

[Quarterly Financial Report]

as at March 31, 2010



_betasystems

TABLE OF CONTENTS

I.	AT A GLANCE	3
	SUMMARY	3
II.	CONSOLIDATED INTERIM MANAGEMENT REPORT	4
	KEY OPERATIONAL HIGHLIGHTS	4
	REPORT ON THE FINANCIAL PERFORMANCE, ASSETS AND FINANCIAL POSITION	6
	OUTLOOK	10
	REPORT ON THE ANTICIPATED DEVELOPMENT AND ITS SIGNIFICANT OPPORTUNITIES AND RISKS (OPPORTUNITIES AND RISK REPORT)	10
	RELATED PARTY DISCLOSURES	10
III.	BETA SYSTEMS SOFTWARE AG AND SUBSIDIARIES CONSOLIDATED INTERIM FINANCIAL REPORT AS AT MARCH 31, 2010	12
	CONSOLIDATED STATEMENT OF INCOME	12
	CONSOLIDATED STATEMENT OF FINANCIAL POSITION	13
	CONSOLIDATED STATEMENT OF CASH FLOWS	14
	CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	15
	CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	16
	GENERAL INFORMATION	17
	ACCOUNTING POLICIES AND METHODS OF COMPUTATION	17
	SEGMENT REPORTING	18
	SELECTED EXPLANATORY NOTES	19
IV.	DISCLOSURE OF DIRECTORS' HOLDINGS OF BETA SYSTEMS SOFTWARE AG	20
V.	FINANCIAL CALENDAR, CONTACT AND IMPRINT	21

I. AT A GLANCE

All amounts in thousands of euros (k€) unless otherwise indicated

Key figures	Q1/2010	Q1/2009	Change
Revenues	18,454	20,324	(1,870)
Operating result	526	(50)	576
Result before income taxes	411	(88)	499
Net income (loss) for the fiscal period	288	(98)	386
	03/31/2010	12/31/2009	Change
Cash	3,401	1,986	1,415
Shareholders' equity	29,793	29,742	52
Total assets	77,697	76,990	707
Equity ratio	38.3%	38.6%	(0.3)%
Number of employees	636	648	(12)

SUMMARY

- Profitable start to the fiscal year 2010 with positive earnings before tax (EBIT) of € 0.5 million in the first quarter which is generally weaker due to seasonal influences
- Successful cost management serves to overcompensate anticipated decline in revenues; profit for the period rises by € 0.4 million to € 0.3 million
- Distinctly positive operating cash flow climbs by € 0.9 million to € 11.7 million on the back of stable maintenance business in conjunction with stringent receivables management
- Signs of recovery in the ECM solutions business evidenced by the first major order from the banking sector

II. CONSOLIDATED INTERIM MANAGEMENT REPORT

KEY OPERATIONAL HIGHLIGHTS

Beta Systems Software AG (BSS, ISIN DE0005224406) started off the year by delivering a profit in the first quarter of 2010. Whereas, in the year-earlier quarter, which was mostly unaffected by the economic crisis, there were a number of license agreements, project orders and new system orders, customers held back on placing larger orders in the first quarter of 2010, as expected. Nonetheless, individual major orders with license volumes in the million range were generated both in the infrastructure business (DCI/IdM Lines of Business (LoBs)) and in the ECM solutions business in Germany and abroad, lifting revenues from software licenses. All in all, the downturn in revenues of a maximum 10% across all segments and at Group level therefore remained within the expected range of fluctuation in the first quarter of the fiscal year.

The Management Board and general managers had already taken the precaution of responding to the anticipated decline in revenues by stepping up the implementation of short-term cost cutting measures already decided in the second half of 2009 (for instance, by using the tool of short-time work) and by exercising tight control on expenses and investments throughout the whole company.

As a result, following the return to the profit zone in the previous year's quarter, these measures enabled a profitable result to be generated for the first time in the first quarter of a fiscal year. At the same time, the cash flow from operating activities rose by €0.9 million on the back of the stable maintenance business in conjunction with consistent receivables management, allowing short-term finance to be scaled back significantly.

Statement by the Management Board

"I take it as a good sign that we started the fiscal year 2010 with a profitable first quarter. Nonetheless, the situation in the IT market remains tense, as reflected in our results in the first quarter which is generally weaker in our experience. For this reason, we successfully stepped up our efforts on the cost front. We are nevertheless cautiously optimistic and anticipate a gradual releasing of the backlog in IT investment. We hope that, for instance, the first major order in the ECM solutions business for almost 12 months will have the desired effect by sending a positive signal. The current intensive rounds of negotiation with large customers, especially those in the financial sector, are arguments which support this assumption although we can only reckon on a sustained recovery in demand from the second quarter of 2010 onwards at the earliest", explained **Gernot Sagl, Board Member of Beta Systems Software AG**.

- **Stable price performance of the Beta Systems share**
- **Spin-off of Beta Systems ECM Solutions GmbH now completed**
- **Beta Systems takes over the product rights for rolmine from ipg AG**
- **Beta Systems is granted global distribution rights for the scheduling solution of APM-Software GmbH**
- **Beta Systems' new Agility products connect data centers with decentralized architectures**

Stable price performance of the Beta Systems Share

The price of the Beta share opened at €2.58 on January 4, 2010, and stood at €2.75 on March 31, 2010 (opening and closing price in Xetra). In 2010, the share got off to a stable start and reached its highest point for the first quarter of €2.90 on January 8, 2010. The trading volume, however, remained moderate on most of the trading days in the first three months of 2010.

Spin-off of Beta Systems ECM Solutions GmbH now completed

The spin-off of the ECM business to form Beta Systems ECM Solutions GmbH was completed on March 1, 2010, upon entry of the company into the Commercial Register of the District Court of Berlin Charlottenburg. For more information, please see the selected explanatory notes.

Beta Systems takes over the product rights for rolmine from ipg AG

At the start of 2010, Beta Systems Software AG made a strategic investment in a future-oriented Identity Access Management (IAM) through the takeover of all rights to the ownership of rolmine, a software product of Swiss partner ipg AG. rolmine synchronizes existing authorization information from systems and applications with a company's constantly evolving organization structures. In this process, rolmine creates, analyzes and maintains clusters of similar access rights, so-called roles, within a company and is thus an important fundament underpinning innovative and audit-compliant Identity Access Management in large enterprises.

Beta Systems is granted global distribution rights for the scheduling solution of APM-Software GmbH

Also at the beginning of 2010, Beta Systems acquired the global distribution rights to APX/PCC, a scheduling product of APM-Software GmbH, thereby adding to its range of process automation products as a strategic component of the product portfolio. The APX/PCC scheduling system enables company processes to be carried out more effectively across platform boundaries and ensures that the right job is executed on the right computer with the right parameters at the right time.

Beta Systems' new Agility Products connect data centers with decentralized architectures

Beta Systems Software AG's new generation of Agility products launched in March 2010 opened up the z/OS-based infrastructure software for use by applications and the employees in all areas of corporate IT. This option significantly increases IT's cost-effectiveness and helps companies make their business processes even more efficient. In order to take account of the increasing importance of IT and, in this context, enhance the use of existing systems, companies need to integrate IT even more swiftly and flexibly into their workflows and business processes. This applies to both data center solutions and decentralized architectures. To this end, the new Agility products provide powerful Web services that enable access to the corresponding Beta Systems z/OS-based product. The product family comprises Beta 88, 91, 92 and 93 Agility.

REPORT ON THE FINANCIAL PERFORMANCE, ASSETS AND FINANCIAL POSITION

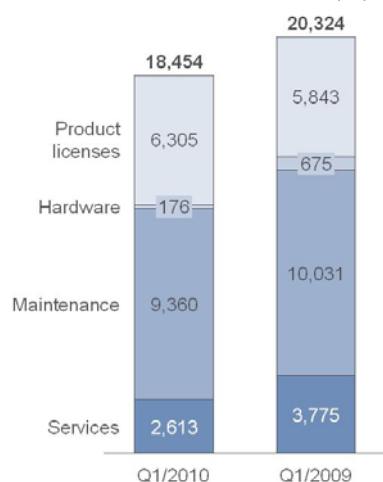
1. Financial performance of the Beta Systems Group

Development of revenues

As a supplier of complex IT corporate solutions, Beta Systems generates revenues from the components of software licenses, maintenance and services. An additional source of revenue comes from hardware in the form of scanner systems.

Despite the protracted global crisis in the capital and financial markets, demand in the core market of Europe came primarily from the banking and insurance sectors. The persistently difficult economic situation nonetheless still presents opportunities for the products and solutions of Beta Systems. On the customer side, for instance, it is accelerating the process of consolidation in the financial services sector and, at the same time, exerting pressure on companies in this sector to reduce costs. For this reason and for reason of the new pan-European laws and directives with more stringent compliance requirements, our customer companies must continue to optimize their IT processes and make them more secure. This is where they can draw on the support of the software solutions from the Beta Systems portfolio. Alongside new products, the product range comprises tried-and-tested standard products acquired in the context of acquisitions or technology transfer. In the first three months of 2010, the companies belonging to the Beta Systems Group signed a series of contracts in all of its three segments with well-known customers.

All amounts in thousands of euros (k€) unless otherwise indicated



The anticipated decline in the Group's revenues is primarily attributable to the general reluctance to invest caused by the crisis in the financial market. Major orders acquired in the first quarter of 2010 are the first sign of a possible firming up of the economy and the ensuing willingness to carry out investments which had been postponed. The ECM Division in particular succeeded in stabilizing new orders in the first three months of 2010.

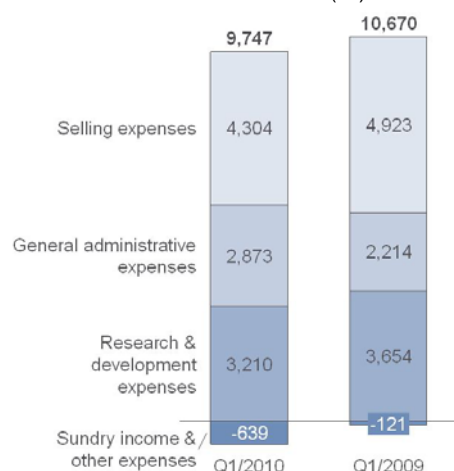
As a result, and as opposed to revenues with hardware and services which were still decline, revenues with software licenses above all rose by more than 8% in comparison with the year-earlier period. Strengthened by acquisitions made in 2008 and 2009, maintenance revenues continued to be a stable mainstay of the business model. There was, however, a slight downturn in these revenues in a year-on-year comparison.

Development of gross profit

The cost of revenues fell mainly owing to a reduction in the cost of materials and of services outsourced. This decrease was able to compensate for the downturn in revenues, thus enabling gross profit to remain unchanged as against the previous year's period.

Development of operating expenses

All amounts in thousands of euros (k€) unless otherwise indicated



Stringent cost management also curbed operating expenses. The selling expenses fell significantly first and foremost owing to a decline in internal and external sales commissions. The increase in general administrative expenses was mainly attributable to the spin-off of Beta Systems ECM Solution GmbH and the consultancy services associated with this transaction. Research and development expenses decreased mainly due to short-time work which was introduced in the Augsburg location. Sundry income comprises income from the sale of software license rights which came to k€305. Measured against revenues, operating expenses stood at 52.8 % in the first quarter of 2010 (Q1/2009: 52.5%).

At the end of the first three months of 2010, earnings before interest and tax (EBIT) came to €0.5 million (Q1/2009: €-0.1 million) and EBITDA, which is EBIT plus depreciation and amortization, posted €1.3 million (Q1/2009: €1.0 million).

Given a tax rate of 30%, income taxes stood at €0.1 million (Q1/2009: €0.0 million).

Performance of the business segments

The Groups business segments are divided up into the three Lines of Business (LoBs) DCI (Data Center Infrastructure), IdM (Identity Management) and ECM (Enterprise Content Management), each of which have their own individual strategy aligned to the market.

All amounts in thousands of euros (k€) unless otherwise indicated

Revenues Operating Segments	Q1/2010	Q1/2009	Change	
DCI	7,896	8,854	(958)	(10.8)%
IdM	2,115	2,251	(136)	(6.0)%
ECM	8,443	9,290	(847)	(9.1)%
Total	18,454	20,395		
Segment's Operating Income (Loss)	Q1/2010	Q1/2009	Change	
DCI	2,687	3,244	(557)	(17.2)%
IdM	(480)	88	(568)	(645.5)%
ECM	2,453	1,610	843	52.4%
Total	4,660	4,942		

Despite a decline in revenues in the first quarter of 2010 as against the year-earlier period, the DCI LoB continued to make the highest contribution to the result.

Alongside a downturn in revenues, the result of the IdM LoB in the first quarter of 2010 was first and foremost burdened by an increase in royalties levied on third-party products in a year-on-year comparison.

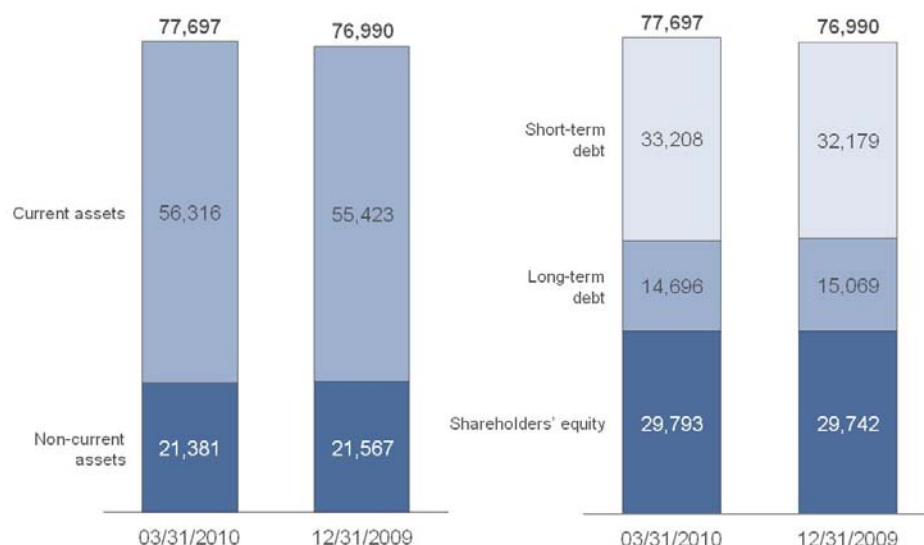
Although revenues of the ECM LoB were in decline in the first three months of 2010 as against the year-earlier period, the negative trend apparent in the second half of 2009 was brought to a halt by a stable order intake and the first major order placed in 2010. Moreover, consistent cost management combined with the introduction of short-time work in the Augsburg location in December 2009 had a significantly positive impact on the result of the ECM LoB which even rose against the previous year's period.

Human resource development

At the end of the first quarter of 2010, the number of employees in the Beta Systems Group had fallen to 636, down from 668 in the first quarter of 2009 and 648 at year-end 2009.

2. Asset and financial position of the Beta Systems Group

All amounts in thousands of euros (k€) unless otherwise indicated



Due to the fact that a major part of the maintenance services in 2010 were invoiced at the start of the year, in combination with the still high quality of customers' payment behavior, operating cash flow was distinctly positive in the first quarter of 2010. In this context, utilization of short-term debt was significantly reduced and trade receivables even fell to below the level posted on December 31, 2009. As a result of the aforementioned invoicing of maintenance services, deferred income rose considerably compared with December 31, 2009. This item included maintenance revenues invoiced at the start of the year for the corresponding provision of services and recognition of revenues in the course of the year in accordance with the accruals concept.

Construction contracts (POC) declined in the wake of lower order intake. The increase in other current assets was mainly due to the reporting-date related rise of prepayments and accrued income.

Non-current assets include the acquisition costs incurred by the purchase of the rolmine software of Swiss ipg AG which took place in the first quarter of 2010. The acquisition costs came to k€ 600, plus earn-out payments depending on future revenues.

Other current liabilities had declined as per March 31, 2010. As per December 31, 2009, this item included the last purchase price installment of € 1.0 million for the DETEC companies, payment of which was effected in February 2010.

The scheduled redemption of loans resulted in a lower level of long-term debt.

Cash flow	Q1/2010	Q1/2009	Change
... from operating activities	11,662	10,743	920
... from investing activities	(1,708)	104	(1,812)
... from financing activities	(8,302)	(5,349)	(2,953)
Free cash flow	1,652	5,498	

The cash flow from operating activities remained at a high level despite aforementioned effects.

The cash flow from investing activities rose in the first quarter of 2010 as against the previous year's quarter as a result of the purchase of rolmine from Swiss ipg AG which came to €0.6 million and the payment of the last purchase price installment for the acquisition of the DETEC companies (€1.0 million) in February 2010.

In a year-on-year comparison with the first three months of 2010, the cash flow from financing activities included a significantly greater reduction of €8.0 million in short-term finance (Q1/2009: €6.1 million) and the redemption of loans which came to €0.2 million. Moreover, this position also included long-term borrowings of €1.0 million in 2009.

OUTLOOK

In respect of the end of the fiscal year 2010, the Management Board confirms its outlook as per December 31, 2009, published in its Combined Management Report on the Group and the Company.

REPORT ON THE ANTICIPATED DEVELOPMENT AND ITS SIGNIFICANT OPPORTUNITIES AND RISKS (OPPORTUNITIES AND RISK REPORT)

The opportunities and risk report is an update of the assumptions made in the Combined Management Report on the Group and the Parent Company as per December 31, 2009. The report is therefore to be read in conjunction with these statements. Major changes in the current financial year have occurred in relation to the following opportunities and risks:

Current situation in the international financial markets

The persistently tense situation in the international financial markets is accelerating the consolidation process in the financial services sector and, at the same time, exerting increasing pressure on participants to reduce costs in the sector. On the one hand, this favors the development of the new software solutions of Beta Systems which are focused on the adjustment of business processes, IT systems and organization as part of consolidation. On the other, however, there is the risk in the short term that investments may be postponed owing to liquidity and finance shortfalls.

RELATED PARTY DISCLOSURES

Explanations on business relationships with related parties are included in the selected explanatory notes.

Berlin, in May 2010



Gernot Sagl
Member of the Management Board

Statement on the Consolidated Interim Management Report

Beta Systems Software AG has drawn up this Consolidated Interim Management Report as at March 31, 2010, in accordance with the legal requirements. The reporting period covers the first three months of 2010. The Consolidated Interim Management Report is to be read in conjunction with the Consolidated Interim Financial Report as at March 31, 2010.

All forward-looking statements relate to the period up until December 31, 2010. In observance of the legal provisions, this Consolidated Interim Management Report is not an instrument of information in its own right but constitutes material changes to the statements made in the Combined Management Report on the Group and on the Parent Company as per December 31, 2009, and must therefore be read in connection with the latter. In respect of the forward looking statements, these are also an update on those made on December 31, 2009.

The information set out below relates to the consolidated results of the Beta Systems Group. Segment Reporting has been prepared in accordance with the structure of the Company and is divided into the following business segments: Data Center Infrastructure (DCI), Identity Management (IdM) and Enterprise Content Management (ECM).

All amounts cited in the Consolidated Interim Management Report and information derived therefrom (e.g. percentage figures) are figures fully rounded up to thousands of euros as presented in the Consolidated Interim Financial Report.

The Consolidated Interim Financial Report as at March 31, 2010, and the Consolidated Interim Management Report as per March 31, 2010, were neither audited by an external auditor nor were they subject to a review by an external auditor.

Final Statements/Disclaimer

This Quarterly Financial Report contains forward-looking statements which are based on assumptions and estimates made by the management of Beta Systems Software AG. Although the expectations inherent in these forward-looking statements are assumed to be realistic, no guarantee can be undertaken that these expectations prove to be correct. The assumptions may harbor risks and uncertainties which may lead to actual results diverging significantly from the forward-looking statements. The factors which may cause such divergences have been described in the Risk and Opportunities Report of the Combined Management Report on the Group and the Parent Company 2009 and elsewhere. An update of these forward-looking statements by Beta Systems is neither planned nor does management undertake any obligation to do carry out such updates. All company, product and service brand names and logos used here are the property of the respective company.

III. BETA SYSTEMS SOFTWARE AG AND SUBSIDIARIES
CONSOLIDATED INTERIM FINANCIAL REPORT AS AT MARCH 31, 2010

Consolidated Statement of Income (Thousand €, unless otherwise noted)	Q1/2010 (unaudited)	Q1/2009 (unaudited)
Revenues	18,454	20,324
Product licenses	6,305	5,843
Hardware	176	675
Maintenance	9,360	10,031
Services	2,613	3,775
Cost of revenues	8,181	9,704
Gross profit	10,273	10,620
Operating expenses	9,747	10,670
Selling expenses	4,304	4,923
General administrative expenses	2,873	2,214
Research and development expenses	3,210	3,654
Sundry income	(862)	(282)
Other expenses	222	161
Operating result	526	(50)
Finance result	(115)	(38)
Interest income	1	32
Interest expenses	(116)	(70)
Result before income taxes	411	(88)
Income taxes	(123)	(10)
Net income (loss) for the fiscal period	288	(98)
Earnings per ordinary share		
Basic and diluted	0.02 €	(0.01) €
Weighted average shares outstanding to calculate earnings per ordinary share Basic and Diluted	13,168,304 pcs.	13,168,304 pcs.

The accompanying Notes are an integral part of this Interim Financial Report.

Consolidated Statement of Financial Position (Thousand €)	03/31/2010 (unaudited)	12/31/2009 (audited)
Current assets	56,316	55,423
Cash	3,401	1,986
Trade receivables	37,525	41,661
Construction contracts	4,985	5,514
Inventories	2,831	2,752
Other current assets	6,864	3,168
Income tax assets	710	342
Non-current assets	21,381	21,567
Property, plant & equipment	1,722	2,315
Goodwill	5,403	5,403
Other intangible assets	2,945	2,582
Acquired software product rights	2,401	2,574
Deferred tax assets	8,031	7,848
Other non-current assets	879	846
Total assets	77,697	76,990
Current liabilities	33,208	32,179
Short-term debt	5,030	13,188
Trade payables	4,041	3,206
Deferred income	15,988	7,166
Other current liabilities	8,149	8,619
Non-current liabilities	14,696	15,069
Long-term debt	1,361	1,735
Employee benefits	3,034	3,030
Deferred tax liabilities	9,903	9,803
Other non-current liabilities	398	501
Total liabilities	47,904	47,248
Shareholders' equity	29,793	29,742
Share capital	17,276	17,276
Capital reserve	10,709	10,709
Retained earnings (losses)	1,384	1,096
Other comprehensive income	843	1,080
Treasury shares	(419)	(419)
Total liabilities and shareholders' equity	77,697	76,990

The accompanying Notes are an integral part of this Interim Financial Report.

Consolidated Statement of Cash Flows (Thousand €)	Q1/2010 (unaudited)	Q1/2009 (unaudited)
Net cash from operating activities	11,662	10,743
Net income (loss) for the fiscal period	288	(98)
Reconciliation from net income (loss) for the fiscal period to net cash from operating activities:		
Depreciation and amortization	754	1,040
(Gain) loss on the disposal of property, plant & equipment and intangible assets, net	66	0
Finance result, net	115	38
Current tax (income) expenses	212	(163)
Deferred tax (income) expenses	(89)	(174)
Income taxes paid	320	163
Foreign currency gains (losses), net	(236)	0
Changes in assets and liabilities:		
- (Increase) decrease in trade receivables	4,136	5,571
- Increase (decrease) in trade payables	834	(855)
- Increase (decrease) in deferred revenues	8,822	8,522
- Changes in other assets and liabilities	(3,560)	(3,301)
Net cash provided by (used in) investing activities	(1,708)	104
Acquisition of property, plant & equipment and intangible assets	(713)	(164)
Proceeds from the disposals of property, plant & equipment and intangible assets	4	0
Interest received	1	32
Cash paid for investments, net of acquired cash	(1,000)	236
Net cash provided by (used in) financing activities	(8,302)	(5,349)
Net (increase) decrease in short-term debt	(7,992)	(6,092)
Proceeds from grant of long-term debt	0	1,000
Repayment of long-term debt	(194)	(187)
Interest paid	(116)	(70)
Increase (decrease) in cash	1,652	5,498
Effect of exchange rate fluctuations on cash	(237)	26
Cash at the beginning of the fiscal period	1,986	1,822
Cash at the end of the fiscal period	3,401	7,346

The accompanying Notes are an integral part of this Interim Financial Report.

Consolidated Statement of Changes in Shareholders' Equity (Thousand €, except share data in number of shares)										Q1/2010 (unaudited)	
	Ordinary shares			Capital reserve	Retained earnings (losses)	Exchange differences arising on translation of foreign operations	Treasury Shares		Total	Value at cost	Total shareholders' equity
	Number of shares issued	Capital stock					Number of treasury shares				
Balance as at January 1, 2009	13,288,914	17,276	10,709	(145)	1,166	(419)			29,006	(120,610)	28,587
Net income (loss) for the year	0	0	0	1,241	0	0	0	0	1,241	0	1,241
Other comprehensive income (loss)	0	0	0	0	(86)	0	0	0	(86)	0	(86)
Total comprehensive income (loss)	0	0	0	1,241	(86)	0	0	0	1,155	0	1,155
Balance as at December 31, 2009	13,288,914	17,276	10,709	1,096	1,080	(419)			30,161	(120,610)	29,742
Net income (loss) for the fiscal period	0	0	0	288	0	0	0	0	288	0	288
Other comprehensive income (loss)	0	0	0	0	(237)	0	0	0	(237)	0	(237)
Total comprehensive income (loss)	0	0	0	288	(237)	0	0	0	51	0	51
Balance as at March 31, 2010	13,288,914	17,276	10,709	1,384	843	(419)			30,212	(120,610)	29,793

The accompanying Notes are an integral part of this Interim Financial Report.

Consolidated Statement of Comprehensive Income (Thousand €)	Q1/2010 (unaudited)	Q1/2009 (unaudited)
Net income (loss) for the fiscal period	288	(98)
Income and expenses recognized in equity	(237)	26
Exchange differences arising on translation of foreign operations	(237)	26
Total comprehensive Income (loss) for the fiscal period	51	(72)

The accompanying Notes are an integral part of this Interim Financial Report.

GENERAL INFORMATION

Beta Systems Software Aktiengesellschaft (“AG”) with registered office in Berlin, Germany and its subsidiaries form the group of entities (“Beta Systems” or “the Group”), for which these Consolidated Interim Financial Statements were prepared in accordance with the International Financial Reporting Standards (IFRS) for the fiscal period from January 1, 2010 to March 31, 2010.

The headquarters of the Group are located in Alt-Moabit 90d, D-10559 Berlin, Germany. The subsidiaries are based in Europe, North America and Africa. Beta Systems develops, distributes, implements and provides services for premium automation software products and solutions designed for the safe and efficient processing of bulk data used by enterprises, public administration and other industrial and commercial organizations.

Statement of compliance

These Consolidated Interim Financial Statements were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the interpretations of the International Financial Interpretations Committee (IFRIC), as applicable within the European Union. In compliance to *IAS 34 Interim Financial Reporting* these Consolidated Interim Financial Statements do not comprise all information and notes required for a Consolidated Financial Statement. They are therefore to be read in connection with the Annual Consolidated Financial Statements for fiscal year 2009 and respective notes to these financial statements.

The Consolidated Interim Financial Statements include all customary and recurrent adjustments and provide all information for a fair presentation and that is relevant to understand the financial position and performance of the Group. The results of the financial interim period ended on March 31, 2010 are not necessarily indicative of the results which can be expected for the entire fiscal year 2010.

Basis of consolidation

Beta Systems Software AG is the parent company of the Group. The Consolidated Interim Financial Statements include all entities under control (“subsidiaries”) of the parent by way of full consolidation. Control is presumed to exist when the parent has directly or indirectly the power to govern the financial and operating policies of an entity.

All financial statements included are prepared using uniform accounting policies and valuation methods. Intragroup balances, transactions, income and expense and dividend payments were eliminated.

ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The Consolidated Interim Financial Statements were prepared using the same accounting policies and methods of computation as applied to the Annual Consolidated Financial Statements for the fiscal year 2009. In addition, the new pronouncements which must be applied to the fiscal year commencing January 1, 2010, were adopted. To be specific, these are amendments to *IFRS 1 First-time Adoption of IFRS*, *IFRS 3 Business Combinations*, *IAS 27 Consolidated and Separate Financial Statements*, *IAS 39 Financial Instruments: Recognition and Measurement*, *IFRIC 9 Reassessment of Embedded Derivates*, *IFRIC 12 Service Concession Arrangements*, *IFRIC 15 Agreements for the Construction of Real Estate*, *IFRIC 16 Hedges on a net Investment in a Foreign Operation*, *IFRIC 17 Distribution of non-cash Assets to Owners*, *IFRIC 18 Transfer of Assets from Customers and Improvements to IFRSs* as revised in 2008. More information and explanations on the content and the effects of these pronouncements are included in the Annual Report 2009, in the section entitled Notes to the Consolidated Financial Statements, “New Accounting Guidelines”.

SEGMENT REPORTING

Details on the basis of segmentation and the basis of measurement are explained in the Annual Report 2009, in the section entitled Segment Reporting. There were no changes to segment reporting during the fiscal interim period under review.

Operating segments Q1/2010 (unaudited)	DCI	IdM	ECM	Clearing	Total
Revenues with customers	7,896	2,115	8,443	0	18,454
... Intersegment revenues	0	0	0	0	0
Total revenues	7,896	2,115	8,443	0	18,454
Cost of revenues and operating expenses of the operating segments	(5,209)	(2,595)	(5,990)	0	(13,794)
Segment's operating income (loss) for the fiscal period	2,687	(480)	2,453	0	4,660
Operating segments Q1/2009 (unaudited)	DCI	IdM	ECM	Clearing	Total
Revenues with customers	8,854	2,251	9,290	0	20,395
... Intersegment revenues	0	0	0	(71)	(71)
Total revenues	8,854	2,251	9,290	(71)	20,324
Cost of revenues and operating expenses of the operating segments	(5,610)	(2,163)	(7,680)	71	(15,382)
Segment's operating income (loss) for the fiscal period	3,244	88	1,610	0	4,942
Reconciliation to Beta Systems' consolidated results			Q1/2010	Q1/2009	
Total segment operating income for the fiscal period			4,660	4,942	
Unallocated overhead costs			(4,773)	(5,112)	
Sundry income			862	282	
Other expenses			(222)	(162)	
Operating result			526	(50)	
Finance result			(115)	(38)	
Result before income taxes			411	(88)	
Income taxes			(123)	(10)	
Net income (loss) for the fiscal period			288	(98)	

SELECTED EXPLANATORY NOTES

Spin-off of Beta Systems ECM Solutions GmbH

At the extraordinary meeting of the shareholders of Beta Systems Software AG, which took place in Berlin on December 16, 2009, the Company's shareholders approved the draft of the spin-off and takeover agreement between Beta Systems Software AG as the transferring legal entity and the former ECM Solutions GmbH (since March 1, 2010 Beta Systems ECM Solutions GmbH) as the absorbing legal entity with a majority of 94.02%. The spin-off of the ECM solution business was carried out upon approval by the Shareholders' Meeting of ECM Solutions GmbH on February 22, 2010, and the entry into the Commercial Register of the District Court of Berlin Charlottenburg on March 1, 2010.

The execution of the spin-off had no effect on the financial position and performance of the Group, because it represents a transaction between two fully consolidated companies.

Sundry income

Sundry income includes income from selling of software product rights totaling k€305.

Guarantees and contingent liabilities

During the interim fiscal period under review there were no changes compared with December 31, 2009.

Related party disclosures

During the financial interim period under review, Deutsche Balaton AG, Heidelberger Beteiligungsholding AG and ABC Beteiligungen AG, all companies located in Heidelberg, had a significant influence on the Group owing to their direct or indirect investments or assignment of voting rights. Due to the relations of dependence of Deutsche Balaton AG also VV Beteiligungen AG and Delphi Unternehmensberatung AG, both companies located in Heidelberg, are related companies in respect of Beta Systems Software AG.

Related-party individuals include members of the Directors' Boards.

There were no business relations with the aforementioned companies and individuals in the first quarter of the fiscal year 2010.

IV. DISCLOSURE OF DIRECTORS' HOLDINGS OF BETA SYSTEMS SOFTWARE AG

As per March 31, 2010	Shares
Management Board	
Gernot Sagl	0
Supervisory Board	
Sebastian Leser	0
Dr. Arun Nagwaney	0
Jürgen Dickemann	0
Volker Wöhrle	0
Stefan Hillenbach	6,432
Wilhelm Terhaag	0
Beta Systems Software AG	
Treasury shares	120,610

None of the members of the Supervisory Board or the Management Board currently hold stock option rights or conversion rights to the shares of Beta Systems Software AG.

V. FINANCIAL CALENDAR, CONTACT AND IMPRINT

Financial Calendar

April 29, 2010

Press Release – Three Month's Statement 2010

May 4, 2010

Publication – Three Month's Statement 2010

June 22, 2010

Annual General Meeting of Shareholders 2010, Berlin

July 29, 2010

Press Release – Six Month's Statement 2010

August 3, 2010

Publication – Six Month's Statement 2010

October 28, 2010

Press Release – Nine Month's Statement 2010

November 2, 2010

Publication – Nine Month's Statement 2010

November 2010

Analysts' Conference at the German Equity Forum in Frankfurt am Main

Beta Systems Software AG, Berlin, Germany

Beta Systems Software AG Berlin (Prime Standard: BSS, ISIN DE0005224406) develops high-profile software products and solutions for the automated processing of large volumes of data and documents. These products and solutions serve to enhance process optimization, improve security and make IT more agile. They guarantee compliance with business requirements in respect of governance, risk management and compliance (GRC) and raise the performance of a company's IT in respect of availability, scalability and flexibility.

Beta Systems' IT infrastructure software product segment (Infrastructure & Operations Management) is geared towards optimizing job and output management in data centers across all sectors. In addition, Beta Systems offers products for automating IT user administration to companies with high numbers of users. In its ECM Solutions Division (ECM & Document Solutions) Beta Systems develops customized solutions for large enterprises in the financial services sector, industry and trading in the areas of payments, processing of incoming post and general document management.

Beta Systems was founded in 1983, has been a listed company since 1997, and has a workforce of more than 600 employees. The company's principal place of business is Berlin. Beta Systems operates through Centers of Competence in Augsburg, Cologne and Calgary, as well as 20 subsidiaries worldwide and cooperations with numerous partner companies. Throughout the world more than 1,400 customers use the products and solutions of Beta Systems in more than 3,300 running installations. At present, Beta Systems generates 40 percent of its sales from international business. Around 200 of its customers are based in the USA and Canada.

More information on the company and its products can be found under www.betasystems.com.

CONTACT

Hotline for investors, analysts and journalists

Our Investor Relations Team is at your disposal for any questions on the results as per March 31, 2010, under the telephone number +49 (0)30 – 72 61 18 -171 or email at ir@betasystems.com.

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