all for one steeb

All for One Steeb AG

9-Month Report as at 30 June 2013

KEY FIGURES

(IFRS)		10/2012 – 06/2013	10/2011 – 06/2012	Δ
Sales revenues	KEUR	135,663	109,520	24%
EBITDA	KEUR	11,949	7,978	50%
EBITDA margin	%	8.8	7.3	
EBIT	KEUR	7,251	3,966	83%
EBIT margin	%	5.3	3.6	
Earnings after tax	KEUR	3,708	3,451	7%
Return on sales	%	2.7	3.2	
Earnings per share	EUR	0.62	0.62	0%
Employees (period end)	Number	899	685	31%
Full-time equivalents (ø)	Number	743	584	27%

		30.06.2013	30.09.2012	Δ
Net debt (-)	KEUR	-9,768	-12,325	-21%
Shareholders' equity	KEUR	48,164	40,890	18%
Equity ratio	%	35	35	
Total assets	KEUR	136,690	115,490	18%

Certain statements within this interim report constitute forward-looking statements that involve forecasts, estimates or expectations and are subject to risks and uncertainties. The actual results, performance and achievements can deviate from those expressed or implied in these forward-looking statements. Changes in the general economic and competitive situation, particularly in the core business divisions and markets, and changes in legislation, particularly those related to taxes, can cause such deviations. The German-language version of this interim report is definitive.

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

Dear Shareholders, Ladies and Gentlemen,

There remains a relatively even balance between confidence and restraint within our key machinery and equipment manufacturing, automotive, project services, consumer goods, and technical wholesaling industries. »We are still the number one on the global export market for machinery and equipment« was the assessment made recently by the VDMA federation. However, this federation also revised its full-year outlook for 2013 compared to last year from an original plus 2% down to minus 1% due to the weaker orders situation on Germany's domestic markets (*Source: VDMA, 4 July 2013*).

Thanks mostly to our strong market position and concerted sales efforts, we were able to post a 24% growth in revenues to EUR 135.7 million during the period 1 October 2012 to 30 June 2013 (1 Oct 2011 – 30 Jun 2012: EUR 109.5 million). The EBIT for this latest reporting period was EUR 7.3 million, which is an increase of 83% over the comparable period a year ago (1 Oct 2011 – 30 Jun 2012: EUR 4.0 million). This makes the current EBIT margin 5% (1 Oct 2011 – 30 Jun 2012: 4%). Our persistently good performance is attracting ever greater attention. »High growth rates and a favourable valuation are an invitation to buy« read a headline in the investor magazine *DER AKTIONÄR (Issue 29, 1 July 2013, »Hot Stock of the Week«)*. Interest on the part of institutional investors has increased greatly as well, as evidenced by having successfully placed our first promissory note. In response to the large demand, the initially planned volume of EUR 30 million was enlarged to EUR 35 million. This step not only lets us lock in the favourable financing terms of the current market environment over the long term, but also improves the ability to plan, budget and manage our corporate funding.

In addition to organic business growth, we are also pursuing a deliberate and selective buy-and-build strategy in order to further strengthen our position as the Number 1 in the German-language SAP midmarket segment. The Steeb merger (December 2011) was followed by the addition of OSC in November 2012 and parts of ORGA's operations in May 2013, as well as the acquisition of WEBMAXX in July 2013. Along with that, we also expanded our presence in Switzerland in February 2013. Our new services location in Istanbul began operations in July 2013 in support of our rapidly growing customer base in countries where German is spoken. Our extensive experience with integration projects helps us incorporate our many new employees. Our customers also appreciate this kind of commitment, as illustrated by SAP having recently recognised us as the only German-language company 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.

Well-equipped and promisingly positioned, we stand by our full-year projection for 2012/13 of EUR 180 million in revenues and an EBIT of EUR 9 million.

Yours sincerely,

Lars Landwehrkamp
Chief Executive Officer

Stefan Land
Chief Financial Officer

INTERIM MANAGEMENT REPORT

from 1 October 2012 to 30 June 2013

All for One Steeb AG's financial year 2012/13 deviates from the calendar year and begins on 1 October 2012 and ends on 30 September 2013. The current reporting period for the first 9 months and the 3rd quarter respectively, cover the time-frames of 1 October 2012 to 30 June 2013 and 1 April to 30 June 2013 respectively, as well as the corresponding prior-year periods.

Acquisitions

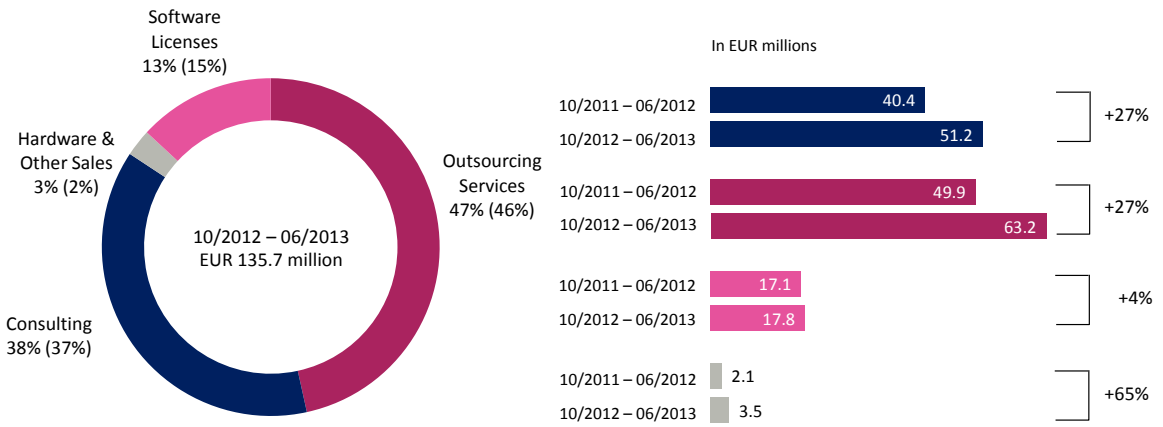
Principal assets from the ORGA subsidiaries of Fiducia IT AG (hereafter called »ORGA«) have been fully consolidated in the Group consolidated financial statements since 1 May 2013, along with the newly established company All for One Steeb (Schweiz) AG since 1 February 2013, and myOSC.com AG, subsequently renamed OSC AG (hereafter called »OSC«), since 1 November 2012. Also fully consolidated, in this case since 1 December 2011, is Steeb Anwendungssysteme GmbH, which was merged with All for One Steeb AG. For this reason, comparability with prior-year figures is only limited.

Sales Performance

Quarterly sales up 25% / Recurring outsourcing services revenues after 9 months gain 27%

All for One Steeb AG improved sales revenues by 25% from EUR 38.2 million to 47.7 million in the 3rd quarter of the financial year 2012/13 as compared to the same period a year ago.

Sales by Type



The recurring revenues from outsourcing services (including software maintenance) increased by 27% to EUR 63.2 million (Oct 2011 – Jun 2012: EUR 49.9 million) in this latest 9-month period. Outsourcing services' share of total sales is now 47% (Oct 2011 – Jun 2012: 46%).

The extraordinarily high level of software license sales that were generated in the period of October 2011 to June 2012 – sales revenues of EUR 17.1 million – was surpassed during this reporting period. An encouraging increase in software license revenues of 34% from EUR 5.3 million (Apr – Jun 2012) to EUR 7.0 million (Apr – Jun 2013) was achieved in the 3rd quarter. The marked rise in consulting revenues of 27% to EUR 51.2 million (Oct 2011 – Jun 2012: EUR 40.4 million) is attributable mostly to the many new projects of recent months and the inclusion of the acquisitions (see Acquisitions). The consulting teams are continuing to report high utilisation rates.

Earnings

EBITDA improves from EUR 8.0 million to 11.9 million / EBIT up 83% / EBIT margin of 5%

The cost of materials primarily involves the costs of acquiring SAP software licensing rights and the expenses for SAP maintenance agreements. The ratio of the cost of materials decreased from 40% (Oct 2011 – Jun 2012) to 38% (Oct 2012 – Jun 2013) due to a slightly modified revenue structure. Personnel expenses rose 22% to EUR 53.4 million (Oct 2011 – Jun 2012: EUR 43.7 million), whereby these personnel expenses as a share of sales revenues declined slightly from 40% (Oct 2011 – Jun 2012) to 39% (Oct 2012 – Jun 2013) due to the robust expansion of the business. The increase in other operating expenses by 32% to EUR 20.6 million (Oct 2011 – Jun 2012: EUR 15.6 million) was also a result of this strong growth in business. The 17% rise in depreciation and amortisation to EUR 4.7 million (Oct 2011 – Jun 2012: EUR 4.0 million) is attributable primarily to the regular amortisation of other intangible assets, which increased from EUR 1.7 million (Oct 2011 – Jun 2012) to EUR 2.4 million (Oct 2012 – Jun 2013) as a result of the acquisitions (see Acquisitions).

The EBITDA after 9 months was an encouraging EUR 11.9 million (Oct 2011 – Jun 2012: EUR 8.0 million), which is an increase of 50%. The corresponding EBIT clearly outperformed sales development and rose to EUR 7.3 million, which was 83% better than the prior-year figure of EUR 4.0 million. The EBIT margin thus increased to 5% (Oct 2011 – Jun 2012: 4%).

The financial result after 9 months was minus EUR 1.3 million (Oct 2011 – Jun 2012: minus EUR 0.7 million). The increased expenses are due primarily to the external financing of the Steeb acquisition, which led to interest charges for the first time in December 2011. Also during the current reporting period, the interest hedge for the syndicated loan was discontinued after the loan was fully repaid at the end of April 2013 as part of the promissory note placement. On-hand liquidity was used to fund the acquisitions during the current financial year (see Acquisitions).

The EBT increased by 80% to EUR 6.0 million (Oct 2011 – Jun 2012: EUR 3.3 million). The income tax charge for the current reporting period is 38% of EBT (Oct 2011 – Jun 2012: 24%) and is in line with expectations. Accordingly, the 9-month earnings after income tax were EUR 3.7 million. The corresponding prior-year figure of EUR 3.5 million included a final earnings contribution of EUR 0.9 million from the discontinued operation – an earnout from the 2009 sale of the equity holdings in AC-Service (Schweiz) AG. The minority interests' share of earnings after income tax has increased as a result of having taken over an initial 60% of the shareholdings in OSC. The earnings per share for this 9-month period remain at the prior year level of 62 euro cents. There was an unchanged average of 4,860,000 shares of stock outstanding during the reporting period.

Performance by Business Division

All for One Steeb AG's segment reporting comprises the »Integrated Solutions« and »HR Solutions« business divisions. Group costs are allocated proportionately across the two segments.

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. The company acquisitions (see Acquisitions) and the newly founded All for One Steeb (Schweiz) AG, Regensdorf/Switzerland, have each been fully included in the figures for the Integrated Solutions segment. Nine-month segment revenues increased 26% to EUR 122.6 million (Oct 2011 – Jun 2012: EUR 97.0 million). The segment's EBIT after 9 months was EUR 6.5 million (Oct 2011 – Jun 2012: EUR 3.2 million). The corresponding EBIT margin to segment sales was 5% (Oct 2011 – Jun 2012: 3%).

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 that extend all the way to recurring HR outsourcing and HR business process outsourcing services. Revenues for the segment increased 7% during the period of October 2012 to June 2013. This increase in segment sales to EUR 14.4 million (Oct 2011 – Jun 2012: EUR 13.4 million) was achieved on a strictly organic basis. The segment's EBIT after 9 months was EUR 0.7 million (Oct 2011 – Jun 2012: EUR 0.8 million), while the related EBIT margin to segment sales for the HR Solutions business division was 5% (Oct 2011 – Jun 2012: 6%).

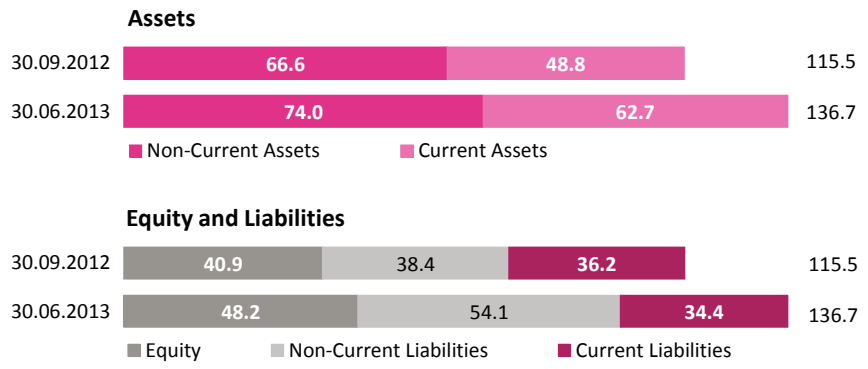
Financial Position

Group Balance Sheet

The balance sheet total increased from EUR 115.5 million (30 September 2012) to EUR 136.7 million (30 June 2013). This increase is due first and foremost to the inclusion of the acquisitions that were made in the current reporting period (see Acquisitions). In addition, a promissory note in the amount of EUR 35 million was placed at the end of April 2013 and the syndicated loan in the most recent amount of EUR 29 million that was taken out in December 2011 to fund the Steeb acquisition was repaid.

The increase in non-current assets from EUR 66.6 million (30 September 2012) to EUR 74.0 million (30 June 2013) is attributable for the most part to the inclusion of the acquisitions (see Acquisitions). For this reason, the other intangible assets item mainly includes the carrying amounts for the customer base (EUR 5.9 million) and the brands (EUR 1.0 million) acquired from OSC, and therefore grew from EUR 39.3 million (30 September 2012) to EUR 44.0 million (30 June 2013), with goodwill increasing by EUR 1.8 million to 16.5 million.

Balance Sheet Structure
in EUR millions



Current assets increased from EUR 48.8 million (30 September 2012) to EUR 62.7 million (30 June 2013). Trade accounts receivable rose by EUR 3.8 million to 29.0 million (30 June 2013) in conjunction with the robust expansion of the business (including the initial consolidation of the acquisitions, see Acquisitions). The EUR 9.0 million increase in cash and cash equivalents to EUR 27.8 million (30 June 2013) is due primarily to the surplus funds remaining from the promissory note placement and the repayment of the syndicated loan, as well as to the one-time compensation payment rendered by the ORGA seller for having taken over its contracts.

Non-current liabilities increased EUR 15.8 million to 54.1 million (30 June 2013). This change is mostly a result of the increase in non-current financial liabilities (plus EUR 9.3 million) due to the newly structured corporate funding (repayment of the syndicated loan), the increase in provisions in conjunction with the ORGA transaction (plus EUR 3.4 million), and a rise in deferred tax liabilities (plus EUR 3.0 million).

The EUR 1.9 million decline in current liabilities to EUR 34.4 million (30 June 2013) is mainly attributable to declines in trade accounts payable (minus EUR 2.4 million) and current financial liabilities (minus EUR 2.8 million), while other liabilities increased significantly by EUR 3.0 million to 23.0 million, which resulted mainly from the inclusion of ORGA.

Consequently, total financial liabilities have increased from EUR 31.1 million (30 September 2012) to EUR 37.6 million (30 June 2013).

The promissory note in the amount of EUR 35 million placed on 30 April 2013 locked in the current market's favourable financing terms for an extended period of time and predominantly in the form of fixed interest rates – currently between 2.6% and 4.3% depending on the tranche and term. The syndicated loan in the most recent amount of EUR 29 million that was taken out in December 2011 was repaid and the interest rate swaps were discontinued. The 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. The reserve for derivative financial instruments has thus changed from minus KEUR 226 (30 September 2012) to KEUR 0 (30 June 2013).

The net debt is currently EUR 9.8 million (30 September 2012: EUR 12.3 million).

Besides earnings from the reporting period, the large rise in equity of EUR 7.3 million to 48.2 million (30 June 2013) also includes an increase in minority interests of EUR 4.8 million to 6.5 million (30 June 2013) as a result of the inclusion of the acquisitions (see Acquisitions). The equity ratio remains at the prior-year level of 35% (30 September 2013).

The Group balance sheet as at 30 June 2013 continues to reflect the accelerated growth and expansion phase that the company is undergoing.

Cash Flow and Investments

The cash flow from operating activities improved from EUR 1.2 million (Oct 2011 – Jun 2012) to EUR 4.7 million (Oct 2012 – Jun 2013). This development is mainly a result of the profitable expansion of the business and the significantly increased level of earnings. EBITDA is currently EUR 11.9 million and thus EUR 4.0 million greater than that of the same period a year ago.

Cash flows from investing activities during the current reporting period totalled minus EUR 1.3 million (Oct 2011 – Jun 2012: minus EUR 39.7 million). On the one hand, this figure includes the preliminary purchase price payment for the acquisition of 60% of the shareholdings in OSC (EUR 3.0 million) and on the other hand the EUR 4.0 million in cash received in conjunction with the ORGA transaction. In the corresponding prior-year period, a purchase price payment in the amount of EUR 36.5 million was made for the acquisition of Steeb. The investments in tangible fixed assets – primarily hardware and software in the data centers – were made largely in response to the continuous increase in customers in the field of outsourcing services.

In the period October 2012 to June 2013, total net cash in the amount of EUR 4.5 million was received from financing activities, whereas in the same 9-month period of the prior year – primarily as a result of the debt-financing of the Steeb acquisition – there was a net cash flow posted of EUR 17.3 million. The arrangement fees for the promissory note placed at the end of April 2013 are reported in the interest paid item.

Cash funds totalled EUR 27.8 million as at 30 June 2013. The corresponding prior-year figure (30 June 2012: EUR 14.0 million) also includes a final inflow of funds from the 2009 sale of the equity holdings in AC-Service (Schweiz) AG (earnout).

Employees

The staffing strength as at 30 June 2013 increased 31% to 899 employees (30 June 2012: 685 employees) as a result of the inclusion of the acquisitions (see Acquisitions) and additional new hires. The average personnel capacity for the 9-month period rose 27% from 584 (Oct 2011 – Jun 2012) to 743 (Oct 2012 – Jun 2013) full-time positions. This means that the headcount has doubled in only four years. In spite of this increase, All for One Steeb continues its search for high-quality skilled SAP specialists. Recruiting campaigns in German airports and trains, at the CeBIT, and on the internet (www.neuer-freiraum.com), 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 as an attractive employer of choice. An added boost is expected from the new company All for One Steeb Yazılım Servisleri LTD (»All for One Steeb Software Services LLC«) that was established in Istanbul in early July (see Subsequent Events).

Corporate Governance

Corporate governance is firmly anchored within the Group's daily business and is not only actively »lived« in the form of responsible and transparent management and supervision, but is also continuously reviewed and improved. The Declaration of Conformity from 14 February 2013 can be publicly accessed on the company's website. The government commission released a revised version of the German Corporate Governance Code effective 13 May 2013, whose recommendations and suggestions for putting corporate governance into practice within the All for One Steeb Group are currently being reviewed.

Risk Report

No fundamental changes in the risk situation from the estimates and appraisals contained in the Annual Report 2011/12 (Risk Report, pages 28 to 33, English version) and the Half-Year Financial Report 2012/13 (Risk Report, pages 9 and 10, English version) arose during the period April to June 2013. The threat of potential economic setbacks remains the greatest risk.

Other developments beyond the control of All for One Steeb AG, such as changes in tax legislation (see Annual Report 2011/12, page 29, English version), fall under **risks associated with the development of the economy**. These tax risks also exist with respect to the use and valuation of tax losses brought forward and the related capitalised deferred tax assets (see Annual Report 2011/12, page 63, English version). On the basis of § 8c German Corporation Tax Act (»Körperschaftssteuergesetz«) regulating the deduction of losses by corporations, it cannot be ruled out that restructurings under company law at the shareholder level may lead to significant changes in loss carry forwards. The increase in **risks associated with further acquisitions** (see Acquisitions and Subsequent Events) are counteracted by the greater opportunities afforded by an enlarged core customer base and an expanded range of market offerings.

Outlook for the Financial Year 2012/13

There still appears to be an equal amount of confidence and restraint being shown within All for One Steeb AG's key machinery and equipment manufacturing, automotive, project services, consumer goods and technical wholesaling industries. All for One Steeb remains committed to the full-year forecast for the financial year 2012/13 of EUR 180 million in revenues and an EBIT of EUR 9 million. Economic setbacks continue to be the source of the greatest risks to the company.

Subsequent Events

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 thus a majority stake in the Microsoft cloud technology company on 4 July 2013. The participation agreement also includes an option to increase the stake to 100% of the shares, which All for One Steeb can first exercise beginning from 2020. The acquired company has exceptional technological 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 previously been working together on a project basis.

In July 2013 the company **All for One Steeb Yazılım Servisleri LTD** (»All for One Steeb Software Services LLC«), 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.

No other reportable events occurred after 30 June 2013.

Group Income Statement
from 1 October 2012 to 30 June 2013

in KEUR	10/2012 – 06/2013	10/2011 – 06/2012	04/2013 – 06/2013	04/2012 – 06/2012
Sales revenues	**135,663**	**109,520**	**47,661**	**38,182**
Other operating income	1,968	1,092	839	611
Cost of materials und purchased services	-51,640	-43,393	-18,292	-15,551
Personnel expenses	-53,426	-43,653	-19,386	-15,472
Depreciation and amortisation (5)	-4,698	-4,012	-1,576	-1,548
Other operating expenses	-20,616	-15,588	-6,951	-5,167
EBIT	**7,251**	**3,966**	**2,295**	**1,055**
Financial income	266	368	84	113
Financial expense	-1,568	-1,032	-850	-421
Financial result	**-1,302**	**-664**	**-766**	**-308**
EBT	**5,949**	**3,302**	**1,529**	**747**
Income tax (8)	-2,241	-788	-711	-82
Earnings after tax before discontinued operation	**3,708**	**2,514**	**818**	**665**
Earnings after tax from discontinued operation	0	937	0	0
Earnings after tax	**3,708**	**3,451**	**818**	**665**
attributable to equity holders of the parent	*3,037*	*3,000*	*789*	*578*
attributable to minority interests	*671*	*451*	*29*	*87*
Undiluted and diluted earnings per share				
Earnings per share in EUR	0.62	0.62	0.16	0.12

Group Comprehensive Income Statement
from 1 October 2012 to 30 June 2013

in KEUR	10/2012 – 06/2013	10/2011 – 06/2012	04/2013 – 06/2013	04/2012 – 06/2012
Earnings after tax	**3,708**	**3,451**	**818**	**665**
Unrealised profits (+) / losses (-) from currency translation	-29	-12	-8	39
Unrealised profits (+) / losses (-) from derivative financial instruments	226	-121	207	-121
Total comprehensive income	**3,905**	**3,318**	**1,017**	**583**
attributable to equity holders of the parent	*3,237*	*2,870*	*988*	*498*
attributable to minority interests	*668*	*448*	*29*	*85*
Average number of shares outstanding (undiluted and diluted)	4,860,000	4,860,000	4,860,000	4,860,000

Group Balance Sheet
as at 30 June 2013

ASSETS in KEUR	30.06.2013	30.09.2012
Non-current assets		
Goodwill	16,523	14,695
Other intangible assets	44,015	39,317
Tangible fixed assets	8,114	7,840
Financial assets (6)	5,223	4,549
Other assets	7	7
Deferred tax assets	111	233
	73,993	**66,641**
Current assets		
Inventories	442	662
Trade accounts receivable	29,034	25,241
Current income tax assets	275	216
Financial assets (6)	3,265	2,817
Other assets	1,892	1,130
Cash and cash equivalents	27,789	18,783
	62,697	**48,849**
Total assets	**136,690**	**115,490**

EQUITY AND LIABILITIES in KEUR	30.06.2013	30.09.2012
Equity (9)		
Issued share capital	14,580	14,580
Capital reserve	8,849	8,849
Other reserves	401	200
Retained earnings	17,843	15,560
Share of equity attributable to equity holders of the parent	**41,673**	**39,189**
Minority interests	**6,491**	**1,701**
Total equity	**48,164**	**40,890**
Non-current liabilities		
Provisions	4,229	862
Post-employment benefit liabilities	665	567
Financial liabilities (7)	36,548	27,262
Deferred tax liabilities	12,570	9,598
Other liabilities	139	63
	54,151	**38,352**
Current liabilities		
Provisions	1,337	1,080
Current income tax liabilities	445	320
Financial liabilities (7)	1,009	3,846
Trade accounts payable	8,563	10,936
Other liabilities	23,021	20,066
	34,375	**36,248**
Total liabilities	**88,526**	**74,600**
Total equity and liabilities	**136,690**	**115,490**

Group Cash Flow Statement
from 1 October 2012 to 30 June 2013

in KEUR	10/2012 – 06/2013	10/2011 – 06/2012
EBT	**5,949**	**3,302**
Amortisation of intangible assets	2,393	1,740
Depreciation of tangible fixed assets	2,305	2,272
Financial result	1,302	664
EBITDA	**11,949**	**7,978**
Increase (+) / decrease (-) in cumulative value adjustments and provisions	178	-41
Other non-cash expense (+) and income (-)	8	-2,771
Changes in assets and liabilities:		
Increase (-) / decrease (+) in trade receivables	-2,372	-1,134
Increase (-) / decrease (+) in financial assets	-1,122	-55
Increase (-) / decrease (+) in other assets	88	-462
Increase (+) / decrease (-) in trade payables	-2,555	-1,068
Increase (+) / decrease (-) in other liabilities	-302	-773
Income tax paid	-1,178	-459
Cash flow from operating activities	**4,694**	**1,215**
Purchase of intangible, tangible fixed and other assets	-3,346	-3,783
Sale of intangible, tangible fixed and other assets	768	265
Purchase of consolidated company *	-3,044	-36,500
Purchase of other business units	4,040	0
Interest received	265	354
Cash flow from investing activities	**-1,317**	**-39,664**
Cash flow from bank borrowings and long-term financial liabilities	36,777	33,292
Repayment of bank borrowings / overdrafts	-28,792	-6,527
Interest paid	-1,857	-1,364
Repayment of finance leases	-707	-904
Payments against prior year claims to a distribution of earnings from an acquisition	0	-5,889
Dividend payments to shareholders and minority interests	-888	-1,280
Cash flow from financing activities	**4,533**	**17,328**
Increase / decrease in cash and cash equivalents	**7,910**	**-21,121**
Effect of exchange rate fluctuations on cash funds	-24	-11
Cash flow from sale of equity interests	0	3,032
Change in cash from initial consolidation of fully consolidated company *	1,120	14,092
Cash funds at the beginning of the period	18,783	17,979
Cash funds at the end of the period	**27,789**	**13,971**

* Reported net in 9-Month Report as at 30 June 2012

Statement of Changes in Equity of the Group
from 1 October 2012 to 30 June 2013

	Share of equity attributable to equity holders of the parent					Minority interests	Total shareholders' equity
			Other reserves				
in KEUR	Issued share capital	Capital reserve	Currency translation	Derivative financial instruments	Retained earnings		
1 October 2012	**14,580**	**8,849**	**427**	**-226**	**15,560**	**1,701**	**40,891**
Dividend distribution	0	0	0	0	-729	0	-729
Change in minority interests	0	0	0	0	-25	4,281	4,256
Distribution to minority interests	0	0	0	0	0	-159	-159
Total comprehensive income	0	0	-26	226	3,037	668	3,905
30 June 2013	**14,580**	**8,849**	**401**	**0**	**17,843**	**6,491**	**48,164**
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 minority interests	0	0	0	0	-18	-95	-113
Distribution to minority interests	0	0	0	0	0	-308	-308
Total comprehensive income	0	0	-9	-121	3,000	448	3,318
30 June 2012	**14,580**	**8,849**	**431**	**-121**	**14,852**	**1,687**	**40,278**

Shares Held by Board Members
as at 30 June 2013

SHARES	30.06.2013	30.09.2012
Supervisory Board		
Peter Brogle	41,263	41,263
Josef Blazicek	13,000	13,000
Peter Fritsch	24,000	24,000
Friedrich Roithner (since 14 March 2013)	0	–
Jörgen Dalhoff (since 14 March 2013)	250	–
Detlef Mehlmann (since 14 March 2013)	0	–
Management Board		
Lars Landwehrkamp	50,000	50,000
Stefan Land	32,735	32,735
	161,248	**160,998**

NOTES TO THE INTERIM REPORT

from 1 October 2012 to 30 June 2013

1. General Principles

The consolidated interim financial statements of All for One Steeb AG as at 30 June 2013 were prepared in accordance with the International Financial Reporting Standards (IFRS) as formulated by the International Accounting Standards Board (IASB). These consolidated interim financial statements comply with IAS 34 »Interim Financial Reporting«. The consolidated interim financial statements have not been audited.

The consolidated interim financial statements take into account all current business transactions, accruals and deferrals, which in the view of the company are necessary to ensure a true and fair view of the interim results. The company believes that the information and explanations are presented properly and that they provide an accurate picture of the earnings, assets and financial situation.

2. Significant Transactions and Changes in the Scope of the Consolidation

2.1 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.

Contributing to goodwill in the amount of EUR 1.8 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 preliminary purchase price of the acquisition, less the assumed cash and cash equivalents, is EUR 2.9 million and was paid in cash 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 following table depicts the preliminary 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:

OSC in KEUR	Carrying amount	Adjustments to fair values	Opening carrying value
Goodwill	0	1,829	1,829
Other intangible assets	10	6,932	6,942
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 and cash equivalents	1,120	0	1,120
Total assets	**3,471**	**8,761**	**12,232**
Minority interests	0	4,300	4,300
Deferred tax liabilities	0	2,149	2,149
Current income tax liabilities	395	0	395
Trade accounts payable	188	0	188
Other liabilities	1,222	0	1,222
Total liabilities	**1,805**	**6,449**	**8,254**
Net assets	**1,666**	**2,312**	**3,978**
Purchase price			3,978
Assumed cash and cash equivalents			1,120
Net purchase price (preliminary)			**2,858**

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 purchase price allocation for OSC is preliminary. The fair values that were determined are still subject to a final review. OSC was allocated in its entirety to the Integrated Solutions segment.

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	5,930	144
Trademark	1,002	infinite
	6,932	

2.2 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 preliminary 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 preliminary 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
Tangible fixed assets	53	0	53
Trade accounts receivable	19	35	54
Total assets	**72**	**35**	**107**
Provisions	0	3,645	3,645
Pension liabilities	82	0	82
Deferred tax liabilities	0	101	101
Other liabilities	229	0	229
Total liabilities	**311**	**3,746**	**4,057**
Net assets	**-239**	**-3,711**	**-3,951**
Purchase price			-4,198
Assumed cash and cash equivalents			0
Net purchase price (preliminary)			**-4,198**
Badwill			**247**

A negative difference in the amount of KEUR 247 arose in conjunction with the assumption of the assets and liabilities, and was recognised as badwill in the income statement.

The ORGA purchase price allocation is preliminary. The fair values are still subject to a final review. The assets and liabilities that were taken over were fully integrated within All for One Steeb AG and in turn allocated to the Integrated Solutions operating segment. Because of the asset deal transaction structure and the rapid progress being made with the integration of the assumed employees and customers, the amount of revenues attributable to ORGA – some EUR 1.5 million – and the corresponding contributions to earnings after income taxes – approximately KEUR 75 taking into consideration the planned use of provisions for the onerous contracts – can only be approximated for the period May to June 2013.

Therefore, revenue contributions totalling approximately EUR 7.7 million and combined contributions to earnings after income taxes of some EUR 0.8 million for this reporting period are attributable to the aforementioned OSC and ORGA acquisitions. These figures include regular amortisation of EUR 0.3 million of the intangible assets acquired as part of these acquisitions. All for One Steeb believes that the goodwill recognised in the financial year 2012/13 will not be deductible for tax purposes.

2.3 Pro Forma Information in Accordance with IFRS 3

Had the initial consolidation of OSC and the assumption of assets from ORGA been made at the beginning of the financial year 2012/13, then this would have resulted in total pro forma revenues of EUR 141.6 million and pro forma earnings after taxes of EUR 4.0 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.

2.4 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 formed 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.

3. Accounting and Valuation Methods

These consolidated interim financial statements were prepared using the accounting and valuation methods that applied for the consolidated financial statements as at 30 September 2012.

4. Seasonal Fluctuations

The business divisions are subject to various seasonal fluctuations. In addition, the signing of major contracts and the servicing of large orders can result in significant differences in sales revenues and earnings.

5. Depreciation and Amortisation

This item includes regular amortisation of intangible assets in the amount of KEUR 2,393 (comparable period: KEUR 1,740), of which KEUR 330 (comparable period: KEUR 0) is attributable to the inclusion of the acquisitions described in Note 2 (»Significant Transactions and Changes in the Scope of the Consolidation«).

6. Financial Assets

The financial assets as at 30 June 2013 primarily include receivables from finance lease agreements totalling KEUR 7,039 (30 September 2012: KEUR 6,061), the current portion of which is KEUR 2,610 (30 September 2012: KEUR 2,349). The financial assets also include receivables from the insolvency hedging of pre-retirement part-time work arrangements and related accrued-hours accounts in the amount of KEUR 1,018 (30 September 2012: KEUR 1,018).

7. Financial Liabilities

The financial liabilities were restructured through the promissory note in the amount of EUR 35 million that was placed on 30 April 2013. The current market's favourable financing terms were locked in for the longer term and predominantly in the form of fixed interest rates – currently between 2.6% and 4.3% depending on the tranche and term. The syndicated loan that was taken out in December 2011 to fund the Steeb acquisition was fully repaid.

The financial liabilities as at 30 June 2013 include liabilities to banks in the total amount of KEUR 34,527 (30 September 2012: KEUR 28,830), the current portion of which is KEUR 38 (30 September 2012: KEUR 3,090). Financial liabilities as at 30 June 2013 also include obligations from finance lease agreements totalling KEUR 3,031 (30 September 2012: KEUR 1,955), the current portion of which is KEUR 972 (30 September 2012: KEUR 756). The non-current liabilities from derivative financial instruments in the amount of KEUR 323 contained in the financial liabilities as at 30 September 2012 were completely repaid as at 30 June 2013.

8. Income Taxes

Of the reported income taxes, an amount of minus KEUR 746 is deferred taxes (comparable period: minus KEUR 116).

9. Equity

The instrument that was required to hedge the syndicated loan against interest rate risks was discontinued with the repayment of the syndicated loan through the promissory note. The reserve for derivative financial instruments recognised in equity was therefore reduced from minus KEUR 226 (30 September 2012) to KEUR 0 (30 June 2013).

One item 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.

10. Segment Reporting

The information by segment for the reporting period is as follows:

	Integrated Solutions		HR Solutions		Consolidation		Group	
in KEUR	**10/12 – 06/13**	10/11 – 06/12	**10/12 – 06/13**	10/11 – 06/12	**10/12 – 06/13**	10/11 – 06/12	**10/12 – 06/13**	10/11 – 06/12
Sales to external customers	**122,070**	**96,669**	**13,593**	**12,851**	**0**	**0**	**135,663**	**109,520**
Intersegment sales	518	350	778	532	-1,296	-882	0	0
Segment sales	**122,588**	**97,019**	**14,371**	**13,383**	**-1,296**	**-882**	**135,663**	**109,520**
EBITDA	**11,004**	**6,988**	**945**	**990**	**0**	**0**	**11,949**	**7,978**
EBIT	**6,514**	**3,205**	**737**	**761**	**0**	**0**	**7,251**	**3,966**
Financial result	-1,290	-650	-12	-14	0	0	-1,302	-664
Earnings before tax	**5,224**	**2,555**	**725**	**747**	**0**	**0**	**5,949**	**3,302**
Income tax							-2,241	-788
Result for the period before discontinued operation							**3,708**	**2,514**
Result for the period from discontinued operation							0	937
Result for the period							**3,708**	**3,451**
Full-time equivalents (average)	615	464	128	121	0	0	743	584

11. Related Parties

In the reporting period revenues were generated with group companies of CROSS Industries AG / Unternehmens Invest AG in connection with support for data processing applications. All business transactions with related parties were made at terms and conditions that are customary for dealings with third parties (arm's length). Additional information about related parties can be found on pages 70 to 72 (Note 32) in the English version of the Annual Report 2011/12.

12. Events after the Balance Sheet Date

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. 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 amount of the purchase price 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 company employed two people prior to the acquisition and most recently generated annual revenues of EUR 0.3 million. The purchase price allocation is still pending and therefore the initial accounting of the transaction has not yet been made. Likewise, no statements can yet be made regarding the sales and earnings of the business combination under the assumption that the acquisition had been made at the beginning of the financial year 2012/13 (1 October 2012). In any case, and in light the company's only minor volume of business prior to its being acquired, these would only insignificantly change the

information already provided in Note 2 (»Significant Transactions and Changes in the Scope of the Consolidation«). Apart from that, tangible assets were also acquired in what from today's perspective is considered a negligible amount. The likewise insignificant transaction costs incurred were recognised directly as an expense. 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.

In July the company **All for One Steeb Yazılım Servisleri LTD** (»All for One Steeb Software Services LLC«), 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 insignificant amount of pre-formation costs incurred was recognised directly as an expense.

Details about the **Directors Dealings** disclosed by the company in July 2013 can be found in the Investor Relations section of the company's website.

No other reportable events have occurred since 30 June 2013.

INVESTOR RELATIONS

Facts and Figures

Key Figures of the Share

ISIN / WKN	DE0005110001 / 511 000
Market Segment	Prime Standard
Date of Listing	30 November 1998
Share Capital	EUR 14.58 million
Number of Shares	4,860,000 (registered shares)
Par Value	EUR 3

Shareholder Structure

(Approximate distribution based on shareholder statements)

CROSS Informatik GmbH	65%
BEKO HOLDING AG	11%
Management and Supervisory Board	3%

Financial Calendar

17 December 2013	Publication of Annual and Consolidated Financial Statements 2012/13
17 December 2013	Press Conference on Annual and Consolidated Financial Statements
18 December 2013	Analyst Presentation
27 March 2014	Annual General Meeting

IR Service

Our website offers extensive investor relations services. Apart from finding company reports, analyst reports, financial presentations and information concerning the annual general meeting, you can also add your name to the distribution list to receive press releases and financial announcements.

www.all-for-one.com/investor-relations

All for One Steeb

All for One Steeb AG is one of the leading SAP full-service providers for small and medium-sized enterprises in German-speaking countries. The SAP Gold Partner's portfolio comprises end-to-end solutions along the entire IT value chain – from SAP industry solutions to outsourcing services and application management. As a one-stop shop for all SAP-related services, All for One Steeb is a trusted prime contractor for small businesses and medium-sized companies. With some 800 employees, it serves over 2,000 clients including machinery and equipment manufacturers, automotive suppliers, the consumer-goods industry, technical wholesalers and project and engineering service providers. As a founding member of United VARs, the global network of leading SAP partners for small and medium-sized enterprises, All for One Steeb guarantees a comprehensive consulting and service portfolio together with the finest local support in more than 56 countries. All for One Steeb is one of Germany's best employers (Great Place to Work 2010) and best IT consultancies for the midmarket segment (TOP CONSULTANT 2012/13).

www.all-for-one.com

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