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MOBILE APPLICATIONS
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Allgeier Holding AG concentrates on IT growth topics and seizes new opportunities.

Contents

ALLGEIER IS ONE OF GERMANY'S LEADING IT SERVICE GROUPS.

With more than 2,500 employees and over 1,500 freelance IT experts, the Allgeier Group offers its customers a complete, full range service approach spanning conception and design, implementation and extending all the way through to the operation of IT landscapes. This high-growth company group currently maintains more than 50 sites in the German-speaking region, and is active at 23 further locations in Europe, the USA, Mexico and India.

The Allgeier Group's services are divided into the three segments of IT Solutions, IT Services & Recruiting, and Project Solutions. Allgeier combines the expertise and flexibility of medium-sized company units with the capabilities and performance strength of a listed company. Fourteen corporate units, each with its own specialist and sector-related focus, pool their resources in their work for customers from almost all sectors. Numerous nationally and internationally operating companies have relied on the Allgeier Group's know-how, experience and products for many years.

KEY GROUP FIGURES	2008	2009	2010	2011	CAGR
Sales revenue	178.7	223.5	308.7	378.8	28.5%
EBITDA	12.1	14.4	18.1	22.3	22.6%
EBITA	10.8	12.8	15.6	19.0	20.7%
EBIT	3.9	8.0	11.0	12.0	45.4%
EBT	87.4	7.0	10.2	9.5	
Net income	80.4	5.0	8.7	5.3	
Total assets	193.4	160.1	204.1	242.1	
Equity	81.8	79.5	85.5	88.2	
Earnings per share (in EUR)	8.93	0.60	0.99	0.52	
Number of permanent employees	831	1,261	1,339	2,546	
Number of freelance experts	1,331	1,235	1,438	1,531	

(In accordance with IFRS; in EUR millions)
(2008 including disposal gain on temporary help business)

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Foreword by the Management Board

Dear shareholders,
customers and business partners,

Ten years ago, Allgeier's IT segment posted revenue of less than EUR 10 million. By 2011, the company had achieved revenue of EUR 379 million, and Allgeier is now firmly established as one of the leading IT service companies on the German market. Over the last few years, Allgeier has not only reported strong organic growth – but has also accelerated this growth through stringently selected acquisitions, and has further expanded the portfolio of services.

Given our successful track record over recent years, as part of our strategy retreat we ask ourselves the same question every year: Is Allgeier correctly positioned today to continue to grow further over the coming years?

From an external point of view, and taking market trends into account, we regard Allgeier as positioned on the right market. Information technology (IT) has significantly changed the working methodologies of almost every industry and public-sector administration over the last few years. A comparison of a normal office workspace and its underlying production processes of twenty years ago with those today reveals that most of the significant changes have been IT-driven. Young manager generations think increasingly in terms of networking and IT structures, and require their working environments to be aligned accordingly. We believe that this trend is still in its infancy, and expect that the IT service industry, and consequently Allgeier, will benefit from such changes. We have summarised a number of the IT industry's trend topics on the first pages of this annual report for you. The IT service market also remains highly fragmented, and is undergoing a consolidation phase – we also anticipate further opportunities for Allgeier from these developments.

From an internal point of view, we set the stage last year to continue charting our growth course and gaining additional market shares in future. Firstly, we have further optimised internal collaboration within the Group through organisational measures, and have merged companies, and improved our management structures. Secondly, we have significantly expanded our international presence through the acquisition of

the Nagarro Group in the USA/India, thereby also gaining access to outstandingly qualified IT experts in India, in particular. We are already encountering capacity bottlenecks in terms of highly qualified IT experts in our core market of Germany, Austria and Switzerland, and we expect that this situation will deteriorate further given the fact that the generation that is now graduating from colleges and universities is a relatively low-birthrate generation. At the same time, customers are making ever-greater requirements of IT service providers in terms of supply capacity and quality. Nagarro currently employs around 1,000 very well qualified IT experts in India, and is planning to further expand its staff base over the coming years. Our customers in Germany, Austria and Switzerland are responding very positively to Nagarro staff, and the first contracts have already been concluded after the first few months.

With the acquisition of Switzerland based 1eEurope AG we have gained a leading IT service provider of collaboration software (such as SharePoint) for the Allgeier Group, which is one of the trend topics for the coming years. We have strengthened our position in the healthcare growth sector with the acquisition of GEMED GmbH.

To summarise, we regard the Allgeier Group as being well-positioned within an interesting growth market, and as well equipped to continue to grow over the next few years.

At this juncture, we would like to thank our customers and business partners for their kind cooperation, and for the confidence and trust that they invest in us. As always, we would like to extend our special thanks to our colleagues across the entire Allgeier Group, whose strong commitment has been crucial in achieving last year's success.

Above all, we would like to thank you very warmly, our esteemed shareholders, for your confidence, and we look forward to a successful future together.

Yours faithfully,



Carl Georg Dürschmidt
Management Board member



Dr. Holger von Daniels
Management Board member



Dr. Marcus Goedsche
Management Board member

»IT is the most important innovation driver in almost all sectors. As a full range IT service provider, we will benefit from the resultant opportunities over the next years.«

Report of the Supervisory Board

Dear ladies and gentlemen,

In the 2011 financial year elapsed, the Supervisory Board fulfilled the tasks incumbent upon it pursuant to the law and the company's articles of association, and regularly supervised and consulted with the Management Board in its management of the company.

The Supervisory Board convened for five meetings, and for several discussions conducted by way of telephone conference, in the 2011 financial year, and passed further resolutions by way of written circular. Management Board members were present at all meetings.

New elections to the Supervisory Board, which were necessitated by the expiry of previous Supervisory Board mandates, were conducted at the AGM of June 21, 2011. The AGM elected the previous Supervisory Board members, Mr. Detlef Dinsel, Mr. Thies Eggers and Mr. Christian Eggenberger, for a further period of office.

The Management Board extensively fulfilled its reporting and informative duties to the Supervisory Board in the financial year elapsed, providing the Supervisory Board with current and comprehensive information about business trends, the position of both the parent company and the Group companies, and about significant business transactions both at Supervisory Board meetings, and also outside the scope of Supervisory Board meetings. The subjects of reporting and consultation included, in particular:

- the current financing and liquidity position,
- specific acquisition plans,
- Group financing,
- risk management and compliance, and
- questions relating to the Group's strategic orientation.

In the consultations between the Management and Supervisory boards, and on the basis of information updated by the Management Board, the Supervisory Board was of the opinion that the Management Board's management of the company was correct and proper during the 2011 financial year. The Management Board further developed the organisation of Allgeier Holding AG, and its risk management, in line with the development of the Group in the financial year elapsed. The Supervisory Board discussed with the Management Board and the auditors the risk management system installed within the company, and ascertained it as appropriate and proper. Where specific management measures required Supervisory Board approval, they were reviewed, and the requisite approvals were issued. As a consequence, the Supervisory Board notes that the Management Board comprehensively enabled it to constantly supervise the Management Board's work. In this context, the Supervisory Board was of the firm opinion that the Management Board's management of the company complied with statutory requirements in all aspects, and gave no grounds to objections by the Supervisory Board.

LOHR + COMPANY GmbH, Wirtschaftsprüfungsgesellschaft, Düsseldorf, audited the single-entity financial statements of Allgeier Holding AG and the consolidated financial statements as of December 31, 2011, and the management reports for both the parent company and the Group, which were prepared by the Management Board, and issued each of them with unqualified audit opinions. The aforementioned documents and audit reports produced by LOHR + COMPANY GmbH were made available for examination by the Supervisory Board. The Supervisory Board reviewed the aforementioned documents, and discussed them in detail in the auditor's presence at the meeting on April 17, 2012. At this meeting, the auditor reported on the significant results of its audit, and noted that the internal controlling system and the risk management system presented no significant weaknesses.

The Supervisory Board subsequently came to the conclusion that the single-entity financial statements and the consolidated financial statements, as well as the corresponding management reports, had been compiled in compliance with the regulations applicable for the respective financial statements, and that they convey a true and fair view of the financial position and results of operations of Allgeier Holding AG and of the Group. The review of the audit reports, and the discussion of them with the auditors, also resulted in no objections by the Supervisory Board. The Supervisory Board concurs with the auditor's findings, and approves the single-entity financial statements and consolidated financial statements as prepared by the Management Board. The annual financial statements have been adopted as a consequence.

The Supervisory Board also reviewed the Management Board's proposal concerning the application of the unappropriated retained earnings of Allgeier Holding AG for the 2011 financial year, which envisages the distribution of a regular dividend of EUR 0.50 per share. It concurs with the proposed resolution following extensive consideration of the company's interests in financing its business operations, and the further growth of the Allgeier Group, on the one hand, and the interests of shareholders in a dividend payment, on the other hand.

The Supervisory Board would like to thank the management and all members of staff of the Allgeier Group for their achievements in the 2011 financial year.

Munich, April 17, 2012

The Supervisory Board of Allgeier Holding AG

Detlef Dinsel

Chairman of the Supervisory Board

The Allgeier share

Global equity markets shaken by European financial crisis

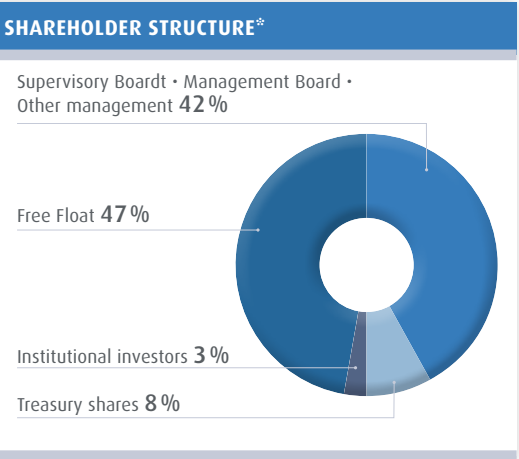
Initially, all seemed well for global equity markets in 2011: the year started on a very positive footing for investors, despite the fall in stock markets following the earthquake, tsunami, and atomic catastrophe in Japan. The German DAX equity market index even touched 7,528 points by May. Such positive sentiment nevertheless proved short-lived: the threatening state bankruptcy of Greece, the ailing national budget positions of Italy, Spain and Portugal, and related measures on the part of the ECB (European Central Bank), as well as concerns about European banks' financial positions, fed through to a dramatic slide in equity prices on leading stock markets. Equity prices reached their low on August 19, when the DAX index fell 5.82% – the greatest single daily loss since November 2008. Some wild speculation about the rescue of Eurozone countries at risk of bankruptcy resulted in high market volatility. In addition, fears of a global economic downturn entered the picture.

The Allgeier share

The share of Allgeier Holding AG (ISIN DE0005086300, WKN 508630, AEI), which is traded on the regular market, proved unable to decouple from stock market fluctuations over the course of the year. It commenced trading for the year on January 3, 2011, at an opening price of EUR 10.40. It closed the first quarter with a gain, despite some share price fluctuations. The share rose over the course of the second quarter, marking its high for the year on May 16 at EUR 14.21. It held this level until July, before being impacted by equity market turbulence and nervous sentiment. In August, the DAX index incurred its heaviest losses since autumn 2008. The Allgeier share also fell to its low for the year on August 5 at EUR 9.26, before recovering over the following months. The share concluded the 2011 stock market year on December 30, 2011, at a closing price of EUR 10.735.

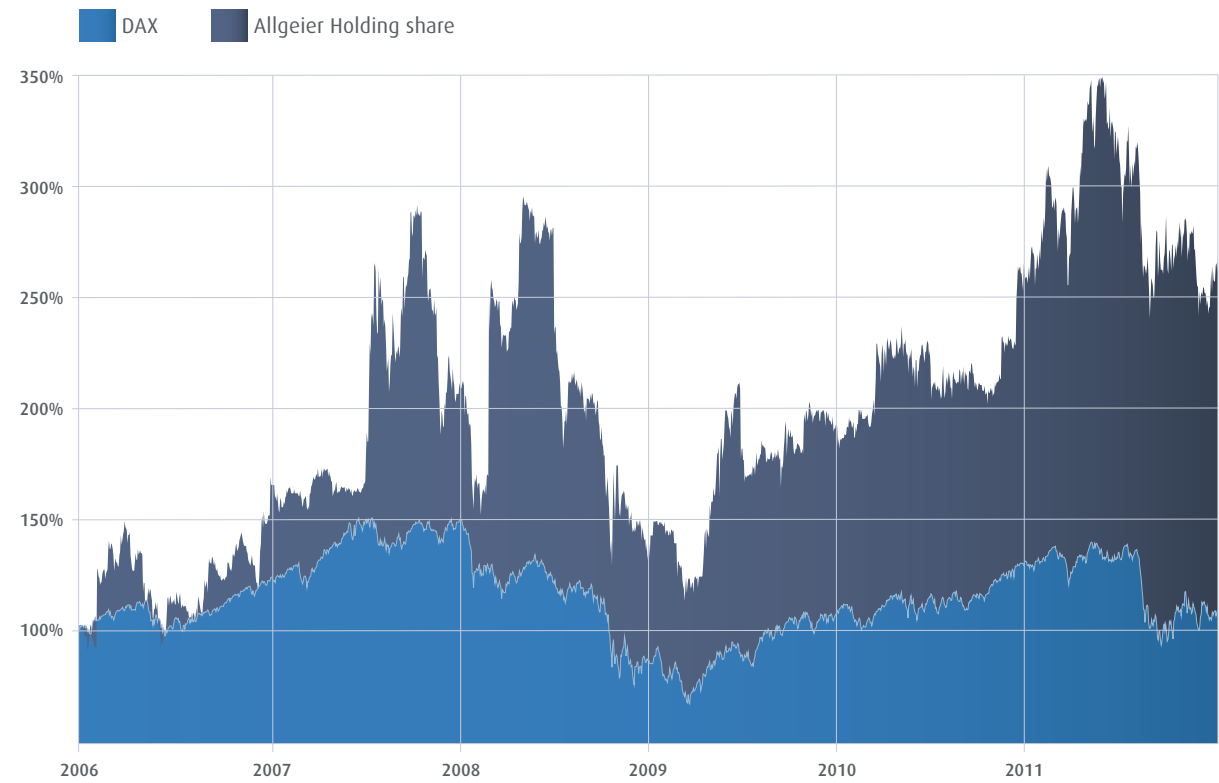
The Allgeier share reported a slight appreciation in value in 2011, despite unsettled markets. While standard German DAX stocks lost 14.7% in value over the course of the year (TecDAX stocks even fell by as much as 19.5%), the Allgeier share achieved an equity return of 8.6% over the same period (consisting of share price appreciation and the EUR 0.50 dividend that was distributed in June).

Index	General Standard
ISIN	DE0005086300
WKN (German Securities Number)	508630
Number of shares	9,071,500
Share price (on April 10, 2012)	EUR 12.15
Market capitalisation (on April 10, 2012)	EUR 110.2 million



* As far as the company is informed (partially estimated)

PERFORMANCE ALLGEIER HOLDING SHARE AND DAX FROM 2006 UNTIL 2011



KEY FIGURES PER SHARE 2011 VS. 2010	2010	2011	% CHANGE
Earnings per share (in EUR)	0.99	0.52	- 47 %
Dividend per share (in EUR)	0.50	0.50	-
XETRA high for the year (in EUR)	10.65	14.21	+ 33 %
XETRA low for the year (in EUR)	7.49	9.26	+ 24 %
XETRA end-of-year price (in EUR)	10.35	10.735	+ 4 %
Number of shares	9,071,500	9,071,500	-
End-of-year market capitalisation (in EUR millions)	93.9	97.4	+ 4 %
Average XETRA stock market turnover (in number of shares per day)	7,890	9,418	+ 19 %

The year in overview

First quarter

The Allgeier Holding AG Group companies made a good start to 2011, reporting significant revenue and earnings growth in the first quarter. Revenue rose by 34% year-on-year to reach EUR 83.4 million. EBITA (earnings before interest, tax, and amortisation relating to purchase price allocations) more than doubled to EUR 4.3 million (Q1 2010: EUR 1.7 million).

Not only long standing Group member companies, but also those entities acquired in the second and third quarters of 2010, contributed to the revenue and earnings growth. The business operations of BSH IT Solutions, Crealogix and IPS, which were acquired at the start of the first quarter of 2011, delivered additional growth.

The 2011 equity year started on a positive note for investors. The German DAX equity market index registered gains during January and February, and the economic climate in Germany also improved, according to an economic survey published by the Ifo Institute for Economic Research in April 2011. The economic climate nevertheless worsened in March, according to the Ifo Institute, and stock market sentiment deteriorated. The DAX index fell from 7,223 points to 6,871 by March 14, 2011, with the earthquake catastrophe in Japan comprising the main negative factor bearing down on share prices worldwide. The Allgeier share was also impacted during this period, closing at EUR 10.25 on March 14.

The IT market was gauged to have continued its strong growth during the first quarter, according to information provided by the German Federal Association For Information Technology, Telecommunications and New Media (BITKOM). For 2011, the association forecasted growth rates of 3.5% and 4.5 respectively for the IT services and software markets, which are particularly relevant for the Allgeier Group.

»The Group companies of Allgeier Holding AG made a good start to 2011, reporting marked revenue and earnings growth in the first quarter.«

Second quarter

In the second quarter of 2011, revenue generated by the Allgeier Group companies was up by 22% to EUR 87.6 million (previous year: EUR 71.7 million). EBITA grew 28% to EUR 3.2 million (previous year: EUR 2.5 million).

As in the first quarter, the growth derived from both organic growth and the full consolidation of the Group companies BSR & Partner and Terna, which were acquired in 2010.

From June 2011, 1eEurope Switzerland AG, which was acquired in May, was consolidated for the first time within the Group. The company 1eEurope is an expert in the high-growth Microsoft SharePoint market, and expands Allgeier's presence in Switzerland.

IT consultants registered a high level of utilisation across all Group companies after orders were issued for customer projects that had been postponed during the economic crisis, and the overall IT market registered growth.

The share of Allgeier Holding AG performed well during the second quarter, reaching its high for the year of EUR 14.21 on May 16. The Allgeier share gained in value during the first half the year, rising by 14%. Including the EUR 0.50 dividend that was distributed in June, the share delivered an 18% capital appreciation. The share performed well despite the volatile market environment, outperforming the comparable DAX, MDAX, SDAX and TecDAX indices. The share closed at EUR 12.08 on June 30, 2011, in Xetra trading.

The economic climate in Germany was also positive during the second quarter according to an Ifo economic survey of July 2011. At the mid-year stage, companies were nevertheless no longer as satisfied with the current business situation as previously, and anticipated lower export growth rates than in previous months. The IT market was characterized by uninterrupted high growth. BITKOM forecast 4.3% growth for the full 2011 year for the German information technology market, the most important market for Allgeier.

Third quarter

Allgeier generated EUR 94.6 million of revenue in the third quarter of 2011 (Q3 2010: EUR 81.3 million), representing 16% growth. EBITA amounted to EUR 4.5 million in the third quarter 2011 (Q3 2010: EUR 5.0 million), and included charges of EUR 0.6 million arising from extraordinary effects due to currency differences connected with the accounting treatment of earnout obligations, and charges of EUR 0.4 million due to incidental purchase costs incurred with the acquisition of Nagarro, which are not capitalised pursuant to IFRS. When adjusting for these items, the company generated EUR 5.5 million of operating EBITA, equivalent to a 10% increase compared with the same quarter of the previous year.

In July 2011, Allgeier announced that it was acquiring 100% of the shares of the IT solution provider and software development house Nagarro, Inc. The company, which is based in Silicon Valley, USA, operates subsidiaries in Germany, Sweden, India and Mexico. For Allgeier, the transaction represents a strategic step towards addressing key international markets. The Allgeier Group expanded its market position and its existing range of services as an IT services provider in the healthcare market with the acquisition of GEMED, Ulm, Germany, in August. GEMED develops, produces and implements modular "Picture Archiving and Communication Systems" (PACS), and is a leading specialty provider in the medical technology segment with more than 500 installed systems in Germany and Switzerland.

The Allgeier Holding AG share was impacted by market turbulence during the third quarter, and reached its low for the year at EUR 9.26 on August 5, 2011. The share nevertheless reported a remarkable recovery to EUR 10.995 by the close of the quarter on September 30, 2011, while the DAX index stagnated at its mid-August level over the same period.

The economic climate in Germany remained positive during the third quarter, according to the Ifo economic survey of October 2011, although companies appraised the business position as slightly weaker than at the start of the year, expecting business trends to deteriorate further. By contrast, the BITKOM sector index reported significant growth in the third quarter of 2011: almost 75% of companies surveyed expected further sales growth. Suppliers in the IT services and software areas, in particular, anticipated positive business trends.

Fourth quarter

In the fourth quarter of 2011, Allgeier boosted its revenue by 21% year-on-year to reach EUR 113.1 million (Q4 2010: EUR 93.6 million). EBITA in the fourth quarter of 2011 amounted to EUR 7.0 million (Q4 2010: EUR 6.4 million), reflecting 9% growth.

The economic climate in Germany improved in the fourth quarter, according to Ifo economic surveys from December 2011 and January 2012. Companies continued to appraise the business situation as favourable, with the German economy thereby successfully defying the Western European downturn, according to the Ifo Institute. The BITKOM sector index remained positive in the final quarter of 2011, with more than two thirds of companies surveyed expecting sales growth.

The share of Allgeier Holding AG reached EUR 11.40 by October 28, 2011, although it had fallen again to EUR 9.70 barely four weeks later on November 23, 2011. This nevertheless marked the final low during a turbulent stock market year, with the Allgeier share registering a closing price of EUR 10.735 on December 30, 2011. As a consequence, the share gained slightly in value in 2011, despite unsettled markets, while the DAX index was down from 6,914 points (December 30, 2010) to 5,898 (December 30, 2011). Speculation concerning the rescue of Eurozone countries at risk of bankruptcy, in particular, had precipitated constant market fluctuation and volatility. Additionally, concerns of a global economic downturn entered the picture.

»In the fourth quarter of 2011, Allgeier boosted revenue by 21% year-on-year to EUR 113.1 million (Q4 2010: EUR 93.6 million).«

Allgeier - strongly positioned in IT megatrends

Allgeier secures sustainable success by consistently staking out strong positions in IT megatrends

IT now ranks as the most important innovation driver in almost all sectors. Particularly in economically difficult times, companies concentrate on technologies that make them more streamlined, more productive, more efficient and effective. The need to make working structures more flexible remains unbroken in the German business sector and its economy. Fundamental changes in our markets, such as shifts in value-creating configurations, offer numerous opportunities and great potentials for the service business. The services on offer will develop further, with overall markets registering growth. As an innovative and high-performing IT services provider, Allgeier is benefiting from such trends. All Allgeier Group companies are constantly evaluating new business opportunities, and are able to respond rapidly to growth opportunities. Consequently, the Allgeier Group has positioned itself optimally in all important growth markets over recent years. The products and services offered in the individual segments of IT Solutions, IT Services & Recruiting, and Project Solutions, reflect the markets' dynamics and customers' requirements in equal measures.

Cloud computing trend

Cloud computing enables mobile access to all types of IT services via the Internet – spanning computing capacities, data storage, through to individual applications. A recent study commissioned by the BITKOM sector association shows that sales generated by cloud computing in Germany will grow by almost 50% to more than EUR 5 billion in 2012 alone. Double-digit growth rates are also anticipated for subsequent years, according to the association. The rising availability of cloud services is resulting in a fundamental shift in information technology. The Allgeier Group companies are promoting the innovative potential inherent in this important new technology field, and are offering cloud services as certified services surrounding the "managing trust" topic, for example.

Mobile computing trend

With the growing importance of mobile end-devices, companies and other organisations are facing the challenge of making content and applications available for their target groups through apps and other mobile websites. At the same time, smart phones and tablets must be integrated securely and reliably into companies' own IT systems. Allgeier is developing tailor-made solutions for its customers in this significant new technology area.

»All Allgeier Group companies are constantly evaluating new business opportunities, and are able to respond rapidly to growth opportunities.«

IT security trend

IT security is an integral topic that is gaining ever greater significance for all companies. While the trend towards cloud computing is lending even greater momentum to this trend, trust and confidence in data security and protection is becoming a central precondition for the utilisation of cloud services in this context. Companies, state entities and private users are being required to protect their IT systems accordingly. Appropriate security levels are indispensable, not only for liability and data protection reasons, or to protect against industrial espionage, but also in order to launch new digital business processes. Allgeier provides companies with comprehensive support – ranging from architecture consulting on e-mail and web security, security and the development and operation of IT solutions, through to the conducting of penetration tests, and common criteria software certification. Fielding its JULIA MailOffice product, Allgeier ranks as market leader in e-mail security. This software solution forms the e-mail component of the virtual post centre of the German Federal Government, and is deployed by almost all German federal authorities, as well as by numerous banks, insurance groups and industrial companies.

Business Intelligence / Big Data trend

"Big Data" refers to the processing of enormous data volumes. Large data volumes require that information be analysed intelligently and processed beyond the scope of conventional technologies. To this end, business intelligence systems are deployed that record and present increasingly complex material at high speed, while including highly varied formats and contents (texts, photos, videos etc.) in their analysis. Good business intelligence concepts not only allow companies to rapidly access correct and important information, but also offer the analytical functionality to assess such information. As an Business Intelligence expert, Allgeier develops and operates sophisticated BI solutions that are individually tailored to their customers' requirements.

»Allgeier offers its customers a broad and comprehensive range of services spanning conception and design, implementation, and extending all the way through to the operation of IT landscapes.«

IT outsourcing trend

IT outsourcing or out-tasking, in other words, the outsourcing of IT systems and business processes to external service providers, remains a trend. Greater quality and flexibility requirements, cost savings, transparency, and the focusing on core competencies comprise the most important drivers of outsourcing and out-tasking projects. As part of its outsourcing model, Allgeier assumes manifold software development and maintenance tasks for its customers, as well as IT infrastructure environment functions ranging through to the complete operation of information technology – including in-house. Customers retain complete control over costs and services at all times in this context.

Virtualisation trend

Allgeier offers its customers tailored IT infrastructure solutions. Virtualisation continues to represent a highly effective instrument to combine cost reduction and performance enhancement. Numerous companies are planning to invest in the virtualisation of workplaces due to the greater flexibility and mobility it offers users, and the opportunity to reduce management costs. Through optimal capacity utilisation and

centralised systems management, virtualisation solutions help to streamline IT landscapes, and boost their performance and availability. This not only allows customers more rapid access to all relevant data – they also realise significant savings in terms of electricity, climate-related performance, and maintenance costs.

ECM trend

Enterprise Content Management (ECM) is assuming an ever more important role within companies. The results of a recent study entitled "IT Trends" produced by the technology consultants at Capgemini in February 2012 document this fact. ECM has developed enormously, is becoming ever more multifaceted, and today comprises almost all relevant functions to manage information and documents in IT-based processes. Half of the management board members surveyed are planning to implement ECM solutions to deal with the rising flood of information – particularly unstructured data. Apart from archiving, a growing number of companies are also deploying ECM to support, streamline or automate their business processes. Allgeier helps companies to significantly boost their productivity with solutions such as its modern scanview® archiving system.

Allgeier aims to continue its successful growth strategy over the coming years. The further development of its successful complete service approach is of great significance in this context. Allgeier offers its customers a broad and comprehensive range of services spanning conception, design, implementation, and extending all the way through to the operation of IT landscapes. Allgeier ranks as one of the leading IT service providers on the market thanks to its extensive expertise, a broad range of high-performing software products, and many years of sector knowledge. Allgeier combines the expertise and flexibility of medium-sized company units with a listed company's strength and performance. Through consistently addressing IT sector megatrends, the Allgeier Group companies are securing for the future the further tapping of high-margin operating areas, and the acquisition of customer projects on the markets of Germany/Austria/Switzerland, India and the USA, as well as in future growth markets such as Eastern Europe and Turkey.

Group Management Report

of Allgeier Holding AG 2011

Group Management Report

ALLGEIER HOLDING AG, MUNICH

ALLGEIER HOLDING AG, MÜNCHEN		
IT Solutions	IT Services & Recruiting	Project Solutions
Allgeier IT Solutions GmbH, Bremen	Goetzfried AG, Wiesbaden	mgm technology partners Group, Munich
DIDAS Business Services GmbH, Langenfeld	Xiopia GmbH, Unterföhring	Softcon Group, Munich
GEMED GMBH, ULM	U.N.P.-Software GmbH, Düsseldorf	Nagarro Group, San Jose, USA
Allgeier B.V. & NV Netherlands & Belgium	TOPjects AG, Munich	
Terna Gruppe Innsbruck, Austria		
1eEurope (Switzerland) AG, Thalwil, Switzerland		
BSR & Partner AG, Zug, Switzerland		

»The Allgeier Group comprised 14 operating company units by the end of 2011.«

Business and structure of the Allgeier Group

The Allgeier Group comprised 52 fully consolidated companies at the end of the period under review. The operating business is managed in 14 company units, which are divided into three segments. The organigram above provides an overview of the Group structure. Allgeier Holding AG is responsible for the management and strategic development of the Group's segments.

Allgeier Holding's tasks

- Strategic orientation and ongoing strategic review of the Group, its segments, and the companies in which interests are held, taking value-oriented corporate development into account,
 - Identification, contact with, and review of further potentially appropriate investments both in Germany and abroad based on Group strategy,
 - Negotiation and completion of the acquisition of companies and investments,
 - Organisation of the financing of further Group development,
 - Controlling, risk management and compliance,
 - Preparation of accounting guidelines, and preparation of IFRS consolidated financial statements,
 - Group planning,
 - Guidance of the management of Group companies, and support for the subsidiaries' management teams on operational issues,
 - Integration of individual acquisitions into the Group,
- Organisation and coordination of Group committees and processes, Group structuring,
 - Coordination of project and sales activities,
 - Steering of Group PR, marketing and investor relations.

Change of company form into a Societas Europaea (SE)

The AGM of June 21, 2011, followed the Management and Supervisory boards' proposal to convert Allgeier Holding AG into a public EU company (Societas Europaea, SE).

The SE legal form is the only supranational legal form based on European law available to a listed company with headquarters in Germany. As such, it plays a special role in forming an open and international corporate culture. Conversion from a German public stock corporation (Aktiengesellschaft, AG) into a public EU company (Societas Europaea, SE) optimises

the overall structural conditions to drive further ahead with the expansion of a company that is already operating beyond Germany's borders, and to further tap the European market. This change in legal form represents a further consistent step in the company's development following on from the Allgeier Group's successful expansion of its international business operations, and the strong growth that it has registered over the past years. The company's headquarters is to remain in Germany. The company's legal form is intended to reflect its international orientation.

The change of legal form is to be completed in the first half of 2012

Economic environment

IT services market reports stable growth

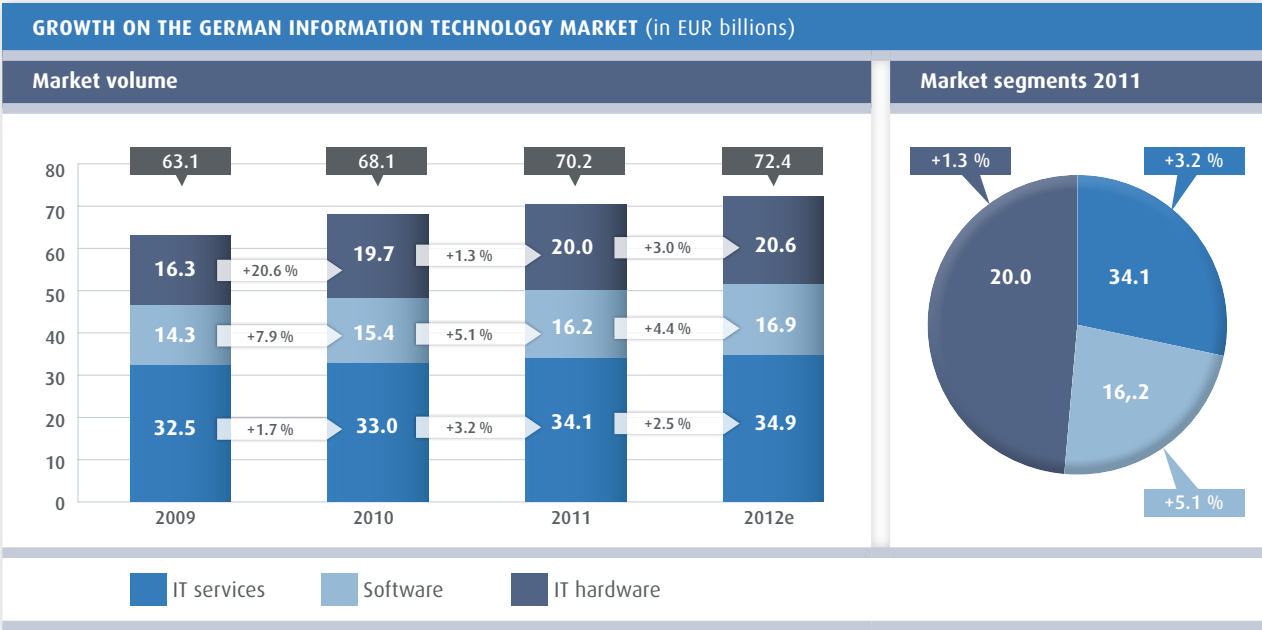
During the course of the past year, economic activity in Germany re-attained the level recorded before the economic and financial crisis of spring 2008. As a consequence, the process of recovery from the crisis was more dynamic than the German federal government had anticipated just a year ago. The upturn was very strong, also on an international comparison: gross domestic product (GDP) was up by 3.0% on a price-adjusted basis in 2011, having already grown 3.7% in the previous year. During the course of the year, however, the in-

debtedness of a number of industrial nations – often coupled with doubts concerning their competitiveness – fed through to marked uncertainty on capital markets. In the second half of 2011, these uncertainties significantly dampened economic expectations for the German economy.

In addition, the German federal government's 2012 annual economic report assumes a marked weakening of economic growth in Germany and Europe in 2012. GDP growth of only 0.7% is now forecast for Germany, compared with 3.0% in 2011.

Stable growth on the German IT market

Growth in the information technology, telecommunications and consumer electronics sector reported a slowdown in 2011. Posting a 0.5% growth rate, the sector failed to achieve the previous year's 3.9%. The topics of cloud computing, social media and mobile computing (mobility) were the prime drivers of this negligible growth, according to the sector association, the German Federal Association For Information Technology, Telecommunications and New Media (BITKOM). As a look at individual market segments reveals, the above-average growth in the information technology area is striking at 3.1%, while the telecommunications area stagnated (-0.7%), and the consumer electronics sector reported a sharp decline (-6.3%).



Source: BITKOM, EITO; February 2012

This development reflects the aforementioned sector megatrends, almost all of which relate to the information technology area entailing software, IT services and IT hardware. During a period that remains economically difficult, corporate IT users exploit technologies to make their companies more streamlined and efficient, for example. Cloud computing allows users to utilise the Internet to access storage capacity, computing capacities and individual applications.

IT outsourcing, in other words, the outsourcing of IT systems and business processes to external service providers, also remained a leading topic. Virtualisation represented a further effective instrument to combine cost reduction and performance enhancement. Virtualisation improves the utilisation of computers and data centres.

Business Intelligence applications, which enable better analysis of a company's commercial position, also encountered strong demand.

2. BUSINESS DEVELOPMENT

Allgeier focuses on megatrends and reports 23% revenue growth

The 2011 financial year elapsed represented a further good year for Allgeier. Revenue was up by around EUR 70 million to reach EUR 379 million. This reflects 23% growth, and shows that Allgeier gained further market shares last year. Allgeier significantly expanded its market position last year, securing its ranking among leading medium-sized IT companies.

The earnings trend was very satisfactory, with EBITDA up by 23%, and EBITA growing by 22%. All earnings measures below the EBITA line in 2011 were affected by amortisation applied to intangible assets arising from acquisitions, and higher interest and tax expenses. Amortisation applied to intangible assets arising from acquisitions (pursuant to IFRS) increased by EUR 2.3 million to EUR 7.2 million as a result of a higher level of additions to intangible assets, such as order book positions, customer relationships and products, due to acquisitions. As a consequence, EBIT grew by 8%, from EUR 11.0 million in the previous year to EUR 12.0 million in 2011. Also due to acquisitions, the Group was required to report a EUR 0.9 million increase in its finance expense to EUR 2.5 million in the year under review.

After deducting interest, EBT stood at EUR 9.5 million in 2011, 7% below the previous year's level. The EUR 2.7 million increase in the tax expense to EUR 4.2 million in 2011 reflects subsidiaries' loss carry-forwards not being tax-deductible in 2011, and the low prior-year tax rate due to the utilisation of loss carry-forwards to which valuation adjustments had already been applied. As the lowest earnings measure in the income statement, earnings after tax were down by EUR 8.7 million to EUR 5.3 million in the 2011 financial year.

It is also evident that the Allgeier Group is very well positioned in the information technology area within its segments of IT Solutions, IT Services & Recruiting, and Project Solutions. The products and services offered in the individual segments reflect market requirements. The acquisition policy that Allgeier pursues has resulted in significant revenue and EBITDA growth, and the gaining of market shares. The company continues to pursue this strategy, which comprises five points:

1. Continuation of the growth path through promoting internal growth, and through stringently selected and value-creating acquisitions in the services area
2. Further intensification of collaboration between Group companies, and the leveraging of synergies
3. Continuation of the full-service strategy – entailing the tapping of high-margin activity areas, and the acquisition of further major projects that secure capacity utilisation
4. Expansion of the company's presence in Germany/ Austria/Switzerland, India and the USA, and the gradual future expansion of our international business with a focus on future growth markets such as Eastern Europe and Turkey
5. Investing in our staff's qualifications

When implementing its acquisition strategy, Allgeier continues to benefit from the high degree of fragmentation in the IT services market, and the ongoing consolidation trend. Numerous companies offer a good strategic fit with the Allgeier Group, and can benefit from its size, expertise and access to customers. To this extent, the market allows the Allgeier Group to continue its acquisition strategy in the future. With three significant acquisitions, we expanded our delivery capacities and service offerings in 2011: 1eEurope AG, which is based in Switzerland, is a leading IT service provider of collaboration software (such as SharePoint) for medium-sized and large companies. Gemed GmbH, Ulm, Germany, develops, produces and implements modular "Picture Archiving and Communication Systems" (PACS), which are deployed in clinics, and by radiologists in the orthopaedic area.

With the Nagarro Group, USA/India, we acquired a high-end software service provider that develops tailored software solutions primarily for internationally operating companies. All three companies have reported profits and continuous growth for several years.

Allgeier secures customer relationships

The Allgeier Group further expanded and secured its relationships with major, renowned customers last year. A key objective of the Allgeier Group's growth strategy is to increasingly utilise the size that it has attained, and its broad range of services, to bid on major public-sector and private-sector tenders.

The Allgeier Group's customers include companies from almost all sectors, with various project requirements and order volumes. The Group companies operate for both global groups and a large number of medium-sized companies.

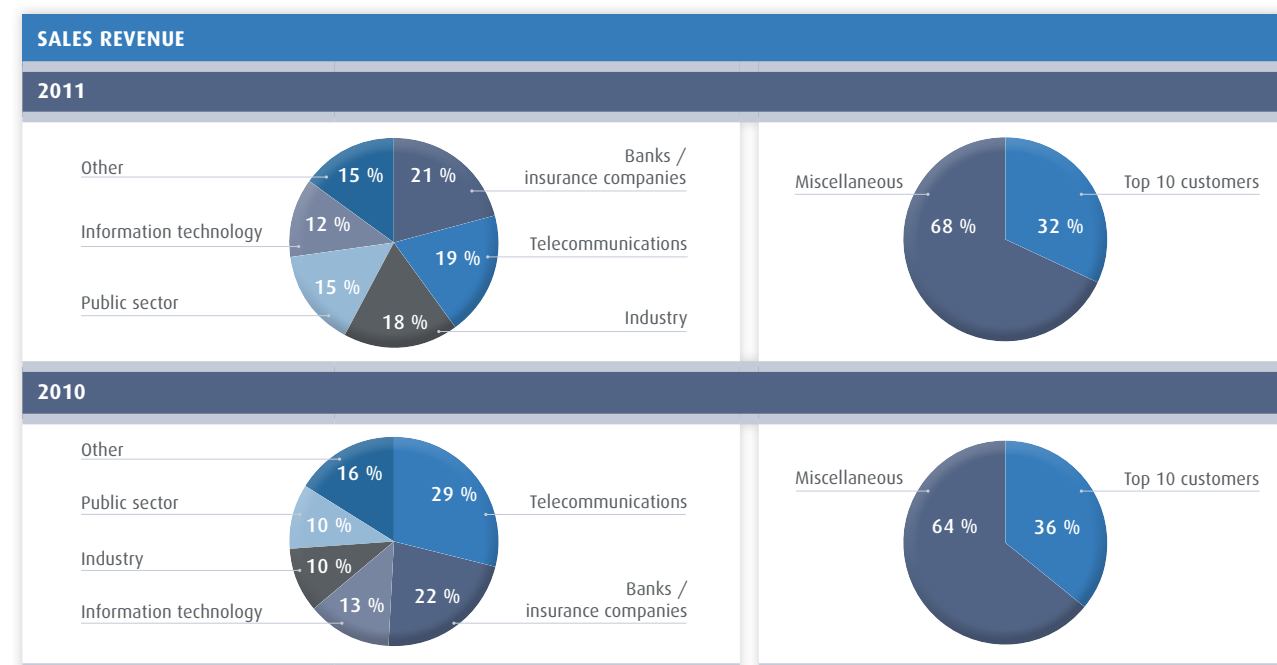
The Group's customers include around two thirds of the 30 largest German companies measured in terms of sales, and almost one in two of the top German 100 companies. Several Allgeier Group companies are generally involved in different projects for these companies in this context. Allgeier Group customers include companies from almost all sectors.

Allgeier has been very well established for several years in the industrial sector, including the automotive industry. Allgeier Group customers include major automotive manufacturers and the most important supply industry companies. Allgeier Group companies are mainly represented in this area with software development, application management, IT consulting, service agreements and third-party management.

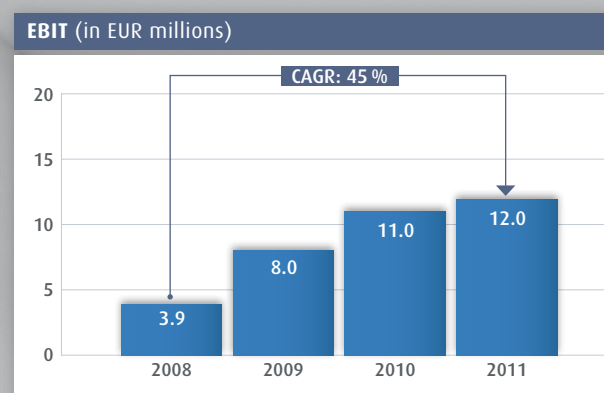
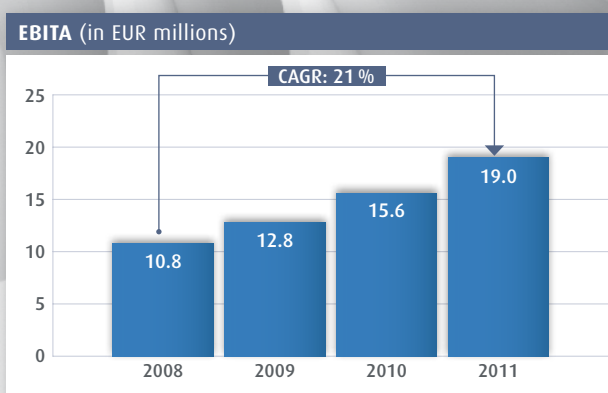
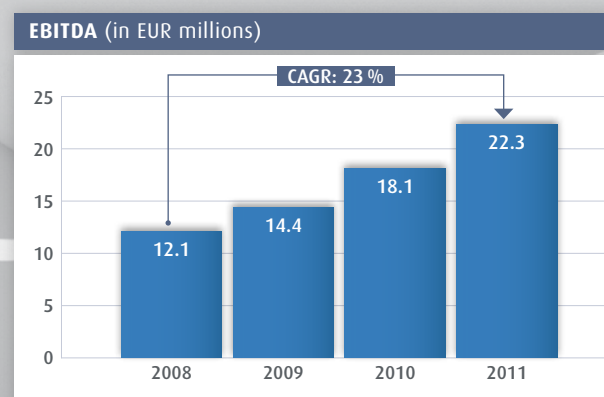
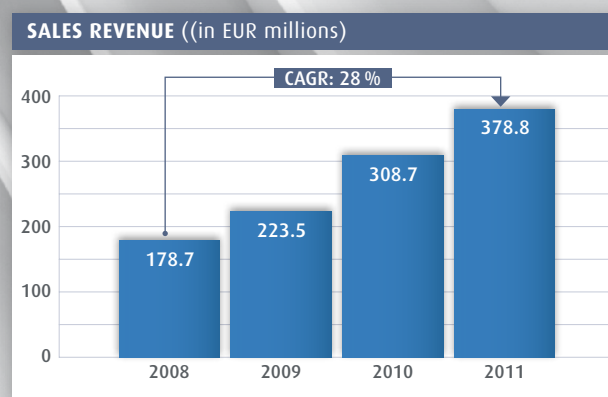
In the banking and insurance sector, which represents a further important sales segment for Allgeier, the Allgeier Group is represented with its services in the areas of IT consulting, expert leasing, infrastructure projects and service agreements, among other areas.

The Allgeier Group is involved at all levels of the public sector across almost the whole of Germany. Its products and services are required by the German federal government, the German federal states, and at various levels of local government. The range of services in this context spans software development and its installation, expert leasing, and through to complex IT consulting.

The decline reported in the telecommunications sector reflects two factors: firstly, the fact that customers are in a restructuring phase, and, secondly, the shift in sales occurring due to newly added companies.



»Consolidated IFRS revenue was up by EUR 70 million to reach EUR 379 million (previous year: EUR 309 million) due to the good economic environment, the acquisitions that the company realised, and organic growth. This performance represents 23% growth.«



The CAGR (Compound Annual Growth Rate) represents the average annual growth.

3. NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

In the entire management report and graphs, new acquisitions are consolidated from their acquisition date pursuant to IFRS.

Results of operations

Allgeier achieves significant sales revenue growth.

Consolidated IFRS revenue was up by EUR 70 million to reach EUR 379 million (previous year: EUR 309 million) due to the good economic environment, the acquisitions that the company realised, and organic growth. This represents 23% growth.

EBITDA as reported in the consolidated financial statements also underwent a significant year-on-year improvement of 23% to reach EUR 22.3 million (previous year: EUR 18.1 million). EBITDA incurred a EUR 1.3 million charge due to currency effects arising from payment transactions and balance sheet date currency translation (previous year: EUR -0.3 million).

The Allgeier Group achieved a 22% increase to EUR 19.0 million (previous year: EUR 15.6 million) in terms of IFRS-based EBITA (earnings before interest, taxes and amortisation applied to intangible assets arising from acquisitions, as well as from the earnings-effective reclassification of earnouts). EBITA comprises a key management metric at the Allgeier Group.

At EUR 12.0 million, earnings before interest and tax (EBIT) rose faster than EBITA, and were up by 8,0% (previous year: EUR 11.0 million). This earnings measure was significantly impacted by acquisition activity in 2010 and 2011, since amortisation charges applied to intangible assets arising from acquisitions pursuant to IFRS (in other words, the amortisation of order book positions, customer relationships and products) increased by around EUR 2.3 million to approximately EUR 7.2 million (previous year: EUR 4.8 million).

The EBT of EUR 9.5 million that was achieved (previous year: EUR 10.2 million) was burdened by a net financial result of EUR -2.5 million (previous year: EUR -0.9 million). In particular, loans taken out to finance growth fed through to a significantly higher interest burden in this context.

At EUR 5.3 million, earnings after tax were below the previous year's figure of EUR 8.7 million. This reduction is also attributable to a negative tax effect. Compared with a EUR 1.5 million tax expense in 2010, Allgeier incurred EUR 4.2 million of taxes on its income in 2011. The high tax rate is largely due to the inability to utilise loss carry-forwards in 2011 as a result of structural effects. The company intends to utilise these loss carry-forwards in coming years, however.

Earnings per share fell from EUR 0.99 in 2010 to EUR 0.52 in the year under review. Earnings per share adjusted for the special effects outlined below stood at EUR 1.27.

Earnings per share, which is based on EBITA adjusted to reflect effects arising from purchase price allocations, grew by 7% from EUR 1.18 in 2010 to EUR 1.27 in 2011. Adjusted earnings per share does not include amortisation applied to intangible assets arising from acquisitions, and the earnings-effective adjustment of contingent purchase prices for acquisitions, and imputes a 30% tax rate that is equivalent to the 30% Group tax rate.

(In EUR millions)	2010	2011
EBITA	15.6	19.0
Net financial result	-0.9	-2.5
EBITA after financial result	14.7	16.5
Group tax rate	30 %	30 %
Tax	-4.4	-5.0
EBITA after net financial result and tax at Group tax rate	10.3	11.6
Non-controlling shareholders	-0.4	-0.9
Earnings to calculate adjusted earnings per share	9.9	10.6
Number of shares outstanding	8,424,302	8,377,002
Adjusted earnings per share in EUR	1.18	1.27

Net assets

The Allgeier Group's asset position reflects the addition of new Group companies.

The Group acquired leEurope, the Nagarro Group and GEMED in the 2011 financial year, and consolidated the three companies' assets and liabilities in the consolidated financial statements.

The Group also acquired the operating assets of IPS, Crealogix, BSH, bitaro and INTRAPREND. The Group finances acquisitions largely from its own cash position, and from acquisition loans from banks. Both the addition of the new Group companies, the cash outflow, and the recognition of contingent purchase price components that are not due until subsequent years, exerted a significant impact on the balance sheet and financing of the Allgeier Group. Total assets grew by EUR 38.0 million, from EUR 204.1 million as of December 31, 2010 to EUR 242.1 million as of December 31, 2011.

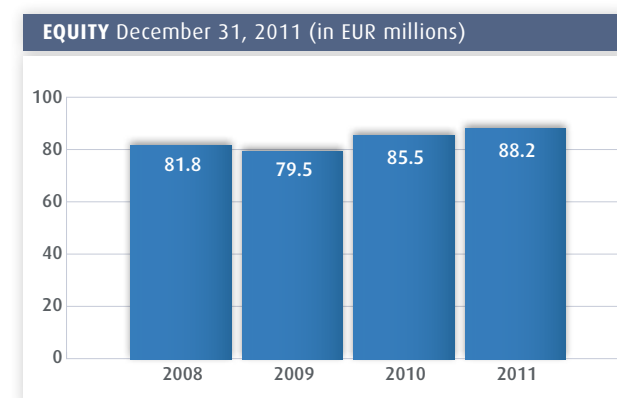
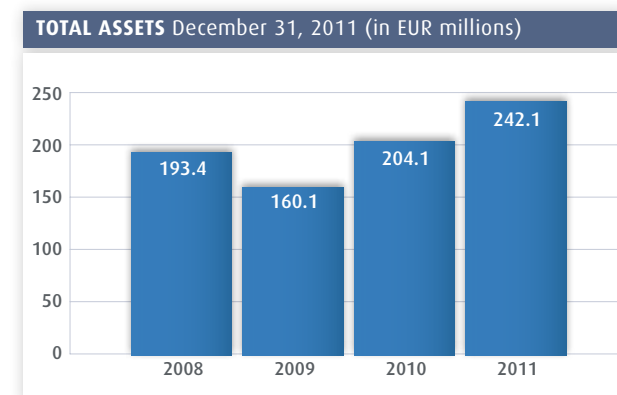
On the assets side of the balance sheet, non-current assets increased by EUR 49.3 million, from EUR 63.7 million in the

»Non-current assets increased by EUR 49.3 million, from EUR 63.7 million in the previous year to EUR 113.0 million in the year under review.«

previous year to EUR 113.0 million in the year under review. Intangible assets, in particular, rose by EUR 45.4 million to EUR 102.8 million due to the acquisitions that were realised. This amount includes goodwill from the first-time consolidation of Group companies, which increased by EUR 34.4 million from EUR 44.8 million in the previous year to EUR 79.2 million. Current assets fell by EUR 11.2 million, from EUR 140.4 million in the previous year to EUR 129.2 million. On the one hand, due to acquisitions trade receivables and other current assets were occasionally up by EUR 18.2 million, from EUR 79.1 million to EUR 97.3 million, while, on the other hand, the company incurred a EUR 29.4 million net cash outflow. Outgoing payments for corporate acquisitions are primarily responsible for the reduction in cash and cash equivalents. Cash and cash equivalents fell from EUR 61.3 million to EUR 31.9 million as a consequence.

On the equity and liabilities side of the balance sheet, consolidated equity fell by EUR 2.7 million, from EUR 85.5 million EUR to 88.2 million. The equity ratio fell from 41.9% of the end of 2010 to 36.4% as of December 31, 2011, due to the growth in total assets in the 2011 financial year.

Non-current assets increased slightly, by EUR 3.9 million, from EUR 31.6 million at the end of 2010 to EUR 35.5 million at the end of 2011. A profit participation liability of EUR 6.0 million was reclassified from non-current liabilities to current liabilities. Non-current financial liabilities of EUR 15.0 million were also redeemed by another loan, which is reported among current liabilities. This was offset by a EUR 19.0 million increase in liabilities arising from corporate acquisitions, which increased from EUR 3.2 million by EUR 19.0 million to EUR 22.2 million.



Current liabilities were up by EUR 31.4 million, from EUR 87.0 million to EUR 118.4 million. The increase is mainly attributable to the addition of financial liabilities, which increased by EUR 15.8 million from EUR 16.9 million to EUR 32.7 million due to the redemption of the non-current loan by current debt financing, and the addition of EUR 16.5 million of other current liabilities in connection with acquisitions and an increase in trade payables, raising them from EUR 63.1 million to EUR 79.6 million, which was in turn offset by the decline in profit participation rights from EUR 7.0 million EUR 6.0 million. The redemption of non-current financing reflected the placing of a EUR 70 million long-term borrower's note loan in March 2012, which also allowed EUR 19 million of current financial liabilities to be redeemed early.

Financial position

The Allgeier Group has enjoyed a solid financial base for many years. With EUR 31.9 million of liquidity available at the end of 2011, the management is able to continue to pursue its existing growth strategy, and react rapidly to acquisition opportunities on the market. The Group can also anticipate high cash inflows from its successful operating business trend. The Group generated EUR 28.4 million of cash inflow from operating activities before working capital changes in the 2011 financial year (previous year: EUR 21.6 million). The first-degree liquidity ratio (cash and cash equivalents divided by current liabilities) amounted to 27% on December 31, 2011 (previous year: 70%). The second-degree liquidity ratio (cash and cash equivalents plus trade receivables divided by current liabilities) stood at 96% (previous year: 147%). The degree of cover of current liabilities is affected by the borrower's note loan with its both medium- and long-term maturity.

»Cash flow from operating activities before working capital changes rose from EUR 21.6 million in the previous year to EUR 28.4 million in 2011.«

The Group incurred a total EUR 29.3 million cash outflow from its short-term net liquidity (cash and cash equivalents) in 2011 (previous year: EUR 11.6 million inflow). This cash outflow represents the balance of cash inflows of EUR 19.6 million from operating activities (previous year: EUR 7.2 million), EUR 33.7 million of cash outflows from investing activities (previous year: EUR 11.9 million), and EUR 15.2 million of cash outflows from financing activities (previous year: EUR 16.4 million inflow).

Cash flow from operating activities before working capital changes rose from EUR 21.6 million in the previous year to EUR 28.4 million in 2011. With an EUR 8.8 million increase in 2011, working capital changes were significantly lower than in the previous year (EUR 14.5 million). Including the higher level of capital tied up in working capital, the Group generated EUR 19.6 million of cash flow from operating activities (previous year: EUR 7.2 million).

The Group invested EUR 29.4 million in the acquisition of subsidiaries and business units in 2011 (previous year: EUR 9.6 million), and EUR 4.2 million for operating investments (previous year: EUR 2.5 million). The cash outflow on investing activities totalled EUR -33.7 million (previous year: EUR -11.9 million).

The Group drew down EUR 23.0 million of bank loans in 2011 (previous year: EUR 18.6 million), and redeemed EUR 30.6 million of loans, including a profit participation certificate (previous year: EUR 1.2 million). The Group accrued EUR 0.9 million of liabilities (previous year: EUR 4.9 million) as part of a programme to transfer customer receivables (ABS programme). The Allgeier Group also acquired EUR 1.1 million of treasury shares in 2011 (previous year: EUR 1.0 million), and approved a EUR 4.2 million payout to Allgeier Holding AG shareholders (previous year: EUR 4.2 million). The company also made EUR 0.2 million of payments to non-controlling shareholders (previous year: EUR 0.1 million), and repurchased EUR 0.7 million of shares from non-controlling shareholders. The Group consumed EUR 15.2 million of funds as part of financing activities in 2011 (previous year: EUR 16.4 million inflow).

In its financial management, the Allgeier Group pursues the objective of providing the liquid funds required for its growth, and in order to pay its liabilities on time.

Segments

Shares of revenue and earnings arising from transactions between the segments are included in the following presentations and remarks.

Allgeier Holding AG reorganised its segments at the start of 2011. The new structure creates the necessary transparency in the range of products and services for Allgeier Group customers and investors. The structural changes represent a bundling of the Allgeier Group companies' service categories, thereby also enabling available synergies to be leveraged more efficiently. The previous year's figures were also recalculated within the new segmental structure in order to ensure comparability. The company divides its business into the segments of IT Solutions, IT Services & Recruiting, and Project Solutions.

The Group companies of the IT Solutions segment focus on sales and consultancy services connected with proprietary and

standard software covering the areas of Enterprise Resource Planning (ERP), Enterprise Content Management (ECM), security solutions (e-mail, electronic signature, identity management), and data centre services.

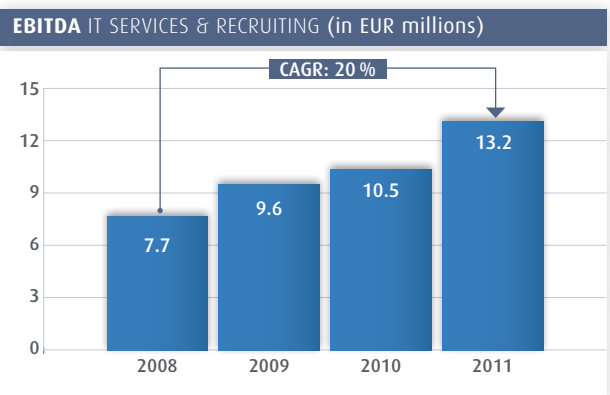
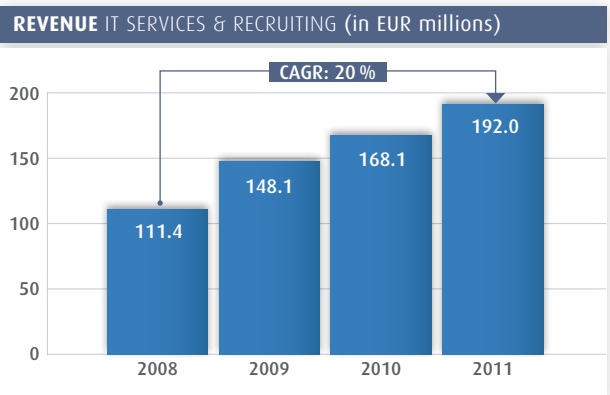
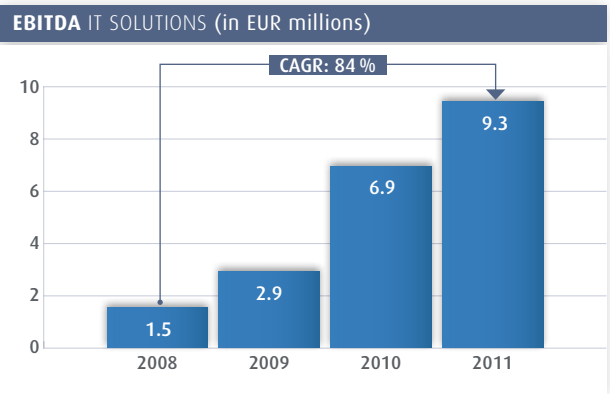
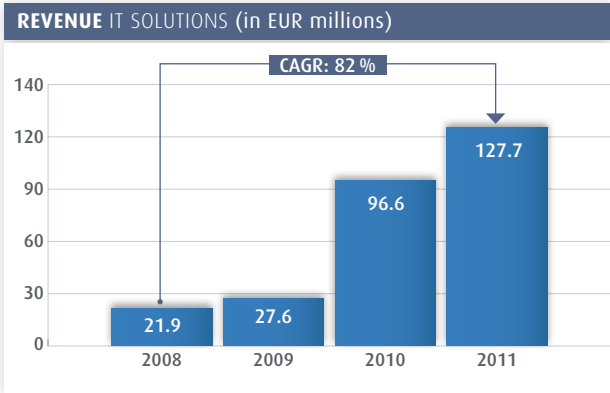
The IT Services & Recruiting segment covers the areas of the staffing and recruiting of IT experts, third-party management, IT and business process consulting, software development and outsourcing/managed services.

The Project Solutions segment comprises complex solution projects that focus on management and IT consulting, business process consulting, application management, portal technology, and SAP consulting.

The restructuring allows Allgeier to establish more homogeneous segments, and to optimise internal cooperation.

»The company divides its business into the segments of IT Solutions, IT Services & Recruiting, and Project Solutions.«

RANGE OF SERVICES AND PRODUCTS		
Sectors	Services	Products & solutions
Telecommunications	Management & IT consulting	ERP for medium-sized companies
Banks	Software development	eCommerce
Insurance companies	Infrastructure services	Security & compliance
Public sector	Application services	ECM
Industry	Maintenance & support	CRM
Information technology	SAP consulting	Storage solutions
Energy	Outsourcing / managed services	Business Intelligence
Automotive industry		Logistics solutions
Media		Identity Management
Wholesaling / retailing / logistics		Penalty issuing solutions
RECRUITING & THIRD PARTY MANAGEMENT		



IT Solutions segment

The IT Solutions segment reported 32% revenue growth to EUR 127.7 million in the period under review (previous year: EUR 96.6 million). Along with operating trends, this strong growth also reflected the acquisitions that were realised 2011, in particular, BSH since February, 1eEurope since May, and Gemed since August 2011. EBITDA in the IT Solutions segment was up by EUR 2.4 million to EUR 9.3 million (previous year: EUR 6.9 million), representing 36% growth.

EBITA increased by EUR 1.9 million, or 33.6%, to EUR 7.5 million (previous year: EUR 5.6 million).

EBIT in the IT Solutions segment rose 10.4% year-on-year, increasing from EUR 2.7 million to EUR 3.0 million.

IT Services & Recruiting segment

The Allgeier Group's largest segment in terms of sales revenue and employees, the IT Services & Recruiting segment, raised its revenue by EUR 23.9 million to EUR 192.0 million, representing 14% growth. Higher demand for IT experts and the good utilisation of IT consultants catered for the pleasing trend in this area.

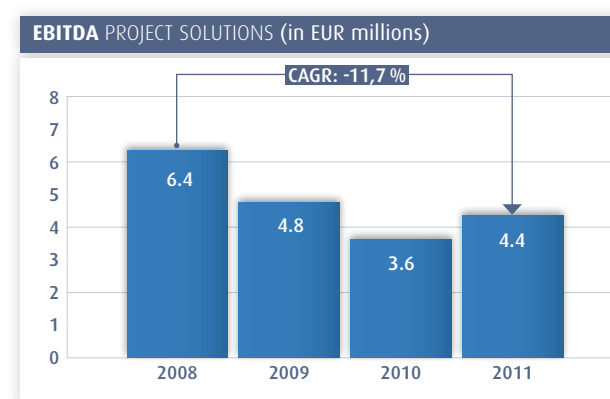
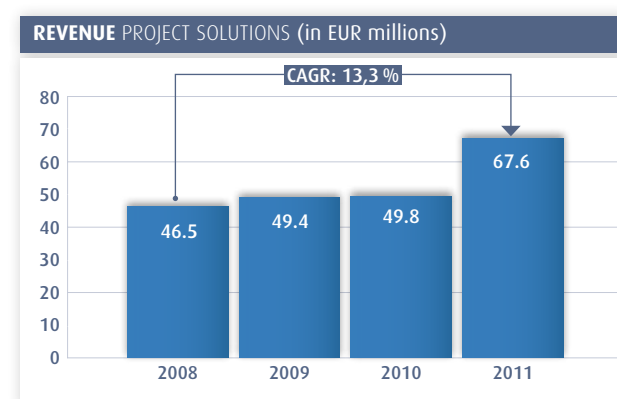
EBITDA was up by 27% to EUR 13.2 million (previous year: EUR 10.5 million). EBITA even rose slightly faster, by 28%, from EUR 10.2 million in the previous year to EUR 12.9 million in the period under review.

EBIT, which was up 32% year-on-year from EUR 9.2 million to EUR 12.2 million, underscores this segment's good market position.

Project Solutions segment

The Project Solutions segment achieved 36% revenue growth to EUR 67.6 million due to both organic growth and the first-time consolidation of the Nagarro Group (previous year: EUR 49.8 million). This revenue growth provides a further reflection of the performance of the products and services offered within this segment. The Nagarro Group made a significant contribution to this earnings growth. The segment also achieved marked EBITDA growth of 20%, reaching EUR 4.4 million (previous year: EUR 3.6 million). EBITA was up by 16% last year to EUR 3.2 million.

EBIT, by contrast, was burdened by amortisation applied to intangible assets due to the acquisition of the Allgeier Group, and fell by 26% year-on-year from EUR 2.0 million to EUR 1.5 million in the period under review.



4. OPPORTUNITIES AND RISKS RELATING TO FUTURE BUSINESS DEVELOPMENT

The Group companies' organic growth depends significantly on the economic environment, and, in particular, on IT services and software market trends in Germany. Following further GDP growth of 3.0% in 2011, the upturn is set to slow during the current 2012 business year, amounting to just 0.7%, according to the Ifo Institute for Economic Research. The German federal government's full-year forecast rests on the central assumption that greater progress is made towards finding a solution to the European debt crisis over the course of the year, and that market uncertainty gradually diminishes. Undoubtedly, an intensification of this crisis represents the main risk pertaining to economic trends in 2012. It is also certain that a rapid solution to the debt crisis would represent an opportunity for more favourable developments. Economic activity could make a faster return to higher growth levels if market participants' uncertainty were to diminish more quickly than assumed.

IT sector sales in Germany are expected to grow by 1.6% to EUR 151 billion in 2012, according to the BITKOM sector association. The IT services and software markets, which are of particular relevance for Allgeier, are set to grow by 3.1% to EUR 72.4 billion in 2012.

Allgeier is convinced of the structural growth opportunities offered by the IT services and software area.

The IT services business offers significant opportunities, as well as risks, entailed in working together with some large customers. Allgeier enjoys preferred supplier status with numerous customers, which reduces the risk of the loss of supplier status in the case of supplier consolidation. Allgeier deploys a balanced risk management approach to countering the risks emanating from potential structural problems with large customers. It is currently difficult to gauge the situation relating to one major customer that is currently undergoing restructuring. Further risks are discussed in the "Risk management" section.

The fragmentation and ongoing consolidation in the German IT services market presents opportunities for Allgeier. The company's size continues to gain significance as an argument in discussions with customers, and also as part of new acquisitions. Customers regard many IT service companies as too small to act as reliable business partners and to enjoy preferred supplier status. As a result of its strong growth over recent years, Allgeier has attained the dimension required to profile itself also as a sound partner for major international groups. Allgeier has the potential to bolster its organic growth through further acquisitions over the next few years, and to thereby create a corporate unit that is larger, more valuable, and positioned more strongly on the markets.

»Allgeier is convinced of the structural growth opportunities offered by the IT services and software area.«

5. RESEARCH AND DEVELOPMENT

The Group continues to further develop its existing products, which is reflected in development costs totalling EUR 936 thousand (previous year: EUR 997 thousand). Development costs were not capitalised in the year under review, since they failed to meet the necessary preconditions. Research and development is pursued primarily in the IT Solutions and Project Solutions segments. The IT Services & Recruiting segment, by contrast, tends to be characterised to a greater extent by the rendering of complex and demanding services such as development services. This nevertheless generally occurs as part of customer orders, so that the value creation that is delivered is not incurred in the Allgeier Group's own research and development area.

»The Allgeier Group's strategy depends on its employees' commitment.«

6. HUMAN RESOURCES

Allgeier focuses on committed and loyal employees

All companies depend critically on their employees' specialist and technical knowledge, and their loyal commitment. Staff are in constant contact with customers, and provide the agreed advice and services. As a consequence, highly qualified and motivated employees comprise an important success factor for the Group's growth.

The Allgeier Group's strategy depends on its employees' commitment. As a consequence, the continued promotion and further development of our employees' motivation and capacities comprises a central objective of our human resources policy. Allgeier achieved good progress in the year under review through harmonising measures to recruit and loyalise staff within the Group companies.

It goes without saying that the continuous training and specialist development of staff within the very dynamic IT sector ranks as one of the success factors in competing for the best employees. Staying on the ball in terms of technical and specialist expertise is a prerequisite to meeting customers' rising requirements, and to being able to contribute to the structuring of important innovation steps within the sector.

In turn, the individual Group companies' employees benefit from the Group's growth, and its increasing size and stability. Existing jobs within the Group become more secure as a consequence, while new jobs are created. New and challenging orders from high-performing customers create interesting opportunities for technical and personal development.

Marked rise in the number of employees

The Allgeier Group employed a total of 4,077 salaried employees and freelance experts at the end of the year under review (previous year: 2,777). This figure comprises 2,546 salaried employees, and 1,531 freelance experts (previous year: 1,339 salaried employees and 1,438 freelance experts). Consequently, Allgeier has boosted its number of employees and freelance experts by a total of 1,300 individuals. Along with organic growth, this enormous growth is also particularly attributable to the acquisitions realised in 2011, which alone added 1,122 new employees to the Allgeier Group.

We aim to position Allgeier as one of the leading employees in our sector, in order to continue our capability to always recruit the best employees in our intensively competitive market, and to loyalise these professionals over the long term.

»The Allgeier Group employed a total of 4,077 salaried employees and freelance experts at the end of the year under review.«

7. RISK MANAGEMENT

The Allgeier Group is exposed to various risks in the course of its multifaceted business activities. We define risks in the broadest sense as the risk that we will be unable to achieve our financial, operating and strategic objectives as planned.

In order to secure our long-term corporate success, it is indispensable that we identify risks, and that we eliminate or minimise them through appropriate steering measures. To this end, we utilise differentiated risk management and controlling systems at the level of Group companies or of the Group management that help us to identify at an early juncture risks and developments that jeopardise the company as a going concern. The risk management and controlling systems undergo further development annually, and are adjusted to changes in requirements necessitated by the Group and its environment. The Allgeier Holding AG Supervisory Board conducts an annual review of the risk management system's efficacy.

All of the Group companies' management boards and management teams are independently responsible for risk management. The controlling systems and management organisations deployed within the individual companies ensure a high degree of transparency that delivers very rapid information about changes within these companies.

Group management monitors and controls the work of these individual management boards and managing directors through corresponding controlling bodies such as supervisory boards and shareholder meetings. The rules of business procedures for Group company managers stipulate the information to be reported, and decisions that require approval. Individual Group company managers also engage in intensive and regular communication with each other, and with the Group management. Group-wide and regularly convened meetings such as the Executive Committee, the Management Committee, the Sales Board, and a semi-annual finance meeting serve the regular exchange of information and Group transparency.

A Group controlling and risk management function is in place at the level of Allgeier Holding AG, whose function and efficiency is reviewed regularly, and adjusted to changes in circumstances. This function is based systematically on integrated planning, controlling and reporting instruments that ensure that the individual companies and the Group are analysed from a business management perspective. At the holding company level, this system integrates all monthly Group figures, among other data.

Group liquidity is also reported and controlled on a weekly basis. In addition, some performance data and their changes, including sales, order book position, new order intake and employee numbers are analysed at project level, systematically searched at individual company level, and reported and assessed within a business intelligence system.

Annual business planning as part of a budget for the subsequent business year approved by the Allgeier Holding AG Supervisory Board – consisting of income statement, budgeted balance sheet and a financing plan – is performed on the basis of bottom-up planning by the individual companies, which is presented and discussed in the context of planning discussions with the Group management. The budget is supplemented by two-year annual planning for the subsequent years. The monthly target/actual analysis and the comparison with the respective prior-year period allow both the individual companies and the Group to be managed adequately. The results of the analyses and any divergences are discussed personally with the respective management, and corresponding measures are agreed upon if required. An escalation procedure has been defined for significant divergences from the planning, which entails various measures such as immediate, in-depth review, through to the launch of reorganisation and restructuring steps. The overall planning is reviewed at the end of the first quarter of the following business year, and any requirements for adjustments are defined.

We also request the management boards and managing directors of the Group companies to provide us with specific risk reports at regular intervals based on a standardised risk catalogue reflecting different risk areas. We observe event probabilities and risk damage levels as part of risk measurement. In doing so, we deploy methods that are structured uniformly across the Group, thereby ensuring that risk can be measured on a comparable basis across the three operating segments.

The compliance topics are closely connected with the subject of risk management. Corporate controlling bodies, compliance departments and the general public are paying ever greater attention to the specifics of these topics. Given this, high requirements are being made of respective corporate organisations, which also forms a focus for the Management and Supervisory boards of the Allgeier Group. To this is added the Allgeier Group's increasing internationalisation, which necessitates a review and extension of corporate structures.

When reviewing and conducting acquisitions or other transactions, the Management Board of Allgeier Holding AG acts with the high degree of care required for decisions of particular significance for the Allgeier Group. In doing so, the Management Board makes regular recourse to the expertise and experience of internal consultants, such as Supervisory Board members, or selected Group individuals, as well as to external consultants such as banks, management consultants, auditors, tax consultants, and lawyers. Due diligence reviews are performed before transactions are realised. Corresponding contractual provisions are made to cover against special risks.

We manage risks through taking out insurance cover if we regard it as necessary and reasonable given the economic benefit entailed.

The Management Board of Allgeier Holding AG regularly assesses the available information with the support of controlling staff, and launches countermeasures at an early juncture where required. The Management Board also reports regularly to the Supervisory Board of Allgeier Holding AG on current Group trends, and on individual events and decisions, and includes it in decisions of particular significance for the Group.

The following section covers key risks that could have a considerable and disadvantageous effects on the Group's net assets, financial position and results of operation, and consequently also on the company's share price. This list of risks is not conclusive. Along with those mentioned, there may be further risks to which our Group is exposed, and which may have a detrimental effect on our Group companies' business.

Market and strategic risks

Economic environment and market trends: the business of the Allgeier Group, which essentially acts as a provider of services for industrial and commercial companies, is affected by general economic trends to which the Allgeier Group's customers are exposed, and which have varying effects on such customers. Restrained, volatile or even a continuation of recessionary market trends can prompt individual customers to discontinue the awarding of orders, or to reduce their budgets for IT services. This can feed through to falling sales revenues for the Allgeier Group. On the other hand, we expect a strong trend

among our customers towards the outsourcing of IT services to professional and flexibly operating partners. In this context, the striving for cost reduction, particularly at major companies, will also result in some IT services being outsourced to companies in emerging economies, such as India, which enjoy lower cost bases.

Acquisitions: along with the organic further development of Group companies, the Allgeier Group's strategy also includes strengthening the Group through new acquisitions. All transactions are connected with considerable investments and costs, and bear the risk that acquired companies fail to develop as planned. The risk exists that, due to unforeseen developments, impairment charges may need to be applied to assets, including goodwill, that are recognised on acquisition, which can place a considerable burden on earnings. Financing risks also exist where transactions are partially debt-financed.

Operating risks

Managers and key individuals: a further key significant success factor for the Allgeier Group companies are its committed and entrepreneurial management members, as well as further managers and experts at the Group companies. It is essential that the Allgeier Group loyalises such individuals as partners to the company on a long-term basis, and that it addresses succession topics at an early stage.

Customers: cultivating relationships with our customers through continuously good and competent customer management, and the acquisition of new customer orders, comprise a further success factor. Along with our individual companies' expertise and many years of reliability, as a Group we are able to offer our customers the greatest possible specialist and regional coverage through the close cooperation of several Group companies. At the same time, the risk exists that we can lose important customers due to customers' financial and commercial difficulties, or due to competing offers, for instance, or that projects can only be continued on a reduced basis. Along with a large number of medium-sized corporate customers, Allgeier also works for major customers on large projects (Allgeier enjoys annual sales revenue of more than EUR 1 million in the case of more than 50 customers). It has already been evident in previous years that the loss of parts of such large-scale projects

»Securing the solvency of Allgeier companies comprises an important corporate objective.«

can have considerable effects on the respective Group company. It has also proved to be the case that the Group can handle such a scenario, and that it can relatively rapidly offset the loss through the business. IT trends and technological advance also represent opportunities as well as risks, particularly since the early identification and examination of such trends' applicability are of immense significance. The Allgeier Group has established a trend scoring process in this area, which involves the Group companies investigating so-called megatrends several times during the course of the year, and comparing such megatrends with its own products, solutions and innovations. The Management Board appraises and approves the development projects that are derived from this process. Partnerships with software and hardware manufacturers form the basis for certain parts of our business operations, which can also entail opportunities and risks for these sub-areas.

Financial risks

Liquidity and credit risks: although the Allgeier Group continues to enjoy a high degree of liquidity amounting to EUR 31.9 million (previous year: €61.3 million), it carries significant credit agreement liabilities to finance or refinance acquisitions, as well as liabilities arising from profit participation rights (PREPS) and an ABS (asset-backed securities) programme. Such financing facilities generate interest-rate risks and contractual risks, which are presented in detail in the

notes to the consolidated financial statements. Due to its good liquidity and financial position, the Allgeier Group is able to cover its existing and future Group financing requirements, including through the utilisation of equity. At the same time, we are currently conducting discussions and negotiations to evaluate and review further facilities to finance Group growth and acquisitions. To this extent, our future growth development also depends on financial and capital market trends, and the ability to access new debt or equity capital. The Group's future cash flows and liquidity position can also be negatively impacted by a change in customers' payment behaviour, including defaults and longer-dated payment targets.

Hedging policy and financial instruments

As part of its business activities, the Allgeier Group is exposed to price, interest-rate and currency fluctuations. Currency risks, which the Allgeier Group has hardly encountered over recent years, have risen sharply as a result of its greater internationalisation. The company constantly monitors and measures such risks, and utilises hedging strategies to limit or avoid them in specific cases. Specific currency risks between the US dollar and the Indian rupee are hedged using forwards with a total volume of \$2.7 million, and between the euro and the Indian rupee using forwards with a total volume of EUR 1.2 million. As of December 31, 2011, this strategy resulted in a EUR 101 thousand loss that was recognised in the consolidated financial statements, but which has no impact on profit and loss.

Securing the solvency of Allgeier companies comprises an important corporate objective. The implementation of liquidity planning and steering, as well as cash management systems, allows potential bottlenecks to be made transparent in good time, and appropriate steps to be launched.

Liquid funds and working capital financing in the form of current-account lines are available in sufficient volume to finance the operating companies' working capital requirements. The repayment of acquisition loans is based on the future profitability of acquired and existing subsidiaries.

The theoretical, maximum default risk on primary financial instruments corresponds to the value of all receivables due from debtors, less any payables due to the same parties. Allgeier endeavours to minimise default risk as far as possible. In order to achieve this, Allgeier only operates with limited order volumes where customer creditworthiness proves insufficient. Allgeier operates on the basis that actual risk is covered by valuation adjustments to reflect receivables default. Receivables default risks are also covered by insurance at some subsidiaries.

Other risks

Legal position: as part of their operating business, the companies enter into some contractual liabilities and guarantees in agreements with customers. Some of this exposure is covered by insurance or claims against third parties. For all legal risks, and to the extent that specific risks arise from contractual liabilities, corresponding provisions are formed at the respective companies.

In a purchase agreement dated February 21, 2008, relating to the sale of the temporary help area to usg People Group, the seller, an Allgeier Group company, assumed to a limited extent liabilities relating to the past of the companies that were sold, some of which are still valid. Following a ruling of the German Federal Labour Court of December 14, 2010, relating to the inefficacy of collective bargaining wage agreements concluded by the CGZP unions, which are applicable to some of the companies that were sold, a public debate has arisen concerning potential retroactive effects on the efficacy of the agreements that were entered into. There is still insufficient legal clarity to assess whether and to what extent payment obligations might arise from the purchase agreement. Allgeier has already formed provisions for potential risks arising from the purchase agreement through a valuation adjustment to part of the purchase price that is deposited in a trust account.

Allgeier has also asserted counterclaims connected with the final determination of an amount to be deducted from the purchase price relating to minority shares.

Regulatory risks: Legislative changes, or changes to the interpretation of laws, can exert a detrimental impact on our Group companies' sales and profitability. Should legal preconditions change in Germany, such as in the area of taxes and social security contributions, employment law, or in law relating to service and work contracts, this could feed through to higher expenditure or to higher liability risks for our companies. Due to its business operations still concentrating largely on Germany, the Group is currently exposed to only minor regulatory risks stemming from foreign jurisdictions and cultures. Such risks will nevertheless increase as the result of our business operations' international expansion, and will necessitate greater adherence in future business activities. This also implies growing compliance requirements both in Germany and abroad. Our major customers also set their own requirements, which we satisfy, and which also impact the development of our internal organisation.

Key characteristics of the internal controlling system and risk management system with respect to the financial accounting process pursuant to Section 315 Paragraph 2 Number 5 of the German Commercial Code (HGB)

Through the following characteristics of its internal controlling system and risk management system, Allgeier Holding AG ensures that relevant matters are completely and correctly reported, prepared and assessed in the financial accounting process, and that the financial accounting complies with statutory requirements. It also ensures that the financial accounting function can at all times promptly and reliably provide the information required for the purposes of controlling and of satisfying internal and external reporting requirements, and that the available assets are not utilised for purposes other than those for which they are intended.

The significant characteristics of the internal controlling system and risk management system with respect to Allgeier's financial accounting process are:

- The significant characteristics of the internal controlling system and risk management system with respect to Allgeier's financial accounting process are:
- Significant processes of relevance to financial accounting are subjected to regular analytical inspections.
- A clear organisation, controlling and supervisory structure is in place.
- Responsibilities and tasks within the financial accounting process area are clearly allocated.
- IT systems utilised within the financial accounting function are protected against unauthorised access.
- Standard software products are predominantly deployed in the IT systems of relevance to the financial accounting area.
- All individuals involved in the financial accounting process meet high qualitative requirements.
- The completeness and correctness of financial accounting data are checked regularly using random samples and plausibility checks based on manual controls.
- The "two sets of eyes" principle is applied to all processes of particular relevance to financial accounting.
- Reporting of relevant risks.
- The Supervisory Board concerns itself with key questions relating to financial accounting and risk management, among other matters.
- Risk factors and going-concern risks are systematically analysed and managed using the Group planning, reporting, controlling and early warning system.
- Sufficient documentation.

8. CORPORATE GOVERNANCE REPORT

Allgeier reports below on the key aspects of corporate management and corporate governance at the Allgeier Group, including the statement of compliance with the German Corporate Governance Code, the compensation report, and further disclosures pursuant to the regulations of the German Commercial Code (HGB).

Disclosures concerning corporate governance and the Management and Supervisory boards' working methodology pursuant to Section 289a Paragraph 2 of the German Commercial Code (HGB)

Corporate governance at Allgeier Holding AG is based on the regulations of the German Stock Corporation Act, the regulations contained in the company's articles of association and rules of business procedure for the Management and Supervisory boards, and the provisions of the German Corporate Governance Code. The Management Board is responsible for the management and steering of the company as a consequence. The Supervisory Board acts as a supervisory and consultative body. The Management and Supervisory boards work closely together in the company's interests. Joint work undertaken by the Management and Supervisory boards is oriented to the interests of the company and its shareholders to successfully further develop both the Allgeier Group's existing business, and also to sustainably enhance the Group's value through further acquisitions.

The Group companies' management boards and management teams, as well as their supervisory boards, form a further management level within the Allgeier Group. The Management Board of Allgeier Holding AG exercises steering, coordination and controlling functions at the Group companies, either in its position as shareholder, or in the function of supervisory bodies.

The Allgeier Holding AG Management Board consists of three members. It manages the company at its own responsibility. In its function as the managing body of the Allgeier Group, it sets, in particular, the strategy for the Group's further development, and works towards the objective of the Group's sustainable value-creation and value enhancement. In this context, the principle of overall responsibility applies, in other words, the Management Board members bear joint responsibility for the overall management of the company. There is no stringent distribution of divisional or area responsibilities within the Management Board, as is typical of companies with classic management structures, due to the group structure of the Allgeier Group, and the specific role of Allgeier Holding AG as a holding company, and its related tasks. At the same time, tasks and responsibilities within the Management Board are distributed according to corresponding focal work points and specialist qualifications. The Management Board in its entirety takes key decisions together, such as concerning acquisition plans. The rules of business procedure for the Management Board determine the specifics of how the Management Board works together, and of how it works together with the Supervisory Board. The Management Board's rules of business procedure also include a catalogue of transactions for which the Management Board requires Supervisory Board approval.

The Allgeier Holding AG Supervisory Board consists of three members. It consults with the Management Board in its management of the company, and supervises its activities. No Supervisory Board committees have been formed. Along with statutorily prescribed tasks such as appointing Management Board members, determining the compensation scheme for the Management Board members, controlling the company's commercial and financial development, including planning for subsequent financial years, risk management, the internal

controlling system, and the review of the annual financial statements, the Supervisory Board concerns itself essentially with topics that require its approval pursuant to the rules of business procedure for the Management Board.

Consultations and decisions concerning acquisition plans form a focal point of Supervisory Board activity in this context. The Supervisory Board is also included in all decisions of fundamental significance for the company. Regular communication between the Management Board and Supervisory Board members is maintained for this purpose, particularly with the Supervisory Board Chairperson. Details relating to the joint work of Supervisory Board members are set out in the rules of business procedure for the Supervisory Board.

In the case of proposals for its composition, the Supervisory Board is guided by the following objectives and principles: The primary objective is to ensure that the Supervisory Board comprehensively complies with its statutory tasks in its proposed composition, and that its members command the requisite knowledge, capabilities and experience to optimally and responsibly perform their tasks. For Allgeier Holding AG, whose articles of association require the Supervisory Board to be composed of three members, this specifically means that, where possible, the Supervisory Board should exhibit the following

qualifications, in particular: the qualification as an independent financial expert, as expressly required by law, the ability to appraise service sector companies (not only restricted to the IT business), the ability to appraise acquisition opportunities both in Germany and abroad, and corresponding transaction experience, as well as experience with the organisation and working methodology of a high-growth group within a holding company structure. The composition of the Board must also enable the board to work efficiently, and that its members have sufficient capacities for this responsible activity. General characteristics such as age, gender or the nationality of an individual should not form a priority in the Board's composition, by contrast. As far as the Board's future composition is concerned, however, Supervisory Board is expressly committed, when comparing several appropriate candidates who offer similar specialist qualifications, to give preference to candidates from the perspective of targeted diversity, and who correspondingly enrich the board's composition with respect to their gender, age or nationality. The Supervisory Board does not regard fixed quotas or age limits as an appropriate tool in this context. The Supervisory Board is currently composed of three male members, two of whom are German citizens, and one of whom is a Swiss citizen, who belong to different professional groups, and who meet the aforementioned specialist requirements.

»Corporate governance at Allgeier Holding AG is based on the regulations of the German Stock Corporation Act, the regulations contained in the company's articles of association and rules of business procedure for the Management and Supervisory boards, and the provisions of the German Corporate Governance Code.«

DECLARATION OF CONFORMITY pursuant to Section 161 of the German Stock Corporation Act (AktG)

Pursuant to Section 161 of the German Stock Corporation Act (AktG), the Management and Supervisory boards of Allgeier Holding AG declare:

In the 2011 financial year elapsed, the company complied with the recommendations of the "Government Commission German Corporate Governance Code" in the version of May 26, 2010, and as published by the German Federal Ministry of Justice, and that it will comply with these recommendations in the future with the following exceptions:

Code section 2.3.2

The company shall send notification of the convening of the General Meeting together with the convention documents to all domestic and foreign financial services providers, shareholders and shareholders' associations by electronic means if the approval requirements are fulfilled.

To date, the convening documents have been published and conveyed in the manner prescribed by the German Stock Corporation Act, and the company's articles of association. This ensures that the same information is provided to all shareholders, irrespective of whether the shareholders are known individually to the company, and whether electronic dispatch to such shareholders as possible. The relevant documents are published on the company's website so that all interested shareholders have access to sufficient information by electronic means.

Code section 3.8 (third paragraph)

A similar deductible shall be agreed upon in any D&O policy for the Supervisory Board.

IA deductible is agreed in the D&O policy for the Management Board in compliance with statutory regulations. The law does not prescribe such a deductible for supervisory boards, but instead leaves scope for assessing the appropriateness of such a regulation taking into account the differing character and scope of the tasks of management and supervisory boards. The company will constantly monitor further trends relating to the appropriateness of D&O cover and deductibles, and examine any requirements to make adjustments.

Code section 4.2.3 (fourth paragraph)

In concluding Management Board contracts, care shall be taken to ensure that payments made to a Management Board member on premature termination of his/her contract without serious cause do not exceed the value of two years' compensation (severance payment cap) and compensate no more than the remaining term of the contract. The severance payment cap shall be calculated on the basis of the total compensation for the past full financial year and if appropriate also the expected total compensation for the current financial year.

The Supervisory Board is of the opinion that Management Board contracts can be structured appropriately without a general severance payment cap, depending on duration and other parameters. Premature termination of Management Board contracts that are concluded for a fixed duration, and cannot be regularly terminated, are to be assessed and negotiated in the light of the circumstances of the respective termination. In this context, the question relating to a severance payment cap in assessing the appropriateness of the terms of premature contractual termination represent only one aspect among several that the Supervisory Board is required to examine as part of its duties. The Supervisory Board reserves the right to individually examine and structure each individual aspect, since determining general cap does not provide a release from the duty to conduct such a review and appraisal.

Code section 4.2.4

The AGM has passed a resolution that Management Board compensation should not be published in individualised form for each individual member. Such information is published in the annual report for the entire Management Board according to fixed and variable compensation components.

Code sections 5.1.2 and 5.4.1 (second paragraph)

... An age limit should be determined for Management Board members ... and the company should adhere to a fixed age limit for Supervisory Board members.

When reaching decisions concerning appointments to Management Board positions, and in the case of proposals for the election of Supervisory Board members, the extent to which candidates are personally and professionally appropriate for the company is of decisive importance. In all instances, such assessments should be made after extensive review of candidates' appropriateness, and after appraising all individuals that come into consideration. Such an approach does not require the setting of a general age limit, which comprises only one criterion in isolation.

Code section 5.4.6 (third paragraph)

The compensation of the members of the Supervisory Board shall be reported individually in the Corporate Governance Report, subdivided according to components. Also payments made by the enterprise to the members of the Supervisory Board or advantages extended for services provided individually, in particular, advisory or agency services shall be listed separately in the Corporate Governance Report.

In line with its approach to disclosing Management Board compensation, the company does also not regard individualised disclosure of Supervisory Board compensation as appropriate and requisite given the size of the company and its Supervisory Board. Regulations concerning Supervisory Board compensation in the articles of association, the publication of total compensation and its structure, and compensation for other services as disclosed in the annual report create sufficient transparency.

Code section 6.6

Beyond the statutory obligation to report and disclose dealings in shares of the company without delay, the ownership of shares in the company or related financial instruments by Management Board and Supervisory Board members shall be reported if these directly or indirectly exceed 1% of the shares issued by the company. If the entire holdings of all members of the Management Board and Supervisory Board exceed 1% of the shares issued by the company, these shall be reported separately according to Management Board and Supervisory Board.

The total number of shares held are disclosed separately for the Management and Supervisory boards in the annual report. The company is also the view that the statutory publication of directors' dealings, and of when statutory thresholds are reached, exceeded, or fallen below, create sufficient transparency.

Code section 7.1.2

... The Consolidated Financial Statements shall be publicly accessible within 90 days of the end of the financial year; interim reports shall be publicly accessible within 45 days of the end of the reporting period.

The company prioritises the correctness and completeness of its respective financial statements and reports. The company endeavours to publish the respective financial statements and reports as early as possible for shareholders. The company nevertheless reserves the right in all cases to adhere to the statutory publication deadlines, if the proper preparation and auditing of the financial statements and reports so requires.

Compensation report

The Supervisory Board decides concerning the Management Board compensation scheme, and reviews it at regular intervals. Compensation is determined on the basis of the Group's business and financial development, and taking into account the respective Management Board members' responsibilities and performance. Management Board compensation was composed of the following components in the 2011 financial year: (i) a fixed annual salary, and (ii) a variable compensation component in the form of a bonus depending on Group profits. Maximum limits (caps) have been agreed for the variable compensation components for all Management Board members. Stock options or share-based compensation components have not been agreed.

Total Management Board compensation amounted to EUR 1,715 thousand in 2011 (previous year: EUR 1,656 thousand). The total compensation is divided into (i) fixed annual salaries totalling EUR 1 million (previous year: EUR 965 thousand), and (ii) variable compensation components totalling EUR 715 thousand (previous year: EUR 691 thousand). The company has refrained from making individualised disclosure of Management Board compensation for the reporting periods until December 13, 2015, due to the resolution passed by the AGM of June 21, 2011.

The AGM determines supervisory board compensation, regulations for which are set out in the company's articles of association. Supervisory Board compensation is based on the Supervisory Board's responsibilities and tasks, as well as on the company's commercial and financial development. Supervisory Board compensation is composed of (i) fixed compensation components (fixed annual compensation and meeting fees), and (ii) a variable compensation component that depends on Group profits, and which is limited by a cap. The position of Supervisory Board Chairperson is reflected in the level of the fixed compensation components.

Total Supervisory Board compensation amounted to EUR 378 thousand in 2011 (previous year: EUR 388 thousand). The total compensation is divided into (i) fixed compensation components including meeting fees totalling EUR 108 thousand (previous year: EUR 100 thousand), and (ii) variable compensation components totalling EUR 270 thousand (previous year: EUR 288 thousand). The company has refrained from making individualised disclosure of Supervisory Board compensation for the reporting periods until December 13, 2015, due to the resolution passed by the AGM of June 21, 2011.

Shares held by the Management and Supervisory boards

Either indirectly or directly, the Management Board members held a total of 2,559,459 shares in Allgeier Holding AG as of December 31, 2011 (previous year: 2,559,459 shares).

Either indirectly or directly, the Supervisory Board members held a total of 1,239,977 shares in Allgeier Holding AG as of December 31, 2011 (previous year: 1,219,977 shares).

Disclosures and exhalations pursuant to Section 315 Paragraph 4 of the German Commercial Code (HGB)

The share capital of Allgeier Holding AG amounted to EUR 9,071,500 as of the December 31, 2011 balance sheet date, and is divided into 9,071,500 no par value bearer shares. A notional amount in the share capital of EUR 1.00 is attributable to each share. All of the company's ordinary shares belong to the same share class. There are no differing share classes such as ordinary shares or preference shares. The company's shares are listed on the regular market of the Frankfurt Stock Exchange in the General Standard segment. The rights and obligations connected with the company's shares derive from the company's articles of association, and also from the German Stock Corporation Act.

The Management Board is not aware of any restrictions relating to voting rights or the transfer of shares.

Management Board Chairman (CEO) Mr. Carl Georg Dürschmidt holds an indirect 27.57% interest in the share capital of Allgeier Holding AG through Lantano Beteiligungen GmbH. Mr. Carl Georg Dürschmidt is the majority shareholder of the latter company. Following a share purchase, Supervisory Board Chairman Mr. Detlef Dinsel holds a 10.36% interest in the share capital of Allgeier Holding AG directly and indirectly through investment companies. The company is not aware of other direct or indirect interests in the equity capital that exceed 10% of the voting rights.

There are no shares in the company that grant shareholders special rights, particularly rights of control over the company, compared with the other shareholders.

The Management Board is not aware of any interests held by employees in the company's share capital where employees exercise the controlling rights from their interests not directly, but instead indirectly through a representative nominated by them.

The preconditions for the appointing and recall from office of Management Board members, as well as amendments to the articles of association, are based on the provisions of the German Stock Corporation Act. Pursuant to our articles of association, the Management Board consists of one or several individuals, and the Supervisory Board determines the number of Management Board members. Management Board members are appointed for a maximum five-year period, pursuant to Section 84 of the German Stock Corporation Act (AktG).

Only a qualified majority presence of the AGM can approve amendments to the articles of association pursuant to Sections 179 et seq. of the German Stock Corporation Act (AktG). The company's articles of association do not include any exemptions from legal provisions, or any further enhancements to them. The Supervisory Board is authorised to approve amendments to the articles of association relating solely to their wording.

On the basis of authorisations of the AGMs of June 17, 2010, and June 21, 2011, the Management Board is authorised, with Supervisory Board approval, to increase the share capital by June 16, 2015, and June 20, 2016, respectively, by an amount in each case of EUR 2,267,875 through issuing 2,267,875 new shares (Approved Capital I and II).

The share capital of Allgeier Holding AG is conditionally increased by an amount of EUR 3,000,000 by a resolution of the AGM of June 16, 2009 (Conditional Capital 2009). Conditional Capital 2009 is intended to service convertible bonds, warrant bonds, and/or profit-sharing bonds, or profit-participation rights with conversion or warrant rights, which are issued by the Company or a company in which the Company holds a direct or indirect majority interest, until June 15, 2014, on the basis of the AGM resolution of June 16, 2009, with Supervisory Board approval. Allgeier Holding AG has not issued corresponding convertible and warrant rights to date.

The share capital of Allgeier Holding AG is conditionally increased by an amount of EUR 750,000 by a resolution of the AGM of June 17, 2010 (Conditional Capital 2010). Conditional Capital 2010 is intended to service warrant rights pursuant to the 2010 Stock Option Plan which the company can issue until June 16, 2015, with Supervisory Board approval. Allgeier Holding AG has approved no 2010 Stock Option Plan to date, and has issued no corresponding option rights to employees or Management Board members.

On June 17, 2010, the AGM authorised the Management Board to acquire until June 16, 2015, the company's treasury shares in the scope of up to 10% of the share capital to the extent that these, together with other treasury shares that the company has already acquired and still owns, do not account for more than 10% of the share capital. Treasury shares can be acquired through the stock market, or by means of a public purchase offer. With Supervisory Board approval, the Management Board is authorised with respect to the shares acquired pursuant to Section 71 Paragraph 1 Number 8 of the German Stock Corporation Act (AktG) to do the following, in particular: (i) to re-sell them, (ii) to utilize them as consideration for a non-cash capital contribution rendered to the company by a third party, (iii) to utilise them to satisfy conversion or option rights, and (iv) to issue them as employee shares, or to cancel them without a further AGM resolution.

Allgeier Holding AG and a subsidiary held a total of 686,954 treasury shares as of the December 31, 2011 balance sheet date. The company is entitled to no voting rights from its treasury shares.

After repaying profit-sharing rights capital outstanding of EUR 7 million from the PREPS 2004-1 financing programme in December 2011, there remain issued profit-sharing rights from the PREPS 2005-2 financing program of EUR 6.0 million, which will be repaid in December 2012. The creditor is entitled to early termination in the case of a change of control connected with rating-related events.

Some Management Board members are entitled to terminate their employment agreements in the instance of a change of control, in other words, where a third party gains control of the company in the meaning of Section 29 Paragraph 2, Section 30 of the German Securities Takeover Act (WpÜG). A settlement claim, which is restricted to one year's compensation, arises when the right is exercised. Besides this, Allgeier Holding AG has entered into no compensation agreements with Management Board members or employees for the instance of a takeover offer.

Extensive and transparent communications

Allgeier regularly and promptly informs shareholders, shareholder representatives, analysts, the media and interested members of the public about current business trends and the company's situation. The company treats the various groups of individuals on an equal basis, and informs them at the same time. For this reason, all important information, particularly annual and quarterly reports, scheduled and unscheduled press releases, analysts' estimates, and the financial calendar are published on the company's website. In order to ensure that the consolidated financial statements and quarterly reports are prepared with the proper care, the annual report is published four months after the end of the financial year, and the quarterly reports are published six weeks after the quarter-ends.

Financial accounting and auditing

The single-entity financial statements of Allgeier Holding AG are published according to the German Commercial Code (HGB), and the consolidated financial statements of Allgeier Holding AG are prepared according to International Financial Reporting Standards (IFRS). The auditing company LOHR + COMPANY GmbH, Düsseldorf, audits both the single-entity and consolidated financial statements.

9. FORECAST REPORT

Allgeier anticipates sustainable revenue and earnings growth in 2012

The German economy is expected to grow by around 0.7% in 2012, according to the German federal government. This represents a considerable weakening compared with 2011, which reflected expansion by 3.0%. The economic problems of a number of European states and continued uncertainty due to the sharp rise in sovereign indebtedness over recent years, are hampering growth. It was nevertheless clear at the start of 2012 that the German economy could continue its upturn. In their economic barometer published at the end of March 2012, economic researchers at the German Institute for Economic Research (DIW Berlin) expected the German economy to gather momentum in spring 2012, and that the effects of the Eurozone crisis on the German economy would be limited to the winter half-year. They expected the favourable environment for investments to continue.

The BITKOM sector association anticipates that the overall German IT sector will report 1.6% growth, and 3.1% growth in the IT hardware, software and IT services segments. In particular, sector megatrends such as cloud computing, virtualisation, security and outsourcing are seen as growth-drivers. Demand growth is also anticipated for ERP, CRM and BI (Business Intelligence) solutions. The recruiting area is expected to grow by 12% in 2012, according to the Lünendonk market information service.

The advancing homogenisation of Allgeier's current segments of IT Solutions, IT Services & Recruiting, and Project Solutions with their Group companies will result in a greater focusing on IT sector trend topics, thereby concentrating to an even greater extent on customer needs. For this reason, the Allgeier management is assuming that the Group will continue to report more rapid growth than the market, reflecting market share gains.

In the IT Solutions segment, coverage of trend topics such as cloud computing, security and collaboration will feed through to an especially rapid rate of revenue growth in the low double-

digit percentage range, and to above-average earnings growth in 2012. With their specialist expertise and access to customers, the companies BSR, Terna, 1eEurope and Gemed, which were acquired in previous years, will also accelerate growth in the IT Solutions segment.

The IT Services & Recruiting segment will benefit from high demand for freelance IT experts in 2012. Goetzfried AG, which forms part of this segment, has established itself as one of the market-leading recruitment companies in Germany in recent years, and will make a significant growth contribution. The management also expects positive effects to rise from closer organisational cooperation between this segment's companies based in Southern Germany. The company is assuming that revenue and earnings in this segment will grow approximately in line with expectations for the sector.

Results in the Project Solutions segment have been burdened by a reduction in orders from a major customer in both of the last two years. The management has nevertheless selected the strategy of preparing this segment for further growth, and has launched corresponding measures. Along with further in-house development of the service portfolio, software development expertise was enhanced through the acquisition of the Nagarro Group. The Management Board expects revenue growth in the mid-single-digit percentage range through the inclusion of the Nagarro Group for a full year, and earnings to grow more rapidly.

In view of the Group's good overall operating position, and positive market prospects, company management is confident that the growth path of recent years can be continued. Management also constantly conducts discussions with various companies in the IT service environment, and assumes that performance, and consequently also the company's revenue growth and profitability, can be boosted by successful acquisitions over the coming years.

The Management Board expects sustained consolidated earnings growth in the low double-digit percentage range for the 2012 financial year, with earnings rising at a significantly faster rate.

The management also anticipates that organic growth will continue in 2013 and 2014, and further acquisitions to feed through to market share gains and growth rates beyond expectations for the overall market. In this context, management will further expand the range of products and services primarily in high-growth areas such as cloud computing, virtualisation, security, outsourcing and recruiting.

10. REPORT ON EVENTS AFTER THE BALANCE SHEET DATE

On February 27, 2012, Allgeier Holding AG announced the successful placing of a EUR 70 million borrower's note loan on the capital market. The borrower's note loan was placed among 25 investors, especially private banks, and German and Austrian regional banks and savings banks. In regional terms, most of the investors are located in Germany and Austria. The borrower's note loan included tranches with maturities of three, five and seven years, and both fixed and variable coupons. Strong investor demand resulted in the transaction being significantly oversubscribed to a level approaching EUR 100 million. The EUR 50 million volume that was originally planned was subsequently topped up to EUR 70 million. Of this EUR 70 million volume, 42% is attributable to the three-year maturity tranche, 45% to the five-year maturity tranche, and 13% to the seven-year maturity tranche. In the case of the three-year and five-year tranches, the spreads were fixed at the lower end of the marketing range, amounting to 190 and 240 basis points respectively on 3-month EURIBOR. The fixed interest rates amount to between 3.08% per annum and

4.78% per annum depending on maturity. The spread for the seven-year tranche stands at 290 basis points. A fixed interest rate was agreed for an approximately 45% share, and interest based on 3-month EURIBOR plus a spread was agreed for the remaining portion. This lending volume gives Allgeier Holding AG greater scope for manoeuvre for financing its corporate growth, and for targeted acquisitions. The borrower's note loan also enables the Group to redeem an existing EUR 19 million loan. Normal financial covenants and legal consequences for infringing such covenants were agreed.

The Management Board expects the conversion of Allgeier Holding AG into the legal form of an SE to be concluded in the first half of 2012. At the end of February 2012, the Management Board concluded negotiations with the statutory employees' special negotiation body with the positive result of the conclusion of an agreement. This agreement comprises the formation of an employee body consisting of employee representatives from our Group companies both in Germany and abroad, which is intended to actively support dialogue between management and employees. The company anticipates that this will make a significant contribution to the positive further development of the Group culture, where our employees play a decisive role. The change of legal form will soon be entered in the commercial register. The registration, and consequently the becoming effective of the change of legal form, is expected subsequently.

Munich, April 2, 2012



Carl Georg Dürschmidt
Management Board member



Dr. Holger von Daniels
Management Board member



Dr. Marcus Goedsche
Management Board member

Consolidated financial statements

of Allgeier Holding AG
according to IFRS for the 2011 financial year

CONSOLIDATED BALANCE SHEET OF ALLGEIER HOLDING AG,
MUNICH, AS OF DECEMBER 31, 2011

CONSOLIDATED BALANCE SHEET (in EUR thousands)			
ASSETS	Note	31/12/2011	31/12/2010
Intangible assets	1	102,771	57,379
Property, plant and equipment	2	8,784	5,353
Other financial assets		23	0
Deferred tax assets	3	1,372	1,016
Non-current assets		112,950	63,748
Inventories	4	3,002	3,055
Trade receivables	5	81,800	66,481
Other current financial assets	6	3,176	2,030
Other current assets	7	7,326	5,814
Income tax receivables		1,932	1,681
Cash and cash equivalents	8	31,944	61,316
Current assets		129,181	140,376
Assets		242,131	204,124

CONSOLIDATED BALANCE SHEET (in EUR thousands)			
EQUITY AND LIABILITIES	Anhang	31.12.2011	31.12.2010
Subscribed capital	9	9,072	9,072
Capital reserves	10	11,306	11,306
Retained earnings	11	277	277
Treasury shares	12	-5,154	-4,468
Profit carried forward	13	61,607	57,426
Results for the period		4,378	8,345
Changes in equity recognised directly in equity	14	2,236	-167
Equity share of shareholders of the parent company		83,721	81,790
Equity share of shareholders with non-controlling interests	15	4,476	3,706
Equity		88,197	85,496
Non-current profit-participation liabilities	16	0	6,000
Non-current financial liabilities	17	2,634	15,646
Pension provisions	18	954	932
Other non-current financial liabilities	19	22,780	3,322
Deferred tax liabilities	3	9,180	5,726
Non-current liabilities		35,548	31,626
Current profit-participation liabilities	16	6,000	7,000
Current financial liabilities	17	32,737	16,899
Income tax provisions	21	4,385	2,415
Other current provisions	22	11,671	8,345
Trade payables		36,520	29,824
Other current financial liabilities	19	17,368	12,270
Other liabilities	20	9,280	9,818
Income tax liabilities		425	431
Current liabilities		118,385	87,002
Equity and liabilities		242,131	204,124

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF ALLGEIER HOLDING AG,
MUNICH, FOR THE PERIOD FROM JANUARY 1, 2011 UNTIL DECEMBER 31, 2011

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (in EUR thousands)			
Income statement	Note	31/12/2011	31/12/2010
Revenue		378,792	308,707
Changes in inventory of finished goods and work in progress		263	-23
Other capitalised company-produced assets		78	77
Other operating income	24	6,565	5,758
Material costs	25	220,244	182,520
Personnel expenses	26	108,975	88,449
Other operating expenses	27	34,186	25,470
Earnings before interest, tax, depreciation and amortisation (EBITDA)		22,293	18,081
Depreciation and amortisation	28	10,332	7,049
Earnings before interest and tax (EBIT)		11,961	11,032
Other interest and similar income		432	684
Interest and similar expenses	29	2,895	1,551
Earnings before tax		9,498	10,165
Income tax results	30	-4,185	-1,467
Net income		5,312	8,698
Allocation of net income:			
to parent company shareholders		4,378	8,345
to non-controlling interests		934	353

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (in EUR thousands)			
Other comprehensive income	Note	31/12/2011	31/12/2010
Currency differences		3,439	908
Proportional acquisition of subsidiaries using treasury shares		275	30
Purchase of shares from non-controlling shareholders above carrying amount		-1,173	0
Cash flow hedge		-101	0
Other comprehensive income		2,440	939
Total comprehensive income		7,752	9,636
Attribution of total comprehensive income:			
to parent company shareholders		6,781	9,061
to non-controlling interests		971	575
Undiluted (basic) earnings per share:			
Average number of shares outstanding weighted pro rata temporis		8,377,002	8,424,302
Earnings per share in EUR	31	0.52	0.99

CONSOLIDATED STATEMENT OF CHANGES IN FIXED ASSETS OF ALLGEIER HOLDING AG

CONSOLIDATED STATEMENT OF CHANGES IN FIXED ASSETS, JANUARY 1, 2010 UNTIL DECEMBER 31, 2010 (in EUR thousands)																
Cost								Value adjustments						Carrying		
Note	01/01/2010	Currency differences	Additions to con- solidation scope	Additions	Disposals		31/12/10	01/01/10	Currency differences	Scheduled additions	Unscheduled additions	Disposals	31/12/10	31/12/10	31/12/09	
Intangible assets	1															
Licenses, industrial property rights and similar rights, as well as licenses for such rights and assets		15,809	570	7,991	482	-2,825		22,028	-6,937	-34	-4,893	-420	2.794	-9.491	12,537	8,872
of which purchased		15,809	570	7,991	482	-2,825		22,028	-6,937	-34	-4,893	-420	2.794	-9.491	12,537	8,872
of which created by the company		0	0	0	0	0		0	0	0	0	0	0	0	0	0
Goodwill		40,540	0	12,292	0	-920		51,912	-7,070	0	0	0	0	-7.070	44,842	33,470
Intangible assets		56,349	570	20.283	482	-3,745		73,940	-14,007	-34	-4,893	-420	2.794	-16.560	57,379	42,343
Property, plant and equipment	2															
Property, property rights and buildings including constructions on third-party property		1.978	0	0	1	0		1,979	-1,080	0	-41	0	0	-1.121	858	898
Financial leasing		859	0	0	79	-59		879	-245	0	-235	0	42	-437	442	614
Other plant, operating and office equipment		7.102	34	411	2.099	-380		9,265	-4,023	-5	-1.460	0	275	-5.213	4.052	3,079
Property, plant and equipment		9,939	34	411	2,179	-439		12,124	-5,348	-5	-1,735	0	317	-6.772	5,353	4,591

CONSOLIDATED STATEMENT OF CHANGES IN FIXED ASSETS, JANUARY 1, 2011 UNTIL DECEMBER 31, 2011 (in EUR thousands)																		
Cost								Value adjustments						Carrying				
	Note	01/01/2011	Currency differences	Additions to con- solidation scope	Additions	Disposals		31/12/11	01/01/11	Currency differences	Scheduled additions	Unscheduled additions	Disposals	31/12/11	31/12/11	31/12/10		
Intangible assets		1																
Licenses, industrial property rights and similar rights, as well as licenses for such rights and assets			22,028	542	17,746	655		-5,896		35,075	-9,491	-35	-7,779	-79	5,885	-11,499	23,576	12,537
of which purchased			22,028	542	17,746	655		-5,896		35,075	-9,491	-35	-7,779	-79	5,885	-11,499	23,576	12,537
of which created by company			0	0	0	0		0		0	0	0	0	0	0	0	0	0
Goodwill			51,912	3,649	30,706	0		-83		86,184	-7,070	0	0	-2	83	-6,988	79,195	44,842
Intangible assets			73,940	4,191	48,452	655		-5,979		121,259	-16,560	-35	-7,779	-81	5,968	-18,488	102,771	57,379
Property, plant and equipment		2																
Property, property rights and buildings including constructions on third-party property			1,979	-110	1,051	80		0		3,000	-1,121	0	-48	0	0	-1,168	1,832	858
Financial leasing			879	-94	738	505		-375		1,653	-437	7	-414	0	278	-567	1,086	442
Other plant, operating and office equipment			9,265	-41	675	3,276		-1,887		11,288	-5,213	0	-2,010	0	1,801	-5,422	5,866	4,052
Property, plant and equipment			12,124	-246	2.463	3,861		-2,262		15,941	-6,772	7	-2,472	0	2,079	-7,157	8,784	5,353
Other financial assets																		
Investments			0	0	23	0		0		23	0	0	0	0	0	0	23	0
Other financial assets			0	0	23	0		0		23	0	0	0	0	0	0	23	0

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY OF ALLGEIER HOLDING AG, MUNICH, AS OF DECEMBER 31, 2011

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (in EUR thousands)											
	Subscribed capital	Capital reserves	Retained earnings	Treasury shares	Profit carried forward	Net income	Result neutral change in equity	Changes carried directly to equity of the parent company shareholders	Equity share of non-controlling interests	Equity	
Balance as at January 1, 2010	9,072	11,306	277	-3,609	56,459	5,166	-884	77,787	1,753	79,540	
Transfer of previous year's net income to profit carried forward	0	0	0	0	5,166	-5,166	0	0	0	0	
Addition of Allgeier Holding AG treasury shares	0	0	0	-982	0	0	0	-982	0	-982	
Transfer of Allgeier Holding AG treasury shares for acquisition of Terna Holding	0	0	0	123	0	0	30	153	0	153	
Addition to equity share of non-controlling interests arising from acquisition of BSR	0	0	0	0	0	0	0	0	1,501	1,501	
Dividends	0	0	0	0	-4,199	0	0	-4,199	-123	-4,322	
Net income	0	0	0	0	0	8,345	0	8,345	353	8,698	
Currency differences	0	0	0	0	0	0	686	686	222	908	
Balance as at December 31, 2010	9,072	11,306	277	-4,468	57,426	8,345	-167	81,790	3,706	85,496	
Transfer of previous year's net income to profit carried forward	0	0	0	0	8,345	-8,345	0	0	0	0	
Addition of Allgeier Holding AG treasury shares	0	0	0	-1,109	0	0	0	-1,109	0	-1,109	
Purchase of shares of non-controlling shareholders of G-AG	0	0	0	0	0	0	-1,173	-1,173	-12	-1,185	
Cash flow hedge	0	0	0	0	0	0	-101	-101	0	-101	
Dividends	0	0	0	0	-4,164	0	0	-4,164	-189	-4,353	
Net income	0	0	0	0	0	4,378	0	4,378	934	5,312	
Currency differences	0	0	0	0	0	0	3,401	3,401	37	3,439	
Balance as at December 31, 2011	9,072	11,306	277	-5,154	61,607	4,378	2,236	83,721	4,476	88,197	

CONSOLIDATED CASH FLOW STATEMENT OF ALLGEIER HOLDING AG, MUNICH,
FOR THE PERIOD FROM JANUARY 1, 2011 UNTIL DECEMBER 31, 2011

CONSOLIDATED CASH FLOW STATEMENT (in EUR thousands)			
	Note	2011	2010
Earnings before interest and tax (EBIT)		11,961	11,032
Depreciation and amortisation		10,332	7,049
Expenses from the disposal of non-current assets		194	153
Change in non-current provisions		-46	-21
Non-cash change in provisions		8,136	6,088
Other non-cash expenses and income		1,628	491
Income tax paid		-3,784	-3,183
Cash flow from operating activities before changes in working capital		28,422	21,610
Cash flow from changes in working capital		-8,794	-14,451
Cash flow from operating activities		19,628	7,159
Payments for investments in non-current assets		-4,279	-2,582
Payments received from the disposal of non-current assets		66	35
Payments made for the acquisition of subsidiaries		-24,863	-8,747
Payments made for the acquisition of assets and rights		-510	0
Payments made for purchase price shares for companies not acquired in the financial year		-4,010	-902
Payments received from the disposal of at equity investments		-68	300
Cash flow from investing activities		-33,662	-11,896
Addition of treasury shares		-1,109	-982
Repayment of profit-sharing rights		-7,000	0
Drawing down of bank borrowings		23,000	18,649
Repayment of bank borrowings		-23,645	-1,231
Payment balance from the assignment of receivables owed by customers		949	4,937
Interest received		417	684
Interest paid		-2,779	-1,373
Payments made arising from the purchase of shares of non-controlling interests		-720	0
Dividends		-4,164	-4,199
Payments balance with shareholders with non-controlling interests		-189	-123
Cash flow from financing activities		-15,240	16,361
Total cash flow		-29,275	11,625
Change in cash and cash equivalents attributable to exchange rates		-210	344
Total changes to cash and cash equivalents		-29,485	11,969
Cash and cash equivalents at the start of the period		61,110	49,141
Cash and cash equivalents at the end of the period	F.	31,625	61,110

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Allgeier Holding AG
 Wehrlestraße 12
 81679 München
 Tel.: +49 (0) 89 99 84 21 0
 Fax: +49 (0) 89 99 84 21 11
 E-Mail: info@allgeier.com
www.allgeier.com

