to a virtual cockpit, through which the surgeon can call the required information at any time, without losing an overview. Thanks to the multivision function, diagnostic and navigational data as well as system information can be imported in combination into the ocular, without the doctor needing to divert his gaze from the operation field. Video data and the entire user guidance can be used in the multivision display via a joystick mouse.

The platform concept with selectable instrumentation and a broad range of accessories also allows the continuous optimisation of work processes in the operating theatre according to very individual needs. For example, thanks to



alternatively attaching the device to the ceiling, giving the well-rehearsed operation team even more room to manoeuvre, a new stereo tube for improved accompanying observation by assistants or future high-performance enhancements, which smoothly fit into the touch-screen operation concept.

Highly complex work processes are thus simplified, enabling the smooth interaction of surgeon, OR team and all devices and systems.

Our expertise in imaging makes Carl Zeiss Meditec a vital and reliable partner – not only for clinics.

Bringing knowledge into the picture

Our expertise in imaging makes Carl Zeiss Meditec a vital and reliable partner – not only for clinics. Doctors with their own practices such as dentists and surgeons in the area of ENT medicine or gynaecologists can benefit from modern visualisation solutions.

Our surgical microscopes offer surgeons clear advantages, for example, during the placement of inner ear prostheses or teeth implants.

Even treatments inside the teeth such as root canal treatments or root-tip resections can be performed much more accurately and with lower percentages requiring follow-up treatment.

Documentation of the examination and operation

If needed, the surgical and examination microscopes of the various disciplines such as dental microscopes, endoscopes or colposcopes can be combined with imaging techniques. Easy-to-use adapters enable straightforward integration with compact digital cameras or video/camcorders.

Video sequences and fixed images are easily triggered by hand or pedal and can be viewed on the screen by both doctor and patient – before, during and after the examination. We thus assist doctors in explaining their treatment, help to create trust and persuade patients of therapies that are necessary.

Powerful effect close to the tumour

In addition to the visualisation possibilities that Carl Zeiss Meditec can offer doctors in gynaecology, there is a very promising innovation for the treatment of tumours.

Statistically speaking, one in nine women will suffer from breast cancer during their life. Today it is possible, in many cases, to remove the tumour locally and thus preserve the breast. The surgical procedure must necessarily be accompanied by outpatient irradiation of the entire breast, which typically consists of an ambulant series of 30 partial treatments over a period of 6 weeks. In real terms, this daily dosage of radiation has a major physical and mental impact on the affected women. In particular, patients with no direct access to radiation therapy facilities are often forced to opt for radical precautionary removal of the entire breast, although this is not actually necessary.

Carl Zeiss Meditec offers a procedure that can significantly reduce the negative effects of radiation therapy. Here the surgeon, once he has removed the tumour from the breast, introduces a miniaturised radiation source into the wound socket. The radiation therapist specifically irradiates the tumour bed without any time delay, in order to immediately kill off any remaining cancer cells. The irradiation with the INTRABEAM® takes 20-30 minutes and protects the surrounding healthy breast tissue and neighbouring organs, because the radiation moves from the inside out and not from outside through the skin, as would conventionally be the case.

Today, intraoperative radiation is used as a boost to the local dosage saturation of the tumour bed in addition to shortened post-operative radiation therapy. Whether one-off intraoperative radiation treatment for early-stage breast cancer can even replace the entire six-week radiation therapy is currently being evaluated in a long-term clinical study at leading cancer centres right around the world.

Unlike other devices for radiation therapy, INTRABEAM® works with "soft" x-rays with a range of only a few centimetres. Since this means that special protective rooms are not needed for personnel, and that furthermore, the device is mobile, it can be used in various operating theatres and additional clinical areas. Optimal utilisation of the device is thus assured. Aside from the treatment of breast cancer, the gentle INTRABEAM® system, which can be optimally adjusted to the size of the tumour, can also be used to treat other primary tumours and metastases.

Integration is the future

Integration is the key to optimising all of the work processes within healthcare. For this reason, information technology plays a central role in the administration of patient data in modern clinics and, increasingly, also for exchanging important information between doctors' practices and clinical centres.

Carl Zeiss Meditec connects

As well as developing new products and applications, we, therefore, focus on networking our devices and systems throughout the entire treatment chain. An important step on this road to even greater diagnostic and therapeutic precision is the provision and complete integration of all key imaging data in the work processes of both hospitals and doctors' practices. Of priority for us here is the user orientation, which is reflected in systems that are as easy to use as possible, so as not to interrupt the workflow, but rather to genuinely optimise it.

Based on the established DICOM software standard, our devices allow images and videos created before, during and after treatment to be rapidly and reliably processed, copied and archived.

Optimised workflow

The MediLive® MindStream™ is an independent digital system that is perfectly tailored to the networking of workflow processes. The MediLive® MindStream™ allows digital videos to be recorded, cut, edited, given commentaries and labels and stored – easy to use and in highest quality.

The MediLive® MindStream™ system allows the digital videos to be saved on different data storage devices. The patient data is archived on a local hard disk, in line with the strict requirements governing the protection of patient data, and can be easily and securely transferred to other clinics or medical practices on mobile data media such as CDs, DVDs or USB devices.

Further optimisation of the workflow is possible with the DICOM add-on module. This ensures that image data can be simply and rapidly exchanged everywhere in the hospital between different medical applications, independently of the system platform used.

In our daily clinical routine we allow smooth processes for the diagnosis, treatment and aftercare of eye diseases as well as in neuro/ENT surgery and, through the entire Carl Zeiss Meditec solution portfolio, provide the key for further efficiency enhancements.



**The basis of our growth
is innovation.**

Continuously growing and shaping the future

Carl Zeiss Meditec has been on a solid and profitable growth course for years, something which was underscored in March 2007 with its inclusion in the German Stock Exchange's TecDAX technology selection index. Once again, Carl Zeiss Meditec AG increased its revenue and improved its profitability in financial year 2006/2007.

Good foundations for further growth

The long-term conditions in which our business will develop in the coming years remain exceptionally favourable. Firstly, increasing life expectancy is leading to a desire to keep the quality of life of very many people at the highest possible level, even well into old age. We have the solutions for the diagnosis and treatment of key age-related diseases. Secondly, aside from the industrialised countries, the rapidly-growing populations of emerging economies have greater access, thanks to their increasing affluence, to improved healthcare. And thirdly, the latest developments in the fields of information technology, medicine and pharmacy are opening up greater possibilities for our innovations.

Challenges

Nevertheless, the good general conditions for growth in our markets also mean that competition has consistently become increasingly difficult in recent years. This is reflected both in the continuous consolidation of individual market segments in which we are active (for example, in refractive laser surgery), and by the growing number of start-up companies focusing on individual technologies or applications. In the short-term, the increased prices for raw materials, the shifting of currency relations and recent drops in consumer confidence could negatively impact the growth of our markets. We need to counter these trends. In the midterm, the so-called emerging economies will have a much stronger influence as growth drivers than heretofore. We need to keep pace with these developments by positioning ourselves accordingly.

Core capabilities

The bundling of our core skills forms the basis for our future growth. Our advantage, which sets us apart from the competition in a market parts of which are heavily fragmented, lies in the interplay of our strengths in the areas of optical and micro-surgical technology, intelligently-networked IT structures, efficient clinical applications and work processes, familiarity with the economical relationships in healthcare and, not least, our proximity to our customers.



Systematic growth

On this basis, our growth will continue in three main directions. On the one hand, we must develop our current business by continuing our innovation strategy and further strengthening our customer orientation. Furthermore, our first-class positioning, which we already enjoy in numerous markets, allows us to push forward in selected neighbouring market segments and treatment fields with promising growth opportunities. And finally, we want to be able to offer fully-integrated solutions for the health care concerns we address.

Our business units

The division of our business into three units (Strategic Business Units, SBU for short) has been derived from a clear market and customer orientation. This is because more targeted and more intensive contact allows us to implement customer needs better and more quickly in the application-oriented development of new products and solutions.

Ophthalmic Systems SBU aims, in the first instance, at ophthalmologists and optometrists, for whom we provide a complete product range for the examination and treatment of the central eye disorders. We see the main growth potential in devices for early detection, as in the case of age-related macular degeneration (AMD) and glaucoma diseases, as well as in coherence tomography for the ultra-precise and individualised long-term monitoring of serious eye disorders that can lead to blindness.

More intensive contact with our customers helps us to translate their needs into new products even better and faster.

The **Surgical Ophthalmology SBU** mainly addresses clinical ophthalmic surgery, especially the field of cataract treatment. For the successful treatment of cataracts we have an almost complete offering of all of the devices required for diagnosis and surgery, including the implants that must be placed, which are known as intraocular lenses. The missing element of the treatment chain, the device for lens removal, is currently in development. The correction of vision defects with the aid of innovative implants is increasingly important in this area.

The **Neuro/ENT SBU** mainly targets neurosurgeons and ENT surgeons in clinics, but also private dentists and ENT specialists. Added to this are doctors in additional disciplines who, while performing their surgical procedures, benefit from our highly precise and innovative visualisation solutions. The surgical microscope OPMI® Pentero® is especially significant for neurosurgery. This system is a platform that – depending on the surgeon's requirements – can be enhanced with innovative diagnostic solutions. Additional potential arises from the integration of this system into existing hospital and practice networks.

Clear goals

We want to continue on our profitable growth course in the future. We want to achieve this by the consistent implementation of the following six strategic priorities:

We want to further optimise our global organisation, in order to raise our competitive clout.

We are committing ourselves to a high-performance corporate culture that is carried by all of our engaged and competent employees.


We are improving the effectiveness and efficiency of the entire value-added process from the development to the marketing of our innovative products and solutions.

We are generating a competitive advantage for ourselves through intensified customer care and more effective sales and distribution structures.

We will move on from our outstanding market positions to expand more rapidly into the markets of the next decade.

Certain core processes in the Company follow uniform corporate standards, allowing greater efficiency throughout all divisions.

We can be proud of our record over recent years and will take the necessary steps in a very concentrated fashion – without any delay, but with careful judgement – to ensure that our path in the future is paved with the same level of success as in the past.



Reliability. Integrity. Sustainability.
For us, sustainable growth means
being economically successful and
actively engaged in society.



**Your trust is what drives us.
We re-earn that trust each and every day –
by assuming responsibility for both people
and the environment.**

Balance of economic interests and social responsibility

For a globally-operating medical technology company such as Carl Zeiss Meditec, profitable growth and social responsibility are not a contradiction in terms, but rather are inextricably linked.

We feel just the same obligation to increase our value economically as we do to protect the environment, look after the personal and technical development of our staff, deal with our shareholders in a fair, open manner and ensure social engagement in the areas in which we are active.

Employees

We are growing at least as fast as the market. This growth is reflected by a large number of new hires and the increasingly international composition of our teams. The potential of all of our employees is combined through tailored integration and development programmes and translated into innovation.

Environment

Carl Zeiss Meditec has always reflected the increasing consciousness of the importance of treating our environment in a way that protects its resources. Environmental considerations and sustainable management are consistently taken into account throughout the entire value-added process.

Corporate governance

We bear responsibility for the funds our investors have trusted us with. Exemplary corporate governance with the maximum possible transparency of our management and control structures is our contribution towards preserving that trust.

Social commitment

We are currently committing ourselves, in particular, to helping blind people the world over. For us it stands to reason and is of great concern to us that the skills and expertise of Carl Zeiss Meditec be passed on to developing regions and that many blind people benefit from this who have not previously received any adequate ophthalmological care.



Dr. Ludwin Monz

Ulrich Krauss

Bernd Hirsch

James L. Taylor

Motivating people and exemplifying values

Ulrich Krauss is President and CEO of Carl Zeiss Meditec.

Sustainability is a key principle of your corporate culture. How is this reflected in your personnel policy?

Ulrich Krauss: We know that only through optimal advancement can all employees fully uncover their innovative potential. We therefore do everything in our power to support them in their professional and personal development. This leads to a stable increase in our company's value, not just temporarily but also in the long-term. Furthermore, as part of our foresighted personnel policy we are interested both in continually training our experienced staff and in encouraging new employees to form a long-term relationship with the company. Given the booming medical technology market and a glaring lack of qualified staff, holding onto talent has become more important than ever before.

Integrity has always defined how we deal with our business partners, employees, shareholders and the general public.

How important are trust and integrity to the sustained increase in a company's value?

Ulrich Krauss: These values are especially important in the area in which we operate and are very important to me personally. People's health is a very important asset that we must handle very responsibly as a trustworthy partner for patients and our customers, the doctors and clinics.

Integrity has thus always defined how we deal with our business partners, employees, shareholders and the general public. Our customers know that at Carl Zeiss Meditec, our actions are in keeping with our fundamental values. And since they can rely anytime on the quality of our products, they have placed their trust in us for years. We want this to remain so in the future!



Where is the relationship between increasing value and your social engagement for thousands of blind people in the poorest regions of the world?

Ulrich Krauss: We live in a time when intangible values are becoming ever-more important. I am convinced that in the future, the value of a company will be measured more strongly by how seriously it takes its corporate and social responsibilities. This lived-out philosophy, which stands behind Carl Zeiss Meditec as a company, sets it apart from others and makes it very distinctive. It is an impressive illustration of the fact that social commitment and successful business development are by no means incompatible. And this means gains in reputation and trustworthiness, which increases the attractiveness of Carl Zeiss Meditec – as an employer, business partner and company.

The basis of our success

The growth of Carl Zeiss Meditec is a success story. Today, we number among the leading providers of innovative solutions in medical technology. Our continuous growth is made possible by excellent and motivated employees who share our visions and help to make them a reality.

Our innovations grow out of our employees' very own motivation to constantly push the boundaries of the possible in high-performance teams.

The ideal medium for facilitating this is our corporate culture with strong common values to which all of our staff feel an obligation. Our strong reputation is based on the professionalism and integrity of all of our around 1,900 staff, with each individual employee making their own individual contribution to increasing the Company's value.

Strength through diversity

As an international company with locations in Germany, the US, Spain, France and Japan, we can offer our employees outstanding development opportunities while allowing the Company to multiply its expert knowledge.

Since 2005, through a so called Global Mobility Program, we have therefore been promoting professional exchange at all levels, between the departments and beyond country borders. An efficient communication in a living network releases enormous creative potential. We do not only benefit from this during our research and development activities – even in production and sales, many synergies arise from a close collaboration, which we use to further develop our market position.

We never stop learning

We extensively invest in the personal and professional development of our employees, and with huge benefits. For example, a program for career starters at Carl Zeiss Meditec (MED First Step Program), the strategic development of expertise among specialist staff and managers through the MED Management Development Program and the "360 Feedback Program" for managers in the US help to further increase the performance of every single member of staff.

Since as a medical technology company we must permanently remain at the cutting edge of scientific research and technological development, for years we have pursued the stimulating and intensive cooperation with colleges and universities in Germany and the US – especially in the areas of natural science and commerce.



One example for our close collaboration with German universities in Jena, Mainz, Karlsruhe, Aachen, Munich and Ilmenau is a joint project between Carl Zeiss Meditec and TU Ilmenau, which began its work in April 2007. The goal of this research alliance, which has been created for five years, is to combine three different diagnostic methods that are currently used in order to avoid severe sight defects, including blindness, through early and comprehensive diagnosis.

In the US there are cooperations with Stanford University of Santa Clara, the University of California at Berkeley and the University of California Davis. We also gain skilled employees through a talent management program at the University of Chicago and the California Technical Institute.

Special ongoing training courses are currently especially designed to support our employees in optimising communication with our customers in such a way that they are included to an even greater extent, and, above all, sooner than before in the design of new solutions and the development process of corresponding products, in order to further increase the application orientation of our offerings.

There is a lot we can take part in

German marketing specialist Jutta Sesselmann in La Rochelle



"I find it exciting to work in an international context. This is why I was very happy to move to La Rochelle," says Jutta Sesselmann, Director of Strategic Marketing and Clinical Affairs at the French site of Carl Zeiss Meditec since 2007.

Very good development opportunities

The 32-year-old joined Carl Zeiss at a very early age. Her first contact with the Company was ten years ago, when the then German student spent an internship at Carl Zeiss in Thornwood (USA) as part of her International Business Studies course in Paderborn. "Even then I knew I would love to work in this company." Even while she was still writing her degree dissertation, she applied in 1999 for a marketing position at the Surgical division in Oberkochen – and was accepted.

For Jutta Sesselmann this was a terrific start into her professional career, because "Carl Zeiss Meditec offers me not only an exciting working environment in an interesting market, but also the opportunity to develop myself further within the company." For six years she

moved through a variety of positions in the area of Marketing and Communications at Carl Zeiss, becoming assistant to the Management Board, before returning in 2005 back to where it all began – the US. This time for two years as Carl Zeiss Meditec's Product Marketing Manager for surgical microscopes, until her new job brought her to France, where some of the Company's intraocular lenses are manufactured in La Rochelle.

"Our motivated, dynamic, and young team is the ideal environment for my surgical experience from Germany and the US. Thanks to the flat hierarchies and short decision-making channels, every person who wants to get involved here can really make a difference", says the determined young manager as she praises the working atmosphere at Carl Zeiss Meditec.

Seeing patients smile

Fumio Takanashi has been working at the German site in Oberkochen since 2007



The qualified food scientist from Tokyo most recently worked as a product manager at Carl Zeiss Meditec in Tokyo, before joining the Carl Zeiss Meditec team in Oberkochen in early 2007. As a product manager in the Ophthalmic Surgery division he is responsible for

planning new medical technology solutions, as well as for further developing existing ones.

“What is crucial, is never to forget who we are working for. Because at the end of the chain is always the patient; and it is the patients we must think of when we are developing new products. Products must never just be an end in themselves”, is Fumio Takanashi’s philosophy.

Happiness is the key

Fifteen years of successful work selling medical technology products for ophthalmology and contact with major customers and hospitals have led the 43-year-old to follow a marketing strategy that, though very simple in principle, is nonetheless very effective: “For me, the best way to generate

good sales figures is to work together with the doctors to find out what can make a sick person happy again, and tailor our product development accordingly. Do that, and good sales will almost generate themselves. Or, to put it differently: real life does not unfold at our desks, but rather in the hospital – which is precisely where our business opportunities arise.”

And the best thing in Germany? “For me, the best thing about our job is to imagine the happy smile of a patient we have helped with our technology. That makes me really proud – no matter whether I am in Japan or Germany. And it is this passion that I would like to share with every technician, marketing employee and sales manager.”

Even our youngest new staff are important to us. Last year, for example, Carl Zeiss Meditec trained 15 young people as mechatronic technicians, industrial mechanics and industrial clerks at the German company sites. We see it as a corporate obligation to continue passing on our knowledge to upcoming generations in the future.

Effort pays

Fair and attractive remuneration is par for the course for any employer who knows the value of his employees for his business’s success. At Carl Zeiss Meditec, performance-related remuneration is very important. The remuneration system provides a variable remuneration component for managers and almost all mid-level managers, the amount of which is determined by the fulfilment of individual performance goals as well as the success of the business. It is our goal to generate performance incentives for as many employees as possible, as a matter of principle, by offering variable remuneration components.

Responsibility for people and the environment

It goes without saying that Carl Zeiss Meditec believes in responsible handling of natural resources and the protection of the environment. Environmental protection is an active part of our corporate policy and is therefore reviewed on an ongoing basis and adapted to changed circumstances.

We train our staff and operate a professional environmental protection management system in order to avoid environmental impacts in advance altogether, or to further reduce any environmental burden. Our efforts aim, aside from the systematisation and optimisation of all preventative and protection measures, to identify cost-reduction potential. We are of the view that environmental protection is ultimately also an economic imperative that can make a positive contribution to the further development of our company.

In our production, which consists of the assembly and integration of supplied individual parts and components, we have always favoured solutions that save energy and use sound resource management.

Caring for resources from start to finish

We take environmental concerns and sustainable management into consideration throughout our products' entire lifecycle.

When we are developing new devices and systems, already during the planning phase we have an eye on the subsequent resource-saving use of materials and the most modern, energy-efficient technologies. In the production process, our suppliers are bound to meet the environmental protection requirements we have stipulated. Here we have a list of banned substances that is constantly updated, and that lists all of the materials and substances that may not be used during the production of the supplied components. This list serves as our production standard. Because of the shortening usage periods, the number of devices we receive back from our customers in exchange for more modern systems is continuously rising. These devices are either properly disposed of or recycled, where possible, with individual materials such as copper, silver and gold being fed back into the materials cycle.

| CORPORATE GOVERNANCE

Taking the right action for the future

Carl Zeiss Meditec has always attached a great deal of importance to responsible management. The Company's management, which is geared towards adding long-term value, is grounded in the efficient collaboration between the Management Board and the Supervisory Board. The Supervisory Board is regularly and comprehensively informed of all relevant questions of corporate planning, business development and risk management.

In addition to functioning and transparent reporting and control structures, we place special value on having an open and fair communication policy with national and international investors.

Principles of our company policy

As well as the strict obligations we meet as a listed company on the Prime Standard of the German Stock Exchange, we embrace the recommendations and proposals of the German Corporate Governance Code, issued in 2002 and since then amended on a number of occasions, and continue to follow this code as we have always done, without any qualifications.

For all aspects of corporate governance, transparency and incorruptibility have the highest priority for us. Carl Zeiss Meditec is committed to a value system in keeping with the high ethical standards of the ZEISS brand. We summarised and laid down our moral principles, which had been in force for many years, in a behavioural code in the summer of 2007.

A point of honour: earning trust

Because we consistently take these principles to heart in our daily work, patients, customers and shareholders place their trust in us, providing the foundation for our economic success.

Knowledge as a weapon against blindness

Somewhere in the world a child goes blind every minute. The World Health Organisation (WHO) estimates the total number at 1.4 million children. Only half of them will pass two years of age. Those who do survive are condemned to a life of poverty – without hope of an education or of a job. This is especially the case in developing countries, where most of the world's 37 million blind people live, says the International Agency for the Prevention of Blindness (IAPB).

Often, the blindness could have been avoided. For half of these people, the cause for their blindness is the clouding of their ocular lens, known as cataract. A standard operation in which an artificial intraocular lens (IOL) is inserted generally allows vision to be largely restored. 'Third-world' countries in particular often lack both the necessary financial means for this and corresponding facilities and trained physicians.

VISION 2020

To change this, Carl Zeiss Meditec supports the global VISION 2020 – The Right to Sight campaign. This WHO and IAPB initiative today brings together a large number of international partners with the objective of overcoming avoidable blindness by 2020. The avoidable and treatable causes include – aside from cataracts and glaucoma – river blindness, trachoma ("raw eye"), vitamin A deficiency and diabetic retinopathy. Even in Germany itself, around 30% of all blindness is avoidable.



Offering lasting assistance

Carl Zeiss Meditec, as the first corporate sponsor, has been supporting the “VISION 2020 – The Right to Sight” initiative since as early as 2002. Our projects promote the development and expansion of effective care and the provision of specialist medical knowledge. We primarily provide help where the need is greatest. Our current projects include:

Carl Zeiss Academy Prasad Eye Institute, Hyderabad (India)
 Carl Zeiss IAPB Ophthalmic Training Centre, Bandung (Indonesia)
 Aravind Carl Zeiss Centre of Excellence in Glaucoma, Tirunelveli (India)
 Sankara Nethralaya Carl Zeiss Centre of Excellence in Medical Retina, Chennai (India)
 Tilganga Carl Zeiss Education Centre in Nepal
 Carl Zeiss Education fund at the Rajendra Prasad Centre in New Delhi (India)
 Supporting E-Learning program with Sankara Nathralaya (India)

Train a hundred – heal hundreds of thousands

The opening of a training centre for ophthalmology in Bandung, Indonesia, in the summer of 2007 is part of the VISION 2020 initiative and originates in a proposal by Carl Zeiss Meditec. Our suggestion of installing training centres in various regions of the world in order to establish a long-term improvement in ophthalmological care was enthusiastically welcomed by the IAPB. Indonesia forms the prelude to a series of five more centres that are planned, which will be developed in different regions of the world in the coming years and will be supported by us.

As well as making a donation, which will be used to qualify the staff and equip the training centre, Carl Zeiss Meditec provided a number of device systems for the diagnosis, treatment and aftercare of eye disorders, including slit lamps, treatment lasers and a surgical microscope. Needless to say, our commitment involves both ongoing education and training in our systems for doctors and medical assistants, and technical service support. Tailored donated solutions such as these help to make top-quality ophthalmological treatment accessible and affordable for millions of people.

A stroke of luck in Hyderabad

Carl Zeiss Meditec trains specialists at model Indian clinic



Bhadraksh Jaiswal is an agricultural labourer in Banswada, two hours from Hyderabad. For the father-of-three it is a miracle that he has been able to see clearly again for the last two months and feed his family. This miracle is the result of a program that was specially developed to provide for people in rural regions of India: ICARE (International Center for the Advancement of Rural Eye Care). The system that this aid project is based on, which covers a large area, is similar to the construction of a pyramid.

When Bhadraksh's vision increasingly deteriorated, his town's voluntary ICARE helper first sent him to be examined at a nearby vision centre. The helpers who work at this second level of the pyramid are trained, during a one-year training program, to identify eye disorders and to transfer patients as required

to third-level facilities, which are called 'service stations'. Each year, the vision centres treat around 50,000 patients.

L V Prasad Zeiss International Academy

The L V Prasad Eye Institute (LVPEI) in Hyderabad is one of the most important partner institutes of VISION 2020. Surgeries are performed here, and in the clinic's branches – up to 70 times a day. The range of treatments here covers the entire spectrum of ophthalmology.

For Bhadraksh, the operation of his cataracts has been free of charge – as is the case for half of all of the LVPEI's patients. "My dream was to offer all Indians top-quality treatment outside their front door – irrespective of their social or economic status", explains founding



director Gullapalli N. Rao, MD, as he explains his hospital's philosophy.

The foundation stone for the L V Prasad Eye Institute was laid in 1987 thanks to financial support from Indian filmmaker Akkineni Lakshmi Varaprasada Rao, known as L. V. Prasad. Today, the leading centre for the research and treatment of eye disorders and basic and advanced ophthalmological training bears his name.

A central element for training the specialists for ophthalmology at the LVPEI is the L V Prasad Zeiss International Academy, which contains a practice-oriented training program for training in diagnostic techniques for cornea and retinal diseases and glaucoma. The top students obtain a scholarship from us or the Carl Zeiss Group.

The financial year 2006/2007

October 2006



GDx™ VCC Scanning Laser Polarimeter being used 2,600 times worldwide

At the practice of ophthalmologist Dr. Douglas P. Webb in Cleveland (Ohio, United States), the 2,600th GDx™ VCC Scanning Laser Polarimeter was installed in October 2006. Even before the patient notices any signs of the disease, in 80 % of cases it can distinguish an eye threatened by glaucoma from a normal eye by precisely measuring the retinal nerve fibre layer.

Helping to avoid blindness through targeted education

Carl Zeiss Meditec sponsors the "Woche des Sehens" (Week of Sight), which takes place each year in Germany. Its 300 events in 2006 were held under the slogan "Understand blindness, prevent blindness". This week-long initiative focussed on the eye disorder diabetic retinopathy, caused by diabetes.

November 2006



Combination of Carl Zeiss Meditec and Carl Zeiss Surgical successfully closed

The result of this transaction is an integrated medical technology company. In ophthalmology, Carl Zeiss Meditec has a comprehensive product portfolio that is unique in the industry. In neuro/ENT surgery, the company plans to continue its success story of recent years and further expand its solution offering.

6,000th Stratus OCT™ installation

Carl Zeiss Meditec's optical coherence tomography device provides images and measurement readings on glaucoma and retinal diseases. In the US alone, where the 6,000th Stratus OCT™ model was installed in the Cleveland Eye Clinic, ophthalmologists are performing more than 37,000 scans a day using this system.

March 2007



Visucam^{NM/FA} fundus camera newly launched on the market

The market launch of the latest member of the fundus camera family was exceptionally successful. In the first six months, more systems than planned were sold. The non-mydratic fundus camera, where patients no longer have any drops administered to enlarge their pupils, is used to diagnose retinal diseases.

Admission of Carl Zeiss Meditec share to the TecDax

On 5 March 2007, Carl Zeiss Meditec unscheduled moved up into the selected technology index of the German Stock Exchange's TecDax.

April 2007

June 2007



EyeMag® loupes for dentistry

At the 31st International Dental Show (IDS) in Cologne, Carl Zeiss Meditec demonstrated its head loupes specially developed for dentistry. The world's largest international dentistry fair is held every two years and consistently enjoys increasing numbers of visitors. In 2007, around 100,000 visitors came from 150 countries to learn more about the products and offerings of 1,700 exhibitors.



Carl Zeiss Meditec focuses sales activities in Germany

Since April 2007, all of the company's sales and marketing activities in Germany have been grouped into the newly-formed subsidiary Carl Zeiss Meditec Vertriebsgesellschaft. Following the business combination of Carl Zeiss Meditec and Carl Zeiss Surgical in November 2006, this step will establish a coherent and customer-oriented sales channel for the German market.

Meeting of the US association of neurological surgeons AANS

At the reception of Carl Zeiss Meditec at the meeting of the American Association of Neurological Surgeons in Washington, attended by about 250 invited guests, the programme included speakers Dr. Robert Spetzler and Dr. Peter Nakaj, both from the Barrow Neurological Institute in Phoenix, US.



7,500 IOLMaster® models sold

The IOLMaster® uses an optical non-contact eye measurement method that is performed on cataract patients before they are given an artificial intraocular lens (IOL). This method has already been very successfully established on the market for a number of years now. In Germany, three in four ophthalmologists and in the US, around half of cataract surgeons use the IOLMaster® to measure the axial length prior to cataract operations.

Of the total of 7,500 units sold to date, the most recent one in June 2007 went to an ophthalmological practice in Malaysia. The newly-developed software has made using the device even easier.

July 2007



Training centre for ophthalmology opened in Indonesia

Dr. Michael Kaschke, Chairman of the Supervisory Board of Carl Zeiss Meditec, and Dr. Gullapalli N. Rao, President of IABP (International Organisation for the Prevention of Blindness), opened a training centre for ophthalmology in the Cicendo Hospital in Bandung in the summer of 2007, together with representatives of the Indonesian government.

The subsidies provided by Carl Zeiss and Carl Zeiss Meditec are used to train staff and equip the centre, for which the company also donated a number of devices for the diagnosis and treatment of eye disorders. A total of five of these training centres are being set up worldwide as part of the VISION 2020 initiative with the help of Carl Zeiss und Carl Zeiss Meditec. VISION 2020 aims to fully eliminate avoidable blindness around the world by 2020.

August 2007



OPMI® Pentero® C for more flexibility in the operating theatre

Since August 2007, the new OPMI® Pentero® C – which offers the latest technology available – has been offering more freedom of movement and better workflows in the operating theatre. Thanks to the fixed ceiling installation the surgical microscope is always within reach, but does not get in the way if an operation is not in progress. At the push of a button, the ceiling stand can be swung effortlessly into operating position and back out of the way again.

This type of installation is an additional plus for the OPMI® Pentero®, which has been enthusiastically received by specialists since its market launch in 2004. One thousand systems had already been delivered by September 2007. The latest destination for this device was the team of Dr. Thomas C. Origitano of the Loyola University Health System in Maywood, Illinois, in the US.

September 2007



European EANS neurosurgeons' congress

Every four years, the association of European neurosurgeons invites members for a professional exchange. At the latest congress, which brought around 1,000 surgeons from 75 countries to the Scottish town of Glasgow in September 2007, Carl Zeiss Meditec presented the ceiling stand version of the OPMI® Pentero® to the European market (OPMI® Pentero® C).

Especially keen interest was aroused by the two innovative Pentero add-on modules, the BLUE 400 and INFRARED 800 fluorescence options, which Carl Zeiss Meditec presented to around 200 surgeons at a lunch symposium.

European ESCRS ophthalmologists' conference

Carl Zeiss Meditec used the ESCRS convention in Stockholm to demonstrate its latest products and solutions for refractive and cataract surgery to the around 4,000 mem-

October 2007



bers of the association, as well as to interested ophthalmologists.

The novelties receiving much attention, aside from the optical coherence tomography device Cirrus HD™-OCT for the diagnosis of retinal diseases, the femtosecond laser VisuMax® for treating vision defects and the new intraocular lenses Invent ZO® and XL Stabi ZO® included, in particular, the OPMI Lumera® and OPMI Lumera® T surgical microscopes especially developed for ophthalmology.

They set a new standard for ophthalmology with their innovative SCI illumination technology (Stereo Coaxial Illumination). The contrast, depth of focus and quality of the 'red reflex' (also known from photography as "red-eye effect") are considered unique. This can be used to illuminate transparent structures from behind and thus make them visible. This makes it easier to operate on cataracts, for instance, especially if the natural lens has already been heavily clouded at an advanced stage.



First investor day has broad appeal

The first investor day was well-attended. Here, Carl Zeiss Meditec met with institutional investors and analysts from throughout Europe in Munich. At the end of the day-long information day on the Company's products and markets, the attendants visited an eye clinic at Munich Airport where they could follow a live surgery using the new VisuMax® laser system.

Formal conclusion of the Acri.Tec acquisition

The acquisition of Acri.Tec AG, which was closed on 1 October 2007, will expand Carl Zeiss Meditec's offering in the rapidly-growing ophthalmic surgery segment. This ranges from simple, monofocal intraocular lenses (IOLs) through to innovative implants that can also be used to correct vision defects.

November 2007



Annual meeting of the American Academy of Ophthalmology (AAO)

900 m² jam-packed full of innovation – that describes, in a nutshell, Carl Zeiss Meditec's presence at this year's AAO. Interest focussed – aside from the known new products OPMI Lumera®, VisuMax® and the ZO® intraocular lenses – on the new ATLAS™ system for corneal topography and the new software versions for the Humphrey® Field Analyzer for glaucoma diagnosis and for the GDx™ VCC for retina analysis.

The innovation symposium on refractive surgery met with the greatest appeal. Here, specialists invited by Carl Zeiss Meditec presented the Company's latest-generation refractive platform, consisting of the VisuMax® and Mel 80™. Furthermore the Company welcomed 400 experts at a reception, where presentations on the new Cirrus™ HD-OCT coherence tomography devices were given.

Important terms and abbreviations¹

AMD

Abbreviation for "Age-related Macular Degeneration"
Retinal disease of the area of maximum visual acuity (macula) which leads to the loss of central vision.

Most common cause of age-related blindness in industrialised countries.

Cirrus™ HD-OCT

High-resolution diagnostic system for the structural examination of cross-sections and 3-dimensional reconstructions of the fundus of the eye (for example, for early identification of glaucoma or diagnosing age-related macular degeneration).

Glaucoma

Ophthalmic disease which leads to restriction of the field of vision, often caused by increased ocular pressure;

Second most common cause of blindness in industrialised countries.

Ear, nose and throat surgery

Abbreviation: "ENT surgery"
Also: Otolaryngology

Medical field concerned with the recognition and surgical treatment of diseases, injuries, malformation and malfunction in the entire head and neck zone.

Humphrey® Field Analyzer

System for static and kinetic measurement of the visual field for assistance with glaucoma diagnosis.

IOL

Abbreviation for "Intraocular lens"

Synthetic lens to replace the natural lens of the eye, used in cataract surgery.

IOLMaster®

Device for accurate and efficient non-contact measurement of the eye and calculation of the required intraocular lens prior to cataract surgery.

Intraoperative radiation therapy

Abbreviation: "IORT"

In intraoperative radiation the exposed target volume (tumour/tumour bed) during surgery is subjected to even radiation.

Intraoperative radiation therapy permits the application of extremely high individual doses to tumours or a tumour bed, significantly improving local tumour control.

When only the surgically exposed target volume is subjected to direct radiation treatment, damage to healthy tissue is minimised.

Cataract

Deterioration of vision through opacity of the lens

Most common cause of blindness worldwide; typical disease among the elderly.

Laser in situ Keratomileusis

Abbreviation: „LASIK"

LASIK is a treatment method in refractive surgery in which a microkeratome or a femtosecond laser are used to cut away a thin layer of the cornea surface and lay this as a flap to one side. The actual correction is then made on the underlying tissue by means of a laser. Once the laser treatment is complete, the corneal disc is folded back over and re-positioned.

¹ Additional terms can be found in the glossary provided in the book "Facts and figures financial year 2006/2007"

Microkeratome

A microkeratome is an electronically-controlled cutting instrument that is used during a laser operation for the correction of vision defects.

It creates a superficial corneal disk of a defined thickness and size and exposes the underlying corneal tissue for laser treatment.

MEL 80™

Laser for fast and accurate treatment of vision defects (refractive errors).

Neurosurgery

Medical field concerned with the detection and surgical treatment of diseases, injuries and malformation of the central nervous system (brain, spinal cord, peripheral nerves).

OPMI Lumera®

Surgical microscope for ophthalmology with 'Stereo Coaxial Illumination' (SCI), which allows surgeons to see details of the eye that previously were very difficult to identify. (This allows the results of treatment to be further improved.)

OPMI® Pentero®

Unique surgical microscope for neuro- and spinal surgery for the accurate display of diseased tissue, e.g. brain tumours and vascular diseases.

Pioneering technologies, e.g. fluorescence diagnosis, that have been integrated for the first time in a surgical microscope, provide considerably more protection for the patient.

Photodynamic therapy

Abbreviation: PDT

Photodynamic therapy is a method for the treatment of "wet" age-related macular degeneration (AMD): a medicine is injected into the arnica vein as a so-called

photosensibilisator and activated using an appropriate laser. The objective of this is to close the tissue excrescences that appear with wet AMD.

Photocoagulation of the retina

Photocoagulation of the retina is a method for treating certain retinal diseases. Bundled light (lasers) are used to cause a clot in the tissue protein. This can, for example, cause abnormal excrescences to be obliterated or a raised retina to be "attached" again.

Stratus OCT™

Diagnostic system for examining the structure of the fundus (e.g. for the early diagnosis of glaucoma and other serious ophthalmic diseases).

Tumour

Also: tumescence or swelling

General medical name for an increase in the volume of tissue.

In a narrower sense it refers to benign (non-metastasising) or malignant (cancerous, uncontrolled rapid growth and formation of metastases) tissue growth which must be treated by various surgical methods, depending on position and size.

VISUCAM^{PRO} NM

Innovative fundus camera that enables the fundus of the eye to be examined in minute detail without using mydriatics to dilate the pupils.

VisuMax®

Novel femtosecond laser system for creating incision-like tissue perforations in the cornea. This exceptionally precise incisioning part of the laser vision correction procedure and other surgical procedures for the cornea.

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