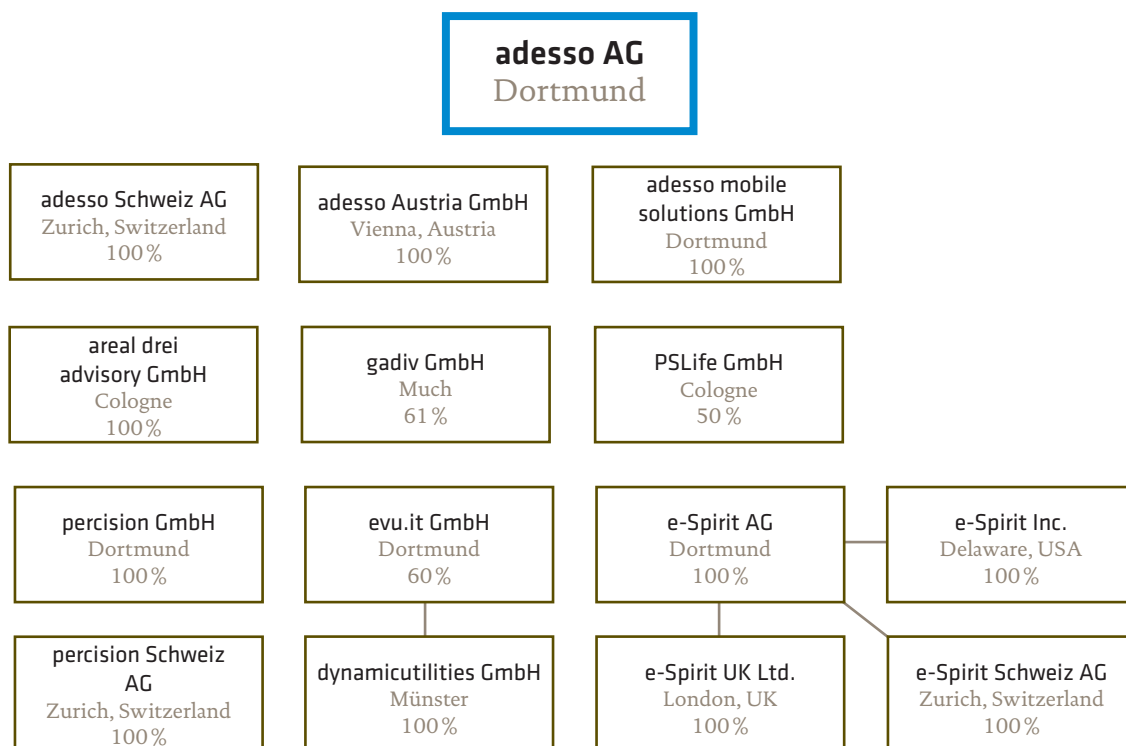


Investments turn into novations

Locations



Companies in adesso Group



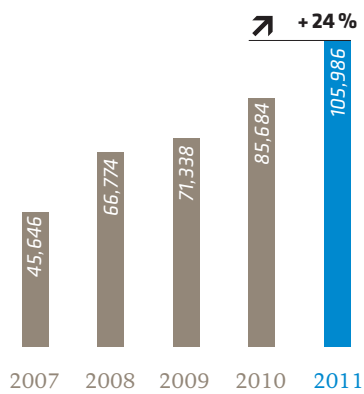
Content

Foreword by the Executive Board	6
Investor Relations	8
Highlights 2011	14
Innovations	17
Consolidated Financial Statement	33
Management and Directors	40

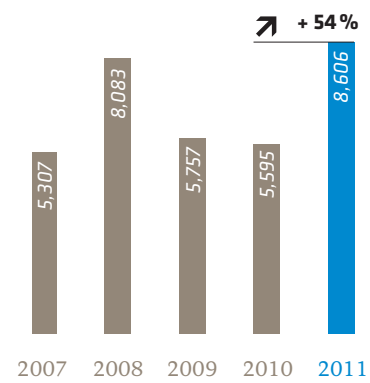
Key Figures

in EUR k	2011	2010	Change	in %
Profit situation				
Sales revenues	105,986	85,684	20,302	24
domestic	85,375	69,225	16,150	23
foreign	20,611	16,459	4,152	25
EBITDA	8,606	5,595	3,011	54
EBITDA margin (in %)	8.1	6.5	1.6	24
Consolidated earnings	3,911	2,492	1,419	57
Balance sheet				
Balance sheet total	69,850	62,320	7,530	12
Equity	34,368	30,902	3,466	11
Equity ratio (in %)	49.2	49.6	-0.4	-1
Liquid assets	22,491	17,021	5,470	32
Net cash position	17,706	10,169	7,537	74
Employees				
Employees (FTE)	847	729	118	16
domestic	752	647	105	16
foreign	95	82	13	16
Gross profit/Employees	118	112	6	6
Share				
Number	5,741,663	5,714,532	27,131	1
Price at the end of the period (in EUR)	6.30	5.39	0.91	17
Market capitalisation at the end of the period (in EUR m)	36.2	30.8	5.4	17
Earnings per share (in EUR)	0.72	0.42	0.30	74
P/E ratio	8.8	12.8	- 4.0	-31

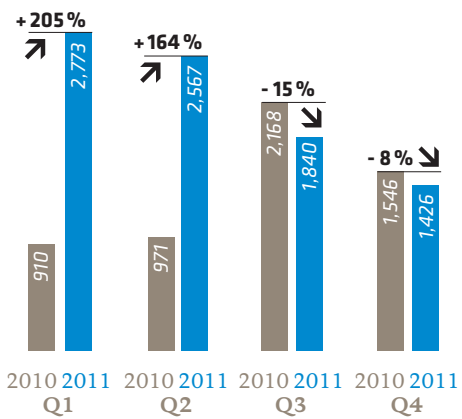
Growth in Sales
in EUR k



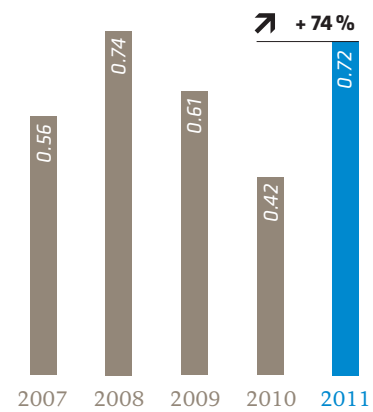
EBITDA Development
in EUR k



EBITDA Development (per quarter)
in EUR k



Earnings per Share
in EUR



Foreword by the Executive Board

Dear Shareholders, Employees and Friends of the company,

2011 was a particularly successful year for adesso. Sales exceeded the EUR 100 million mark for the first time; the operating margin rose and earnings per share jumped by 74 %. The share price climbed by 17 % while the TecDAX fell by 19 %.

We utilised the generally positive environment for IT companies to gain additional market shares, returning organic growth of more than 20 % to EUR 106 million. Expansion of the product business, in which record license and maintenance revenues were generated, was particularly successful. In addition to expanding existing business activities, we also developed what were for adesso new fields of business, such as expert resourcing and management consulting.

As announced here last year, we also strengthened adesso's profitability. We succeeded in this by increasing consultant and developer capacity utilisation, by adjusting the average daily rates at our customers, by modifying the cost structure, and by significantly increasing license revenues. The operating margin increased from 6.5 % in the previous year to 8.1 %. In keeping with the title of this Annual Report, we invested more than EUR 1 million in operating earnings in the development of the solution dynamic.suite for energy and water management, for which regulatory requirements indicate a promising time frame. Unpleasantly the margin declined during the course of the year due to capital utilisation fluctuations and restructuring in Austria.

The pleasing earnings performance prompted us and the Supervisory Board to increase the proposed dividend payment by 20 % to EUR 0.18 per share.

People drive innovation. In 2011, adesso created more than 100 new jobs in the race to attract the best employees. Headcount as of the end of the year increased by 16 % to 847. adesso was recently once again named as one of the best employers in Germany. Investments need financing. We have an excellent basis for this in the form of a solid balance sheet structure and more than EUR 22 million in cash and cash equivalents. We are full of ideas on how to further develop adesso and will expand the portfolio by completing one or more strategic company acquisitions. Notwithstanding substantially higher investments in dynamic.suite, we are aiming for organic growth of EUR 110 to 112 million in 2012 and earnings before tax of EUR 5 million.



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

Dear shareholders, thank you very much for your faith in our company and our work. We would like to thank our employees for their great commitment, creativity and enthusiasm for our company as these are the people who have once again voted adesso to one of the best employers. We would like to extend special thanks to our clients for their trust in our company. We will continue to invest in innovations so that you continue to see adesso Group as your partner of choice.

Dortmund, March 2012

The Executive Board

A blue ink signature of Michael Kenfenheuer, written in a cursive style.

Michael Kenfenheuer

A blue ink signature of Dr. Rüdiger Striemer, written in a cursive style.

Dr. Rüdiger Striemer

A blue ink signature of Christoph Junge, written in a cursive style.

Christoph Junge

Investor Relations

The Share

The Trading Year 2011 – General Conditions

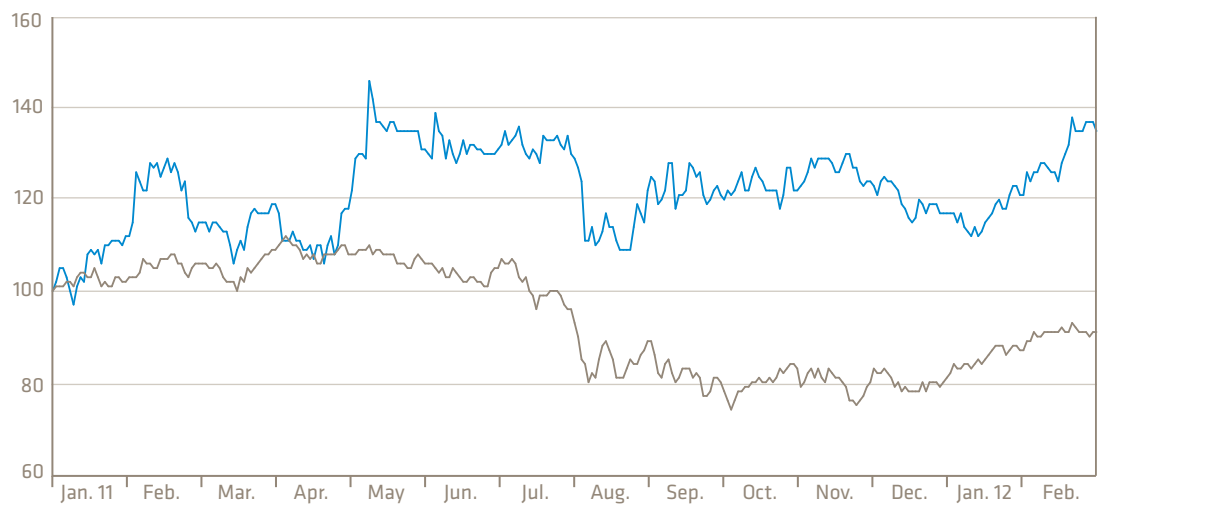
2011 was a turbulent year for stock exchanges around the world. This was mainly due to continuing uncertainties surrounding the EU debt crisis as well as the terrible earthquake in Japan and the subsequent Fukushima nuclear reactor disaster. Although Germany's real economy remained stable with positive business figures, the DAX dropped by 15 % in just one year to 5898 points. The MDAX and TecDAX also suffered significant losses (MDAX: -12 %; TecDAX: -19 %). Some companies' medium-term growth forecasts had to be revised sharply downwards in the second half of the year. This happened despite the fact that central banks had kept the base rate at a historically low level to stabilise the economy. Although this means that money is "cheap", the fear concerning the as yet unforeseeable effects of the multi-billion euro bailout to avert impending state bankruptcies remains great. In addition, the natural disaster in Fukushima and, to a certain extent, the renewed unrest in the Arab world in 2011 also showed just how interlinked the world's financial and capital markets are. This was expressed in investors' uncertainty and continuing fears of inflation, which pushed the gold price to a new record high of USD 1,909 at the end of August. While the Nikkei and Euro Stoxx 50 both fared worse than the DAX in 2011, both falling by 18 %, the Dow Jones closed the year up 6 % on the previous year thanks to a positive outlook for the US economy.

Development of the adesso Share

Despite the difficult stock market environment in 2011, the adesso share performed well and significantly outperformed the DAX, MDAX and TecDAX. The year got off to a positive start after the share initially hit its annual low of EUR 5.22 on 10 January with low sales. Investor expectations that adesso could surpass the lowered forecast in the second half of the year – due to a strong second half of 2010 – almost certainly played a role in the share price rising by 18 % from its lowest point. The share price on 16 February 2011 was up 29 % against the 2010 closing price due to the high trade volume resulting from an investor conference on 3 February. The end of this boost in demand, as well as renewed market uncertainty resulting from

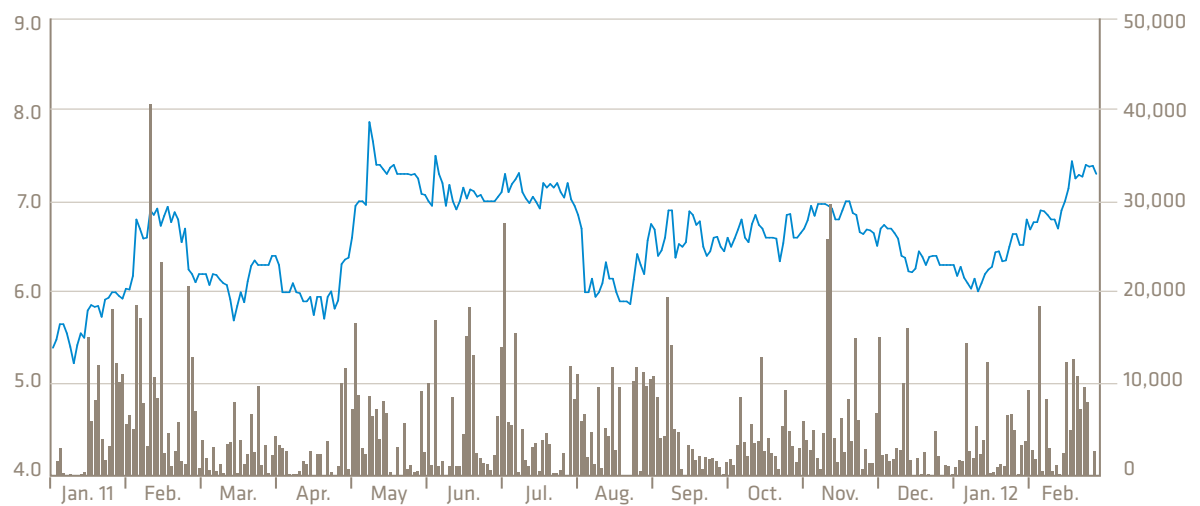
the crisis in Libya and the rise in energy prices, consequently led to the transfer of a good portion of the profits. Pressure was put on stock markets worldwide following the terrible earthquake and the damage caused by the tsunami in Japan. Prices dropped sharply in the space of a few days, not least due to the impending catastrophe at the Fukushima nuclear power plant. The adesso share fell to EUR 5.69. The German stock market quickly recovered thanks to positive results being announced by German companies, from which adesso also profited. adesso's share price climbed to EUR 6.40 on the day the figures for 2010 were published. Despite low trading volumes, the share then largely trailed the general market trend until the volume climbed considerably following the Entry and General Standard Conference held in Frankfurt at the beginning of May. The share price climbed by 11 percentage points in just a few days and then jumped by another 17 percentage points to an annual high of EUR 7.87 following the publication of the business figures for the first quarter of 2011 on 11 May. This corresponds to an increase of 46 % since the beginning of the year. The record result generated in the first quarter of the year played a key role in this trend. adesso was also able to confirm that the measures announced in the Annual Financial Statements to improve earnings performance are proving to be a success, recording an EBITDA margin of more than 10 %. Profit taking then caused the share price to fall back down to EUR 7. Further share price developments essentially corresponded to that of the overall market, although adesso's share price level at the end of the year was up 30 percentage points on the index. The developments surrounding Greece's looming insolvency as well as the discussion on the structure of bailout measures exerted great influence on the volatile market. However, the vast sums provided only reassured investors temporarily. Doubts on whether the EU debt crisis could be overcome grew after another bailout in the amount of EUR 109 billion was provided for Greece in the second half of July, especially as discussions arose as to whether Portugal, Spain and Italy may also need additional aid. Fears of a recession grew given poor economic prospects. The DAX dropped by around 20 % in just nine trading days, and then fell by a further 10 percentage points in the first half of September. Initially, the adesso share was also sucked into this downward

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



spiral, but then outpaced the market at the end of August thanks to positive half-year figures, including an upgraded forecast and an investor roadshow in September.

The final quarter of the year remained volatile. Stock markets climbed and fell in response to bailout plans and reactions from Greece. Given an environment shaped by ongoing uncertainty, adesso remained committed to its forecast for the full year by publishing positive nine-month figures on 11 November based on what the company expected to be a slightly weaker third quarter and what is traditionally a volatile end to the year in the product segment. Despite positive talks held at two additional capital market conferences, the forecasted decline in growth in 2012 resulted in a 12 percentage points drop in profits since the start of the year. The share closed the year at EUR 6.30. adesso's market capitalisation increased considerably from EUR 30.8 million in 2010 to EUR 36.2 million at the end of 2011.

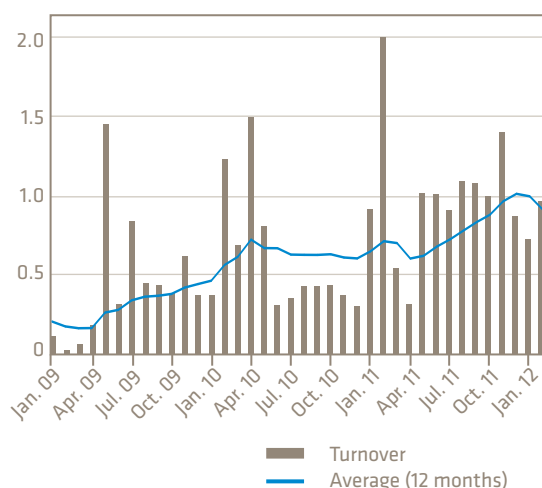
Interest in the adesso share also grew further. At EUR 12.1 million, the implemented trading volume was up 67 % on 2010. With growth of 130 %, liquidity based on stock market sales was more than double that in 2009. The largest volume of approximately EUR 2 million in stock market sales was generated following the investor conference in February 2011. An average of 7,155 shares changed hands each and every trading day, up 48 % on 2010. While an average of 153,233 adesso shares was traded per month, trading in both February and November 2011 was much higher (301,735 and 205,206 respectively). March and April were the only two months in which fewer than 100,000 shares were traded, with only 52,245 being traded in April. As in 2010, approximately 70 % of trades in 2011 were conducted using the Xetra trading platform.

adesso AG continued its encouraging share price trend at the beginning of 2012. After stock market uncertainty gave way to a more optimistic view for 2012 at the beginning of the year, the share has been trending upwards since mid-January. Based on the year-end closing price, the adesso share climbed by 16 % as of the end of February, up 3 percentage points on the TecDAX.

Capital Measures

The share capital rose by 0.5 % in the reporting period from EUR 5,714,532 to EUR 5,741,663 after stock options from the company's stock options programme were exercised. The share capital initially rose by EUR 20,147 in July and increased by a further EUR 6,984 in September.

Development of Liquidity
in EUR m



Dividends

The General Meeting held on 31 May 2011 approved the proposal by the Executive Board on the appropriation of net income and distributed a dividend of EUR 0.15 per share. This corresponds to a payout ratio of 34 % based on consolidated net profit. The dividend was credited to shareholders' custodian accounts from 1 June. The dividend yield amounted to 2.8 % based on the 2010 closing share price.

Shareholder Structure

The largest shareholder of adesso AG with 29.8 % of the voting rights is Prof. Dr. Volker Gruhn, who holds his share indirectly via the Setanta GmbH investment company. Professor Gruhn is co-founder and Chairman of the Supervisory Board of adesso AG. The Executive Board of adesso AG also held 21.3 % of the company's share capital until the resignation of Rainer Rudolf on 30 September 2011. Since 1 October 2011, the Executive Board has held 1.7 % of the shares. As co-founder of adesso AG, Rainer Rudolf holds the second-largest amount of voting rights at 19.6 %. 78.6 % of the assigned voting rights and therefore the majority is held by private investors. A further 2.3 % 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 Deutschen Börse AG, the free float is 38.3 %, which represents a 0.2 percentage point increase over the value of 38.1 % in the previous year. This is due to options from the company's stock options programme being exercised.

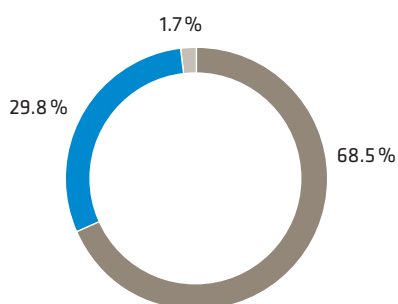
The following table shows the most important share data for 2010 per quarter:

Share Data

	Q1	Q2	Q3	Q4	2011
Price at the end of the quarter	6.40	7.00	6.45	6.30	6.30
Development in 2011 (in %)	19	30	20	17	17
Development of TecDAX in 2011 (in %)	9	5	-22	-19	-19
Highest price in EUR	6.94	7.87	7.31	7.00	7.87
Lowest price in EUR	5.22	5.71	5.87	6.22	5.22
Volatility (90 days at the end of the quarter in %)	39.9	40.1	42.7	34.3	34.3
Trading volumes in shares per trading day	8,557	5,366	7,006	7,667	7,155
Trading volumes in EUR per trading day	53,666	36,406	47,923	50,799	47,198
Number of shares	5,714,532	5,714,532	5,741,663	5,741,663	5,741,663
Market capitalisation in EUR million	36.6	40.0	37.0	36.2	36.2

Shareholdings

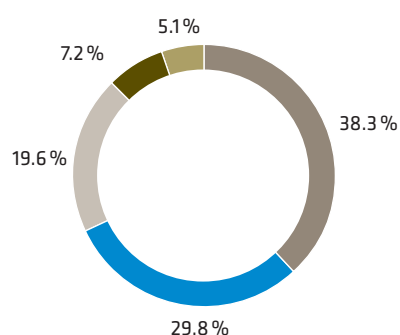
in %



- Supervisory Board
- Executive Board
- Other

Shareholder structure

in %



- Prof. Dr. Volker Gruhn* (Setanta GmbH) 29.8 %
- Rainer Rudolf 19.6 %
- Ludwig Fresenius 7.2 %
- Michael Hochgürtel (MIH GmbH) 5.1 %
- Freefloat 38.3 %

* Supervisory Board (Head)

Investor Relations Activities

Our investor relations activities are dedicated to active communication and ensure that our business activities are transparent. 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 roadshows. We organised our first ever roadshow with investor meetings in Paris in September 2011. We also took advantage of numerous investor conferences to present adesso AG and enhance our contact to the capital market.

We presented adesso AG at the German Equity Forum in Frankfurt for the first time ever, a privilege usually only granted to companies listed in the Prime Standard. The company was also presented at the Entry and General Standard Conference in Frankfurt as well as three other conferences and investor events in Germany. In addition, we 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. The menu item “Questions for the CFO” is a service that 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 individuals and companies have already registered to 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 is now once again analysed regularly by a bank’s research department. Updates to analyst studies are offered on the adesso website. The financial calendar for 2012 once again

Basic share data

ISIN Code	DE000A0Z23Q5
WKN (national security identification number)	A0Z23Q5
Symbol/Code	ADN1
Reuters Instrument Code	ADNGk.DE
Bloomberg Symbol	ADN1:GR
First day of trading	21.06.2000
Trading platforms	Xetra
Market segment	General Standard
Number of shares	5,741,663
Currency	EUR
Nominal value	No-par bearer shares, mathematically 1.00 €
Share capital	5,741,663 €
Voting rights per share	1
Index	CDAX, DAXsector All Software, DAXsubsector All IT-Services, General All-Share, General Standard Index, NRW-MIX 50
Reporting standard	IFRS
End of financial year	31.12.

	2011	2010
Number of shares at the end of the year	5,741,663	5,714,532
XETRA closing price at the end of the year (EUR)	6.30	5.39
Market capitalisation at the end of the year (EUR million)	36.2	30.8
Earnings per share (EUR)	0.72	0.42
Cashflow per share (EUR)	1.77	0.74
P/E ratio	8.8	12.8
Price/cash flow ratio	3.6	7.3
Dividend per share	0.18	0.15
Return on dividend	2.9%	2.8%

plans for an increase in the number of investor conferences. Zurich will also be represented on the agenda for the first time as yet another interesting market.

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 has been rated regularly by the Hauck & Aufhäuser Institutional Research since April 2011 using studies and updates. Coverage was taken over as a basis for cooperation with Hauck & Aufhäuser Privatbank, which has been advising adesso on access to institutional investors and high net-worth individuals since March 2011. The last update is dated 9 March 2012. At that time, the analyst recommendation was a “buy” with a price target of EUR 14.00.

Since the beginning of 2011, trading of the adesso share has been supported by Close Brothers Seydler Bank AG, the designated sponsoring market leader.

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Fax +49 231 930-9331
ir@adesso.de

Recommendations

Date	Subject/Recommendation	Evaluation	Source
2012-03-14	adesso radiates optimism	Old subscribers (+16% since 16.2.11) trace stop at 6,10 EUR. New readers wait.	Platow Brief
2012-03-09	Buy	Price target: 14.00 €	Hauck & Aufhäuser Institutional Research GmbH
2011-10-31	A combination of a dynamic operative performance and a solid bottom line explains the company's excellent stock price potential.	-	gevestor.de
2011-10-06	It becomes clear upon sober reflection that the valuation assigned to the IT service provider – which has a 2011e P/E ratio of 7, a price-to-book ratio of 1.15 and a dividend yield of at least 4.6 per cent – is so modest that the prospects of higher prices are vastly higher than the risks to potential investors. [...]	-	Nebenwerte Journal
2011-09-06	Favourite of The Day: adesso Entices with P/E Ratio	Buy: Target: 8 € / Stopp: 5.29 €	Börse Online
2011-05-17	adesso is one of 18 second-tier stocks boasting a favourable forecast.	-	Frankfurter Allgemeine Zeitung
2011-02-10	adesso Suited as Conservative Stock Account Addition	-	Effecten Spiegel

Highlights 2011

January

The Volume of Sales with Trade Fair Customers Tops the Million Mark

adesso has developed a good positioning as a trade fair market IT service provider by gaining trade fair companies in Berlin, Essen, Hanover, Karlsruhe, Cologne, Leipzig and Munich as customers. adesso announced in January that the previous year's sales in this sector topped the million mark for the first time ever. The success is emphasised by the launch of the new Hanover trade fair portal at the beginning of 2011. adesso is developing a standard platform for Deutsche Messe AG, which will allow the company's future trade fair online presentations to be realised online.

March

Takeover of dynamicutilities GmbH

Münster-based software company dynamicutilities will join adesso Group after being acquired by adesso subsidiary evu.it. The company acquisition is part of adesso's growth strategy to expand the product business. The promising product family "dynamic.suite" is therefore being developed for municipal energy and water management.

Major Order from Barmenia Lebensversicherung

adesso AG receives a major order in the upper single-digit million range to redevelop a portfolio system for Barmenia Lebensversicherung. The order enables adesso to get a foothold in the life insurances segment and allows the company to develop its own industry solution. This is a joint project with consulting company Beltios GmbH, with which adesso founded the PSLife subsidiary to develop and market the future solution.

May

New Record for the First Quarter of 2011

adesso can announce a record-breaking start to 2011 when it publishes the interim report for the first half of the year. Sales and the operating result reach new record highs. More than 70 % of the total earnings per share for 2010 have already been generated in the first three months of 2011. Demand for adesso IT services and software solutions was high in the first quarter and business activities performed well across all divisions, industries and regions.

June

adesso Again Distributes Dividends

Pursuant to a resolution by the General Meeting, adesso distributes a dividend to its shareholders at the beginning of June for the second time since 2010. adesso is thereby pursuing its chosen policy to allow shareholders to participate in the company's success by receiving dividends, insofar as a "sound financial position" and "achieving strategic growth targets" permit.

New drebis and in|VALUE Solutions are Developing Well

The "drebis" solution, developed by adesso for structured claims management between law firms and legal expenses insurance companies, has become the standard solution one year after it was launched: drebis has a market share of some 60 % in automated claims communication being used the majority of legal expenses insurers and more than 6,000 affiliated law offices. adesso is also launching in|VALUE, its own industry solution for asset managers and private banks.

August

Half-year Figures/Raised Forecast

In light of the positive market environment, adesso also continues its strong development in the second quarter reaching new sales and operating result highs. Given the excellent first half of the year, adesso raises its sales forecast for 2011 to more than EUR 100 million despite a weaker-expected second half of the year (previously: EUR 92 - 95 million). The EBITDA forecast is being increased, from EUR 6.2 - 6.5 million to EUR 7.5 - 8.0 million.

September

Subsidiary e-Spirit AG on Steep Growth Path

It looks like the adesso subsidiary e-Spirit AG will have a record year. The order intake of Media Markt and Saturn will be announced in September. Europe's largest electronics specialist chains are using the content management system FirstSpirit for implementing their new e-commerce websites. Also in September, the foundation will be laid for further e-Spirit growth in the USA. In Delaware, the subsidiary e-Spirit Inc. is established with headquarters in Boston. From the new US site, e-Spirit aims to tap the US and Canadian markets.

Successful Recruiting: adesso Employs Over 800 People

adesso is an attractive employer and as such manages to meet and successfully implement its strategic recruiting targets in the face of the ongoing shortage of qualified professionals in the sector. adesso welcomes its 800th employee in September; its workforce therefore has increased by 10 % since the beginning of the year. An additional 47 IT specialists will be hired by the end of the year, meaning that adesso will have increased its 2011 team by a total of 16 % to account for large demand.

November

adesso is one of Germany's Fastest-growing Technology Groups

On 3 November 2011, adesso AG is honoured for 626 % growth in five years by the renowned Deloitte Technology Fast 50 Award in Frankfurt. Every year, Deloitte gives this award to the fastest-growing technology groups for their entrepreneurial efforts. The companies positions are based on their percental sales growth in the past five years, from 2006 to 2010.

Opening Ceremony for the 10th adesso office in Stralsund

On 15 November 2011, adesso officially opens its 10th office, a development site, with an opening event at the Stralsund Ozeaneum, Europe's no. 1 museum in 2010. 130 guests from the worlds of business, science and politics as well as employees and managers celebrate the opening. Within a short space of time, adesso already has hired more than 10 employees and is creating further jobs for the region.

e-Spirit is Included in the Gartner Magic Quadrant for Web Content Management

e-Spirit is listed for the first time in the Gartner Magic Quadrant for Web Content Management, not least because of its continuously growing market share and international success. The integration approach of the product FirstSpirit as well as its enormous growth convinces leading analysts. The Magic Quadrant lists internationally active companies according to their orientation and market share within four segments. It is an important benchmark for many companies around the world when it comes to selecting a new software product.

Investments Turn into **Innovations**

Innovations are essential for creating competitive advantages as a basis for consequent growth and long-term business success. adesso purposefully invests in innovations. Each year, adesso makes decisions that aim at building a sustainable future for the company. Investments are not only made in the form of money, but also by providing scope for development and by having visions, courage and commitment. Read on to find out which investments and innovations particularly have moved us in 2011.

Newly **Established Companies**

adesso establishes three new companies in 2011 and positions them in the market: areal drei advisory GmbH, percision GmbH and PSLife GmbH tap new services and customer segments for adesso and are already contributing considerably to the company's business performance. areal drei advisory is developing management consultancy services for the top decision makers in both corporations and large SMEs. By improving customer access, adesso aims to get involved as early as possible in projects on the planning horizon, among other things. percision sources external IT specialists for customers looking for temporary staff for their projects but do not require an all-in-one solution. adesso will target its efforts at developing and expanding this important and price-sensitive market. PSLife develops and sells a standard software solution for life insurance companies. These new activities will be pursued further in 2012 - the development of percision Switzerland is already under way.





New Countries

In line with its growth strategy, adesso focuses on increasing internationalisation, especially in terms of its product portfolio. In 2011, adesso invested in expanding its operating range for the marketing of the FirstSpirit content management system by developing another foreign e-Spirit location in Boston. This success has already allowed adesso to win a major US retail chain as a customer. One location had already been opened in London in 2007. These investments will gradually develop new sales markets and increase brand recognition. 2011 saw the first South African customer won for FirstSpirit. In France, adesso assisted retail marketing group Altavia in launching European-wide campaign management for petrol station marketing products and provided Fives Group with a platform for internal corporate communications. More activities are planned for 2012: e-Spirit and percision are each establishing a Swiss subsidiary. Sales activities in Scandinavia are also expected to result in the region's first e-Spirit customers.

New Products

adesso continuously develops its product portfolio on the basis of in-depth industry expertise and experience gathered from numerous software projects. In acquiring dynamicutilities GmbH, adesso gained a promising product family for the municipal energy and water supplier segment and continues its product development. adesso is developing a new standard solution for life insurance contract management in the form of PSLife and founded the PSLife GmbH joint venture to develop, sell and launch the product. in|VALUE has also been presented as a solution for asset managers and private banks. A number of sales have already been made. The market shares of the established FirstSpirit and in|MOTION products were increased. Both products make significant profit contributions to the solutions business.







New **Methods**

Since 2011, adesso has provided its customers with a completely new way of realising software projects. The “adVANTAGE” process model takes into account that a highly detailed catalogue of requirements is seldom provided as a basis for reliable cost estimates before a project begins, and that requirements or priorities can sometimes change during the course of the project. Although new agile methods can deal better with changes, they ignore budget security. adesso offers a solution for this dilemma by investing in the development of its own agile and value-based process model. A list of requirements prioritised at the beginning of the project is then worked through in iterations (“sprints”) and at agreed daily rates. The only thing customers are charged for in a sprint is that which is implemented to their satisfaction. Unresolved requirements are then carried over to the next sprint. Significantly reduced daily rates are charged for any required work that exceeds the amount calculated prior to the start of the project. This combines the advantages of flexible software development with the cost transparency and planning security of a fixed-price project.

New Colleagues

Competition for specialists and executives has continued to heat up. In order to achieve its own growth targets, adesso, as an employer, is required to aggressively market its strengths, conduct active recruitment and engage in attractive personnel development. The success of this is demonstrated by an impressive annual headcount increase of 15 percent since 2007. Although the efforts for recruitment in 2011 were already very high, it was topped once again by making additional Human Resources investments. adesso has invested in developing a junior executives program following the development of the “AAAjobs” employer brand and the setting up of an innovative job portal. Another new feature is the time accounts option enabling employees to take longer breaks after challenging project assignments, as well as the option to create greater flexibility for individual working life planning. According to the “Great Place to Work® Institute Deutschland” survey conducted in 2011, adesso once again belongs to the best employers in Germany in 2012.





New **Functionalities**

In order for software products to be successful in the long term, developments have to take into account user requirements, sales opportunities and technical possibilities. Software is innovative if it adds value. This is why software competes even with previous versions from the same company. As shown at CeBIT, the new FirstSpirit version (version 5), which will be released in autumn 2012, will live up to high expectations. The new version saw significant investments made in product development: It is easier to use, enables live updating for social media solutions, and (web) apps can be integrated via the FirstSpirit AppCenter. A new release of inIMOTION will also be launched in 2012. The product is already being used in more than 180 projects as the standard to develop mobile portals, web applications and hybrid apps. Version 3.0 sets the stage for the expansion of partner sales with web agencies and allows system integrators to “accelerate growth”. inIMOTION Push Manager also targets the growing mobile marketing market.

New **Locations**

Although it seems as though digital networking has made the globalised world smaller, there is no substitute for direct conversation. adesso communicates closely with its customers to find solutions for often complex local problems. The opening of the ninth adesso office in Stuttgart in 2010 proved to be a good starting point for further positioning in this key economic region. In 2011, adesso invested in the establishment of its tenth office in Stralsund and opened another development facility. In cooperating with Stralsund's University of Applied Sciences and grass-roots commitment, adesso shows that creative solutions can be used to address a shortage of specialists. In Mecklenburg-West Pomerania, adesso wants to position itself as a new employer, attract qualified staff and bring sophisticated software development projects to the region. The company's plans include developing a specialist software testing unit and taking over the maintenance of software applications that have already gone live.



Consolidated Financial Statement

Consolidated Financial Statement	33
Consolidated Balance Sheet	34
Consolidated Income Statement	36
Consolidated Statement of Comprehensive Income	36
Consolidated Cash Flow Statement	37
Consolidated Shareholders Equity Statement	38

Equity and liabilities in EUR k		31 Dec. 2011	31 Dec. 2010
Current liabilities			
Financial liabilities		2,236	2,173
Trade accounts payable		6,213	3,547
Liabilities PoC		1,992	2,224
Liabilities from income taxes		1,299	398
Provisions		1,486	1,466
Other current liabilities		16,035	14,113
		29,261	23,921
Non-current liabilities			
Financial liabilities		3,642	5,486
Pensions and similar liabilities		575	528
Provisions		501	320
Other non-current liabilities		135	2
Deferred tax liabilities		1,368	1,161
		6,221	7,497
Equity			
Subscribed capital		5,742	5,715
Capital reserve		11,398	11,071
Other retained earnings		12,531	11,018
Reserve for currency conversion		524	414
Consolidated earnings		3,911	2,492
Minority share		262	192
		34,368	30,902
Total equity and liabilities		69,850	62,320

Consolidated Income Statement of adesso Group for the period 1 January to 31 December 2011 according to IFRS

in EUR k	31 Dec. 2011	31 Dec. 2010
Sales revenues	105,986	85,684
Other operating income	1,703	1,350
Own work capitalised	910	0
Total income	108,599	87,034
Costs of material	-13,292	-9,422
Personnel costs	-65,454	-54,604
Other operating expenses	-21,247	-17,413
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	8,606	5,595
Depreciation on property, plant and equipment	-2,037	-2,934
Amortisation of goodwill	-1,417	0
Earnings before interest and taxes (EBIT)	5,152	2,661
Income from investments	27	14
Interest income and similar income	178	190
Interest expenses and similar expenses	-355	-407
Income from ordinary activities (EBT)	5,002	2,458
Income taxes	-1,091	34
Consolidated earnings	3,911	2,492
of which attributable to minority interests	-235	115
of which attributable to shareholders of adesso AG	4,146	2,377
Number of shares at the end of the financial year	5,741,663	5,714,532
Diluted and undiluted earnings per share (in EUR)	0.72	0.42

Consolidated Statement of Comprehensive Income

in EUR k	31 Dec. 2011	31 Dec. 2010
Actuarial gains and losses	-32	-17
Deferred taxes	10	5
Total	-22	-12
Measurement of financial instruments	-9	-33
Transferred to the income statement	27	52
Deferred taxes	-6	-6
Total	12	13
Currency translation differences	110	275
Net profit	3,911	2,492
Total income	4,011	2,768
of which attributable to shareholders of the parent company	4,246	2,654
of which attributable to other shareholders	-235	114

Consolidated Cash Flow Statement of adesso Group for the period 1 January to 31 December 2011 according to IFRS

in EUR k	31 Dec. 2011	31 Dec. 2010
Earnings before tax	5,002	2,458
Income from financing and investment activities	150	203
Depreciation and amortization on property, plant and equipment and intangible assets	3,454	2,934
Expenses from the disposal of property, plant and equipment	-4	-2
Non-cash income	244	64
Change in pension provisions	47	31
Change in other provisions	64	-127
Tax payments	-230	-1,248
Change to net operating assets	1,461	-104
Cash flow from operating activities	10,188	4,209
Disinvestments of property, plant and equipment	23	9
Disinvestment of intangible assets	16	0
Change in cash and cash equivalents from initial consolidation	58	139
Payments for investments in property, plant and equipment	-995	-669
Payments for investments in intangible assets	-978	-52
Cash flow from investment activities	-1,876	-573
Dividend payments	-902	-927
Capital increase	135	0
Repayment of liabilities from finance leases	0	-13
New liabilities to banks	0	2,154
Repayment of financial liabilities	-2,049	-5,068
Interest paid	-222	-330
Interest received	150	150
Cash flow from financing activities	-2,888	-4,034
Currency differences	46	79
Change in cash and cash equivalents	5,470	-319
Cash and cash equivalents at the beginning of the period	17,021	17,340
Cash and cash equivalents at the end of the period	22,491	17,021

Consolidated Shareholders Equity Statement as of 31 December 2011

in EUR k	Share capital	Capital reserves	
01 Jan 2010	5,715	10,995	
Share-based compensation	0	76	
Effects from non-consolidated subsidiaries	0	0	
Other results at the end of the financial year	0	0	
Consolidated result	0	0	
Total	0	0	
Dividend payment	0	0	
31 Dec 2010	5,715	11,071	
Share-based compensation	0	219	
Increase in share capital by exercises of stock options	27	108	
Effects from first-time consolidated subsidiaries	0	0	
Other results at the end of the financial year	0	0	
Consolidated result	0	0	
Total	0	0	
Dividend payment	0	0	
31 Dec 2011	5,742	11,398	

Other results of the financial period

	Currency trans- lation differences	Derivatives	Retained ear- nings / Balance Sheet Profit	Equity of adesso AG shareholders	Other shareholders	Total Equity
	139	-42	11,915	28,722	124	28,847
	0	0	0	76	0	76
	0	0	0	0	139	139
	275	13	-11	277	-1	276
	0	0	2,377	2,377	115	2,492
	275	13	2,366	2,654	114	2,768
	0	0	-857	-857	-70	-927
	414	-29	13,424	30,595	307	30,902
	0	0	0	219	0	219
	0	0	0	135	0	135
	0	0	3	3	0	3
	110	12	-22	100	0	100
	0	0	4,146	4,146	-235	3,911
	110	12	4,124	4,246	-235	4,011
	0	0	-857	-857	-45	-902
	524	-17	16,694	34,341	27	34,368

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. In the Executive Board of adesso he is furthermore in charge of the adesso shareholdings e-Spirit AG, evu.it GmbH and gadiv GmbH. 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 co-ordinating 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, Administration and Legal Affairs. 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.

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 of Swiss Post Solutions GmbH and is a Senior Advisor at Droeger & 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.

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Finance Calendar 2012

Date	Event
2012-02-02	Small & Mid Cap Conference of Close Brothers Seydler Bank AG, Frankfurt/Main
2012-03-22	WGZ BANK Small Cap Konferenz, Düsseldorf
2012-03-30	Publication of the 2011 annual report, financial press/analyst conference, Dortmund
2012-05-08	Entry and General Standard Conference of Deutsche Börse AG, Frankfurt/Main
2012-05-15	Interim announcement of the group within the 1st half-year
2012-05-23	13th MKK – Münchner Kapitalmarkt Konferenz, Munich
2012-05-30	Regular ASM, Dortmund
2012-08-28	Publication of the 2012 half-year figures
2012-09-26	2nd ZKK – Zürcher Kapitalmarkt Konferenz, Zurich
2012-11-13	Interim announcement of the group within the 2nd half-year

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