Skills are our Assets

Annual Report 2002/2003

Amadeus AG

An Overview
Amadeus Group Financial Summary

Amounts in EUR k	2002/2003	2001/2002	Divergency in %
Sales Revenues	**61.558**	**68.916**	**-10,7**
Gross Profit on Sales	**23.236**	**27.278**	**-14,8**
Gross profit margin in %	37,7	39,6	
EBITDA	**5.784**	**9.986**	**-42,1**
EBITDA margin in %	9,4	14,5	
EBITA	**4.517**	**8.764**	**-48,5**
EBITA margin in %	7,3	12,7	
EBIT	**3.153**	**7.355**	**-57,1**
EBIT margin in %	5,1	10,7	
Profit before Tax	**3.558**	**8.093**	**-56,0**
PBT margin in %	5,8	11,7	
Net Earnings	**1.801**	**4.319**	**-58,3**
Net earnings margin in %	2,9	6,3	
Balance Sheet Total	**33.633**	**41.092**	**-18,2**
Stockholders' Equity	**24.403**	**24.783**	**-1,5**
Return on Equity before Tax in %	**14**	**38**	
Cash	**13.961**	**18.755**	**-25,6**
Net Cash from Operating Activities	**2.871**	**3.669**	**-21,7**
Net Cash from Operating Activities per Share	**0,55**	**0,70**	
Earnings per Share	**0,34**	**0,83**	**-59,0**
Average number of shares undiluted	5.260.342	5.211.731	
Earnings per Share diluted	**0,32**	**0,77**	**-58,4**
Average number of shares diluted	5.553.011	5.568.119	
Dividend per Share	**0,42**	**0,42**	**0,0**
Average Number of Employees	**1.059**	**1.102**	**-3,9**

Content

To the shareholders and friends of our company

Günter Spahn,
CEO & Chairman
of the Board

Dear Ladies
and Gentlemen,

The economy continued to be extremely strained in the past year, with no sign of the widely predicted upswing. Through extensive changes to the Personnel Leasing Act (AÜG), the legislator lifted outdated restrictions on the staffing services industry. A particularly relevant aspect for us is the legislator's intention to raise public acceptance of the staffing services industry by making it compulsory for staffing services companies to grant temporary staff employed from January 1, 2004 onward equal pay and equal treatment in line with the conditions their clients offer to their own employees. Staffing services companies which apply new collective agreements to be negotiated with the unions will not be required to comply with this obligation. We too, welcome deregulations and the goal of raising public acceptance of our industry. The obligation to adjust employment conditions or to enter into collective agreements will increase the cost of temporary staffing significantly, especially for employees with lower qualifications.

But how will all this affect Amadeus AG? Our position as a specialist staffing services company means that we are much less affected by collective agreements or the equal pay/equal treatment obligation, as our employees have always received salaries in line with the market.

However, we have to bear in mind that our focus on business professionals and executives and on accounting and finance means that a cyclical downturn affects us later in the cycle, so the limited growth in GDP is reflected in the performance of our business. Nevertheless, we have been much less affected than the industry as a whole and were even able to build further on our indisputable market leadership in accounting and finance staffing services.

We do not expect any positive economic development in fiscal year 2003/2004. There will be little or no growth in the economy, which will not relieve unemployment in any measure.

As an international company, Amadeus AG is tackling these difficult operating conditions and increasing costs in Germany with an optimization program to streamline our structures and processes and improve our competitiveness and profitability sustainably.

We will merge Amadeus AG and FiRe AG to pool their activities. Executive search services and personnel placement for management staff will be offered to clients across Europe under the name of Greenwell Gleeson Search & Selection, the branding of our subsidiary in the UK. This makes our organizational structure leaner, and gives us a defined image. Our palette of services is completed by Steuer-Fachschule Dr. H. W. Endriss, a renowned private training academy offering courses in accounting and finance.

Our specific positioning, our leading role on the market for accounting and finance staffing services and our complementary services put us in an excellent position. We stand to reap more from an upturn in the economy than our competitors and will build on our market position. We will also benefit in the long term from our strategic focus on highly-qualified services, as a shortage of qualified staff on the labor market is expected to result from the demographic changes in Germany.

We wish to express our particular thanks to all our employees for their professional dedication and skills and their commitment to the Company, all of which have helped the Company outperform the industry as a whole. We also wish to thank our advisory board for their constructive and positive work. To our clients and business associates, I wish to extend my warmest thanks for your support of and trust in Amadeus Group.

Yours sincerely,

Günter Spahn
CEO & Chairman of the Board

Report of the Supervisory Board

Gerd B. von Below, Chairman of the Supervisory Board

Dear Ladies and Gentleman,

In fiscal year 2002/2003, the Supervisory Board performed the tasks incumbent on it in accordance with the law and the articles of incorporation, and monitored the management of the Company. The Management Board reported to us in Supervisory Board meetings and we were also provided with oral reports on the position and development of the Company.

The Supervisory Board held six meetings in the fiscal year. During these meetings, we discussed the Company's business situation, strategic focus, opportunities for development and business risks in detail with the Management Board.

One focus of these meetings were the consequences for the risk management system in the Group and the requirements on the internal control system pursuant to the Law on Control and Transparency in Business (KonTraG).

The measures requiring approval by the Supervisory Board in accordance with the articles of incorporation and/or the law were passed.

The Supervisory Board consists of:
Gerd B. von Below, Bonn, Chairman
Georg Blinn, Bruchmühlbach, Vice Chairman
Hans H. Roolf, Oberursel
Hartmut van der Straeten, Wehrheim
Ulrike Bert, Aschaffenburg, employee representative
Axel Böke, Kriftel, employee representative

Ernst & Young Revisions- und Treuhandgesellschaft mbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft (formerly Arthur Andersen Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft mbH) appointed by the shareholders' meeting, audited the separate financial statements and management report of Amadeus AG Personal-Dienstleister und Solution Provider, prepared in accordance with German accounting regulations, and the consolidated financial statements and group management report for the period from April 1, 2002 to March 31, 2003, prepared in accordance with International Financial Reporting Standards (IFRS), and rendered an unqualified audit opinion thereon.

The relevant audit reports were available to the Supervisory Board when it met to discuss the financial statements. The auditors attended the meeting of the Supervisory Board and reported on the main findings of their audit of the financial statements, the corresponding management reports and the risk management system. The Supervisory Board took note of and approved the auditors' reports.

The Supervisory Board
- did not raise any objections following completion of its own review and concurred with the auditors' findings;
- approved the separate financial statements in its meeting on June 16, 2003; these are hereby ratified;
- approved the consolidated financial statements in the same meeting;
- approved the proposal by the Management Board regarding appropriation of retained earnings.

There were the following committees in fiscal year 2002/2003:
- Personnel Committee
- Accounting and Audit Committee

The General and Strategic Committee currently has no members. Its functions will be performed by the entire Supervisory Board until further notice. The Personnel Committee and the Accounting and Audit Committee each had one meeting.

During the past year, we kept abreast of the development of the German Corporate Governance Code. The articles of incorporation, operating procedures and business practices meet the requirements for the most part. The declaration of compliance including the two exceptions has been publicly available since December 12, 2002.

The term of office of the Supervisory Board members, who are elected by the shareholders' meeting, ends on the date of the shareholders' meeting which decides on the exoneration of the Supervisory Board for fiscal year 2002/2003. The current members of the supervisory board will stand for re-election at the shareholders' meeting.

The Supervisory Board wishes to thank the Management Board and employees for their extremely successful work, high level of commitment and the good results for fiscal year 2002/2003 despite the difficult economic environment.

We wish to express special thanks to our clients and shareholders for the trust they have placed in Amadeus AG and its group companies.

Frankfurt/Main, June 16, 2003
For the Supervisory Board

i.V.

Gerd B. von Below
Chairman of the Supervisory Board

Amadeus Group Structure

Group Management Report for Fiscal Year 2002/2003

General Economic Development

The economic situation at the moment is sobering, with the economy still languishing in a low that started three years ago. Since the summer of 2000, the economy has swung between recession and stagnation, with short bursts of subdued recovery. The upturn which many had hoped for in 2002 did not materialize, and Germany's GDP rose by a mere 0,2 per cent in real terms, according to the Federal Statistical Office. Economic growth in Germany therefore continued to lag far behind the rest of the eurozone. Economic conditions have not improved in the first three months of 2003. The GDP growth of 1 per cent for 2003 forecast by the German government has since been slashed to 0,5 per cent by leading economic research institutes in Germany. The OECD (Organization for Economic Cooperation and Development) cut its forecast for GDP growth in Germany to 0,3 per cent in April 2003.

Last year, the economy was propped up by the export trade, which grew by 2,9 per cent in real terms. Domestic demand remained weak, and fell by an average of 1,3 per cent over the year. The increase in public spending could not counteract the drop in investment levels and in consumer expenditure. The longer the economic slump continues, the greater the negative impact on the labor market. Over the second half of the year, the total number of people in employment fell by 240.000, twice the drop of the first six months. As a result of job cuts in the name of cost reduction and increasing efficiency, fewer job-creation schemes and limits on training, the rate of decline in the number of people in employment has increased considerably since the summer of 2002 and unemployment figures have risen once again. Unemployment rose from an annual average of 9,0 per cent in 2001 to 9,5 per cent in 2002 and 11,1 per cent as of March 31, 2003.

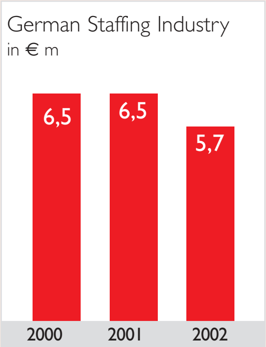
The German government has implemented labor market reforms. The Job AQTIV Act came into force in January 2002. AQTIV stands for action, qualifications, training, investment and placement. The key to actively promoting employment is to avoid unemployment and to find work for the jobless as quickly as possible. A new regulation on employee leasing has also been introduced, extending the lease period from twelve to twenty-four months. However, the employment conditions and pay must be adjusted to those of the lessee company from the thirteen month onward.

In spring 2002, the German government appointed the Hartz Commission to draw up proposals on tackling unemployment and restructuring the Federal Employment Agency. The Commission's key proposals included setting up personnel service agencies and job centers, the promotion of temporary employment, "Me Inc." self-employment and combating illegal work.

It was planned for unemployment to be reduced by 2 million by 2005 through these measures. However, key elements of the original Hartz plan have not been taken on board by the German government, or have been changed, so whether the labor market will be sufficiently stimulated is a matter of some doubt.

Markets

The staffing services industry grew at a great rate up to an including 2000, reaching a total market volume of around EUR 6,5b, at which level it stagnated in 2001.



Against the backdrop of the national elections in 2002, there was hardly any impetus to strengthen the economy from economic policy. The slow place of reform and uncertainty over the effects of the intensifying Iraq conflict crippled the economy.

The staffing services industry, which is cyclical, was not stimulated in any way by the average economic growth of 0,4 per cent p.a. over the last two years. Instead, it was hit hard by job cuts in German companies.

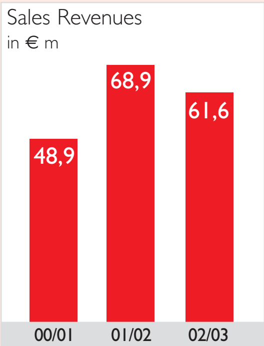
In 2002, the market for staffing services in Germany shrank by at least 15 per cent. This decline continued apace from January to March 2003.

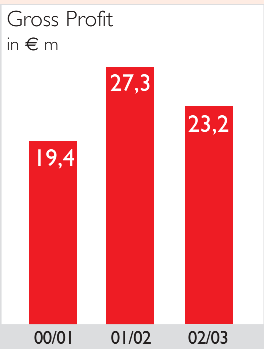
Finance, accounting and highly-skilled office roles, which are relevant for the Amadeus Group, had a total volume of approximatily EUR 900m, a 16 per cent share of the market. Recruitment consulting firms and employment agencies were hit by slumps of up to 35 per cent in revenue. The market for training in the fields of finance and accounting may be viewed as stable as tax law and international accounting standards are constantly being changed. The market for accounting and finance staffing services in the UK was severely affected in 2002 and is not expected to show any significant signs of recovery in 2003.

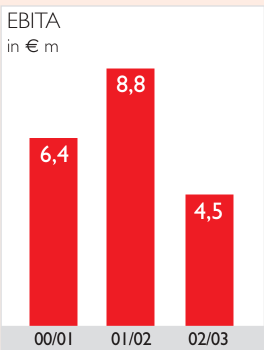
The staffing industry will change as a result of the laws passed further to the Hartz Commission proposals. From January 1, 2004 onward, the time limit on temporary staffing, the period within which a position may not be refilled, the ban on employment agencies leasing staff to a single company for the entire duration of their employment and the ban on fixed-term employment contracts will all be abolished. In addition, the key conditions of employment by an employment agency must be adjusted to those of the lessee company from the first day of the lease to ensure equal pay and equal treatment. This obligation may only be met by implementing a collective agreement accordingly. Negotiations on such an agreement are currently being held between employers' associations and unions. Temporary staffing is expected to become much more expensive for companies. Hourly charges for industrial workers and less-skilled commercial staff in particular are expected to rise by up to 30 per cent. Saleries for temporary employees with higher qualifications is already not far from the market rate, so the increase in hourly charges for these staff will be significantly lower.
Through the policy of equal pay and equal treatment, the conclusion of a collective agreement and the removal of employment barriers, staffing services companies will, for the first time be on the same level as other employers. This will improve the industry's image.

Market penetration in Germany is unchanged at 0,8 per cent, so there is strong potential for growth here in comparison to the rest of Europe.

The Amadeus Group specializes in business professionals and executives, and is extremely well-positioned particularly because it leads the market in the fields of finance and accounting. During the fiscal year, the Amadeus Group increased its market share in the occupations it covers by almost 6 per cent. FiRe AG, our subsidiary, strengthened its market leadership again, with a market share of some 17 per cent.







Business Development

For the first time in its history, the Group experienced a drop in revenues and profits in fiscal year 2002/2003. In the fiscal year, consolidated revenues amounted to EUR 61,6m (prior year: EUR 68,9m). This represents a drop of 10,7 per cent. Prior year revenues include proceeds of EUR 3,4m from the sale of Amadeus IT Consulting GmbH on March 27, 2002. Net of the proceeds from the sale of Amadeus IT, revenues fell by EUR 3,9m, representing a drop of 6 per cent. Over the same period, the staffing services industry as a whole experienced a decrease of at least 15 per cent in revenues.
Despite a significant drop in demand, it was possible to keep hourly rates high because of our focus on skilled occupations.

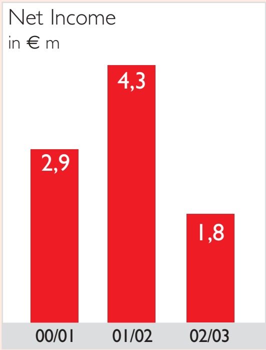
The Amadeus Group generated gross profit of EUR 23,2m (prior year: EUR 27.3m) in the fiscal year. Gross profit has thus fallen by 15 per cent in comparison with the prior year. The gross profit margin of 37,7 per cent is lower than the prior year margin of 39,6 per cent. The decline of 185 basis points is largely the result of lower revenues from recruitment consulting and personnel placement services and a decrease in the utilization rates of temporary staff due to a fall in demand and companies taking more time to reach staffing decisions.

The gross margin of 37,7 per cent, which is significantly higher than the rest of the industry, is attributable to the Amadeus Group's positioning itself as a specialist staffing services provider with a particular focus on finance and accounting. Average margins in the industry are not expected to have exceeded 25 per cent.

As of March 31, 2003, the Group continued to operate in 20 business locations in Germany and in three foreign business locations: Birmingham, Amsterdam and Vienna.

EBITA (earnings before interest, tax and goodwill amortization) in the fiscal year came to EUR 4,5m (prior year: EUR 8,8m). This represented a fall of 48,5 per cent, which was mainly due the decrease in gross profit in absolute terms.

Consolidated net income after minority interests amounted to EUR 1,8m (prior year: EUR 4,3m).



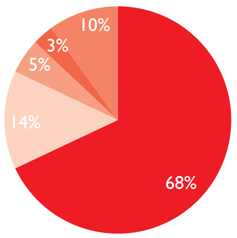
Capital expenditure in the fiscal year amounted to EUR 1,4m (prior year: EUR 2,5m excluding acquisitions). To date, almost EUR 0,5m has been invested in the „AmadeusMotion!“ project, the new IT sales application. Implementation of this application will be completed in the current fiscal year.

After the distribution of dividends of EUR 2,2m in August 2002 and the payment of EUR 4,8m for the outstanding purchase price instalments for prior-period acquisitions, the Company had cash and cash equivalents of EUR 14,0m (prior year: EUR 18,8m) as of the balance sheet date.

As of March 31, 2003, consolidated equity amounted to EUR 24,4m (prior year: EUR 24,8m). Given the balance sheet total of EUR 33,6m (prior year: EUR 41,1m), this represents an equity ratio of 72,5 per cent (prior year: 60,3 per cent).

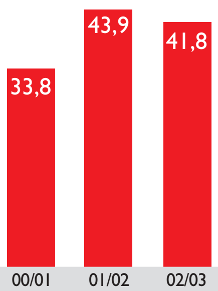
Net working capital improved in the fiscal year to EUR 1,6m (prior year: EUR 2,6m). This change is mainly due to rigorous management of receivables by the Company. Cash and cash equivalents totaled EUR 14,0m (prior year: EUR 18,8m) as of the balance sheet date, which is 41,7 per cent (prior year: 45,6 per cent) of the balance sheet total.

Sales Revenues Split

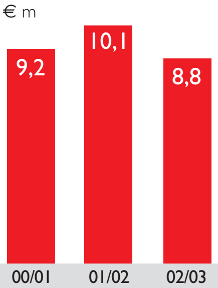


Temporary Staffing	68 %
Interim and Project Management	14 %
Permanent Placement	5 %
Executive Search	3 %
Training and Education	10 %

Temporary Staffing
in € m



Interim and Project Management
in € m



Services

The clear focus on our core competencies has proven successful. The Group's strategy to provide staffing services for professional and executive business roles is being further developed. The Amadeus Group offers clients complementary services in the form of temporary staffing, interim and project management, permanent placement, training & education and executive search, and is currently represented in four European countries.

The Amadeus Group focuses clearly on staffing services for finance and accounting. The wholly-owned subsidiary, FiRe AG, and its subsidiary, FiRe Outsourcing GmbH, are the top specialists for providing highly-qualified temporary staff and interim/project managers in finance and accounting with experience in German and international accounting (IAS, US GAAP). The demand for highly-qualified specialists will increase as the requirements for business accounting continue to grow. The main reasons for this trend are the high demands placed on external reporting by the capital market and the efforts to make International Accounting Standards compulsory throughout the European Union for consolidated financial statements and financial statements of listed companies by 2005 at the latest.

Temporary Staffing

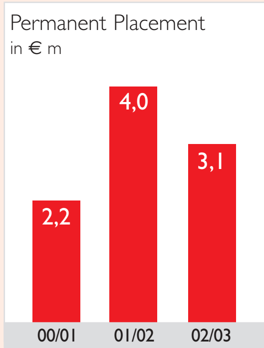
Revenues from temporary staffing increased to EUR 41,8m in the fiscal year (with the UK accounting for EUR 1,0m) from EUR 43,9m in the prior fiscal year. This represents a drop of 4,8 per cent. This decrease is significantly lower than that experienced by this sector as a whole, where revenues fell by at least 15 per cent in the same period. Temporary staffing accounted for some 67,9 per cent of total revenues (prior year 63,7 per cent).

Interim and Project Management

This service, which is primarily performed by the subsidiary FiRe Outsourcing GmbH, and which places interim and project managers for executive functions and special projects (both in Germany and abroad), generated sales in the fiscal year of EUR 8,8m (EUR 0,6m of which in the UK) as opposed to EUR 10,1m in the prior year. This represents a decrease of 12,8 per cent. The fall is primarily due to the drop in investment by companies during the fiscal year, which led to a slump in demand for project management. Interim and project management contributed 14,3 per cent to total revenues (prior year: 14,6 per cent).

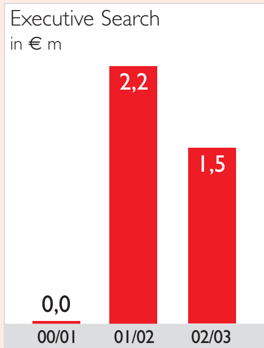
Permanent Placement

Revenues amounted to EUR 3,1m (of which EUR 0,8m in the UK). EUR 4,0m was generated in the prior year. Revenues have therefore fallen by 22,3 per cent. This high-yield service sector accounts for 5,1 per cent of sales (prior year: 5,7 per cent). Over the same period, this sector experienced a revenue slump of about 35 per cent.



Executive Search

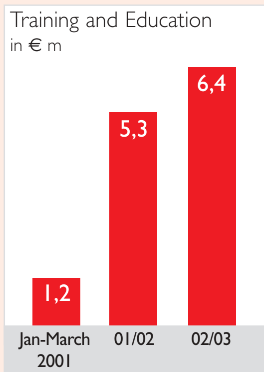
This service is offered by the subsidiaries Föhr Human Resources GmbH, Frankfurt, and Greenwell & Gleeson Ltd., Birmingham. Revenues amounted to EUR 1,5m (of which EUR 0,4m in the UK). In the prior year, revenues came to EUR 2,2m (of which EUR 0,7m in the UK). During the fiscal year, the market for this service shrank significantly in both Germany and the UK. Executive search accounted for 2,5 per cent of revenues, compared with 3,3 per cent in the prior year.



Training and Education

Revenues from finance and accounting training at Steuer-Fachschule Dr. H. W. Endriss GmbH & Co. KG amounted to EUR 6,4m (prior year: EUR 5,3m). This represents an increase of 12 per cent. EBITA (earnings before interest, tax and goodwill amortization) in the fiscal year came to EUR 0,95m (prior year: EUR 0,9m). This represents an increase of 5,6 per cent.

The share of total revenue generated by Steuer-Fachschule Dr. H.W. Endriss GmbH & Co. KG in the fiscal year came to about 10,3 per cent, compared with 7,7 per cent in the prior year.



Marketing and Image

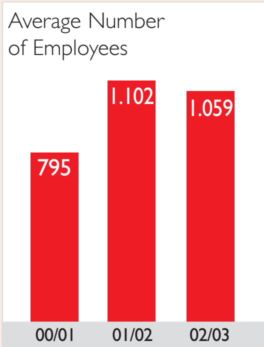
The internet is the most important medium for our image. Since the relaunch of our website, the Company has attracted many more internet visitors – clients, candidates, employees, investors and other persons interested in our services. Throughout the Group, our websites are visited over 100.000 times per month on average. In January 2003, we recorded the highest number of visitors to date: over 147.000. In fiscal year 2002/2003, the websites were maintained by the marketing department on a permanent basis in over 80 search engines, and links were set up.

In the fiscal year, sports sponsorship increased corporate brand recognition and was used for regular client events throughout Germany. In particular, our sponsorship of the second division soccer team Mainz 05 brought us a permanent media presence (on television, in print media) which has greatly increased public recognition of Amadeus.

The various business locations were supported on an ongoing basis by the marketing department with their countrywide and regional mailings. An extensive mailing archive was set up in the process. High-quality brochures were produced for the interim management and permanent placement services. Additions were made to the brochure for Steuer-Fachschule Endriss, and the layout of the brochure for 2003/2004 was completely revised. Job and image advertisements and participation in trade fairs and conferences complete the palette of marketing activities.

Our Employees

Top employees who are highly-qualified, motivated and dedicated continue to be a key factor of success in the staffing services market for skilled personnel. Although the Amadeus Group cut the number of external employees in the fiscal year from 977 to 758 as of the balance sheet date of March 31, 2003 due to the drop in demand, the quality of the staff we recruit is a critical success factor.



During the fiscal year, the Amadeus Group recruited 27 per cent of its employees through online jobs wanted listings and job advertisements. The number of visitors to our website has risen by about 10 per cent to a monthly average of 16.400.
Job applicants had an average of almost 500 job advertisements to choose from over the year. The "click to apply" function on our website makes the application process more attractive for candidates. With this function, they can now prepare professional applications easily.

The value the employees of the Amadeus Group attach to us as an employer is confirmed by the fact that 25 per cent of our employees in the fiscal year were recruited through the staff referral program.
A further 13 per cent of the staff recruited in the fiscal year had worked for the Amadeus Group previously.

We participated in nine recruiting trade fairs in fiscal year 2002/2003 to drive our recruitment of qualified staff.
Our employees are given the opportunity to add to their finance and accounting skills by attending courses at Steuer-Fachschule Dr. H.W. Endriss. Training in SAP R/3 and MS Office is also offered.

In order to drive business expansion even in times of economic difficulty in accordance with the corporate philosophy of "entrepreneurs in the enterprise", the new personnel strategy focuses on staff who work in business operations – area managers, senior consultants, consultants and sales administrative staff. A standard induction period, a regular assessment and performance measurement system and a staff development program have been developed. During the fiscal year, training focused on sales and interview techniques. In fiscal year 2003/2004, courses on sales, management, finance and accounting, labor law and the Personnel Leasing Act (AÜG) will be held. Therefore the quality of the consulting the Amadeus Group offers to clients will be significantly enhanced.

As of March 31, 2003, the Amadeus Group employed ten trainees in the head office in Frankfurt am Main. Amadeus is thus a responsible corporate citizen, emphasizing the importance of training for all staff in the Group.

Organizational Structure

The organizational structure in the Group's companies is efficient and streamlined. The 20 current business locations in Germany are divided into the regions Rhine-Main-Neckar, West, South and North, each under the control of an experienced area manager. The Deputy Member of the Board appointed in April 2002, who is head of the regions and supports the area managers in day-to-day business, is responsible for the core business of the Amadeus Group in Germany, the Netherlands and Austria in the function of Manager Operations.

The branch offices are sales oriented. The drop in new contracts has led to greater sales activity. Acquisition activities in the branches are documented and evaluated on a weekly basis in sales reports.

The affiliated companies are headed by competent, motivated general managers who act in accordance with the company philosophy as "entrepreneurs in the enterprise". The central services are customer oriented and efficient.
The Amadeus Group is expanding its infrastructure to meet future requirements with the new AmadeusMotion! sales application, which is to be implemented in fiscal year 2003/2004.

Risk Report, Risk Management and Risk Controlling

General Economic Risks

Economic growth forecasts for 2003 currently range between 0,3 per cent to 0,5 per cent. There are currently no signs of an economic recovery in the offing. The Amadeus Group has outperformed the industry average in the fiscal year despite a slump in demand, proving that the Group is able to withstand negative trends in the general economy and to industry-specific effects because of its specialist focus within the staffing industry. However, it is still susceptible to the cyclical nature of the market.

The staffing services industry will change due to the laws passed as a result of the Hartz Commission proposals. From January 1, 2004 onward, the time-limit on employee leasing, the period within which a position may not be re-filled, the ban on employment agencies leasing staff to a single company for the entire duration of their employment and the ban on fixed-term employment contracts will all be abolished.

In addition, the key conditions of employment by an employment agency must be adjusted to those of the lessee company from the first day of the lease to ensure equal pay and equal treatment. This obligation may only be met by implementing a collective agreement accordingly. Temporary staffing is expected to become much more expensive for companies. Hourly charges for industrial work and less-skilled commercial occupations in particular are expected to rise by up to 30 per cent. Saleries of temporary staff with higher qualifications is already not far from the market rate, so the increase in hourly charges for these staff will be significantly lower. Adjustment of employment conditions to those of the clients will greatly increase the industry's administrative costs and bring up legal issues which have yet to be clarified. We therefore expect the industry to deal with this obligation to adjust employment conditions to those of the clients mostly by means of collective agreements; whether through joining employers' federations, concluding company pay agreements or applying collective agreements to individual employment contracts.

The first industry and company collective agreements and joint declarations of intent by temporary staffing employers, employers' federations and unions are already in place. The provisions agreed on are less advantageous than the employment conditions which the Amadeus Group offers its qualified professional staff. If collective agreement regulations were to be used, the increase in the price of temporary staffing which the industry fears will not apply to the Amadeus Group. The Amadeus Group will keep a close eye on and analyse the developments stage by stage, and reach a decision in good time before the end of the year.

In the depressed market for temporary staffing services, the Amadeus Group continues to see high potential for highly-qualified employees. The Group assessed all external employees against the yardstick of the most demanding client needs. External staff who did not measure up to these requirements clearly and in full were laid off by the Amadeus Group. New recruitment was carried out according to the same stringent standards.

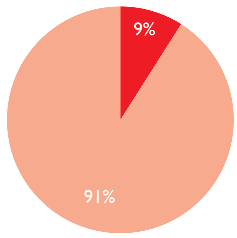
The Amadeus Group also supports its external employees with their training.
Courses are offered by Steuer-Fachschule Endriss, focusing on training in accounting and finance. This ensures that all temporary staff employed by the Amadeus Group are extremely well qualified, and also meet the highest requirements in terms of personal qualities.

The job cuts in German industry have led to an increase in the number of qualified people on the labor market. The high level of qualifications the Amadeus Group continues to require from its external employees means that personnel recruitment is still a critical success factor. We are therefore continuing with our recruitment activities to attract top candidates.

The qualifications of our operational staff are also important success factors for the Amadeus Group. The new personnel strategy addresses this point.

In the market for staffing services, the Amadeus Group is positioned as a specialist with complementary services in a market which, on the whole, is dominated by mainstream business in which the blue collar/technical field accounts for some 80 per cent. Despite our specialization, our business model of complementary services and the highly fragmented temporary employment market, we are becoming increasingly aware of competition in the market for highly-qualified staff. Amadeus AG is up to the challenge posed by the competition and stands firm in the belief that the selective recruitment policy and therefore quality management will preserve our competitive edge in the long run.

Customer Structure



10 biggest customers	9 %
1929 other customers	91 %

Our customer structure does not expose the Amadeus Group to the risk of dependency on specific clients, as no single client accounts for more than 2 per cent of total revenues and our largest ten clients merely account for 9 per cent together.

Legal Risks

Legal risks center on the permit to hire out employees on a temporary basis as a form of trade. An unlimited permit was granted by the Hessen State Labor Office to Amadeus on December 28, 1994 and to FiRe AG on December 14, 1993. The Amadeus Group has performed scheduled internal audits of operating activities, thereby minimizing legal risks such as compliance with the provisions of the Personnel Leasing Act (AÜG) in a highly restrictive business environment. The most recent internal audits by the State Labor Office took place on January 28, 1998 for Amadeus and on October 28, 1998 for FiRe AG. No objections were raised. As in previous years, internal audits will also be carried out in fiscal year 2003/2004.

Legal risks will be further reduced by training all operational staff in the provisions applicable at any one time and in other labor law regulations. The Amadeus Group has also recruited specialists in labor law and the Personnel Leasing Act for the human resources department. They provide in-house consulting on labor law and conflict management for the operational staff.

IT Risks

Amadeus AG has a central IT landscape which enables the branch offices and subsidiaries to use the same high-quality systems. These include an up-to-date security environment with a firewall, intrusion detection, virus scanning and multiply-secured remote access to identify and fend off attempts at hacking. Centrally-held data is automatically backed up on a regular basis, and copies are stored off-site.

The business locations are linked via a separate company network and encrypted data lines. The data lines are sufficiently dimensioned and are flexibly scalable at any time.

The risk of dependency on a single central IT department could arise from the centralization of the IT systems. To avoid system failure and to ensure the highest possible levels of availability, the following additional measures have been taken:

- Duplicate dimensioning of the relevant systems
- Storage of duplicate system components at a suitable distance from business premises
- Uninterrupted power supply
- Alarm and danger signal equipment along with corresponding access systems
- Contingency plans to bring systems back into operation before the specified maximum system failure period per system is reached
- Conclusion of relevant service level agreements with external providers with agreements regulating on-call service and reaction times

During the fiscal year, average system availability for all systems in the specified operating periods was 99,6 per cent.

Financing Risks

The Amadeus Group has cash and cash equivalents of EUR 14,0m at its disposal as of the balance sheet date. This is a solid base for the financing of operations, outstanding purchase price payments for prior-period acquisitions, investments in new IT systems, the planned distribution of dividends and the option to make further acquisitions. The equity ratio is 72,5 per cent.
No financing risks are apparent at present.

Management Risks

The Company's Management Board currently has three members, who were allocated responsibility for different business divisions by the Supervisory Board. Contracts with members of the Management Board have terms of two to four years.
The companies in the Group are headed by the Management Board members appointed to manage them and by general managers.

The branch offices of the Amadeus Group are run by an area manager in each business location. Each of the central service functions reports to a separate department head.

The Group thus has a lean, adequate management structure.
No management risks are apparent at present.

Other Risks

No other risks are apparent at present.

Risk Control

The Group has a detailed internal control system and a new sales control system used to report to the Management Board at specified dates. The internal control system encompasses sales, human resources, finance, investor relations, IT and internal audit.

In the fiscal year, the internal control system enabled negative market trends to be identified in time and communicated to shareholders without delay.

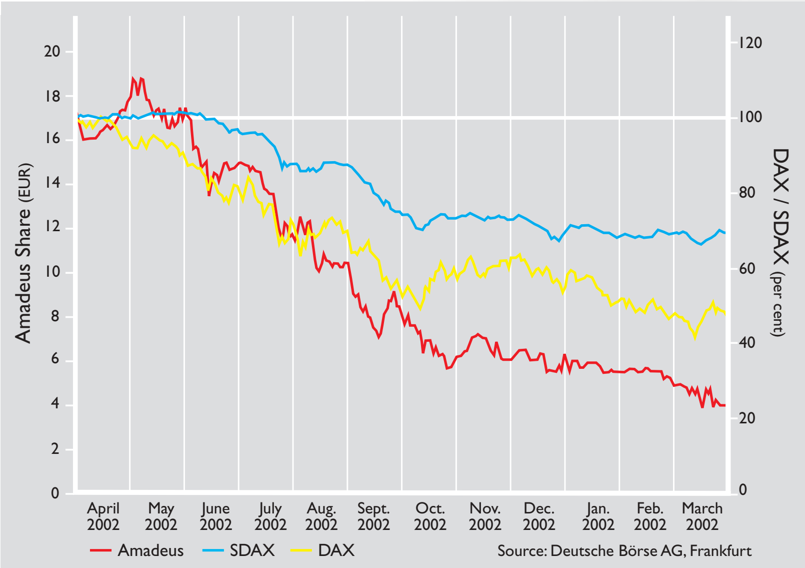
Based on the specific risks described, the existing risk management system and the current development of operating activities, the operations of the Amadeus Group are not exposed to any risks posing a threat to the going concern.

The Amadeus Share

Performance of the Amadeus Share in Fiscal Year 2002/2003

The stock markets performed poorly once again. Between April 2002 and March 2003, the DAX stock index, which comprises the 30 largest listed German companies, fell by 55 per cent. Over the same period, the SDAX stock index, on which the Amadeus share was listed in 2002, slid by 31 per cent.

The factors behind this slump were the increasingly poor economic situation, the loss of investors' trust due to the accounting scandals rockin the financial markets and the uncertainty caused by the threat of war and terrorist attacks.



The Amadeus share started the new fiscal year on April 1, 2002 at a price of EUR 18,10 (Xetra). It reached a high for the year of EUR 19,15 on May 6, 2002. Despite excellent results for fiscal year 2001/2002 and the first half of fiscal year 2002/2003, the share has dropped steadily, and fell beneath the EUR 10 level at the beginning of September.

The share price at the time was affected by increasing concerns about recession and uncertainty over the outcome of the national elections in Germany on September 22, 2002. The staffing services industry was affected by shrinking market volume. The proposals of the Hartz Commission briefly conjured up hopes of a more flexible labor market and a less bureaucratic Federal Employment Agency. However, the Commission's proposals have been watered down more and more since and will not bring improvements overall for the staffing services industry.
Despite the Group's good results, the share price did not stabilize because of these general negative factors.

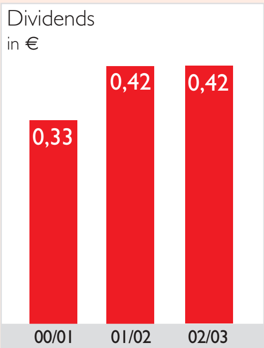
In the second half of the fiscal year, the Amadeus share took another hard hit. The share price dropped to EUR 3,05 in January 2003, an historic low since the IPO in March 1999. The share then rallied a little, and was listed at a closing price of EUR 3,98 (Xetra) on March 31, 2003.

After the coalition of the Social Democrats and the Greens was voted back into government in September 2002, it quickly became clear that the proposals of the Hartz Commission would not be implemented as they stood and that deregulation of the temporary employment market in Germany was therefore not to be expected. Instead, new provisions in the Personnel Leasing Act (AÜG) mean that staffing services companies will have to ensure equal pay and equal treatment for their employees from January 1, 2004 onward. Alternatively, a collective agreement may be concluded. Apart from the state of the German economy as a whole, the dashing of the hopes for liberalization of the Personnel Leasing Act (AÜG) led to a drop in demand for shares from institutional investors. Due to the share's limited liquidity and the size of the Company, this drop in demand led to a severe slump in the share price.

The share price therefore plummeted by 78 per cent between April 2002 and March 2003. The share underpeformed both the SDAX and the DAX indexes, which fell by 31 per cent and 55 per cent respectively over the same period.

As of the end of the fiscal year, the market capitalization of Amadeus AG amounted to EUR 21,1m.

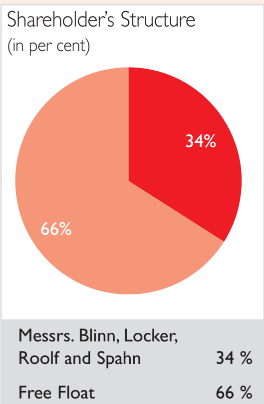
On November 19, 2002, the board of the Frankfurt Stock Exchange decided to divide the German stock market into new segments: "Prime Standard" and "General Standard". The Prime Standard segment requires companies to meet stringent disclosure requirements. Amadeus AG meets all these requirements, and was admitted to the Prime Standard segment on January 31, 2003. Before the restructuring of the segments, the Amadeus share had been listed in the selective SDAX index. The reduction of the MDAX from 70 to 50 stocks and the reclassification of some stocks formerly listed on the Neuer Markt into the "old economy" segment led to Amadeus AG narrowly missing the opportunity to be listed on the SDAX again.



Dividends

At the shareholders' meeting, the Management Board will propose that a dividend of EUR 0,42 be distributed once again for fiscal year 2002/2003. Based on a share price of EUR 5, this is equivalent to a dividend yield of 8,4 per cent.

In the fiscal years following the IPO, it was Amadeus AG's policy to share the Group's profits with its shareholders. Around half of the net income for each year was passed on to the shareholders in the form of a dividend. Amadeus AG wishes to continue with this dividend policy for the fiscal year, but also to distribute a special dividend over and above half the net income for the year.



Shareholder Structure of Amadeus AG

According to the definition of Deutsche Börse AG, 66 per cent of the shares of Amadeus AG are in free float. The remaining 34 per cent are held by the company founders Günter Spahn, Georg Blinn, Hans H. Roolf and Rudolf Locker. The free float is distributed as follows: 12 per cent of total capital is held by family members of the company founders and 2 per cent is held by Endriss Beteiligungsgesellschaft mbH. Most of the remaining 52 per cent is held by institutional investors. The ratio of German institutional investors to foreign investors (especially from the UK) is approximately 1:2.

Stock Option Plan of Amadeus AG

Amadeus AG's stock option plan gives management the opportunity to allow employees to share in the Company's success. Shareholders' interests and the interests of Amadeus Group employees are thus meaningfully linked. Strict key performance indicators have been defined under this plan; these have to be met before options may be exercised.

During the fiscal year, 83.333 options were exercised by the Management Board. A further 195.167 options were issued as of March 31, 2003. Note 23 in the notes to the consolidated financial statements contains detailed information on Amadeus AG's stock option plan.

Investor Relations

Amadeus AG's transparent communication with its current and potential shareholders is based on a particularly efficient reporting system allowing the provision of reports and information as quickly, competently and comprehensively as possible. Therefore, as a result of cost-cutting measures and a fall in demand, Amadeus AG issued a timely profit warning to its investors in the third quarter of the fiscal year.

Apart from publishing annual and quarterly reports, the Company seeks and maintains contact with investors through special events, telephone conferences and personal meetings to inform investors about its current situation and expectations.

Amadeus AG sees its annual report as the most important medium of communicating financial information. In a study by Professor Karlheinz Küting for the renowned Institut für Wirtschaftsprüfung (IWP), which was published in the trade magazine Focus Money, Amadeus AG's annual report for 2000/2001 was ranked a commendable third in the SDAX.

During the fiscal year, we visited investors in Germany, the UK, Sweden and the Netherlands. Over the year, separate discussions were held over the telephone and in person with investors, analysts and other interested parties.
Amadeus AG also ensures that the investor relations (IR) section of the Company's homepage (www.AmadeusAG.com) is kept up-to-date with detailed information. This provides interested parties with an up-to-date and comprehensive picture of the Amadeus Group and gives them the opportunity to contact Amadeus AG directly.

The IR pages also provide analysts' most recent estimates for the Company. Amadeus AG is currently actively covered by analysts in four institutions (WestLB Panmure, Berenberg Bank, Kempen and Independent Research). Restructuring and cost-cutting in stock research at some banks has led to two institutions discontinuing their coverage of Amadeus AG. Amadeus AG aims to achieve as wide a coverage as possible, but can only exert limited influence in this direction given the current capital markets situation.

The Amadeus Group will continue to seek open dialogue with all participants in the financial community. The share price in the fiscal year was disappointing for all involved. By continuing with its responsible, value-based strategy, management is putting every effort into increasing confidence in the Amadeus Group and achieving sustained growth in corporate value

Corporate Governance

In 2002, the government commission Deutsche Corporate Governance drew up a code containing key legal provisions to manage and monitor listed German companies and standards of good, responsible corporate management.
This code serves to ensure value-based, transparent management and controls.
Amadeus AG meets the requirements of the German Corporate Governance Code (version dated November 7, 2002) drawn up by the government commission except in the following matters:

- Amadeus AG has taken out directors' and officers' liability insurance for the Management and Supervisory Boards. The current contract do not include an excess. When the contract is renewed, the Company will ensure excess insurance to the amount then deemed appropriate based on past experience.
- Members of the Supervisory Board of Amadeus AG receive fixed remuneration on a sliding scale according to their positions (chairman, deputy chairman, member). There is no separate remuneration for chairing or sitting on Supervisory Board committees. A proposal to amend the articles of incorporation such that the requirements of the German Corporate Governance Code are met in full will be brought before the next shareholders' meeting of Amadeus AG by the Management and Supervisory Boards.

Outlook

Given the ongoing uncertainty in the global political situation and the fact that Germany's economy is still ailing, we expect the market for staffing services to shrink again in 2003. The market already declined by at least 15 per cent in 2002. The lack of economic impetus for 2003 means that another decline of about 15 per cent can be expected.

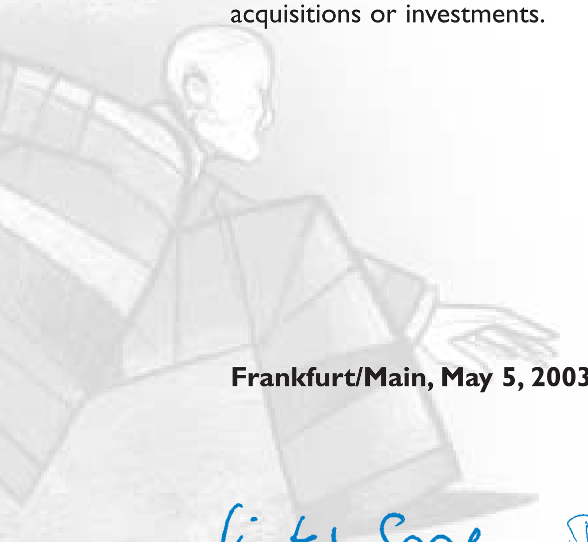
The Amadeus Group outperformed average growth in the industry significantly in previous years, and its drop of 6 per cent in revenues in the fiscal year was much lower than the industry average. This is due to our positioning as a staffing service company for business professionals and executives, especially for finance and accounting, and to the services of our subsidiaries, which offer added value. As our specialization, especially finance and accounting, reacts later to cyclical downturns, we expect to outperform the industry only modestly in 2003.

The great changes in the legal framework for the staffing services industry in Germany are expected to result in the conclusion of collective agreements at the beginning of 2004. The first industry and company collective agreements and joint declarations of intent by temporary staffing employers, employers' federations and unions are already in place. The provisions agreed on are less advantageous than the employment conditions which the Amadeus Group offers its qualified professional staff. The Amadeus Group will therefore not be very much affected by the change in employment conditions for temporary staff in Germany at the start of 2004. The prospects of emerging a winner from this adjustment process are therefore very good.

There are plans to merge the two independent corporations Amadeus AG and FiRe AG in fiscal year 2003/2004. The Supervisory Board of Amadeus AG has approved a proposal to this effect by the Management Board. Marketing will then be focused on the joint brand name, the sales organization will be optimized and there will be cost savings in the medium term. The temporary employment operations in Austria will be discontinued in the course of the fiscal year and permanent placement will be restructured. The subsidiary Föhr Human Resources GmbH will also be renamed Greenwell Gleeson Search & Selection GmbH and operations will be more strongly focused on recruitment consulting for finance and accounting positions. These steps will create closer cooperation with the operating units in Germany and with foreign subsidiaries.

The "AmadeusMotion!" sales application will be implemented between June and September 2003 and will enable the business locations to handle day-to-day operations with state-of-the-art information technology in an even more professional, efficient and transparent manner and to maintain high quality standards.

Given the difficult economic situation at present, there are no plans for acquisitions or investments.



Frankfurt/Main, May 5, 2003

Günter Spahn CEO & Chairman of the Board	**Peter Haas** CFO & Board Member	**Christian Schreiter** Manager Operations & Deputy Board Member

Financial Calendar

July 21, 2003
Quarter I Report for fiscal year 2003/2004

July 2003
International Roadshow

August 6, 2003
Shareholders' General Meeting

October 21, 2003
Semi Annual Report for fiscal year 2003/2004

January 21, 2004
Nine Months Report for fiscal year 2003/2004

April 2004
Ad hoc preliminary Sales and EBITA Figures for fiscal year 2003/2004

June 2004
Press and DVFA-Conference for fiscal year results 2003/2004

August 2004
Shareholders' General Meeting

Content to the consolidated financial statements

Consolidated Income Statements for Fiscal Years 2002/2003 and 2001/2002

Amounts stated in EUR	Notes	**2002/2003**	**2001/2002**
Revenues	1	61.558.041,90	68.916.136,50
Cost of rendered services	2	-38.322.025,11	-41.637.779,47
Gross profit		**23.236.016,79**	**27.278.357,03**
Selling expenses	3	-14.229.691,81	-14.635.752,60
Administrative expenses	4	-4.623.566,72	-3.947.710,46
Other operating income	6	142.441,11	88.432,67
Other operating expenses	7	-7.980,19	-18.989,77
Income from operations before goodwill amortization		**4.517.219,18**	**8.764.336,87**
Goodwill amortization	8	-1.364.472,58	-1.409.439,64
Income from operations		**3.152.746,60**	**7.354.897,23**
Income from discontinued operations		0,00	161.527,47
Financial result	9	405.455,53	577.005,21
Income before taxes		**3.558.202,13**	**8.093.429,91**
Income taxes	10	-1.427.883,67	-3.380.720,02
Income after taxes		**2.130.318,46**	**4.712.709,89**
Minority interests in profit/loss	11	-329.423,57	-393.613,42
Net income		**1.800.894,89**	**4.319.096,47**
Profit carryforward		5.245.055,79	3.119.321,75
Transfers to legal reserves		0,00	-4.435,41
Retained earnings		**7.045.950,68**	**7.433.982,81**
Earnings per share:			
Basic (euro/share)	12	0,34	0,83
Diluted (euro/share)	12	0,32	0,77
Weighted average number of shares:			
Basic (number)	12	5.260.342	5.211.731
Diluted (number)	12	5.553.011	5.568.119

Consolidated Balance Sheets as of March 31, 2003 and 2002

Amounts stated in EUR	Notes	March 31, 2003	March 31, 2002
ASSETS			
Non-current assets			
Software	13, 15	313.080,33	458.234,95
Goodwill	13, 15	10.949.930,55	12.307.447,43
Property, plant and equipment	14, 15	2.339.207,65	2.690.330,32
Advance payments on property, plant and equipment	14, 15	453.261,11	73.682,75
Deferred taxes	16	202.642,66	158.480,01
		14.258.122,30	**15.688.175,46**
Current assets			
Receivables and other assets			
Trade receivables	17	4.352.246,21	6.032.000,26
Other assets	17	661.758,68	185.813,59
Prepaid expenses	18	399.669,95	431.310,12
Cash and cash equivalents	19	13.960.966,10	18.755.173,88
		19.374.640,94	**25.404.297,85**
Total assets		**33.632.763,24**	**41.092.473,31**
EQUITY & LIABILITIES			
Equity			
Capital stock	20	5.295.064,00	5.211.731,00
Capital reserve	24	12.099.334,97	12.099.334,97
Revenue reserve		30.000,00	30.000,00
Adjustment item from currency translation		-67.033,21	7.769,13
Retained earnings	25	7.045.950,68	7.433.982,81
		24.403.316,44	**24.782.817,91**
Minority interests	26	**557.943,73**	**1.770.927,72**
Current liabilities			
Provisions for taxes	27	400.001,79	2.163.154,55
Trade payables	27	800.855,72	820.377,41
Other liabilities and accruals	27	7.470.645,56	11.555.195,72
		8.671.503,07	**14.538.727,68**
Total equity and liabilities		**33.632.763,24**	**41.092.473,31**

Statement of Changes in Consolidated Equity as of March 31, 2003 and 2002

Amounts stated in EUR	Capital stock	Capital reserve
April 1, 2001	**5.211.731,00**	**12.067.983,79**
Dividends paid	0,00	0,00
Capital increase	0,00	31.351,18
Currency translation	0,00	0,00
Net income	0,00	0,00
Transfer to the legal reserves	0,00	0,00
March 31, 2002	**5.211.731,00**	**12.099.334,97**
April 1, 2002	**5.211.731,00**	**12.099.334,97**
Dividends paid	0,00	0,00
Capital increase	83.333,00	0,00
Currency translation	0,00	0,00
Net income	0,00	0,00
March 31, 2003	**5.295.064,00**	**12.099.334,97**

Legal reserves	Currency translation	Retained earnings	Total
25.564,59	**0,00**	**4.839.192,98**	**22.144.472,36**
0,00	0,00	-1.719.871,23	-1.719.871,23
0,00	0,00	0,00	31.351,18
0,00	7.769,13	0,00	7.769,13
0,00	0,00	4.319.096,47	4.319.096,47
4.435,41	0,00	-4.435,41	0,00
30.000,00	**7.769,13**	**7.433.982,81**	**24.782.817,91**
30.000,00	**7.769,13**	**7.433.982,81**	**24.782.817,91**
0,00	0,00	-2.188.927,02	-2.188.927,02
0,00	0,00	0,00	83.333,00
0,00	-74.802,34	0,00	-74.802,34
0,00	0,00	1.800.894,89	1.800.894,89
30.000,00	**-67.033,21**	**7.045.950,68**	**24.403.316,44**

Consolidated Cash Flow Statements for Fiscal Years 2002/2003 and 2001/2002

Amounts stated in EUR k	Notes	2002/2003	2001/2002
Cash flow from operating activities	28		
Net income before taxes and minority interests		3.229	7.700
Adjustment for:			
Depreciation/amortization on non current assets		2.631	2.631
Financial income		-463	-675
Interest expenses		58	98
Operating result before changes to net working capital		**5.455**	**9.754**
Increase/decrease in trade receivables and other receivables		1.249	566
Increase/decrease in deferred tax assets		-44	-1
Increase/decrease in prepaid expenses		32	-68
Increase/decrease in trade payables, other liabilities and accruals		-308	-456
Other non cash income		0	8
Cash generated from operations		**6.384**	**9.803**
Interest paid		-19	-66
Income taxes paid		-3.494	-6.068
Net cash flow from operating activities		**2.871**	**3.669**
Cash flow from investing activities	29		
Acquisition of subsidiaries net of cash acquired and of outstanding purchase price instalments		0	58
Purchase price installments paid		-4.836	0
Sale of subsidiaries net of cash sold		0	776
Purchase of intangible assets and property, plant and equipment		-1.449	-2.236
Disposals of non-current assets		292	118
Interest received		418	612
Net cash used for investing activities		**-5.575**	**-672**

Amounts stated in EUR k	Notes	2002/2003	2001/2002
Cash flow from financing activities	30		
Contributions to equity/netting of equity transaction costs		8	31
Minority interests		91	301
Dividends paid		-2.189	-1.720
Net cash used for financing activities		**-2.090**	**-1.388**
Net increase/decrease in cash and cash equivalents		**-4.794**	**1.609**
Cash and cash equivalents at the beginning of the fiscal year		**18.755**	**17.146**
Cash and cash equivalents at the end of the fiscal year		**13.961**	**18.755**
Composition of cash and cash equivalents at the end of the fiscal year			
Cash on hand and balances at banks (without drawing restrictions)		13.961	18.755
Additional information:			
Credit facilities (not utilized)		500	409

Information on the Business Segments

	Temporary staffing / interim and project management / permanent placement / executive search	
Amounts stated in EUR k	**2002/2003**	**2001/2002**
Sales		
External Sales	55.190	63.584
Inter-segment sales	1	33
Total revenue	**55.191**	**63.617**
Result		
Segment result	**6.908**	**10.612**
Segment result before goodwill amortization	7.877	11.626
Administrative expenses		
Other operating income and expenses		
Income from operations		
Interest expenses		
Interest income		
Result from discontinued operations		
Income taxes		
Minority interests in profit/loss		
Income from ordinary activities		
Net income		
Other information		
Segment assets	26.548	34.515
Segment liabilities	6.973	14.602
Capital expenditure (including goodwill)	1.358	9.274
Depreciation (including goodwill amortization)	2.183	2.199
Non-cash expenses other than depreciation	1.278	3.762
Segment cash flow from operations	4.269	8.300
Number of employees per segment	1.043	1.088

Training and education		Eliminations		Consolidated	
2002/2003	2001/2002	2002/2003	2001/2002	2002/2003	2001/2002
6.368	5.332	0	0	61.558	68.916
0	0	-1	-33	0	0
6.368	**5.332**	**-1**	**-33**	**61.558**	**68.916**
734	**622**	**0**	**0**	**7.642**	**11.234**
1.129	1.017				
				4.624	**3.948**
				135	69
				3.153	**7.355**
				58	98
				463	675
				0	162
				1.428	3.381
				329	394
				1.801	**4.319**
				1.801	**4.319**
7.085	6.577	0	0	33.633	41.092
2.257	1.708	0	0	9.230	16.310
91	103	0	0	1.449	9.377
448	432	0	0	2.631	2.631
745	480	0	0	2.023	4.242
2.115	1.503	0	0	6.384	9.803
16	14	0	0	1.059	1.102

Notes to the Consolidated Financial Statements of Amadeus AG

General Information

Amadeus AG Personal-Dienstleister und Solution Provider ("Amadeus AG") is a stock corporation under German law based in Frankfurt/Main, Stresemannallee 30, Germany. The Company is entered in the commercial register at the Local Court of Frankfurt, department B, under No. 45804.

Amadeus AG was founded as Amadeus Gesellschaft für Zeitarbeit und Arbeitsvermittlung mbH on December 19, 1990 and transformed into Amadeus AG in 1998. Following the resolution adopted at the shareholders' meeting on August 2, 2000, the Company was renamed Amadeus AG Personal-Dienstleister und Solution Provider. Amadeus AG has been listed for official trading on the Frankfurt Stock Exchange since March 4, 1999. The Company was listed in the SMAX quality segment from April 1999 to March 21, 2003; it was listed in SDAX from June 1999 until its reorganization by Deutsche Börse AG on March 24, 2003. Amadeus AG was admitted to the Prime Standard on January 31, 2003.

The purpose of the group companies is the provision of temporary personnel and temporary management services within the framework of the Personnel Leasing Act (AÜG), personnel and management consulting and job placement services as well as the handling of outsourced finance and accounting projects, temporary management and external controlling for finance and accounting. The Company also renders business advisory services for management, cost accounting, organization and reporting, provides training through Endriss KG and executive search services through the companies Föhr Human Resources GmbH and Greenwell Gleeson Ltd.

Abbreviations of Group Companies and Associated Companies

Amadeus AG	Amadeus AG Personal-Dienstleister und Solution Provider, Frankfurt/Main, Germany
FiRe AG	FiRe AG Personal-Dienstleistungen im Finanz- und Rechnungswesen, Frankfurt/Main, Germany
FiRe Outsourcing GmbH	FiRe GmbH Outsourcing und Externes Controlling im Finanz- und Rechnungswesen, Frankfurt/Main, Germany
Amadeus B.V.	Amadeus Personeelsdiensten & Solution Provider B.V., Amsterdam, Netherlands
Amadeus Services GmbH	Amadeus Services GmbH, Frankfurt/Main, Germany
Endriss KG	Steuer-Fachschule Dr. H.W. Endriss GmbH & Co. KG, Cologne, Germany
Endriss GmbH	Dr. H.W. Endriss Verwaltungs-GmbH, Cologne, Germany
Föhr Human Resources GmbH	Föhr Human Resources Personalberatung GmbH, Frankfurt/Main, Germany
Greenwell Gleeson Ltd.	Greenwell Gleeson Ltd., Birmingham, England
Amadeus Personalberatung GmbH	Amadeus GmbH Personalberatung und Personalvermittlung, Vienna, Austria
Amadeus GmbH	Amadeus GmbH Personal-Dienstleister und Solution Provider, Vienna, Austria

Accounting and Valuation Methods

Basis of the Consolidated Financial Statements

The consolidated financial statements of Amadeus AG for the fiscal year ended March 31, 2003 were prepared in accordance with the International Financial Reporting Standards (IFRS) formulated by the International Accounting Standards Board (IASB). All International Accounting Standards (IAS) and interpretations of the Standing Interpretations Committee that were mandatory for fiscal year 2002/2003 were considered. The financial statements of companies included in the consolidated financial statements have all been prepared using uniform accounting and valuation methods. The separate financial statements of the group companies were prepared as of the balance sheet date of the consolidated financial statements.

As a publicly quoted company, the Company has made use of the provision in Sec. 292a of the German Commercial Code (HGB) and has prepared exempting consolidated financial statements in accordance with internationally accepted accounting standards as in the prior year. These consolidated financial statements have been drawn up in compliance with International Financial Reporting Standards (IFRS).

The consolidated financial statements comply with the 7th EC Directive based on Standard No. 1 (GAS 1) of the German Accounting Standards Board (GASB).

The main difference between the financial statements prepared according to International Financial Reporting Standards and the group accounting provisions of the German Commercial Code concerns the recognition of deferred tax assets for tax loss carryforwards pursuant to IAS 12 (revised 2000).

Principles of Consolidation

The following subsidiaries in which the parent company holds the majority of voting rights either directly or indirectly have been included in the consolidated financial statements of Amadeus AG.

Amounts stated in EUR k		Equity		Net Income	
	Shares in %	March 31, 2003	March 31, 2002	2002/2003	2001/2002
Direct investments:					
FiRe AG	100	333	333	5.568	6.543
Amadeus B.V.	100	122	202	-80	11
Amadeus Services GmbH	100	75	75	86	126
Steuer-Fachschule Endriss KG	60	647	360	939	847
Endriss Verwaltungs-GmbH	60	25	25	0	0
Föhr Human Resources GmbH	75	255	5.655	-185	220
Greenwell Gleeson Ltd.	100	539	933	271	879
Amadeus Personalberatung GmbH	100	67	95	-28	-5
Amadeus GmbH	100	144	329	-185	-221
Indirect investments:					
FiRe Outsourcing GmbH	100	30	30	2.600	2.917

The net income of FiRe AG, FiRe GmbH and Amadeus Services GmbH is disclosed before the transfer of profits and losses to the parent in fiscal unity. The capital stock of the consolidated companies has been fully paid in. Voting shares are equal to capital shares.

Minority interests in equity and net income/loss are presented separately in the balance sheet and the income statement.

The financial statements of the domestic and foreign subsidiaries included in consolidation have been prepared with uniform accounting and valuation policies in accordance with IAS 27. The Company applies the purchase method pursuant to IAS 27 to acquisitions of subsidiaries. A subsidiary is included in the consolidated financial statements as of the date Amadeus AG takes control of the subsidiary. When a subsidiary is consolidated for the first time its cost of acquisition is offset against the share of its equity held. Any differences are allocated to assets and liabilities to cover any hidden charges and hidden reserves that were acquired. Any remaining difference from capital consolidation is recognized as goodwill and amortized over its expected useful life according to the straight-line method. There were no changes in the group of consolidated companies in fiscal year 2002/2003.

During consolidation, accounts receivable and payable between consolidated companies are fully eliminated, as are income and expenses within the Group. Income and expenses relate solely to profit transfer agreements, interest income and interest expenses from loan agreements as well as costs of advertising and other administrative services.

Currency Translation

The reporting and measurement currency of the Company and all consolidated companies except for Greenwell Gleeson Ltd. is the euro.
Pursuant to IAS 21 (The Effects of Changes in Foreign Exchange Rates), the financial statements of Greenwell Gleeson Ltd. have been translated from pounds sterling to euros as for a "foreign operation". Assets and liabilities have been translated at the rate on the balance sheet date (EUR 1 = GBP 0,6896), expenses and income were translated at the average exchange rate for the year (EUR 1 = GBP 0,6426). The resulting currency translation differences were transferred to an adjustment item under equity.

Income and Expense Recognition

Sales or other operating revenues are recognized upon performance, i.e. when performance has been rendered and the risks and rewards connected with performance have been transferred. Revenues are recognized when the outcome of a transaction involving the rendering of services is certain or can be estimated reliably. Revenues are recognized net of VAT and any discounts. Service revenues are recognized by reference to the stage of completion.

Revenues from services that are performed over a long period of time are recognized as the service is rendered.

Operating expenses are recognized when a service is used or when the costs are incurred.

Financial Instruments

Financial assets and financial liabilities carried on the balance sheet include cash and cash equivalents, trade and other accounts receivable and payable and loans. The accounting policies on recognition and measurement of these items are disclosed in the relevant accounting and valuation methods found in these notes.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability are reported as expense or income. Financial instruments are offset when the Company has a legally enforceable right to offset and intends to settle either on a net basis or to realize the asset and settle the liability simultaneously.

Disclosure of Financial Risk Management (IAS 32.43a; IAS 39.169a)

Credit Risk (IAS 32.66)

Group procedures are in force to ensure that services are only rendered to customers with a proven credit history and who do not exceed an acceptable credit exposure limit.

Interest Rate Risk (IAS 32.56)

Since the Group only has balances at banks, and no loan liabilities or other non-current liabilities were entered into, no notable interest rate risk exists.

Liquidity Risk (IAS 32.42)

The Group has adequate cash and cash equivalents to cover all its payment obligations. No liquidity risk exists for the Group at present.

Foreign Exchange Risk (IAS 21.47)

Despite the fact that the Group operates abroad, the foreign exchange risk is to be classified as low. The Group mainly operates in Germany and in Europe via its independent subsidiaries (UK, Netherlands and Austria). Only one major liability in foreign currency is contained in the financial statements. The Company has acquired the foreign exchange to settle this liability, thus eliminating the foreign exchange risk.

Fair Value of Financial Assets and Liabilities

Given their short maturities, the carrying amounts of the financial assets and liabilities are generally equal to their fair values. Provisions are set up on financial assets whose carrying amount is higher than the recoverable amount (present value of future estimated cash flows).

Accounting for Leases

The lease agreements are operating leases and are thus not capitalized by the lessee. The lease payments are recognized as an expense on a straight-line basis over the lease term.

Stock Options

The workforce and management were granted options on the acquisition of the Company's capital stock. The stock option plan was not accounted for and thus has no effect on the income statement. When options are exercised the amounts are recorded as an increase in capital.

Date of Disclosure

The consolidated financial statements as of March 31, 2002 were approved by the Supervisory Board on June 17, 2002 and published in the Federal Gazette on November 5, 2002.

Notes to the Consolidated Income Statements

1. Revenues

The Company provides temporary staffing, interim and project management, permanent placement, executive search and training and education services, mainly on the basis of service contracts. The prior year revenues from IT consulting services consist solely of revenues generated by Amadeus IT Consulting GmbH which was sold last year (March 27, 2002).

All revenues are generated by services, the majority of which were provided in Germany. Approximately 91 per cent of revenues were generated with 1.929 different customers. The remaining revenues are divided up among some 10 major customers, each of which accounts for a maximum of 2 per cent of total revenue.

Please see segment reporting for the development of revenues by business segment.

Amounts stated in EUR k	2002/2003	2001/2002	Change from the prior year in EUR k	in %
Temporary staffing	41.765	43.878	-2.113	-5
Interim and project management	8.782	10.070	-1.288	-13
Permanent placement	3.109	4.000	-891	-22
Training and education	6.367	5.333	1.034	19
Executive search	1.535	2.237	-702	-31
IT consulting	0	3.398	-3.398	-100
	61.558	**68.916**	**-7.358**	**-11**

2. Cost of Rendered Services

Personnel expenses for temporary employees and the cost of services purchased from external consultants, lecturer fees and the cost of executive search/personnel consulting employees are recognized as cost of rendered services. In the prior year the cost of rendered services included EUR 2.446k of personnel expenses for IT consultants.

3. Selling Expenses

Selling expenses are comprised of management expenses, personnel expenses for sales employees, the premises and vehicle expenses attributable to such staff, marketing costs, and the depreciation of non-current assets. In addition, expenses for communication as well as training costs for the sales department are included on a proportionate basis.

4. Administrative Expenses

Administrative expenses include management expenses, personnel expenses for head office employees, proportionate premises and vehicle expenses as well as depreciation of non-current assets. Ongoing IT costs, legal and consulting fees, accounting costs as well as costs of shareholders' meetings and the financial statements are also recognized in administrative expenses.

5. Average Number of Employees over the Year

An average of 1.059 people were employed by the Company during fiscal year 2002/2003 (prior year: 1.102). In the fiscal year, personnel expenses amounted to EUR 39.264k (prior year: EUR 42.133k).

The employees were split up as follows:

	2002/2003	2001/2002
Head office employees	55	53
Branch employees	130	123
Temporary employees	874	926
	1.059	**1.102**

6. Other Operating Income

Other operating income mainly comprises income from valuation differences relating to the purchase price payable for the shares in Greenwell Gleeson Ltd. in pounds sterling, cash discounts and disposals of assets above their net book value.

7. Other Operating Expenses

Other operating expenses include disposals of assets below their net book value and costs of disposal.

8. Amortization of Goodwill

Goodwill is systematically amortized over its expected useful life (see note 13). No impairment losses had to be accounted for.

9. Financial Result

The financial result includes interest income of EUR 463k. The financial result was down by EUR 172k. This was due to the drop in interest rates for time deposits and the decrease in average funds available.

10. Income Taxes

The corporate income tax rate in the fiscal year was 26,5 per cent (including the 1,5 per cent surcharge to cover the cost of the floods in Germany) of the tax base (prior year: 25 per cent). A 5,5 per cent solidarity surcharge is levied on the corporate income tax. The trade tax rate in Germany varies throughout Germany; for the Company it averages 18,6 per cent of the tax base. In the fiscal year deferred taxes for deductible loss carry-forwards of EUR 95k were recognized, and EUR 51k of deferred taxes for temporary differences were reversed.

Deferred taxes on the start-up losses of the Austrian subsidiaries and the loss incurred by Amadeus B.V. in the fiscal year were not recognized in accordance with IAS 12.34.
The payment of dividends in August 2002 for fiscal year 2001/2002 reduced income tax by EUR 385k in fiscal year 2002/2003.

As of the balance sheet dates, income taxes split up as follows:

Amounts stated in EUR k	**2002/2003**	**2001/2002**
Current tax expenses:		
Corporate income tax and solidarity surcharge	740	1.989
Trade tax on income	732	1.392
	1.472	**3.381**
Deferred taxes:		
from loss carryforwards	-95	0
from temporary differences	51	0
Tax expense	**1.428**	**3.381**

The Company has additional tax loss carryforwards amounting to EUR 674k for which no deferred tax assets are recognized pursuant to IAS 12.34.

Reconciliation Pursuant to IAS 12.81c:

The reconciliation of the theoretical amount that would have resulted had the group tax rate (41,4 per cent for the above income taxes, prior year: 40,2 per cent) been applied to the pre-tax result to the total tax expense disclosed is as follows:

Amounts stated in EUR k	March 31, 2003	March 31, 2002
Theoretical tax expense based on the effective tax rate in Germany	**1.472**	**3.251**
Tax refund for distributed dividends	-385	0
Goodwill amortization non-deductible for tax purposes	475	473
Effects from the non-capitalization of tax loss carryforwards	92	-1
Tax rate differences abroad	-20	-104
Non-deductible expenses	45	76
Tax on minority interests	-105	-89
Deconsolidation effect	0	-29
Endriss trade tax exemption	-175	-171
Other	29	-25
Tax expense actually disclosed	**1.428**	**3.381**
Effective tax rate in %	41,4	40,2

The effective tax rate in Germany rose by approximately 1,2 per cent in the fiscal year. This increase is due to the rise in the corporate income tax rate, and was partly offset by the fall in the Company's average trade tax rate.

11. Minority Interests in Profit/Loss

The minority interests stated for the fiscal year break down as follows:

Amounts stated in EUR k	2002/2003	2001/2002
Minority interests in profit/loss		
- Endriss KG	375	339
- Föhr Human Resources GmbH	-46	55
	329	**394**

12. Earnings per Share

Earnings per share are calculated in accordance with IAS 33. The net income after minority interests in profit/loss is divided by the weighted average number of ordinary shares outstanding during the fiscal year; this amount is the basic earnings per share. To calculate diluted earnings per share, the net income after minority interests in profit/loss is divided by the weighted average number of ordinary shares outstanding during the fiscal year plus the weighted average number of all the dilutive potential ordinary shares.

		2002/2003	2001/2002
Net income after minority interests	EUR k	1.801	4.319
Weighted average number of ordinary shares outstanding	Units	5.260.342	5.211.731
Basic earnings per share	**EUR**	**0,34**	**0,83**
Weighted average number of ordinary shares outstanding plus weighted average number of stock options issued	Units	5.553.011	5.568.119
Diluted earnings per share	**EUR**	**0,32**	**0,77**

Notes to the Consolidated Balance Sheets

Non-Current Assets

13. Intangible Assets

Intangible assets are carried at acquisition cost less accumulated systematic amortization. Goodwill arising upon initial consolidation is recognized in accordance with IAS 22 and amortized according to IAS 22.44 et seq.

Amortization follows the straight-line method over the following useful lives:

Software	3 - 5 years
Goodwill	10 - 15 years

Impairment losses are recognized if permanent impairment is probable. Such assets are tested for impairment at every balance sheet date in accordance with IAS 36.

Please see note no. 8 on the income statement for the amortization of goodwill in fiscal year 2002/2003. There was no cause to recognize impairment losses.

There are no internally generated intangible assets.

Amounts stated in EUR k	March 31, 2003	March 31, 2002
Software	313	458
Goodwill	10.950	12.308
	11.263	**12.766**

At the balance sheet dates goodwill is made up of the following net book value. The useful life of the goodwill is also stated.

Amounts stated in EUR k	Estimated useful life	2002/2003	2001/2002
Goodwill Greenwell Gleeson Ltd.	10 years	4.949	5.561
Goodwill Endriss KG	15 years	4.231	4.626
Goodwill Föhr Human Resources GmbH	10 years	1.147	1.291
Goodwill FiRe AG	10 years	622	830
		10.949	**12.308**

14. Property, Plant and Equipment and Advance Payments

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. No impairment losses had to be recognized or reversed.

Property, plant and equipment are depreciated on a straight-line basis over a useful life of three to five years. The useful lives and depreciation methods used are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment.

Amounts stated in EUR k	March 31, 2003	March 31, 2002
Property, plant and equipment	2.339	2.690
Advance payments on property, plant and equipment	453	74
	2.792	**2.764**

15. Changes in Consolidated Non-Current Assets

Amounts in EUR	At Cost				
	April 1, 2002	Additions	Disposals	Reclassifications	March 31, 2003
Intangible Assets					
Software	925.986,56	120.881,44	6.293,41	0,00	1.040.574,59
Goodwill	15.642.747,81	6.955,70	0,00	0,00	15.649.703,51
	16.568.734,37	**127.837,14**	**6.293,41**	**0,00**	**16.690.278,10**
Poperty, plant and equipment					
Other equipment, fixtures, fittings and equipment	4.405.880,40	868.237,31	516.300,17	73.682,75	4.831.500,29
Advance payments	73.682,75	453.261,11	0,00	-73.682,75	453.261,11
	4.479.563,15	**1.321.498,42**	**516.300,17**	**0,00**	**5.284.761,40**
	21.048.297,52	**1.449.335,56**	**522.593,58**	**0,00**	**21.975.039,50**

Amounts in EUR	Accumulated Amortization/Depreciation				Net Book Value	
	April 1, 2002	Provisions	Reversals	March 31, 2003	March 31, 2003	March 31, 2002
Intangible Assets						
Software	467.751,61	264.815,64	5.072,99	727.494,26	313.080,33	458.234,95
Goodwill	3.335.300,38	1.364.472,58	0,00	4.699.772,96	10.949.930,55	12.307.447,43
	3.803.051,99	**1.629.288,22**	**5.072,99**	**5.427.267,22**	**11.263.010,88**	**12.765.682,38**
Property, Plant and equipment						
Other equipment, fixtures, fittings and equipment	1.715.550,08	1.001.940,70	225.198,14	2.492.292,64	2.339.207,65	2.690.330,32
Advance payments	0,00	0,00	0,00	0,00	453.261,11	73.682,75
	1.715.550,08	**1.001.940,70**	**225.198,14**	**2.492.292,64**	**2.792.468,76**	**2.764.013,07**
	5.518.602,07	**2.631.228,92**	**230.271,13**	**7.919.559,86**	**14.055.479,64**	**15.529.695,45**

16. Deferred Taxes

In accordance with IAS 12, deferred tax assets are recognized for temporary differences in carrying amounts in the commercial and tax balance sheets of the consolidated companies and on tax loss carryforwards. The liability method of IAS 12.47 is applied. The recognition and measurement of deferred tax assets is reviewed regularly. Their value is adjusted if there are signs of impairment.

Amounts stated in EUR k	March 31, 2003	March 31, 2002
Deferred taxes on temporary differences	32	83
Deferred taxes on loss carryforwards	171	75
	203	**158**

In 1998/1999 the Company recognized deferred tax assets from the tax loss carryforwards of the Dutch subsidiary Amadeus B.V. resulting from start-up losses in the first fiscal year. Applying IAS 12.34 and IAS 12.39, the deferred taxes on losses brought forward from prior years were not increased.

The increase in deferred taxes on loss carryforwards in the fiscal year results from the net loss of Föhr Human Resources GmbH. In the separate financial statements of Greenwell Gleeson Ltd. deferred tax assets on temporary differences in carrying amount of EUR 51k were reversed.

Current Assets

17. Trade Receivables and Other Assets

Accounts receivable are stated at the fair value of the consideration given and are carried at amortized cost after provision for impairment (IAS 39.73).

Trade receivables break down as follows:

Amounts stated in EUR k	March 31, 2003	March 31, 2002
Trade receivables	4.577	6.170
Services rendered but yet to be invoiced	240	227
Bad debt allowances	-465	-365
	4.352	**6.032**

A strict check of creditworthiness and a stringent dunning system limits the risk of losing accounts receivable. The average term of trade receivables was 25 days (prior year: 28 days).

Services rendered but yet to be invoiced comprise amounts that are not billed to the customer until a placed employee starts work even though all contractually agreed services have already been rendered.

Other assets are allocated as follows:

Amounts stated in EUR k	March 31, 2003	March 31, 2002
Tax refund claims	527	0
Receivables from employees	57	70
Interest	45	63
Security deposits	15	14
Other	18	38
	662	**185**

18. Prepaid Expenses

Prepaid expenses totaling EUR 400k (prior year: EUR 431k) chiefly comprise prepaid expenses for marketing activities, prepaid insurance premiums and payments under maintenance and support contracts.

19. Cash and Cash Equivalents

Cash and cash equivalents solely comprise cash on hand and cash in banks as well as short-term time deposits that mature in one month or less.

Amounts stated in EUR k	March 31, 2003	March 31, 2002
Cash	11	11
Bank balances	2.058	3.151
Time deposits	11.892	15.593
	13.961	**18.755**

Equity

20. Capital Stock (Subscribed Capital)

The subscribed capital is the parent company's capital stock of EUR 5.295.064 and is divided up into 5.295.064 non-par bearer shares held by numerous shareholders. No shareholders are known to hold more than 25 per cent of shares. The subscribed capital has been fully paid in.

The capital stock was increased by EUR 83.333 in the fiscal year by the exercising of stock options.

21. Approved Capital

By statute, the Company has approved capital of EUR 908k (prior year: EUR 908k). The approved capital is limited until June 1, 2003.

22. Conditional Capital

Conditional Capital I

The shareholders' meeting on January 16, 1999 decided to conditionally increase the capital stock by up to EUR 400.000 by issuing a maximum of 400.000 ordinary bearer shares (Conditional Capital I). On August 8, 2001 the shareholders' meeting decided to reduce Conditional Capital I to EUR 331.000. Stock options for 83.333 ordinary bearer shares were exercised on September 2, 2002. The remaining Conditional Capital I now totals EUR 247.667.
The Management Board's authorization, with the approval of the Supervisory Board, to grant options to employees and directors of the Company and its affiliates was rescinded by the resolution on August 8, 2001 insofar as the authorization had not been used by August 8, 2001.

Conditional Capital II

The shareholders' meeting on August 8, 2001 decided to conditionally increase the capital stock by up to EUR 190.000 by issuing a maximum of 190.000 ordinary bearer shares (Conditional Capital II). The Management Board was authorized, with the approval of the Supervisory Board, to grant on one or more occasions up to August 1, 2006 subscription rights for a maximum total of 190.000 bearer shares in the Company to employees and directors of the Company and companies in which the Company directly or indirectly holds a majority interest. Should the Company's Management Board be the beneficiary, the Supervisory Board shall be authorized to grant subscription rights.

As of the balance sheet date, total conditional capital thus amounted to EUR 438k.

As of March 31, 2003, the following options from Conditional Capital I and II have been issued:

	Management Board	Employees
Conditional Capital I	166.667	28.500
Conditional Capital II	25.000	29.280
	191.667	**57.780**

23. Stock Option Plans

Stock Options from Conditional Capital I

On January 16, 1999, the meeting of shareholders agreed to the conditional increase in capital stock by up to EUR 400.000 by issuing up to 400.000 bearer shares (Conditional Capital I) and on August 8, 2001 to the reduction of Conditional Capital I to EUR 331.000. The Management Board's authorization, with the approval of the Supervisory Board, to grant options to employees and directors of the Company and its affiliates was rescinded by the resolution of August 8, 2001.

One-third of the subscription rights may be exercised for the first time three years after the date on which they were granted, another third may be exercised in each of the subsequent years. The agreements expire on June 30, 2006.

The subscription price of the 28.500 stock options issued to employees under the stock option scheme is EUR 11,50.

With the average price from March 1 to March 28, 2002 set at EUR 17,84 (XETRA), the price entitling the first third to be exercised (15 per cent above the strike price of EUR 11,50) was reached; this meant that the participating directors and employees were able to exercise their options for the first time in fiscal year 2002/2003. 83.333 options were exercised. With the average price from March 4 to 31, 2002 set at EUR 4,47 (XETRA), the price entitling the second third to be exercised (20 per cent above the strike price of EUR 11,50) was not reached. The performance target for the second third will have to be reviewed again, independent of the last third, on the 20 trading days before March 31, 2004.

	Options	
Conditional Capital I	**331.000**	
As of the balance sheet date:		
Granted on March 5,1999	394.000	
thereof to members of the Management Board		250.000
thereof to employees		144.000
Exercised	83.333	
Revoked	0	
Lapsed	115.500	
Outstanding on March 31, 2003	**195.167**	
Non-forfeitable	0	

Stock Options from Conditional Capital II

By virtue of the resolution adopted by the shareholders' meeting on August 8, 2001, the Management Board granted 25.680 options to employees from Conditional Capital II on September 7, 2001. At the same time, on behalf of the Management Board the Supervisory Board granted 25.000 options to the Management Board. 4.200 options were also granted to employees on February 1, 2002, followed by another 1.200 options on August 12, 2002.

The strike price for options granted on September 7, 2001 was set in the period from September 9 to September 19, 2001 at EUR 13,38 (XETRA); the strike price for options granted on

	Options	
Conditional Capital II	**190.000**	
As of the balance sheet date:		
Granted on September 7, 2001	50.680	
thereof to members of the Management Board		25.000
thereof to employees		25.680
Granted on February 1, 2002	4.200	
thereof to members of the Management Board		0
thereof to employees		4.200
Granted on August 12, 2002	1.200	
thereof to members of the Management Board		0
thereof to employees		1.200
Exercised	0	
Revoked	0	
Expired	1.800	
Outstanding on March 31, 2003	**54.280**	
Non-forfeitable	0	

February 1, 2002 was set in the period from January 29 to February 4, 2002 at EUR 16,98 (XETRA). The strike price for options granted on August 12, 2002 was set in the period from August 15 to 21, 2002 at EUR 10,34 (XETRA).

Subscription rights may only be granted to those entitled to subscribe during two two-week periods each year. One third of the subscription rights may be exercised for the first time after a vesting period of two years from the date on which they were granted; another third may be exercised in each of the subsequent years.

The options may only be exercised after the end of the respective vesting period, if, in the period between the options being granted and the start of the next exercise period after the end of the vesting period for the respective tranche, the Amadeus share price has outperformed the SDAX of Deutsche Börse AG or another index for small and mid caps ("reference index") in the same period by at least 10 per cent ("performance target"). To calculate attainment of the performance target, the average closing price (XETRA) of the Company's common stock in the last five trading days prior to the end of the respective subscription period in which the subscription rights are granted, and in the last five trading days prior to the start of the exercise period in which the subscription rights can be exercised are compared with the reference index trend calculated in the same way. Should the performance target not be fulfilled on the day prior to the start of this exercise period, the vesting period for the respective tranche is extended until the performance target is met on the day prior to the start of one of the following exercise periods. If, after the end of the respective vesting period, the performance target is met at the start of the exercise period and the subscription rights are not exercised in this period, they may be exercised in a later period even if the performance target is no longer met at the start of this subsequent exercise period.

Subscription rights are granted free of charge. When exercising the subscription rights, an exercise price has to be paid for each subscription right exercised. This price equals the average closing price (XETRA) of the Company's share in the last five trading days prior to the end of the subscription period in which the subscription rights were granted ("strike price") minus the outperformance markdown. For each percentage point by which the price of the Amadeus share outperforms the reference index in the period between the subscription rights being granted and the start of the respective exercise period, the strike price falls by three percent ("exercise price"). To calculate the outperformance of the Amadeus shares compared to the reference index, the average closing price (XETRA) of the Company's common stock in the last five trading days prior to the end of the respective subscription period in which the subscription rights were granted, and in the last five trading days prior to the start of the exercise period in which the subscription rights are exercised are compared with the reference index trend calculated in the same way. The subscription right agreements run for a period of eight years.

The presentation of the Company's stock option agreements complies with IAS 19 (revised 2000); it relates solely to the disclosures in the notes required by IAS 19.147 et seq.

24. Capital Reserve

The capital reserve chiefly results from amounts generated by issuing shares above their nominal value (premium) and from the use of the approved capital for acquisitions.

25. Consolidated Retained Earnings

The shareholders' meeting decided on August 7, 2002 to appropriate the retained earnings as of March 31, 2000 of EUR 7.434k as follows:

Amounts in EUR k	
Payment of a dividend of EUR 0.42 EUR 0,42 per share	2.189
Brought forward to new account	5.245

The retained earnings as of March 31, 2003 are as follows:

Amounts in EUR k	
Retained earnings as of April 1, 2002	7.434
Payment of a dividend of EUR 0,42 per share	2.189
Brought forward to new account	5.245
Net income for the year	1.801
Retained earnings as of March 31, 2003	7.046

26. Minority Interests

The minority interests comprise a 40 per cent interest in Endriss KG and a 25 per cent share in Föhr Human Resources GmbH. The change in minority interests is due to the share of profit and loss for the fiscal year (see note 11), the increase in the revenue reserves and the distribution of capital reserves.

27. Current Liabilities

Accruals are recognized when, and only when, the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

All current liabilities are due within one year.

Tax Provisions

Provisions for taxes cover the amounts that the group companies owe in taxes for fiscal years 2000/2001, 2001/2002 and 2002/2003 less prepayments.

The current provisions for taxes are comprised as follows:

Amounts stated in EUR k	March 31, 2003	March 31, 2002
Trade tax	318	1.084
Corporate income tax and solidarity surcharge	82	1.079
	400	**2.163**

Trade Payables

All trade payables are due to third parties; they are stated at the amount repayable.

Other Liabilities

Other liabilities split up as follows:

Amounts stated in EUR k	March 31, 2003	March 31, 2002
Purchase price payable for the shares in Greenwell Gleeson Ltd.	1.420	5.130
Advance payments of course fees	1.138	936
Liabilities in connection with social security	862	1.041
Wage tax, church tax and solidarity surcharge liabilities	498	588
VAT liabilities	486	651
Other	179	89
	4.583	**8.435**

Following payment of a large portion of the purchase price for the shares in Greenwell Gleeson Ltd., a purchase price liability of GBP 960k remains. To hedge the exchange rate risk, Amadeus AG has already acquired the outstanding GBP 960k and invested it as a time deposit with a German bank.

The other liabilities consist mainly of expenses for project employees in temporary management that have not yet been billed.

Accruals

Accruals break down as follows:

Amounts stated in EUR k	March 31, 2003	March 31, 2002
Accrued vacation	950	1.109
Outstanding invoices	512	513
Employers' liability insurance	439	228
Bonuses	350	686
Personnel expenses	201	107
Financial statement fees	189	196
Legal and consulting fees	35	20
Other	212	261
	2.888	**3.120**

The other accruals relate to overtime, levies in lieu of employing the severely disabled, chamber of commerce and industry dues and costs of the shareholders' meeting.

Notes to the Consolidated Cash Flow Statements

The Company's cash flow statement complies with IAS 7. As such, cash flows are broken down into cash flows from operating activities, investing activities and financing activities. Cash flows are presented according to the indirect method of IAS 7.18b.

28. Cash Flow from Operating Activities

The cash flow from operating activities was down 22 per cent to EUR 2.871k in fiscal year 2002/2003 (prior year: EUR 3.669k), a much better result than the net income before taxes (down 58 per cent). This is largely thanks to the Company's stringent management of receivables and lower payments of income taxes.

29. Cash Flow from Investing Activities

The cash flow from investing activities increased to EUR 5.575k (prior year: EUR 672k). This is chiefly due to the payment of purchase prices for acquisitions made in the prior year. These outflows also include the capital reserves paid out to minority shareholders which are, in effect, purchase prices.

Investments decreased by 35 per cent because only minor additions were made to the branch network in the fiscal year.

30. Cash Flow from Financing Activities

The cash outflow of EUR 2.090k, 51 per cent higher than in the prior year (EUR 1.388k), was affected by the increased dividend payments in the fiscal year and the lower minority interest in profit and loss.

As of the balance sheet date the Company has undrawn credit facilities of EUR 500k at its disposal.

Notes to Segment Reporting

31. Segment Reporting

In accordance with IAS 14 (Segment Reporting), the Company's segment reporting is based on business segments, with similar services being grouped into reportable segments.

Pursuant to IAS 14 the segment reporting is based on distinguishable business segments (primary reporting format) classified according to risks and rewards and in accordance with the internal reporting structure.

The Group carries on its business activities in the following two segments:

A. Temporary staffing / interim and project management / permanent placement/ executive search
B. Training and education

All inter-segment prices are arm's length prices.

Pursuant to IAS 14.35, segment reporting for geographical segments (secondary reporting format) is not necessary because the Company only operates substantially in Germany and hence in one geographical segment.

Other Disclosures

32. Contingent Liabilities

The Company has issued rental payment guarantees of EUR 393k to lessors. No further contingent liabilities subject to compulsory disclosure exist.

33. Other Financial Commitments

Amounts stated in EUR k	March 31, 2003	March 31, 2002
2003/2004	1.698	1.702
2004/2005	1.163	1.162
2005/2006	625	616
2006/2007	174	174
2007/2008 and subsequent years	74	0
	3.734	**3.654**

The other long-term financial commitments consist mainly of rental obligations of the companies included in the consolidated financial statements.

34. Related Party Relationships

In the fiscal year, the Company made payments of EUR 27k to related parties for consulting services in accordance with IAS 24 in addition to the Supervisory Board remuneration stated below. The Company considers the conditions for all transactions with related parties to be in line with market rates and thoroughly comparable with the conditions the Company would have agreed on an arm's length basis (method of price comparison according to IAS 24.13).

35. Total Remuneration of Management Board and Supervisory Board

Management Board Remuneration

The remuneration of the Management Board in the fiscal year amounted to EUR 889k (prior year: EUR 479k). Of this amount EUR 61k (prior year: EUR 38k) were resulting from a bonus plan.

In addition, under the stock option plan Mr. Spahn was granted 250.000 options at a subscription price of EUR 1,00 each from Conditional Capital I. 83.333 of these options were exercised in the fiscal year. Under the stock option plan Mr. Haas was granted 25.000 options from Conditional Capital II. For additional information, please refer to note 23.

Supervisory Board Remuneration

Pursuant to the resolution by the annual shareholders' meeting on August 8, 2001, each member of the Supervisory Board receives remuneration of EUR 5.000 in addition to the reimbursement for expenses incurred in performing their official function. The chairman of the Supervisory Board receives three times this amount, his deputy double this amount.

In the fiscal year expenses of EUR 45k were incurred in this respect.

Shares and Stock Options held by Board Members

Listed below are the shares and stock options held by those board members who hold more than 1 per cent of the shares issued by the Company. As of March 31, 2003 5.295.064 shares of Amadeus AG were outstanding.

Board Member	Board	Number of shares	Number of stock options
Georg Blinn	Supervisory Board	355.725	-
Hans H. Roolf	Supervisory Board	489.178	-
Günter Spahn	Management Board	482.918	166.667

36. Management Board

During fiscal year 2002/2003, Mr. Günter Spahn, Babenhausen, and Mr. Peter Haas, Rödermark, were members of the Management Board with sole rights of representation. They are entitled to conclude legal transactions with the Company as a representative of a third party (Sec. 181 of the German Civil Code (BGB)).

Mr. Christian Schreiter, Glashütten, was appointed deputy member of the Company's Management Board. He represents the Company together with one member of the Management Board or a person holding powers of attorney.

Responsibilities are allocated to the members of the Management Board according to the distribution-of-business plan drawn up by the Supervisory Board; they are as follows:

Mr. Günter Spahn, Chairman of the Board:
Corporate strategy, acquisitions and investments, marketing and public relations.

Mr. Peter Haas, CFO:
Finance, accounting and controlling, investor relations, human resources, IT, auditing, legal.

Mr. Christian Schreiter, deputy member of the Management Board:
Operations of Amadeus AG, FiRe AG, FiRe Outsourcing GmbH, Amadeus B.V., Amadeus Personalberatung GmbH and Amadeus GmbH.

37. Supervisory Board

The members of the Supervisory Board during fiscal year 2002/2003 were:

Mr. Gerd B. von Below, Bonn, Chairman
Mr. Georg Blinn, Bruchmühlbach, Vice Chairman
Mr. Hans H. Roolf, Oberursel
Mr. Hartmut van der Straeten, Wehrheim
Ms. Ulrike Bert, Aschaffenburg, employee representative
Mr. Axel Böke, Kriftel, employee representative

38. Functions of Board Members on Supervisory or Advisory Boards

Gerd B. von Below	- Vice chairman of the supervisory board of Teleplan International N.V., Nijmegen - Chairman of the advisory board of New Radio Tower GmbH, Mühlheim/Ruhr
Georg Blinn	- Chairman of the supervisory board of FiRe AG, Frankfurt/Main - Member of the supervisory board of Teleplan International N.V., Nijmegen
Hans H. Roolf	- Chairman of the supervisory board of FiRe AG, Frankfurt/Main
Hartmut van der Straeten	- Vice chairman of the supervisory board of FiRe AG, Frankfurt/Main - Executive director of EGANA Jewellery & Pearls Ltd., Hong Kong
Günter Spahn	- Chairman of the supervisory board of Fonds Direkt AG, Oberursel

39. Subsequent Events

Under the investment contract of April 2, 2001 Amadeus AG irrevocably promised the minority shareholders of Föhr Human Resources GmbH, who hold a total of 25 per cent of that company's shares, that it would acquire their shares. The option period commenced on March 1, 2003.

After the balance sheet date the minority shareholder exercised the option. A fixed purchase price of EUR 541k has to be paid to the minority shareholders.

40. Corporate Governance

The declaration of compliance with the German Corporate Governance Code pursuant to Sec. 161 of the Stock Corporation Act (AktG) was made by the Management Board and the Supervisory Board; it was made permanently available to shareholders on the Company's website.

41. Appropriation of Profits

The Management Board and Supervisory Board propose that the retained earnings be appropriated as follows:

Amounts stated in EUR	
Retained earnings	7.045.950,68
Payment of a dividend of EUR 0.42 per share on the 5.295.064 non-par shares bearing dividend rights:	2.223.926,88
Brought forward to new account:	4.822.023,80

Frankfurt/Main, May 5, 2003

Günter Spahn
CEO & Chairman
of the Board

Peter Haas
CFO & Board Member

Christian Schreiter
Manager Operations &
Deputy Board Member

Audit Opinion

We have audited the consolidated financial statements, comprising the balance sheet, the income statement and the statements of changes in shareholders' equity and cash flows as well as the notes to the financial statements prepared by Amadeus AG Personal-Dienstleister und Solution Provider, Frankfurt am Main, for the business year from April 1, 2002 to March 31, 2003. The preparation and content of the consolidated financial statements are the responsibility of the Company's Management Board. Our responsibility is to express an opinion on whether the consolidated financial statements are in accordance with International Financial Reporting Standards (IFRS) based on our audit.

We conducted our audit of the consolidated financial statements in accordance with German auditing regulations and generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [in Deutschland] (IDW). Those standards require that we plan and perform the audit such that it can be assessed with reasonable assurance whether the consolidated financial statements are free of material misstatements. Knowledge of the business activities and the economic and legal environment of the Group and evaluations of possible misstatements are taken into account in the determination of audit procedures. The evidence supporting the amounts and the disclosures in the consolidated financial statements are examined on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the net assets, financial position, results of operations and cash flows of the Group for the business year in accordance with IFRS.

Our audit, which also extends to the group management report prepared by the Management Board for the business year from April 1, 2002 to March 31, 2003, has not led to any reservations. In our opinion, on the whole, the group management report provides a suitable understanding of the Group's position and suitably presents the risks of future development. In addition, we confirm that the consolidated financial statements and the group management report for the business year from April 1, 2002 to March 31, 2003 satisfy the conditions required for the Company's exemption from its obligation to prepare consolidated financial statements and a group management report in accordance with German law.

Ernst & Young
Revisions- und Treuhandgesellschaft mbH
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

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Wirtschaftsprüfer	Wirtschaftsprüfer

Eschborn/Frankfurt/Main, May 5, 2003

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