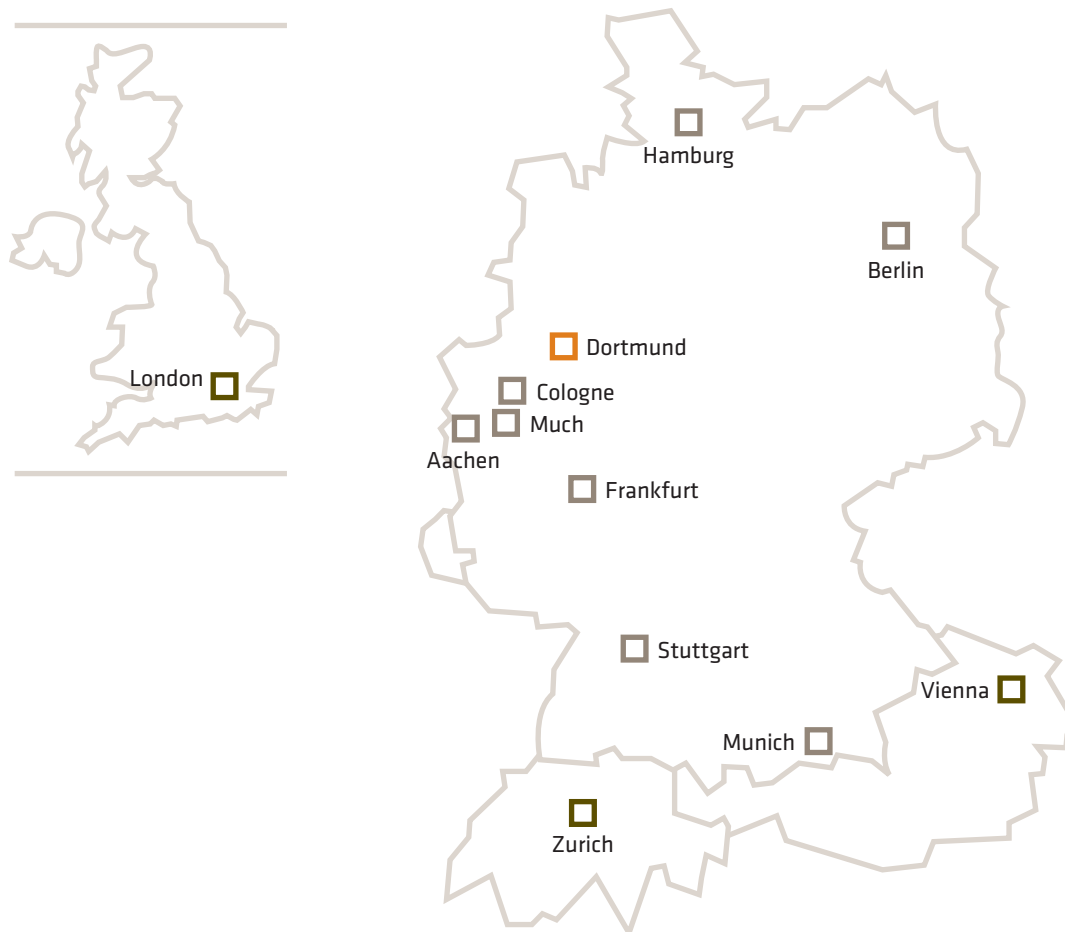


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# Growth Values

Annual Report 2010 / Essentials

# Locations



## Affiliated Companies



# Mission Statement

adesso optimises companies' core business processes with the targeted use of information technology. We offer customers expert consulting based on our in-depth industry knowledge and use our technical know-how to develop customised software solutions.

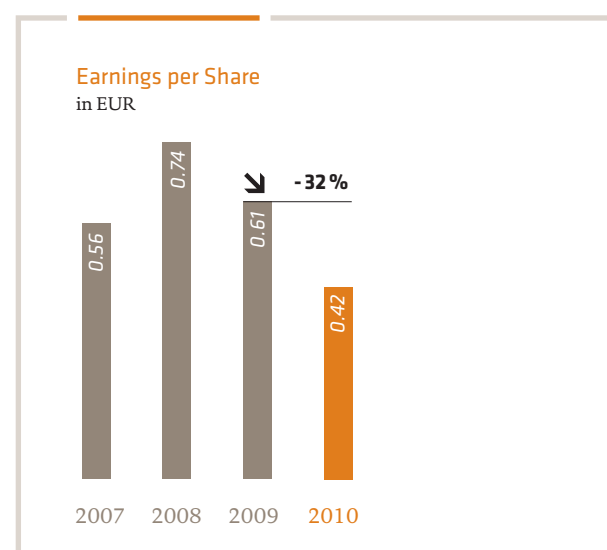
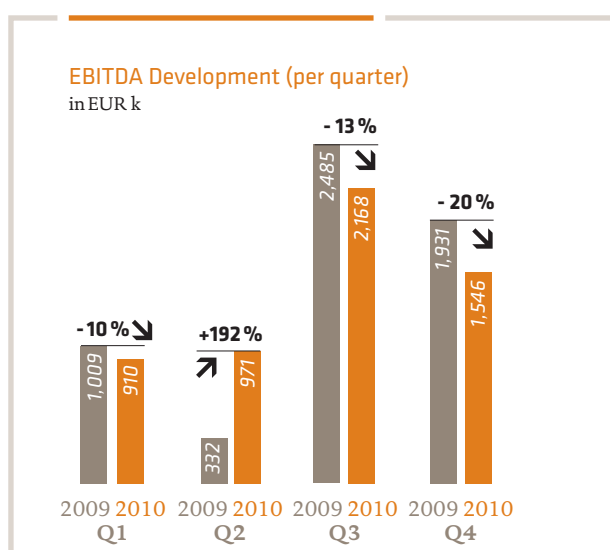
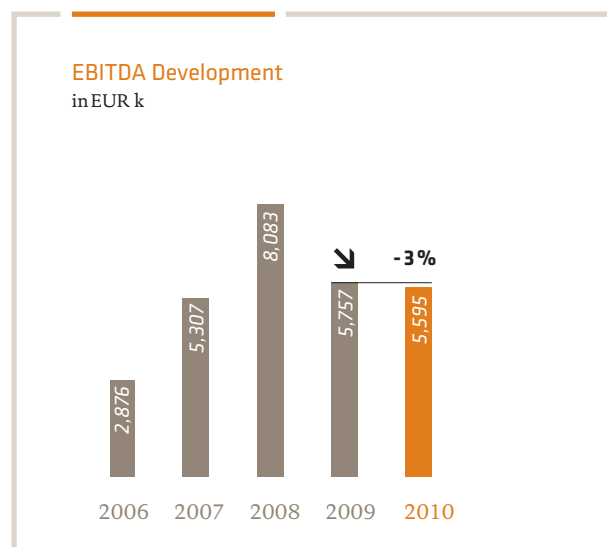
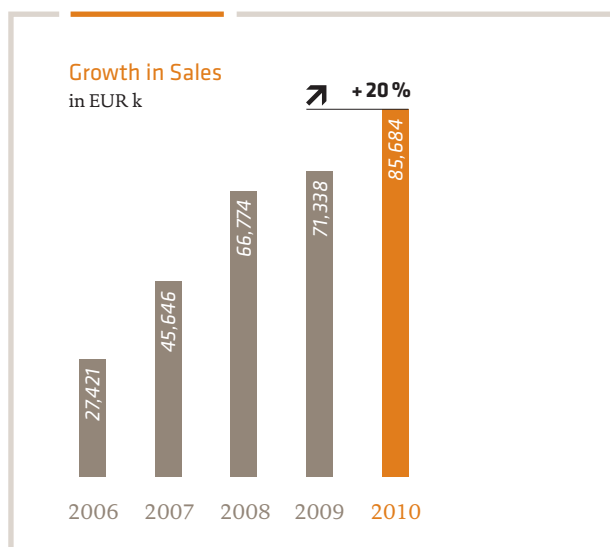
As an independent partner, we aim to help our customers make the most of their business potential while retaining flexibility in the future.

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# Key Figures

in EUR k	2010	2009	Change	in %
<b>Profit situation</b>				
Sales revenues	85,684	71,338	14,346	20
domestic	69,225	60,361	8,864	15
foreign	16,459	10,977	5,482	50
EBITDA	5,595	5,757	- 162	- 3
EBITDA margin (in %)	6.5	8.1	- 1.6	- 20
Consolidated earnings	2,492	3,583	- 1,091	- 30
<b>Balance sheet</b>				
Balance sheet total	62,320	58,883	3,437	6
Equity	30,902	28,847	2,055	7
Equity ratio (in %)	49.6	49.0	0.6	1
Liquid assets	17,021	17,340	- 319	- 2
Net cash position	10,169	10,551	- 382	- 4
<b>Employees</b>				
Employees (FTE)	729	598	131	22
domestic	647	521	126	24
foreign	82	77	5	6
Gross profit/Employees	112	111	1	1
<b>Share</b>				
Number	5,714,532	5,714,532	-	-
Price at the end of the period (in EUR)	5.39	5.35	0.04	1
Market capitalisation at the end of the period (in EUR m)	30.8	30.6	0.2	1
Earnings per share (in EUR)	0.42	0.61	- 0.19	- 32
P/E ratio	12.8	8.8	4.0	45



# Foreword by the Executive Board

Dear Shareholders, Employees and Friends of the company,

Over the course of 2010, adesso once again took a major step forward in becoming one of the leading IT service providers for industry-specific business processes in Central Europe. Sales revenues increased by 20 % to a new record of EUR 86 million, with 8 percentage points generated by organic growth. At a market growth rate of 3 %, our company has gained additional market shares. Key drivers of organic growth included the expansion of the banking business – also in Switzerland – and the favourable development of our own products and solutions.

On the other hand, the IT Services segment, which dominates with 87 % of consolidated sales revenues, was unable to achieve our goals. Contrary to our expectations and the prevailing economic mood, demand for the services of our consultants and software developers declined noticeably in the first six months of 2010. An increase in the daily rates could not be implemented; in fact, they declined slightly on average. At 24 %, personnel costs increased faster than the value of in-house services, with a negative impact on the operating earnings and margin. We previously reported on these developments with the presentation of the half-year figures, adjusting the 2010 forecast downwards. The share price dropped significantly at that time.

The second half of the year was dedicated to catching up. Capacity utilisation improved thanks to several larger projects but also on a broader basis. Operating earnings (EBITDA) went up to more than EUR 2 million in the third quarter after falling below EUR 1 million in each of the first two quarters. Total operating earnings increased by EUR 3.7 million in the second half of the year, from EUR 1.9 million at the end of the first six months to EUR 5.6 million. This corresponds to a decrease of 3 % compared to the previous year. Consolidated earnings fell by 30 % to EUR 2.5 million due to the increase in depreciation and amortisation from acquisitions and because of tax effects.

With the takeover of an initial 60 % of the shares in evu.it GmbH in April 2010, we have entered the energy and water supply and distribution sector while simultaneously expanding our portfolio to include SAP consulting services. The acquisition led to a 10 % increase in sales and a contribution of EUR 0.5 million to operating earnings. On the other hand, consolidated earnings were reduced by EUR 250,000 due to the planned write-down of the order backlog and customer lists as well as interest on the loan for acquisition financing. A positive contribution to consolidated earnings is expected for 2011.

The Mobile Solutions and Content Solutions products of adesso Group have continued to mature and are now holding leading positions in Germany in the respective product segments. The FirstSpirit product has been implemented by numerous new customers. For example, the Netherlands government has decided to consolidate the intranet systems of its 13 ministries on the basis



Rainer Rudolf, Christoph Junge, Dr. Rüdiger Striemer, Michael Kenfenheuer (left to right)

of FirstSpirit. Around 120,000 Dutch government employees will work together through the intranet portal. Thanks to ongoing strong growth in the mobilisation of web content and company applications, the Mobile Solutions segment implemented major projects in the mobile banking field and also in the media sector, for example for the “Süddeutsche Zeitung” and with the applications of iPhone and iPad apps for “DIE ZEIT” and “ZEIT ONLINE”.

Licensing sales in other countries reached EUR 1 million for the first time. The product segment significantly improved its contribution to operating earnings and the margin.

At the end of 2010, adesso once again held more than EUR 17 million in liquid assets and net cash in excess of EUR 10 million after the deduction of liabilities to banks which were incurred for acquisitions. Along with the equity ratio which has increased further to 50 %, our company is prepared for future developments with positive financial indicators. Even though consolidated earnings fell, we want to continue the distribution of dividends that commenced in 2010 unchanged for the time being, and are proposing a dividend of EUR 0.15 per share with the approval of the Supervisory Board. This corresponds to a yield of 3 % based on the closing price at the end of the year, or 36 % of the gross profit.

adesso Group now has more than 700 employees working together to help our customers and companies succeed. In 2010, adesso received the “Germany’s Best Employer 2010” seal of approval from the renowned Great Place to Work Institute of Germany for its quality and attractiveness as an employer. In Switzerland, adesso was awarded the title “Top Employer Switzerland / Suisse 2010”. Competition for highly qualified IT consultants and software developers intensified unusually quickly after reaching its low point in 2009 and the trend continues. adesso is investing in new training models, such as the software engineering dual course of studies which leads to a bachelor degree in parallel with employment.

The vision of adesso to become one of the leading IT consulting companies for industry-specific business processes in Central Europe continues to be pursued as a top priority. Opening the office in Stuttgart in November 2010 brings us closer to our customers in this economically important region. The focus of economic activities will remain on Germany, Austria and Switzerland over the next two years. Our business expansion initiatives are supported by ongoing, albeit slightly reduced, GDP growth of 2 % to 3 % in Germany and 1.5 % in Austria and Switzerland. Based on forecasts by the BITKOM industry association, we are expecting market growth relevant to adesso of 2.5 % to 3.5 % in the DACH region for 2011. Further growth in the IT market is expected for 2012, even though the trend may slow based on the overall economic forecast. Organic growth, business expansion

with our own solutions and the enhancement of profitability take centre stage in 2011. We are planning to increase sales by 7.5 % to 10 % for a total of EUR 92 million to EUR 95 million in 2011 through the growth projects that have already been initiated.

Due to the unsatisfactory development of earnings in the first six months of 2010, we have implemented a series of measures to improve the ratio of sales to personnel costs and general expenses, and to increase the average daily rates in the IT Services segment. Part of the resulting rise in profits is increasingly being invested in the expansion of our own industry solutions. Our objectives include better positioning in the respective industries and generating additional profits in the solutions business over the medium term. An additional amount of EUR 1 million with a direct impact on earnings has been budgeted for this purpose in 2011. Following this strategy, adesso acquired 100 % of the software company dynamicutilities GmbH in March of 2011. dynamicutilities has been developing a product family to support business processes in the energy and water supply and distribution sector since 2009 and commenced marketing at the E-world industry trade fair in February 2011. A 10 % to 15 % increase in operating earnings, measured by EBITDA, is expected up to between EUR 6.2 million and EUR 6.5 million.

According to the budget, the increase in consolidated earnings for 2011, excluding possible acquisitions, will be disproportionate compared to operating earnings. This is based on lower depreciation and amortisation from purchase price allocations and little change in financial earnings, notwithstanding an increasing tax burden and tax rate.

Dear shareholders, we would like to express our warmest thanks for your confidence in our company and what we do. Thank you to our employees for their dedication, creativity and understanding for the measures that have been implemented to improve profitability and therefore make us more competitive. Dear customers, thank you very much for your trust and confidence in our company.

Dortmund, March 2011

The Executive Board



Michael Kenfenheuer  
Co-CEO  
Consulting and Sales



Dr. Rüdiger Striemer  
Co-CEO  
Software Development and  
Corporate Communications



Rainer Rudolf  
Member of the Executive Board  
Administration and Legal Affairs



Christoph Junge  
Member of the Executive Board  
Finance and Human Resources



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# Investor Relations

## The Share

### The Stock Market in 2010 – General Conditions

After a good year for the stock markets around the world in 2009, developments in 2010 were more differentiated. While steps taken by the federal government to address the crisis in Germany were effective and Germany returned to a path of real economic growth, several EU countries lagged behind this recovery or remained in the midst of a recession. After gaining 24 % in the previous year, the DAX once again assumed a leading international rank with a 16 % increase. It stood at 6,914 points at the end of the year and even exceeded the 7,000-point mark at times in December. On the other hand, the Euro Stoxx 50 lost 4 % in 2010. The TecDAX only gained 4 % after jumping 61 % in the previous year.

These disparate developments with high volatility are mainly due to the fact that the central banks kept interest rates low to stimulate economic activity, but the real economic impact at the national level varied greatly. As a result, the markets were always concerned about the possibility of a relapse into the crisis or of being drawn in by neighbouring countries. Bad news regarding the possible insolvency and the corresponding downgrading of credit ratings for European countries such as Greece and later Portugal, Spain and Ireland led to sometimes dramatic price adjustments, especially in February and April as well as November – even in Germany. While financial aid in the billions provided by the European Union as the “EU stabilisation mechanism” temporarily restored confidence, the amount of money involved fed the already widespread investor fears of impending inflation. The highly positive trend of the DAX since October in spite of this environment is due to the company figures and economic data in Germany, which were surprisingly positive by comparison.

### Development of the adesso Share

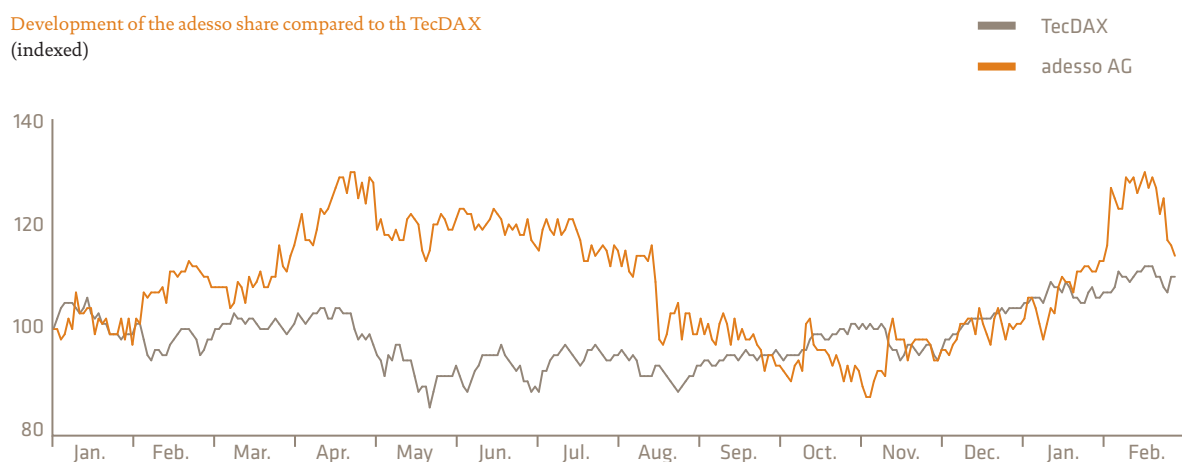
A look at the development of the adesso share over the course of 2010 and only to the end of the year reveals an unsatisfactory gain of 4 cents or 1 %, even compared to the moderate growth of 4 % on the TecDAX benchmark index. Things look more favourable when the performance since the beginning of 2011 and the share price recovery since the start of November 2010 are taken into account.

The share clearly outperformed both the DAX and the TecDAX until mid-August of 2010. At its peak, the development of the adesso share at the end of April exceeded the DAX by 17 percentage points and outpaced the TecDAX by fully 30 percentage points. Three factors largely account for this positive trend. For one thing, adesso exceeded the annual profit target thanks to a much stronger than expected second half of 2009 and, on this basis, predicted a return to its former profitability over the medium term in March. As a result of the capital decrease in the previous year, this allowed the company to propose the distribution of a dividend to its shareholders for the first time. The dividend was credited to the custodian accounts at EUR 0.15 per share following the corresponding resolution by the Annual General Meeting at the beginning of June. adesso also successfully acquired evu.it GmbH at the end of April, allowing the company to enter new business areas.

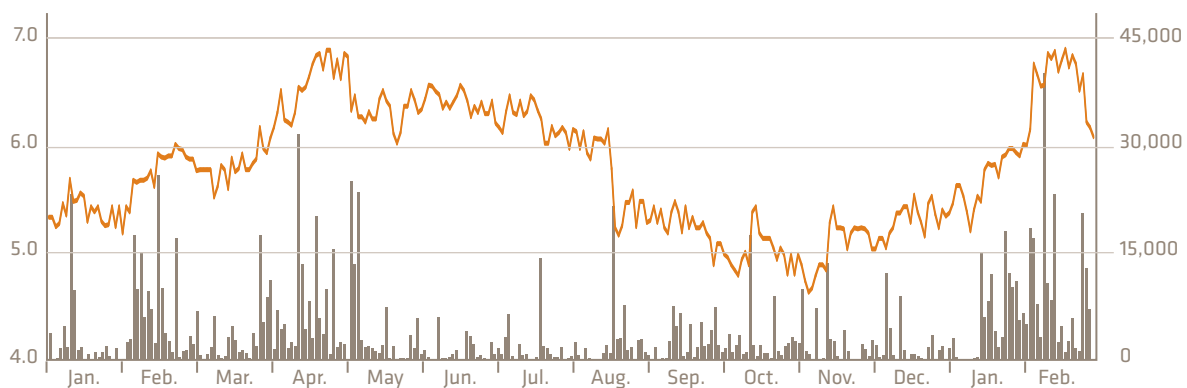
Rising interest in the share was revealed by a 38 % increase in the trading volume to EUR 7.3 million compared to 2009. While a monthly average of 103,325 shares was traded, the volume in February and April significantly exceeded 200,000 and reached its high for the year in April with 223,976 shares and a total transaction volume of EUR 1.5 million. Carried by this volume, the share reached its high for the year at EUR 6.93 on 26 and 27 April, corresponding to a gain of 30 %.

The adesso share initially followed general market developments in the aftermath of the debt crisis in the Eurozone, losing part of the market price gain before the publication of the quarterly figures on 12 May. Even though adesso already

Development of the adesso share compared to the TecDAX  
(indexed)



Development of the adesso share and trading volumes (Xetra)  
in EUR / trading volumes: in shares



released information regarding a “slower than expected start to the year”, the good prospects that were identified and hope for a timely recovery in business volumes carried the sideways trend of the share into August. But earnings failed to improve in the second quarter so that reaching the targets for the year appeared increasingly unlikely. Leading up to the publication of the half-year report, the figures were published in an ad-hoc press release on 17 August 2010 with a corresponding reduction in anticipated profits. Lower expectations led to an 18 % price drop within two days, even slightly below the level at the start of the year. After stabilising for some time, the share price fell below the TecDAX level at the end of September, recovered and then dropped again to its annual low at EUR 4.64 on 3 November. Leading up to the release of the nine-month figures on 11 November 2010, investors increasingly regained confidence that adesso would benefit from the recovery of the IT market in the second half of the year. The positive figures for the third quarter supported this expectation and boosted the rising trend. Starting from its low for the year, the share rose by 17 % within seven trading days and recovered to its level at the start of the year. Up to its year-end closing price of EUR 5.39, the development of the adesso share largely paralleled the TecDAX benchmark index, except for a performance lead of 3 % for the index in the final week of trading. The market capitalisation of adesso therefore only increased slightly to EUR 30.8 million at the end of 2010, compared to EUR 30.6 million in 2009.

The adesso share continued its rising trend at the beginning of 2011 and, with high daily transaction volumes following analyst and investor conferences in mid-February, soon recovered to the high of the previous year. An end to this boost in demand as well as renewed market uncertainty because of the Libya crisis and rising energy prices subsequently led to lower volumes and a reversal of most of the price gains since the start of the year. Nevertheless, the adesso share gained 13 percentage points by the end of February while the TecDAX only gained 6 percentage points and the DAX 5 percentage points.

## Capital Measures

There were no capital measures affecting the company's share capital, which remained unchanged at EUR 5,714,532.

## Dividends

After establishing the fundamental prerequisites for the distribution of profits in the 2009 financial year, the Annual General Meeting on 1 June 2010 approved the proposed resolution of the Executive Board on the appropriation of net income with the first-time distribution of a dividend of EUR 0.15 per share. This corresponds to a 24 % dividend payout ratio based on consolidated earnings. The dividend was credited to the custodian accounts of the shareholders starting on 2 June 2010. The dividend yield was 2.8 % based on the 2009 closing share price.

## Shareholder Structure

The largest shareholder of adesso AG with 29.9 % of the voting rights is Prof. Dr. Volker Gruhn, indirectly via the investment company Setanta GmbH. Professor Gruhn is co-founder and Chairman of the Supervisory Board of adesso AG. The Executive Board of adesso AG also held 23.4 % of the company's share capital until the resignation of Holger Danowsky on 31 January 2011. Since 1 February 2011, the Executive Board has held 21.1 % of the shares. The largest proportion at more than 19.6 % continues to be held by Rainer Rudolf. Rainer Rudolf is member of the Executive Board and co-founder of adesso AG. 79.6 % of the assigned voting rights and therefore the majority is held by private investors. Another 1.4 % is held by institutional investors. The remaining 19.1 % of the company's shares cannot be clearly assigned to a specific class of investors. According to the definition of Deutsche Börse AG, the free float is 38.1 % which represents a 1.6 % increase over the value of 36.5 % in the previous year. This is due to the expiry of lock-up agreements.

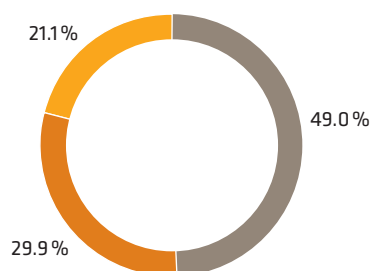
## Investor Relations Activities

Our investor relations activities serve the purpose of active communication and ensure transparency regarding our business activities. We not only strive to offer ultimate transparency and ready access to information, but also actively seek dialogue with institutional and private investors, analysts and the financial press. In doing so, we regularly present our developments in the course of one-on-one meetings or road shows. We focused on one-on-one interviews in the year under review.

The following table shows the most important share data for 2010 per quarter:

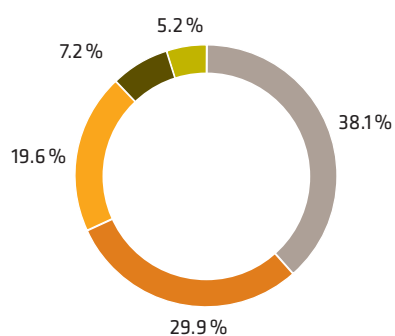
Share data	Q1	Q2	Q3	Q4	2010
Price at the end of the quarter	6.10	6.45	5.00	5.39	5.39
Development in 2010 (in %)	14	21	-7	1	1
Development of TecDAX in 2010 (in %)	0	-10	-4	4	4
Highest price in EUR	6.20	6.93	6.50	5.45	6.93
Lowest price in EUR	5.26	6.14	4.90	4.64	4.64
Volatility (90 days at the end of the quarter in %)	36.2	35.8	40.7	45.5	45.5
Trading volumes in shares per trading day	6,271	6,229	3,415	3,382	4,824
Trading volumes in EUR per trading day	36,204	40,559	18,923	17,342	28,257
Number of shares	5,714,532	5,714,532	5,714,532	5,714,532	5,714,532
Market capitalisation in EUR million	34.9	36.9	28.6	30.8	30.8

#### Shareholdings in %



- Supervisory Board
- Executive Board
- Other

#### Shareholder structure in %



- Prof. Dr. Volker Gruhn\* (Setanta GmbH) 29.9%
- Rainer Rudolf\*\* 19.6%
- Ludwig Fresenius Michael Hochgürtel (MIH GmbH) 7.2%
- Michael Hochgürtel (MIH GmbH) 5.2%
- Freefloat 38.1%

\* Supervisory Board (Head)  
\*\* Executive Board



In 2010, we also took advantage of numerous investor conferences to present adesso AG and enhance our contact to the capital market.

In addition to the Entry and General Standard Conference as well as the DVFA Small Cap Conference in Frankfurt, we presented our company at three other conferences and investor events in Germany. That is one conference more than in the previous year. We also published information relevant to the capital market and presentations on our company regularly during the financial year. Interested capital market participants have access to comprehensive information in the “Investor Relations” section of the company website, which goes far beyond the mandatory disclosures. As a service, the menu item “Questions for the CFO” permits direct dialogue with the responsible Executive Board member. Distribution lists for mailing or electronically distributing company press releases and reports allow us to actively and automatically supply interested parties with the latest information on adesso AG. More than 300 registered persons and companies already take advantage of this service. Especially for analysts but also for all other interested investors, adesso offers an investor folder for download which, in addition to the regular publications for the past 12 months, includes a multi-year overview of the most important performance figures as well as the consolidated and interim half-yearly financial statements in Excel format.

adesso was analysed regularly by the research department of a bank until September. Updates to analyst studies are offered on the adesso website. The financial calendar for 2011 once again plans for an increase in the number of investor conferences.

adesso AG is a member of the German Investor Relations Association (DIRK e.V.).

## Analyses / Research

To the best of our knowledge, the adesso AG share was analysed regularly and exclusively by the analysts of the Frankfurt BankM until the end of September 2010. BankM ceased coverage in September 2010 due to a change in the designated sponsor. The last update is dated 8 September 2010. At that time, the analyst recommendation was a “buy” with a fair value of EUR 6.45. On 7 December 2010, the adesso share was also analysed by the analysts of the research institute GBC AG – which is independent of banks – as part of the “Best of Software/IT/Media” industry study. The analysts see a price increase potential of more than 30 %.

Since the beginning of 2011, trading of the adesso share is administered by Close Brothers Seydler Bank AG, the designated sponsoring market leader. Access to institutional investors and wealthy private individuals will be handled by Hauck & Aufhäuser Privatbank in the future.

### Contact:

Christoph Junge  
Member of the Executive Board  
Phone +49 231 930-9330  
Fax +49 231 930-9331  
ir@adesso.de

## Basic share data

			2010	2009
ISIN Code	DE000A0Z23Q5	Number of shares at the end of the year	5,714,532	5,714,532
WKN (national security identification number)	A0Z23Q5	XETR A closing price at the end of the year (EUR)*	5.39	5.35
Symbol/Code	ADN1	Market capitalisation at the end of the year (EUR million)	30.8	30.6
Reuters Instrument Code	ADNGk.DE	Earnings per share (EUR)	0.42	0.61
Bloomberg Symbol	ADN1:GR	Cashflow per share (EUR)	0.74	0.40
First day of trading	21 June 2000	P/E ratio	12.8	8.8
Trading platforms	Xetra	Price/cash flow ratio	7.3	13.2
Market segment	General Standard	Dividend per share	0.15	0.15
Number of shares	5,714,532	Return on dividend	2.8%	2.8%
Currency	EUR			
Nominal value	No par share with nominal value; EUR 1.00 (mathematically)			
Share capital	EUR 5,714,532			
Voting rights per share	1			
Index	CDAX, DAXsector All Software, General All-Share and General Standard Index			
Reporting standard	IFRS			
End of financial year	31 Dec.			

## Recommendations

Date	Subject/Recommendation	Evaluation	Source
2011-02-16	adesso - Back in the Track	Entry up to 6.50 € / Stop: 5.50 €	Platow Brief
2011-02-10	adesso Suited as Conservative Stock Account Addition	-	Effecten Spiegel
2010-12-08	-	Upside Potential: >30 %	GBC AG, Study "Best of Software/IT/Medien"
2010-09-08	buy	Fair Value: 6.45 €	BankM-Repräsentanz der biw AG
2010-07-14	Large-scale project Reeled in	Stock prices betw. 7.50 and 9.00 € possible	Nebenwerte Journal Extra
2010-04-21	Note of the Day / IT Consultancy on Expansion	Target: 9.20 € / Stop: 5.40 €	Der Aktionär Online
2010-02-14	Buy adesso (Value of the Week)	Target: 9.50 € / Stop: 4.30 €	Euro am Sonntag

# Highlights 2010

## January

### Contracts in Austria

At the start of the year, adesso won another EU-wide tender with an order volume of up to EUR 6 million. adesso will be the exclusive software development partner of Agrarmarkt Austria (AMA) in Vienna for another five years. The order from the market organisation, intervention and pay office of the Austrian federation forms a key basis for the further expansion of the business activities of adesso in Austria.

## March

### Top Employer in Germany and Switzerland

adesso is receiving the "Germany's Top Employers 2010" seal of approval in Germany and the "Top Swiss Employer" award in Switzerland. This confirms the outstanding position of adesso in the intensely competitive market for IT experts.

### adesso Reports Record Sales and Higher Earnings than Expected for 2009

At EUR 71.3 million in sales, adesso once again grows significantly in the financial year of the global economic crisis. Earnings are also higher than expected thanks to strong performance in the second half of the year, so that the distribution of a dividend is proposed for the first time.

## April

### Takeover of evu.it GmbH

With the takeover of evu.it GmbH, adesso enters the energy and water supply and distribution sector in addition to the field of industry-specific SAP consulting. The adesso Group gains 85 new specialists and successfully continues its expansion into new industries and technologies.

## May

### adesso is Top 18 in Germany

In the annual industry study of the Lünen-donk market research institute, adesso manages to jump up to 18th place on the list. adesso is now among the 20 largest IT consulting and system integration companies in Germany.

### Launch of the drebis Platform

The drebis platform successfully developed by adesso is launched as the new standard for communication and the exchange of data between legal insurers and law firms. Most legal insurers in the market adopt the new system as soon as it is launched, thereby reducing organisational effort for lawyers.



## June

### **First Dividend Payout**

The proposed first-time distribution of a dividend is unanimously approved at the Annual General Meeting. In the following days, the shareholder accounts are credited with EUR 0.15 for each adesso share held. A total of EUR 857 thousand or 24 % of net earnings is distributed.

## July

### **adesso Wins Large “Zensus 2011” Contract**

In the new “Public authorities” business area, adesso AG reports the first major project in Germany. The Federal Statistical Office selected adesso for the further development of the “Zensus 2011” – the EU-wide census – IT concept following a tender. A minimum of 1,300 man days is specified in the master agreement.

## August

### **Sitgate is Merged with adesso**

In the interest of a uniform market image and joint strategic market development, the IT management service business is carried on under one umbrella brand. The subsidiary Sitgate AG is merged with adesso AG for this purpose.

## September

### **Netherlands Government Contract**

The Netherlands government decides to consolidate the intranets of its 13 ministries on the basis of the adesso content management system (CMS) FirstSpirit. adesso wins the Europe-wide tender for the project. Around 120,000 Dutch government employees will work together through the intranet portal.

## November

### **Nine-month Figures with Positive Outlook**

After adesso reduced its earnings forecast with the presentation of the half-year figures, the outlook improves significantly during the third quarter. Demand for consultants and software developers increases noticeably. The reduced forecast is confirmed and, depending on year-end business in the product segment, exceeding the expected earnings appears possible.

### **Opening the New Office in Stuttgart**

The 10th adesso office is opened in Stuttgart with a ceremonial evening event. Astronaut and physicist Dr. Ulf Merbold is the guest speaker. Now adesso is represented with its own offices in all key economic regions of Germany.

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adesso is a growth company. This forms the basis for our understanding of the company as a leading IT service provider, our strategic objectives and market positioning. adesso adds value through growth and underscores growth with values: 18, 50 and 33 were of special significance for adesso in 2010.

## Growth Values

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# Reaching goals with “**thinkers**”







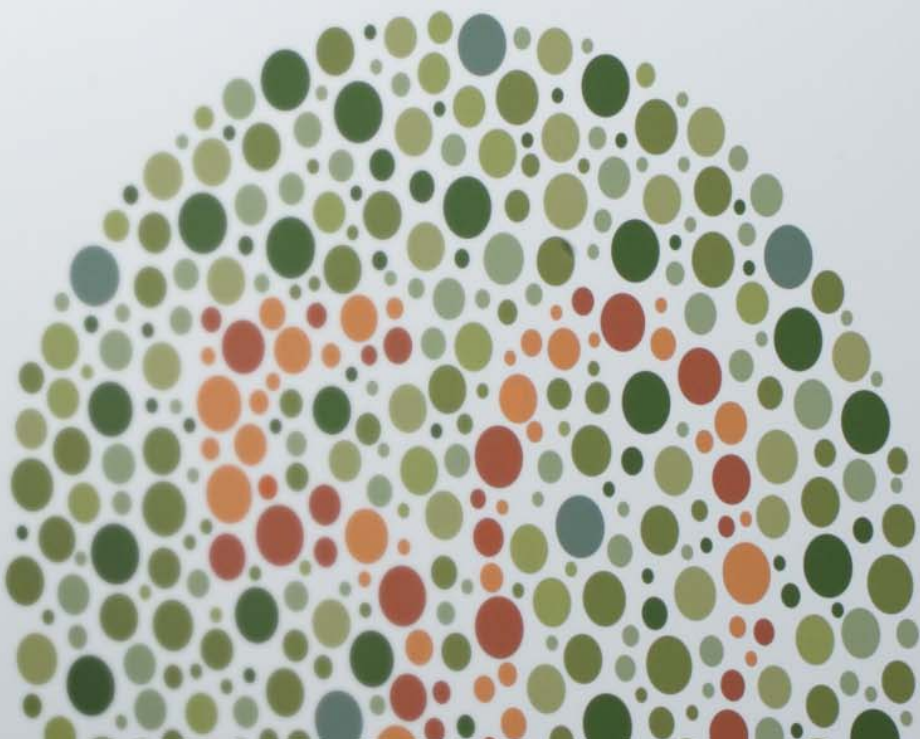
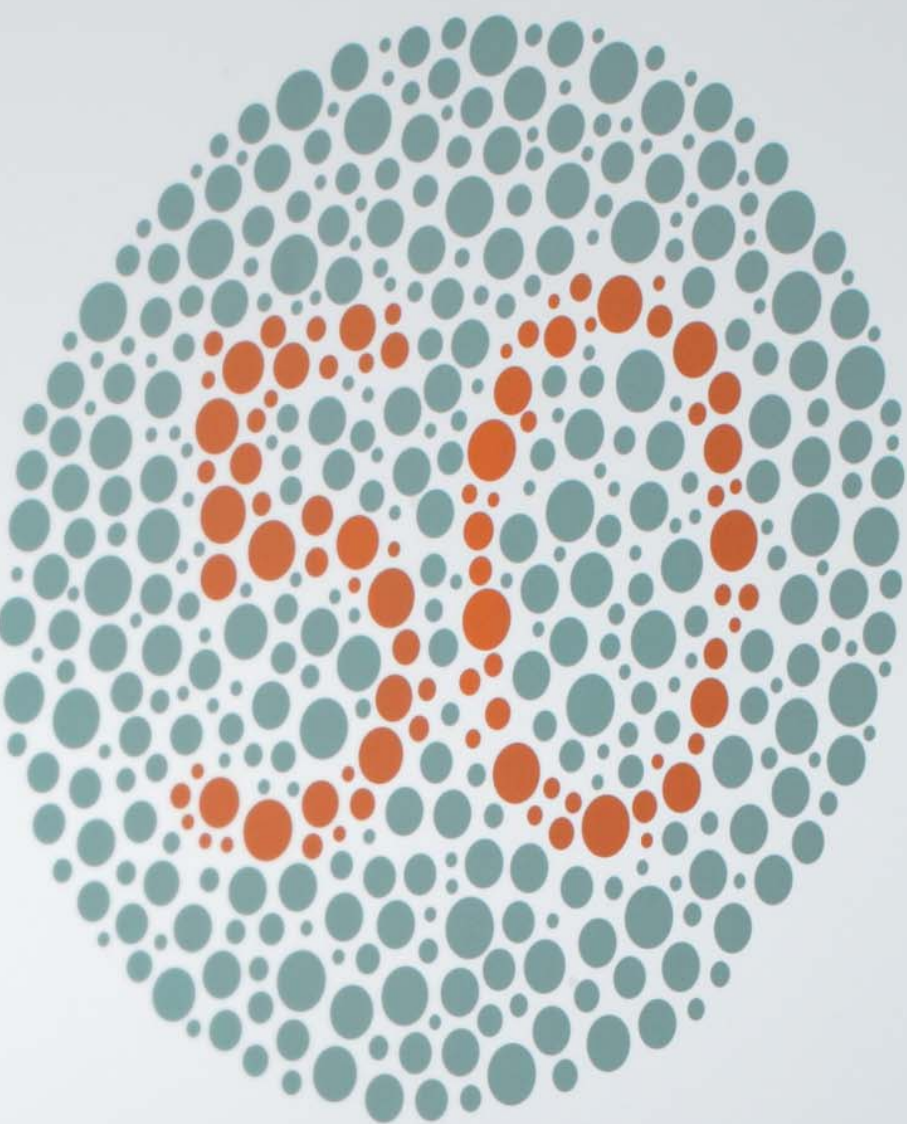
### Reaching goals with “thinkers”

adesso has managed to become one of the largest German IT consulting and system integration companies in a very short time, already assuming 18th place in the “Lünendonk List 2010\*”. Ever since the company was founded, the success of adesso has largely been due to its ability to inspire top-class “thinkers” for the company objectives and therefore the visions of its customers. Customers acknowledge that more than 700 adesso employees are familiar with their industry-specific challenges, enabling them to develop sophisticated process optimisation solutions. This special technical expertise makes adesso difficult to replace as a premium IT service provider and therefore a valued partner. Our customers receive software systems that perfectly complement their respective business models and generate competitive advantages – intelligent solutions that “think”.

\* Source: Lünendonk GmbH market research ([www.luenendonk.de](http://www.luenendonk.de))

**Seeing more**  
than others







## Strategic Direction

### Seeing more than others

For sustained success and to make its own objectives transparent and measurable, adesso follows a proven growth strategy that also includes a strategic direction. Expanding the business in the declared core industries is elementary to the development of the company into a leading IT consulting firm in Central Europe. adesso is aiming to recruit 50 % of the top 25 customers in each core industry. We are doing a lot for this ambitious objective in order to stay at least a step ahead of the competition: Based on our market, industry and technology expertise, we foresee developments that give us the essential technology and knowledge advantage. Or we find solutions that others simply do not see. 13 of the top 20 direct insurers in Germany and three of the top five reinsurance companies in the world are active adesso customers. So are 11 of the top 20 banks in Germany and nine of the top 20 statutory health insurance providers. We have opened up new horizons for all of these satisfied customers with a clear vision.



**Excellent**  
competitive position







## Market Positioning

### Excellent competitive position

adesso has established ambitious goals. adesso Group wants to grow at least twice as fast as the market. Impressive progress has been made towards this objective over the last few years. Average annual growth of 33 % was achieved. adesso is pursuing a proven strategy in order to sustain this trend. In addition to expanding its activities in the existing business segments, promising sectors are developed into additional core industries – most recently the “Public authorities” segment. In order to expand its industry and consulting expertise or to enter new regional markets, adesso acquires profitable IT companies as opportunities arise. evu.it GmbH was integrated in 2010, expanding business activities into the energy and water supply and distribution sector. While marketing the service portfolio is initially being rolled out to German-speaking regions, the internationalisation of the products has already commenced. Profitability should never be jeopardised by growth. adesso wants to remain highly profitable with an operating margin in excess of the industry average and sufficient leeway for growth investments. By focusing on these objectives, adesso will continue asserting itself against the competition.

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# Consolidated Financial Statement

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**Equity and liabilities**

in EUR k

	31 Dec. 2010	31 Dec. 2009
<b>Current liabilities</b>		
Financial liabilities	2,173	2,976
Trade accounts payable	3,547	3,834
Liabilities PoC	2,224	2,122
Liabilities from income taxes	398	713
Provisions	1,466	1,588
Other current liabilities	14,113	10,935
	<b>23,921</b>	<b>22,168</b>
<b>Non-current liabilities</b>		
Financial liabilities	5,486	5,598
Pensions and similar liabilities	528	497
Provisions	320	325
Other non-current liabilities	2	5
Deferred tax liabilities	1,161	1,443
	<b>7,497</b>	<b>7,868</b>
<b>Equity</b>		
Subscribed capital	5,715	5,715
Capital reserve	11,071	10,994
Other retained earnings	11,018	8,362
Reserve for currency conversion	414	139
Consolidated earnings	2,492	3,583
Minority share	192	54
	<b>30,902</b>	<b>28,847</b>
<b>Total equity and liabilities</b>	<b>62,320</b>	<b>58,883</b>

## Consolidated Income Statement of adesso Group for the period 1 January to 31 December 2010 according to IFRS

in EUR k	31 Dec. 2010	31 Dec. 2009
Sales revenues	85,684	71,338
Other operating income	2,982	2,135
<b>Total income</b>	<b>88,666</b>	<b>73,473</b>
Costs of material	-9,422	-7,977
Personnel costs	-56,236	-45,372
Other operating expenses	-17,413	-14,367
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>	<b>5,595</b>	<b>5,757</b>
Depreciation on property, plant and equipment	-2,934	-2,760
<b>Earnings before interest and taxes (EBIT)</b>	<b>2,661</b>	<b>2,997</b>
Income from investments	14	-22
Other financial result	0	328
Interest income and similar income	190	326
Interest expenses and similar expenses	-407	-339
<b>Income from ordinary activities (EBT)</b>	<b>2,458</b>	<b>3,290</b>
Income taxes	34	293
<b>Consolidated earnings</b>	<b>2,492</b>	<b>3,583</b>
of which attributable to minority interests	115	71
of which attributable to shareholders of adesso AG	2,377	3,512
Number of shares at the end of the financial year	5,714,532	5,714,532
<b>Diluted and undiluted earnings per share (in EUR)</b>	<b>0.42</b>	<b>0.61</b>

## Consolidated Statement of Comprehensive Income

in EUR k	31 Dec. 2010	31 Dec. 2009
Actuarial gains and losses	-17	-7
Deferred taxes	5	3
<b>Total</b>	<b>-12</b>	<b>-4</b>
Measurement of financial instruments	-33	-107
Transferred to the income statement	52	45
Deferred taxes	-6	20
<b>Total</b>	<b>13</b>	<b>-42</b>
Currency translation differences	275	3
Net profit	2,492	3,583
<b>Total income</b>	<b>2,768</b>	<b>3,540</b>
of which attributable to shareholders of the parent company	2,654	3,469
of which attributable to other shareholders	114	70

## Consolidated Cash Flow Statement of adesso Group for the period 1 January to 31 December 2010 according to IFRS

in EUR k	31 Dec. 2010	31 Dec. 2009
<b>Earnings before tax</b>	<b>2,458</b>	<b>3,290</b>
Income from financing and investment activities	203	-293
Depreciation and amortization on property, plant and equipment and intangible assets	2,934	2,760
Expenses from the disposal of property, plant and equipment	-2	5
Non-cash income	64	6
Change in pension provisions	31	22
Change in other provisions	-127	-124
Tax payments	-1,248	-1,222
Change to net operating assets	-104	-2,133
<b>Cash flow from operating activities</b>	<b>4,209</b>	<b>2,311</b>
Disinvestments of property, plant and equipment	9	-6
Decrease of cash and cash equivalents from the disposal / deconsolidation of consolidated companies	0	-294
Change in cash and cash equivalents from initial consolidation	139	-4,263
Payments for investments in property, plant and equipment	-669	-627
Payments for Investments in intangible assets	-52	64
<b>Cash flow from investment activities</b>	<b>-573</b>	<b>-5,254</b>
Dividend payments	-927	-50
Acquisition of minority interests	0	0
Repayment of liabilities from finance leases	-13	-71
New liabilities to banks	2,154	5,000
Repayment of financial liabilities	-5,068	-3,533
Payment from other financial loans received	0	180
Interest paid	-330	-265
Interest received	150	318
<b>Cash flow from financing activities</b>	<b>-4,034</b>	<b>1,579</b>
Currency differences	79	5
<b>Change in cash and cash equivalents</b>	<b>-319</b>	<b>-1,359</b>
Cash and cash equivalents at the beginning of the period	17,340	18,699
Cash and cash equivalents at the end of the period	17,021	17,340

## Consolidated Shareholders Equity Statement as of 31 December 2010

in EUR k	Share capital	Capital reserves	
<b>31 Dec 2008</b>	<b>40,002</b>	<b>- 23,347</b>	
IFRS 2	0	69	
Actuarial loss	0	0	
Capital impairment	- 34,287	34,273	
Effects from non-consolidated subsidiaries	0	0	
Other results at the end of the financial year	0	0	
Consolidated result	0	0	
Reclassification	0	0	
Dividend payment	0	0	
Currency translation differences	0	0	
<b>31 Dec 2009</b>	<b>5,715</b>	<b>10,995</b>	
IFRS 2	0	76	
Actuarial loss	0	0	
Effects from first-time consolidated subsidiaries	0	0	
Other results at the end of the financial year	0	0	
Consolidated result	0	0	
Dividend payment	0	0	
Currency translation differences	0	0	
<b>31 Dec 2010</b>	<b>5,715</b>	<b>11,071</b>	

	Currency translation differences	Other Derivates	Retained earnings	Equity of adesso AG shareholders	Other shareholders	Total Equity
	136	0	8,445	25,236	104	25,341
	0	0	0	69	0	69
	0	0	-3	-3	-1	-4
	0	0	0	-14	0	-14
	0	0	-39	-39	0	-39
	0	-41	0	-41	0	-41
	0	0	3,512	3,512	71	3,583
	0	0	0	0	0	0
	0	0	0	0	-50	-50
	3	0	0	3	0	3
	139	-41	11,915	28,723	124	28,847
	0	0	0	76	0	76
	0	0	-11	-11	-1	-12
	0	0	0	0	139	139
	0	12	0	12	0	12
	0	0	2,377	2,377	115	2,492
	0	0	-857	-857	-70	-927
	275	0	0	275	0	275
	414	-29	13,424	30,595	307	30,902

# Management and Directors

## Executive Board

### Michael Kenfenheuer Co-CEO

Michael Kenfenheuer (born in 1958) is a member of the Executive Board and responsible for the Consulting and Sales departments. He was appointed as a member of the adesso AG Executive Board for these responsibilities in 2000. With his many years of business management and project management experience, Michael Kenfenheuer is having a major impact on the development and expansion of the company's network of technical and industry experts. He is also responsible for coordinating sales activities. He assumed his current role as Co-CEO of adesso AG in January 2011.

### Dr. Rüdiger Striemer Co-CEO

Dr. Rüdiger Striemer (born in 1968) is a member of the Executive Board and responsible for the Software Development and Corporate Communications departments. He earned his doctorate in information technology at Berlin Technical University in 1998 and started out as a Business Development Manager at adesso AG in 1999. When he became a member of the adesso Executive Board in 2001, he assumed responsibility for strategic business development and corporate communications. Rüdiger Striemer has also been managing the Software Development department since 2002. Moreover, he oversees the Austrian and Swiss subsidiaries and other holding companies. He assumed his current role as Co-CEO of adesso AG in January 2011.

### Christoph Junge Member of the Executive Board

Christoph Junge (born in 1970) is a member of the Executive Board and responsible for Finance and Human Resources. Before he was appointed as a member of the BOV AG (now adesso AG as the result of a merger) Executive Board in May 2005, he helped shape the company's business operations as Director of Finance and Company Development.

### Rainer Rudolf Member of the Executive Board

Rainer Rudolf (born in 1962) is in charge of the divisions Administration and Legal Affairs. He is co-founder of adesso AG and had been its CEO since end of the year 2010. He had been in charge of all administrative and commercial activities and of the Human Resources department until 2007. This makes him responsible for the solid economic development of the company.



## Supervisory Board

### Prof. Dr. Volker Gruhn

#### Chairperson of the Supervisory Board

Prof. Dr. Volker Gruhn (born in 1963) was co-founder of adesso AG in 1997 and is now the Chairperson of the Supervisory Board. He is Head of the Software Engineering Department at University of Duisburg-Essen, where his main research focuses on mobile applications. Volker Gruhn is the author and co-author of approximately 200 national and international publications and conference contributions.

Prof. Dr. Volker Gruhn chairs the Supervisory Board of BOV AG (now adesso AG, after fusion) since 25 July 2006.

#### Further mandates in Supervisory Boards:

Prof. Dr. Volker Gruhn assumes no other mandates.

### Prof. Dr. Willibald J. Folz

#### Member of the Supervisory Board

Prof. Dr. Willibald Folz worked in the economics division at Bavarian Ministry of Finance and Bavarian State Chancellery after studying law and economics and graduating with a major in business administration. He then held management positions at various banks including the Bayerische Landesbank, at the Deutsch-Skandinavischen Bank AG as a member of the executive board and at Münchner Hypothekenbank eG as speaker of the executive board and later from 1998 to 2010 as the chairman of the supervisory board. From 1990 to 1999, he was the president and chairperson of the executive board of the Genossenschaftsverband Bayern e.V. (Bayern association of co-operatives).

Prof. Dr. Folz taught at the faculty of economics of Eichstätt/Ingolstadt Catholic University, specialising in bank law and cooperatives. He was the chairperson of the university council of Bamberg University and the board of trustees of the Academy of Philosophy in Munich.

Prof. Dr. Folz assumed membership in the Supervisory Board of BOV AG (now adesso AG, after fusion) on 25 July 2006.

#### Further mandates in Supervisory Boards:

Chairman of the Supervisory Board of Gesellschaft für Managementberatung AG, Burgthann

### Dr. Friedrich Wöbking

#### Member of the Supervisory Board

Dr. Friedrich Wöbking (born in 1950) is a declared expert on information technology and the banks and insurance industries. He was member of the Executive Board at Dresdner Bank AG between 2003 and 2009 and took responsibility for the IT Services and Operations department. Previously, during the 1990s, he was member of the Executive Board at Allianz Versicherungs-AG/Allianz Lebensversicherungs-AG and Deutsche Versicherungs-AG where he was head of the Private Customer Business department as well as head of the departments IT and e-Business. Wöbking owns a doctor's degree in Information Technology and Mathematics and currently runs FW advisory Management Beratung. Above that, he acts, among others, as an advisor at Swiss Post Solutions GmbH and is a Senior Advisor at Droege & Comp. Unternehmerberatung.

Dr. Friedrich Wöbking assumed membership in the Supervisory Board of adesso AG on 01 June 2010.

#### Further mandates in Supervisory Boards:

Dr. Friedrich Wöbking assumes no other mandates.

# Finance Calendar 2011

Date	Event
2011-02-03	Small & Mid Cap Conference of Close Brothers Seydler Bank AG, Frankfurt/Main
2011-03-30	Publication of the 2010 annual report, financial press / analyst conference, Dortmund
2011-05-03	Entry and General Standard Conference of Deutsche Börse AG, Frankfurt/Main
2011-05-11	11th MKK - Münchner Kapitalmarkt Konferenz, Munich
2011-05-11	Interim announcement of the group within the 1st half-year
2011-05-31	Regular ASM, Dortmund
2011-08-26	Publication of the 2011 half-year figures
2011-11-11	Interim announcement of the group within the 2nd half-year
21-23 Nov 2011	Eigenkapitalforum Frankfurt, One-on-Ones
07-08 Dec 2011	12th MKK - Münchner Kapitalmarkt Konferenz, Munich

adesso AG  
Stockholmer Allee 24  
44269 Dortmund  
Germany  
Phone +49 231 930-9330  
Fax +49 231 930-9331  
ir@adesso.de  
[www.adesso-group.de/en/](http://www.adesso-group.de/en/)  
[www.adesso.de/en/](http://www.adesso.de/en/)

**Concept, Layout**  
adesso AG

**Photographer**  
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