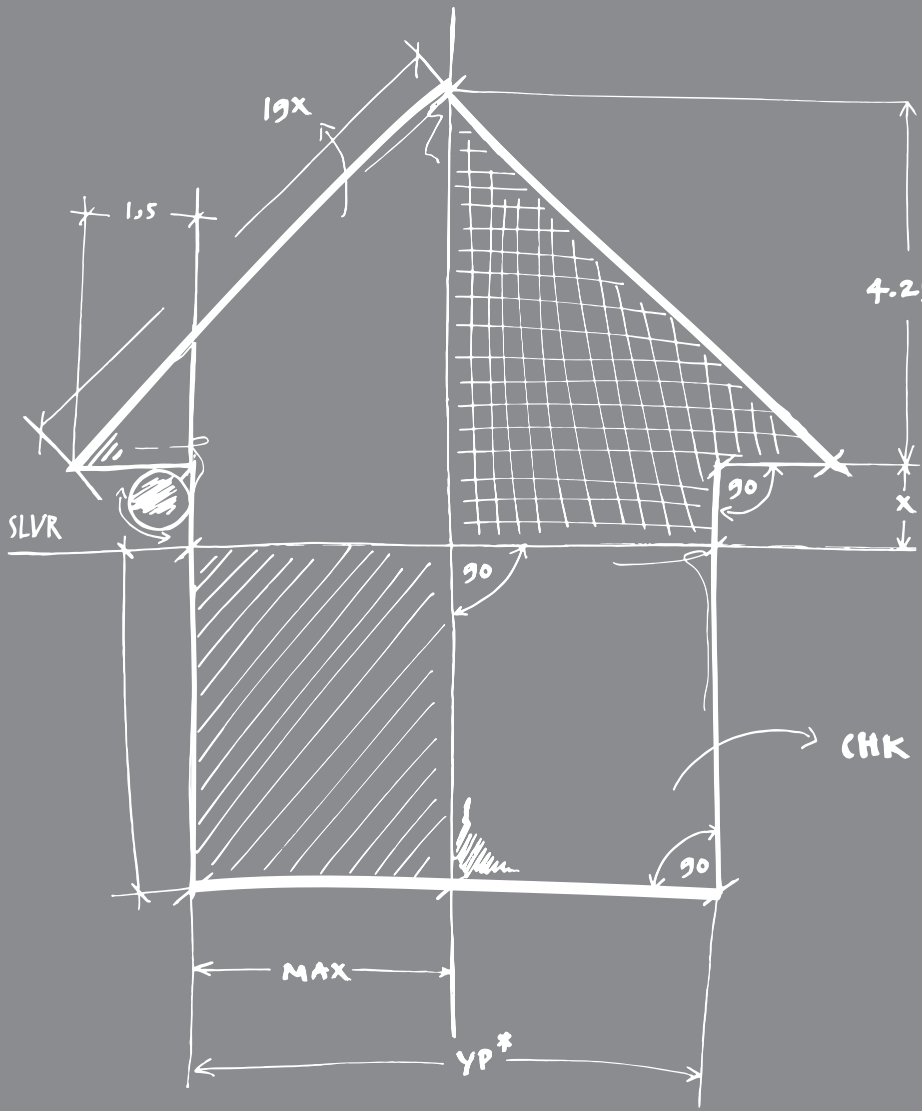
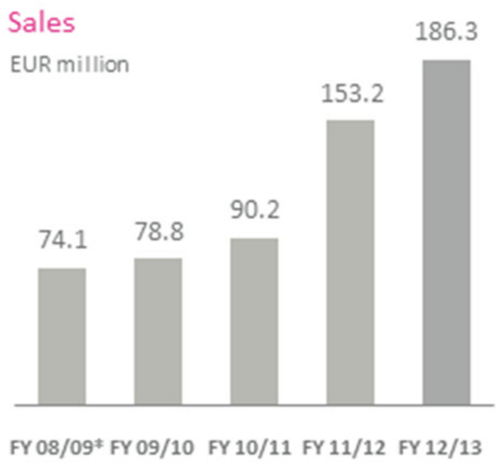
all for one steeb

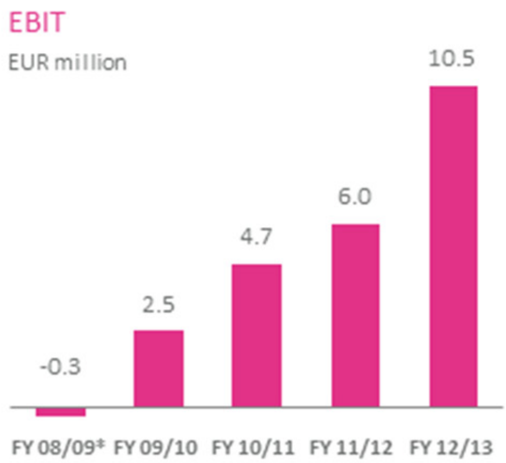


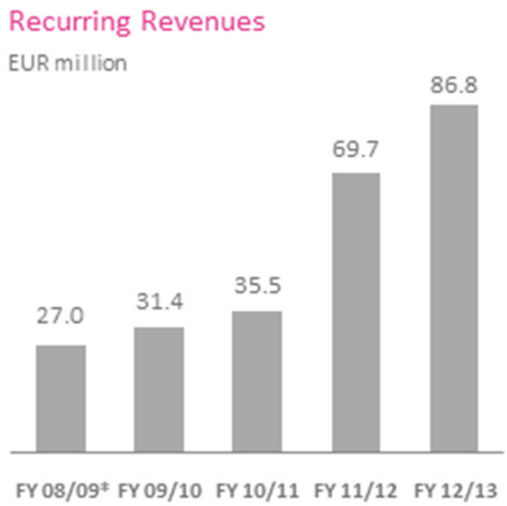
ANNUAL REPORT 2012/13

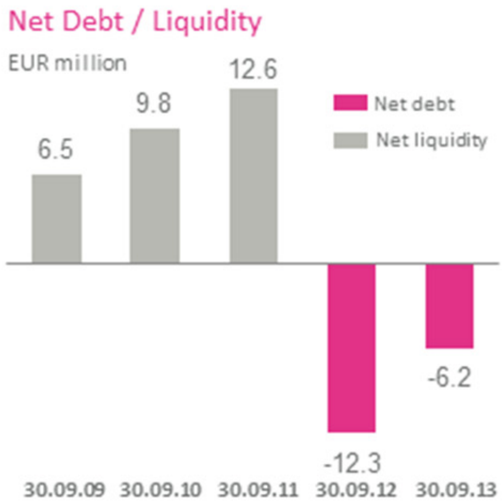
All for One Steeb. Das SAP Haus.

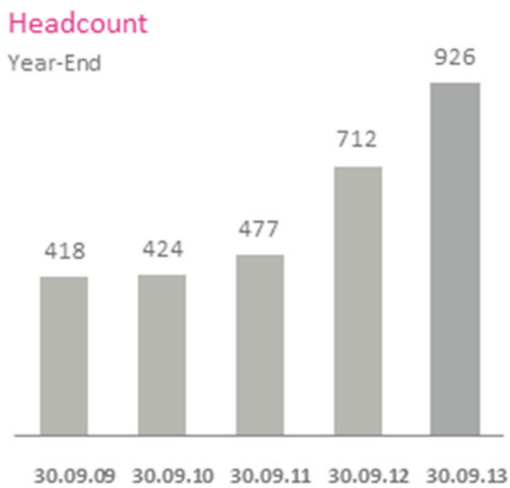
ON COURSE FOR SUSTAINABLE SUCCESS

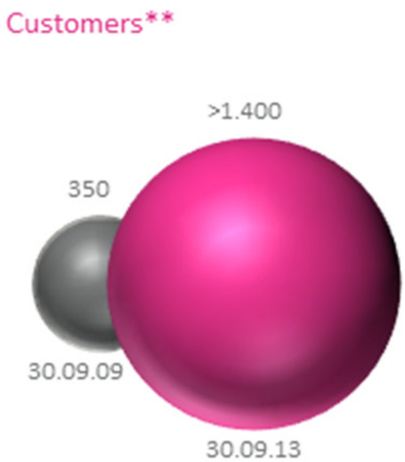












* continuing operations
** recurring revenue customers under software maintenance / outsourcing contracts

KEY FIGURES

IFRS in EUR millions unless otherwise stated	10/2012 – 9/2013	10/2011 – 9/2012	Difference	in %
Earnings Situation				
Sales revenues	186.3	153.2	33.1	22
EBITDA	16.8	11.7	5.1	44
EBITDA margin (in %)	9.0	7.7		
EBITA	13.7	8.4	5.3	63
EBIT	10.5	6.0	4.5	76
EBIT margin (in %)	5.6	3.9		
Earnings after tax	5.6	4.2	1.4	33
Balance Sheet				
Total assets	142.3	115.5	26.8	23
Equity	49.6	40.9	8.8	21
Equity ratio (in %)	35	35		
Net debt (-)	-6.2	-12.3	6.1	-50
Employees				
Employees (at end of financial year)	926	712	214	30
Full-time equivalents (ø)	764	599	165	28
Share				
Number of shares (ø)	4,860,000	4,860,000		
Share price (at end of financial year, in EUR)	15.45	10.35	5.10	49
Market capitalisation (at end of financial year)	75.1	50.3	24.8	49
Earnings per share (in EUR)	0.99	0.76	0.23	30

AT A GLANCE

Annual Report – All for One Steeb AG
Financial Year from 1 October 2012 to 30 September 2013

REPORT OF THE SUPERVISORY BOARD

Dear Shareholders,

Together with the management board, the newly formed supervisory board can proudly look back on a successful financial year 2012/13. Bolstered by acquisitions, the company managed to boost revenues by 22% to EUR 186.3 million, while the EBIT improved from EUR 6.0 million to 10.5 million. These results even exceeded the sales and earnings forecasts that had already been raised during the course of the year. Our clear positioning as the leading SAP full-service provider for the midmarket segment in countries where German is spoken, an unwavering focus on the customer and the successful integration of numerous new clients and employees played a major part in these outstanding achievements.

There were no changes in the management board in the financial year 2012/13. The enlargement of the supervisory board from three to six members was approved by the annual general meeting of 14 March 2013. Peter Brogle (chairman), Josef Blazicek (deputy chairman since 14 March 2013) and Peter Fritsch were already members of the supervisory board before it was enlarged. Friedrich Roithner, the chief financial officer of CROSS Industries AG, was elected to the supervisory board for the first time by the shareholders. Jörgen Dalhoff and Detlef Mehlmann were elected to the supervisory board by the employees. This means that employee representatives make up one third of the supervisory board.

The supervisory board diligently carried out the duties required of it as prescribed by law, the company articles of association, the standing rules and the German Corporate Governance Code – particularly that of advising and overseeing the management board – during the financial year 2012/13. The supervisory board was briefed thoroughly and regularly – usually through written, but also verbal reports by the management board – about the course of business, the direction the company is taking, the position of the company and Group, the earnings, assets and financial situation, the risk situation, risk management and compliance and also about all fundamental issues relating to corporate planning and budgeting (including financial and capital budgeting), as well as developments, decisions and plans of particular importance for the company. These also included extraordinary events to the extent such were required to be reported. The supervisory board also requested additional and more in-depth reports in isolated cases and as deemed necessary. The management board ensured that the supervisory board was provided with all the required information at all times, and forwarded the essential decision-making documents and files to the members of the supervisory board on a timely basis prior to each of the supervisory board meetings. There was no cause to warrant special investigative or auditing actions. Of foremost importance during 2012/13 were acquisitions, a number of integration and structural measures and a refinancing project. During the times between supervisory board meetings, the chairman of the supervisory board was in continuous contact – including personal discussions – with the management board, and gathered information about the latest business developments, the status of the transactions and other important actions and decisions.

Focus of the Supervisory Board Meetings

During its meetings, the supervisory board regularly concerned itself with overseeing the transactions, as well as with business developments, planning, budgeting, compliance and corporate governance within the company. The supervisory board gathered information about the risk situation and further improvements in risk management, especially in regard to the risk early warning and internal control system. In so doing, and by having made spot checks of specific cases and instances, the board expressed its confidence in the effectiveness and efficiency of the accounting-based control system. No grounds were found for raising any objections. The board also discussed acquisition projects in great detail, and is satisfied that a comprehensive due diligence and auditing system is in place. Furthermore, the supervisory board carried out and then discussed an efficiency review of its own activities, and incorporated the review's findings and conclusions into its work.

The entire supervisory board met during twelve meetings in the reporting year, some in the form of telephone conferences. There were also a number of co-ordinating discussions made by telephone, as well as decisions made electronically, by telephone or in writing. The following matters were discussed specifically:

The major subjects of the supervisory board meetings on **23 October 2012** and on **3 December 2012,** as well as of the financial-statements meeting on **4 December 2012,** were presented in the supervisory board's report to the annual general meeting on 14 March 2013 and in the Annual Report 2011/12. The primary concerns of these meetings were an acquisition project, consultations and in-depth discussions of the documentation relating to the annual accounts, as well as finalising the annual financial statements and the approving of the consolidated financial statements.

On **28 January 2013** the supervisory board held a telephone conference to deliberate about the planned refinancing. The Declaration of Conformity with the Corporate Governance Code and the agenda for the annual general meeting were also discussed in detail, with the latter then being approved.

During its meeting on **18 February 2013** the supervisory board mostly handled such matters as the latest business performance and the outlook for the financial year, the status of various projects involving acquisitions and the founding of new companies, the pending annual general meeting and a refinancing plan. The members also gathered information about the status of electing employee representatives to the supervisory board.

The supervisory board used a telephone conference in its meeting convened on **4 March 2013** to discuss a corporate acquisition project and to approve the carrying out of the refinancing in the form of the placement of promissory notes. The supervisory board conducted another telephone conference as part of its meeting of **11 March 2013** during which it discussed and approved the implementation and execution of an acquisition project. The supervisory board convened its constitutive meeting on **14 March 2013,** which was the same day that it was newly elected by the annual general meeting and enlarged from three to six members in accordance with legislation calling for one-third participation by the workforce (»Drittelbeteiligungsgesetz«). Peter Brogle was elected chairman and Josef Blazicek deputy chairman of this newly formed supervisory board.

In its meeting of **7 May 2013** the supervisory board reviewed the business performance after six months and the draft of the half-year financial report. Other key items on the meeting's agenda were a detailed discussion of the outlook for the remaining financial year, the 30 April 2013 placement of the promissory notes, the status of the acquisition of assets from the ORGA subsidiaries of Fiducia IT AG that was completed as at 1 May 2013, the establishment of new businesses in Switzerland and Turkey, as well as the formation of an audit committee and a compensation committee in accordance with the recommendations of the German Corporate Governance Code.

As part of a telephone conference during a meeting convened on **6 June 2013**, the supervisory board dealt in detail with structural measures relating to the OSC and ORGA transactions. The OSC Group was acquired in November 2012. Additionally, another corporate acquisition project and the corporate funding contracts were discussed. In the meeting it held on **20 June 2013** the supervisory board again used a telephone conference to deliberate about an acquisition project and grant its approval to carry it out. The supervisory board also approved the sale of a property.

The final meeting of the financial year 2012/13 took place on **19 September 2013**. The main subjects discussed during this meeting were the business performance after nine months, the outlook for the full 2012/13 year, the progress made in integrating the customers and employees acquired from ORGA, the equity stake acquired in WEBMAXX GmbH in July 2013, and the 2013/14 budget. The supervisory board also approved the undertaking of revisions to contracts and agreements with a view toward an intragroup acquisition project.

Committees

Two committees were formed during the reporting period in conjunction with the enlargement of the supervisory board from three to six members. Prior to this, the supervisory board as a whole performed those tasks usually intended for committees. Specifically, the **audit committee** monitors the accounting process, the effectiveness of the internal control system, the risk management system and the internal audit system, the audit of the annual accounts and in particular the auditor's independence, qualifications and performance, to include any additional services the auditor may provide. The audit committee consists of three members. The committee chairman is supervisory board member Peter Fritsch, the CFO of BEKO HOLDING AG. The supervisory board members Josef Blazicek and Friedrich Roithner are also members of the audit committee. The chairman and two other members of the supervisory board form the **compensation committee**. Josef Blazicek is committee chairman and co-ordinates the committee's work. The other two members of the compensation committee are the supervisory board members Peter Brogle and Friedrich Roithner. This committee is primarily responsible for making recommendations to the supervisory board regarding the appointment and removal of members of the management board, the handling of agreements with company directors, making preparations for setting the compensation of company directors, as well as for reviewing the management board's compensation system.

The **compensation committee** convened two meetings during the reporting year. The committee was constituted during its meeting of **7 May 2013.** Deliberations during the meeting held on **21 May 2013** concentrated on the objectives for measuring the management board's variable compensation. The **audit committee** held one meeting during the reporting year, namely on **7 May 2013** during which the committee was constituted. In its first meeting of the financial year 2013/14, which was convened on **28 November 2013,** the audit committee dealt primarily with the annual financial statements and the consolidated financial statements for the financial year 2012/13.

Annual and Consolidated Financial Statements and Management Reports

The annual general meeting of 14 March 2013 elected the Stuttgart offices of KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, (»KPMG«) to be the auditors of the company and consolidated financial statements for the financial year 2012/13. The supervisory board contracted with KPMG to carry out the audit. KPMG examined the annual financial statements and management report, as well as the consolidated financial statements and Group management report prepared by the management board pertaining to the financial year 2012/13, and issued them an unqualified audit opinion.

The documents relating to the annual accounts and the audit reports from the auditor for the financial year 2012/13 were duly submitted for review to the audit committee and the supervisory board. The audit committee discussed the documents at length and in detail with the auditor and management board, which were present at its meeting on **28 November 2013**, and prepared the supervisory board resolution approving the annual and consolidated financial statements in its meeting on **4 December 2013.**

The auditor reported about the findings of its audit on 28 November 2013. The auditor's explanations, especially those regarding the earnings, assets and financial situation of the company and the Group, were then discussed at length and in detail. All of the audit committee's questions were answered. The audit committee was satisfied that there was no evidence of bias or conflicts of interest on the part of the auditor. The audit committee was also briefed in depth about the services KPMG provided that were not part of the audit itself.

During the supervisory board meeting convened on **4 December 2013** to finalise the financial statements, the audit committee reported to the supervisory board about its deliberations with the auditor and the management board, its oversight and monitoring of the accounting process, and the findings of its own audit. Furthermore, the audit committee described to the supervisory board how, as part of its oversight function, it concerns itself with the effectiveness of the Group's internal control and risk management system, and how it was satisfied with the system's effectiveness. The auditor thoroughly briefed the supervisory board about the audit and the audit process. The supervisory board deliberated on the documents relating to the annual accounts in the auditor's presence on 4 December 2013 and came to the conclusion that KPMG's audit was conducted properly, and that the audit reports and the audit itself comply with legal requirements. The auditor and the management board answered all of the questions raised by the supervisory board. Based on the final results of its own examination of the annual financial statements, the consolidated financial statements, and the management reports, the supervisory board raised no objections to the annual and consolidated financial statements prepared by the management board, followed the audit committee's recommendations, and concurred with the findings of the auditor. On 4 December 2013, the supervisory board approved the annual and consolidated financial statements prepared by the management board. The annual financial statements for All for One Steeb AG were thereby finalised pursuant to § 172 of the German Stock Corporation Act (hereafter called »Aktiengesetz«). After a long and careful discussion, the supervisory board approved the management board's recommendation as presented for the appropriation of the net earnings.

Dependent Company Report

The management board also prepared a report about relationships with affiliated companies pursuant to §312 »Aktiengesetz«. The auditor examined this report and issued the following audit opinion:

»Based on our audit and review in accordance with professional standards, we certify that:

1. The actual information contained in the report is accurate.
2. The consideration paid by the company for the transactions listed in the report was not inappropriately high.
3. The actions listed in the report provide no cause for any significantly different assessment than that expressed by the management board«.

The management board informed the audit committee and the supervisory board promptly about the Dependent Company Report and the audit report that the auditor prepared concerning it. The audit committee thoroughly examined and discussed these documents again in its meeting on 28 November 2013 and the supervisory board did the same in its meeting on 4 December 2013. This examination did not give rise to any objections.

Corporate Governance

The management board and supervisory board fulfilled their obligation to prepare a joint Declaration of Conformity pursuant to §161 »Aktiengesetz« in February 2013. The respective text was published on the company's website and in the Federal Gazette. Over the course of the financial year 2012/13, the supervisory board and the management board were both extensively involved in improving and enhancing corporate governance within All for One Steeb AG and dealt in depth with the new version of the German Corporate Governance Code that was issued on 13 May 2013 and that came into force on 10 June 2013. Additional information about corporate governance can be found in the »Corporate Governance Report« in the annual report.

No conflicts of interest arose between the members of the management board and supervisory board during the reporting period, such as would be required to be reported to the supervisory board or about which the annual general meeting would have to be informed.

The supervisory board wishes to thank the management board and each and every employee in all of the Group companies for their personal commitment and for all their hard work and achievements throughout the financial year 2012/13. You have taken All for One Steeb AG another major step forward. The supervisory board has every reason to believe that the company is well prepared and positioned for the future.

Filderstadt, 4 December 2013
The Supervisory Board

Peter Brogle
Chairman of the Supervisory Board

CORPORATE GOVERNANCE REPORT

Corporate governance is firmly anchored in All for One Steeb's day-to-day operations and, in the form of responsible, accountable and transparent management, is actively »lived« and continuously reviewed, enhanced and improved.

Good corporate governance is not only the very essence of everything that All for One Steeb does on a daily basis for its shareholders, business partners, employees and relationships with the public, it also forms the foundation for sustained success and achievement. The recommendations made by the Government Commission on the German Corporate Governance Code provide important advice and guidance to this end. The Government Commission issued a new version of the Corporate Governance Code on 13 May 2013 that came into force on 10 June 2013. This latest version includes some major amendments in the form of new recommendations (»should«) and suggestions (»can«), which are currently being examined and evaluated in order to improve corporate governance at All for One Steeb.

Declaration of Conformity and Corporate Governance Statement

The Declaration of Conformity by the supervisory board and management board prepared in accordance with §161 »Aktiengesetz« and the Corporate Governance Statement pursuant to §289a of the German Commercial Code (hereafter called »Handelsgesetzbuch« or »HGB«) can be found in the Investor Relations section of the company's website www.all-for-one.com.

Shareholders and the Annual General Meeting

The shareholders of All for One Steeb AG exercise their rights at the annual general meeting. Each registered share carries one vote in accordance with §13 of the company articles of association. The chairman of the supervisory board chairs the annual general meeting. The annual general meeting decides on all its tasks and duties as prescribed by law.

Supervisory Board

The primary task of the supervisory board is to advise and oversee the management board. The supervisory board of All for One Steeb AG currently consists of six members, two of which are employee representatives. The responsibilities und obligations of the supervisory board are regulated in the »Aktiengesetz«, the company articles of association and in the supervisory board's standing rules.

Management Board

As the governing body of a stock corporation, the management board directs the business and, in accordance with the provisions of stock corporation law, is bound to the interests and the business policies of the company. It reports to the supervisory board comprehensively, on a regular basis, and in a timely manner about all issues concerning business performance, the corporate strategy and potential risks. The responsibilities and obligations of the management board are as regulated in the »Aktiengesetz«, the articles of association, the standing rules and in the management board's schedule of responsibilities.

The Work of the Management Board and Supervisory Board / Committees

The management board and supervisory board maintain a close and trusted relationship as they work in the interest of All for One Steeb AG. The chairman of the supervisory board co-ordinates the work of the supervisory board and chairs its meetings. The supervisory board also appointed committees. The management board usually participates in the meetings of the supervisory board, reports orally and in writing about the individual agenda items and proposed resolutions, and answers questions put forth by the members of the supervisory board.

In accordance with §6 of the All for One Steeb AG articles of association, the supervisory board appoints the members of the management board and establishes the standing rules and a schedule of responsibilities for the management board. The chairman of the supervisory board decides if the members of the management board should take part in the supervisory board meetings. And finally, the supervisory board establishes standing rules for itself. The chairman of the supervisory board provides details about the activities of the supervisory board in his report to the shareholders and during the annual general meeting.

The supervisory board respects diversity in the composition of the management board. In appointing the members, the supervisory board evaluates the relevant personal and professional qualifications of the candidates, such as knowledge of the industry, experience, technical expertise and international character, and endeavours to provide appropriate consideration to women.

The supervisory board makes every effort to focus on the interests of the company when nominating suitable candidates for election as members of the supervisory board. In so doing, the supervisory board respects diversity and strives to achieve an equitable representation of women.

Transparency

All for One Steeb AG attaches great importance to an information policy that stresses the provision of information that is uniform, comprehensive and timely. This is why the company informs all interest groups about the company's situation and all significant changes and developments within the business on a regular and timely basis. The most important communication tools used for this purpose are the Internet and the company's website. Reporting is also made in the annual report, as part of press and analyst conferences, during roadshows and in the regular quarterly financial reports. Furthermore, information is also published in the form of press releases and ad hoc announcements. The company also complies with the disclosure requirements regarding such matters as voting rights announcements. All disclosures, announcements, presentations and reports are also permanently available in the Investor Relations and Press Center sections of the company's website. All for One Steeb AG has also prepared, and continually maintains and updates, the insider list pursuant to §15b German Securities Trading Act (hereafter called »Wertpapierhandelsgesetz« or »WpHG«). The individuals included in this list have been informed of their statutory duties and the sanctions associated with access to insider information.

In line with the principle of fair disclosure, all shareholders and significant target groups are treated equally when it comes to the disclosure of information. For statutory reasons principal shareholders may receive some information in advance if such is required for preparing its group financial statements, group interim reporting, business plans and budgets. The recipients of such information are formally bound to treat this information as confidential and not to disclose it.

Compensation Report

The management board's compensation system is explained in the Group Management Report. The notes to the consolidated financial statements also provide detailed information about compensation for each member of the management board and supervisory board divided into fixed and variable components. The structure of the compensation system is reviewed regularly.

Stock Option Programmes and Similar Incentive Systems

There are currently no stock option programmes or similar incentive systems in place for the members of the supervisory board or the management board.

Shares Held by Board Members

The members of the management board and the supervisory board hold shares in All for One Steeb AG as shown in the following table:

SHARES	30.09.2013 Direct	30.09.2013 Indirect	30.09.2012 Direct	30.09.2012 Indirect
Supervisory Board				
Peter Brogle	41,263	0	41,263	0
Josef Blazicek	6,500	12,000	13,000	12,000
Peter Fritsch	24,000	0	24,000	0
Friedrich Roithner (since 14 March 2013)	0	0	–	–
Jörgen Dalhoff (since 14 March 2013)	250	0	–	–
Detlef Mehlmann (since 14 March 2013)	0	0	–	–
Management Board				
Lars Landwehrkamp	50,000	22,500	50,000	22,500
Stefan Land	32,735	0	32,735	0
	154,748	**34,500**	**160,998**	**34,500**

All changes in the amount of stock held by the members of the management board and the supervisory board are disclosed in accordance with statutory regulations and also made permanently available to the public on the company's website.

Accounting and Auditing

All for One Steeb AG prepares its consolidated financial statements in accordance with IFRS, and the annual financial statements in accordance with the »Handelsgesetzbuch«. Once prepared by the management board, the consolidated financial statements and the annual financial statements are audited by the auditors, approved and finalised by the supervisory board, and then published within 90 days after the end of the financial year. The auditors do not review the interim reports.

Key Performance Indicators and Control Systems

Sales revenues and operating earnings (EBIT) are the key financial figures used in managing the All for One Steeb Group. These control parameters are aligned with one another with an eye toward pursuing as sustainable and profitable a path to growth as possible.

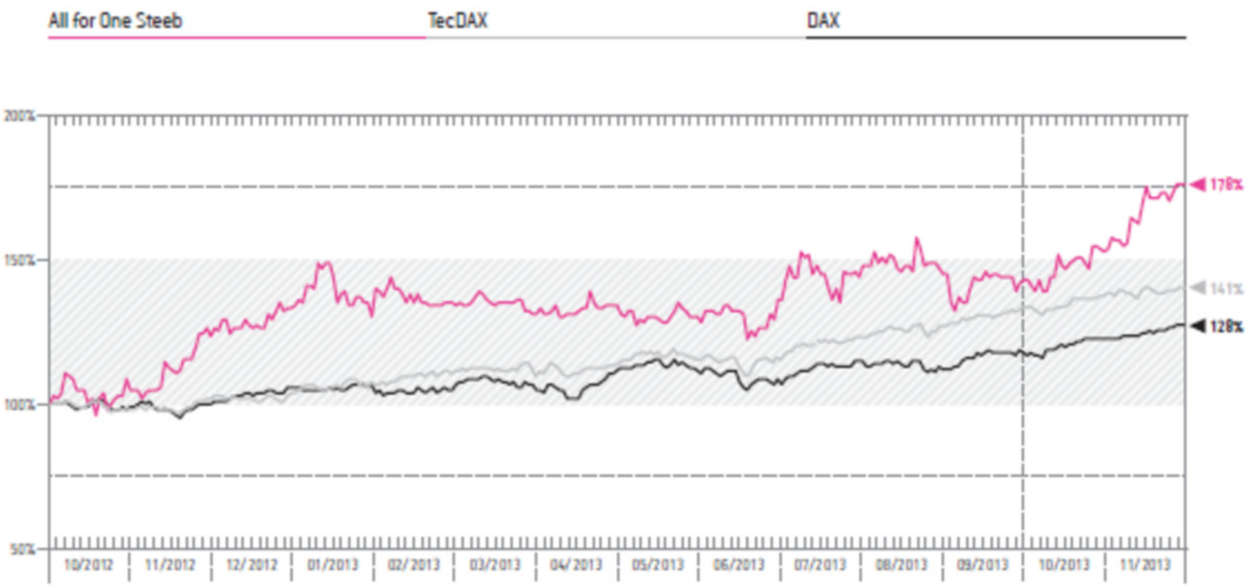
As part of its overall responsibility for the Group, the management board is required in accordance with §91, section 2 »Aktiengesetz« to establish a risk early warning system to identify existential risks as early as possible. This risk early warning system is an integral part of the planning, budgeting, control and reporting processes. A detailed description of the risk management system and the internal control system is included in the Opportunities and Risk Report section of the Group Management Report (see also the Group Management Report sections 3.2. Risk Management System and 3.3. Internal Control System).

The Share

Solid Gains

The share price of All for One Steeb AG stock increased 42% in the financial year 2012/13, which was a much bigger gain than was made by the benchmark DAX and TecDAX indices. Still, analysts continue to see upward potential. This SAP full-service provider places graeat value on communicating with investors and maintaining contact with private investors.

Share Performance 2012/13



The price per share of All for One Steeb stock increased from EUR 10.87 to EUR 15.45 for a gain of 42% during the financial year 2012/13. At its peak the share reached a price of EUR 17.45. During this same period the company's market capitalisation improved from about EUR 53 million to some EUR 75 million. Even a direct comparison with the DAX and TecDAX for the reporting year clearly shows: All for One Steeb shares again performed significantly better and left both benchmark indices far behind. »Institutional and private investors alike are turning more and more of their attention to our stock«, said chief financial officer Stefan Land in describing market developments.

Intensive, Candid and Transparent Communications

All for One Steeb communicates and shares information in a manner that is candid, transparent, in-depth and sustained. The focus of these efforts is as much on shareholders, investors, analysts and the financial and business press as it is on keeping in contact with and addressing the concerns of private investors. Leading media outlets, such as *Euro am Sonntag*, *Börse Online*, *Der Aktionär*, *Focus Money*, as well as market letters including *Prior Börse*, *Der Platow Brief* and *Czerwensky intern*, are increasingly using our corporate news releases as the basis for preparing their own articles and feature stories. All for One Steeb regularly reports in-depth about the company's business developments during individual discussions hosted at All for One Steeb and those conducted at investor events, press meetings and trade shows, as well as during telephone and analyst conferences.

Investors can find a broad range of continuously updated information about All for One Steeb and its stock in the Investor Relations tab of the corporate website (www.all-for-one.com/ir-english). The company also offers investors such services as corporate news forwarded by e-mail, a variety of social-media feeds, and announcements of and registrations for the annual general meeting. The Investor Relations department also publishes current analyst estimates, corporate studies and financial reports and presentations, in addition to reporting about corporate governance and serving as the key initial point of contact for countless one-on-one discussions.

KEY FIGURES	
ISIN / WKN	DE0005110001 / 511 000
Market Segment	Prime Standard
Stock Exchange Centre	Frankfurt Stock Exchange
Date of Listing	30 November 1998 (then: AC-Service AG)
Indices	CDAX, Prime All Share, Technology All Share, DAXsector All Software, DAXsector Software, DAXsubsector All IT-Services, DAXsubsector IT-Services
Designated Sponsor	BankM
Highest Price Financial Year 2012/13*	EUR 17.45 (23 August 2013)
Lowest Price Financial Year 2012/13*	EUR 10.54 (17 October 2012)
Price at Start of Financial Year 2012/13*	EUR 10.87 (1 October 2012)
Price at End of Financial Year 2012/13*	EUR 15.45 (30 September 2013)
Market Capitalisation**	EUR 75.1 million
Earnings per Share in Financial Year 2012/13	EUR 0.99
Share Capital	EUR 14.58 million
Number of Shares	4,860,000 registered shares

SHAREHOLDERS' STRUCTURE	
Pierer Industrie AG	ca. 26%
Unternehmens Invest AG	ca. 26%
BEKO HOLDING AG	ca. 12%
Qino Capital Partners AG	ca. 10%
Management and Supervisory Board	ca. 4%
Freefloat	ca. 22%

* share price at day-end (XETRA)

** with reference to share price at end of 30 September 2013 (XETRA) and 4,860,000 shares

GROUP MANAGEMENT REPORT

All for One Steeb AG

Financial Year from 1 October 2012 to 30 September 2013

Unless otherwise indicated or apparent from context, the designations »All for One Steeb AG«, »All for One Steeb«, »company«, and »Group« as used in this Group Management Report indicate the All for One Steeb AG Group including its subsidiaries. The business combinations with OSC AG (formerly myOSC.com AG), Lübeck, and WEBMAXX GmbH, Munich, as well as the acquisition of selected assets of ORGA Gesellschaft für automatische Datenverarbeitung mbH and ORGA Consulting GmbH, both of Karlsruhe, that were completed in the financial year 2012/13 are hereafter called »OSC«, »WEBMAXX« and »ORGA« respectively. Percentage deviations were determined on values given in KEUR.

1. The Business and General Conditions

The financial year 2012/13 of All for One Steeb AG began – deviating from the calendar year – on 1 October 2012 and ended on 30 September 2013. The prior year period covers the timeframe of 1 October 2011 to 30 September 2012. The business combinations undertaken and the business start-ups established during the current reporting year have been fully included by consolidation in the consolidated financial statements (see section 1.2, Acquisitions). **For this reason, comparability with prior-year figures is limited.**

1.1. The Financial Year 2012/13 at a Glance

Key Figures:

in EUR millions	10/2012 – 9/2013	10/2011 – 9/2012	Δ in % *
Sales revenues	186.3	153.2	22
EBITDA	16.8	11.7	44
EBIT	10.5	6.0	76
EBIT margin (in %)	*5.6*	*3.9*	
Employees (Ø number)	847	657	29

* Deviations result from the calculation of values in KEUR.

- Sales increased by 22% to EUR 186.3 million; organic growth was about 14%
- EBIT increased an impressive 76% to EUR 10.5 million; the EBIT margin was 5.6% (prior year: 3.9%)
- Group earnings increased by 33% to EUR 5.6 million
- Net debt nearly halved from EUR 12.3 million (30 September 2012) to EUR 6.2 million
- 926 employees (30 September 2012: 712 employees)

The newly formed All for One Steeb AG continued to execute its growth strategy in the financial year 2012/13. In five-year comparison (continuing operations) sales increased 151% to EUR 186.3 million (sales 2008/09: EUR 74.1 million) and the EBIT improved from minus EUR 0.3 million (2008/09) to plus EUR 10.5 million (2012/13). The current EBIT margin is 5.6% (2011/12: 3.9%). Our two operating segments, Integrated Solutions and Human Resource Services, posted significant gains during the reporting year. We succeeded in increasing the share of recurring revenues to total revenues to what is now 47% (2011/12: 46%). Our strong market position, the steady focus on SAP, our concentration on small and mid-sized enterprises from selected industries in countries where German is spoken, our unwavering focus on the customer, and the successful continuation of our buy & build strategy contributed greatly to these developments.

Despite recessions and stagnation in several European countries and weak demand in many parts of German industry, our target markets proved to be more robust than expected when it came to making investments in information technology. There continues to be a demand for software solutions and services provided from a single source. The situation remains tense on the labour and jobs market. Thanks to our employer branding, we are increasingly viewed as a highly attractive employer that not only hires well-trained people, but also fosters their professional development and remains committed to them over the long term. The number of employees rose from 712 (30 September 2012) to 926 (30 September 2013).

We even surpassed our own revenues and EBIT projections. In view of the planned inclusion of OSC, we first raised our original revenue projection for the financial year 2012/13 from EUR 160 million to 170 million on 12 November 2012. Then on 4 February 2013, and following a strong 1st quarter, we raised the forecast again, projecting that the company would reach revenues of EUR 180 million for 2012/13. Along with that we refined our EBIT projection from 5% of sales (12 November 2012) to EUR 9 million (4 February 2013).

Both the intensity of competition between and the trend towards consolidation among SAP resellers and consultancies accelerated during the reporting year. Major investments made primarily in personnel and technology have allowed us to expand our addressed market in the direction of larger midmarket companies. This means that in addition to SAP enterprise software solutions (»SAP Business Suite«), we can now offer our midmarket customers a growing number of services and solutions across their entire value chain that address such new technologies and initiatives as the employment of real-time data platforms (SAP HANA), enterprise data analysis (Business Analytics), private cloud services for business customers from our data centers and mobility solutions (SAP Mobile Solutions). We also greatly expanded the scope and variety of our products and services so that our company is increasingly seen as a full-service provider with an enhanced portfolio. And we accomplished this without compromising our clear industry focus, which is a cornerstone of our strategy. The more than 100 All for One Steeb business partners with which we work very closely are playing a key role in all of this. In addition, we serve our internationally operating customers in over 57 countries through our United VARs (Value Added Resellers) partner network.

Interest in All for One Steeb has risen dramatically on the part of institutional investors as well, as evidenced by us having successfully placed our first promissory notes. In response to the great demand, the initially planned volume of EUR 30 million was enlarged to EUR 35 million. This step not only let us lock in the current market's favourable financing terms over a long period of time, but also improves the ability to plan, budget and manage our corporate funding. The equity ratio of 35% as at 30 September 2013 was unchanged from the prior year and the net debt (liquid assets minus financial liabilities) was nearly halved from EUR 12.3 million to 6.2 million (30 September 2013).

Further Expanded Customer Base

Our customers also welcome this kind of performance. In addition to again being recognised as one of »Germany's Best IT Consultancies for the Midmarket Segment« (Top Consultant 2012/13), All for One Steeb was presented for the first time with a Pinnacle Award as »SME VAR/Reseller of the Year«. Customer feedback was a decisive factor in earning this award, which otherwise has only been conferred on globally operating companies such as IBM, HP, Accenture, Atos, Tata Consultancy, Cap Gemini, Deloitte and Open Text. No less than eight of All for One Steeb AG's customers made the 2013 list of the »Top 100 Innovators« in Germany based on the results of the respected benchmark survey of the same name. We also expanded our customer base to over 2,000 clients during the reporting year (prior year: fewer than 2,000 clients).

1.2. Acquisitions

The following transactions have specifically helped strengthen the company during the financial year 2012/13:

OSC

Effective 1 November 2012, All for One Steeb AG acquired 60% of the shareholdings and voting rights in myOSC.com AG, Lübeck. The group has since changed its name to OSC AG and individual subsidiaries of the group have been merged into the renamed parent company in an effort to streamline the organisation. The group is one of the most significant mid-sized SAP consulting companies in northern Germany and primarily generates revenues from the provision of SAP consulting

ORGA

With an effective date of 1 May 2013, All for One Steeb AG assumed 49 employees, more than 80 client contracts and additional assets from the two Fiducia IT AG, Karlsruhe, subsidiaries ORGA Gesellschaft für automatische Datenverarbeitung mbH and ORGA Consulting GmbH, both based in Karlsruhe, as part of an asset deal. The SAP application landscapes of ORGA customers being run in Fiducia's data centers are gradually being shifted to All for One Steeb's data centers. The purpose of this acquisition is to expand All for One Steeb's share of recurring revenues and unlock additional growth potential.

WEBMAXX

In addition to SAP Business Suite applications, companies increasingly consider their e-mail communications to be mission critical. Special portals are used in data centers to scale such services for several thousands of users, and this is exactly where the technology specialist WEBMAXX has exceptional expertise. As part of measures by Munich-based WEBMAXX GmbH to raise capital, All for One Steeb AG took over 73.68% of the shareholdings and in turn a majority stake in this Microsoft cloud technology company as at 1 July 2013. Both companies had earlier worked together on a project basis.

In addition to the transactions discussed above, we also strengthened the company with two **business start-ups** during the reporting year. On 1 February 2013 **All for One Steeb (Schweiz) AG**, Regensdorf/Switzerland, was established as a wholly owned subsidiary of All for One Steeb AG. The company is being organised with the goal of more pervasively covering the Switzerland SAP market beyond the »project services« segment that is already addressed by our subsidiary Process Partner AG, St. Gallen, so that more new customers can be attracted in the manufacturing industry. The company **All for One Steeb Yazılım Servisleri Limited Sirketi** (»All for One Steeb Software Services Ltd.«) was founded on 11 July 2013 as a service location in Istanbul/Turkey and wholly owned subsidiary of All for One Steeb AG in order to enhance the ability to provide remote services and support to All for One Steeb's SAP midmarket customers located in German-speaking countries. One of the major purposes of this move is to develop and utilise the human resources market for well-trained, German-speaking SAP specialists in Istanbul.

The above-named acquisitions and newly established businesses were fully included by consolidation in the reporting year's consolidated financial statements as of the date of the respective transaction.

It took a great deal of effort to integrate the many new customers and employees within the All for One Steeb AG Group organisation during the reporting year. This is where our extensive experience gained from the prior year's completed integration of Steeb Anwendungssysteme GmbH, Abstatt, formerly a wholly owned subsidiary of SAP AG, Walldorf, proved to be so important. The OSC and WEBMAXX brands will continue to be used within the respective subsidiaries of the same names; the business elements taken over as part of the ORGA transaction were, however, completely integrated into the All for One Steeb AG organisation. Because of the rapid progress made with the integration, the amount of total revenues attributable to the acquisitions in the financial year 2012/13 can only be approximated and totals about EUR 11.5 million. Accordingly, some 8 percentage points of the 22% increase in revenues from EUR 153.2 million (2011/12) to EUR 186.3 million (2012/13) is attributable to recent acquisitions.

1.3. Market Trends

Overall Economic Development

Recession and stagnation across large parts of Europe burdened the overall economy in Germany during the reporting year. Following the strong recovery in 2010 (plus 3.9%) and 2011 (plus 3.4%), the rise in the (seasonally and calendar adjusted) gross domestic product in 2012 declined sharply to plus 0.9% compared to that of the prior year. GDP growth stagnated during the period of January to March 2013, and an interim high of 0.7% over the prior quarter was reached in the 2nd quarter 2013 (*Source: Federal Statistics Office)*. Exports in the first half of 2013 were 0.6% below those of the first half of the previous year (*Source: FAZ, 30 August 2013*). Many developing countries, which for a long time had been the engines driving economic growth for export-oriented industries in particular, such as machinery and equipment manufacturing and automotive suppliers, are now growing at a significantly reduced pace. For this reason, only a slight increase in GDP of approximately 0.5% over the prior year is expected for the full 2013 year *(Source: German Federal Government, Spiegel Online, 14 August 2013).* Domestic activity was the primary factor behind the growth in 2013. This is why the VDMA German Engineering Federation expects contractions within the highly export-dependent machinery and equipment manufacturing sector and has lowered its overall forecast for 2013 to minus 1% from its original plus 2%. (*Source: VDMA, 4 July 2013*). The ZVEI German Electrical and Electronics Manufacturers Association, which counts many auto-parts suppliers and project services companies as members, reported a sales slowdown of 3.7% for the period of January to July 2013 (*Source: ZVEI, 9 September 2013).*

On the whole, Germany survived the major crisis of 2009/10 much better than most other economies and is in good shape when compared internationally. In September 2013 the overall picture within our key machinery and equipment manufacturing, automotive, project services, consumer goods and technical wholesaling industries was one of a delicate balance between confidence and restraint. The KfW-Ifo SME barometer rose for the third month in a row in July 2013. Both the state of business and the outlook were assessed more positively (*Source: Handelsblatt, 7 August 2013*). »We are still the number one on the global export markets for machinery and equipment«, reports the VDMA (*Source: VDMA, 12 June 2013*). Growing internationalisation and increasing needs for process optimisation along the entire value chain were the sources of robust demand for IT investments during the reporting year.

IT Market Developments

The primary drivers for investing in advanced enterprise software solutions and related IT services were still intact in 2013. In particular, these include the growing internationalisation and globalisation of the procurement and sales markets and those innovations that customers need to optimise costs, quality and processes. Trends such as enterprise data analysis (business analytics), the use of mobile devices in business environments (mobile solutions) and high-speed data processing (in-memory computing) further enhance the role played by business software solutions (enterprise backbone) while also providing a powerful stimulus for enhancing and improving SAP AG's business performance. These new technologies provide an umbrella of opportunities under which leading partners such as All for One Steeb can attain ever-greater prominence.

Besides its innovative strength, it is the outstanding investment security that comes with the world's leading enterprise resource planning (ERP) solution that is the most powerful argument for using SAP-based enterprise software applications. The rapid pace of innovation and the many new solutions and services being offered have accelerated both the trend toward obtaining end-to-end IT solutions from a single source, and the rate at which customers are outsourcing their IT infrastructure to outside service providers such as All for One Steeb.

The IT markets in Germany are again projected to grow significantly faster than the economy as a whole. The German market for IT services, such as consulting and outsourcing, is projected to expand by some 2.5% in 2013 (*Source: German Association for Information Technology, Telecommunications and New Media (BITKOM), 4 March 2013).* The top 25 companies in the IT consulting and systems-integration segment even expect a medium market growth of approximately 4% for 2013 (*Source: Lünendonk, 16 May 2013*). The shortage of highly trained and skilled workers remains the biggest impediment to growth (Source*: BITKOM, 16 September 2013).* All for One Steeb AG again posted much higher rates of growth than the IT markets during the current 2012/13 reporting year, and as a result was once again able to make additional gains in market share.

1.4. Business Activities and Group Structure

All for One Steeb AG is an industry-focused, full-service information technology provider for SAP that operates primarily in Germany, Austria and Switzerland and is one of the leading SAP partners for the midmarket segment. The company is listed in the Prime Standard segment of the Frankfurt Stock Exchange. Its range of products and services includes end-to-end solutions across the entire IT value chain – from SAP industry solutions for small to medium businesses all the way to outsourcing and application management. The software and services portfolio has also been enhanced to include future growth fields beyond enterprise solutions (business applications), such as enterprise data analysis (analytics), mobility and mobile solutions (mobile business), SAP proprietary technologies (database and technology«), and new types of data center services (cloud) often in connection with high-speed data processing (in-memory computing). The core of this extensive range of products and services is formed by a remarkable level of expertise in SAP technology, extensive experience in integrating SAP, in-depth process knowledge of the key industries, in-house developed SAP industry solutions, add-on solutions and outsourcing service solutions.

All for One Steeb AG comprises the two business divisions Integrated Solutions and Human Resource Solutions (HR Solutions).

Integrated Solutions Business Division

The Integrated Solutions segment encompasses a full range of products and solutions designed to provide end-to-end customer support that starts with management consulting and extends from software licenses, industry solutions, implementation and optimisation projects, all the way to software maintenance, outsourcing and managed services and covers the entire range of enterprise processes. The Group companies allocated to the segment are located in Germany, Austria, Switzerland, Belgium, Luxemburg and Turkey. SAP customers outside of the German-speaking countries are served primarily by the global partner alliance United VARs (»Value Added Resellers«). The Integrated Solutions segment faces intense competition. In addition to ERP producers outside of SAP, competitors also include SAP system resellers and IT outsourcing service providers operating domestically and internationally. The acquisitions made and new businesses that were established during the reporting year (see section 1.2, Acquisitions) have been allocated in their entirety to the Integrated Solutions business division.

HR Solutions Business Division

The heart of the HR Solutions segment is the human resources software platform SAP ERP HCM (»Enterprise Resource Planning, Human Capital Management«), which serves as the basis for providing comprehensive implementation, consulting and support services all the way to recurring HR outsourcing and HR business process outsourcing services In addition to the more traditional administrative HCM offerings, the portfolio of products and services is increasingly being determined by strategic human resource initiatives such as employee portals (employee self-service), candidate management (eRecruiting) and manager and executive assessments (management appraisal). Besides Germany, which is the primary market with five locations nationwide, this business division is active mainly in Austria, along with France and the Czech Republic. HR Solutions operates in an extremely competitive market with rivals that include non-SAP suppliers of human resources software and their consulting service providers. The HR Solutions segment also faces competitors in its markets that operate as specialised SAP HCM consultancies or the SAP HCM consulting units of major international IT service groups.

The companies in both business divisions work together on specific projects that span both operating segments. Part of this involves operating a joint HR performance center, where customers can use SAP ERP HCM as a full service that includes application management (HR Solutions segment) from within the data center (Integrated Solutions segment).

1.5. Strategy and Positioning

All for One Steeb AG has set itself the goal of comprehensively serving and supporting small to mid-sized SAP customers using an efficient, one-stop-shop concept. Here the company focuses its efforts on selected industries in the midmarket sector in countries where German is spoken and on its partnership with SAP.

The Midmarket

As a full-service information technology provider, All for One concentrates on serving small to medium businesses. The entire range of services and solutions is carefully designed to respond to the needs and unique characteristics of this group of customers, which differ so much from major corporations in terms of such issues as the amount and kind of advice, assistance and implementation work they need or want. For this reason, the midmarket sector requires consultants who have a very broad and multi-disciplined process competence. It is only with a clear focus like this that All for One can deliver the kind of high-quality and efficient service that produces added value for the customer.

Industry-Focused Products and Services

One major pillar of All for One's integrated business model is formed by its proprietary and certified All-in-One solutions. These are carefully pre-configured to the typical business processes of specific branches of industry, are very economical to implement and can be run either within the All for One Steeb data centers or at the customer's facilities. Within the All for One Steeb Group these are the industry solutions for the machinery and equipment manufacturers (All for Machine), the automotive supplier industry (All for Automotive), for project services companies (All for Service), for the consumer goods industry (All for Consumer) and technical wholesaling (All for Trade) and also KWP.All-in-One.HR for the wide-ranging demands of human resource management. Proprietary industry solutions specifically developed for SAP Business ByDesign cloud software are also available.

The market penetration of the above-mentioned target groups was further increased during the reporting year. Along with that, numerous in-house-developed add-on solutions are being offered to meet the management and organisational challenges faced by these target industries. Characteristically tailored to specific industry needs, these add-on solutions not only improve the user friendliness of the SAP software, but also considerably reduce SAP project implementation costs.

Sales Organisation and Worldwide Service and Support

All for One Steeb uses its own sales and consulting resources to serve its customers primarily in Germany, Austria and Switzerland. Besides direct sales, these also include an expanded indirect sales channel called the »All for One Business Partner Programme«. All for One Steeb founded the United VARs partner network back in 2006 to provide worldwide support to its small and mid-sized customers. The leading SAP partners in their respective countries have since joined this alliance – organised similarly to Lufthansa's Star Alliance – and offer internationally operating customers in over 57 countries across the world a wide range of professional on-site services and support based on uniform quality standards and recognised project methods. All for One Steeb established the limited liability partnership United VARs LLP together with 21 other partners in November 2011. This gave the alliance, which had its beginnings in 2006 as a partner network, a powerful marketing, sales and co-ordination platform that not only promotes the globally co-ordinated service and support provided to established clients, but also the acquisition of new international client projects. All for One will hold the chairmanship of United VARs LLP's three-member board of directors. This allows All for One to create a tremendous degree of efficiency to benefit its clients on a global scale.

Partnership with SAP and the SAP Ecosystem

The partnership with SAP is the hub of All for One Steeb AG's daily business. By its own estimates, All for One Steeb directly, meaning software maintenance and outsourcing contracts, serves the largest installed base of SAP midmarket customers within the German-speaking region. SAP software and related services form the core of the company's portfolio of products and services. SAP AG underscores the important role that All for One Steeb AG plays within the SAP midmarket segment by having presented it with numerous awards and granting it the highest partner status. All for One Steeb belongs to that small group of partners that have qualified not only as a Gold Partner, but as an »SAP-Certified Provider of Hosting Services«, »SAP-Certified Provider of Cloud Services« and Special Expertise Partner for various specialised fields as well. This reporting year also marked the first time that SAP recognised All for One Steeb with a Pinnacle Award as »SME VAR/Reseller of the Year«. This intensive relationship with SAP enables All for One Steeb to ensure that its customers benefit from the utmost in planning reliability, efficiency and cost effectiveness. As a result of the acquisition of the former SAP subsidiary Steeb in 2011, All for One Steeb AG not only managed to further enhance its top position in the German-speaking SAP midmarket segment, but also its role as a recognised and leading authority within the SAP ecosystem as well.

1.6. Research and Development

All for One Steeb AG conducts no research and development activities as such, and owns no patents.

2. Earnings, Assets and Financial Situation

Sales revenues and operating earnings (EBIT) are used as the key financial indicators for managing All for One Steeb AG. These indicators are aligned with an eye toward pursuing as sustainable an approach to profitable growth as possible.

In addition to financial indicators, non-financial indicators are increasingly used to manage the company, such as the enlargement of what was already broad geographic coverage of customer markets outside those countries where German is spoken by way of the United VARs partner network. Through the addition of new partners, this alliance was able to increase to 57 the numbers of countries covered from last year's level of 56 – to include all the world's most-important economic centers for All for One Steeb's target industries. Other non-financial performance indicators are set forth in the form of qualification programmes included as part of many employees' performance objective agreements. The consultants from All for One Steeb AG were again ranked among the »Best IT Consultants for the German Midmarket« based on the findings of the respected TOP CONSULTANT 2012/13 benchmark survey. This assessment is based primarily on interviews with customers to measure »satisfaction« and the degree of »professionalism« they felt the consultants demonstrated while providing their consulting services. The indicators of orders on hand, new orders and order range are not currently quantified on a company-wide basis.

2.1. Financial Management Principles and Objectives

Financial management at All for One Steeb is primarily understood as liquidity management, capital structure management and the management of interest rates and currencies. Another key focus of financial management is the monitoring of and compliance with the terms and conditions of loan agreements used to fund the company. The Opportunities and Risk Report (section 3) provides more details about financial and liquidity risks.

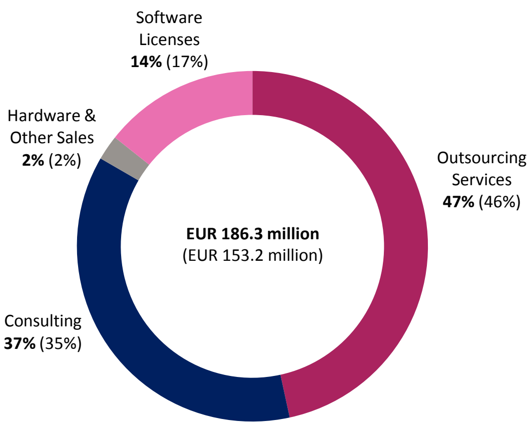
2.2. Sales Performance

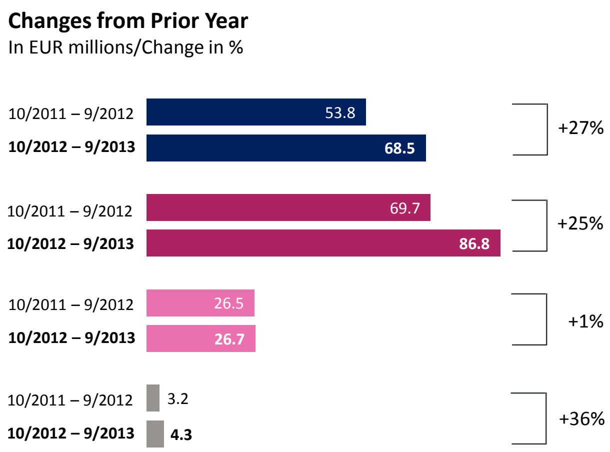
The increase in All for One Steeb AG's sales revenues was clearly higher than the trend that was projected for the IT market as a whole and even exceeded the company's own expectations. During the reporting period this SAP full-service provider generated sales of EUR 186.3 million, an increase of 22% over 2011/12 (EUR 153.2 million). Gains were also made organically – not including the acquisitions (see section 1.2, Acquisitions) – in outsourcing services (including software maintenance), software licenses and consulting revenues, which all together during the current reporting year added up to a significant double-digit growth in revenues of approximately plus 14% (2011/12: approx. plus 20%).

Sales by Type of Proceeds

The following charts illustrate the breakdown of sales revenues:

(Deviations result from the calculation of values in KEUR)



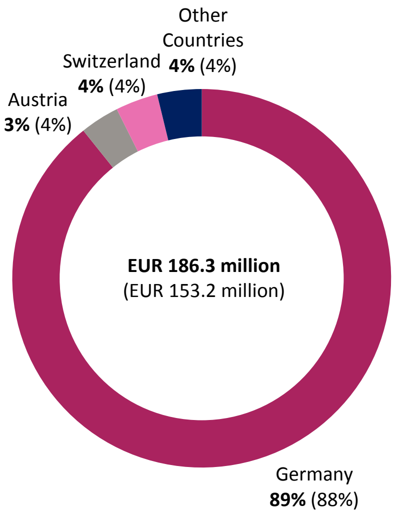


The amount of recurring revenues from outsourcing services (including software maintenance) increased during the reporting period by 25% to EUR 86.8 million (2011/12: EUR 69.7 million). These services now account for 47% of total sales revenues (2011/12: 46%). In addition to the inclusion of ORGA (see section 1.2, Acquisitions), this remarkable performance was also the result of an expanded marketing effort.

Revenues from the sale of SAP licenses totalled EUR 26.7 million and clearly exceeded our expectations. The licensing revenues from the prior year (2011/12: EUR 26.5 million) included a number of unusually large licensing deals. Our biggest gain was made in consulting revenues, a plus of 27% to EUR 68.5 million (2011/12: EUR 53.8 million). This achievement is a result of many new projects, a high rate of capacity utilisation, and the inclusion of OSC (see section 1.2, Acquisitions).

Sales by Country

The following chart illustrates the breakdown of sales revenues by country (based on domicile of servicer provider):



EUR 166.3 million (share of sales: 89%) of the sales revenues in the reporting period were attributable to Germany – a significant gain of 23% over the EUR 134.9 million in the prior year (share of sales 2011/12: 88%). Sales revenues in Austria increased by 8% to EUR 6.2 million (2011/12: EUR 5.8 million). Sales revenues in Switzerland were EUR 6.7 million (2011/12: EUR 6.2 million) in the reporting period. Sales revenues from the other countries achieved an increase of 12% to EUR 7.0 million (2011/12: EUR 6.3 million).

2.3. Earnings Situation

The following table provides a comparison of changes in earnings performance **(not including the discontinued operation)**:

in EUR millions *	10/2012 – 9/2013	10/2011 – 9/2012	Δ in % **
Sales revenues	**186.3**	**153.2**	**22**
Cost of materials and purchased services	-71.5	-62.1	15
Personnel expenses	-72.2	-59.4	22
Depreciation and amortisation	-6.4	-5.8	10
Other operating expenses/income	-25.8	-20.0	29
EBIT	**10.5**	**6.0**	**76**
Financial result	-1.7	-0.9	79
EBT	**8.8**	**5.0**	**75**
Income tax	-3.2	-1.8	83
Earnings after tax	**5.6**	**3.3**	**71**

* Some rounding differences
** Deviations result from the calculation of values in KEUR.

EBITDA Improves 44% to EUR 16.8 Million / EBIT up 76% to EUR 10.5 million / EBIT Margin of 5.6% (2011/12: 3.9%)
Other operating income was EUR 1.5 million (2011/12: EUR 1.4 million) and primarily comprises income from marketing support and employee payments in kind. The cost of materials mostly involves the purchase of SAP software licenses and expenditure for SAP maintenance contracts. The cost of materials ratio (cost of materials to sales) declined from 41% (2011/12) to 38% (2012/13) due to a slightly modified revenue structure. Personnel expenses increased 22% to EUR 72.2 million (2011/12: EUR 59.4 million). Personnel costs as a share of revenues were 39% and the same as in the prior year. The increase in other operating expenses by 27% to EUR 27.3 million (2011/12: EUR 21.4 million) also resulted from a major expansion in business and one-time expenses incurred in the course of the acquisitions and the business start-ups that were made. The increase in depreciation and amortisation, a rise of 10% to EUR 6.4 million (2011/12: EUR 5.8 million), is largely attributable to regular amortisation of intangible assets, which increased from EUR 2.4 million (2011/12) to EUR 3.2 million (2012/13) in conjunction with the acquisitions (see section 1.2, Acquisitions).

The EBITDA was an encouraging EUR 16.8 million (2011/12: EUR 11.7 million) for a gain of 44%. The corresponding EBIT also improved impressively compared to sales performance to EUR 10.5 million and was 76% above the prior-year figure of EUR 6.0 million. The EBIT margin increased to 5.6% (2011/12: 3.9%).

The financial result for the reporting year was minus EUR 1.7 million (2011/12: minus EUR 0.9 million). The interest hedges for the syndicated loan were discontinued in the current reporting period after the loan was fully repaid at the end of April 2013 in conjunction with the placement of the promissory notes. On-hand liquidity was used to fund the acquisitions in the financial year 2012/13 (see section 1.2, Acquisitions).

The EBT rose 75% to EUR 8.8 million (2011/12: EUR 5.0 million). The Group’s tax rate (income tax/EBT) for the current reporting period was 36% (2011/12: 35%) and was exacerbated by the acquisitions. Deferred taxes account for approximately one-third of the total income taxes of EUR 3.2 million (2011/12: EUR 1.8 million). Earnings after tax were thus EUR 5.6 million for a plus of 33%. The corresponding prior-year figure of EUR 4.2 million contained the final contribution to earnings in the amount of EUR 0.9 million from the discontinued operation – a variable earnout component from the 2009 sale of the equity holdings in AC-Service (Schweiz) AG. Due for the most part to the takeover of an initial 60% of the shareholdings in OSC (see section 1.2, Acquisitions), the non-controlling shareholders’ interests in the earnings after tax increased from EUR 0.5 million (2011/12) to EUR 0.8 million. Earnings per share were 99 euro cents (2011/12: 76 euro cents), which is an increase of 30%. The average number of shares outstanding was an unchanged 4,860,000.

2.4. Performance by Business Division

All for One Steeb AG’s segment reporting comprises the Integrated Solutions and the HR Solutions business divisions.

Integrated Solutions Business Division
The business combinations undertaken (see section 1.2, Acquisitions) and the two business start-ups All for One Steeb (Schweiz) AG, Regensdorf/Switzerland, and All for One Steeb Yazılım Servisleri Limited Sirketi, Istanbul/Turkey, established during the 2012/13 reporting year are fully included in this segment’s figures. Accordingly, total segment sales during the reporting period increased 24% to EUR 168.8 million (2011/12: EUR 136.8 million). This segment also increased the amount of outsourcing, licensing and consulting revenues. In terms of EBIT, the segment exceeded our expectations by posting a gain of EUR 5.1 million (2011/12) to EUR 9.4 million. The prior-year EBIT figure includes one-time costs relating to the acquisition and integration of Steeb totalling EUR 2.9 million. The EBIT margin to segment sales was 6% (2011/12: 4%).

Segment assets less segment liabilities as at 30 September 2013 totalled EUR 45.6 million (30 September 2012: EUR 37.4 million) – an increase of 22%. The number of employees as at 30 September 2013 was 784 (30 September 2012: 572), and the average personnel capacity was 637 full-time equivalents (2011/12: 477).

HR Solutions Business Division

The segment's sales performance in the reporting period achieved a strong plus of 9%. This increase in segment revenues to EUR 19.2 million (2011/12: EUR 17.6 million) was achieved on a strictly organic basis. The EBIT for the segment was EUR 1.1 million (2011/12: EUR 0.9 million) and the corresponding EBIT margin to segment sales for the HR Solutions segment improved to 6% (2011/12: 5%).

The HR Solutions segment mainly generates consulting revenues. Personnel management challenges such as eRecruiting, performance management, human resources controlling, electronic personnel files and eHR portal applications are proving to be further growth drivers.

Segment assets less segment liabilities as at 30 September 2013 totalled EUR 4.1 million (30 September 2012: EUR 3.5 million) – an increase of 16%. The segment's number of employess was 142 (30 September 2012: 140). The average personnel capacity increased slightly from 122 (2011/12) to 127 (2012/13) full-time equivalents.

2.5. Assets and Financial Situation

Key Asset and Financial Indicators:

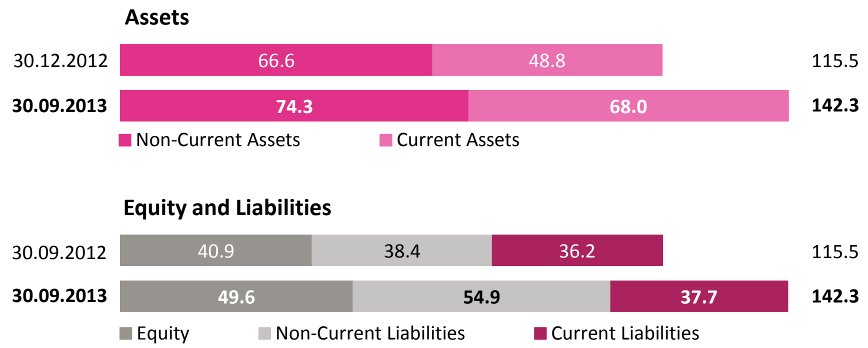
	Unit	30.09.2013	30.09.2012	Δ in %
Equity to assets	%	72	66	9
Days of sales outstanding	days	59	59	0
Cash *	EUR million	31.6	18.8	68
Net debt	EUR million	-6.2	-12.3	-50
Equity ratio	%	35	35	0
Return on equity	%	12.4	10.7	16
Return on total capital	%	4.4	4.7	-7

* Cash and cash equivalents less funds not disposable.

Group Balance Sheet

Total assets increased 23% from EUR 115.5 million (30 September 2012) to EUR 142.3 million (30 September 2013). This increase is due predominantly to the inclusion of the acquisitions (see section 1.2, Acquisitions) that were made in the current reporting period. In addition, promissory notes totalling EUR 35 million were placed at the end of April 2013 and the syndicated loan in the amount of EUR 29 million that was taken out in December 2011 to fund the Steeb acquisition was fully repaid. The following bar chart shows the most important changes:

Balance Sheet Structure
in EUR millions
(Figures may contain rounding differences)



The increase in non-current assets from EUR 66.6 million (30 September 2012) to EUR 74.3 million (30 September 2013) is mostly attributable to the inclusion of the acquisitions (see section 1.2, Acquisitions). The other intangible assets item, which also includes the amounts recognised for the portfolio of customers (EUR 5.9 million) and the brand (EUR 1.0 million) acquired from OSC, increased from EUR 39.3 million (30 September 2012) to EUR 43.5 million (30 September 2013), while goodwill grew by EUR 1.9 million to 16.6 million. The increase in tangible fixed assets from EUR 7.8 million (30 September 2012) to EUR 8.9 million (30 September 2013) is due primarily to customer-related investments in further expanding the data center infrastructure as a result of the good business performance in the field of outsourcing services.

Current assets increased from EUR 48.8 million (30 September 2012) to EUR 68.0 million (30 September 2013). Trade accounts receivable improved from EUR 25.2 million (30 September 2012) to EUR 30.8 million (30 September 2013) in line with the major expansion of the business and the initial consolidation of the acquisitions (see section 1.2, Acquisitions). However, the DSO (days sales outstanding) remained unchanged at 59 days. The increase in cash resources from EUR 18.8 million as at 30 September 2012 to EUR 31.6 million as at 30 September 2013 resulted from the surplus funds remaining from the placement of the promissory notes and the repayment of the syndicated loan, as well as excess liquidity from the operating business.

The non-current liabilities increased by EUR 16.6 million to 54.9 million (30 September 2013). This change is attributable primarily to the increase in non-current financial liabilities (plus EUR 9.5 million) due to the newly structured corporate financing (syndicated loan repayment), the expansion of provisions in conjunction with the ORGA transaction (plus EUR 3.5 million), and an increase in deferred tax liabilities (plus EUR 3.3 million).

Current liabilities rose slightly by EUR 1.5 million to 37.7 million (30 September 2013). This figure includes an increase in other liabilities of EUR 2.2 million to EUR 22.3 million, which is mostly a consequence of the inclusion of ORGA and an increase in provisions (plus EUR 0.9 million) and trade accounts payable (plus EUR 0.8 million). Current financial liabilities (minus EUR 2.8 million) declined significantly in the course of the debt restructuring, which saw promissory notes with a volume of EUR 35 million being successfully placed on 30 April 2013. The current market's favourable financing terms were locked in for an extended period of time and mostly in the form of fixed interest rates – currently between 2.6% and 4.3% – depending on the tranche and term. All three tranches with terms of three, five and seven years are due at maturity. The promissory notes are not subordinated and are unsecured. Predominantly longer-term tranches were allocated. The syndicated loan of EUR 29 million taken out in December 2011 to fund the acquisition of Steeb was in turn fully repaid and the interest rate swaps were discontinued. These swaps were used to hedge against the risks associated with the syndicated loan's variable interest rate and were recognised in equity (other reserves) using cash flow hedge accounting according to IAS 39 until they were discontinued. After the swaps were discontinued, the reserve for derivative financial instruments changed from minus KEUR 226 (30 September 2012) to zero (30 September 2013).

Total financial liabilities increased from EUR 31.1 million (30 September 2012) to EUR 37.9 million (30 September 2013). The rise in provisions from EUR 1.9 million (30 September 2012) to EUR 6.3 million (30 September 2013) is due predominantly to the inclusion of the acquisitions (see section 1.2, Acquisitions), and for the most part includes future obligations for severance payments, pre-retirement part-time work arrangements, and work-hours accounts. The increase in deferred tax liabilities from EUR 9.6 million (30 September 2012) to EUR 12.9 million (30 September 2013) and the other liabilities from EUR 20.1 million (30 September 2012) to EUR 22.4 million (30 September 2013) are also mainly due to the initial consolidation of the acquisitions (see section 1.2, Acquisitions). The net debt as at 30 September 2013 was EUR 6.2 million (30 September 2012: EUR 12.3 million).

In addition to earnings from the reporting year, the substantial growth in equity by EUR 8.8 million to EUR 49.6 million (30 September 2013) mainly includes an increase of EUR 4.5 million in non-controlling shareholders' interests to EUR 6.2 million (30 September 2013) in conjunction with the inclusion of OSC (see section 1.2, Acquisitions). The equity ratio was unchanged from the prior year at 35% (30 September 2013). The return on equity (earnings after income tax divided by the average equity) improved to 12% (2011/12: 11%), while the return on total capital (earnings after income tax divided by the average total assets) declined from 5% (2011/12) to 4% (2012/13).

Cash Flow and Investments

The cash flow from operating activities improved from EUR 7.2 million (2011/12) to EUR 10.7 million (2012/13). This increase is due mainly to the profitable expansion of the business and an enhanced level of earnings. For this reason the EBITDA is currently EUR 16.8 million and EUR 5.1 million greater than the corresponding prior-year figure. The rise in business volume did, however, result in further additions to working capital, so that this improved level of earnings was not fully reflected in the cash flow.

Cash flows from investing activities totalled minus EUR 1.1 million in the current reporting period (2011/12: minus EUR 43.0 million) and mostly include payments of the purchase price for taking over 60% of the shareholdings in OSC (EUR 3.2 million) on the one hand, and the EUR 4.2 million in cash received in connection with the ORGA transaction (see section 1.2, Acquisitions) on the other. In the prior year, a payment of a purchase price in the amount of EUR 38.8 million was made for the acquisition of Steeb. Net cash of EUR 3.3 million (2011/12: EUR 4.9 million) was used to purchase intangible assets, tangible fixed assets and other assets, which pertain primarily to investments in technology for the data centers comprising both investments in replacement equipment and new investments attributable to the continued addition of customers for outsourcing services. This means that a positive free cash flow (operating cash flow less cash flows from investing activities) of EUR 9.5 million (2011/12: minus EUR 35.8 million) was achieved during the reporting year.

Total cash flows from financing activities were EUR 2.0 million. Promissory notes totalling EUR 35 million were placed during the reporting year, which were offset only by the repayment of a syndicated loan in the amount of EUR 29 million. The arrangement fees for the promissory notes placed at the end of April 2013 are included in the interest paid item. The cash flows from financing activities totalling EUR 17.2 million in the prior year were characterised for the most part by the loan financing of the Steeb acquisition.

2.6. Overall Financial Position

We successfully pursued our strategy of being an SAP full-service provider with an expanded portfolio in the financial year 2012/13. In addition to organically growing the business, we also undertook and successfully integrated selected acquisitions. The Group balance sheet as at 30 September 2013 again underscores what continues to be an accelerated growth phase for the company. The Group's funding is well balanced over the short and long term. In addition to cash resources of EUR 31.6 million (30 September 2013), operational funding lines of credit in the amount of EUR 7.9 million are also available, which offer a tremendous degree of short-term financial flexibility.

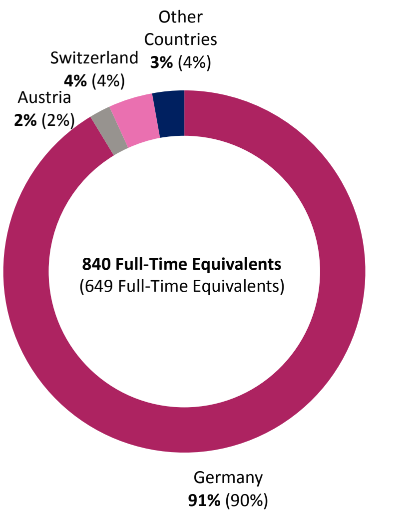
2.7. Employees

For an IT services company like All for One Steeb AG, sustained business success is closely linked to highly qualified and motivated employees. A consistent and sustained programme of human-resource-related activities forms an essential pillar of our corporate culture. Such activities are designed to maintain and promote our employees' commitment to performance with an eye towards outstanding service quality and customer satisfaction, as well as to further enhance All for One Steeb's outstanding image as an employer of choice.

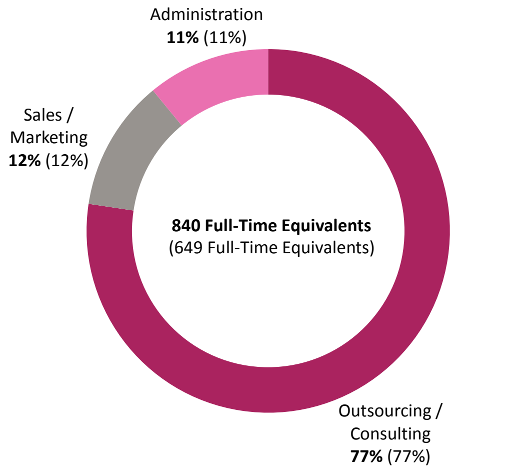
Staffing strength as at 30 September 2013 increased 30% to 926 employees (30 September 2012: 712 employees) as a result of the incorporation of the acquisitions (see section 1.2, Acquisitions) and a number of additional new hires. The average personnel capacity increased from 599 (2011/12) to 764 (2012/13) full-time equivalents. Of these 840 full-time equivalents as at 30 September 2013, a total of 767 were in Germany (30 September 2012: 584), 16 in Austria (30 September 2012: 13), 33 in Switzerland (30 September 2012: 28) and 24 full-time equivalents were in the other countries (30 September 2012: 24).

The following charts show the percentage distribution of full-time equivalents as at 30 September 2013:

Distribution of Full-Time Equivalents by Country



Distribution of Full-Time Equivalents by Field of Work



Of the 840 full-time equivalents (30 September 2012: 649), 650 were employed in the areas of outsourcing services and consulting (30 September 2012: 500), 92 were in administration (30 September 2012: 71) and 98 were in sales and marketing (30 September 2012: 78) as at 30 September 2013.

Despite this growth in personnel, All for One Steeb continues to look for well-trained and highly skilled employees for a number of areas, particularly SAP specialists. Recruiting campaigns in German airports, trains, at trade fairs and on the internet (www.neuer-freiraum.de), very good ratings in career portals and accelerated training programmes have all strengthened our image as the Number 1 in the SAP midmarket segment and also as an attractive employer of choice. There has been a notable increase in the number and quality of applications received for the many vacant positions. Contributing to this were special incentive programmes (such as an employee referral programme) and the continuing public visibility from again having earned the »TOP CONSULTANT 2012/13« award. Along with that, the establishment of a service location in Turkey (see section 1.2, Acquisitions) will allow All for One Steeb to tap into and develop the local human resources market in Istanbul with its many German-speaking SAP experts for the first time. Nevertheless, the job-market availability of SAP specialists with experience in the midmarket sector remains very slim.

In its efforts to promote training and education, All for One Steeb has expanded its co-operation with the Duale Hochschule Baden-Württemberg Ravensburg (DHBW), a state university that employs a dual system of theoretical and practical training. This co-operation helps train students pursuing a Bachelor of Science dual-study degree in the university's Department of Business Informatics. Furthermore, the company supervises and advises on college-degree-related semester and final-year projects, arranges internships for school-age and college students, and now employs trainees in addition to student hires.

Salaries consist of performance-based variable components in addition to a fixed rate of compensation. The amount of these variable components depends on the scope and responsibilities of the job and position within the company.

3. Opportunities and Risk Report

The All for One Steeb Group operates in a dynamic market environment and is managed in a manner that is value based and highly responsible. This is why our systematic approach to opportunities and risk management is not only critical to the company's sustained growth, but also closely aligned with our strategy. We closely link the way we manage opportunities and risks so that even when the opportunities and risk situations change, we can still effectively exploit business opportunities, while identifying and pro-actively managing potential risks early on. We also further refined our extensive risk management system and the company's internal control system consistent with the way we expanded our opportunity management efforts during the reporting year. Our fundamental aim is to reach a balance between opportunities and risks.

3.1. Opportunities Management

That part of the opportunities described below, which in our estimate seems likely to arise, were taken into account in our forecasts (see section 4, Outlook), whereas the opportunities from additional business acquisitions were not.

Opportunities Arising from Significantly Expanding the Customer Base

The acquisitions that were made (see section 1.2, Acquisitions) and the strong organic growth of the business have improved the opportunities that come with an expanded customer base. These transactions will also provide an increase in the share of recurring revenues along with a better ability to plan, budget and scale the business. New technology opportunities, such as business analytics, mobile solutions and SAP Business ByDesign, can improve not only the effectiveness of the business, but its prospects as well.

Opportunities Arising from Greater Visibility on the Target Markets

Despite the significant increase in business volume, the unchanged clear focus on key industries in selected midmarket segments accompanied by a significantly larger core customer base opens an even greater opportunity of being the first choice as the consulting, solutions and services partner for information technology projects. Strong and effective direct selling, along with sales through partners, contribute to further expanding the portfolio of reference customers. The character of being a quality-conscious and economically sound service partner that offers its customers exceptional long-term investment prospects has not only afforded the company a very good reputation on the market, but forms a sound basis for a greater and more successful sales performance.

The prominent position as one of the leading Gold Partners within the SAP organisation provides increased opportunities to sell SAP licenses. Doing so would expand the portfolio of software maintenance agreements, which in turn can lead to a rise in recurring revenues. Continuing to expand our range of products and services as a one-stop shop will better the opportunities of not only comprehensively supporting customers during periods of economic decline, but using the portfolio that they have already purchased to gradually sell them our entire line of products and services.

Opportunities Arising from an Expanded Partner Programme

Our »All for One Business Partner Programme« for secondary sales and distribution in countries where German is spoken also gives us a competitive edge. This programme encompasses more than 100 partners, whose support makes it possible to better penetrate and cover the existing target markets and sell additional SAP licenses. On a worldwide scale, our co-operation with United VARs ensures low-risk and well-established worldwide customer service and support of a very high quality with currently 24 partners in more than 57 countries.

Opportunities as a Full-Service Provider with an Expanded Portfolio

SAP's high pace of innovation guarantees a significantly expanded portfolio of services and solutions. We saw an increased demand for consulting and specialised integration skills relating to the implementation and use of new technologies and initiatives. The fact that small and mid-sized companies are the ones most apt to prefer the benefits that come from having a one-stop resource, provides us in our role as a full-service provider a greater opportunity of implementing new and expanded solution packages and providing customers with continuous, end-to-end service and support.

Opportunities Arising from the Trend Toward Consolidation

This same high pace of innovation at SAP may also accelerate the trend towards specialisation and consolidation among its system resellers and consultancies. Being one of the biggest and strongest SAP full-service providers within our target markets creates opportunities for us to apply our buy & build strategy and use acquisitions to pursue external growth and gain additional market shares beyond our organic growth targets (see section 4, Outlook).

3.2. Risk Management System

As part of its overall responsibility for the Group pursuant to §91, section 2 »Aktiengesetz«, the management board established a risk early warning system to identify existential risks as early as possible. This risk early warning system is an integral part of the planning, budgeting, controlling and reporting process. The basic structure of the risk management organisation has not changed from the prior year. The organisation is headed by the risk manager under whose leadership the risk management team performs its operational risk management functions. Risk officers from the various areas and departments of the lead operating company form the core of this team. The subsidiaries also appoint risk officers. They continuously monitor the development of risks and the effectiveness of measures to limit risks within their respective areas or subsidiaries, and on the basis of this prepare a risk analysis and assessment and report regularly to the risk manager. The risk handbook prescribes a standardised method, documents the risk management processes, and provides tools for continuously recording and tracking the results. The risk management team periodically attends workshops under the direction of the risk manager. The findings and results of these workshops are incorporated into the risk report that the risk manager periodically prepares and submits to management. Alongside this, individual risks are monitored on a decentralised basis within each of the departments, segments and subsidiaries by means of special analyses and additional assigned duties and responsibilities.The management board and the risk manager discuss the identified risks in detail, examine and update countermeasures and assess any residual exposure.

This risk management system is fully integrated within the organisational and operational structure and provides the foundation for risk early warning and control.

3.3. Internal Control System

The internal control system is an integral part of All for One Steeb AG's business processes, comprises a number of monitoring and control mechanisms, and is based on the pillars of the »four-eye principle«, »separation of duties«, »integrated reporting« and »internal audits«. Here is where controlling plays a key role. The »four-eye principle« is operationally implemented and monitored within the Group with the help of structured and uniform policies, such as signatory guidelines, operational rules, organisational guidance and the like. Another effective control and security mechanism is the carefully crafted and tailored rights and authorisations concept that applies across the entire management organisation, and which precisely defines and limits the access and activities of individuals and groups of people to what are predominantly SAP-based applications and functional features. The SAP systems and applications, along with their respective rights and authorisation concepts, were further enhanced with respect to the acquisitions that were made (see section 1.2, Acquisitions). The »separation of duties« relating to critical business processes enhances the security, reliability and quality of the workflow. Individual groups of people are also assigned horizontal duties, so that a system of mutual checks and balances is implemented across the various departments and areas of responsibility.

»Integrated reporting« includes a detailed planning, control and reporting system with numerous analyses and reports about the Group's situation, position and outlook. The planning process runs from the bottom up and on a monthly basis. In addition, regular forecasting is carried out for the individual companies and operating units, in order to further improve management controls, to recognise any discrepancies or deviations as early as possible and to be able to counteract them with appropriate measures. The current Group information system is supplemented by management meetings and business reviews on various levels within the individual divisions, departments and companies. At these meetings and reviews, opportunities, risks and developments are also discussed, tracked and evaluated, and documented in reports and minutes.

In addition, one or two Group companies undergo a separate audit each year which, among other things, examines their compliance with internal regulations and the quality of the internal control system. The audit manager reports the findings of these internal audits directly to the management and the supervisory board. Auditing during the current reporting year focused on the newly acquired companies (see section 1.2, Acquisitions).

3.4. Individual Risks

The following provides a list of risk factors that we have identified and are addressing as part of our risk management system. Unless otherwise stated, these risks affect both operating segments in what may be varying degrees. That part of the individual risk events described below, which in our estimate seems likely to occur, were taken into account in our forecasts (see section 4, Outlook).

Risks Associated with the Development of the Economy and the Regulatory Environment

The ongoing euro crisis continued to dampen the economic mood during the reporting year. Experts expect that Germany will have trouble permanently disconnecting itself from the recession and stagnation in the euro zone. In light of this, the management board is carefully monitoring further developments and the potential effects that these may have on All for One Steeb's target markets in order to initiate any necessary corrective actions as rapidly as possible. All for One Steeb's strategy of concentrating on regions of Germany, Switzerland and Austria has proven to be one that mitigates exposure. Nevertheless, there remain considerable risks with respect to the economy as a whole. Other developments that are also beyond the control of All for One Steeb AG, such as changes in tax legislation, could pose risks to future business performance, jeopardise the certainty required for planning purposes and endanger the attainment of revenue and earnings targets.

Risks Associated with the Use and Valuation of Tax Loss Carry Forwards

The Group balance sheet of All for One Steeb AG as at 30 September 2013 contains deferred tax assets on loss carry forwards in the amount of EUR 1.9 million (30 September 2012: EUR 2.8 million). The use and valuation of tax loss carry forwards and the related deferred tax assets are, however, subject to risks stemming primarily from tax-related legal uncertainties with respect to the provisions of §8c German Corporation Tax Act (hereafter called »Körperschaftsteuer-gesetz«). For this reason restructurings under corporate law at the shareholder level, rulings by the Federal Fiscal Court and lower fiscal courts and tax legislation as such can greatly influence the company's loss carry forwards and in turn significantly impair the company's earnings situation and cash flow.

Risks Associated with the Dependence on SAP

Due to the strategy of being a full-service provider of enterprise software solutions from SAP, there is a high level of dependence on the world's largest supplier of enterprise software solutions. The continued success for existing and future SAP products on the market and the sustainability of SAP's midmarket strategy, and the terms and conditions for partner sales that go with it, cannot be predicted with any certainty, and therefore also represent a considerable risk. All for One Steeb AG, however, continues working closely and intensively with SAP on all levels. Management also maintains regular and close contact with the decision makers at SAP to represent the positions held by the partners and highlight the needs and concerns of our many small to mid-sized customers.

Industry Risks: Pricing Pressures / Bad Debts / Insolvencies

All for One Steeb AG operates predominantly in markets where the competition is extremely intense. These markets are distinguished by rapid advances in technology, which naturally generate their own risks. Tremendous competitive pressures could well result in greater-than-expected strains on prices and margins, endanger the consultants' workloads and impair the sales of software licenses and outsourcing services. Additional risks arise from our focus on the machinery and equipment manufacturer, automotive supplier, project service, consumer goods and technical wholesale industry. The further refined systems and procedures for the early recognition of the risk of customer insolvencies – combined with a vigorous programme of receivables management – have proven to be reliably effective. Insurance is also used to mitigate the risk posed by bad debts depending on the amount of the accounts receivable and the creditworthiness of the business partner. We also further enhanced the high-quality range of services and more thoroughly integrated the entire portfolio of products and services in order to increase recurring revenues from longstanding client contracts. Customer benefits and value were improved, which in turn helped cushion the impact on margins caused by severe pricing pressures. However, the risk of cost overruns or losses from bad debts at the expense of earnings can still not be completely eliminated.

Risks from the Dependence on Key Customers

Despite the acquisitions that were made (see section 1.2, Acquisitions), there was no significant change to the risks associated with the dependency on any single customer in the 2012/13 reporting year. No revenues were generated with any one customer that accounted for more than 1% (2011/12: 2%) of the Group's total sales. All for One Steeb AG uses a careful regimen of account management to mitigate its dependence on key clients. Measures designed to ensure sustained customer satisfaction with the solutions and services provided, together with contractual commitments (longer contract terms), also effectively enhance customer loyalty. Nevertheless, the loss of several customers could seriously impair business performance.

Financial and Liquidity Risks

Promissory notes in the amount of EUR 35 million were successfully placed on 30 April 2013 in order to better align the corporate funding with the planned business development over the long term and to mitigate financial and liquidity risks. The current market's favourable financing conditions were secured over the long term in the form of what are mostly fixed interest rates –currently between 2.6% and 4.3% depending on the tranche and term. All three tranches with terms of three, five and seven years are due at maturity. The promissory notes are not subordinated and are unsecured. Predominately longer-term tranches were allocated. The syndicated loan agreement in the most recent amount of EUR 29 million that was taken out in December 2011 to fund the acquisition of Steeb Anwendungssysteme GmbH was fully repaid. The credit securities and collateral that were provided for that loan were thereby released. Should certain events occur, the new holders of the promissory notes are authorised to raise the interest margin or, as applicable, to call the promissory notes due immediately. These events primarily involve adhering to the agreed targets for the equity ratio and the relationship between total net debt and EBITDA. Should there be certain changes in the shareholder structure of All for One Steeb (change of control), the creditors will also be authorised to completely cancel their loan commitments and call the loans due immediately. The management board carefully monitors compliance with the terms and conditions of the promissory notes. Furthermore, earnings, as well as the assets and financial situation, are monitored monthly using a Group-wide reporting system – alongside a detailed annual budgeting of the revenues, assets and financial position – and variances to budget are analysed to counteract any unplanned outflows or too few inflows of cash as quickly as possible. Risk is also mitigated by the fact that major parts of the business are distributed across many individual customers. The terms and conditions set forth as part of the promissory notes were complied with in the financial year 2012/13. Moreover, the management board expects compliance with these in the future. The promissory notes improve the ability to plan, budget and manage corporate funding. Nevertheless, financial and liquidity risks cannot be entirely eliminated.

Risks Associated with Human Resources

In the case of service companies, sustained business success is inextricably linked to having highly qualified and motivated employees working for you. The integration of the acquisitions (see section 1.2, Acquistions) has increased the risks associated with human resources. It is when managers and experts leave the company without being able to smoothly transition their duties and responsibilities to qualified replacements that we face the risk of deterioration in service quality and customer satisfaction, and consequently the impairment of the business. This is why All for One Steeb worked so painstakingly and diligently to ensure a successful integration of new employees. Extensive experience from previous and likewise successfully completed integration projects served as the basis. Despite thorough preparation and constant monitoring of the many integration projects, there still remain human resources risks that could undermine the direction the company is taking and impair its performance.

Risks Associated with the Operation of Data Centers

All for One Steeb AG is exposed to the risks inherent with the operation of data centers including those relating to the transmission of data. Additionally, the disclosures made about the NSA and PRISM during the reporting year have raised new questions about the risks involved in operating data centers. All for One Steeb reduces these risks by employing extensive security measures against unauthorised access. The use of high-availability solutions, for example, keep the risk of system failures to an absolute minimum. Applications and systems are also operated redundantly in state-of-the art buildings and infrastructures that are divided into two autonomous data centers. These are physically and geographically separated and fully independent of each other in terms of utilities and services (particularly power and telecommunications). In the event of an interruption in systems operations, which in the case of disaster could extend so far as to the failure of an entire data center, operations can be continued from the other data center. Investments are also made in cutting-edge technologies from major-name manufacturers. Service management processes consistent with strict process definitions and which include audits and periodically renewed certifications – such as those that meet the requirements of the Sarbanes-Oxley Act (ISAE 3402, formerly SAS 70) or as an »SAP-Certified Provider of Cloud Services« for example – not only further reduce risks, but improve the quality of the services being provided at the same time. Insurance coverage is also in place that can help mitigate the damage even further. Nevertheless, the risks associated with the operation of data centers cannot be completely eliminated.

Risks Posed by Rising Energy Costs

As a result of the strong growth of the outsourcing business, All for One Steeb is increasingly exposed to the risks of rising energy prices and confronted with surcharges levied for the promotion of renewable energy. In order to improve energy efficiency, All for One Steeb is making sustainable investments in state-of-the-art technologies and infrastructure solutions such as »virtualisation«, »deduplication« and »indirect cooling« for its data centers. The concentration of as many customer systems as possible in two data centers also helps to significantly improve the overall energy footprint compared to the operation of individual solutions at the customers' facilities. In addition, the current incentive programme for selecting low-emission company cars from the combined company's vehicle fleet has been expanded. Despite these measures, rapidly rising energy prices could burden the Group's earnings.

Risks Associated with Acquisitions

The acquisitions that were made (see section 1.2, Acquisitions) involve post-merger integration risks particularly with regard to the customers and employees that were taken over. In addition to organic growth, targeted mergers and acquisitions will continue to be made in the future in order to speed up the progress of All for One Steeb's overall expansion and development. All for One Steeb has extensive experience in acquisitions and exercises great care and attention to detail in their related preparation, due diligence and integration of new customers and employees. Even so, there may remain significant risks to earnings and the financial position.

3.5. Overall Risk Profile

Looked at as a whole, we believe that the opportunities far outweigh the risks. Given our market position and the large and ever-growing number of regular customers, and in light of our highly trained and dedicated employees, and what is now a firmly established foundation of solutions, we are confident that we can not only successfully meet the new challenges posed by this latest overall risk profile, but also strengthen what we consider to be our Number 1 position in the SAP midmarket segment in countries where German is spoken. All of this reinforces our claim to a permanent place within the relevant set of IT contract awards and projects in our target industries.

4. Outlook

Outlook for the Economy as a Whole

The German economy is losing momentum. It is difficult to assess the numerous external risks that Germany faces in the next few years, including the high sovereign debt of some countries, the euro crisis and its uncertain outcome, as well as the further development of emerging-market countries whose sluggish growth has negatively affected Germany's highly export-driven economy in the reporting year. And in light of what happened during the major crisis of 2009, it is impossible to rule out scenarios projecting dramatic economic setbacks for 2014.

Projected Developments in the Target Markets

The uncertain overall economic picture is also impacting the machinery and equipment manufacturing industry, and automotive suppliers. Leading industry groups such as the VDMA German Engineering Federation and the ZVEI German Electrical and Electronics Manufacturers Association are noticeably reserved when it comes to making their own projections. It is impossible to rule out the downward industry trend we observed for the full 2013 year continuing in 2014. One ray of hope is the consistently high degree of innovativeness with which many companies will be able to defend or strengthen their good positions on the global marketplace. Despite increased risks, this is why many market observers see German businesses with their equally strong industrial and technological base as being well positioned on worldwide markets well into the future. Many companies are better prepared now than ever before, even to the extent of surviving long dry spells. The ability to appropriately deal with crises has improved as well.

Outlook for the IT Markets

The debt crisis in Europe and turbulence on the financial markets are also significant factors when it comes to projecting how the IT markets will perform in 2014. Furthermore, it is unknown to what extent companies may feel the need to revise their planned investments in information technology. Challenges such as »internationalisation«, »competition« and »cost pressures« continue to be sources of ever-greater demands on the enterprise software landscape and IT infrastructures. The most-important factors in the case of the latter are the increased use of energy-efficient technologies, making better use of existing resources through virtualisation, and ensuring uninterrupted system availability and security. Again for 2014, the top 25 companies on the German market for IT consulting and systems integration have forecast only a medium market growth of about 4% (*Source: Lünendonk, 16 May 2013).* Other market watchers are more cautious and have not yet made predictions of their own.

Projected Business Performance for All for One Steeb

Thanks to thorough preparation and a strategy of concentrating on SAP for selected industries in the midmarket sector in German-speaking countries, All for One Steeb AG has in recent years steadily established a powerful new position from which it can grow and prosper. The robust business model features a large share of recurring revenues from outsourcing services (including software maintenance). By progressively implementing our buy & build strategy, we enhanced our strength on the market as an SAP full-service provider with an expanded portfolio and unlocked new growth potential. All for One Steeb, as the recognised Number 1 in the SAP midmarket segment in countries where German is spoken, is increasingly being asked for such new technologies as enterprise data analysis (business analytics), the use of mobile devices in business environments (mobile solutions) and high-speed data processing (in-memory computing).

Should the demand in our markets prove to be as steady and robust as this in the financial year 2013/14, then we may well see our two Integrated Solutions and HR Solutions operating segments making yet another step in growth using our business model. Our greatly expanded core customer base provides a solid foundation for recurring revenues. For this reason we should succeed in further increasing the amount of recurring revenues from outsourcing services (including software maintenance) within the Integrated Solutions business division again in 2014. We also anticipate stable business from the sale of software licenses. Still, and by their very nature, revenues from the sale of software licenses are subject to major fluctuations and therefore difficult to predict and budget. As far as the consulting business is concerned, a tight market for skilled workers could put a damper on the pace of growth within both business divisions during the financial year 2013/14. The continued high level at which our consultants are being utilised may, however, be a source of added impetus. The capital investments planned for the financial year 2013/14 relate mostly to customers and the data centers in particular. We will make further investments in selected new technologies, such as the high-speed SAP HANA platform, in order to foster and develop growth opportunities for the future. We also want to make further investments towards an energy-efficient IT infrastructure. Our image as an employer of choice and the Number 1 in the SAP midmarket business should also help us successfully recruit highly skilled and qualified people.

In order to strengthen the business model, expand our customer base and garner additional shares of the market, we are budgeting for additional investments and increased expenditures for the financial year 2013/14 (1 October 2012 to 30 September 2013). We expect revenues for 2013/14 to be in a range of between EUR 205 million and 210 million, with an EBIT of from EUR 10.5 to 11.0 million. Staffing strength is expected to follow the growth in revenues and, over the course of the financial year 2013/14, may even break the mark of 1,000 employees for the first time. The exposure associated with economic setbacks, which could result in reduced demand, delinquent debts and insolvencies among our regular customers, represents a major risk to achieving our projections. These economic risks also make it difficult to estimate performance for the financial year 2014/15. Short of any major disruptions, single-digit sales growth and a further increase in EBIT should be achievable in the financial year 2014/15.

5. Supplementary Report

In an ad hoc announcement on 10 October 2013, the company made known its intention of enlarging the equity interest in its largest subsidiary, KWP Kümmel, Wiedmann + Partner Unternehmensberatung GmbH, Heilbronn, (KWP), from its current 56% to 100%. In addition to a cash component, a capital increase against non-cash contributions is also planned, which will involve the issuing of 122,000 new shares of All for One Steeb AG stock that excludes subscription rights. In the course of this action the issued capital of All for One Steeb AG would increase to EUR 14.946 million divided into 4,982,000 registered shares. The equity acquisition and capital increase are still subject to a number of different types of approval. Plans call for the action to be completed in the coming months. Prior to that, AC-Service Beteiligungs GmbH, Filderstadt, which has been serving strictly as a sub-holding company, will be merged into All for One Steeb AG. The closer integration of this largest subsidiary will reinforce our Number 1 position in German-speaking countries.

It was with an effective date of 15 November 2013 that the 27 September 2013 transfer by CROSS Informatik GmbH, Wels/Austria, of all of its shareholdings in the company to its only two shareholders CROSS Industries AG, Wels/Austria, and Unternehmens Invest AG, Wels/Austria, was finally implemented. In the course of this action, CROSS Informatik GmbH withdrew from the voting agreement. Henceforth this agreement was between CROSS Industries AG and Unternehmens Invest AG. Then on 25 November 2013, Pierer Industrie AG, Wels/Austria, informed us that on 25 November 2013 it took over all of the shares in the company held by CROSS Industries AG and entered into the voting agreement.

6. Other Information

6.1. Dependent Company Report

Effective 27 September 2013, **CROSS Informatik GmbH**, Wels/Austria, which until that time held 51.39% of the company's shares, transferred one-half of its shareholdings each to the only two shareholders **CROSS Industries AG**, Wels/Austria, and **Unternehmens Invest AG**, Wels/Austria. The companies CROSS Industries AG, Unternehmens Invest AG and CROSS Informatik GmbH concluded a voting agreement at the same time on 27 September 2013. This agreement provides that all three shareholders will jointly co-ordinate and exercise their voting rights at all times.

CROSS Informatik GmbH will withdraw from the voting agreement upon final implementation of the transfer of the shareholdings, which is expected in November 2013. Until that time, CROSS Informatik GmbH will remain registered in the All for One Steeb AG share register in place of CROSS Industries AG and Unternehmens Invest AG. Because there is neither a profit-transfer agreement nor a controlling agreement in place between the company and CROSS Informatik GmbH, CROSS Industries AG and Unternehmens Invest AG, the management board is required to prepare a report about the relationships with affiliated companies in accordance with §312 »Aktiengesetz«.

In addition to CROSS Informatik GmbH, CROSS Industries AG and Unternehmens Invest AG as directly controlling companies, these companies' shareholders and other parent companies (Pierer Invest Beteiligungs GmbH, Knünz Invest Beteiligungs GmbH, Pierer Konzerngesellschaft mbH and Knünz GmbH), along with Mr Stefan Pierer and Dr Rudolf Knünz, can also indirectly exercise a controlling influence over All for One Steeb AG. Because a dependency may exist to these indirect companies, all the relationships with all controlling companies and their affiliated companies are documented in the dependent company report.

In accordance with §312, section 3 »Aktiengesetz«, the management board declares in the dependent company report that – based on the circumstances known to it at the time the respective legal transaction was undertaken – the company and its subsidiaries have received appropriate consideration for each transaction made. The management board further states that – based on the circumstances known to it at the time the respective action was undertaken or omitted – the company and its subsidiaries suffered no disadvantage from actions within the meaning of §312 »Aktiengesetz« that were either undertaken or omitted.

6.2. Corporate Governance Statement

The Corporate Governance Statement is published in the Investor Relations section of the company's website www.all-for-one.com.

6.3. Report on Compensation of the Management and Supervisory Boards

The management board of All for One Steeb AG consisted of Lars Landwehrkamp and Stefan Land during the reporting year. Total compensation for the members of the management board for the current financial year was KEUR 1,200 (2011/12: KEUR 1,469). Fixed compensation (including miscellaneous) for the members of the management board consisted of a basic salary, benefits in kind for the use of a company car and the payment of direct insurance. The additional performance-related compensation component is based on the annual target achievement of the EBT as reflected in the audited consolidated financial statements of All for One Steeb AG. A long-term variable compensation component will also be paid and which is calculated based on the cumulative earnings per share over a period of four years.

Compensation for the supervisory board is regulated in §11 of the company articles of association. In accordance with these provisions, the members of the supervisory board receive an annual fixed amount of compensation that is determined by the annual general meeting. The chairman receives three times and the deputy chairman one-and-a-half times this amount of compensation. Furthermore, members also receive compensation for their work in committees. The chairman of a committee receives four times the amount of this committee membership remuneration. Members of the supervisory board who were not in office for the entire financial year receive compensation on a pro rata basis. No performance-based compensation is provided. Total compensation during the reporting year for the supervisory board that was expanded from three to six members in accordance with legislation calling for one-third participation by the workforce (»Drittel-beteiligungsgesetz«) was KEUR 85 (2011/12: KEUR 57).

No loans were extended nor stock options granted to the members of the management board or the supervisory board during the reporting year. Individual compensation for members of each of the boards is reported in the notes to the consolidated financial statements.

6.4. Information pursuant to §315, Section 4 »Handelsgesetzbuch« (HGB)

Composition of Issued Share Capital (No. 1)
The issued share capital in the amount of EUR 14,580,000 consists of 4,860,000 registered no-par-value shares.

Restrictions on Voting Rights or the Transfer of Shares (No. 2)
The management board is not aware of any restrictions affecting voting rights or the transfer of shares, or in particular of any restrictions that could result from agreements among the shareholders.

Direct or Indirect Shares in the Capital that Exceed 10% of the Voting Rights (No. 3)
Effective 27 September 2013, **CROSS Informatik GmbH**, Wels/Austria, which directly held 51.39% of the share capital and voting rights in All for One Steeb AG, transferred one-half of its shareholdings each to the only two shareholders **CROSS Industries AG**, Wels/Austria, and **Unternehmens Invest AG**, Wels/Austria. The companies CROSS Industries AG, Unternehmens Invest AG and CROSS Informatik GmbH concluded a voting agreement at the same time on 27 September

2013. This agreement provides that all three shareholders will jointly co-ordinate and exercise their voting rights at all times. CROSS Informatik GmbH will withdraw from the voting agreement upon final implementation of the transfer of the shareholdings, which is expected in November 2013. Until that time, CROSS Informatik GmbH will remain registered in the All for One Steeb AG share register in place of CROSS Industries AG and Unternehmens Invest AG.

BEKO HOLDING AG, Nöhagen/Austria, holds 11.87% and Qino Capital Partners AG, Hünenberg/Switzerland, 10.42% of the share capital and voting rights in the company.

Holders of Shares with Special Rights (No. 4)
No All for One Steeb AG shares confer special rights of control.

Type of Voting Rights Control for Employee Shares (No. 5)
There are no employees holding an interest in the share capital of All for One Steeb AG, who cannot directly exercise their rights of control.

Legal Provisions and Stipulations in the Company Articles of Association Governing the Appointment and Removal of Members of the Management Board and on Amending the Company Articles of Association (No. 6)

a) Appointment of Members of the Management Board
According to §6, section 2 of the company articles of association, the management board shall consist of at least two individuals. Furthermore, the supervisory board will determine the number of members in the management board in accordance with the provisions set forth by law. The supervisory board can appoint a member of the management board to be chairman of the management board and may also appoint deputy members of the management board. Pursuant to §85, section 1 »Aktiengesetz« the court can, in urgent cases and on petition of an involved party, appoint the member in the event that a required member of the management board is lacking (for example when there is only one member of the management board in office). In any case, and pursuant to §85, section 2 »Aktiengesetz«, the term of the court-appointed member of the management board expires as soon as the original deficiency is corrected.

b) Removal of Members of the Management Board
The supervisory board may revoke the appointment as member of the management board and the appointment as chairman of the management board with good cause in accordance with §84, section 3, sentence 1 »Aktiengesetz«. Good cause according to §84, section 3, sentence 2 »Aktiengesetz« is gross dereliction of duty, inability to properly manage the business or a vote of no confidence by the annual general meeting, unless such confidence by the shareholders was withdrawn for clearly irrelevant reasons. The revocation of appointment to the management board is effective according to §84, section 3, sentence 4 »Aktiengesetz« until such time as the invalidity of such revocation may be judged legally final.

c) Amendments to the Company Articles of Association
Pursuant to §179, section 1, sentence 1 »Aktiengesetz«, a resolution of the annual general meeting is required for any amendment to the company articles of association. The supervisory board is, however, authorised according to §17 of the company articles of association in connection with §179, section 1, sentence 2 »Aktiengesetz« to approve amendments to the company articles of association that only affect its wording.

According to §179, section 2, sentence 1 »Aktiengesetz«, a resolution by the annual meeting on amending the company articles of association requires a majority vote that includes at least three-quarters of the represented share capital at the time the resolution was adopted. According to §179, section 2, sentence 2 »Aktiengesetz«, the company articles of association may set forth other requirements and a different capital majority, although only a larger capital majority may be stipulated for any changes to the corporate purpose. On the basis of this statutory authority, §14, section 3, sentence 3 of the company articles of association provides that resolutions for amending the company articles of association be approved by simple majority vote to the extent that such is legally permissible.

Authority of the Management Board, Particularly Regarding its Ability to Issue or Repurchase Shares (No. 7)
In accordance with §5, section 4 of the company articles of association, the management board is authorised until 15 March 2016, with the approval of the supervisory board, to increase the share capital up to EUR 7,290,000 through one or more issues of new registered shares for cash contributions and/or contributions in kind (»Authorised Capital 2011«). The supervisory board is authorised to amend the wording of the company articles of association according to the size of the capital increase from authorised capital.

When exercising the »Authorised Capital 2011« the management board is authorised, with the approval of the supervisory board, to exclude subscription rights for shareholders in part or in full:

a) to eliminate fractions;
b) if the capital increase for cash contributions does not exceed EUR 1,458,000 and the issue price of the shares is not significantly less than the market price; this limit will include those shares that were issued on the basis of other authorisations and that excluded subscription rights;
c) in the case of capital increases for contributions in kind, particularly in connection with the purchase of companies, parts of companies, equity interests or assets, provided that the total of EUR 7,290,000 is not exceeded; this limit will include those shares that were issued on the basis of other authorisations and that excluded subscription rights.

The annual general meeting of 16 March 2011 authorised the management board, pursuant to §71 section 1, number 8 »Aktiengesetz«, to repurchase treasury shares in All for One Steeb AG up to a total amount of 10% of the share capital at the time of resolution – up to 486,000 registered no-par-value shares. The management board made no use of this authorisation during the reporting period. The share capital as at 30 September 2013 is divided into 4,860,000 registered shares, whose arithmetic nominal value is EUR 3 per share.

Material Agreements under the Condition of a Change of Control as a Result of a Takeover Bid (No. 8)
Certain changes in the shareholder structure of All for One Steeb (change of control) may result in the holders of the promissory notes (totalling EUR 35 million) being able to call their share of the notes due payable immediately.

Indemnity Agreements in the Event of a Takeover Bid (No. 9)
No company indemnity agreements with members of the management board or other employees have been made for the event of a takeover bid.

6.5. Forward-Looking Statements

This Group Management Report contains statements pertaining to the future performance of All for One Steeb AG and to future economic conditions and developments. These statements represent estimates and projections that we made based on the information that was available to us at the time this Group Management Report was prepared. Actual results may differ materially from the results forecast here in the event that the underlying assumptions do not materialise or additional risks arise. No warranty can be made as to the accuracy of any such forward-looking statements.

Filderstadt, 28 November 2013
All for One Steeb AG

Lars Landwehrkamp	Stefan Land
CEO	CFO

CONSOLIDATED FINANCIAL STATEMENTS

All for One Steeb AG
Financial Year from 1 October 2012 to 30 September 2013

Group Income Statement and Other Comprehensive Income of All for One Steeb AG
Financial Year from 1 October 2012 to 30 September 2013

in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
Income statement		
Sales revenues (1)	**186,334**	**153,228**
Other operating income (2)	1,519	1,420
Cost of materials and purchased services (3)	-71,518	-62,136
Personnel expenses (4)	-72,218	-59,352
Depreciation and amortisation (6)	-6,354	-5,762
Other operating expenses (7)	-27,276	-21,433
EBIT	**10,487**	**5,965**
Financial income	372	468
Financial expense	-2,025	-1,393
Financial result (8)	**-1,653**	**-925**
EBT	**8,834**	**5,040**
Income tax (9)	-3,212	-1,753
Earnings after tax before discontinued operation	**5,622**	**3,287**
Earnings after tax from discontinued operation (29)	0	936
Earnings after tax	**5,622**	**4,223**
attributable to equity holders of the parent	*4,791*	*3,709*
attributable to non-controlling interests	*831*	*514*
Other comprehensive income		
Unrealised profits (+) / losses (-) from currency translation	-26	-14
Unrealised profits (+) / losses (-) from derivative financial instruments	226	-226
Other comprehensive income	**200**	**-240**
Total comprehensive income	**5,822**	**3,983**
attributable to equity holders of the parent	*4,994*	*3,469*
attributable to non-controlling interests	*828*	*514*
Undiluted and diluted earnings per share		
Earnings per share in EUR from continuing operations	0.99	0.57
Earnings per share in EUR from discontinued operation	0.00	0.19
Earnings per share in EUR (10)	**0.99**	**0.76**

The accompanying notes are an integral part of these consolidated financial statements.

Group Balance Sheet of All for One Steeb AG
as at 30 September 2013

ASSETS in KEUR	30.09.2013	30.09.2012
Non-current assets		
Goodwill (11)	16,601	14,695
Other intangible assets (11)	43,473	39,317
Tangible fixed assets (12)	8,943	7,840
Financial assets (13)	4,971	4,549
Other assets (5)	65	7
Deferred tax assets (14)	264	233
	74,317	**66,641**
Current assets		
Inventories (16)	362	662
Trade accounts receivable (17)	30,767	25,241
Current income tax assets (15)	235	216
Financial assets (13)	3,277	2,817
Other assets (18)	1,705	1,130
Cash and cash equivalents (19)	31,637	18,783
	67,983	**48,849**
Total assets	**142,300**	**115,490**

EQUITY AND LIABILITIES in KEUR	30.09.2013	30.09.2012
Equity		
Issued capital (20)	14,580	14,580
Capital reserve (20)	8,849	8,849
Other reserves (20)	403	200
Retained earnings	19,597	15,560
Share of equity attributable to equity holders of the parent	**43,429**	**39,189**
Non-controlling interests (22)	**6,214**	**1,701**
Total equity	**49,643**	**40,890**
Non-current liabilities		
Provisions (23)	4,326	862
Employee benefit liabilities (5)	776	567
Financial liabilities (24)	36,776	27,262
Deferred tax liabilities (25)	12,921	9,598
Other liabilities (26)	134	63
	54,933	**38,352**
Current liabilities		
Provisions (23)	1,950	1,080
Current income tax liabilities (15)	690	320
Financial liabilities (24)	1,076	3,846
Trade accounts payable (27)	11,735	10,936
Other liabilities (26)	22,273	20,066
	37,724	**36,248**
Total liabilities	**92,657**	**74,600**
Total equity and liabilities	**142,300**	**115,490**

The accompanying notes are an integral part of these consolidated financial statements.

Group Cash Flow Statement of All for One Steeb AG

Financial Year from 1 October 2012 to 30 September 2013

in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
EBT	**8,834**	**5,040**
Amortisation of intangible assets	3,215	2,436
Depreciation of tangible fixed assets	3,139	3,326
Financial result	1,653	925
EBITDA	**16,841**	**11,727**
Increase (+) / decrease (-) in value adjustments and provisions	-358	704
Other non-cash expense (+) and income (-)	-13	-2,751
Changes in assets and liabilities:		
Increase (-) / decrease (+) in trade receivables	-3,991	-4,658
Increase (-) / decrease (+) in financial assets	-883	-164
Increase (-) / decrease (+) in other assets	275	3,974
Increase (+) / decrease (-) in trade payables	600	2,781
Increase (+) / decrease (-) in other liabilities	-183	-3,416
Income tax paid	-1,617	-1,010
Cash flow from operating activities	**10,671**	**7,187**
Purchase of intangible, tangible fixed and other assets	-3,317	-4,892
Sale of intangible, tangible fixed and other assets	805	339
Purchase of consolidated equity interests	-3,184	-38,824
Purchase of other business units	4,198	0
Cash flow from minority interests (22)	0	-52
Interest received	353	445
Cash flow from investing activities	**-1,145**	**-42,984**
Cash flow from loans and long-term financial liabilities	35,000	33,595
Repayment of loans and long-term financial liabilities	-28,814	-6,567
Interest paid	-1,817	-1,408
Repayment of finance leases	-968	-1,286
Payments against prior year claims to a distribution of earnings from an acquisition	-395	-5,889
Dividend payments to shareholders and minority interests	-971	-1,280
Cash flow from financing activities	**2,035**	**17,165**
Increase / decrease in cash and cash equivalents	**11,561**	**-18,632**
Effect of exchange rate fluctuations on cash funds	-25	-11
Cash flow from sale of consolidated equity interests	0	3,032
Change in cash from initial consolidation of fully consolidated companies	1,318	16,415
Cash funds at start of financial year	18,783	17,979
Cash funds at end of financial year (19)	**31,637**	**18,783**

No net cash flows were attributed to the discontinued operation in the prior financial year.

The accompanying notes are an integral part of these consolidated financial statements.

Group Statement of Changes in Equity of All for One Steeb AG

Financial Year from 1 October 2012 to 30 September 2013

	Share of equity attributable to equity holders of the parent					Non-controlling interests (22)	Total shareholders' equity
			Other provisions (20)				
in KEUR	Issued share capital (20)	Capital reserve (20)	Reserve from currency translation	Derivative financial instruments	Retained earnings		
1 October 2012	**14,580**	**8,849**	**426**	**-226**	**15,560**	**1,701**	**40,890**
Dividend distribution	0	0	0	0	-729	0	-729
Change in non-controlling interests	0	0	0	0	-25	3,927	3,902
Distribution to non-controlling interests	0	0	0	0	0	-242	-242
Cash flow from non-controlling interests	0	0	0	0	0	0	0
Total comprehensive income	0	0	-23	226	4,791	828	5,822
30 September 2013	**14,580**	**8,849**	**403**	**0**	**19,597**	**6,214**	**49,643**
1 October 2011	**14,580**	**8,849**	**440**	**0**	**12,842**	**1,642**	**38,353**
Dividend distribution	0	0	0	0	-972	0	-972
Change in non-controlling interests	0	0	0	0	-19	-95	-114
Distribution to non-controlling interests	0	0	0	0	0	-308	-308
Cash flow from non-controlling interests	0	0	0	0	0	-52	-52
Total comprehensive income	0	0	-14	-226	3,709	514	3,983
30 September 2012	**14,580**	**8,849**	**426**	**-226**	**15,560**	**1,701**	**40,890**

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All for One Steeb AG
Financial Year from 1 October 2012 to 30 September 2013

A. General

All for One Steeb AG is a public corporation with its headquarters at Gottlieb-Manz-Strasse 1, Filderstadt, Germany. As a leading SAP full-service provider, All for One Steeb AG's range of products and services includes consulting, the sale of software licenses, outsourcing and IT services.

The financial year of All for One Steeb AG begins on 1 October and ends on 30 September of the following year.

B. Accounting

The consolidated financial statements of All for One Steeb AG (hereafter called All for One Steeb, the company or the Group) as at 30 September 2013 are based on the company's uniform accounting principles. The valuation, consolidation and classification principles were applied consistently by all the Group companies. The consolidated financial statements are presented in thousand euros (KEUR) rounded to the next thousand.

The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), which are required to be applied in the European Union. All of the International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) of the International Financial Reporting Interpretations Committee/Standing Interpretations Committee (IFRIC/SIC) required for the preparation of the IFRS consolidated financial statements in this financial year were applied.

The consolidated financial statements of All for One Steeb AG apply the cost method except for securities and first-time reported assets from business combinations at the time control was assumed. These assets are reported at their respective fair values. Expenses and income are allocated on an accrual basis.

C. New Accounting Standards

Changes in Accounting Principles
The following standards and interpretations issued by the International Accounting Standards Board (IASB) were adopted by the European Union (EU) and were applied in preparing the consolidated financial statements as at 30 September 2013:

- IAS 1 »Presentation of Items of Other Comprehensive Income« (revised)

The presentation of the comprehensive statement of income was changed accordingly in the consolidated financial statements. The application of new or revised standards and interpretations had no further impact on the All for One Steeb consolidated financial statements.

Additional New or Revised Standards
The following standards were adopted by the European Union (EU) but were not applied to the consolidated financial statements as at 30 September 2013 because their application was not yet compulsory:

- IFRS 1 »Severe Hyperinflation and Removal of Fixed Dates for First-Time Adopters« (revised)
- IFRS 1 »Government Loans« (revised)
- IFRS 7 »Financial Instruments: Disclosures« (revised)
- IFRS 10 »Consolidated Financial Statements«
- IFRS 10 »Transition Guidance« (IFRS 10, IFRS 11 and IFRS 12) (revised)
- IFRS 11 »Joint Arrangements«
- IFRS 12 »Disclosures of Interests in Other Entities«
- IFRS 13 »Fair Value Measurement«
- Improvements to IFRSs (2009-2011)
- IAS 19 »Employee Benefits« (revised)

- IAS 12 »Deferred Tax: Recovery of Underlying Assets« (revised)
- IAS 27 »Separate Financial Instruments« (revised)
- IAS 28 »Investments in Associates and Joint Ventures« (revised)
- IAS 32 »Offsetting Financial Assets and Financial Liabilities« (revised)
- IFRIC 20 »Stripping Costs in the Production Phase of a Surface Mine«

In accordance with the revision of this standard, actuarial gains and losses (in future: remeasurements) must be recognised in other comprehensive income (OCI) at the time they occur. The corridor approach, as well as the recognition of these amounts in the income statement, will no longer be permitted. Plan amendments are recognised in full in the period in which they occur and may no longer be distributed over the period until the benefits become vested. Furthermore, the standard was revised with regard to the measurement of pension costs (now: uniform interest rate for plan assets and liabilities) as well as additional disclosure requirements in the notes to the financial statements.

All for One Steeb currently uses the corridor method. Based on the circumstances as at 30 September 2013, the application of IAS 19 (revised 2011) would result in an increase in employee benefit obligations of KEUR 740. Furthermore, actuarial gains and losses in the future would no longer be recognised in the income statement, but as other comprehensive income instead.

No material effects are expected on the Group’s earnings, assets and financial situation from the new or revised reporting standards listed.

The following new or revised standards were not yet adopted by the EU:

- IFRS 9 »Financial Instruments« (revised)
- IFRS 10 »Investment Entities« (IFRS 10, IFRS 12 and IAS 27) (revised)
- IAS 36 »Recoverable Amount Disclosures for Non-Financial Assets« (revised)
- IAS 39 »Novation of Derivatives and Continuation of Hedge Accounting« (revised)
- IFRIC 21 »Levies«

D. Structure of Operating Segments

The Group is divided into the two business divisions »Integrated Solutions« and »HR Solutions«. Group-wide expenses and corporate costs are allocated appropriately and directly to the two segments.

The Group’s sales revenues are divided among the areas of consulting, software licenses, outsourcing (including software maintenance), hardware and other revenues.

E. Consolidation Principles

All for One Steeb AG and all subsidiaries over which the company exercises legal or actual control are included in the company’s consolidated financial statements.

The exercise of control is presumed once the parent company holds more than 50% of the voting rights in a company or controls the financial or business policies of a company in any other way, or can exercise a controlling influence on the company through a majority in the supervisory board or other executive body.

The financial statements of the companies to be included in the consolidated financial statements are included in the consolidated financial statements from the beginning of the time exercise of control was possible until the end of the time of exercise of control was possible.

The purchase method and the full goodwill method are used in the capital consolidation of the subsidiaries. At the time of the acquisition the cost of the acquisition is offset against its revalued equity. The subsidiary’s assets and liabilities are measured at fair value as part of the revaluation. Deferred taxes are recognised on hidden reserves and liabilities disclosed as part of the initial consolidation to the extent that this realisation is not also applicable for tax purposes. Whereas any remaining positive difference between the cost of an acquisition and the net assets measured at fair value is recognised as goodwill, a negative difference is reported as income from the acquisition after again identifying all of the assets acquired and liabilities assumed.

Whereas the measurement of the non-controlling interests' goodwill using the purchase method is based on the proportionate share of the revalued net assets, the full goodwill method uses fair value. In subsequent periods, any discovered hidden reserves and liabilities will be adjusted, amortised or eliminated in accordance with how the corresponding asset or liability is to be treated.

Intergroup revenues, expenses and income, as well as all receivables and liabilities among the consolidated companies, were eliminated. The effects on income tax were taken into account for those consolidation transactions treated as income and deferred taxes were recognised.

The effects that the acquisition of former non-controlling interests has on already fully consolidated companies are reported under equity.

F. Scope of the Consolidation and Changes in Group Structure

In addition to All for One Steeb AG, the consolidated financial statements include all domestic and foreign companies in which the company as at 30 September 2013 directly or indirectly held a majority of the voting rights or exercised control on the basis of other rights in terms of IAS 27.

In addition to All for One Steeb AG, the following companies are included in the company's consolidated financial statements as at 30 September 2013:

COMPANY	Share in %
Direct interests	
Process Partner AG, St. Gallen/Switzerland	100.0
All for One Steeb (Schweiz) AG, Regensdorf/Switzerland	100.0
All for One Steeb GmbH, Vienna/Austria	100.0
AC-Service Beteiligungs GmbH, Filderstadt/Germany	100.0
AC Automation Center Sàrl, Luxembourg/Luxembourg (10% of which is indirect)	100.0
AC Automation Center SA/NV, Zaventem/Belgium	100.0
All for One Steeb Yazılım Servisleri LTD, Istanbul/Turkey	100.0
OSC AG, Lübeck/Germany	60.0
WEBMAXX GmbH, Munich/Germany	73.7
Indirect interests	
KWP Austria GmbH, Vienna/Austria	40.6
KWP Kümmel, Wiedmann + Partner Unternehmensberatung GmbH, Heilbronn/Germany	56.0
KWP France S.à.r.l., Haguenau/France	42.0
KWP Czech s.r.o., Prague/Czech Republic	56.0
KWP Professional Services GmbH, Hamburg/Germany	46.5
KWP team HR GmbH, Dusseldorf/Germany	40.6
OSC Smart Integration GmbH, Hamburg/Germany	60.0
OSC Business Xpert GmbH, Burgdorf/Germany	30.6

The scope of the consolidation changed during the reporting year as follows:

	Germany	Abroad	Total
Number of companies as at 1 October 2012	**5**	**7**	**12**
Additions in the reporting year	6	2	8
Disposals from mergers	-2	0	-2
Number of companies as at 30 September 2013	**9**	**9**	**18**

Significant Transactions and Changes in the Scope of the Consolidation:

All for One Steeb (Switzerland)
As at 1 February 2013 the newly founded **All for One Steeb (Schweiz) AG**, Regensdorf/Switzerland, as a wholly-owned subsidiary of All for One Steeb AG, was fully consolidated in the consolidated financial statements. This company is being established with the goal of more pervasively covering the SAP market in Switzerland beyond the »project services« market segment that is already addressed by Process Partner AG, St. Gallen/Switzerland. This new company, which is still being established, generated no revenues during the reporting period.

All for One Steeb (Turkey)
In July 2013 the company **All for One Steeb Yazılım Servisleri Limited Sirketi** (»All for One Steeb Software Services Ltd.«), Istanbul/Turkey, was established as a wholly-owned subsidiary of All for One Steeb AG, Filderstadt. Nevertheless, All for One Steeb’s focus continues to be exclusively on customers in Germany, Austria and Switzerland (the so-called DACH countries). For that reason, the setting up of a services location in Istanbul is designed primarily to open up the local human resources market with its numerous German-speaking SAP experts to provide remote support to customers based in the DACH market. The small amount of pre-formation costs incurred was recognised directly as an expense.

OSC
Effective 1 November 2012, All for One Steeb AG acquired 60% of the shareholdings with voting rights in myOSC.com AG, Lübeck. In the meantime, two of its subsidiaries have been merged into myOSC.com AG, which has since changed its name to **OSC AG**. The company is one of the most significant mid-sized SAP consulting companies in northern Germany and mostly generates revenues from the provision of consulting services. OSC represents an acquisition of strategic importance for the Group and serves the purpose of further expanding its market presence as an SAP full-service provider in northern Germany. This acquisition has an impact on the comparability of these financial statements with those of prior years and prior quarters. OSC was allocated in its entirety to the Integrated Solutions segment.

Contributing to goodwill in the amount of EUR 1.9 million were in particular those not identifiable intangible assets, which cannot be recognised separately from goodwill (e.g. human capital, such as the skills and qualifications of the consultants).

The purchase price of the acquisition, less the assumed cash and cash equivalents, is EUR 2.9 million. A fixed purchase-price component of EUR 3.0 million has already been paid from on-hand liquidity. Furthermore, an earnout element with a variable purchase-price component of from EUR 0.5 million to 1.8 million was agreed to. An amount of EUR 1.0 million was recognised for the earnout element at the time of the acquisition. The actual amount of the earnout will depend on the EBIT that the OSC Group attains during a multi-year earnout phase. Payment of the earnout amount is due at the end of this earnout phase. Furthermore, the sellers are entitled to the full amount of the net profit that OSC AG earns during the period from 1 January 2012 until the 1 November 2012 date of acquisition. Distribution was made subsequent to the OSC AG annual general meeting.

The allocation of the acquisition costs at the fair values of the acquired assets and liabilities made at the acquisition date, as well as their carrying amounts immediately prior to the merger, were determined using the full goodwill method and are depicted in the following table:

OSC in KEUR	Carrying amount	Adjustments to fair values	Opening carrying value
Goodwill	0	1,906	1,906
Other intangible assets	10	6,842	6,852
Tangible fixed assets	152	0	152
Financial assets	1	0	1
Inventories	51	0	51
Trade accounts receivable	1,512	0	1,512
Current tax assets	578	0	578
Other assets	47	0	47
Cash	1,120	0	1,120
Total assets	**3,471**	**8,748**	**12,219**
Minority interests	0	3,900	3,900
Deferred tax liabilities	0	2,139	2,139
Current income tax liabilities	395	0	395
Trade accounts payable	188	0	188
Other liabilities	1,617	0	1,617
Total liabilities	**2,200**	**6,039**	**8,239**
Net assets	**1,271**	**2,709**	**3,980**
Purchase price			3,980
Assumed cash and cash equivalents			1,120
Net purchase price			**2,860**

The opening carrying value of the trade accounts receivable comprises the following:

OSC in KEUR	
Gross receivables	1,527
Value adjustments	-15
Fair value	1,512

The following table shows the identifiable intangible assets assumed from the acquisition of OSC expressed in KEUR:

OTHER INTANGIBLE ASSETS OF OSC in KEUR	Purchase price	Estimated useful life Months
Customer base	5,903	144
Trademark	939	unlimited
	6,842	

Since the acquisition date, revenue contributions totalling EUR 8.6 million and contributions to earnings after tax in the amount of KEUR 424 have been attributable to OSC. This includes regular amortisation of EUR 0.5 million on the intangible assets acquired in connection with the acquisition. All for One Steeb assumes that the goodwill recognised in the financial year 2012/13 will not be deductible for tax purposes.

ORGA
Effective 1 May 2013 (acquisition date) a purchase agreement was executed with the companies **ORGA Gesellschaft für automatische Datenverarbeitung mbH** and **ORGA Consulting GmbH**, both based in Karlsruhe, to take over principal parts of their SAP midmarket businesses. These two companies are subsidiaries of Fiducia IT AG, Karlsruhe. As a result, 49 employees, more than 80 outsourcing and software maintenance client contracts, and other assets were transferred to All for One Steeb as part of an asset deal. The acquired assets represent an initial annual sales volume of EUR 8 to 9 million. This acquisition serves the objectives of further reinforcing All for One Steeb's current strategy as an SAP full-service provider with a specific industry and geographic focus within the midmarket sector, expanding its share of recurring revenues, and unlocking additional growth potential.

All for One Steeb was not required to pay a purchase price. All for One Steeb instead received from the seller a net purchase price of EUR 4.2 million. This amount serves primarily as compensation for the onerous contracts that were assumed. After the integration is completed, these business operations that were acquired are expected to deliver positive contributions to earnings that will further increase All for One Steeb's overall profitability.

The following table depicts the allocation of the acquisition costs on the acquisition date to the fair values of the assumed assets and liabilities, as well as their carrying amounts immediately prior to the business combination:

ORGA in KEUR	Carrying amount	Adjustments to fair values	Opening carrying value
Goodwill	53	0	53
Trade accounts receivable	54	0	54
Total assets	**107**	**0**	**107**
Provisions	3,959	0	3,959
Pension liabilities	82	0	82
Deferred tax liabilities	5	0	5
Other liabilities	233	0	233
Total liabilities	**4,279**	**0**	**4,279**
Net assets	**-4,172**	**0**	**-4,172**
Purchase price			-4,198
Assumed cash and cash equivalents			0
Net purchase price			**-4,198**
Badwill			**26**

A negative difference in the amount of KEUR 26 arose in connection with the assumption of the assets and liabilities, and was recognised as income under the other operating income item in the income statement. This negative difference resulted from having made a favourable purchase that includes compensation payments for customer contracts.

The assumed assets and liabilities were fully integrated into All for One Steeb AG and allocated to the Integrated Solutions segment. Since the date of the acquisition, revenues in the amount of EUR 3.6 million and a contribution to earnings after tax of KEUR 128 have been attributable to ORGA.

WEBMAXX

As part of measures by the Microsoft cloud technology company **WEBMAXX GmbH**, Munich, to raise capital from KEUR 50 to KEUR 190, All for One Steeb AG took over 73.68% of the shareholdings on 4 July 2013 and in turn a majority stake in this Microsoft cloud technology company. This acquired company has exceptional technology expertise in the provision and operation of Microsoft collaboration software from the data center. All for One Steeb has identified this area as an additional growth field and wants to aggressively expand the business. Both companies had been working together previously on a project basis. The company employed two people prior to the acquisition and most recently generated annual revenues of EUR 0.3 million.

The purchase price of the acquisition, less the assumed cash and cash equivalents, was KEUR 81 and has already been paid in cash from on-hand liquidity. The participation agreement also includes an option to increase the equity stake to 100% of the shares, which All for One Steeb can first exercise beginning in 2020. The purchase price of this option is almost exclusively earnout-dependent and will be calculated primarily on the basis of the results from ordinary business activities according to the German Commercial Code (»Handelsgesetzbuch») that the acquired company achieves in the two financial years prior to All for One Steeb exercising its option to increase its equity stake to 100% of the shares.

The following table depicts the allocation of the acquisition costs on the acquisition date to the fair values of the assumed assets and liabilities, as well as their carrying amounts immediately prior to the business combination:

WEBMAXX in KEUR	Carrying amount	Adjustments to fair values	Opening carrying value
Other intangible assets	3	16	19
Tangible fixed assets	19	0	19
Trade accounts receivable	33	0	33
Prepaid expenses	10	0	10
Other assets	172	0	172
Cash and cash equivalents	59	0	59
Total assets	**296**	**16**	**312**
Non-controlling interests	0	46	46
Deferred tax liabilities	0	4	4
Provisions	32	0	32
Provisions for income tax	7	0	7
Financial liabilities	34	0	34
Trade accounts payable	17	0	17
Other liabilities	32	0	32
Total debts	**122**	**50**	**172**
Net assets	**174**	**-34**	**140**
Purchase price			140
Assumed cash and cash equivalents			59
Net purchase price			**81**

The opening carrying value of the trade accounts receivable comprises the following:

WEBMAXX in KEUR	
Gross receivables	36
Value adjustments	-3
Fair value	33

The following table shows the identifiable intangible assets assumed from the acquisition of WEBMAXX expressed in KEUR:

OTHER INTANGIBLE ASSETS OF WEBMAXX in KEUR	Purchase price	Estimated useful life Months
Cloud architecture	16	90

Since the date of acquisition, revenues in the amount of KEUR 160 and a contribution to earnings after tax of KEUR 15 have been attributable to WEBMAXX. This includes regular amortisation of KEUR 1 on the intangible assets acquired in connection with the acquisition.

The transaction- and integration-related one-time costs of the acquisition accrued in the reporting period totalled EUR 0.3 million (prior year: EUR 2.9 million).

Pro Forma Information in Accordance with IFRS 3
Had the initial consolidation of the OSC, ORGA and WEBMAXX transactions been made at the beginning of the financial year 2012/13, then altogether this would have resulted in pro forma revenues of EUR 192.4 million and pro forma earnings after tax of EUR 5.8 million. These pro forma figures were determined for indicative and comparative purposes only. They provide no reliable information about the results that would actually have been achieved had the acquisition been made at the beginning of the financial year, nor about future revenues and earnings.

G. Foreign Currency Translation

The items recognised in the financial statements of the individual companies within the Group are valued on the basis of the respective functional currency. The consolidated financial statements are prepared in the euro currency. All for One Steeb's reporting currency and functional currency is the euro.

Transactions made in foreign currencies are translated into the functional currency at the prevailing rate of exchange on the date of the transaction. Foreign-currency monetary assets and liabilities are translated at the exchange rate on the balance sheet date. Exchange differences are recognised in the income statement under other operating expenses. Non-monetary assets and liabilities, which were valued at historical cost in a foreign currency, are translated at the exchange rate on the day of the business transaction.

The translation of the financial statements of the included companies, whose functional currency differs from the Group's reporting currency, is made as follows: The assets and liabilities are translated at the period-end exchange rate, equity at historical rates and the expenses and income at the average annual exchange rate. The resulting exchange differences are recognised as equity not affecting net income.

The most important changes in exchange rates in relation to the euro were as follows:

	Year-end rate		Average exchange rate	
in EUR	**30.09.2013**	30.09.2012	**10/2012 – 9/2013**	10/2011 – 9/2012
CHF	1.2338	1.2089	1.2256	1.2106
CZK	25.7890	24.7520	25.6045	25.1708
TRY	2.6952	–	2.5087	–

H. Accounting and Valuation Principles

The financial statements of All for One Steeb AG and its domestic and foreign subsidiaries are prepared in accordance with IAS 27 using uniform accounting and valuation principles.

Assumptions and Estimates
Assumptions were made and estimates were used when preparing the consolidated financial statements, which affected the disclosure and amounts of the reported assets, debts, income, expenses and contingent liabilities. In some cases, the actual amounts may vary from the assumptions and estimates that were made. Changes will be recognised in the income statement at the time more accurate information becomes available.

In this regard, particular note should be made of the reporting and valuation of goodwill and other intangible assets (note 11), trade accounts receivable (note 17), provisions (note 23), current and deferred (income) tax assets and liabilities (notes 14, 15 and 25).

Recognition of Revenues and Expenses
Sales revenues and other operating income are credited to the income statement at the time the product is delivered to, or the service is rendered for, the customer. Sales revenues are reported without value-added tax and take into consideration sales adjustments such as credit notes, commercial discounts and similar deductions.

Revenues from software maintenance and service agreements, as well as from managed services, are recognised on an accrual basis. Revenues from the sale of licenses are considered realised when the customer acquires actual power of disposition over the software.

Consulting and training revenues are generated on the basis of individual services agreements and realised as the services are performed.

In accordance with IAS 18 and in conjunction with IAS 11, revenues from the rendering of longer-term project contracts are recognised with reference to their stage of completion using the percentage of completion method of accounting. The stage of completion is determined on the basis of the hours of work already performed in relation to the estimated total number of hours for the respective project. The amount of revenue to be recognised on the reporting date is determined by applying this result (as a percentage) to the total revenues.

Operating costs are recognised in the income statement at the time use is made of the rendered service, or at the time of its causation, while interest income and expenses are recognised on an accrual basis. Dividends are recognised at the time they are distributed.

Financial Result
Valuation differences from adjustments of foreign currency exchange rates, which arise on financial assets and liabilities including internal Group financial relationships, are reported in the financial result.

Financial income includes dividend income from unconsolidated equity interests, interest income from loans granted and assets from finance leases as well as other income directly related to the financing or the investment in financial assets.

Financial expenses include the interest expenses from loans and finance lease obligations, as well as other expenses directly related to the financing or the investment in financial assets, insofar as these are not required to be reported as shareholders' equity. Interest expenses are recognised in the income statement using the effective-interest method. The cost of borrowed capital is not capitalised.

Government Grants
These government grants relate to assets. In accordance with IAS 20, they are only recognised when there is reasonable assurance that any conditions attached to the grants will be complied with and that the grants will be awarded.

Earnings per Share
Earnings per share are determined on the basis of dividing the annual net earnings by the average number of shares outstanding (issued shares less treasury stock). There are no effects from dilution.

Goodwill
Goodwill arises from the application of the purchase method and the full goodwill method to business combinations, provided the cost exceeds the fair value of the net assets of the purchased subsidiary on the acquisition date. In accordance with IAS 38 no write-downs on goodwill have been made since 1 January 2005.

Other Intangible Assets
Acquired and self-created intangible assets are capitalised at cost or fair value if it involves business combinations, provided that the criteria stipulated in IAS 38 are met. Regular straight-line amortisation is made over the projected useful lives of the assets, provided that their useful lives can be determined with sufficient accuracy.

Impairment of Goodwill and Other Intangible Assets
Goodwill and other intangible assets with an indefinite useful life are tested for impairment at least once a year in accordance with IAS 36. Each impairment loss is recognised immediately in the income statement. All other intangible assets are tested for impairment as circumstances dictate. For impairment testing, assets are allocated where necessary to the smallest identifiable group of assets, or cash-generating unit, which generates cash flows that can be measured. An impairment loss is recognised when the cash-generating unit's carrying amount is greater than the recoverable amount. This is determined by the higher of the fair value less costs to sell and the value in use as measured using the discounted cash flow method.

Tangible Fixed Assets
Tangible fixed assets are reported at cost less regular straight-line depreciation in accordance with IAS 16.

Regular depreciation is made across the projected economic life of the assets within the Group, which are as follows:

	Years
Buildings	30
Leasehold improvements	2 – 15
IT systems	3 – 6
Operating and office equipment	4 – 13

Land is not depreciated.

An impairment loss is charged against earnings in accordance with IAS 36 in the event that the carrying amount is greater than the estimated recoverable amount. Any income or loss generated from the disposal of tangible fixed assets is reported in the income statement.

Leasing Arrangements
Leased assets under IAS 17, which are leased under terms by which the Group assumes all substantial risks and benefits incident to ownership from an economic perspective, are classified as finance leases and capitalised as non-current assets at the time of acquisition. At the same time, financial liabilities of the corresponding amount are recognised. Recognition is made at the lower of the fair value at the inception of the lease or the present value of the minimum lease payments. The depreciation methods and useful lives should be consistent with those for other comparable purchased assets. The interest component of lease payments is recognised in the interest result.

Lease payments are recognised in full as an expense in the case of operating leases in which beneficial ownership remains with the lessee.

Financial Assets
Financial assets in terms of IAS 39, which are of relevance for All for One Steeb, are classified as follows:
- Held-to-maturity financial investments
- Receivables and loans
- Available-for-sale financial assets

With the exception of receivables and loans, financial assets with determinable payments and fixed terms, which the company can and wishes to hold to maturity, are classified as held-to-maturity financial investments. These financial investments with a maturity of more than twelve months after the balance sheet date are reported as **non-current assets**, while all others are reported as **current assets**. In particular, the former includes entitlements from finance leases as well as other assets. Their value is stated at nominal value or at the original cost including transaction costs less cumulative value adjustments.

Cash and cash equivalents include cash on hand and deposits in banks. Changes in fair values are recognised in the financial result. **Trade accounts receivable** and other receivables are reported at amortised cost. Trade accounts receivable are reported less value adjustments. Accounts receivable exposed to an increased risk of default are evaluated individually and written down as needed. No value adjustments were made to any of the other financial assets. As yet uncompleted contract activity from consulting or managed services agreements is valued using the percentage of completion method and reported under trade accounts receivable, provided it is probable that payment will be made to the Group. Included under **available-for-sale financial assets** are those assets that cannot be allocated to the categories above. Gains and losses from the evaluation of the fair value are recognised directly in equity. Cumulative profit or losses that were previously recognised in equity are reported in the income statement at the time the financial investments are cancelled.

Non-Controlling Interests
As at the acquisition date, the non-controlling interests measured using the purchase method are recognised with the proportionate share of revalued net assets of the subsidiary, and the non-controlling interests measured using the full goodwill method with the proportionate share of fair value of the subsidiary. An adjustment of non-controlling interests will be made in subsequent periods taking into consideration current profits and losses, distributions to non-controlling interests and currency differences. Non-controlling interests are reported as equity in the Group balance sheet.

Inventories
Inventories of merchandise (hardware and software held for sale) are valued at average cost or their potentially lower net realisable sale value. An appropriate value adjustment will be made for any other impairment.

Provisions
Provisions are recognised with respect to the cause or amount of uncertain obligations, provided there exists a legal or constructive obligation stemming from an underlying causal event occurring prior to the balance sheet date, and it is probable that an outflow of resources embodying economic benefits will be necessary in order to fulfill the obligation. Long-term provisions with a remaining term of more than one year are reported at their discounted settlement amount on the balance sheet date, provided the discounting effect is significant.

Employee Benefit Liabilities
All for One Steeb's active and former employees receive benefits and pensions based on the various local statutory employee benefit plans. In addition to defined contribution plans, there are also defined benefit plans whose value is determined using the projected unit credit method stipulated in IAS 19. The employer contributions for the respective period are recognised in the income statement for all defined contribution plans.

In the case of defined benefit plans, actuarial gains and losses are recognised as income or expenses as soon as they fall outside a defined corridor. The amounts that exceed the corridor are distributed across the expected overall term of the agreement. An independent insurance expert will appraise all material commitments and the assets used to cover them annually.

Liabilities
Trade accounts payable and other liabilities are reported at their nominal value or amortised cost.

Financial Liabilities
The financial liabilities include interest-bearing liabilities from loans and from finance lease transactions as well as short-term liabilities to banks. These are reported at their nominal value or amortised cost.

Taxes
Current income taxes are calculated on the basis of earnings before taxes taking into account the respective country-specific regulations governing the computation of taxable income.

Deferred tax assets and liabilities result from the differences between the amounts stated for assets and liabilities in the tax balance sheet and the IFRS consolidated financial statements, provided such differences are not permanent. The Group uses the liability method, according to which deferred tax assets or liabilities can be determined based on the legal principles that are either valid or actually in force on the balance sheet date. In this case the tax rates at the time of the projected tax realisation are applied. Deferred tax assets also result from accumulated tax losses that can be carried forward (tax loss carry forwards), which can be offset against subsequent taxable earnings.

Deferred tax assets on temporary differences and on tax losses brought forward are only recognised in an amount corresponding to the probability that in the foreseeable future there will be sufficient taxable income available and that the Group will derive a benefit from applying them to it. The foreseeable future is principally considered to be the next four financial years.

Deferred tax assets and liabilities are not discounted and are reported in the balance sheet as non-current assets and liabilities.

Other taxes, such as transaction taxes or taxes on wealth and capital, are shown as operating expenses.

Personnel Figures
Unless otherwise indicated, the personnel figures refer to the number of individuals employed. Part-time positions are not included on a pro rata basis. Trainees and interns are not included in the personnel figures.

Segment Reporting
All for One Steeb prepares its segment reporting in accordance with the »management approach« (IFRS 8). As a result, the Group is divided into the two business divisions »Integrated Solutions« and »HR Solutions«. An allocation formula is used to appropriately distribute to the two business divisions those Group expenses that cannot be directly allocated.

The service charges between segments (intersegment revenues) are made at prices comparable to those of independent business partners. All internal service charges are shown separately in the segment information and are eliminated accordingly under »consolidations«.

All operating assets and liabilities (except tax liabilities) that can be allocated either directly or on the basis of an objective allocation formula are reported in the respective segments.

No revenues were generated with any one customer that accounted for more 2% (2011/12: 2%) of the Group's total sales.

The segment reporting by country is divided into the markets in Germany, Austria, Switzerland and other countries, thus reflecting those All for One Steeb sales markets in which the Group operates with its own companies.

Integrated Solutions Segment
The Integrated Solutions segment encompasses a full range of products and services geared towards end-to-end customer support that starts with management consulting and extends from software licenses, industry solutions, implementation and optimisation projects all the way to software consulting, outsourcing and managed services, and covers the entire spectrum of business processes.

HR Solutions Segment
The core of the HR Solutions segment is the human resources platform SAP ERP HCM (»Enterprise Resource Planning, Human Capital Management«), which forms the basis for providing comprehensive implementation, consulting and support services all the way to recurring HR outsourcing and HR business process outsourcing services.

Cash Flow Statement
The cash flow statement depicts an analysis of the changes in cash and cash equivalents. In accordance with IAS 7, the cash flow statement differentiates between cash flows from operating activities, investing activities and financing activities. The operating cash flow is derived from the Group balance sheet and income statement using the indirect method. Influences from changes in the scope of the consolidation, effects from the application of IFRS 5, as well as any currency-related valuation differences on the cash and cash equivalents, are reported separately.

Contingent Liabilities
Potential obligations for which the outflow of resources is considered improbable are not reported in the balance sheet and their potential projected financial effects (exposure) are reported as contingent liabilities.

I. Risk Management

Financial Risks
Financial risk management is handled according to the principles established by the company. These govern the company's protection against currency, interest and credit risks, cash management and short-term and long-term financing. The goal is to reduce financial risks while weighing the hedging costs against the risks being taken. Derivative financial instruments to hedge the mainstream business may be used when deemed appropriate. In order to minimise the counterparty credit risk, transactions will only be made with first-class counterparts.

Currency Risks
Fluctuations in currency rates have an impact on the presentation of assets and liabilities in the consolidated financial statements that are prepared in euros, insofar as assets and liabilities are denominated in currencies other than the euro. This is why All for One Steeb strives to finance its assets in the same currency. Revenue recognition within the individual companies is made predominantly in the same currency as that used for expenses. To the extent deemed necessary, remaining risks involved in foreign-currency accounting are covered using currency transactions (futures, options). Foreign currency hedges are not being used at the present time.

Changes in Interest Rate Risks
There will be exposure to changes in interest rates as long as there are long-term, interest-bearing liabilities with variable interest rates. These risks are minimised by interest hedges and the continuous monitoring of global interest-rate policies. Derivative financial instruments (interest rate swaps) were used during the financial year to partially hedge future cash flows from loans with variable interest rates. These were, however, discontinued in their entirety as part of the placement of the promissory notes that was made during the course of the year.

A reasonably possible change in interest rates of +/- 100 basis points would have an impact of -/+ KEUR 120 (prior year: -/+ KEUR 70) on Group earnings before taxes. The sensitivity analysis assumed that all other variables remain constant.

Liquidity Risks
All for One Steeb places the utmost importance on maintaining solvency at all times. Each company maintains an adequate amount of cash. The lead operating company All for One Steeb AG also has liquidity reserves and unused operational funding lines of credit.

In the case of the All for One Steeb AG promissory notes in a nominal amount of EUR 35.0 million, the holders of these promissory notes are authorised to raise the interest margin or, as applicable, to call the promissory notes due immediately should certain events occur as stipulated in the covenants. These events primarily involve adhering to the agreed targets for the equity ratio and the relationship between total net debt and EBITDA. The creditors will also be authorised to cancel their loan commitments and call a total amount of EUR 35.0 million due immediately should certain changes be made in the All for One Steeb shareholder structure (change of control). These covenants had been complied with in full as at the balance sheet date. Because the management board continuously monitors compliance with the terms and conditions of the promissory notes, the risks resulting from such covenants are considered to be minor.

Default Risks
Default risks arise primarily from affording clients time to make payments and from the counterparty risk involved in financial transactions. The default risks from providing services and products are addressed in part through commercial credit insurance, credit checks on customers, monitoring of accounts receivable and the implementation of regular reminder procedures.

Explanatory Notes to the Consolidated Financial Statements

J. Income Statement

The income statement was prepared according to the aggregate cost method.

1. Sales Revenues
Sales by type of revenue are depicted as follows:

in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
Consulting	68,507	53,819
Outsourcing services	86,784	69,689
Software licenses	26,734	26,544
Hardware	4,274	3,177
Other sales	35	-1
Total	**186,334**	**153,228**

Sales revenues include revenues of KEUR 16,094 (prior year: KEUR 12,874) determined by using the percentage of completion method. The cumulative expenses for ongoing projects valued using the percentage of completion method totalled KEUR 32,394 (prior year: KEUR 18,261) and the cumulative gains were KEUR 2,816 (prior year: KEUR 2,055).

The segment reporting provides additional breakdowns by business division and country.

2. Other Operating Income

in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
Marketing support	715	436
Income from co-payments for cars from employees	238	369
Investment tax credits	0	50
Income from disposal of assets	15	34
Income from foreign currency differences	0	19
Other income	551	512
Total	**1,519**	**1,420**

No investment tax credits were recognised as income in the financial year 2012/13. In the prior year, investment tax credits for subsidised assets at the subsidiary in Luxemburg of KEUR 50 were recognised as income for the financial year 2010/11. In the prior year investment tax credits totalling KEUR 50 were recognised as income for the financial year 2010/11.

3. Cost of Materials and Purchased Services

in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
Purchased services	51,101	42,675
Cost of materials	20,417	19,461
Total	**71,518**	**62,136**

Purchased services mainly include expenses for SAP maintenance contracts. The cost of materials is primarily a result of the purchase of SAP software licensing rights and the procurement of hardware for customer projects.

4. Personnel Expenses

in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
Salaries and wages	62,123	51,270
Social security contributions	9,016	6,760
Defined contribution plan expenses	704	930
Defined benefit plan expenses	289	207
Other personnel expenses	86	185
Total	**72,218**	**59,352**

AVERAGE PERSONNEL CAPACITY BY FUNCTION	10/2012 – 9/2013	10/2011 – 9/2012
Outsourcing services and consulting	588	464
Sales	90	71
Administration and management	86	64
Total	**764**	**599**

The average number of people (by headcount) employed in the financial year 2012/13 was 847 (prior year: 657).

5. Employee Benefit Obligations

There are both defined benefit and defined contribution plans for retirement, disability and survivor benefits. The amount of the benefit obligations for the defined benefit plans is calculated primarily on the basis of the individual employee's length of employment and compensation. There also exists a domestic employee-funded retirement benefits plan in the form of a direct benefit commitment that is secured by a congruent and pledged reinsurance programme. Although the risk that All for One Steeb may be liable for a return that cannot be met by the insurance company is considered very small, this employee-funded retirement benefits plan is not required to be classified as a defined benefit plan under IFRS.

The following information provides an overview of the financial situation of the defined benefit plans as at 30 September 2013 and 2012.

Changes in employee benefit assets:

in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
Benefit obligations at start of financial year	**4,099**	**0**
Additions from initial consolidation	0	3,646
Interest expense	141	150
Current service cost	-20	-19
Benefits	-121	-167
Contributions	103	134
Actuarial losses	193	355
Benefit obligations at end of financial year	**4,395**	**4,099**
Market value of plan assets at start of financial year	**-4,099**	**0**
Additions from initial consolidation	0	-3,646
Expected return on plan assets	-184	-138
Benefits	121	167
Contributions	-103	-134
Actuarial gains	-130	-348
Market value of plan assets at end of financial year	**-4,395**	**-4,099**
Unconsidered actuarial losses	-65	-7
Employee benefit assets at end of financial year	**-65**	**-7**

The change in employee benefit asset is as follows:

in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
Employee benefit assets at start of financial year	**-7**	**0**
Expenses for employee benefit plans recognised in the income statement	-58	-7
Employee benefit assets at end of financial year	**-65**	**-7**

Changes in employee benefit liabilities:

in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
Benefit obligations at start of financial year	**6,588**	**4,699**
Additions from initial consolidation	82	625
Interest expense	141	147
Current service cost	465	386
Benefits	-965	-437
Contributions	208	0
Actuarial gains/losses	398	639
Participant contributions	94	558
Foreign currency differences	-111	-29
Benefit obligations at end of financial year	**6,900**	**6,588**
Market value of plan assets at start of financial year	**-5,384**	**-3,876**
Additions from initial consolidation	0	-625
Expected return on plan assets	-120	-125
Company contributions	-262	-204
Participant contributions	-305	-192
Benefits	965	437
Contributions	-158	-558
Actuarial losses/gains	-211	-266
Foreign currency differences	91	25
Market value of plan assets at end of financial year	**-5,384**	**-5,384**
Deficit	**1,516**	**1,204**
Unconsidered actuarial losses	-740	-637
Employee benefit liability at end of financial year	**776**	**567**

The changes in employee benefit liabilities are as follows:

in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
Employee benefit liability at start of financial year	**567**	**560**
Transfer / Initial consolidation	**132**	**0**
Expenses for benefit plans recognised in the income statement	347	214
Company contributions	-262	-204
Foreign currency differences	-8	-3
Employee benefit liability at end of financial year	**776**	**567**

The following benefit expenses were recognised under personnel expenses:

in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
Current service cost	445	367
Interest expense	282	297
Expected return on benefit plan assets	-299	-263
Amortised loss	72	-2
Gross benefit expense for the period	**500**	**399**
Participant contributions	-211	-192
Total expenses for benefit plans	**289**	**207**

The assumptions for the actuarial valuations differ for each individual plan, since they were made by taking into considera-tion the specific circumstances of the asset investment strategy and the personnel structure of the affiliated companies. The following table shows the key benchmarks of the plans that are included in the calculation and the average weighted assumptions on which the actuarial estimates of the defined benefit plans were based:

in KEUR	30.09.2013	30.09.2012
Number of plans	8	6
of which with assets set aside	2	2
of which with no assets set aside	6	4
Number of individuals participating in the plans	143	129
of whom are active insurance participants	91	79
of whom are inactive insurance participants	35	32
of whom are retired	17	18
Discount rate (weighted)	2.80%	2.91%
Expected return on plan assets (weighted)	2.60%	3.07%
Development of salaries	0 – 2.00%	0 – 1.00%
Development of pensions	0 – 2.00%	0 – 2.00%
Average projected remaining working life of participants	11 – 20 years	10 – 13 years
Effective return on plan assets	3.98%	4.18%

A discount rate of 3.0% was used for the German employee benefit plans. A discount rate of 2.4% was used for the Swiss employee benefit plans.

The following table shows how the defined benefit obligations are secured and the impact of variances between the ex-pected and actual value of the plan assets over the past few years:

in KEUR	30.12.2013	41182	40816	40451	31.12.2009*
Plan assets	-9,780	-9,483	-3,876	-3,601	-2,582
Obligations from benefit plans	11,296	10,687	4,699	4,403	3,200
Deficit	**1,516**	**1,204**	**823**	**802**	**618**
Difference between the expected and actual value	-157	-152	111	75	179
Adjustments to benefit obligations	337	-405	-526	-552	142

* including discontinued operation

The average weighted distribution of the plan assets as at 30 September 2013 and 2012 is shown below:

in %	30.09.2013	30.09.2012
Rented properties	4	5
Obligations CHF	13	17
Obligations other currencies	7	3
Shares Switzerland	2	3
Shares other countries	6	7
Liquid assets and other financial assets	68	65
Total plan assets	**100**	**100**

The expected payments for All for One Steeb's employee benefit plans for the financial year 2013/14 are KEUR 437 (prior year: KEUR 321).

6. Depreciation and Amortisation

The amounts of depreciation and amortisation are determined by the changes in non-current assets (see statement of changes in fixed assets). No write-downs were made in the current financial year.

7. Other Operating Expenses

in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
Vehicle costs	5,645	4,441
Data processing expenses	8,534	6,217
Cost of premises	3,240	2,430
Travel and overnight accommodation expenses	2,884	2,373
Marketing and advertising	1,779	1,343
Human resource management expenses	2,145	1,296
Expenses from currency differences	5	84
Other items	3,044	3,249
Total	**27,276**	**21,433**

8. Financial Result

Financial income includes finance lease interest income in the amount of KEUR 293 (prior year: KEUR 313). Financial expenses includes finance lease interest expenses in the amount of KEUR 187 (prior year: KEUR 111).

9. Income Tax

Tax expenses consist of the following:

in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
Current tax expense	2,168	948
Deferred tax expense	1,044	805
Total	**3,212**	**1,753**

CURRENT TAX EXPENSES in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
Current income tax for the reporting year	1,938	950
Current income and withholding taxes relating to prior periods	230	-2
Total	**2,168**	**948**

EXPENSES FROM DEFERRED TAXES in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
Change in tax charge on undistributed profits for the reporting year	12	-11
Change in timing differences for the reporting year	150	723
Recognition of tax assets from tax losses brought forward	883	-617
Tax rate changes	-1	710
Total	**1,044**	**805**

Your attention is directed to deferred tax assets (note 14) and deferred tax liabilities (note 25) for details regarding changes in deferred tax assets and liabilities.

Current taxes are calculated on the basis of prevailing tax rates rates The Group's tax rate of 30.0% (prior year: 30.0%) was determined on the basis of a corporate income tax rate of 15.0% plus the solidarity surcharge of 5.5% on this rate, and a municipal trade income tax rate of 14.2%.

The following table shows a reconciliation of the expected and the actually reported tax expenses:

in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
EBT	8,834	5,040
Expected tax expense/revenue at the rate of 30%	-2,650	-1,510
Temporary tax differences	-168	-438
Non-tax-deductible expenses/revenues	-265	-90
Capitalisation of tax losses brought forward	16	617
Current tax expenses/revenues relating to prior periods	-230	0
Use of uncapitalised tax losses brought forward for current year	70	264
Waiver of capitalisation of tax losses brought forward for current year	-114	0
Effect of different tax rates in foreign countries	91	110
Tax rate changes	0	-710
Other effects	38	4
Total	**-3,212**	**-1,753**

The following table shows the composition of deferred tax assets and deferred tax liabilities:

in KEUR	Deferred tax assets 30.09.2013	Deferred tax liabilities 30.09.2013	Deferred tax assets 30.09.2012	Deferred tax liabilities 30.09.2012	Total 30.09.2013	Total 30.09.2012
Financial assets	-15	1,099	-19	977	1,084	958
Financial instruments	0	0	-97	0	0	-97
Financial liabilities	0	145	-25	88	145	63
Trade accounts receivable	-5	1,282	-5	611	1,277	606
Intangible assets	-476	12,898	-648	11,645	12,422	10,997
Employee liabilities	-29	0	-70	0	-29	-70
Employee benefit liabilities	-367	20	-367	2	-347	-365
Provisions	-62	19	-2	17	-43	15
Tangible fixed assets	-10	58	-1	36	48	35
Other timing differences	0	74	0	63	74	63
Other liabilities	-25	0	-14	7	-25	-7
Tax loss carry forwards	-1,949	0	-2,833	0	-1,949	-2,833
Deferred tax assets (-) / liabilities (+)	**-2,938**	**15,595**	**-4,081**	**13,446**	**12,657**	**9,365**
Balancing	2,674	-2,674	3,848	-3,848	0	0
Total deferred tax assets (-) / liabilities (+)	**-264**	**12,921**	**-233**	**9,598**	**12,657**	**9,365**

10. Earnings per Share

Earnings per share were calculated based on the net annual earnings and the average number of shares outstanding (issued shares less treasury stock). An average number of 4,860,000 shares were outstanding in the financial year 2012/13.

The average number of shares (diluted) outstanding is the same as the average number of shares (undiluted) outstanding. The diluted earnings per share are therefore the same as the undiluted earnings per share.

K. Notes to the Balance Sheet

11. Goodwill and Other Intangible Assets

The Group balance sheet as at 30 September 2013 reported goodwill with a balance sheet value of KEUR 16,601 (prior year: KEUR 14,695) other intangible assets with a balance sheet value of KEUR 43,473 (prior year: KEUR 39,317). In order to determine if any assets may be impaired, the company estimated the expected cash flows from the use and eventual sale of the assets. The actual cash flows derived may vary from the projected cash flows and from the cash flows discounted to the balance sheet date. In particular, any departure of customers from the core client business accounted for in the balance sheet, and the subsequent lower-than-projected amount of products and services sold, may result in shortened useful lives and impairment.

Impairment Testing of Goodwill and Trademark Rights

For the purpose of performing impairment tests, All for One Steeb has designated the following companies as cash-generating units (GGU) to which the respective goodwill and trademark rights are allocated. The value in use was applied when testing goodwill and trademark rights for impairment. The value in use of the future cash flows was determined using the discounted cash flow method, which does not take tax payments into consideration. As in the prior year, the applied discount rate built on the capital asset pricing model and was derived from the average weighted cost of equity and borrowed capital. The cost of equity is based on a risk-free capital-market interest rate for the respective period taking into consideration the Beta factor for the industry and a risk premium based on the relevant capital market. From this a pre-tax discount rate was derived based on the tax situation.

Current assets and earnings projections for the next three to five years have been prepared for the cash-generating units (CGU), which reflect and incorporate the company’s latest estimates regarding how these units’ sales and costs will develop. Prospective cash flow statements were derived from this and plausible assumptions were made about the further development in the years to follow that reflect a growth rate of 1%.

Goodwill and Trademark Rights

Goodwill increased by KEUR 1,906 to KEUR 16,601 as at 30 September 2013. This increase resulted from the purchase of shareholdings (60%) in OSC AG, Lübeck.

No write-downs on goodwill were made in the reporting year.

GOODWILL in KEUR	30.09.2013	30.09.2012
CGU All for One Steeb AG		
Steeb Anwendungssysteme GmbH, Abstatt (merged into the Group parent in December 2011)	9,692	9,692
All for One Midmarket Solutions & Services GmbH, Stuttgart (merged into the Group parent in September 2008)	2,434	2,434
Other CGU's		
OSC AG, Lübeck	1,906	–
Process Partner AG, St. Gallen/Switzerland	1,596	1,596
KWP team HR GmbH, Düsseldorf	483	483
KWP Kümmel, Wiedmann + Partner Unternehmensberatung GmbH, Heilbronn	365	365
All for One Steeb GmbH, Vienna/Austria	125	125
Total	**16,601**	**14,695**

The goodwill and trademark rights were tested for impairment at the end of the financial year. This testing showed no impairment of the goodwill and trademark rights allocated to the cash-generating units (CGU) as at 30 September 2013. The company believes, extraordinary events and circumstances aside, that a revision of its assumptions would not lead to the carrying amounts of the goodwill and trademark rights exceeding their respective recoverable amounts.

Other intangible assets include brand names (trademark rights) totalling KEUR 9,687 (prior year: KEUR 8,748). These brand names are company brands for which an economic life cannot be determined. Unlike product brands, these have no life cycle. For this reason it is assumed that they have an indefinite useful life.

Internally generated software in the amount of KEUR 191 (prior year: KEUR 0) was capitalised during the financial year.

OTHER INTANGIBLE ASSETS in KEUR	Purchase price	Estimated useful life in months	Remaining useful life in months	Net carrying amount 30.09.2013	Net carrying amount 30.09.2012
Trademark rights					
CGU All for One Steeb AG					
Trademark rights of former Steeb Anwendungssysteme GmbH, Abstatt	5,465	unlimited	unlimited	5,465	5,465
Trademark rights of former All for One Midmarket Solutions & Services GmbH, Stuttgart	3,283	unlimited	unlimited	3,283	3,283
CGU OSC AG					0
Trademark rights of OSC AG, Lübeck	939	unlimited	unlimited	939	–
					0
Customer base					**0**
Customer base of former Steeb Anwendungssysteme GmbH, Abstatt	27,626	48 – 180	26 – 158	24,081	26,015
Customer base of former All for One Midmarket Solutions & Services GmbH, Stuttgart	6,283	18 – 180	0 – 88	3,043	3,458
Customer base of OSC AG, Lübeck	5,903	144	133	5,452	–
Customer base of KWP team HR GmbH, Düsseldorf	628	120	69	361	424
Customer base of KWP Kümmel, Wiedmann + Partner Unternehmensberatung GmbH, Heilbronn	374	120	17	53	90
Customer base of KWP Austria GmbH, Vienna/Austria	133	96	0	0	20
Customer base of All for One Steeb GmbH, Vienna/Austria	123	96	0	0	6
					0
Other intangible assets					**0**
Internal software solutions	288	60	15 – 59	212	44
Other acquired intangible assets	2,546	12 – 72	0 – 48	584	512
30 September 2013	**53,591**			**43,473**	**39,317**

Impairment tests using the relief from royalty method were performed at the end of the financial year due to the trademark rights having an indefinite useful life. No write-downs were made as at 30 September 2013.

Impairment testing was based on the following pre-tax discount rates:

(Formerly) Steeb Anwendungssysteme GmbH, Abstatt: The implied average pre-tax discount rate is 7.01% (prior year: 6.79%).

(Formerly) All for One Midmarket Solutions & Services GmbH, Stuttgart: The implied average pre-tax discount rate is 7.01% (prior year: 6.50%).

OSC AG, Lübeck: The implied average pre-tax discount rate is 8.05% (prior year: 0%).

Process Partner AG, St. Gallen/Switzerland: The implied average pre-tax discount rate is 7.04% (prior year: 6.12%).

KWP team HR GmbH, Düsseldorf: The implied average pre-tax discount rate is 8.07% (prior year: 7.20%).

KWP Kümmel, Wiedmann + Partner Unternehmensberatung GmbH, Heilbronn: The implied average pre-tax discount rate is 7.15% (prior year: 6.90%).

All for One Steeb GmbH, Vienna/Austria: The implied average pre-tax discount rate is 6.82% (prior year: 6.60%).

12. Tangible Fixed Assets
Your attention is directed to the statement of changes in fixed assets regarding the composition of tangible fixed assets.

The land and buildings pertain to a Belgian Group company's commercial building.

Also included under leasehold improvements are those improvements over which the lessor has since assumed legal ownership, but which remain in the beneficial ownership of the lessee for the term of the lease. The useful life for depreciation purposes is the shorter of the remaining term of the lease or the useful life.

The other tangible fixed assets include office machines and equipment, office furniture and furnishings, as well as company cars.

The lessor has legal ownership of the tangible fixed assets in the amount of KEUR 3,164 (prior year: KEUR 1,784) under finance leases.

13. Financial Assets

in KEUR	Total receivables	Due under 1 year	Due between 1 and 5 years	Due after 5 years
Gross receivables from finance leases	7,416	2,685	4,731	0
Unrealised share of interest therein	-455	-50	-405	0
Net receivables from finance leases	**6,961**	**2,635**	**4,326**	**0**
Receivables from the insolvency hedging of pre-retirement part-time work arrangements	1,007	619	388	0
Other loans	252	8	244	0
Security deposits	29	15	14	0
Total as at 30 September 2013	**8,249**	**3,277**	**4,972**	**0**
Gross receivables from finance leases	6,496	2,403	4,093	0
Unrealised share of interest therein	-435	-54	-381	0
Net receivables from finance leases	**6,061**	**2,349**	**3,712**	**0**
Receivables from the insolvency hedging of pre-retirement part-time work arrangements	1,018	439	579	0
Other loans	257	15	242	0
Security deposits	31	15	16	0
Total as at 30 September 2012	**7,367**	**2,818**	**4,549**	**0**

Receivables from finance leases pertain to customer-specific IT systems from the IT outsourcing business and fulfil the application regulations set forth in IFRIC 4.

14. Deferred Tax Assets
See note 9, Income Tax for detailed information about the structure of the deferred tax assets.

All for One Steeb AG has corporation and municipal trade tax loss carry forwards of EUR 7.0 million (prior year: EUR 9.9 million) and EUR 5.7 million (prior year: EUR 9.1 million) respectively, which were recognised as deferred tax assets in the amount of KEUR 1,800 (prior year: KEUR 2,700). During the financial year these deferred tax assets declined in an amount of KEUR 900 as adjusted for positive earnings. Based on the current plans and budgeting for All for One Steeb AG, Group management considers it probable that the loss carry forwards can be used in these amounts in the coming years.

The subsidiary All for One Steeb GmbH, Vienna/Austria, has a tax loss carry forward of KEUR 3,590 (prior year: KEUR 4,030) that was capitalised as a deferred tax asset in the amount of KEUR 149 (prior year: KEUR 133). Furthermore, the subsidiary All for One Steeb (Schweiz) AG, Regensdorf/Switzerland, has unrecognised tax loss carry forwards of KEUR 576.

Recognition of deferred tax assets is made on the basis of each respective company's budget. These budgets are revised annually and require a variety of estimations. These estimations may change as a result of changes in the market, competitive environment, customer structure and general economic situation. There is a great deal of volatility involved in recognising deferred tax assets in light of the regular reassessments that are made.

15. Current and Deferred (Income) Tax Assets and Liabilities
As at 30 September 2013, All for One Steeb showed net liabilities from current income taxes in the amount of KEUR 455 (prior year: KEUR 104) and net liabilities from deferred taxes in the amount of KEUR 12,657 (prior year: KEUR 9,365). The management board has to make far-reaching estimates to determine the receivables and liabilities relating to current

income taxes and deferred taxes. These estimates are based among other things on the interpretation of each country's prevailing tax laws and regulations. The management board makes estimates about the subsidiaries' future taxable earnings situation both upon the initial recognition and regular determination of deferred tax assets from chargeable tax loss carry forwards. Numerous internal and external factors can have a favourable or unfavourable impact on the assets and liabilities from deferred income taxes. Changes can also be attributable to amendments in tax legislation, final tax assessment notices and the favourable or less-favourable way that the taxable income projections for the subsidiaries develop. Such factors may necessitate adjustments in the reported income tax assets and liabilities.

16. Inventories

Inventories mainly consist of hardware held for sale in the amount of KEUR 331 (prior year: KEUR 637) and software held for sale in the amount of KEUR 22 (prior year: KEUR 0).

17. Trade Accounts Receivable

in KEUR	30.09.2013	30.09.2012
Accounts receivable from other third parties	31,581	26,015
Value adjustments	-814	-774
Total	**30,767**	**25,241**

Trade accounts receivable include construction contracts with a credit balance due from customers in the amount of KEUR 2,024 (prior year: KEUR 1,036).

The trade accounts receivable also include an amount from related parties of KEUR 86 (prior year: KEUR 129).

Changes in Allowances for Doubtful Accounts

The KEUR 774 in allowances for doubtful accounts as at 30 September 2012 was increased by KEUR 17 due to the initial consolidation of OSC AG and WEBMAXX, was reversed by KEUR 383, utilised in the amount of KEUR 4 and increased by KEUR 410. This resulted in an allowance for doubtful accounts in the amount of KEUR 814 as at 30 September 2013.

The following table shows the breakdown of trade accounts receivable not yet due and overdue based on the terms agreed to with the customers and the age structure of the receivables:

in KEUR	30.09.2013	30.09.2012
Total gross trade accounts receivable	**31,581**	**26,015**
Thereof:		
Not yet due	18,207	15,824
Due under 1 month	7,358	4,659
Due between 1 and 3 months	3,766	3,500
Due between 3 and 6 months	483	832
Due between 6 and 12 months	640	835
Due after 12 months	1,127	365
Allowance for doubtful accounts	-814	-774
Total net trade accounts receivable	**30,767**	**25,241**

The allowances for doubtful accounts are determined based on the difference between the nominal value of the accounts receivable and their estimated net recoverable amounts.

The trade accounts receivable of KWP Kümmel, Wiedmann + Partner Unternehmensberatung GmbH, Heilbronn, are pledged to the financing bank through a blanket assignment, which serves as security for a current account and aval credit line in the amount of KEUR 357 (prior year: KEUR 257) and two loan agreements for a nominal amount of KEUR 240 (prior year: KEUR 390) (see note 24, Financial Liabilities). The receivables as at 30 September 2013 totalled KEUR 1,883 (prior year: KEUR 1,827).

18. Other Current Assets

in KEUR	30.09.2013	30.09.2012
Prepaid services	1,122	817
Other accounts receivable	583	313
Total	**1,705**	**1,130**

19. Cash and Cash Equivalents

in KEUR	30.09.2013	30.09.2012
Cash assets	30,897	18,412
Financial investments with an original fixed term of under 90 days	732	363
Cash on hand	8	8
Total	**31,637**	**18,783**

The average interest on bank deposits was 0.2% (prior year: 0.5%). Of the cash and cash equivalents, 93.4% (prior year: 94.8%) is denominated in EUR, 5.7% (prior year: 4.4%) in CHF, 0.5% (prior year: 0.8%) in CZK and 0.4% (prior year: 0%) in TRY.

20. Shareholders' Equity

The issued share capital is divided into 4,860,000 registered no-par-value shares (individual share certificates) and has been fully paid in. The arithmetic nominal value of the shares outstanding remains unchanged at EUR 3.00 per share.

One of the items approved by the annual general meeting of 14 March 2013 was a dividend of 15 euro cents per share, which was distributed in an amount of EUR 729,000 on the following day.

The annual general meeting of 16 March 2011 also approved resolutions – each effective until 15 March 2016 – creating a new authorised capital totalling EUR 7,290,000 and granting the authority to repurchase up to 486,000 shares of company stock, which is 10% of the share capital. Neither of these two resolutions were utilised during the reporting period.

All for One Steeb's capital is governed by the cost of equity. Investments and acquisitions will continue to be made with borrowed capital as long as borrowing costs are lower than the cost of equity. Variable interest rates were agreed to as part of the loans. Should certain events occur as described in covenants stipulated in the loan agreements, then the lenders will be authorised to increase the interest rate on the loans and, as applicable, call the loans due payable immediately. These covenants pertain to maintaining established corporate operating figures. All figures are calculated and evaluated at the Group level. The management board monitors compliance with contractual requirements and observes the movement in interest rates. In managing the capital, All for One Steeb AG continuously monitors variances in the equity ratio and net debt to the corresponding budget figures. Net debt was lower than planned during the reporting year. The equity ratio fell slightly short of the budgeted figure.

All for One Steeb seeks to use its dividend policy to enable shareholders to partake directly in the company's earnings and cash flow. However, the basic premise is to always maintain adequate financial flexibility for greater business performance and additional inorganic growth.

The capital reserve consists primarily of the premium from the issue of shares.

The other reserves pertain to the reserve from currency translation and the reserve from derivative financial instruments.

The reserve from currency translation results from gains and losses on currency translation that arise from the conversion of the financial statements of foreign Group companies included in the consolidation. This item will be reclassified in the income statement as soon as the balance sheet items belonging to it are disposed of through deconsolidation.

The hedging relationships involving derivative financial instruments reported in the reserve from derivative financial instruments, and thus recognised directly in equity, were terminated entirely as at the end of the financial year. In connection with this, an amount of KEUR 226 from other earnings was reclassified as an expense in the income statement.

21. Treasury Stock

As in the prior year, All for One Steeb AG holds no treasury stock.

22. Non-Controlling Interests

in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
At start of financial year	**1,701**	**1,642**
Additions from initial consolidation	3,946	0
Distribution of profit to non-controlling interests	-242	-308
Cash outflow non-controlling interests	0	-52
Profit share of current year	831	514
Currency translation	-3	0
Change in non-controlling interests	-19	-95
At end of financial year	**6,214**	**1,701**

This figure contains an amount of KEUR 2,131 (prior year: KEUR 1,701) for a 44% shareholding in KWP Kümmel, Wiedmann + Partner Unternehmensberatung GmbH, Heilbronn, and its subsidiaries; an amount of KEUR 4,033 (prior year: KEUR 0) for a 40% shareholding in OSC AG, Lübeck, and its subsidiaries; and an amount of KEUR 50 (prior year: KEUR 0) for a 26% shareholding in WEBMAXX GmbH, Munich.

23. Provisions

in KEUR	01.10.2012	Addition initial consolidation	Provisons made	Provisions used	Provisions reversed	30.09.2013
Anniversary provision	0	0	87	0	0	87
Provision for onerous contracts	0	3,959	72	-412	0	3,619
Impending losses on uncompleted contracts	76	0	129	0	0	205
Pre-retirement part-time work / accrued-hours accounts	1,383	0	0	-262	0	1,121
Severance payments Austria	10	0	2	0	0	12
Variable purchase price component OSC	0	980	17	0	0	997
Severance payments	405	0	92	-339	-66	92
Warranty and damage claims	60	0	103	0	-30	133
Restoration liability	8	0	2	0	0	10
Total	**1,942**	**4,939**	**504**	**-1,013**	**-96**	**6,276**
Long-term (> 12 months)	862					4,326
Short-term (< 12 months)	1,080					1,950
Total	**1,942**					**6,276**

Provision for Onerous Contracts

Unfavourable contracts were assumed with the acquisition of the SAP midmarket business of ORGA, and for which All for One Steeb received an appropriate compensation payment. The cash value of these onerous contracts in the amount of EUR 3.9 million was recognised as a provision for contingent losses. This provision will be utilised over the term of the onerous contracts and totalled KEUR 3,619 as at the balance sheet date.

Pre-Retirement Part-Time Work Arrangements / Accrued Hours Accounts

The company has partial-retirement programme obligations within the meaning of the German Partial Retirement Act (hereafter called »Altersteilzeitgesetz«). These pre-retirement part-time work arrangements are conducted exclusively using the block model, under which the employee receives 50% of his or her full-time salary for the entire duration. In addition, the employee receives a supplementary top-up payment that is not subject to taxes or social-security contributions. The company also makes additional contributions to the statutory pension insurance scheme on behalf of the employee.

The metric used for establishing the provision is the total amount of remuneration to be provided during the entire retirement phase, including the supplementary top-up payments to be rendered and other benefits (e.g. paid holiday, Christmas bonuses and employer contributions to social insurance programmes). A discount is made if the term of the obligation is 12 months or longer on the balance sheet date. Furthermore, biometric risks (e.g. death, disability) are taken into consideration as part of an actuarial valuation. The provisions for the current remuneration in the retirement phase are accrued pro rata in the working phase in proportion to the duration of the working phase fulfilled to the entire duration of the working phase.

There are accrued-hours accounts in which employees can accumulate hours by converting elements of remuneration into time credits. These time credits can be used, among other things, for taking a longer period of release or pursuing professional development activities.

The valuation of the accrued-hours accounts is made based on recognised actuarial principles using what is called the projected unit credit (PUC) method. Under this PUC method, the amount of the provision is defined as the actuarial present value of the obligations, which the employees have earned up to this time as a result of the »savings« they have deposited in their accrued-hours accounts in the past.

In establishing the other provisions, the management board estimated the probabilities and the amounts of the expected future outflow of resources for each respective situation. These estimates are reviewed at each balance sheet date. If the effect is material, then in the case of long-term provisions the expected future cash outflows are discounted. Provisions are also recognised for contractual obligations where the unavoidable costs involved in fulfilling or revoking them are greater than the expected benefits and value to be received (onerous contracts).

An amount of KEUR 127 was reported as interest expense from compounding the interest on provisions.

Severance Payments Austria
This item pertains to statutory entitlements to severance payments or redundancies in cases of regular retirement or severance actions initiated by the company in Austria. Recognised values are based on actuarial calculations.

Severance Payments
Provisions for severance payments are recognised when existing employment relationships must be terminated for operational reasons or dissolved by mutual consent. The amount of such severance payments is not always established definitively at the time the balance sheet is prepared. In such cases, provisions are recognised in the amount that would be expected to be paid were the matter to be settled through a legal process.

24. Financial Liabilities

in KEUR	Total liabilities	Due under 1 year	Due between 1 and 5 years	Due after 5 years
Future payments for finance leases	3,525	1,079	2,446	0
Interest therein	-203	-18	-185	0
Finance lease liabilities	**3,322**	**1,061**	**2,261**	**0**
Liabilities from derivative financial instruments	0	0	0	0
Bank loans	34,530	15	26,035	8,480
Total as at 30 September 2013	**37,852**	**1,076**	**28,296**	**8,480**
Future payments for finance leases	2,098	775	1,323	0
Interest therein	-143	-19	-124	0
Finance lease liabilities	**1,955**	**756**	**1,199**	**0**
Liabilities from derivative financial instruments	323	0	323	0
Bank loans	28,830	3,090	23,755	1,985
Total as at 30 September 2012	**31,108**	**3,846**	**25,277**	**1,985**

The financial liabilities as at 30 September 2013 include liabilities to banks totalling KEUR 34,530 (30 September 2012: KEUR 28,830), the current portion of which is KEUR 15 (30 September 2012: KEUR 3,090). The financial liabilities as at 30 September 2013 also include obligations from finance lease agreements totalling KEUR 3,322 (30 September 2012: KEUR 1,955), the current portion of which is KEUR 1,061 (30 September 2012: KEUR 756). The finance lease agreements consist primarily of lease-to-own agreements on parts of data centers and motor-vehicle leases. The non-current liabilities from derivative financial instruments in the amount of KEUR 323 included in the financial liabilities as at 30 September 2012 was fully repaid as at 30 June 2013.

Promissory notes in an amount of EUR 35 million were successfully placed as at 30 April 2013. The current market's favourable financing terms and conditions were locked in for an extended period of time and mostly in the form of fixed interest rates – currently between 2.6% and 4.3% depending on the tranche and term. All three tranches with terms of three, five and seven years are due at maturity. The promissory notes are not subordinated and are unsecured. Predominantly longer-term tranches were allocated. The syndicated loan of EUR 29 million taken out in December 2011 to fund the acquisition of Steeb was in turn fully repaid and the interest rate swaps were discontinued. These swaps were used to hedge against the risks associated with the syndicated loan's variable interest rate and were recognised directly in equity (other reserves) using cash flow hedge accounting according to IAS 39 until they were discontinued. After the swaps were discontinued, the reserve for derivative financial instruments changed from minus KEUR 226 (30 September 2012) to zero (30 September 2013).

In the case of the All for One Steeb AG promissory notes in a nominal amount of EUR 35.0 million, the holders of these promissory notes are authorised to raise the interest margin or, as applicable, to call the promissory notes due immediately should certain events occur as stipulated in the covenants. These events primarily involve adhering to the agreed targets for the equity ratio and the relationship between total net debt and EBITDA. The creditors will also be authorised to cancel their loan commitments and call a total amount of EUR 35.0 million due immediately should certain changes be made in the All for One Steeb shareholder structure (change of control). These covenants had been complied with in full as at the balance sheet date.

There were also two loans with the Volksbank Flein-Talheim eG as of the balance sheet date. The one loan in the amount of KEUR 150 ended on 30 September 2013 and had an interest rate of 6.5%. The principal repayment rates of KEUR 2.5 were paid monthly. The other loan in the amount of KEUR 240 ends on 30 December 2013 and has an interest rate of 4.5%. The principal repayment rates of KEUR 5 are paid monthly. There is also a credit line (operational funding line of credit) totalling EUR 0.4 million, which was utilised in the amount of EUR 0.1 million. The assignment of the trade accounts receivable of KWP Kümmel, Wiedmann + Partner Unternehmensberatung GmbH, Heilbronn, serves as security for the loans and the line of credit. There are no other contractual guarantees or obligations in place.

The average weighted interest rate for lease liabilities during the reporting period was 4.41% (prior year: 5.14%). The lease payments are established at the beginning of the contract and are not subject to changes in the instalment amount or interest rate for the duration of the term.

The borrowings from banks as at 30 September 2013 comprise KEUR 34,530 (prior year: KEUR 28,830) in loan agreements.

As at the balance sheet date, the All for One Steeb Group had approved lines of credit at banks in the amount of KEUR 8,518 (prior year: KEUR 3,189).

Aval guarantees for rental security deposits are being utilised in the amount of KEUR 576 (prior year: KEUR 301).

25. Deferred Tax Liabilities

See note 9, Income Tax for detailed information about the structure of deferred tax liabilities.

26. Other Liabilities

in KEUR	**30.09.2013**	30.09.2012
Personnel obligations	13,332	11,080
Other tax liabilities	1,036	1,980
Advanced payment on maintenance charges	2,718	2,675
Other liabilities	5,321	4,394
Total	**22,407**	**20,129**
Short-term element thereof	22,273	20,066
Long-term element thereof	134	63

The »personnel obligations« item relates predominately to liabilities from unused holiday leave, as yet unpaid variable compensation components, commissions, flexi-time and overtime payments, bonuses and obligations to social security providers.

27. Trade Accounts Payable

The trade accounts payable include the gross amount due to customers for contract work as a liability in the amount of KEUR 476 (prior year: KEUR 1,554). The general payment term for trade accounts payable is 0 to 60 days.

28. Additional Information about Financial Instruments

Measurement Categories as at 30 September 2013

in KEUR	Category	Carrying amount 30.09.2013	Fair value IFRS 7*
Assets			
Cash and cash equivalents	Loans and receivables	31,637	–
Trade accounts receivable	Loans and receivables	28,743	–
Receivables from finance leases	Loans and receivables	6,961	7,034
Other receivables	Loans and receivables	2,800	–
Equity and liabilities			
Trade accounts payable	Other financial obligations	11,259	–
Bank loans	Other financial obligations	34,530	–
Finance lease liabilities	Other financial obligations	3,318	3,311
Other liabilities	Other financial obligations	5,321	–

* The carrying amount represents a suitable approximate value for the fair value in those cases where a fair value was not stated.

Measurement Categories as at 30 September 2012

in KEUR	Category	Carrying amount 30.09.2012	Fair value IFRS 7*
Assets			
Cash and cash equivalents	Loans and receivables	18,783	–
Trade accounts receivable	Loans and receivables	21,931	–
Receivables from finance leases	Loans and receivables	6,061	6,126
Other receivables	Loans and receivables	2,177	–
Equity and liabilities			
Trade accounts payable	Other financial obligations	10,936	–
Bank loans	Other financial obligations	28,829	–
Finance lease liabilities	Other financial obligations	1,938	–
Derivative financial instruments with hedging relationship	Market value of hedging instrument	323	323
Other liabilities	Other financial obligations	4,071	4,071

* The carrying amount represents a suitable approximate value for the fair value in those cases where a fair value was not stated.

Cash and cash equivalents, trade accounts receivable and payable, as well as other receivables and other liabilities largely have short remaining terms or are subject to variable interest rates that follow the market interest rates. This is why their carrying amounts as at the balance sheet date correspond approximately to their fair values.

The fair values of the receivables from finance leases correspond to the present values of the payments associated with the assets. Current interest parameters that reflect market-related changes in terms and expectations were used as the basis for determining the fair values. The fair values of the finance lease liabilities are determined similarly.

The total interest income for financial assets not recognised as income at fair value was KEUR 294 (prior year: KEUR 313). The total interest expense for financial liabilities not recognised as income at fair value was KEUR 268 (prior year: KEUR 175). The financial liabilities also resulted in an amount of KEUR 265 recognised as an expense during the financial year.

29. Discontinued Operation

The 95% ownership stake in the subsidiary AC-Service (Schweiz) AG, Wettingen/Switzerland, was sold on 31 August 2009. In connection with this sale, All for One Steeb AG acquired subsequent purchase price entitlements, which were reported in the financial year 2010/11 as earnings from and assets of the discontinued operation in line with the presentation of prior years. The earnings from the discontinued operation pertain to the equity holders of the parent exclusively.

30. Related Parties

CROSS Informatik GmbH and its Group Companies
Effective 27 September 2013, **CROSS Informatik GmbH**, Wels/Austria, which until that time held 51.39% of the company's shares, transferred one-half of its shareholdings each to the only two shareholders **CROSS Industries AG**, Wels/Austria, and **Unternehmens Invest AG**, Wels/Austria. The companies CROSS Industries AG, Unternehmens Invest AG and CROSS Informatik GmbH concluded a voting agreement at the same time on 27 September 2013. This agreement provides that all three shareholders will jointly co-ordinate and exercise their voting rights at all times. Since 27 September 2013 there has existed control over the company on the part of CROSS Industries AG, Wels/Austria, and Unternehmens Invest AG, Wels/Austria, due to multi-tiered equity holdings and a co-ordinated exertion of influence. CROSS Informatik GmbH will withdraw from the voting agreement upon final implementation of the transfer of the shareholdings, which is expected in November 2013. Until that time, CROSS Informatik GmbH will remain registered in the All for One Steeb AG share register in place of CROSS Industries AG and Unternehmens Invest AG.

From the time of its founding (12 March 2011) until 27 September 2013, no revenues were generated or expenses incurred from CROSS Informatik GmbH and its group companies.

CROSS Industries AG and Unternehmens Invest AG and their Respective Group Companies
The company is considered a dependent company of CROSS Informatik GmbH in accordance with §16, sections 1, 2; and §17 section 2 »Aktiengesetz« due to CROSS Informatik GmbH having held more than 50% of the shares in All for One Steeb AG from 12 March 2011 until 27 September 2013. CROSS Industries AG and Unternehmens Invest AG each indirectly held about 26% of the shares in All for One Steeb AG as at 27 September 2013. These two companies have been holding these shares directly beginning on 27 September 2013. As a group, these two shareholders can form a controlling company because the formation of a common intent by these next-higher companies would be possible due to the shareholding structure. For this reason, All for One Steeb AG must, among other things, be considered a company indirectly dependent on CROSS Industries AG and Unternehmens Invest AG.

During the financial year, All for One Steeb AG, Filderstadt, provided consulting services for the company Die Wethje GmbH, Hengersberg/Germany, totalling KEUR 205 (prior year: KEUR 118) in connection with the implementation of the SAP industry solution All for Automotive and the installation of All for EDI. Furthermore, outsourcing revenues totalling KEUR 59 (prior year: KEUR 19) were generated in the financial year in connection with a managed services master agreement and All for EDI hosting. There was an outstanding balance of KEUR 11 as at the balance sheet date (prior year: KEUR 0).

All for One Steeb GmbH, Vienna/Austria, in which All for One Steeb AG holds 100% of the shares, generated outsourcing revenues in the amount of KEUR 28 in the financial year (prior year: KEUR 11) with the company Die Wethje GmbH, Hengersberg/Germany, and which were in connection with a software maintenance agreement from the year 2010 taken over from CROSS Industries AG. There were no outstanding balances as at the balance sheet date (prior year: KEUR 129).

This financial year marked the first time that All for One Steeb GmbH generated SAP licensing revenues, in an amount of KEUR 231, with WP Performance Systems GmbH, Munderfing/Austria. Furthermore, consulting services in a total amount of KEUR 92 were provided in connection with the SAP industry solution All for Automotive. Outsourcing revenues from SAP implementation services in the amount of KEUR 4 were posted. There were outstanding balances of KEUR 74 as at the balance sheet date.

All business transactions with CROSS Industries AG and its group companies were made on the basis of terms and conditions that would apply among independent business partners.

Members of the Supervisory Board
The following individuals were members of the supervisory board during the reporting year:

Peter Brogle (independent businessman, chairman), Josef Blazicek (independent businessman, deputy chairman), Peter Fritsch (CFO of BEKO HOLDING AG, Nöhagen/Austria, and member of control bodies in other BEKO Group companies), Friedrich Roithner since 14 March 2013 (CFO of CROSS Industries AG, Wels/Austria), Jörgen Dalhoff since 14 March 2013 (Portfolio Manager at All for One Steeb AG, Filderstadt/Germany), Detlef Mehlmann since 14 March 2013 (Head of Partner Management SAP Cloud Solutions and United VARs at All for One Steeb AG, Filderstadt/Germany).

During the reporting year, the supervisory board members were also members of the supervisory boards and control bodies of the following companies in terms of §125, section 1, sentence 3 »Aktiengesetz«:

Peter Brogle: alupak AG, Belp/Switzerland (member of the administrative board), Nahrin AG, Sarnen/Switzerland (member of the administrative board), Neumatt-Park AG, Hünenberg/Switzerland (president of the administrative board), Similasan AG, Jonen/Switzerland (member of the administrative board), Swissburg AG, Baar/Switzerland (president of the administrative board), TRIPLAN AG, Bad Soden/Germany (chairman of the supervisory board up to 19 October 2013).

Josef Blazicek: CROSS Industries AG, Wels/Austria (deputy chairman of the supervisory board), update software AG, Vienna/Austria (member of the supervisory board), Pankl Racing Systems AG, Kapfenberg/Austria (deputy chairman of the supervisory board), KTM AG, Mattighofen/Austria (chairman of the supervisory board), BEKO HOLDING AG, Nöhagen/Austria (chairman of the supervisory board), BRAIN FORCE HOLDING AG, Vienna/Austria (member of the supervisory board), Pierer Industrie AG, Wels/Austria (member of the supervisory board), CROSS Immobilien AG, Wels/Austria (member of the supervisory board up to 1 June 2013), CROSS Motorsport Systems AG, Wels/Austria (member of the supervisory board up to 2 August 2013), TRIPLAN AG, Bad Soden/Germany (member of the supervisory board up to 19 October 2013).

Peter Fritsch: TRIPLAN AG, Bad Soden/Germany (deputy chairman of the supervisory board).

Friedrich Roithner: BRAIN FORCE HOLDING AG, Vienna/Austria (deputy chairman of the supervisory board), Pankl Racing Systems AG, Kapfenberg/Austria (member of the supervisory board), Wirtschaftspark Wels Errichtungs- und Betriebs-Aktiengesellschaft, Wels/Austria (member of the supervisory board), Die Wethje GmbH Kunststofftechnik, Hengersberg/Germany (chairman of the advisory board), Wethje Holding GmbH, Pleinting/Germany (chairman of the advisory board), Wethje Immobilien GmbH, Pleinting/Germany (chairman of the advisory board), WP Performance Systems GmbH, Munderfing/Austria (deputy chairman of the advisory board).

Jörgen Dalhoff: None

Detlef Mehlmann: None

Compensation for Supervisory Board
Total fixed compensation for the supervisory board was as follows:

COMPENSATION FOR SUPERVISORY BOARD in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
Peter Brogle	31	27
Josef Blazicek	18	12
Peter Fritsch	16	18
Friedrich Roithner (since 14 March 2013)	8	–
Jörgen Dalhoff (since 14 March 2013)	6	–
Detlef Mehlmann (since 14 March 2013)	6	–
Total	**85**	**57**

The members of the supervisory board also receive reimbursement for their expenses.

The compensation system for the supervisory board is as follows:

The members of the supervisory board each receive a fixed compensation in the amount of KEUR 10 (plus any value-added tax that may be owed) for each full financial year that they belong to the supervisory board, and which is payable at the end of the financial year with the first such payment being rendered at the end of the financial year 2012/13. The chairman of the supervisory board receives three times and the deputy chairman one-and-a-half times the preceding fixed amount of compensation. The members of the supervisory board also receive a remuneration for their work in committees as follows:

a) A simple member of a committee receives EUR 2,500 per year (plus any value-added tax that may be due) for each committee membership.
b) The chairman of a committee receives four times the above committee membership remuneration.

Performance-related components are not included in the compensation for the supervisory board. Payment of the total fixed compensation for the supervisory board will be made in the financial year 2013/14 and is reported under »Other Liabilities« as at 30 September 2013.

Members of the Management Board
During the reporting year, the management board consisted of Lars Landwehrkamp (CEO since May 2007) and Stefan Land (CFO since April 2008). Membership by management board members in control bodies in terms of §125, section 1, sentence 3 »Aktiengesetz« are limited to various companies within All for One Steeb AG. The compensation for the management board members for all of their employment relationships in companies included within the scope of the consolidation for the financial year 2012/13 include salaries, bonuses (performance-related components) and benefits in kind from the use of company cars, insurance and pension plans.

Compensation for Management Board

in KEUR	Lars Landwehrkamp (CEO)	Stefan Land	**Total**
Compensation for 10/2012 – 9/2013			
Fixed compensation	312	231	543
Variable compensation*	320	199	519
Long-term variable compensation*	35	35	70
Other compensation**	50	18	68
Total	**717**	**483**	**1,200**
Compensation for 10/2011 – 9/2012			
Fixed compensation	312	231	543
Variable compensation	480	318	798
Long-term variable compensation	32	32	64
Other compensation**	47	17	64
Total	**871**	**598**	**1,469**

* variable compensation based on estimates

** benefits in kind from use of company cars, insurances and pension plans

The compensation system for members of the management board is described in detail in the Group Management Report. The amounts stated for the performance-based compensation component for the reporting year are estimates. Actual amounts paid may deviate from these figures. The variable compensation component of the prior year was paid out in an amount of KEUR 798 during the current financial year. This figure corresponded to the estimate.

No loans were extended and no options for shares of All for One Steeb AG were granted to the management board during the reporting year. Unusual transactions with related parties did not take place.

31. Other Financial Liabilities not Reported on the Balance Sheet

The financial obligations from »Operating Leases« not reported on the balance sheet primarily consist of leases for company cars and the leasing of EDP infrastructure (predominantly hardware and operating software). The lease periods range from 1 to 10 years. These obligations are as follows:

OPERATING LEASES in KEUR	**30.09.2013**	30.09.2012
2012/2013	–	1,301
2013/2014	3,075	803
2014/2015	2,067	182
2015/2016	879	0
2016/2017	36	0
2017/2018	0	0
2018/2019 and later	0	–
Total	**6,057**	**2,286**

In addition there are other unreported financial obligations, particularly from rental agreements, as shown below:

RENTAL AGREEMENTS in KEUR	**30.09.2013**	30.09.2012
2012/2013	–	3,422
2013/2014	4,400	2,543
2014/2015	3,967	2,333
2015/2016	3,824	2,348
2016/2017	3,493	2,284
2017/2018	2,592	2,043
2018/2019 and later	3,901	–
Total	**22,177**	**14,973**

The expenditures for operating leases and rental agreements totalled EUR 9.0 million in the financial year 2012/13 (prior year: EUR 6.6 million).

The finance lease liabilities are included under financial liabilities (see note 24, Financial Liabilities).

32. Currency Hedges

Revenues generated by the individual companies are predominantly made in the same currency in which expenses are incurred. Therefore, no currency hedges were undertaken in the years 2011/12 and 2012/13.

33. Notifications about the Share of Voting Rights in All for One Steeb AG according to §21, Section 1 and §25a, Section 1 »Wertpapierhandelsgesetz« (WpHG)

1. On 16 March 2011, **BEKO HOLDING AG**, Nöhagen, Austria, has informed us according to article 21, section 1 of the WpHG that the share of voting rights of BEKO HOLDING AG in All for One Midmarket AG, Filderstadt-Bernhausen, Germany, ISIN: DE0005110001, WKN: 511000 has fallen below the limits of 50%, 30%, 25%, 20%, 15% on 12 March 2011 and on that day amounted to 11.11% (this corresponds to 540,000 voting rights).

After the occurrence of the conditions of an initially conditional share purchase agreement (financial instrument according to article 25a of the WpHG) the companies controlled by Dr. Rudolf Knünz, Dipl. Ing. Stefan Pierer and Ocean Consulting GmbH have informed us of the following:

2. On 13 September 2013, **Ocean Consulting GmbH**, Vienna, Austria, has informed us according to article 21, section 1 of the WpHG that the share of voting rights of Ocean Consulting GmbH from shares in All for One Steeb AG, Filderstadt-Bernhausen, Germany, ISIN: DE0005110001, WKN: 511000 has exceeded the limits of 3%, 5%, 10% on 13 September 2013 and on that day amounted to 13.13% (this corresponds to 638,000 voting rights). The chain of companies controlled by Ocean Consulting GmbH is as follows:
- Swissburg AG
- Qino Capital Partners AG

3. On 13 September 2013, **Swissburg AG***,* Baar, Switzerland, has informed us according to article 21, section 1 of the WpHG that the share of voting rights of Swissburg AG from shares in All for One Steeb AG, Filderstadt-Bernhausen, Germany, ISIN: DE0005110001, WKN: 511000 has exceeded the limits of 3%, 5%, 10% on 13 September 2013 and on that day amounted to 13.13% (this corresponds to 638,000 voting rights). The chain of companies controlled by Swissburg AG is as follows:
- Qino Capital Partners AG

4. On 13 September 2013, **Qino Capital Partners AG**, Hünenberg, Switzerland, has informed us according to article 21, section 1 of the WpHG that the share of voting rights of Capital Partners AG from shares in All for One Steeb AG, Filderstadt-Bernhausen, Germany, ISIN: DE0005110001, WKN: 511000 has exceeded the limits of 3%, 5%, 10% on 13 September 2013 and on that day amounted to 11.76% (this corresponds to 571,537 voting rights).

5. On 13 September 2013, **CROSS Industries AG**, Wels, Austria, has informed us according to article 25a, section 1 of the WpHG that the share of voting rights of CROSS Industries AG in All for One Steeb AG, Filderstadt-Bernhausen, Germany, ISIN: DE0005110001, WKN: 511000 from financial instruments has fallen below the limits of 5%, 10%, 15%, 20%, 25%, 30%, 50% on 13 September 2013 and on that day amounted to 0.0% (this corresponds to 0 voting rights). 52.07% (this corresponds to 2,530,377 voting rights) are attributed to CROSS Industries AG from shares in All for One Steeb AG according to articles 21, 22 of the WpHG.

6. On 13 September 2013, **Pierer Invest Beteiligungs GmbH**, Wels, Austria, has informed us according to article 25a, section 1 of the WpHG, that the share of voting rights of Pierer Invest Beteiligungs GmbH in All for One Steeb AG, Filderstadt-Bernhausen, Germany, ISIN: DE0005110001, WKN: 511000 from financial instruments has fallen below the limits of 5%, 10%, 15%, 20%, 25%, 30%, 50% on 13 September 2013 and on that day amounted to 0.0% (this corresponds to 0 voting rights). 52.07% (this corresponds to 2,530,377 voting rights) are attributed to Pierer Invest Beteiligungs GmbH from shares in All for One Steeb AG according to articles 21, 22 of the WpHG.

7. On 13 September 2013, **Pierer GmbH**, Wels, Austria, has informed us according to article 25a, section 1 of the WpHG am 13 September 2013, that the share of voting rights of Pierer GmbH from shares in All for One Steeb AG, Filderstadt-Bernhausen, Germany, ISIN: DE0005110001, WKN: 511000 has fallen below the limits of 5%, 10%, 15%, 20%, 25%, 30%, 50% on 13 September 2013 and on that day amounted to 0.0% (this corresponds to 0 voting rights). 52.07% (this corresponds to 2,530,377 voting rights) are attributed to Pierer GmbH from shares in All for One Steeb AG according to articles 21, 22 of the WpHG.

8. On 13 September 2013, **Dipl. Ing. Stefan Pierer**, Austria, has informed us according to article 25a, section 1 of the WpHG that the share of voting rights of Dipl. Ing. Stefan Pierer in All for One Steeb AG, Filderstadt-Bernhausen, Germany, ISIN: DE0005110001, WKN: 511000 from financial instruments has fallen below the limits of 5%, 10%, 15%, 20%, 25%, 30%, 50% on 13 September 2013 and on that day amounted to 0.0% (this corresponds to 0 voting rights). 52.07% (this corresponds to 2,530,377 voting rights) are attributed to Dipl. Ing. Stefan Pierer from shares in All for One Steeb AG according to articles 21, 22 of the WpHG.

9. On 13 September 2013, **Dr. Rudolf Knünz**, Austria, has informed us according to article 25a, section 1 of the WpHG that the share of voting rights of Dr. Rudolf Knünz in All for One Steeb AG, Filderstadt-Bernhausen, Germany, ISIN: DE0005110001, WKN: 511000 from financial instruments has fallen below the limits of 5%, 10%, 15%, 20%, 25%, 30%, 50% on 13 September 2013 and on that day amounted to 0.0% (this corresponds to 0 voting rights). 52.07% (this corresponds to 2,530,377 voting rights) are attributed to Dr. Rudolf Knünz from shares in All for One Steeb AG according to articles 21, 22 of the WpHG.

10. On 13 September 2013, **Knünz GmbH**, Dornbirn, Austria, has informed us according to article 25a, section 1 of the WpHG that the share of voting rights of Knünz GmbH in All for One Steeb AG, Filderstadt-Bernhausen, Germany, ISIN: DE0005110001, WKN: 511000 from financial instruments has fallen below the limits of 5%, 10%, 15%, 20%, 25%, 30%, 50% on 13 September 2013 and on that day amounted to 0.0% (this corresponds to 0 voting rights). 52.07% (this corresponds to 2,530,377 voting rights) are attributed to Knünz GmbH from shares in All for One Steeb AG according to articles 21, 22 of the WpHG.

11. On 13 September 2013, **Knünz Invest Beteiligungs GmbH**, Wels, Austria, has informed us according to article 25a, section 1 of the WpHG that the share of voting rights of Knünz Invest Beteiligungs GmbH in All for One Steeb AG, Filderstadt-Bernhausen, Germany, ISIN: DE0005110001, WKN: 511000 from financial instruments has fallen below the limits of 5%, 10%, 15%, 20%, 25%, 30%, 50% on 13 September 2013 and on that day amounted to 0.0% (this corresponds to 0 voting rights). 52.07% (this corresponds to 2,530,377 voting rights) are attributed to Knünz Invest Beteiligungs GmbH from shares in All for One Steeb AG according to articles 21, 22 of the WpHG.

12. On 13 September 2013, **Unternehmens Invest AG**, Wels, Austria, has informed us according to article 25a, section 1 of the WpHG that the share of voting rights of Unternehmens Invest AG in All for One Steeb AG, Filderstadt-Bernhausen, Germany, ISIN: DE0005110001, WKN: 511000 from financial instruments has fallen below the limits of 5%, 10%, 15%, 20%, 25%, 30%, 50% on 13 September 2013 and on that day amounted to 0.0% (this corresponds to 0 voting rights). 52.07% (this corresponds to 2,530,377 voting rights) are attributed to Unternehmens Invest AG from shares in All for One Steeb AG according to articles 21, 22 of the WpHG.

34. Corporate Governance Code

Corporate Governance is fully anchored within All for One Steeb AG's day to day business in the form of responsible and transparent leadership and management, which is actively »lived« and continuously reviewed and improved. The Declaration of Conformity by the supervisory and management board prepared in accordance with §161 »Aktiengesetz« and the Corporate Governance Statement pursuant to §289a »Handelsgesetzbuch« (HGB) can be found in the Investor Relations section of the company's website www.all-for-one.com.

35. Group Auditors Fees and Services

The auditors' fees were as follows:

in KEUR	10/2012 – 9/2013	10/2011 – 9/2012
Audit services	210	173
Other confirmation services	53	71
Other services	61	84
Total	**324**	**328**

36. Release of Consolidated Financial Statements for Publication

The management board released these consolidated financial statements for publication on 28 November 2013.

37. Subsequent Events

In the merger agreement dated 14 October 2013, it was agreed to retroactively merge AC-Service Beteiligungs GmbH, Filderstadt/Germany, with All for One Steeb AG as at 30 June 2013. The registration of this merger in the commercial register is still pending.

It was with an effective date of 15 November 2013 that the 27 September 2013 transfer by CROSS Informatik GmbH, Wels/Austria, of all its shareholdings in the company to its only two shareholders CROSS Industries AG, Wels/Austria, and die Unternehmens Invest AG, Wels/Austria, was finally implemented. In the course of this action, CROSS Informatik GmbH withdrew from the voting agreement. Henceforth this agreement was between CROSS Industries AG and Unternehmens Invest AG.

On 25 November 2013, Pierer Industrie AG, Wels/Austria, informed us that on 25 November 2013 it took over all of the shares in the company held by CROSS Industries AG and had entered into the voting agreement.

Segment Reporting

in KEUR	Integrated Solutions 10/2012 – 9/2013	Integrated Solutions 10/2011 – 9/2012	HR Solutions 10/2012 – 9/2013	HR Solutions 10/2011 – 9/2012	Consolidation 10/2012 – 9/2013	Consolidation 10/2011 – 9/2012	Group 10/2012 – 9/2013	Group 10/2011 – 9/2012
Sales to external customers	**168,099**	**136,351**	**18,235**	**16,877**	**0**	**0**	**186,334**	**153,228**
Intersegment sales	710	471	980	766	-1,690	-1,237	0	0
Segment sales	**168,809**	**136,822**	**19,215**	**17,643**	**-1,690**	**-1,237**	**186,334**	**153,228**
Cost of materials	-69,625	-60,653	-3,518	-2,655	1,625	1,172	-71,518	-62,136
Personnel expenses	-60,864	-48,706	-11,354	-10,646	0	0	-72,218	-59,352
Other operating expenses and income	-22,866	-16,913	-2,956	-3,165	65	65	-25,757	-20,013
Depreciation	-6,063	-5,455	-291	-307	0	0	-6,354	-5,762
EBIT	**9,391**	**5,095**	**1,096**	**870**	**0**	**0**	**10,487**	**5,965**
Interest income	457	565	21	34	-106	-131	372	468
Interest expense	-1,985	-1,365	-146	-159	106	131	-2,025	-1,393
EBT	**7,863**	**4,295**	**971**	**745**	**0**	**0**	**8,834**	**5,040**
Income tax							-3,212	-1,753
Net result for the year before discontinued operation							**5,622**	**3,287**
Result discontinued operation							0	936
Net result for the year							**5,622**	**4,223**
Investments*	4,887	4,665	479	227			5,366	4,892
Segment assets (at financial year-end)	135,074	109,338	7,803	6,684	-577	-532	142,300	115,490
Segment liabilities (at financial year-end)	89,501	71,956	3,733	3,176	-577	-532	92,657	74,600
Personnel capacity (average)	637	477	127	122			764	599
Number of employees (average)	704	521	143	136			847	657

* without initial consolidation of Steeb

Segment Reporting by Country

in KEUR	Germany 10/2012 – 9/2013	Germany 10/2011 – 9/2012	Austria 10/2012 – 9/2013	Austria 10/2011 – 9/2012	Switzerland 10/2012 – 9/2013	Switzerland 10/2011 – 9/2012	Other Countries 10/2012 – 9/2013	Other Countries 10/2011 – 9/2012	Group 10/2012 – 9/2013	Group 10/2011 – 9/2012
Sales to external customers*	166,301	134,920	6,235	5,790	6,761	6,240	7,037	6,278	186,334	153,228
Non-current assets** (at financial year-end)	66,614	59,607	143	172	1,806	1,686	5,490	4,943	74,053	66,408
Personnel capacity (at financial year-end)	767	584	16	13	33	28	24	24	840	649

* based on domicile of the service provider
** not including financial assets and deferred tax assets

Filderstadt, 28 November 2013
All for One Steeb AG

Lars Landwehrkamp
CEO

Stefan Land
CFO

Consolidated Statement of Changes in Fixed Assets

Financial Year from 1 October 2012 to 30 September 2013

	Costs							Accumulated depreciation/amortisation						Carrying amounts	
in KEUR	01.10.12	Foreign currency differences	Change in scope of consolidation	Additions	Disposals	Reclassifi-cations	30.09.13	01.10.12	Foreign currency differences	Deprec./amor-tisation	Disposals	Reclassifi-cations	30.09.13	30.09.13	30.09.12
Intangible assets															
Goodwill	15,967	0	1,906	0	0	0	17,873	1,272	0	0	0	0	1,272	16,601	14,695
Other intangible assets	46,875	0	6,871	500	-655	0	53,591	7,558	0	3,215	-655	0	10,118	43,473	39,317
	62,842	**0**	**8,777**	**500**	**-655**	**0**	**71,464**	**8,830**	**0**	**3,215**	**-655**	**0**	**11,390**	**60,074**	**54,012**
Tangible fixed assets															
Land and buildings	1,948	0	0	0	0	0	1,948	1,053	0	53	0	0	1,106	842	895
Leasehold improvements	907	0	0	5	0	0	912	484	0	99	0	0	583	329	423
IT systems	12,532	-7	9	4,134	-1,668	0	15,000	8,517	-6	2,167	-1,656	0	9,022	5,978	4,015
Operating and office equipment	3,981	-3	163	727	-1,103	0	3,765	1,474	-2	820	-321	0	1,971	1,794	2,507
	19,368	**-10**	**172**	**4,866**	**-2,771**	**0**	**21,625**	**11,528**	**-8**	**3,139**	**-1,977**	**0**	**12,682**	**8,943**	**7,840**
Total	**82,210**	**-10**	**8,949**	**5,366**	**-3,426**	**0**	**93,089**	**20,358**	**-8**	**6,354**	**-2,632**	**0**	**24,072**	**69,017**	**61,852**

In den Zugängen zum Anlagevermögen sind 2.049 TEUR aus Finanzierungsleasing enthalten.

Financial Year from 1 October 2011 to 30 September 2012

	Costs							Accumulated depreciation/amortisation						Carrying amounts	
in KEUR	01.10.11	Foreign currency differences	Change in scope of consolidation	Additions	Disposals	Reclassifi-cations	30.09.12	01.10.11	Foreign currency differences	Deprec./amor-tisation	Disposals	Reclassifi-cations	30.09.12	30.09.12	30.09.11
Intangible assets															
Goodwill	6,253	0	9,692	22	0	0	15,967	1,272	0	0	0	0	1,272	14,695	4,981
Other intangible assets	13,244	8	33,108	520	-5	0	46,875	5,119	8	2,436	-5	0	7,558	39,317	8,125
	19,497	**8**	**42,800**	**542**	**-5**	**0**	**62,842**	**6,391**	**8**	**2,436**	**-5**	**0**	**8,830**	**54,012**	**13,106**
Tangible fixed assets															
Land and buildings	1,948	0	0	0	0	0	1,948	999	0	54	0	0	1,053	895	949
Leasehold improvements	766	0	57	86	-2	0	907	395	0	90	-1	0	484	423	371
IT systems	10,401	-2	259	3,122	-1,242	-6	12,532	7,441	-2	2,203	-1,120	-5	8,517	4,015	2,960
Operating and office equipment	1,736	-1	1,991	1,142	-893	6	3,981	1,050	0	979	-560	5	1,474	2,507	686
	14,851	**-3**	**2,307**	**4,350**	**-2,137**	**0**	**19,368**	**9,885**	**-2**	**3,326**	**-1,681**	**0**	**11,528**	**7,840**	**4,966**
Total	**34,348**	**5**	**45,107**	**4,892**	**-2,142**	**0**	**82,210**	**16,276**	**6**	**5,762**	**-1,686**	**0**	**20,358**	**61,852**	**18,072**

RESPONSIBILITY STATEMENT

of the Management Board

»To the best of our knowledge, and in accordance with the applicable reporting principles, we affirm that the consolidated financial statements give a true and fair view of the assets, financial position and earnings of the Group, and that the Group Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group«.

Filderstadt, 28 November 2013
All for One Steeb AG

Lars Landwehrkamp	Stefan Land
CEO	CFO

AUDITOR'S REPORT

We have audited the consolidated financial statements prepared by the All for One Steeb AG, Filderstadt, comprising the income statement and other comprehensive income, the balance sheet, cash flow statement, statement of changes in equity and the notes to the consolidated financial statements, together with the Group management report for the business year from 1 October 2012 to 30 September 2013. The preparation of the consolidated financial statements and the Group management report in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU), and the additional requirements of German commercial law pursuant to §315a sec. 1 of German Commercial Code (HGB) are the responsibility of the parent company's management. Our responsibility is to express an opinion on the consolidated financial statements and the Group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with §317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the Group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the Group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principle used and significant estimates made by management, as well as evaluation the overall presentation of the consolidated financial statements and the Group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRSs as adopted by the EU, the additional requirements of German commercial law pursuant to §315a Abs. 1 HGB and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The Group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Stuttgart, 28 November 2013
KPMG AG
Wirtschaftsprüfungsgesellschaft

Schwebler	Köpke
Auditor	Auditor

INFORMATION / IMPRINT

FINANCIAL CALENDAR FOR FINANCIAL YEAR 2013/14		
Thu	13.02.14	3-Month Report 2013/14 as at 31 December 2013
Thu	27.03.14	Annual General Meeting, Leinfelden-Echterdingen
Thu	15.05.14	Half-Year Financial Report 2013/14 as at 31 March 2014
Thu	07.08.14	9-Month Report 2013/14 as at 30 June 2014
Wed	17.12.14	Publication of Consolidated and Annual Financial Statements Financial Year from 1 October 2013 to 30 September 2014
Wed	17.12.14	Press Conference on Consolidated and Annual Financial Statements, Filderstadt
Thu	18.12.14	Analyst Presentation, Frankfurt

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Imprint

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Filderstadt, Germany

Disclaimer

As far as this annual report contains forecasts, estimates or expectations, these can be associated with risks and uncertainties. The actual results and developments can deviate from the expectations and assumptions made. Changes in the general economic and competitive situation, particularly in the core business divisions and markets, changes in legislation, in particular tax regulations, can cause such deviations. The German version is the definite version of this annual report.

The company assumes no obligation to update statements made in this annual report.

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