MeVis

MeVis Medical Solutions AG, Bremen
Interim Report 1/2011

Consolidated key figures (IFRS)

FIGURES IN € k		**Jan. 1 – Mar. 31 2011**	Jan. 1 – Mar. 31 2010	Change
Revenues		**3,718**	3,718	-
of which segment[1]	Digital Mammography	2,876	2,720	6%
	Other Diagnostic	842	999	-16%
of which billing currency[1,2]	Euro	676	587	15%
	US-Dollar	3,042	3,131	-3%
EBITDA		1,413	981	44%
EBITDA margin		38%	26%	-
EBIT		509	149	242%
EBIT margin		14%	4%	-
Net financial result		-286	-246	-16%
EBT		223	-97	313%
Consolidated net profit		**-190**	-150	-27%
Earnings per share in € (basic and diluted)		**-0.11**	-0.09	-22%

	Mar. 31, 2011	Dec. 31, 2010	Change
Equity capital	24,751	24,789	-
Intangible assets	21,932	22,001	-
Non-current and current liabilities	14,070	13,996	1%
Balance sheet total	38,821	38,785	-
Equity ratio in %	64%	64%	-
Liquid Funds[3]	10,429	8,162	28%
Employees[4]	159	169	-6%

[1] Not comprising intersegment revenues.

[2] Revenues are allocated to the currency according to the location of the customer; comprising indirect sales via industry partners as well as sales to clinical end customers in the segment Distant Services. Revenues generated by MeVis Japan KK are invoiced in Euro.

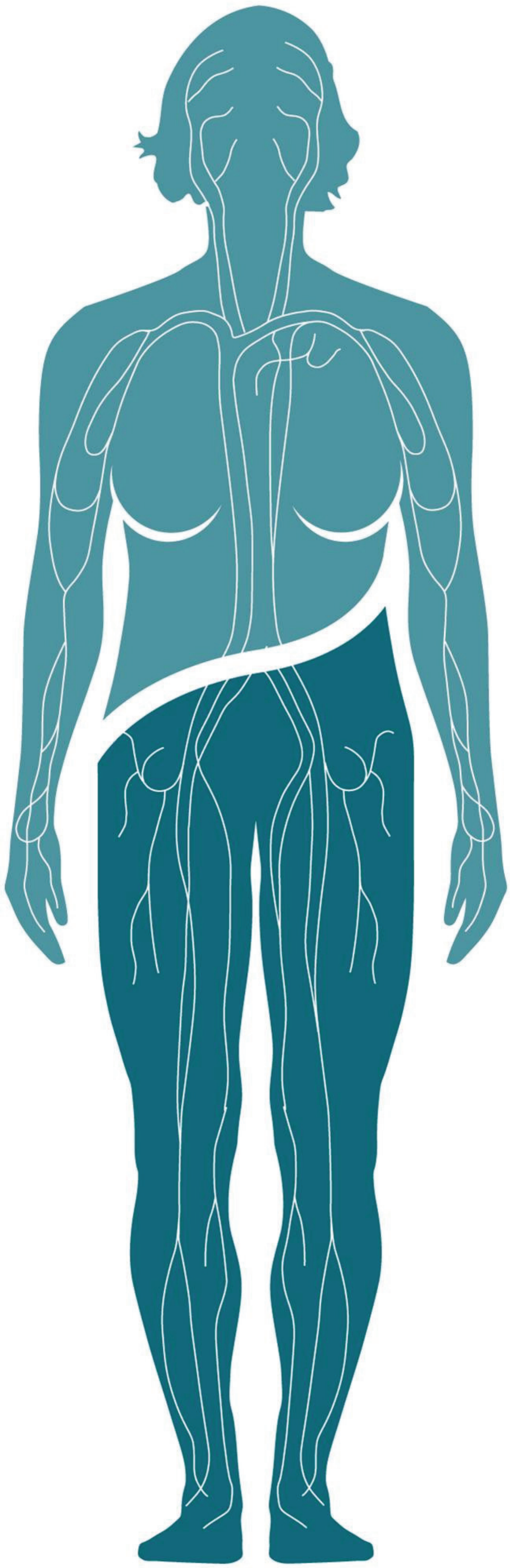
[3] Comprising cash, cash equivalents and securities available for sale.

[4] Full-time equivalents as of Mar. 31

Key share date

	as at March 31, 2011
Industry sector	Software / Medical Technology
Subscribed capital	€ 1,820,000.00
No. of shares	1,820,000
Last quotation on Jun. 30, 2010	€ 13.80
Last quotation on Sept. 30, 2010	€ 10.05
High/low 2010	€ 15.80 / € 10.00
Market capitalization	€ 17.245 Mio.
Treasury stock	104,124 (5.72%)
Free float	13.3%
Prime Standard (Regulated Market)	Frankfurt and Xetra
Over-the-counter markets	Frankfurt, Berlin, Dusseldorf, Munich, Stuttgart
Indices	CDAX, PrimeAS, TechnologyAS, DAXsector Software, DAXsubsector Software, GEX
ISIN / WKN / Ticker symbol	DE000A0LBFE4 / A0LBFE / M3V

Content



Letter to the shareholders

Dear Shareholders, Customers, Business Associates and Employees,

Consolidated sales have increased for the first time in three quarters and, at € 3.7 m, are precisely at the level of the 1st quarter of 2010. The composition of consolidated sales continues to change in favour of the maintenance business. While developments in this segment were once again dynamic, with a 51% sales increase to € 1,545 k (previous year: € 1,021 k), licensing sales fell by 20% to € 2,086 k (previous year: € 2,614 k).

The new licensing business therefore continued to stagnate at the level of the three previous quarters. This is mainly due to market saturation in the key US sales market for our core business of digital mammography. In the meantime, 75% (previous year: 62%) of clinical institutions approved by the U.S. Food and Drug Administration (FDA) have replaced their film-based systems with digital mammography equipment. Following the latest consolidations in the breast-MRI market sector, the competitive positions of individual device and component manufacturers in the US sales market are also shifting. This business, which is mainly operated with our industry customer Invivo Corp. in the USA, is reported under the Other Diagnostics segment. On the other hand, developments in the breast-MRI business operated with our industry customer Siemens and reported under the Digital Mammography segment have been stable.

With sales growth of 6% to € 2,876 k (previous year: € 2,720 k), the **Digital Mammography** segment has once again proven itself as a reliable pillar of our business. This is largely due to the further significant increase in maintenance revenues, which accounted for 48% (previous year: 31%) of segment sales in the period under review. At the Group level, maintenance revenues increased to 42% in the 1st quarter (previous year: 28%).

Business developments with the new products in the areas of neurology and pulmonary diagnostic remained disappointing in a stagnating market. Sales in the **Other Diagnostics** segment decreased by 16% to € 842 k as a result (previous year: € 999 k). While business developments with the neurology and prostate software applications introduced in 2009 remained stable at a low level, the decrease is largely due to the effects in the area of breast-MRI as described above. Our lung product Visia™ CT-Lung System also failed to generate significant sales in the past quarter.

Capitalized development expenses within the Group increased by 56% to € 782 k in the period under review (previous year: € 502 k). This item represents company-produced assets that can be viewed as investments in the future product portfolio. Half the amount is related to development activities to improve our product offering for our largest industry customer Hologic. Around 36% applies to the neuro-application using Visia™ technology. The remainder consists of the pro-rata development expenses in our joint venture with Siemens.

We just released the first cardiac product jointly developed with our Dutch industry partner Medis for sale outside the USA in mid-May. The market introduction was originally planned for the 4th quarter of 2010. The product in question is an application based on our Visia™ technology to support MRI-based diagnostics of cardiovascular disease. The corresponding approval process for the US market by the U.S. Food and Drug Administration (FDA) has to be resumed; this is not expected to be completed before the end of 2011. Initially the product will mainly be distributed through Medis.

The introduction of additional applications is planned beginning in the first quarter of 2012. In addition to the familiar product characteristics of our software applications, which make them valuable for advanced clinical use, these new applications particularly stand out with their improved integration capabilities and architecture allowing for a more cost-effective adaptation to existing medical imaging IT systems. We believe this will improve our access to further industry partners. We also want to enhance the attractiveness of our product portfolio to clinical end users with the client-server architecture.

In addition to the capitalisation of development expenses, the 10% reduction in personnel expenses to € 2,510 k (previous year: € 2,784 k) made a major contribution to the increase in earnings before interest, taxes, depreciation and amortisation by 44% to € 1,413 k (previous year: € 982 k). Our cost reduction measures, which also include staff reductions since the turn of the year, are therefore already proving to be effective.

Other operating expenses increased by 18% to € 727 k in the period under review (previous year: € 617 k). This is largely due to the increase in legal and consulting costs to € 87 k (previous year: € 4 k).

The planned 32% increase to € 529 k (previous year: € 401 k) in amortisation on development expenses capitalised in the past was partly offset by a slight decrease in amortisation on other acquired intangible assets by 18% to € 259 k (previous year: € 314 k) as a result of the balance sheet adjustment at the end of 2010. Total depreciation and amortisation increased by 9% to € 904 k in the period under review (previous year: € 832 k). The capitalisation balance, i.e. the ratio of amortisation on capitalised development expenses to the capitalisation of additional internal development expenses, was 0.68 in the period under review (previous year: 0.70).

Earnings before interest and taxes (EBIT) therefore increased by 239% to € 509 k (previous year: € 150 k). The EBIT margin increased accordingly to 14% (previous year: 4%).

Among other things, the net financial result of € -286 k (previous year: € -246 k) is defined by the pro-rata loss on our 41% equity interest in Medis Holding B.V. in the amount of € -42 k, while a positive contribution of € 15 k was recorded in the 1st quarter of 2010 from our 14% equity interest at the time. Net interest remained largely unchanged. Lower interest income as a result of the drop in liquidity was accompanied by a reduction in interest expense. This resulted from the reduced accrual of interest on the residual purchase price claim from the strategic acquisition of shares in MeVis BreastCare Solutions GmbH & Co. KG held by Siemens AG. The other financial result, which also includes changes in the value of certain assets due to exchange rate fluctuations without affecting liquidity, was nearly equal to the same period last year at € -169 k (previous year: € -179 k).

Pre-tax earnings improved accordingly to € 223 k in the period under review (previous year: € -97 k). Taking into account much higher income tax expenses, largely defined by deferred tax expenditures with no impact on liquidity, we are posting a loss of € -190 k for the first quarter of 2011 (previous year: € -150 k). This results in earnings per share of € -0.11 (previous year: € -0.09). Deferred taxes are mainly the result of the strategic acquisition of shares in MeVis BreastCare Solutions held by Siemens and the capitalisation of development expenses.

As mentioned above, we are in the process of reviewing the implementation of our strategy. The matter of our future cooperation with our industry partner Medis Holding B.V., in which we currently hold 41% of the shares, is part of this process. Among other things, we intend to await the actual market success of our first joint cardiovascular product in the current financial year. While we are planning to further intensify cooperation at the operational level, we are striving to establish a new window to exercise a purchase option for the remaining 59% of the shares at the beginning of 2012 with the owner Professor Reiber.

Insofar we currently do not expect an impact on liquidity over the short term. Cash and cash equivalents totalled € 10,429 k at the end of the 1st quarter (December 31, 2010: € 8,162 k).

In light of business developments to date, we are confirming our forecast contained in the 2010 consolidated annual report. We expect another slight reduction in consolidated sales for the current financial year, based on the decrease in the new licensing business at the group level in the 2010 financial year. Slightly positive consolidated earnings before interest and taxes (EBIT) are expected based on ongoing reductions in operating expenses, staff reductions and lower impairment risks as a result of the balance sheet adjustment as of December 31, 2010.

At this point, we would like to thank all employees for their exceptional performance as well as our business associates, customers and shareholders for their confidence.

Carl J.G. Evertsz, Ph.D.	Robert Hannemann, Ph.D.	Thomas E. Tynes
Chairman & CEO	Member of the Executive Board	Member of the Executive Board

MeVis Stock

Price trend of MeVis stock

In the first quarter of 2011, MeVis stock was trading at a median price level of € 12.43. While an annual high of € 15.80 was temporarily registered at the end of January, the stock was trading at approximately € 10 at the end of the first quarter. For the quarter as a whole, the share price performance was once again down significantly at -27% (compared with -1% for the SDAX and 8% for the TecDAX). Even in light of general capital market trends in the medical technology sector (DAXsubsector MedTech -1%), the performance of the MeVis stock was disproportionately low.

Development oft he shareholder structure

The shareholder structure essentially remained unchanged in the course of the first quarter of 2011. As in the past, the three founders accounted for approximately 55% of the share capital. The company has treasury shares equivalent to 5.72%. The remaining shares are predominantly held by institutional investors. The shareholder base remained unchanged compared to the 2010 year end. Compared to the first quarter of 2010, the number of custodian accounts held decreased by approximately 5%. The average trading volume dropped by 42% to approximately € 8,400 per trading day in the same period. In order to further boost trading activity for the MeVis stock, we want to expand the private shareholder base again in the future.

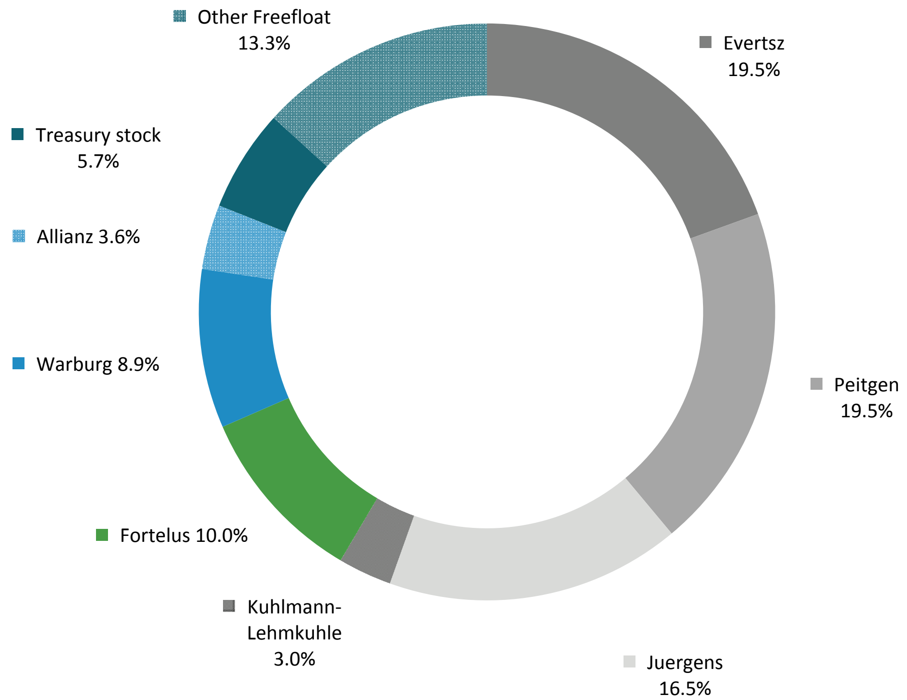


Abb.: Shareholder structure as at March 31, 2011

Business activities of the MeVis Group

Group structure

Through a joint venture with Siemens Aktiengesellschaft, Berlin and Munich (hereafter: “Siemens”), MeVis Medical Solutions AG (hereafter: “MMS AG”) holds 51% of MeVis BreastCare GmbH & Co. KG (hereafter: “MBC KG”). Under an agreement of October 21, 2008, the business division comprising industry customer Hologic, Inc., Bedford, Massachusetts, USA (hereafter: “Hologic”) was carved out of the joint venture and Siemens’ stake was taken over by MMS AG. The company MeVis BreastCare Solutions GmbH & Co. KG (hereafter: “MBS KG”) arising from this spin-off has been fully included in the consolidated financial statements of MMS AG since November 1, 2008.

In addition, in 2007, MMS AG founded a wholly owned subsidiary in the USA, MeVis Medical Solutions, Inc., located in Pewaukee, Wisconsin (hereafter: “MMS Inc.”). The company MeVis Research GmbH, treated as an associate until December 31, 2007, has not been included in the consolidated financial statements since June 30, 2008. The shares held were returned to the Free Hanseatic City of Bremen at their book value. As a result, MeVis Research was incorporated in the Fraunhofer-Gesellschaft effective January 1, 2009 and is now trading as Fraunhofer MEVIS – Institute for Medical Image Computing MEVIS (hereafter: “Fraunhofer MEVIS”).

The wholly owned subsidiary MeVis Japan K.K., which was founded in Tokyo at the end of 2009, commenced business activities on January 1, 2010. The contributions to revenue are realised in the Other Diagnostics segment.

MMS AG has held around 41% of the stock in Medis Holding B.V., Leiden (Netherlands) since the beginning of June 2010. The pro-rata earnings of this equity interest are reported in the net financial result.

Brief overview of business activities

The MeVis Group develops, produces and markets innovative software applications for computer-assisted medical imaging.

The specialised software applications from the MeVis Group help medical practitioners to analyse diverse image data produced by a variety of imaging modalities used in diagnosis and therapy. Our clinical orientation is governed by epidemiologically important diseases. Our primary focus is on image-based early detection and diagnosis of breast cancer, which involves the provision of support for surgical interventions and biopsies as well.

With a worldwide incidence of 1.3 million, breast cancer is the most common tumour disease. In Germany and Europe, breast cancer accounts for almost 30 percent of all cancers.

Building on existing expertise, software applications are adapted for use in other oncological disorders, such as disorders of the lungs, liver and brain, as well as cardiovascular diseases. The software solutions support all the imaging modalities available. These not only include X-ray modalities such as computed tomography, digital mammography and tomosynthesis, but also magnetic resonance imaging and digital sonography. Then there are the more modern imaging modalities, such as positron emission tomography (PET), sonoelastography and molecular imaging. Such systems are used predominantly by radiologists, gynaecologists, surgeons, cardiologists and medical technicians.

Business segments

For reporting purposes and internal governance, the MeVis Group has two operating segments ("**Digital Mammography**" and "**Other Diagnostics**").

The **Digital Mammography** segment develops and markets software products which support breast diagnostic imaging and intervention. Aside from the original products for digital mammography, the 2009 financial year saw the arrival of new software applications for other imaging modalities such as ultrasound, magnetic resonance imaging and tomosynthesis. These products are distributed to radiological and clinical end customers via the OEMs Siemens and Hologic. The **Digital Mammography** segment includes the joint venture MBC KG, operated in conjunction with Siemens AG, which was consolidated at 51% and, since November 1, 2008, the wholly-owned subsidiary MBS KG, which encompasses the business with Hologic, Inc. and had also been part of MBC KG before then.

In addition to the business of breast diagnostics by means of magnetic resonance imaging conducted with Invivo, Corp., the **Other Diagnostics** segment also includes digital radiology products (e.g. magnetic resonance imaging (MRI), computed tomography (CT) etc.) for other types of diseases such as lung, prostate and intestinal disorders as well as the general image-based analysis and diagnostics of radiology images. Other main activities in this segment include image and risk analysis for planning liver surgery and tumour diagnostics in connection with clinical studies of pharmaceutical companies (Distant Services business segment). The **Other Diagnostics** segment includes the parent company MMS AG as well as the wholly-owned subsidiaries MMS Inc. and MeVis Japan K.K.

Interim management report of the MeVis Group

Results of operations

Consolidated sales of € 3,718 k in the 1st quarter of 2011 were at the level of the previous year. The structure has changed significantly compared to the 1st quarter of 2010. While developments in the maintenance business were once again dynamic with growth of 51% to € 1,545 k (previous year: € 1,021 k), the new license business dropped by 20% to € 2,086 k (previous year: € 2,614 k). The trend established in previous quarters therefore continued. Key factors in this development were the increasing market saturation in digital mammography in the USA, which has reached 75% in the meantime (previous year: 62%). As a result of consolidation in recent quarters, the market positions of device and component manufacturers in the US sales market for breast MRI are also shifting, which had a negative effect on our business with our industry partner Invivo Corp. reported in the Other Diagnostics segment

Revenues break down into the segments of **Digital Mammography** at € 2,876 k (previous year: € 2,720 k) and **Other Diagnostics** at € 842 k (previous year: € 999 k). With 77% (previous year: 73%) the Digital Mammography segment continues to be the main source of revenues in the group.

The significant increase of the installed base of software licenses in the past once again led to higher maintenance and service revenue. In the 1st quarter of 2011, the share of consolidated sales revenue accounted for by maintenance and service increased to 42% (previous year: 27%).

The decrease in staff costs to € 2,510 k (previous year: € 2,784 k) is largely due to the lower number of employees compared to the same period last year. At the end of the 1st quarter of 2011, the MeVis Group had 203 employees. This corresponds to 159 full-time equivalents (December 31, 2010: 215 employees or 169 full-time equivalents).

Capitalised development expenses in the period under review amounted to € 782 k (previous year: € 574 k). These break down to an amount of € 782 k for staff costs (previous year: € 502 k) and € 0 for costs of services purchased (previous year: € 72 k).

Other operating expenses increased significantly compared to the previous year, largely as a result of higher legal and consulting costs, for total other operating expenses of € 727 k (previous year: € 617 k). This amount mainly breaks down into rental expenses of € 152 k (previous year: € 151 k), legal and consulting costs of € 87 k (previous year: € 4 k), office supplies of € 51 k (previous year: € 12 k) and travel expenses of € 42 k (previous year: € 47 k).

EBITDA (earnings before interest, taxes, depreciation and amortisation) totalled € 1,413 k in the period under review (previous year: € 981 k). The EBITDA margin increased accordingly to 38% (previous year: 26%).

Depreciation and amortisation increased as planned in the period under review, to € 904 k (previous year: € 832 k). This comprised amortisation of intangible assets amounting to € 259 k (previous year: € 314 k), amortisation on capitalised development expenses of € 529 k (previous year: € 401 k) as well as depreciation of property, plant and equipment amounting to € 116 k (previous year: € 116). The increase in amortisation on capitalised development expenses is attributable to the market rollout of new products in the 2010 financial year.

Earnings before interest and taxes (EBIT) saw a corresponding increase to € 509 k (previous year: € 149 k). The EBIT margin also increased accordingly in the period under review, to 14% (previous year: 4%).

The net financial result of € -286 k (previous year: € -246 k) was influenced in the 1st quarter by the unfavourable development of the USD exchange rate. Increases in the market value of derivative financial instruments were more than offset by a negative balance of income and expenses from translation differences, leading to the other financial result of € -211 k (previous year: € -179 k). The pro-rata earnings of Medis had a negative impact on the net financial result compared to the previous year. Interest income also fell to € 21 k in the period under review (previous year: € 101 k), largely due to a reduced portfolio of securities bearing interest at fixed rates. Interest expenses decreased to € 96 k (previous year: € 183 k), which is due to the lower interest payable, at matching maturities, on the remaining purchase price instalments for the acquisition of the 49% stake in MBS KG.

Pre-tax earnings amounted to € 223 k in the period under review (previous year: € -97 k). This corresponds to a return on sales of 6.0% (previous year: -2.6%). After-tax earnings are impacted by income taxes and the deferred tax expenses of € -413 k reported here (previous year: € -53 k), amounting to € -190 k in the period under review (previous year: € -150 k). Accordingly, earnings per share came to € -0.11 (previous year: € -0.09).

Assets, liabilities and financial position

The MeVis Group has adequate financial resources to achieve its planned growth. As of the balance sheet date, cash and cash equivalents totalled € 10,429 k (December 31, 2010: € 8,162 k), comprising cash and cash equivalents and securities held for sale.

The balance sheet structure remained almost unchanged at the end of the 1st quarter compared with the end of the 2010 financial year. Assets of € 38,821 k (December 31, 2010: € 38,785 k) included € 24,127 k (December 31, 2010: € 24,207 k) in non-current assets. The latter mainly consisted of intangible assets amounting to € 21,932 k (December 31, 2010: € 22,001 k). Current assets essentially comprised trade receivables of € 2,692 k (December 31, 2010: € 5,139 k), other financial assets of € 2,878 k (December 31, 2010: € 2,882 k) as well as cash and cash equivalents of € 8,381 k (December 31, 2010: € 5,621 k). The other financial assets mainly consisted of fixed-income securities available for sale at short notice in the amount of € 2,048 k (December 31, 2010: € 2,541 k).

The Company’s property, plant and equipment amounted to € 956 k at the balance sheet date (December 31, 2010: € 926 k).

Shareholders’ equity as at March 31, 2011 amounted to € 24,751 k (December 31, 2010: € 24,789 k), mainly consisting of the capital reserve at € 28,513 k (December 31, 2010: € 28,513 k). The level of subscribed capital remained unchanged at € 1,820 k. The equity ratio is 64% (December 31, 2010: 64%).

Cash flow from operating activities came to € 3,578 k in the period under review (previous year: € 1,768 k). It essentially comprises earnings before interest and taxes (EBIT) of € 509 k (previous year: € 149 k), adjusted for depreciation and amortisation of € 904 k (previous year: € 832 k), other non-cash expenses/income of € 92 k (previous year: € -366 k), interest received of € 91 k (previous year: € 101 k), taxes paid of € 152 k (previous year: € 338 k), changes in trade receivables and other assets of € 2,226 k (previous year: € 948 k) and changes in trade payables and other liabilities of € -337 k (previous year: € 534 k).

In the period under review, cash flow from investing activities came to € -442 k (previous year: € 1,627 k) and mainly consisted of payments for capitalised development costs of € 782 k (previous year: € 574 k), and also payments for the disposal of securities in the amount of € 500 k (previous year: € 0).

There was no cash flow from financing activities (previous year: € 164 k).

The change in cash and cash equivalents in the period under review came to € 3,136 k (previous year: € 269 k).

Risk report

No material changes have occurred with regard to the risk situation of the MeVis Group since the beginning of the financial year. Therefore, the statements made in the risk report of the consolidated annual financial statements as of December 31, 2010 remain valid.

Outlook & Opportunities

We hereby confirm the outlook published in the 2010 consolidated financial statements.

Based on the decrease in the new licensing business at the group level in the 2010 financial year, we expect another slight reduction in consolidated sales for the current financial year. The Digital Mammography segment will remain the key revenue driver at 70% to 75%. Slightly positive consolidated earnings before interest and taxes (EBIT) are expected based on ongoing reductions in operating expenses, staff reductions and lower impairment risks as a result of the balance sheet adjustment as of December 31, 2010. Thus, the operating profitability of Digital Mammography will be markedly higher than that of Other Diagnostics in 2011 as well. Group liquidity of € 10.4 m on the balance sheet date will continue to fall as planned in 2011, especially due to the payment obligations of up to € 3.5 m that will come due on the strategic acquisition of the 49% interest in MBS KG.

We will review our expectations in the course of the financial year, taking into account the exchange rate trend for the US dollar in which approximately 80% of our sales are invoiced, in order to issue more specific forecasts.

Material events occurring after the balance sheet date

We did not exercise the purchase option for the remaining shares in Medis Holding B.V., which was granted in the course of the third acquisition stage, in the second half of April as planned in order to take current business developments into account in this decision. Renewed negotiations have commenced with the owner of Medis Holding B.V., which may lead to deviating results.

Bremen, May 30, 2011

Carl J.G. Evertsz, Ph.D.	Robert Hannemann, Ph.D.	Thomas E. Tynes
Chairman & CEO	Member of the Executive Board	Member of the Executive Board

MeVis Medical Solutions AG, Bremen

Interim consolidated financial statement for Q1 2011

Consolidated income statement Q1 2011

for the period January 1 through March 31, 2011

FIGURES IN € k	Notes	Jan. 1 – Mar. 31 2011	Jan. 1 – Mar. 31 2010
Revenues	1	**3,718**	3,718
Income from the capitalization of development expenses	2	782	502
Other operating income		195	268
Cost of material		-45	-105
Staff costs	3	-2,510	-2,784
Other operating expenses	4	-727	-617
Earnings before interest, taxes, depreciation and amortization (EBITDA)		**1,413**	981
Depreciation and Amortization	5	-904	-832
Earnings before interest and tax (EBIT)		**509**	149
Interest income		21	101
Interest expenses		-96	-183
Other net financial result		-169	-179
Profit share from associated companies		-42	15
Net financial result	6	**-286**	-246
Earnings before taxes (EBT)		**223**	-97
Income tax		-413	-53
Consolidated net result for period		**-190**	-150
Earnings per share in €			
Basic		-0.11	-0.09
Diluted		-0.11	-0.09

Consolidated statement of comprehensive income

for the period January 1 through March 31, 2011

FIGURES IN € k	Notes	Jan. 1 – Mar. 31 2011	Jan. 1 – Mar. 31 2010
Consolidated net result for period		**-190**	-150
Changes in the currency translation reserve	9	130	216
Changes in fair value of available-for-sale financial instruments	9	31	171
Deferred tax on changes in fair value		-9	-51
Other comprehensive income		**152**	336
Total comprehensive income		**-38**	186

Consolidated statement of financial positions

as at March 31, 2011

FIGURES IN € k	Notes	**Mar. 31, 2011**	Dec. 31, 2010
Non-current assets			
Intangible assets		21,932	22,001
Property, plant and equipment		956	926
Interest in associated companies	7	1,239	1,280
		24,127	24,207
Current assets			
Inventories		97	86
Trade receivables		2,692	5,139
Income tax receivables		541	470
Other financial assets	8	2,878	2,882
Other assets		105	380
Cash and cash equivalents		8,381	5,621
		14,694	14,578
ASSETS		**38,821**	38,785
Equity capital	9		
Subscribed capital		1,820	1,820
Capital reserve		28,513	28,513
Revaluation reserve		1,212	1,276
Treasury stock		-3,789	-3,789
Cumulated fair value changes of available-for-sale financial instruments		22	0
Currency translation reserve		279	149
Retained earnings		-3,306	-3,180
		24,751	24,789
Non-current liabilities			
Provisions		829	821
Other financial liabilities	10	3,507	3,452
Deferred taxes		1,889	1,580
		6,225	5,853
Current liabilities			
Provisions		397	236
Trade payables		625	1,317
Other financial liabilities	10	4,287	4,007
Deferred income		2,190	2,248
Other liabilities		346	268
Income tax liabilities		0	67
		7,845	8,143
EQUITIES AND LIABILITIES		**38,821**	38,785

Consolidated cash flow statement

for the period January 1 through March 31, 2011

FIGURES IN € k		Notes	**Jan. 1 – Mar. 31 2011**	Jan. 1 – Mar. 31 2010
Earnings before interest and tax (EBIT)			**509**	149
+	Depreciation and amortization		904	832
+	Losses from sale of marketable securities		13	0
+/-	Increase/decrease in provisions		169	49
+/-	Other non-cash expenses/income		92	-366
+	Interest received		91	101
-	Interest paid		0	-84
-	Tax paid		-152	-338
+/-	Exchange rate differences received/paid		74	-72
+/-	Decrease/increase in inventories		-11	16
+/-	Decrease/increase in trade receivables and other assets		2,226	948
-/+	Decrease/increase in trade payables and other liabilities		-337	534
=	**Cash flow from operating activities**		**3,578**	1,768
-	Purchase of property, plant and equipment		-146	-66
-	Purchase of intangible assets (excl. development cost)		-14	-31
-	Payments for capitalized development cost		-782	-574
-	Investments in business shares and business units		0	-956
+	Proceeds from sale of marketable securities		500	0
=	**Cash flow from investing activities**		**-442**	-1,627
+/-	Proceeds from/Repayment of borrowings		0	164
=	**Cashflow from financing activities**		**0**	164
	Change in cash and cash equivalents		**3,136**	269
	Effect of exchange rates on cash and cash equivalents		**-376**	36
+	**Cash and cash equivalents at the beginning of the period**		**5,621**	7,718
=	**Cash and cash equivalents at the end of the period**		**8,381**	8,023

This item comprises cash and cash equivalents.

Statement of changes in equity

for the period January 1 through March 31, 2011

FIGURES IN € k	Subscribed capital	Capital reserve	Revaluatio n reserve	Treasury stock	Cumulative change in fair value for sale of available assets	Currency trans-lation differ-ences	Retained earnings	Total
Balance on January 1, 2010	1,820	28,465	1,506	-4,156	53	-20	4,939	32,607
Disposal of treasury stock	0	0	0	0	0	0	0	0
Transfer to retained earnings according to amortization	0	0	-57	0	0	0	57	0
Stock options – change in fair value	0	13	0	0	0	0	0	13
Consolidated net profit	0	0	0	0	120	216	-150	186
Balance on March 31, 2010	1,820	28,478	1,449	-4,156	173	196	4,846	32,806
Balance on January 1, 2011	**1,820**	**28,513**	**1,276**	**-3,789**	**0**	**149**	**-3,180**	**24,789**
Disposal of treasury stock	0	0	0	0	0	0	0	0
Transfer to retained earnings according to amortization	0	0	-64	0	0	0	64	0
Stock options – change in fair value	0	0	0	0	0	0	0	0
Consolidated net profit	0	0	0	0	22	130	-190	-38
Balance on March 31, 2011	**1,820**	**28,513**	**1,212**	**-3,789**	**22**	**279**	**-3,306**	**24,751**

MeVis Medical Solutions AG, Bremen
Notes to the interim consolidated financial statements as of March 31, 2011

Basic information on the group

General disclosures

The quarterly financial report of the MeVis Group was prepared in accordance with the provisions of § 37x (3) of the German Securities Trading Act (WpHG) along with consolidated interim financial statements and a consolidated management report.

The consolidated interim financial statements of Mevis Medical Solutions AG, Bremen (MMS AG) as at March 31, 2011 were prepared in accordance with Section 315a (1) of the German Commercial Code (HGB) in line with the rules and regulations in force on the balance sheet date and approved by the European Union of the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC). Accordingly, this interim report as at March 31, 2011 was prepared in conformity with IAS 34 “Interim Reporting”. The notes to the consolidated interim financial statements are presented in abridged form in line with the option provided by IAS 34. The interim financial statements and interim management report have neither been audited nor subjected to accounting review.

Recognition and measurement methods

The interim consolidated financial statements from January 1 to March 31, 2011 use the same recognition and measurement policies as the IFRS consolidated financial statements for the 2010 financial year. The interim consolidated financial statements as of March 31, 2011 must therefore be read in conjunction with the consolidated financial statements as of December 31, 2010.

Effects of new accounting standards

MMS AG’s consolidated interim financial statements as of March 31, 2011 including the previous year’s figures have been prepared in accordance with IFRS as endorsed by the European Union as of December 31, 2010. The same accounting and valuation principles were applied that were used in preparing the consolidated financial statements as at December 31, 2010; in addition, IAS 34 “Interim reporting” was applied. Fresh announcements of the IASB newly applicable as of March 31, 2011 had no material impacts on the MeVis consolidated financial statements.

Selected notes on the consolidated balance sheet and the consolidated income statement

1. Revenues

Die Umsatzerlöse gliedern sich in die folgenden Erlösarten:

FIGURES IN € k	**Jan. 1 – Mar. 31 2011**	Jan. 1 – Mar. 31 2010
Software and licenses	2,086	2,614
Maintenance (software service contracts)	1,545	1,021
Services (consulting and training)	78	63
Hardware	9	20
	3,718	3,718

2. Income from the capitalisation of development costs

In the period under review, expenditures on research and development came to € 1,806 k (previous year: € 1,642 k). In accordance with IAS 38, development expenses of € 782 k (previous year: € 574 k) were capitalised, of which € 0 (previous year: € 72 k) was accounted for by third-party services.

3. Staff costs

The average headcount was 203 (previous year: 228). This is equivalent to an average of 159 full-time positions (previous year: 182). Of the 203 employees, 27 (previous year: 31) are accounted for by the proportionately consolidated company MeVis BreastCare GmbH & Co. KG. The average figures include 56 testers (as a rule, students employed on a negligible part-time basis) at the Group level (previous year: 59).

4. Other operating expenses

FIGURES IN € k	**Jan. 1 – Mar. 31 2011**	Jan. 1 – Mar. 31 2010
Rental/leasing expense	152	151
Legal and consulting costs	87	4
Stationary	51	12
Travel expense	42	47
Cost of preparing and auditing financial statements	38	38
Energy costs	36	21
Accounting costs	35	22
Guarantee/warranty expenses	30	0
Maintenance/repairs	25	21
External work	24	20
Membership subscriptions	21	3
Supervisory Board remuneration	20	1
Advertising costs	19	6
Cost of annual general meeting	17	0
Internet expense	13	7
Cleaning expense	12	9
Telephone expense	7	9
Others	98	246
	727	617

5. Depreciation and amortization

FIGURES IN € k	**Jan. 1 – Mar. 31 2011**	Jan. 1 – Mar. 31 2010
Amortization of industrial property rights and		
similar rights and customer bases	259	314
Amortization of capitalized development costs	529	401
Depreciation of property, plant and equipment	116	116
Total amortization/depreciation	**904**	832

6. Net financial result

The MeVis Group's net financial result as at March 31, 2011 amounted to € -286 k (previous year: € -246 k). This comprises interest income from the investment of cash and cash equivalents of € 21 k (previous year: € 101 k), interest expense of € 96 k (previous year: € 183 k), the other financial result of € -169 k (previous year: € -179 k) and the result derived from associates, amounting to € -42 k (previous year: € 15 k). The other financial result primarily comprises the change in value of derivative financial instruments amounting to € 84 k (previous year: € -382 k) plus currency translation gains net of currency translation losses of € -230 k (previous year: € 203 k).

7. Financial assets

Financial assets concern the equity interest of roughly 41%, valued in accordance with the equity method, in Medis Holding B.V., Leiden (Netherlands).

8. Other current financial assets

FIGURES IN € k	**Mar. 31, 2011**	Dec. 31, 2010
Loans granted and receivables	461	10
Derivatives	208	136
Securities	2,048	2,541
Deferred interest	34	102
Other	127	93
	2,878	2,882

Derivatives comprise forward exchange transactions and, where applicable, currency options, which were measured at market value with an impact on profit and loss.

These securities primarily are *Pfandbrief* bonds and corporate bonds.

9. Shareholders' equity

Revaluation reserve

In connection with the acquisition of the 49% interest in MBS KG from Siemens AG and the subsequent full consolidation of MBS KG, the assets and liabilities of MBS KG were completely remeasured. Where these increases were attributable to the 51% interest in MBS KG already held by the Group, the difference was recognised within the revaluation reserve. Amounts equalling the depreciation expense recognised on these assets are reclassified as retained earnings on a proportionate basis.

FIGURES IN € k	
Status as at Dec. 31, 2009	1,506
- Transfer of the amount corresponding to write-downs and the associated deferred taxes to retained earnings, without an impact on profit and loss	-57
Status as at Mar. 31, 2010	1,449
Status as at Dec. 31, 2010	**1,276**
- Transfer of the amount corresponding to write-downs and the associated deferred taxes to retained earnings, without an impact on profit and loss	-64
Status as at Mar. 31, 2011	**1,212**

Treasury stock

In accordance with a new resolution passed by the shareholders at the annual general meeting on September 28, 2007 concerning the acquisition of the Company's own stock in accordance with Section 71 (1) No. 8 of the German Stock Corporation Act (AktG), the Company was authorised to acquire up to 10% of its current share capital (€ 1,300 k) on or before March 27, 2009. MMS AG already held 37,800 treasury shares on December 31, 2007. On March 4, 2008 the Executive Board decided to initially buy back up to a further 53,200 of the Company's own shares on the stock market by August 30, 2008. As part of this stock buyback programme, the Company acquired 53,200 of its own shares for a total amount of € 1,502 k as of June 17, 2008.

In the course of acquiring the software product Colotux for a total of € 220 k on October 23, 2008, half of the first purchase price instalment of € 110 k was settled in mid-November 2008 by the transfer of treasury shares (a total of 1,832 treasury shares with a market value of € 55 k).

In accordance with a new resolution passed by the shareholders at the annual general meeting on July 9, 2008 concerning the acquisition of the Company's own shares in accordance with Section 71 (1) No. 8 of the German Stock Corporation Act (AktG), the Company was authorised to acquire up to 10% of its current share capital (€ 1,820 k) on or before January 8, 2010. On November 4, 2008, the Executive Board decided to buy up to a further 91,000 of the Company's own shares on the stock market. As part of this stock buyback programme, the Company acquired 33,682 of its own shares for a total amount of € 1,163 k as of March 31, 2009. When the stock buyback programme was concluded on March 31, 2009, MMS AG held a total of 122,850 treasury shares (6.75% of share capital). A total of 18,726 treasury shares were transferred to the seller as part of the second stage in the acquisition of Medis shares on May 31, 2010. Therefore a total of 104,124 treasury shares were held as of March 31, 2011. This corresponds to 5.72% of the current share capital.

10. Other financial liabilities

FIGURES IN € k	**Mar. 31, 2011**	Dec. 31, 2010
Liability from 49% acquisition of MBS KG	3,319	3,276
Liability to Fraunhofer MEVIS	92	175
Leasing liabilities	96	0
Other	0	1
Other non-current financial liabilities	**3,507**	3,452

FIGURES IN € k	**Mar. 31, 2011**	Dec. 31, 2010
Liability from 49% acquisition of MBS KG	3,441	3,405
Staff liabilities	572	395
Liability to Fraunhofer MEVIS	185	180
Leasing liabilities	47	0
Derivative financial instruments	0	5
Miscellaneous other financial liabilities	42	22
Other current financial liabilities	**4,287**	4,007

11. Transactions with related parties

With reference to business transacted with related parties, there have been no material changes since December 31, 2010.

12. Contingent receivables and contingent liabilities

In comparison with the contingent receivables and contingent liabilities presented in the consolidated financial statements for the 2010 financial year, no changes occurred in the first quarter of the current fiscal year.

13. Earnings per share

Earnings per share equal the profit on continuing activities or profit (after tax) divided by the weighted average number of shares outstanding during the financial year. Earnings per share (fully diluted) are calculated on the assumption that all securities, stock options and stock awards with a potentially dilutory effect are converted or exercised.

As the criteria for exercising the options had not been satisfied as of the balance sheet date, it can be assumed that no options had been exercised by the employees and that no shares had been awarded to entitled members of the Executive Board. Accordingly, they are not included in the calculation of earnings per share, which means that diluted earnings per share are identical to basic earnings per share.

The weighted average of shares outstanding is determined by taking account of shares redeemed and reissued subject to a chronological weighting.

	Mar. 31, 2011	Mar. 31, 2010
Consolidated net income for the year in € k	-190	-150
Weighted average of the number of no-par-value shares outstanding during the period under review	1,715,876	1,697,150
Basic earnings per share in €	**-0.11**	-0.09
Diluted earnings per share in €	**-0.11**	-0.09

14. Segment information

In the 1st quarter of 2011, the activities of the MeVis Group are thus classified into the reportable segments of Digital Mammography and Other Diagnostics. The management of each of these segments reports directly to the Executive Board of MMS AG in its function as the responsible corporate entity.

Segment earnings and the result of operating activities remain the key benchmarks for assessing and controlling the earnings position of a particular segment. As a rule, the result of operating activities corresponds to earnings before interest and taxes (EBIT).

The segments break down as follows:

	Digital Mammography		Other Diagnostics		Other/Consolidation and reconciliation		MeVis Group	
	Jan. 1 – Mar. 31		Jan. 1 – Mar. 31		Jan. 1 – Mar. 31		Jan. 1 – Mar. 31	
FIGURES IN € k	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010
External revenues	2,876	2,720	842	999	0	0	3,718	3,718
Intersegment revenues	0	0	0	0	0	0	0	0
Revenues	**2,876**	2,720	**842**	999	**0**	0	**3,718**	3,718
Grants	0	70	82	30	0	0	82	100
Total segment revenues	**2,876**	2,790	**924**	1,029	**0**	**0**	**3,800**	3,818
Capitalization of development expenses	492	183	290	319	0	0	782	502
Depreciation and amortization	-551	-400	-353	-432	0	0	-904	-832
Operating expenses	-900	-982	-1,763	-1,908	108	0	-2,555	-2,890
Segmentergebnis	**1,917**	1,591	**-902**	-992	**108**	0	**1,123**	598
Other operating income	83	153	276	233	-247	-217	112	169
Other operating expenses	-269	-248	-614	-560	157	191	-726	-617
Result of operating activities	**1,731**	1,496	**-1,240**	-1,319	**18**	-26	**509**	150

15. Post balance sheet events

The purchase option for the remaining shares in Medis Holding B.V., which was granted in the course of the third acquisition stage, was not exercised. The parties have commenced renewed negotiations, which may lead to deviating results.

Bremen, May 30, 2011

Carl J.G. Evertsz, Ph.D.	Robert Hannemann, Ph.D.	Thomas E. Tynes
Chairman & CEO	Member of the Executive Board	Member of the Executive Board

Responsibility Statement („Bilanzeid“)

Responsibility statement required by section 37y no. 1 of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) in conjunction with sections 297(2) sentence 4 and 315(1) sentence 6 of the Handelsgesetzbuch (HGB – German Commercial Code) for the consolidated financial statements and the group management report:

“To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the group management report includes a fair review 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.”

Bremen, May 30, 2011

MeVis Medical Solutions AG

Carl J.G. Evertsz, Ph.D.	Robert Hannemann, Ph.D.	Thomas E. Tynes
Chairman & CEO	Member of the Executive Board	Member of the Executive Board

Disclaimer

Forward-looking statement

This report contains forward-looking statements which are based on management's current estimates of future developments. Such statements are subject to risks and uncertainties, which MeVis Medical Solutions AG is not able to control or estimate with any precision, e.g. future market conditions and the general economic environment, the behavior of other market participants, the successful integration of new acquisitions and government acts. If any of these uncertainties or imponderabilities materialize or if the assumptions on which these statements are based prove to be incorrect, this may cause actual results to deviate materially from those expressly or implicitly contained in these statements. MeVis Medical Solutions AG does not intend and is under no obligation to update the forward-looking statements in the light of any events or developments occurring after the date of this report.

Deviations for technical reasons

Deviations may occur between the accounting data contained in this report and that submitted to the electronic Bundesanzeiger for technical reasons (e.g. conversion of electronic formats). In the case of any doubt, the version submitted to the electronic Bundesanzeiger will prevail.

This report is also available in a German-language version. In case of any doubt, the German-language version takes priority over the English-language one.

The report is available for downloading in both languages on the Internet at http://www.mevis.de/mms/en/Financial_Reports.html.

Contact

Investor Relations

Dr. Kai Holtmann
Investor Relations Manager
Phone +49 421 22495 63
Fax +49 421 22495 11
kai.holtmann@mevis.de

Company Address

MeVis Medical Solutions AG
Universitaetsallee 29
28359 Bremen
Germany
Phone +49 421 22495 0
Fax +49 421 22495 11
office.mms@mevis.de
www.mevis.de