Annual Report 2008

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plenum Group Key Figures

plenum Group Key Figures in € thousands	2008 IFRS	2007 IFRS	2006 IFRS	2005 IFRS	2004 US-GAAP
Sales revenues	18,287	22,402	26,539	27,453	41,005
Gross profit	6,225	6,809	4,527	2,482	5,800
EBITDA	745	588	−329	−2,705	-1,049
EBIT	526	183	−881	−3,383	-1,845
Group net result	645	295	−144	−3,163	-1,653
Earnings per share in € (undiluted)	0.06	0.03	−0.02	−0.33	-0.17
Average number of shares outstanding (undiluted, in thousand)	11,757	10,675	9,577	9,577	9,577

plenum Group Key Figures	2008 IFRS	2007 IFRS	2006 IFRS	2005 IFRS	2004 IFRS
Equity ratio as at Dec. 31	69 %	59 %	45 %	42 %	43 %
Liquid funds/securities as at Dec. 31 (in € thousands)	4,452	4,449	3,581	5,834	6,632
Net liquidity [1] as at Dec. 31 (€ thousands) [1]	4,370	3,980	3,384	5,477	6,434
Working Capital as at Dec. 31 (€ thousands)	6,861	6,950	4,181	4,205	6,996
Balance Sheet ratios as at Dec. 31 (non-current) [2]	0.3	0.2	0.3	0.4	0.3
Balance Sheet ratios as at Dec. 31 (current) [3]	3.2	2.5	1.8	1.8	1.7
Average number of employees	116	157	190	221	256
Employees as at Dec. 31	115	114	188	195	242

[1] Liquid funds/securities less current bank liabilities and advance payments received
[2] Non-current assets/non-current equity
[3] Current assets/current equity

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Contents

Letter to our Shareholders

Dear Stockholders: 2008 was impacted by the ever consuming financial crisis and its repercussions from the impending dramatic economic turmoil which gripped all of our economic sectors one after the other.

As a Consulting firm with a strong focus on banks and insurance companies, from which we generated 67 % of total revenues in 2008 from this market segment, we had to take this development into consideration as well as potential risks in our business controlling. In particular, the extensive employee expansion planned at the end of 2007 was put on hold during 2008 and delayed to a date when the future market development of financial service providers can be better estimated.

Given this risk consideration, we gave up on our 2008 growth target of 15 %, but nevertheless increased revenues from consulting by 5.5 % from 17.3 million EUR to 18.3 million EUR.
Due to the unfavorable fixed cost allocation, our EBIT margin target of 6 % was not reached. However, this cautionary business development led to earnings more than doubling from 0.2 million EUR (EBIT) in 2007 to 0.5 million EUR in 2008. Therefore, we succeeded in continuing the positive earnings development despite these difficult economic times.

This positive performance was particularly evident in the gross margin, which once again increased, advancing from 30.4 % to 34.0 %.

This was possible only because we continued to concentrate on core competences important for the industrialization of the finance service providers:

- Customer Interaction Management,
- Business Process Optimization & Outsourcing,
- IT Strategy & IT Efficiency and
- Competence & Skill Management.

Especially the intelligent linking of process optimization of core processes and the innovative implementation of information technology (IT) is becoming the focus of our customer's aim of optimization programs.

In all, plenum consulted over 100 customers in 2008, of which one-third were new customers. With these customers, over 200 consulting projects were processed. I consider this a rather impressive statistic, which simultaneously emphasizes the foundation of our company's future development, even if today we cannot say when we will be back on track with organic growth.

In the meantime we are applying growth opportunities on the market when the risks are justifiable, such as the acquisition of the consulting company, Manic GmbH. Thus, we can further expand our expertise as the consulting partner for the industrialization of the services sector and can therefore further expand our market position.

Hartmut Skubch
Chairman of the
Management Board
plenum AG

We will follow this growth strategy, though restrained at the present time, because growth is decisive for the economic success of our company: Alone the slight revenues increase of 5.5% in 2008 resulted in net income doubling from 0.3 million EUR to 0.6 million EUR and earnings per share rising from 3 cents to 6 cents.

On the basis of continued growth, we can assume a disproportionate rise in net income, also in the future, because:

- based on gross margin of 34% in 2008 we will carry out very profitable consulting projects
- leading to growth with favorable fixed cost allocation
- and a very low tax rate in the years to come due to the loss carryforward of about 18 million EUR.

However, the overall economic situation in 2009 will act as a growth obstacle. We will even have to accept a decline in revenues, but still assume positive earnings. The correct timing will be decisive for renewed qualitative growth. This could be the case already in the second half of the year, but we need to be prepared to commence with growth first starting in 2010.

I thank my employees and colleagues for their efforts and commitment, our clients for their cooperation and trusting loyalty and you, my esteemed stockholders, for your trust.

Wiesbaden, April 2008

Hartmut Skubch
Chairman of the Management Board
plenum AG

Company Profile

plenum – the Consulting Partner for the Industrialization of the Service Sector

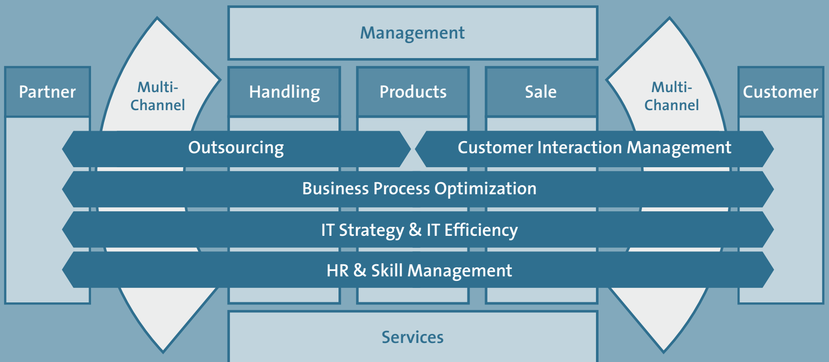
plenum is the only consultancy firm in Germany that exclusively serves companies in the service provider sector, in particular, financial providers, energy utilities and logistics. plenum also focuses its competencies in the industrialization of the service processes – a subject which the management of these service providers attaches great importance today and in the future.
The service company's success generally depends on its customers' optimum servicing of their different needs. The winner is the one who not only fulfills the expectations of the individual and the entire group, but also surpasses those expectations. Excellent quality in performance and delivery of services as well as being better and faster than the competitors requires that the underlying business processes are efficiently aligned and monitored. In this context, presentation must be as lean as possible; otherwise the operative business cannot operate with the necessary stringency and profitability.
The conventional monolithic structures as still found today mostly in financial service providers and energy utilities do not have these targets. Their business structure 'breaks' off in order to align to the market and to hone in to its changes and to quickly react.
The potential is impressive. The finishing industries serve as an example: Threatened by extremely efficient competition from the Far East, the automotive industry in particular began more than 20 years ago to streamline itself and to drastically cutback its own vertical integration. For example, while the automobile manufacturers can just barely cover 20 percent of its depth of services and even less in certain cases, banks and insurance companies still record a depth of services of about 70 to 80 percent.
The path towards applying industrial methods in order to become leaner, more efficient and service-oriented is also apparent in the service sector. Market collapses are not the only drivers, as we are currently experiencing: the financial and economic crisis at hand is again intensifying the imminent pressure on the underlying revisions to sequences and business processes. New paths will have to be crossed here. In particular, banks will have to rethink their business models.

The path towards industrialization of an entire sector takes more than just a few years, as demonstrated in the example of the automotive industry. The company copes with reconstruction during 'ongoing operations,' i.e. they can no longer operate without consulting and implementation support.

Attractive positioning

plenum offers services that are decisive for the successful industrialization of service processes. In this context, plenum is focused as a Consulting Partner to support companies in the service sector in standardizing, automating and optimizing their service depth with a simultaneous improvement in customer service based on professionalism and extensive competence.
plenum's customers not only want to improve their service capability and to strengthen their market position. They also want to design their future pro-actively. An effective and efficient IT, which is not only necessary for its performance, but also differentiates it from its competitors, along with performance-strong business processes, a functional customer management

With our four core competencies we support and guide our clients during the transformation processes towards an Open Enterprise Architecture



starting from sales to service and up to marketing as well as competent, motivated employees are important and key cornerstones for the change processes of these companies.
Complete guidance by plenum – from strategy development to conception to concrete, practical implementation – are all of a great advantage for the aforementioned transformation in the companies. The developed concepts are measured by the success of its implementation. At the same time, plenum ascertains its guidance that its implementation will be consistently monitored and made successful. The aim in the future is to monetarily participate as a Consulting Partner in the customer's success.

Proven practical consulting principle

plenum has professionally and organizationally directed itself towards this objective. The guideline, which was already developed in 1999 in a joint effort with the St. Gallen University, is a target diagram for service companies in the future: Open Enterprise Architecture.

Those who want to be successful in service markets in the future, must – in respect of this target diagram – provide convincing responses to the following key questions:

- How can the customer's satisfaction and loyalty be assured and the customer's portfolio be monitored with added-value?
- How can added-value processes be efficiently designed and monitored and how can the depth of services be ideally optimized?
- How should IT be organized and monitored so that it can deliver the best possible value contribution to the business?
- What should employees possess on capabilities and knowledge in the future in order to respond to the first three questions and how can this be assured?

On the basis of your consulting principles and support by your core competencies, plenum is in the position to professionally support your customers in each aspect sketched above and to additionally bracket in all topics.

Core competencies with high business relevance

plenum's core competencies meet current needs and at the same time they have the potential for long term business success.

Customer Interaction Management (CRM)

The systematic development of own customer potential not only demands analytical CRM procedures, but also assumes processes throughout starting from sales and sales monitoring to service and up to marketing. Notably raising the efficiency of these processes poses today's highest challenges for service companies. Analytical CRM procedures are necessary, but must be accepted by sales organizations – especially Financial Service Providers – and unfold its effects only when it complements interactive marketing by means of convincing campaigns.

Business Process Optimization & Outsourcing

Process management as is understood to be a management task in Top-Management in installing the function of a CPO (Chief Process Officer) also for (Financial) Service Providers, such as Siemens undertook 15 years ago, presents the basic prerequisite for optimizing the business processes in accordance with industry standards. We offer our clients plenum expertise gained from numerous projects in process optimization (inter alia, Six Sigma), in Business Process Outsourcing and in implementing monitoring systems (Business Process Cockpit). Answering questions such as: Which processes offer optimization potential?, Which ones can be outsourced to external service providers?, Which ones can be centralized in the Group? take place at the beginning of such optimization procedures. How can cooperation between the parent company, external service providers and Group service providers be arranged? This requires solution concepts that assure sustainable processing improvements. We consult and guide you in such matters by implementing an Operating Model in the insurance sector (insurance factory) or by setting up credit factories.

IT Strategy & IT Efficiency

Is IT only a necessary accessory of a bank, insurance or is it an integral component of the business model? Successful insurance companies are not possible without highly-performing IT. But which design factors must/should IT have for strategic business development? The CIO (Chief Information Officer) must address such substantive issues based on the Business Value of IT ... and plenum IS his Partner. For over 20 years and together with client partnerships, plenum has developed IT strategies, designed IT areas to be process-oriented, assisted in setting up Group system firms and to optimize, develop IT sourcing strategies and support in the implementation. The linking to business strategies takes place via market-oriented IT Governance models and systematic, methodical communications between IT and the business.

HR & Skill Management

Every customer of a service provider values competence and service-orientation. But which competencies, which skills will the employees of a bank, insurance, logistics or IT area require in three years? The skills required by a company in three years that must be established now pose a major challenge to the CKO (Chief Knowledge Officer). plenum assists in this respect in the development and introduction of a strategic Skill Management. Starting from a forecasted, future vertical integration (Sourcing strategy), the strategic skills are identified; tasks and roles are illustrated and quantified. A portfolio ranging from coordinated measures to skill development and creation provides the basis for the implementation process. plenum assists in the implementation, such as in the setting up of Shared Service units for personnel development, establishing Corporate Universities or conducting management development programs.

Client structure reflects a clear focus

plenum has carried out projects with more than 500 companies over the past 20 years. Our clients comprise service companies or service areas with large group structures. Within this client spectrum, plenum especially focuses on three core areas from which we generated over EUR 12.8 million of revenues in 2008:

- Banks
- Insurance
- Energy suppliers

In addition, logistics and transportation as well as public administration form other priority industries.

plenum's organization: lean and robust

plenum AG operates as a management and service company. The operative business currently underlies four plenum unit's (see the diagram below).

The largest unit, plenum Management Consulting, renders consulting services to Germany, Austria and Switzerland. Via plenum FZ LLC Dubai consulting services are offered on the UAE market (United Arabian Emirates). The plenum subsidiary, in:sight, represents the Competence Center "Analytic Customer Interaction Management."

Organizational structure of the plenum Group

plenum AG			
100 %	plenum FZ LLC Dubai (UAE)	100 %	plenum Management Consulting GmbH Wiesbaden
100 %	DOM Digital Online Media GmbH Cologne		
51 %	in:sight customer information management GmbH, Ulm		

Human Resources

The commitment and competence of our employees and key executives represent decisive success factors for plenum's future development.

Excellently trained and highly-motivated staff and key executives form the basis of a company's success and are decisive for the future development of plenum. Their knowledge and experience put plenum in a position to successfully consult and support. That is why the career development of our consultants is important to us and is promoted through a variety of ways by the company.

plenum employees are characterized not just by their professional qualifications, but by their above average commitment, emotional intelligence, pragmatism, creativity and integrity. Consequently, they form the basis of our trusting cooperation with clients and outstanding reputation on the market. We promote this by way of a business structure marked by openness and team spirit, cooperation and we grasp the promotion of our personal further development as a strategic investment for the quality of our services and our innovative power. We thrive on challenges, demand motion, promote creativity, courage and own initiative as well as partnerships as a joint contractor. That is why we select our new colleagues systematically and with great care as well as according to their professional and personal potential; we also actively maintain a relations network.

Based on a systematic career path and a specialized development program, we promote individual abilities and develop potential in our young consultants. The path from Junior Consultant to Consultant, to Senior Consultant, to Management Consultant after many successful projects and numerous education seminars, leads to Senior Management Consultant and then to the option of being chosen as a plenum Partner.

Like most of our Anglo-Saxon competitors, our management organization is carried by partners. As a chosen Associate Partner, tasks in business responsibility are assumed as part of the plenum organization. Then, after successful business expansion, the path leads to Management Partner. The plenum partner model systematically develops management personalities with joint contractors and the partners carry the company's strategic further development as a whole.

In 2008, plenum Consultants successfully consulted in about 200 client projects with solutions to complex issues and confronted major business challenges. The consultants surpass the client's high expectations with their quality of work performed and create a basis for long-term and trustful business relations.

The systematic further development of professional and methodical competence is essential for this success. In 2008, we invested more than 250 training days to establishing such competencies (R&D).

Distribution by gender	Dec. 31, 2008	Dec. 31, 2007
Women	38 %	34 %
Men	62 %	66 %

Job tenure	Dec. 31, 2008	Dec. 31, 2007
15 – 20 years	8 %	9 %
10 – 15 years	16 %	11 %
5 – 10 years	28 %	37 %
less than 5 years	48 %	43 %

Distribution by age	Dec. 31, 2008	Dec. 31, 2007
50 and above	10 %	7 %
40 – 49v	38 %	39 %
30 – 39	36 %	38 %
under 30	16 %	15 %

Number of employees – development (as at Dec. 31)

The number of employees declined by 20 as a result of the sale of the software development business as of December 31, 2006 and by 60 as a result of the sale of plenum stoll & fischbach GmbH as of September 30, 2007.

The plenum Stock

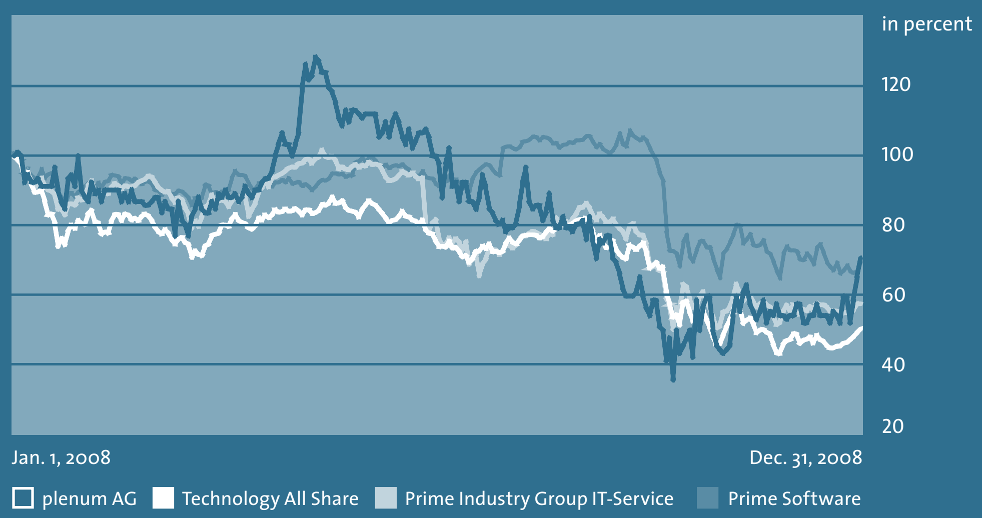
The price development of the plenum stock was marked by opposing tendencies in the 2008 financial year. The Xetra opening rate at 92 cents on January 2, 2008 was followed by a stagnation phase in the first quarter. Interest in the stock was sparked in the second quarter after publishing of the financial statements. Correspondingly, the stock reached the highest rate at EUR 1.18 during the middle of May. The following profit earnings and the inflamed panic in international financial securities led to a stock price of about 50 cents. The stock price maintained this level until the end of the year with a brief annual low of 31 cents at the beginning of October. Demand rose at the end of December making the stock pendulate for a short time and then hitting 50 cents once again at the start of the new financial year.

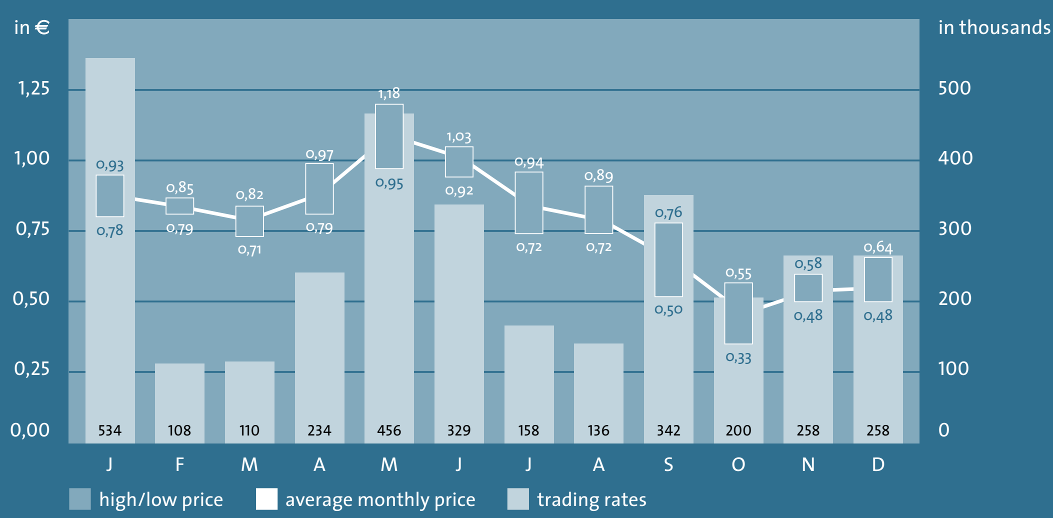
Notwithstanding the brief positive trends experienced in the second quarter, the plenum stock regrettably could not escape from the general collapse on the stock markets. A comparison to the market indices shows that the plenum share price developed parallel to the market when viewed over the entire year (see the graphic below). Of particular note, are the disproportionate peak in May and the drop at the end of September.
In general it can be said that shares in the Small Cap area not only suffered from the financial crisis but from the strong disinterests displayed by investors as well. This was also evident with plenum stock, where the trading volume for all years was half as much in 2008 as in the prior years.

Despite the less than satisfying performance on the stock exchange, we are confident that notable success will be evident on the medium term, which we have already generated as part of the refocusing strategy and the national and international expansion and that this will strongly pay off on the capital market.

In 2009 plenum AG will again be represented at various capital market conferences. Investors can request all relevant information about the plenum stock and the financial calendar on the IR website of plenum AG under www.plenum.de/investorrelations.

Stock price development from January 2008 through December 2008 (indexed)





Trading Parameters	
ISIN Code	DE 000 690 1002
Stock notation	PLE
Trading segment	Prime Standard, Frankfurt
Sector	Software, IT-Services
Index	C-DAX, GEX, Prime All Share, Technology All Share
First trading day	August 3, 1998

Stock Data	
Closing price (12/31)	€ 0.64
Market capitalisation (12/31)	€ 7.4 m
Highest-/	€ 1.18
Lowest price 2007	€ 0.33
Designated Sponsor:	
VEM Aktienbank AG	

Company Data (Dec. 31)	
Capital stock	€ 11,757,068
Bearer shares	€ 11,757,068

Stockholder structure (Dec. 31)	
Management	26 %
Free Float	74 %

Report of the Supervisory Board of plenum AG

The Supervisory Board constantly monitored and advised the management of plenum AG during the financial year 2008.

During 2008 financial year, the Supervisory Board of plenum AG met its obligations in accordance with law and with the Company's Articles of Association, duly advising the Management Board, as well as monitoring its activities.

In six meetings, the Supervisory Board discussed the performance in individual business units and the strategic positioning of the Group with the Management Board. All members of the Supervisory Board took part in all six meetings. Besides the meetings, I regularly discussed current events with the Chairman of the Management Board and telephoned with members of the Supervisory Board. Furthermore, we passed Supervisory Board resolutions by written consent under circulation proceedings.

The Management Board informed the Supervisory Board in the respective meetings extensively both orally and in writing regarding the business development and the state of the company, the subsidiaries and investments. We were informed of business proceedings of major importance regularly and promptly.

In its April 2008 meeting, the Supervisory Board examined in detail the annual financial statements and consolidated financial statements together with the combined Group management report of plenum AG for the financial year ended 2007 and discussed them with the Company's independent auditors. The Supervisory Board approved the financial statements in the form presented. The financial statements for the financial year ended 2007 of plenum AG were thereby adopted. Furthermore, the Supervisory Board was informed about the outlook for the business development of the current financial year and the implementation status of the refocusing strategy and discussed it with the Management Board.

In its meeting in July 2008, the Supervisory Board mainly dealt with the business results for the first quarter and the outlook for the subsequent quarters.

In another meeting in July, the Supervisory Board initiated discussions concerning adjustments to the management structure for the Consulting segment and the Group for purposes of achieving sustainable growth on the basis of a partner model. The aim is to promote both the partner's economic responsibility as well as making plenum more attractive for high-quality consultants.

In its meeting in August 2008, the results of the half-year period were discussed as well as the outlook for the entire year.

The main focus of the meeting held in November 2008 included the third quarter 2008 and the expected business development until the year-end. Furthermore, the status of the budget for the financial year 2009 was discussed. Moreover, we also dealt with the topics concerning Corporate Governance. The Management Board informed us about the status of the refocusing strategy and the status of the partner-based management structure.

Michael Bauer
Chairman of the
Supervisory Board
plenum AG

In another meeting in November, the new management and monitoring model as well as the related changes were presented by the Chairman of the Management Board. Following intensive discussions, the Supervisory Board approved the new concept, the delegation of duties and the planned staff positions.

The 2008 annual financial statements of plenum AG prepared in accordance with the German Commercial Code and the 2008 consolidated financial statements prepared in conformity with International Financial Reporting Standards (IFRS) and the statutory German commercial law pursuant to § 315a HGB, together with the combined Management Report of plenum AG and the plenum Group for the financial year ended 2008 including the bookkeeping were audited by the independent accounting firm, Deloitte & Touche and issued with an unqualified audit opinion. The financial statements and audit reports were submitted to the Supervisory Board in a timely manner. They were reviewed by the Supervisory Board and discussed in detail in the presence of the auditors.

The Supervisory Board did not raise any objections upon its review of the annual financial statements and consolidated financial statements as well as the combined Group Management Report of plenum AG. We, therefore, concur with the auditors' findings. In its meeting on April 20, 2009, the Supervisory Board approved the 2008 consolidated financial statements and 2008 annual financial statements of plenum AG, thereby adopting them.

As previously announced at the 2008 Annual Shareholders' Meeting, Mr Norbert Rohrig stepped-down from the Supervisory Board. On behalf of the Supervisory Board, I would like to thank Mr Rohrig for his long-standing and constructive collaboration. He will be succeeded by Mr Lutz Bickhardt as appointed to the Supervisory Board by the local court in Wiesbaden.

As part of the new management and monitoring model, Mr Michael Rohde and Mr Klaus Gröne will step down from the Management Board at the end of the year so that they may concentrate on managing the operative business of plenum Management Consulting GmbH. The Supervisory Board extends its gratitude for their tasks performed in the Management Board of plenum AG.

The Supervisory Board would also like to extend its appreciation to all employees as well as the Management Board for their high commitment over the past year affected by the onset of the economic crisis.

Wiesbaden, April 2009

The Supervisory Board

Michael Bauer
Chairman

Corporate Governance Report

In 2002, after submission of the recommendations of the German Corporate Governance Code, the Management Board and Supervisory Board of plenum AG resolved to implement and comply with the body of rules of the code taking into consideration the size of the company and the structure of its administrative bodies.

Accordingly, plenum AG underscores that the management and control of the Company that acts responsible and oriented on long-term value creation have very high priority.

Stockholders and the Annual Shareholders' Meeting

The stockholders of plenum AG provide capital to the Company and consequently also bear business risks. Therefore, the Management Board feels especially obligated to the stockholders and consequently ensures promptness and transparency in communications for systematic risk management, compliance with stock market rules, and observing the stockholders' rights, which are guaranteed in their entirety.

Taking into account the necessary equal treatment of all stockholders, corporate information and particularly ad hoc disclosures, press releases and reports are made available on the Internet in the German and English language.

Here, plenum also publishes notices by stockholders about changes to voting rights as well as notices from members of the executive bodies on transactions with plenum stock. Stockholders are also informed about key dates via a financial calendar, which is published in the Company's Annual Report and on its website.

Management Board and Supervisory Board

The Management Board of plenum AG comprised of three members in 2008. The Chairman is the Company founder, Hartmut Skubch. Starting in 2009 the plenum AG will only hold administrative and monitoring functions. As part of the related streamlining of the Company, the Management Board members, Mr Klaus Gröne and Mr Michael Rohde, stepped down from the Board on December 15, 2008 to concentrate on managing the business of plenum Management Consulting GmbH, which makes up about 75 % of plenum's revenues. plenum AG has since then been managed by Mr Hartmut Skubch as the sole member of the Management Board. The Supervisory Board of plenum AG still consists of three members. The Chairman is the Company's co-founder, Mr Michael Bauer.
Consulting and other service and work contracts concluded by Supervisory Board members with the Company require the approval of the Supervisory Board. The Company has entered into a service contract with the Chairman of the Supervisory Board, Michael Bauer, relating to his role as a speaker at IT seminars held by plenum Management Consulting GmbH. A member of plenum AG's Supervisory Board, Dr. Händel, continues to provide support to the Company within a consulting contract in the area of M&A and finance. In 2008 services rendered from these agreements were not billed. Since February 1, 2007, Mr Norbert Rohrig has been active as a Senior Management Partner in acquisition and consulting projects for the clients of plenum AG.

The executive bodies of plenum AG owned the following plenum AG shares or options on Dec. 31, 2008:

Name	Number of Shares	Number of options
Hartmut Skubch	1,891,253	118,000
Klaus Gröne	20,453	80,000
Michael Rohde	6,700	90,000
Michael Bauer	370,360	0
Dr. Wolfgang Händel	17,750	0
Norbert Rohrig	34,200	0

Remuneration to Supervisory Board members in 2008 (€):

Name	Fixed remuneration	Attendance allowance
Michael Bauer	10,000	4,000
Dr. Wolfgang Händel	5,000	4,000
Norbert Rohrig	5,000	4,000

Mr Rohrig stepped down from the Supervisory Board at the end of 2008. Mr Lutz Bickhardt was appointed his successor as a member to the Supervisory Board by resolution of the local court in Wiesbaden on February 9, 2009.

Details of the contracts and information on additional mandates of the Management Board and Supervisory Board members are included at the end of the Notes to the consolidated financial statements.

Cooperation between the Management and Supervisory Boards

Our Management Board and Supervisory Board work closely and trustingly together in the interests of plenum AG. plenum AG has defined the interaction between the Management Board and Supervisory Board and their duties in the respective bylaws of the executive bodies.

plenum AG maintains business relations with the Supervisory Board members of plenum AG. As part of these business relations, services were rendered during the year under review by Informatik Consulting Bauer GmbH (seminar conception and presentation) and by Mr Norbert Rohrig (as a freelance Senior Management Consultant).

Name	Expenses for services (€ thousands)
Informatik Consulting Bauer GmbH (Michael Bauer)	9
Norbert Rohrig	260

Remuneration Structure of the Management Board and Supervisory Board

The Management Board members receive fixed and variable components. In addition to granting a bonus to the Management Board members, the Supervisory Board can award other variable components in the form of stock options. In addition to tasks and performance of the Management Board members, the criteria for compensation relate in particular to the Company's success performance in the past fiscal year, its economic position and future prospects. In 2008 no stock options were granted to the Management Board.

In accordance with §13 of the Company's statutes, the members of the Supervisory Board receive remuneration in addition to the reimbursement of their expenses, which consists of a fixed component of TEUR 5, an attendance allowance of TEUR 1 and a bonus, if decided by the Annual Shareholders' Meeting, depending on the earnings posted by plenum AG. The fixed component for the Chairman is double the amount.

Remuneration paid to the Management and Supervisory Boards is also explained in the Remuneration Report as part of the Management Report.

Directors' Dealings and Holdings

In accordance with §15a of the German Securities Trade Act, the members of the Management Board and the Supervisory Board as well as other closely related key executives are obligated to disclose dealings with plenum AG stock and any related financial instruments if the transactions amount to more than EUR 5,000 within one calendar year. plenum AG immediately published these transactions as soon the Company was informed. Moreover, the information is available in Internet under: http://www.plenum.de/investorrelations/meldungen_wphg.htm.

In the year under review plenum AG was informed about no transactions pursuant to §15a WpHG.

plenum AG Stock Option Plan

Regarding the plenum AG 2002 Stock Option Plan, the Annual Shareholders' Meeting held on June 14, 2002 empowered the plenum AG Management Board to grant single or multiple option rights on plenum AG stock with the approval of the Supervisory Board for a period of five years to employees of the Company as well as to members of senior management and employees of associated companies in accordance with §§15 et seq. AktG of the German Stock Corporation Act (Aktiengesetz). For the same period of time, the Supervisory Board is empowered to grant single or multiple option rights on plenum AG bearer stock to members of the plenum AG Management Board.

The exercise price of the option rights arising from the 2002 Stock Option Plan is calculated from the Xetra closing price of plenum AG stock plus a surcharge of 15 % as of the date of issuance. Up to 50 % of the option rights granted can be exercised at the earliest after the minimum waiting period of 2 years after allocation. The remaining 50 % of the option rights granted can be exercised at the earliest after expiration of the waiting period of 3 years after allocation. Further prerequisites for exercising the option rights from the 2002 Stock Option Plan also include performance targets, which are based on the value of the stock and the success of plenum AG.
Where the option rights are not exercised within the 5-year period, the option rights are cancelled without indemnification in June 2010.

Empowerment to issue stock options arising from the Annual Shareholders' Meeting held on June 14, 2002 was limited to five years and ended in July 2007. Therefore, the Annual Shareholders' Meeting on July 5, 2007 re-empowered the Management Board of plenum AG to grant single or multiple option rights on plenum AG stock with the approval of the Supervisory Board for a period of five years to employees of the Company as well as to members of senior management and employees of associated companies in accordance with §§15 et seq. AktG of the German Stock Corporation Act (2007 Stock Option Plan). For the same period of time, the Supervisory Board is empowered to grant single or multiple option rights on plenum AG bearer stock to members of the plenum AG Management Board.

The exercise price for the 2007 option rights is calculated according to an arithmetic formula based on the Xetra closing prices on the Frankfurt Stock Exchange 20 days before the date of issuance. The granted option rights can be exercised at the earliest after the minimum waiting period of 2 years after allocation. In addition, the exercise of the options is linked to performance targets with respect to the stock price and the Company's success. Upon expiration of the five years without exercise, the option rights are cancelled.

At the Annual Shareholders' Meeting held on July 3, 2008, the Management Board with the approval of the Supervisory Board approved to grant 240,706 option rights on shares until July 2, 2013 (2008 Stock Option Plan). The option rights on stock options allocated among the members of the Management Board of plenum AG (up to 40 %), to members of management that are related companies within the meaning of § 15 AktG (up to 10 %) and to selected key executives and top performers (up to 50 %). The exercise price is calculated according to the closing prices on the 20 stock exchange days before the date of issuance. The exercise of the options is linked to an incentive target, which is reached when the closing rate exceeds the exercise price by 20 % based on an arithmetic middle value over a period of 20 consecutive stock exchange days after the issuance date. The option rights can be exercised for the first time after a waiting period of two years after allocation. The option rights have a maximum term of five years; they expire after expiration of the five years.

In 2008 there were no new option rights granted to the employees of plenum AG or to employees of related companies.

	Number of options
January 1, 2007	**235,900**
Granted	563,000
Excercised	0
Cancelled due to expiration during the year 2007	–19,000
December 31, 2007	**779,000**
January 1, 2008	**779,000**
Granted in 2008	563,000
Excercised	0
Cancelled due to expiration during the year 2008	–96,000
December 31, 2008	**683,000**

Declaration of Conformity

The Management Board and Supervisory Board have again addressed issues of the Corporate Governance Code, in particular the new recommendations dated June 6, 2008. The amended Declaration of Conformity pursuant to § 161 Stock Corporation Act (Aktiengesetz) was submitted on November 3, 2008. The Declaration can be found together with all earlier declarations on the plenum AG website under: www.plenum.de/investorrelations/corporate_governance.htm.

Departures from the Code are due to the size of the Company or the structure or alternatively the size of the administrative bodies.

All recommendations of the German Corporate Governance Code in the version dated June 6, 2008 were fulfilled except for the following:

- The Director's & Officer's (D&O) insurance coverage for the Management Board and Supervisory Board members of plenum AG does not contain deductibles. plenum is generally of the opinion that such a provision has no influence on the motivation and the high degree of responsibility with which the members of its executive bodies perform their duties.
- The Supervisory Board waives the formation of committees due to its size (three members).
- plenum AG is oriented towards publishing the consolidated financial statements and interim financial reports within a period of 2 or 4 months according to stock exchange law and for cost reasons.
- Disclosure of individual remuneration amounts of the Management Board has been waived according to the Annual Shareholders' Meeting's resolution dated July 3, 2006. The essential features of the compensation system and changes thereto are explained to the Chairman of the Supervisory Board at the Annual Shareholders' Meeting. The recommendation to disclose the compensation in Internet is not complied with. Corresponding to the recommendation, compensation to the Management Board members are disclosed by fixed components, profit-incentive components and components with long-term incentives.

Disclosures pursuant to § 315 (4) of the German Commercial Code (HGB)

Composition of capital stock and restriction of rights

Capital stock amounts to EUR 11,757,068 and is divided into 11,577,068 non-par value bearer shares. The shares are all common and bearer shares. The Company has not imposed any restrictions on the voting rights or the transferability of individual shares.
The Chairman and founder, Hartmut Skubch, owns 10 %.

Authority of the Management Board to issue and repurchase shares

In accordance with § 5 (3) of the Company's statutes, the Management Board with approval from the Supervisory Board is authorized to increase the capital stock of the Company up to July 4, 2012 up to EUR 4,788,534.00 by single or multiple issuances of up to 4,788,534 bearer shares for cash and/or contribution-in-kind (authorized capital I).

In accordance with § 5 (4) of the Company's statutes, the capital stock is conditionally increased (conditional capital) by up to EUR 235,000.00 through the issuance of up to 235,000 new bearer shares (conditional capital). This conditional capital increase is exclusively for issuing stock options according to the resolution of the Annual Shareholders' Meeting dated June 14, 2002 and the 2002 Stock Option Plan arising therefrom. The conditional capital increase is therefore only performed to the extent the respective owner can make use of his option rights.

In accordance with § 5 (4a) of the Company's statutes the capital stock is still conditionally increased (conditional capital II) by up to EUR 3,831,534.00 through the issuance of up to 3,831,534 new bearer shares. This conditional capital increase was resolved to be used exclusively for exercising convertible options or warrants that can be issued up to July 2, 2011.

The Company's capital stock was conditionally increased by EUR 722,000.00 by issuance of up to 722,000 bearer shares (conditional capital III). The conditional capital increase was resolved to be used exclusively for fulfilling the options that will be granted until July 4, 2012 as authorized by the Annual Shareholders' Meeting of July 5, 2007. The conditional capital increase shall only be performed to the extent the owner can make use of his rights with respect to the Company's shares and the Company does not grant own shares in fulfilling the options.

In accordance with the resolution from the Annual Shareholders' Meeting of July 3, 2006, the Company is authorized to purchase its own shares up to December 31, 2007 up to a 10 % share of the capital stock. The acquisition of shares can take place directly through the stock exchange, by way of a public purchase bid or as part of an off-the-board package acquisition. The authorization to acquire shares was not extended beyond the closing date of December 31, 2007.

Regulations for appointing and dismissing Management Board members and amendments to the Company's Statutes

The Management Board is appointed and dismissed in accordance with the provisions set forth under §§ 84 and 85 German Stock Corporation Act (AktG). In accordance with § 12 (2) of the Company's Statutes, the Supervisory Board is authorized to amend the Company's statutes which relate only to that version. For the rest, § 179 of the German Stock Corporation Act applies to amendments made to the Company's Statutes.

Other matters

Severance payment regulations were agreed for one member of the Management Board in 2007, both for premature termination of Management Board activities without cause and in the event of a change in control. Both severance payment regulations are oriented to the German Corporate Governance Code.

Combined Management Report

I. Market and industry development

According to the Federal Statistics Office, the Germany's economic growth was significantly weaker in 2008 compared to the two previous years. The price-adjusted gross domestic product (GDP) was 1.3 % higher than the year before. In 2007 the GDP grew by 2.5 % and by 3.0 % in 2006.
Growth was mainly fueled in 2008 from the domestic market. The gross investments contributed the most to the economic performance. Equipment investments rose by 5.3 % (following + 6.9 % in 2007) and construction investments by 2.7 %. National consumption as price-adjusted in 2008 grew by 2.2 %, while private consumer spending stagnated. Outside contributions, that is the difference between importing and exporting goods and services, curbed the economic performance in 2008 (growth contribution – 0.3 percentage points). This was caused by a comparative lower increase in exports, which only rose by 3.9 % (2007: + 7.5 %), while the price-adjusted imports grew stronger by + 5.2 % than in 2007 (+ 5.0 %).
Economic performance was rendered by an annual average of 40.4 million workers in 2008, which were 582,000 more persons (+ 1.5 %) than one year earlier.
According to preliminary calculations, the state sector reported a financial deficit of EUR 1.6 billion for 2008. Measured on the basis of the GDP in the respective prices, a deficit ratio arises therefrom of 0.1 %. The net financial balance was strongly affected by one-time effects, without which the nation would have generated a financial surplus in 2008.
In 2008 the global economy noticeably slowed down to 2.5 % according to estimations of the United Nations (U.N.). Following the collapse of Lehman Brothers in September 2008, which signified the most dramatic event of the economic year, international trust was lost by consumers and investors according to Hamburg Global Economic Institute (HWWI). Since then, financial conditions have worsened even more. USA and other countries were hit the hardest by the real estate crisis. The decline in demand then intensely affected export-oriented countries such as China, Japan and Germany. The largest industrial nations did however react by undertaking measures to counter the negative impact. Following a very positive first quarter in 2008, the HWWI reported that the euro zone was in a state of recession since the middle of the year, which further intensified in the fourth quarter.
According to the European Statistics Agency Eurostat, the GDP rose by 0.8 percent in the euro zone for all of 2008. Compared with the prior year's corresponding quarter, the seasonally-adjusted GDP dropped by 1.3 percent in the fourth quarter 2008.

Consultancy market

According to the Federal Association of German Management Consultants (BDU), revenues from the consultancy sector advanced by 10.7 % in 2008 reaching EUR 18.2 billion (2007: EUR 16.4 billion). Repercussions from the financial and economic crisis on key client sectors were first visibly felt by the consulting industry in the last quarter

of 2008. The first three quarters were marked by a high restraint in demand similar to the previous year. The highest sales gain was posted by consulting firms ranging in size with sales of "between EUR 5 and 45 million" with an average of 12.5 % (2007: 14.0 %) and consulting firms with sales of "between EUR 1 and 2.5 million" with an average of 12.3 %. Even market heavyweights with sales of over EUR 45 million once again posted double-digits at 10.6 % (2007: 11.0 %).
The 2008 share of sector revenues were allocated to the individual consultancy fields as follows: organization and process consulting with 44.4 % (2007: 44.0), strategy consulting with 23.7 % (2007: 24.3 %), IT consulting with 21.6 % (2007: 21.1 %) and human resources management with 10.3 % (2007: 10.6 %). The highest demand for consultancy services continued to come from clients in the manufacturing industry and financial service providers. However, their share declined, especially in manufacturing trade, which sank to 33.8 % (2007: 34.4 %) and financial providers to 23.7 % (2007: 24.0 %). This was deeply affected by the financial and economic crisis, which was significantly evident in this industry in 2008.
According to BITKOM, the market for information technology, telecommunications and digital consumer electronics in Germany, held its ground despite the economic crisis in 2008. The realized growth increase of 1.2 % to EUR 144.6 billion slowed down but was just above the previous year's level (2007 increase: 2.0 %). Sales revenues from information technology saw a 3.7 % jump to EUR 66.2 billion, but grew at a slower tempo (2007 increase: 5.0 %). The telecommunications area somewhat stabilized; following lower sales of –\d.7 % in 2007, it did have to post a negative sales performance of –\d.6 % in 2008 amounting to EUR 66.2 billion. In the Consumer Electronics area, an end to the "special economy" with strong sales growth over the past years is visible. In 2008, sales advanced once again by 4.4 % to EUR 12.2 billion compared to the rise in 2007 of 7.5 %.

II. Business development 2008

Internal monitoring system

In order to attain information about the course of business, profitability situation and future development of the Group, we have developed a complex key data cockpit, which shows an overview over the next 6 months on a rollover basis.
The data from the main areas: sales, projects, finance and administration is generated from a Lotus Notes based sales information system (VIS) and from SAP R/3.
The most import key figures from this, in actual and forecast terms versus the budget, are: sales revenues, EBIT, new orders, average fees, project contribution margins, consultant capacity utilization, material costs, administration ratios and the development of cash and cash equivalents.
The cockpit is prepared centrally by Controlling and updated monthly with some sections being updated every two weeks and directly submitted to key executives.

Principles and objectives of our finance management are to assure the ability to make payments at all times. Thus, payments in 2008 were assured at all times through the high cash and cash equivalents balance, while at the same time generating interest income by investing surplus amounts in money market funds or time deposits.

€ thousands	2008	2007	2007[1]
New orders	18,167	22,587	20,086
Sales revenues	18,287	22,402	17,332
Order backlog	4,905	5,025	5,025

[1] pro forma presentation for the financial year excluding plenum stoll & fischbach GmbH (sold on Sept. 30, 2007)

New orders were behind the previous year by 19.6 % from TEUR 22,587 to TEUR 18,167, while sales revenues contracted by 18.4 % or TEUR 22,402 to TEUR 18,287. The order backlog marginally receded by 2.4 % or TEUR 120 to TEUR 4,905.
The meaningfulness of the comparison with the previous year is dampened by the sale of plenum stoll & fischbach GmbH as of September 30, 2007 as part of a Management Buy Out. The revenues share from the agency contributed about TEUR 5,070 to total revenues for the first nine months of 2007 and TEUR 2,501 to new orders. Taking into account these figures, the sales from continued operations in consulting saw a 5.5 % boost or TEUR 955, while new orders were behind the adjusted prior year's figure by about 10 %.

Of the sales revenues total of TEUR 18,287 for the year under review, an amount of TEUR 3,024 (2007: TEUR 3,615) or 16.5 % (2007: 16.1 %) relates to foreign sales. Therefore, in comparison to the previous year foreign business remained virtually constant.

The prognosis given in 2007 for "sales growth of 15–\do % in our continued operations (revenues: TEUR 17,332) and a rise in EBIT to about EUR 1.2 million" could regrettably not be reached. As a reaction to the slumped economy and turmoil on the finance markets, plenum stopped the planned new recruitments early on. But nevertheless sales growth on a continued operations basis still reached 5.5 % with the EBIT rising from EUR 0.2 million to EUR 0.5 million.

Sales revenues by region

€ thousands	2008	2007
Foreign sales revenues	3,024	3,615

Allocation by region		
United Arab Emirates	70.0 %	46.8 %
Switzerland	23.6 %	36.4 %
Austria	2.8 %	6.2 %
Netherlands	2.5 %	0.0 %
USA	0.0 %	3.9 %
France	0.0 %	2.8 %
Others	1.1 %	3.9 %

The industry allocation of the revenues share from continued operations in consulting (pro-forma figures excluding stoll & fischbach) is even more dominated by insurance companies than in 2007 with a higher share of 41.9 % in 2008 compared to 32.8 % the year before. The banks sector still ranked second-place with a slightly higher sales share of 25.2 % in 2008 compared to 24.1 % in 2007. The logistics sector ranked third with a sales share of 7.7 % in 2008 (2007: 9.0 %).

Sales revenues by industry

Industry	2008	2007[1]
Insurance	41,9 %	32.8 %
Banks	25,2 %	24.1 %
Logistics	7,7 %	9.0 %
Telecommunications	4,8 %	6.6 %
Fashion & beauty	4,8 %	5.8 %
Energy utilities	3,1 %	5.6 %
Pharmaceuticals & chemicals	1,8 %	2.4 %
Mechanical engineering	1,1 %	2.1 %
Public Contractors	0,2 %	1.1 %
Others	9,4 %	10.5 %

[1] excl. stoll & fischbach GmbH

Consulting and important projects in 2008

Customer Interaction Management

During the past year, the plenum Group was commissioned by leading insurance companies, automobile banks and a renowned German automobile company to perform tasks as part of an overall customer information management program. Alongside developing solutions for fraud detection in automobile financing and deriving an integrated concept for winning new clients in the B2B business, the main focus of these projects was on value-oriented customer portfolio monitoring. On the basis of plenum's own tool, ValueWatcher, innovative concepts for customer value measurement and visualization were developed, tested and successfully implemented.

Business Process Optimization & Outsourcing

Current legislation poses challenges to our customers, which often can only be successfully faced in terms of time and content with external support.
In 2008 the plenum Group supported several customers in implementing the indemnity taxes by the target date of September 1, 2009 both by responding to business relevant issues and in technical matters.
The variety of tasks ranged from, among other items, business analysis to assuming partial project managements and up to supporting the monitoring of the entire project, i.e. as part of setting up a Management Offices project.

IT Strategy & IT Efficiency

In the strategy consulting area representing a core business of the plenum Group, a key project was won in 2008 with an IT service provider of an insurance group. The focus of the project is the updating and formalizing of the company strategy. The aim of the project activities include procuring and establishing a realistic strategy for the employee and client, which will provide clarity in perspectives and paths for the company in the future, will tap into IT synergies, will assure market-appropriate rendering of services and intensify its own role in the entire group.

In the area of IT portfolio management, the plenum Group again won important projects, because the selection and prioritization of IT investments is a decisive lever for our clients' success. Following the successful development of an Internet strategy for the first national health insurance in Emirates Abu Dhabi, the plenum Group was also commissioned in 2008 with the implementation of the drafted concepts into practice and to give guidance in the complete transition over the entire planning period. The tasks were and still are very multi-facetted and promise to deliver numerous exciting tasks up to the end of 2009. Besides guiding in the bidding process with respect to selecting the provider for outsourced development and operative services in the Internet platform, the plenum Group assumed all tasks in 2008 that are necessary for the successful set-up and functioning of the various online services to be offered in the future. This ranges from designing the necessary organization of the company, assisting in recruiting new hires, defining processes within the entire organization and interfaces with the provider, supporting the development of the governance structure, for program management, and among others, to implement all planned releases in functioning purposes, etc. This project counted among one the largest projects for 2008 of the plenum Group, thus further cementing our market position in the United Arab Emirates.

HR & Skill Management

In order to successfully face challenges in the years to come, the implementation of strategic skill management is gaining in importance for many IT service providers. The focus of skill management lies in human capital, which is a tense bow between market and business defined recommended requirements and individual actual profiles, potential and development wishes. Both sides must be brought into balance by regular comparisons. The plenum Group was commissioned in 2008 by an IT service provider of an insurance company to develop a concept for strategic human resources development and personnel planning together with a definition phase upon conclusion. The objective includes an analysis of the actual situation and a comparison with the target concept to determine the implementation efforts. Following the service analysis and the skills comparison, the plenum Group also guided the client during the following implementation phase.

Gross profit

€ thousands	2008	2007	2007[1]
Sales revenues	18,287	22,402	17,331
Cost of revenues	12,062	15,593	11,511
Gross profit	6,225	6,809	5,553
in % of revenues	34.0 %	30.4 %	32.5 %

[1] pro forma presentation for the financial year excluding plenum stoll & fischbach GmbH (sold on Sept. 30, 2007)

In absolute terms, gross profit receded by TEUR 584 to TEUR 6,225, but indeed rose from 30.4 % to 34.0 % in relation to sales revenues. This significant increase largely relates to the focus placed on the profit-strong consulting business. In the continuing operations – excluding the agency business of plenum stoll & fischbach GmbH – the gross profit improved by 12.1 % or TEUR 672.

Selling expenses, general and administrative expenses

€ thousands	2008	2007
Selling expenses	1,969	2,616
in % of revenues	10.8 %	11.7 %
General and administrative expenses	3,308	4,483
in % of revenues	18.1 %	20.0 %

The selling expenses substantially dropped by 24.7 % to TEUR 1,969 or 10.8 % of revenues during the reporting year compared with the previous period (TEUR 2,616 or 11.7 %). This primarily was due to the fact that selling expenses related to the agency, stoll & fischbach, were still included in 2007 and a lower order backlog existed at the end of 2006, which necessitated intensified selling activities during the first months in 2007.

The administrative expenses for the reporting year were TEUR 1,175 below the previous year's figure. Thus causing the administrative expenses for 2008 to drop from 20.0 % in 2007 to 18.1 % of revenues or from TEUR 4,483 to TEUR 3,308. the main reason for this is also the significant decline in different comparative figures, because the administrative expenses of the agency stoll & fischbach were still included in 2007. The comparison of quarterly figures illustrates an almost constant level TEUR 820 per quarter.

Research and development

€ thousands	2008	2007
Research and development expenses	932	1,028
in % of revenues	5.1 %	4.6 %

In absolute terms, the research and development expenses slightly fell amounting to TEUR 932 in 2008 (2007: TEUR 1028). When viewing the costs in relation to revenues, however, there is a rise of half of one percentage point to 5.1 %. In all, the research and development expenses are considered appropriate from the standpoint of a consulting company.

Other operating income and expenses

€ thousands	2008	2007
Other operating income and expenses	+ 510	+ 1.501
in % of revenues	2.8 %	6.7 %

The net positive balance of other operating income and expenses declined by 66.0 % from TEUR 1,501 to TEUR 510 year-on-year. Accordingly, the share in revenues decreased from 6.7 % in 2007 to 2.8 % in 2008. While the bulk of other operating income in 2007 related to the sale of plenum stoll & fischbach GmbH (TEUR 675), income in 2008 largely related to the release of provisions. Provisions released comprised of warranties in the amount of TEUR 134 (2007: TEUR 328), personnel-related of TEUR 126 (2007: TEUR 480), for outstanding invoices of TEUR 40 (2007: TEUR 80) and for other provisions amounting to TEUR 68 (2007: TEUR 54).

Other operating expenses amounted to TEUR 74 in 2008 (2007: TEUR 267).

Financial result, income taxes

€ thousands	2008	2007
Financial result	72	110
Income taxes	47	2

The financial result declined by TEUR 38 to TEUR 72 versus the previous year (TEUR 110), which was mainly due to the discounting of a capitalized repayment claim.

Following the high tax income amount in 2006 as a result of the recognition of an accrued corporate income tax reduction credit, there was no tax effect in 2007. Since said amount is refunded to plenum during the years 2008 through 2017, a tax effect first occurs in 2008. Deferred tax assets for existing net loss carryforwards were exhausted in the previous financial years.

Group net result, earnings per share

Key figures in € thousands	2008 IFRS	2007 IFRS	2006 IFRS	2005 IFRS	2004 US-GAAP
EBITDA	745	588	−329	−2,705	−1,049
EBIT	526	183	−881	−3,383	−1,845
Group net result	645	295	−144	−3,163	−1,653
Earnings per share in € (basic)	0.06	0.03	−0.02	−0.33	−0.17

The EBIT arises from the net income of TEUR 645 less taxes of TEUR 47 and the financial result of TEUR 72. The EBITDA of TEUR 745 arises from the EBIT of TEUR 526 plus depreciation of TEUR 219.

The Group net result more than doubled over the previous year by TEUR 350 (2007: TEUR 295) to TEUR 645. Following the operating result (EBIT) of TEUR 183 in 2007, the operating result for the year under review climbed by TEUR 343 and at TEUR 526 is nearly three times higher than the year before. In relation to revenues, the EBIT margin came in at 2.9 % in 2008 compared to 0.8 % in the previous year. The depreciation rate fell by 46 % to TEUR 219 (2007: TEUR 405) year-on-year. The EBITDA rose by TEUR 157 from TEUR 588 to TEUR 745 in 2008.

Earning per share at six cents arose from the significantly higher Group net result versus the previous year (2007: three cents).

III. Segment information

Following the sale of plenum stoll & fischbach GmbH on September 30, 2007, the plenum Group now focuses its activities on one primary business segment: consulting services for strategy development, to raise efficiency and for new organization in IT Management/Consulting. The plenum Group does not maintain material, autonomous services at the present time which are also managed internally as a segment. Disclosures regarding secondary segment information according to IAS 14.69 are presented in the Notes on page 69.

IV. Net assets and financial position

Cash flow

€ thousands	2008	2007
Movement in cash and cash equivalents/securities	3	868

In 2008 the Group posted total cash inflow of TEUR 3 compared to a total cash inflow of TEUR 868 in 2007. The significant increase in 2007 largely arose from the net inflow of the capital increase (TEUR 2,256) transacted on June 28, 2007, which overcompensated the cash outflow for operating activities and for investing activities.

Cash outflow for operating activities of TEUR 83 mainly result from the reduction in accounts payable (TEUR 915) and an increase in other non-current assets (TEUR 1,179), which were not fully compensated by the reduction in receivables (TEUR 676), the movement in prepaid expenses and other assets (TEUR 564) and the Group net result of TEUR 645.
Excluding the special effect from the one-time bonus granted in 2008, cash and cash equivalents from operating activities would have been considerably higher. Therefore, management assumes a sustainable inner financing power.

The cash inflow from investing activities of TEUR 77 (2007: outflow of TEUR 464) relates to proceeds from the disposal of financial assets and from the repayment of loans which exceeded the purchase of software and property, plant and equipment of TEUR 115.

The cash and cash equivalents balance slightly rose by TEUR 3 to TEUR 4,452 at the end of 2008. The main movements on the assets side year-on-year include the increase in other non-current assets of TEUR 1,179 and the reduction in accounts receivable by TEUR 676 to TEUR 3,836.

The drop in prepaid expenses and other current assets from TEUR 1,282 to TEUR 658 primarily relates to the repayment of loans and the reduction in the corporate income tax credit. The decline in property, plant and equipment of TEUR 225 to TEUR 177 is largely due to scheduled depreciation.

The rise in other non-current assets comprises of a bonus payment to one Management Board member for his activities rendered as managing director of a Group company (sign-on bonus). The repayment claim correspondingly was reduced by the length of his services; there will no longer be a repayment claim by the latest on December 31, 2012. Moreover, capitalized repayment claims arising from granted bonus payments for maintaining key executives of the Group, which were paid in 2008, contributed to this increase. The repayment claims accrue interest at 5% p.a. and decrease according to the lengthen of service with the group; there will no longer be a repayment claim on the part of plenum by the latest on November 30, 2013.

The rise in net liquidity (cash and cash equivalents less current bank liabilities and advance payments received) to TEUR 4,370 (12/31/2007: TEUR 3,980) mostly corresponds to the rise in cash and cash equivalents and a lower balance of TEUR 387 in advance payments received compared with the previous year. Internally generated intangible assets are not contained in the asset positions of the balance sheet. Leased business space and company vehicles are also not capitalized.

Where liabilities are concerned, current provisions declined by TEUR 559 due mainly to the release of provisions. Accounts payable dropped by TEUR 915 year-on-year, while advance payments received fell by TEUR 387 to TEUR 82. Other current liabilities rose by 26.6% to TEUR 661. Total current liabilities are covered by 145.7% (12/31/2007: 97.8%) by cash and cash equivalents.

Non-current liabilities increased by TEUR 43 or 5.0% to TEUR 902 year-on-year, which is mainly due to the rise in deferred taxes and pension provisions.

The equity ratio improved from 59.2% to 68.6% year-on-year and is therefore at a very high level.

The long term financial position (the ratio of non-current assets to non-current equity) improved from 0.2 to 0.3. The short term financial position (the ratio of current assets to current equity) significantly improved again from 2.5 to 3.2.

The Group's capital expenditures continued to be conservative. Expenditures in software and property, plant and equipment in the amount of TEUR 115 (2007: TEUR 250) declined by 54%. Mostly replacement investments were conducted. In addition to necessary replacements no further significant capital expenditures are planned for 2009.
plenum AG and its subsidiaries conduct their business in leased office space. Moreover, operating and office equipment are leased. The rented and leased items cannot be recognized by plenum AG and its subsidiaries. The costs for rent and lease agreements totaled TEUR 842 in 2008 (2007: TEUR 966).

V. plenum AG

plenum AG is the parent company of the plenum Group and acts as a management holding. plenum AG's business in 2008 was largely performed by its affiliated companies: plenum Management Consulting GmbH and DOM Digital Online Media GmbH. Control and profit transfer agreements exist with both companies.

The following companies also exist: in:sight customer information management GmbH and plenum FZ-LLC.

The affiliated companies obtain centralized services from plenum AG such as for example: accounting, human resources, travel and vehicle management, public relations and marketing. The costs incurred are recharged to the affiliated companies on the basis of a complex allocation code of plenum AG (Management Fee).
Since plenum AG acts as the managing holding of the plenum Group, sales revenues with third parties are not incurred, other than income from seminars and events (TEUR 60 in 2008). Since the invoicing of seminars and events will still be conducted in the name of plenum AG until the middle of 2008, sales revenues with third parties will further reduce in 2009 and 2010.
Other than in:sight customer information management GmbH and plenum FZ-LLC, all cash and cash equivalents of the Group are administered by the central cash management of plenum AG.

The business development, situation and risks of the parent company largely match those of the Group.
According to a shareholders' meeting resolution dated July 3, 2008, authorized capital in the amount of EUR 5,878,534 was established, which replaced the previous authorized capital of EUR 4,788,534, which expires on July 4, 2012. The Management Board of plenum AG is accordingly empowered with the approval of the Supervisory Board to increase the company's capital stock up to EUR 5,878,534 through one or more issuances of up to 5,878,534 bearer shares against cash and/or contribution in kind by up to July 2, 2013.
According to a shareholders' meeting resolution dated July 3, 2008, the conditional capital I of EUR 235,000 was reduced to EUR 213,000, because the conditional capital increase resolved at the shareholders' meeting on June 14, 2002, which serves exclusively to fulfill exercised option rights (regarding the stock option program refer to note 28 "Stock-based compensation"), to the extent of EUR 22,000 is no longer needed for the security or coverage of options (as of the annual shareholders' meeting held on July 3, 2008).

At the same time, new conditional capital of EUR 240,706 was established (conditional capital IV). The conditional capital IV serves exclusively to fulfill options (2008 stock option program). Option rights of the shareholders do not exist. Issuance of stock options to Management Board members lies solely in the power in the Supervisory Board.

The balance sheet total rose by about 5 % to TEUR 10,982 compared to December 31, 2007. This was mainly due to higher receivables due from affiliated companies and from higher cash and cash equivalents.

In the year under review, plenum AG received net profit from plenum Management Consulting GmbH in the amount of TEUR 1,950 (2007: TEUR 361) and a net loss from DOM Digital Online Media GmbH in the amount of TEUR –\d60 (2007: TEUR 78). The profits contributed by the subsidiaries totaled a positive amount of TEUR 1,790 compared to the prior year's amount of TEUR 1,678. The investment carrying value of the subsidiaries remained unchanged year-on-year.

plenum AG recorded a net profit of TEUR 812 in its annual financial statements for 2008 (2007: net loss of TEUR 353). Positive net results are also anticipated for 2009 and 2010. Because of the losses in the past years however a balance sheet deficit exists. Consequently, there will be no dividend payout at the present time.

In preparation of the planned capital reduction, the parent company's capital reserves as of December 31, 2008 were fully cancelled in favor of the existing accumulated deficit.
As a consequence of the plenum Group's predicted economic performance in the future, we anticipate a successive reduction of the accumulated deficit in plenum AG's balance sheet for the coming years.

plenum AG's equity amounted to TEUR 9,822 (12/31/2007: TEUR 9,010). Total stockholders' equity represents 83.5 % of plenum AG's capital stock amount.

Since distributable capital is not available to plenum AG, a proposal for the appropriation of earnings has not been made.

The Management Board of plenum AG diminished by two members at the end of the financial year and has since then been managed by the sole member, Mr Hartmut Skubch. The former Management Board member, Mr Michael Rohde (Business Management, Sales) and Mr Klaus Gröne (Delivery, Human Resource Management, Corporate Services) stepped down from the Board to concentrate on the business management of plenum Management Consulting GmbH. An expansion to the Management Board is not foreseen.

VI. Employees

The number of employees of the plenum Group of 115 persons as of December 31, 2008 was at nearly the same number of 114 in the previous year. The average number of employees for 2008 was 116 (2007: 157). The reduction was mostly due to the sale of the agency, plenum stoll & fischbach GmbH (60 employees) at the end of September 2007.

The personnel expenses for 2008 fell by 15.5 % to TEUR 10,628 year-on-year. The ratio of personnel costs to revenues slightly rose to 58.1 % compared to 56.1 % the year before. The personnel expenses per employee averaging TEUR 91.6 significantly rose by 14.4 % versus 2007, which was also primarily due to the separation from plenum stoll & fischbach GmbH in 2007.

VII. Corporate Governance

On November 3, 2008, the Management Board and the Supervisory Board submitted a Declaration of Conformity to the recommendations of the regulatory commission for the German Corporate Governance Code pursuant to § 161 of the German Stock Corporation Act (AktG) and made this declaration available to the stockholders of plenum AG via the internet homepage. Both Boards declared that they have followed the Code to a major extent and will continue to do so in the future. The Declaration of Conformity highlights those recommendations that have not been followed.

VIII. Risk report

A detailed planning and monitoring process coupled with systematic risk management enable plenum to detect risks at an early stage and to recognize and prevent potential risks. Risk management is an integral part of business processes and corporate decisions and is linked to internal reporting. The Management Board and management bears direct responsibility for the timely detection and control of risks. Operational risk management is largely performed by the finance division of plenum AG and its affiliated companies.

In addition to monthly reporting by the subsidiaries on existing and foreseeable risks, the risk management is supported by comprehensive reporting and controlling structures and by the central cash management at the Group level. Special emphasis is placed on financial risks, optimized corporate financing and market risks, which particularly address price fluctuations, default and liquidity risks as well as risks from cash flow fluctuations. Risk monitoring covers the planning, execution and profitability controls of suitable countermeasures.

Risk management is constantly developed further and adapted to the current requirements within the annual strategy and planning meetings.

Market risks

Based on the nature of plenum's business activities, it is exposed to normal business risks such as demand drops, price pressure and credit risks.

The revenue share of the ten largest customers of 61.0 % was more than in 2007 (46.6 %). In general, the customer base was narrower in 2008; thus, the revenue share of the twenty largest customers increased from 66.1 % to 79.3 %.

Significant Services Contracts ("Werkverträge" – contracts that require plenum to design, develop, manufacture or modify products or a system to a buyer's specifications) were not concluded in 2008. plenum counters the risk from customer and supplier agreements by way of contract arrangements, qualified project management and detailed project controlling. The shares in affiliated companies underlie general liquidity and price fluctuation risks and are tested for impairment once a year.

Finance risks

Cash and cash equivalents remained virtually constant in 2008 increasing by only TEUR 3 (2007: TEUR 868).

To counter financial risks from cash outflow, items such as investments, new hires and current operating costs continue to be strictly budgeted and systematically controlled. Strict cost cuts in light of economic developments which are difficult to project continue to have highest priority. Management's focus remains to be on maintaining financial independence to a large extent. This objective is supported by way of professional central cash and receivables management as well as short term and non-risk investment policy.

Appropriate precautionary measures are undertaken for existing receivables risks to the extent that the incurrence of such risks is probable. Generally, the existing customer base however ensures a relatively minimum risk in this regard. Active debtor management including debtor collection contributes to the reduction in insolvency risk. Valuation allowances for anticipated losses from bad debts have been recognized in the amount of TEUR 94 (2007: TEUR 81).

The risk from foreign currency exchange rate fluctuation is continuously monitored. Receivables denominated in foreign currencies amounted to TEUR 525 as of December 31, 2008 (12/31/2007: TEUR 358).

A part of the Management Buy Out of the agency, plenum stoll & fischbach GmbH, in 2007, loans were granted to the former managing director. The related risks are restricted by contractual obligations and collateral pledged based on normal market conditions.

Further risks

The backbone of our Company lies in the performance of our employees. As in the past there is strong competition to attain highly-qualified employees in the sector in which our Company operates. Our future success partially depends on the extent to which we are able to gain qualified and competent employees on a lasting basis or to bind these employees in a permanent manner. Short and long term incentive models and comprehensive qualification measures are being implemented to address these issues. Hence, plenum coupled the most important know-how carriers on a long term basis to the Company with the introduction of a Partner model in 2007 and established a broad management organization in its subsidiaries comparable to Anglo-Saxon competitors.

Significant risks arising from pending legal disputes extending beyond the existing provisions do not exist.

Overall risk

In summary, the following items are of utmost importance to plenum at the present time: economic risks, dependence on the development of individual industries and the further expansion of IT Management Consulting. Based on risk analysis, the estimation of probability occurrence and assessment of the effectiveness of countermeasures, management is of the view that there are no risks from today's perspective which could threaten the going concern of plenum AG and its subsidiaries.

IX. Outlook

Economic prospects

The development of the German economy in the coming years will decisively depend on the further course of the international financial crisis and how quickly the crisis can be overcome. The immense economic problems can only be resolved by joint efforts from all major industrial nations. Economic experts do not have a uniform opinion, as to whether the financial and economic crisis will continue to peak in the next months or whether a turnaround can be expected. Individual states are attempting to counter the recession with large recovery actions for the financial sector and massive economic programs. However, whether the desired results will be achieved remains to be disputed by the economic experts.

Consultancy market

Despite the recession, the German consultants want to grow further also in 2009. A sales gain of three percent is planned to be reached from the entire market by the end of the financial year. Members of the BDU anticipate high needs in supporting projects for cost reduction, for risk management and for differentiating and adjusting business models. This is why the consultants want to hire additional consultants in 2009. Only a few plan to downsize consultant positions.
According to the German Association for Information Technology Telecommunications and New Media (BITKOM), the ITK market level from 2008 will be maintained. Thus, because of the recession in Germany, BITKOM predicts an overall market situation identical to 2008 of about EUR 145 billion. According to the BITKOM prognosis, sales revenues from information technology will rise by 1.5 percent to about EUR 67 billion in 2009, while revenues from the telecommunications sector will drop by 1,2 percent to about EUR 65 billion. Contrary to the trend, the outsourcing market is expected to grow by 7 percent to EUR 14.6 billion, while the sales volume from digital entertainment electronics is expected to shrink by 2.5 percent to about EUR 12 billion in 2009 following many years of growth.

Business strategy 2009

In 2009 the focus of our business strategy will be on further expansion of our consulting business; our emphasis on the service sector in light of the repercussions from the current financial and economic crisis is confirmed.
On the basis of our estimations, banks and insurance companies will further intensify their rationalization and automation efforts.

Our core sectors continue to encompass:
- Banks
- Insurance
- Energy utilities

Other main sectors include logistics and public administration.

In terms of content, our consulting services will continue to focus on competencies in our core segments which are decisive for the performance of service providers:
- IT Strategy & IT Efficiency
- Business Process Optimization
- Customer Interaction Management
- Skill Management

On a regional basis, we will continue to concentrate on the 'DACH' market (Germany, Austria, and Switzerland). Although the market in Dubai has cooled down as a result of the current financial crisis, we will stabilize our existing market position here in order to use existing options to benefit from disproportionate growth in the GCC region (Gulf Cooperation Council) when the economic engine jumpstarts again.

On the medium term, we will continue to follow our growth strategy. However, since our budget parameter from 2007 which stated that “we will grow further based on a spurred economy” did not materialize and we have slipped into a recession, a stabilization phase will be applied. This phase is marked by:

- maintaining the target gross margin attained in 2008 of approx. 30 %
- implementing measures to prevent losses
- seizing measures to strengthen the market position.

This phase will set the tone for 2009 and perhaps even last until 2011. When the financial and economic crises are first overcome in its entirety, the economy can then spring back. That will be the right time for us to move our entire spectrum of services back on the growth track.

In general, the factors for succeeding in our growth strategy based on simultaneously raising the earnings performance remain in place:

- Growth leads to a more favorable fixed cost allocation and to a gradual increase in the EBIT margin to approx. 12 % over some years
- The tax burden will be very low over the next few years due to the loss carryforward of approx. EUR 18 million.

Outlook

In 2009 and 2010 we predict temporary lower sales revenues from our continuing operations (sales revenues: TEUR 18,287) due to turmoil on the financial and economic markets. Since we managed to reach a gross margin >30 % during the difficult last months of 2008 and together with the stabilization phase, we anticipate an overall positive earnings (EBIT) and positive cash flow for 2009 and 2010.

X. Compensation report

Management Board remuneration

Remuneration paid to the Management Board members comprises fixed and variable (bonus) components. The variable component is based on a target agreement predetermined between the Management Board and the Supervisory Board. In the year under review, the Management Board remuneration totaled TEUR 1,264 (12/31/2007: TEUR 1,354). Of which, TEUR 869 relates to the fixed component and TEUR 190 to the variable component. The remuneration includes an amortized sign-on bonus of TEUR 823 for a one-time bonus payment to a Management Board member for his activities rendered for a subsidiary. The sign-on bonus amount of TEUR 720 for the following years is amortized until December 31, 2011. In the case of resignation of the Board member, the sign-on bonus shall be repaid on a pro rata temporis basis. Total remuneration contains personnel-related and other benefits in the amount of TEUR 102, which are mostly for amounts allowed under tax provisions, such as for company cars and insurance contributions. These benefits are contractually allowed to the Board members, vary depending on the respective personal situation and are individually taxed by the Board members. The remuneration relates to compensating the activities rendered by the Management Board of plenum AG and the activities rendered by management of the subsidiaries. Severance payment regulations were agreed for one member of the Management Board, both for premature termination of Management Board activities without cause and in the event of a change in control. Both severance payment regulations are oriented to the German Corporate Governance Code. With effect from August 3, 2007 (date of issuance) 288,000 stock options were issued to members of the Management Board with the approval of the Supervisory Board. A pension provision recognized for one Board member amounts to TEUR 201 as of December 31, 2008 (12/31/2007: TEUR 203). The remuneration information is presented in the Notes to the consolidated financial statements under Note 38.

Supervisory Board remuneration

Remuneration paid to the Supervisory Board members is determined by the shareholders' meeting and is prescribed under §13 of the plenum AG's company statutes. In 2008, the fixed remuneration component for each member was TEUR 5 and TEUR 10 for the Chairman. In addition, each member receives TEUR 1 for each meeting attended, which is payable after the end of the financial year. Furthermore, in addition to the basic remuneration, the Supervisory Board members are also allowed an incentive bonus depending on the earnings of plenum AG , if and when such an incentive bonus is to be resolved by the shareholders' meeting. In all, an amount of TEUR 44 was provided for Supervisory Board remuneration in 2008 (12/31/2007: TEUR 38).

XI. Event after the balance sheet date

On March 31, 2009 plenum AG acquired 94 % of MANIC Management Information Consulting GmbH and took place retroactively as of January 1, 2009. MANIC Management Information Consulting GmbH complements plenum's know-how, in particular, in the banks core industry and will be managed as a subsidiary of plenum AG.
Negotiations regarding the sale of the subsidiary, DOM Digital Online Media GmbH, have not yet been executed. Other events of material importance did not occur after the balance sheet date.

XII. Additional disclosures

Composition of capital stock and rights restrictions

Capital stock totals EUR 11,757,068 and is divided into 11,757,068 no-par value shares. The shares are all common stock and bearer shares. Restrictions to voting rights or transferability of single shares do not exist on the part of the Company.

The Management Board's Chairman and founder of plenum AG, Hartmut Skubch, holds a 10 % shareholding interest. Other direct or indirect investments in the company's capital that reach or go beyond 10 % of the voting rights have not been reported to us and are not known to us.

Management Board's authority for the issuance and repurchase of shares

According to § 5 (3) of the Company's statutes, the Management Board is authorized, with the approval of the Supervisory Board, to increase the Company's capital stock up to EUR 5,878,534.00 by single or multiple issuances of up to 5,878,534 bearer shares against cash and/or contribution-in-kind (authorized capital I) until July 2, 2013.

According to a shareholders' resolution dated July 3, 2008, the conditional capital I was reduced from EUR 235,000 to EUR 213,000, which arose from the resolution to increase conditional capital from the shareholders' meeting on June 14, 2002 and which was exclusively for issuing stock options regarding the stock option plan (refer to note 28 'Stock-based compensation'); an amount of EUR 22,000 was no longer required for the assurance or coverage of options (date of the shareholders' meeting on July 3, 2008).
At the same time, new conditional capital in the amount of EUR 240,706 was created (conditional capital IV). By shareholders' meeting resolution dated July 3, 2008, the Management Board is authorized, with the approval of the Supervisory Board, to issue option rights up to 240,706 on plenum AG bearer, no-par value shares up to July 2, 2013. The conditional capital IV serves exclusively to satisfy options (2008 Stock Option Plan). The shareholder option rights do not exist. The empowerment for issuance of stock options to the members of the Management Board lies solely with the Supervisory Board.

According to a shareholders' resolution dated July 3, 2006, the conditional capital II was created in the amount of EUR 3,831,534, which was to be utilized in the case of the issuance of up to 3,831,534 new bearer shares. The conditional capital II served exclusively for exercising convertible options or warrants.

According to a shareholders' resolution dated July 5, 2007, conditional capital III was created in the amount of EUR 722,000, which was to be utilized in the case of issuance of up to 722,000 new bearer shares. The conditional capital III serves exclusively to satisfy options (2007 Stock Option Plan).

The Company was authorized until December 31, 2007 to purchase its own shares up to 10 % of capital stock. The empowerment for acquisition beyond December 31, 2007 was extended.

The shareholders' meeting on July 3, 2008 resolved to authorize the Company to purchase ist own shares effective starting July 4, 2008 up through December 31, 2009 up to a maximum of the allocable capital stock amount of EUR 1,175,706. The acquisition of shares can be conducted directly on the stock exchange, by public purchase bid or as part of a package acquisition off the stock exchange. The shares acquired up to December 31, 2008 may be sold further, included as compensation for a contribution-in-kind or used as part of a stock option plan.

Requirements concerning the appointment and dismissal of Management Board member and statute amendments

The Management Board is appointed and dismissed pursuant to §§ 84 and 85 of the German Stock Corporation Act (AktG).

The Supervisory Board is authorized under § 12 (2) of the Company's statutes to conduct amendments to the statutes, which relate only to that version. For the rest, § 179 AktG applies to amendments made to the Company's statutes.

Consolidated Income Statement

€ thousands	Note	2008	2007
Sales revenues	8	18,287	22,402
Cost of revenues	9	−12,062	−15,593
Gross profit		**6,225**	**6,809**
Selling expenses	10	−1,969	−2,616
General and administrative expenses	11	−3,308	−4,483
Research and development expenses	12	−932	−1,028
Other operating income and expenses	13	510	1,501
Operating result		**526**	**183**
Financial result	14	72	110
Result from continuing operations before income taxes		**598**	**293**
Income taxes	15	47	2
Group net income (prior year: net loss)		**645**	**295**
Of which attributable to:			
– Equity holders of the parent		674	291
– Minority interests		−29	4
Earnings per share (in €, basic)	16	0.06	0.03
Earnings per share (in €, diluted)	16	0.06	0.03
Average number of shares outstanding (in thousands, basic)	16	11,757	10,675
Average number of shares outstanding (in thousands, diluted)	16	11,757	10,675

Consolidated Balance Sheet

Assets € thousands	Note	Dec. 31, 2008	Dec. 31, 2007
Cash and cash equivalents / securities	17	4,452	4,449
Trade accounts receivable	18	3,836	4,512
Loans	19	478	1,258
Assets held for sale	3	492	0
Prepaid expenses and other current assets	18	658	1,282
Total current assets		**9,916**	**11,501**
Property, plant and equipment	19	177	402
Intangible assets	19	41	54
Financial assets	19	103	112
Loans	19	485	480
Non-current tax receivables	20	642	658
Other non-current assets	21	1,179	0
Deferred tax assets	15	62	59
Total non-current assets		**2,689**	**1,765**
Total assets		**12,605**	**13,266**

Liabilities and stockholders' equity € thousands	Note	Dec. 31, 2008	Dec. 31, 2007
Trade accounts payable	22	307	1,222
Advance payments received	22	82	469
Current provisions	23	1,777	2,336
Income tax liabilities		0	2
Liabilities held for sale	3	228	0
Other current liabilities	22	661	522
Total current liabilities		**3,055**	**4,551**
Deferred tax liabilities	15	90	43
Pension provisions	24	812	816
Total non-current liabilities		**902**	**859**
Capital stock	25	11,757	11,757
Capital reserves		13,292	14,464
Treasury stock	25	−83	−83
Income and expenses recognized directly in equity		60	24
Accumulated deficit		−16,378	−18,335
Minority interests		0	29
Total stockholders' equity		**8,648**	**7,856**
Total liabilities and stockholders' equity		**12,605**	**13,266**

Presentation of Recognized Income and Expense

€ thousands	2008	2007
Group net income (prior year: net loss)	645	295
Actuarial losses on defined benefit obligations for pensions other post-employment benefits	52	121
Deferred taxes	−16	−45
Total recognized income and expenses	**681**	**371**

Statement of Changes in Stockholders' Equity

€ thousands	Number of shares in thousands	Capital stock	Capital reserves	Treasury stock	Income and expense recognized directly in equity	Accumulated deficit	Minority interests	Total stockholders' equity
January 1, 2007	9,577	9,577	14,224	–83	–52	–18,626	0	5,040
Capital increase from stock options			74					74
Capital increase	2,180	2,180	166					2,346
Capital contribution from minority interests							25	25
Actuarial gains/losses					121			121
Deferred taxes					–45			–45
Group net result	295					291	4	295
December 31, 2007	11,757	11,757	14,464	–83	24	–18,335	29	7,856
January 1, 2008	11,757	11,757	14,464	–83	24	–18,335	29	7,856
Capital increase from stock options			111					111
Withdrawals from capital reserves			–1,283			1,283		0
Actuarial gains/losses					52			52
Deferred taxes					–16			–16
Group net result	645					674	–29	645
December 31, 2008	11,757	11,757	13,292	–83	60	–16,378	0	8,648

Consolidated Cash Flow Statement

€ thousands	2008	2007
Group net result	674	295
Minority interests	–29	–4
Depreciation and amortization	219	405
Correction for non-cash income from tax refunds	–47	–2
Gains on retirements of intangible assets and property, plant and other equipment	–3	48
Financial result	–72	–110
Other non-cash expenditures and income	276	15
Changes in working capital:		
Inventories	0	4
Trade accounts receivable	676	–374
Prepaid expenses and other current assets	564	–682
Trade accounts payable	–915	408
Other liabilities	–248	–312
Change in provisions	–565	–1,029
Change in other assets and liabilities	–727	275
Proceeds from interest	132	53
Proceeds/payments for income taxes	69	58
Cash flows used for operating activities	**–83**	**–952**
Cash inflow from the disposal of intangible assets and property, plant and equipment	8	367
Cash inflow from the disposal of financial assets	103	0
Cash outflow for the purchase of intangible assets and property, plant and equipment	–115	–250
Change in the scope of consolidation	0	–87
Cash inflow from repayment of loans	81	0
Cash outflow for purchase of financial assets	0	–494
Cash flows used for investing activities	**77**	**–464**
Gross cash inflow from capital increase	0	2,485
Costs of capital increase	0	–229
Cash outflow for retirements of debt	0	0
Cash flows provided by financing activities	0	2,285
Change in cash and cash equivalents	**–6**	**869**
Changes caused by exchange rate movements	9	–1
Cash and cash equivalents/securities at the beginning of the period	4,449	3,581
Cash and cash equivalents/securities at the end of the period*	4,452	4,449

* Cash and cash equivalents/securities comprise of liquid funds of TEUR 4,452 (12/31/2007: TEUR 3,939) and securities of TEUR 0 (12/31/2007: TEUR 510).

Notes to the Consolidated Financial Statements

A. Basis of presentation

1. General accounting policies

plenum AG and its subsidiaries (together referred to as "plenum Group") render consultancy services in the segments: IT Strategy and Business Alignment, IT Efficiency and IT Governance, IT Architecture and Technology Consulting, Customer Relationship Management (CRM) and eBusiness. Moreover, the Group operated communications business for brand communications and interactive marketing in 2008.

The parent company is a corporation based on German law with its registered office located at 65203 Wiesbaden, Hagenauer Str. 53.

The Management Board approved the accompanying consolidated financial statements on March 13, 2009 and authorized them for publishing and will be presented for adoption to the Supervisory Board at its meeting on April 20, 2009.

It has been resolved to apply the exemption provisions under Article 264 (3) of the German Commercial Code (HGB) (Audit and Publishing) for plenum Management Consulting GmbH, Wiesbaden, and for DOM Digital Online Media GmbH, Cologne, for the financial year ended 2008.

The consolidated financial statements of plenum AG and its subsidiaries (hereinafter referred to as "plenum" or "the Group") have been prepared in conformity with the International Financial Reporting Standards (IFRS) promulgated by the International Accounting Standards Board (IASB), London, which are endorsed by the European Union, and the Interpretations of the International Financial Reporting Interpretations Committee (IFRIC) in effect as of December 31, 2008. The consolidated financial statements contain all information required under IFRS as endorsed by the European Union and supplemental provisions pursuant to Article 315a (1) HGB concerning additional notes disclosures.

The consolidated financial statements and combined Group management report as of December 31, 2008 have been prepared pursuant to Article 315a (1) HGB and have been submitted and published in the electronic Federal Gazette.

The preparation of the consolidated financial statements is made on the principle of the historical cost of acquisition and production, which are reflected at the fair value of the financial assets and financial liabilities. The fair value is based on the current offer price if a market exists for that item. Where no active market exists, the fair value is determined on the basis of an appropriate valuation method. This comprises recent transactions, current market prices of similar assets, discounted cash flow method (DCF) and option price models.

The consolidated balance sheet and consolidated income statement correspond to the classification criteria prescribed under IAS 1 (Presentation of Financial Statements). For the sake of clarity and meaningfulness, certain items in the income statement, balance sheet and Notes have been explained separately.

The Group's reporting currency is the euro (€ or EUR). Regarding subsidiaries outside of the euro zone, the annual financial statements drawn up in the respective country's local currency have been translated to the euro.

The recognized accounting and valuation principles are presented in detail in the explanations to the respective positions.

2. Scope of consolidation

All subsidiaries in which plenum holds, directly or indirectly, the majority of voting rights (affiliated companies) are fully consolidated. Accordingly, the plenum consolidated financial statements as of December 31, 2008 continue to include plenum AG, as the parent, and three domestic and one foreign subsidiary. Changes in the scope of consolidation did not arise compared to the beginning of the financial year as of January 1, 2008.

Investments in associated and interests in Joint Ventures do not exist.

An overview of all affiliated companies (List of Investments) at the balance sheet date is attached to the Notes. Furthermore, there exist investments in unconsolidated companies, the inclusion of which was waived because the companies are currently in liquidation.

3. Discontinued operations

plenum intends to dispose of its internet implementation activities as part of a Management Buy-Out. This sets forth that all business shares in DOM Digital Online Media GmbH, Cologne, (DOM) shall be sold. plenum reports the assets and liabilities (a disposal group as defined under IFRS 5) of DOM in the consolidated financial statements for the financial year 2008 as 'held for sale' until completion of the disposal and measures them at the lower of the carrying value and the fair value less costs to sell. Impairment write-downs or write-ups did not arise in 2008. Income and expense items continue to be shown under earnings from continuing operations.

The table below presents the significant carrying values of the assets and liabilities of DOM as of December 31, 2008:

€ thousands	Dec. 31, 2008
Liquid assets	1
Trade accounts receivable	348
Property, plant and equipment/Intangible assets	130
Other assets	13
Assets held for sale	492
Current provisions	132
Trade accounts payable	58
Other liabilities	38
Liabilities held for sale	228

B. Summary of significant consolidation, accounting and valuation principles

4. Consolidation principles

The annual financial statements of the subsidiaries are included in the consolidated financial statements in conformity with IFRS and in accordance with the uniform accounting and valuation methods as applied by plenum AG. IFRS 3 (Business Combinations) is not required to be applied retrospectively to business combinations incurred before the date of transition to IFRS in accordance with IFRS 1 (First Adoption of International Accounting Standards). plenum has elected this option. The classification of a business combination according to US-GAAP conducted before the first adoption of IFRS has been respectively maintained.

Capital consolidation is performed according to the purchase method. According to the purchase method, the acquisition costs are offset against the prorated equity to the parent company at the date of acquisition or first time consolidation. Any residual positive difference is capitalized as goodwill and written-down, if required, on the basis of impairment tests performed, if the carrying value of goodwill exceeds the present value of the expected inflows from the asset. Shares in other investments are measured at fair values and classified as financial assets available-for-sale, if the fair values can be reliably measured. Where the fair values cannot be sufficiently measured for unlisted financial assets, the shares are measured at cost.

Revenues, receivables and payables as well as expenses and income and interim results from intra-group transactions are eliminated. Any intercompany differences arising from the consolidation of intercompany balances are offset with an impact on the result. Deferred taxes are recognized on consolidation transactions for temporary differences that will reverse at a later date.

5. Foreign currency translation

The annual financial statements of foreign subsidiaries have been translated to the euro using the functional currency concept based on the modified closing rate method pursuant to IAS 21 (The Effects of Changes in Foreign Exchange Rates). Since the subsidiaries conduct their transactions independently in an organizational, financial and economic respect, the respective local currency is the functional currency. Income and expense items are translated using the monthly average rates; assets and liabilities at the closing rate (mid-rate) and the subsidiary's equity at historical rates. The monthly average rate takes into consideration the respective rate on the last business days of the previous month.

Translation differences from equity-related foreign currency translation is recognized directly in equity and presented in a separate column in the statement on changes in equity.

Translation differences incurred as part of consolidation of intercompany balances are recognized in the income statement and shown under other operating income and expenses.

In the statement on the development of non-current assets the balances at the start and end of the year are translated at the respective closing rates, depreciation and write-ups for the year at average rates and all other positions at the closing rate at the end of the year. A translation difference arising from exchange rate fluctuations are shown under acquisition and production costs and under accumulated depreciation in a separate column.

Receivables and payables denominated in foreign currencies are translated at the closing rate in the annual financial statements of the consolidated company. Unrealized gains or losses from foreign currency translation as of the balance sheet date are recognized directly to income or loss.

The most important currency for the translation of exchange rates in relation to the euro changed during the course of 2008 as follows:

Arab Emirates Dirham (AED)	2008	2007	Movement in %
Closing rate at 12/31 (1 AED)	0.19320	0.18502	+4.4
Average rate (1 AED)	0.18539	0.19572	−5.3

6. Use of estimates

The preparation of consolidated financial statements requires the use of estimates and assumptions that may affect the reported amounts of assets, liabilities, disclosure of contingent liabilities as of the balance sheet date as well as the income and expenses during the reporting period. Existing uncertainties are reasonably taken into account as of the balance sheet date. However, actual amounts could differ from those estimates. The use of estimates and assumptions for the following items were of particular importance as of the balance sheet date:

- Revenues from rendering services that are recognized according to the percentage-of-completion method. The Group estimates the portion of services already rendered as of the balance sheet date from the total services yet to be rendered.

- The Group renders services subject to a warranty. Management estimates the amount of the provision for future warranty obligations on the basis of historical utilization of warranties but also considers current trends that could indicate that past costs could differ from future ones.

- The present value of the pension obligations depends on a number of factors based on actuarial parameters. The calculation of the net expense (income) for pension parameters is based on a discount rate. Every change in these parameters directly affects the carrying value of the pension obligations.

- The Group applies an appropriate discount rate at the end of every year for obligations to be shown at present value.

- The Group observes the recommendations under IAS 39 (Financial Instruments: Recognition and Measurement) with respect to assessing as to whether the financial assets are permanently impaired. Material assumptions must be made in making such estimates. Besides other factors, the Group assesses the duration and extent in which the fair value of financial assets is below their respective carrying values, the financial position and the business perspectives of the company's investments including profitably and industry-specific performance, technological advances and the development of cash flows from operating activities and financing activities.

- Deferred tax assets are also recorded for tax loss carry forwards. In case there is doubt regarding the use of the loss carry forward, a corresponding write-down is made to the deferred tax asset.

- Other provisions also cover anticipated losses from uncompleted Specified Services Contracts ("Werkvertrag" – contracts that require plenum to design, develop, manufacture or modify products or a system to a buyer's specifications) based on fixed prices, anticipated legal fees and other uncertain liabilities. The amount of anticipated losses is based on estimates of costs still necessary to realize the contractually agreed services and on expert opinions of the attorney.

7. Newly issued accounting standards

The accompanying consolidated financial statements as of December 31, 2008 include those Standards and Interpretations that had to be applied for the first time. Earlier adoption of issued Standards or Interpretations was waived.

In 2008 the following accounting Standards and Interpretations had to be applied for the first time:
Im November 2006 IFRIC Interpretation 12 (Service Concession Arrangements) was issued. This Interpretation addresses the recognition of service agreements between public-sector companies and private companies for the operation of public infrastructure. A material impact did not arise on the plenum Group's net assets, financial position and results of operations.

In November 2006 the IASB published IFRS 8 (Operating Segments), which will replace IAS 14 (Segment Reporting). Under IFRS 8, segment reporting must be based on the information used internally by management to identify operating segments and to evaluate their performance. Reportable operative segments are components of a company or a combination of operating segments that fulfill certain criteria. This separate financial information must also be available, and is to be regularly examined by the upper parent of the company in order to make decisions about the success of the company and in which form available resources should be allocated. In general, the financial information must be reported on the basis of internal controlling. IFRS 8 is to be applied for the first time for annual periods beginning on or after January 1, 2009.

In addition to the aforementioned Standards the following new or revised Standards and Interpretations of IASB and IFRIC have been issued, but have not yet been endorsed by the European Union and have not yet been applied by plenum:

In September 2007 the IASB issued amendments to IAS 1 A: Amendment to IAS 1: Capital Disclosures. This Standard and the revised IAS 1: Presentation of Financial Statements, issued in September 2007, aim to improve the analysis possibilities and availability of financial statements for the user. IAS 1 addresses the basic presentation and structure of the financial statements. It contains minimum requirements for the contents of the financial statements. The new Standard Revised IAS 1 is to be applied for annual periods beginning on or after January 1, 2009.

In January 2008 the IASB issued revisions to IFRS 3 (Business Combinations (IFRS 3 (2008)) and IAS 27 (Consolidated and Separate Financial Statements (IAS 27 (2008)).

Under IFRS 3 (2008), business combinations continue to be accounted for by the purchase method. The changes affect, for example, the accounting treatment of any minority interest in goodwill and its recognition in stockholders' equity, the recognition of successive business combinations and the treatment of purchase price components and incidental acquisition costs. According to the revised standard, the measurement of minority interests (now called noncontrolling interest (NCI)) can be made either at fair value (Full Goodwill method) or at the fair value of the allocable identifiable net assets. In a successive business combination, revaluation is recognized at the date ownership of the shares held is transferred. An adjustment to contingent purchase price components reported as a payable at the date of acquisition shall be recognized to profit or loss. Incidental acquisition costs shall be recognized as an expense at the date incurred.
Significant changes to IAS 27 (2008) relate to the accounting of business transactions in which plenum retains control, and transactions in which control is lost (changes in ownership interests). Transactions not resulting in the loss of ownership interest shall be recognized as an equity transaction. Remaining shares shall be measured at fair value at the date ownership is lost. Minority interests reported with negative amounts is permissible, i.e. losses will be offset in the future without restriction according to the investment percentage. Both revised standards are mandatory for annual periods beginning on or after July 1, 2009. These revised standards are not expected to have a material impact on the consolidated financial statements of plenum AG.

In January 2008 the IASB issued amendments to IFRS 2 (Share-based Payment) to clarify the definition of vesting conditions (exercisability) and cancellations of share-based payments. Vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. It also clarifies that cancellations, whether by the company or other parties, should receive the same accounting treatment. The revised IFRS 2 is to be applied for annual periods beginning on or after January 1, 2009.

C. Notes to the Consolidated Income Statement

8. Sales revenues

Sales revenues comprise the fair value of consideration received or to be received from the sale of goods or rendering of services as part of normal business activities. Sales revenues are reported exclusive of sales taxes, returns, rebates and price discounts and after elimination of intercompany sales.

Under IFRS, long term Specified Services Contracts are accounted for according to the percentage-of-completion method provided the necessary conditions are satisfied. According to this method, contract costs are recognized when incurred. The application of this method leads to partial revenue recognition before completion of the contract for Specified Services Contracts and increases revenues by the corresponding amount.

Sales from the rendering of services are recognized according to the stage of completion in relation to rendered and total services to be rendered in the year in which the services are rendered.

Where the result from construction contracts cannot be reliably measured, the contract revenues are recognized only to the extent that contract costs incurred are most probably reimbursable.

Where the result from construction contracts can be reliably measured and it is probable that the contract will be profitable, the contract revenues are recognized over the contract term. If it is probable that total contract costs will exceed total contract revenues, the anticipated loss is immediately recognized to expense. The stage of completion corresponds to the percentage rate of contract costs incurred as of the balance sheet date in relation to the expected total costs of the contract. Costs incurred during the current year in connection with future activities of a contract are not included in the contract costs in determining the stage of completion. Such costs are recognized under inventories, advance payments or other assets, depending on their nature. plenum AG reports all current construction contracts with debit balances due from customers as assets for contracts in which costs incurred plus profits recognized (or less recognized losses) exceed total partial billings. Partial billings not yet paid by customers are reported under trade accounts receivable. The Group reports all current construction contracts with credit balances due from customers as liabilities for contracts in which the total of partial billings exceed costs incurred plus recognized profits (or less recognized losses).

9. Cost of revenues

Cost of revenues comprises total production costs incurred on services rendered for the year under review. Besides directly attributable costs such as costs for purchased services and personnel costs, contract related overhead costs and depreciation are also offset according to certain cost centers.

10. Selling expenses

Selling expenses comprise all costs for activities that do not directly increase the services rendered by the company, but serve to assure sales. This position mainly contains marketing costs and costs for preparing and presenting proposals and presentations.

11. General and administrative expenses

General and administrative expenses comprise all expenses attributable to administration and not directly attributable to the production or selling process. This includes personnel and material costs for Group monitoring, human resources, purchasing, accounting and IT.

12. Research and development costs

Research and development costs are expensed as incurred. An amount of TEUR 932 (2007: TEUR 1,028) was expensed as incurred in 2008.

13. Other operating income and expenses

Other operating income and expenses comprise amounts that cannot be classified to functional areas; and are broken down as follows:

Other operating income

€ thousands	2008	2007
Income from the release of provisions	368	942
Income from the reduction of valuation allowances	43	67
Book gains from disposal of financial assets	87	0
Foreign currency translation differences	64	33
Other	23	726
thereof special effect for separation from plenum stoll & fischbach GmbH	0	675
	585	**1,768**

The income from the release of provisions relates to provisions for: warranties in the amount of TEUR 134 (2007: TEUR 328), personnel-related provisions of TEUR 126 (2007: TEUR 480), outstanding invoices of TEUR 40 (2007: TEUR 80) and other provisions of TEUR 68 (2007: TEUR 54).

The remaining other operating income predominantly relates to the separation from plenum stoll & fischbach GmbH (Asset-Deal: TEUR 1,000 less TEUR 325 for transaction costs).

Other operating expenses

Other operating expenses amounted to TEUR 74 in 2008 (2007: TEUR 267) and mainly comprise of losses from foreign currency translation of TEUR 73 (2007: TEUR 93).

14. Financial result

The breakdown of the financial result is as follows:

€ thousands	2008	2007
Income from investments	39	43
Income from loans held as financial assets	66	52
Interest and similar income	93	76
Write-downs to securities held as current assets	0	–13
Interest and similar expenses	–126	–48
	72	110

Other interest and similar income primarily relates to interest from current accounts and short term time deposits and securities of TEUR 92 (2007: TEUR 54) as well as TEUR 1 (2007: TEUR 4) for interest income from tax refunds. Interest expenses mostly comprise the interest portion for additions to the pension provisions of TEUR 45 (2007: TEUR 40).

15. Income taxes

Income taxes include taxes paid or payable on income and deferred taxes. Income taxes comprise of trade taxes, corporate income taxes and unification surcharges (the reimbursement of a non-current tax receivable is explained under Note 20).

Income taxes of the Group are broken down as follows:

€ thousands	2008	2007
Current taxes – income (+) / expense (–)	76	–68
Defered taxes – expense (–) / income (+)	–29	70
	47	2

Current taxes in Germany are taxed on distributed and retained profits with a uniform corporate income tax rate of 15 % (2007: 25 %) plus a solidarity surcharge of 5.5 %. In addition to corporate income taxes, trade taxes are also levied on profits generated in Germany. Taking into account the non-deductibility of trade taxes as a company expenditure starting in 2008, the trade taxes of plenum are subject to an average tax rate of 15.4 %, which results in a domestic total tax rate of 31.2 %. In calculating deferred taxes (refunds and charges), the tax rate applicable is the tax rate which is expected to be in effect on the date on which the asset is realized or the obligation is settled. Since the 2008 German Corporate Tax Reform was enacted already in 2007, the prior year's domestic combined tax rate was 31.2 %. As of the balance sheet date, December 31, 2007, a reduction to equity totaling TEUR 8 arose from the adjustment of the tax rates.

The current taxes for 2008 contain income from the valuation of an old corporate income tax credit of TEUR 76 (2007: TEUR 27); refer to Note 20.

Deferred tax assets that potentially reduce future tax charges are capitalized for net operating loss carry forwards. Where the realization of the tax net operating loss carry forward is improbable, recognition is not made.

Profits generated by foreign subsidiaries are calculated on the basis of the respective national local tax rate according to the tax laws governing that country. Deferred tax refunds and charges are calculated on the basis of the tax rates which are expected to be in effect on the date on which the asset is realized or the obligation is settled.

Deferred tax assets and deferred tax liabilities are allocated to the following balance sheet positions:

€ thousands	2008	2007
Pension provisions	62	59
Deferred tax assets	62	59
Receivables	62	27
Securities	0	3
Pension provisions	28	13
Deferred tax liabilities	90	43

Deferred tax liabilities include the full effects from deferred taxes arising from use of the percentage-of-completion method on the individual balance sheet positions.

The table below presents deferred tax amounts expected to be realized on a current (within one year) and non-current basis:

€ thousands	2008	2007
Deferred tax assets > 12 months	62	59
Deferred tax assets < 12 months	0	0
Deferred tax liabilities > 12 months	28	13
Deferred tax liabilities < 12 months	62	30

Deferred taxes developed as follows:

€ thousands	2008	2007
Balance at the beginning of the year	16	–9
Income/expense in the income statement	–29	70
Amount recognized directly in equity	–16	–45
Balance at the end of the year	–29	16

Deferred taxes recognized directly in stockholders' equity relate to actuarial gains and losses that are also directly recognized in stockholders' equity arising from the valuation of pension obligations.

Furthermore, the deferred taxes as shown in the income statement in 2007 include the tax portion (expense of TEUR –\do) from the unrecognized directly related costs from the issuance of equity pursuant to IAS 32.37.

As of December 31, 2008, tax net operating loss carryforwards consist of TEUR 21,817 (12/31/2007: TEUR 22,513) for corporate income taxes and TEUR 24,314 (12/31/2007: TEUR 25,031) for trade taxes. Due to the uncertainties regarding the realization of the tax net operating loss carryforward, deferred tax assets created in prior years have been fully written-down.

In relation to the Group result before income taxes, the effective tax rate for the reporting year was 5.2 % (2007: + 0.7 %). This effect arises from the unrecognized deferred taxes on tax loss carryforwards in the previous years.

The reconciliation of expected tax charges based on the current Germany combined income tax rate in effect of 31.2 % (2007: 40.6 %) compared with the effective tax income/expense is presented in the table below:

€ thousands	2008	2007
Group net result before income taxes	598	293
Expected tax expense/income	–187	–119
Variances caused by tax rates	–20	223
Tax refunds from prior years	76	27
Valuation allowance on deferred tax assets	198	–75
Taxes on tax-exempt income and non-deductible expenses	–19	–35
Others	–1	–19
Income taxes	47	2

The tax expense in 2008 contains income taxes of TEUR –\d, which arose in connection with the assets and liabilities held for sale (disposal group).

16. Earnings per share and dividends

Earnings per share is calculated by dividing the Group result by the weighted average number of ordinary shares outstanding during the period.

The earnings per share has diluting effects when the average number of shares increases by conversion of potential ordinary shares issued from option rights.

In 2005 and 2007 option rights were issued to the employees. The earnings per share has diluting effects when the average stock price during the financial year is higher than the exercise price of the option rights. Diluting effects were incurred only in 2006 from the option rights issued in 2005. In 2008 and 2007, diluting effects were not incurred.

According to the treasury stock method, the stock options issued from 2000 to 2002 did not have diluting effects on earnings per share, because the average fair value of the share was below the exercise price of the option.

Dividends were not paid for the financial year 2007; dividend payments are not foreseen for the financial year 2008.

D Notes to the Consolidated Balance Sheet

17. Cash and cash equivalents/securities

€ thousands	Dec. 31, 2008	Dec. 31, 2007
Cash and cash equivalents	4,452	3,939
Securities	0	510
	4,452	4,449

Cash and cash equivalents comprise cash on hand and bank balances with an original maturity of three months or less.

Securities held as short term investments are measured at fair value as of the balance sheet date. These include short term money deposits in a money market fund and are available daily without a notice term.

The effective interest rate for short term money deposits is 3.06 % (2007: 3.85 %); these deposits have an average maturity term of 77.8 days (2007: 36.2 days).

18. Receivables and other assets

Receivables are carried at fair value upon initial recognition and at amortized cost upon subsequent measurement.

Receivables include unbilled sales from projects on a fixed price basis plus a profit mark-up corresponding to its stage of completion less corresponding advance payments received.

In case the collectibility of receivables is doubtful, such accounts are recognized at the lower realizable value. In addition to the necessary individual valuation allowance for bad debts, a general valuation allowance is created for recognizable risks arising from general credit risks.

Trade accounts receivable are broken down as follows:

€ thousands	Dec. 31, 2008	Dec. 31, 2007
Trade accounts receivable	3,540	4,347
Future receivables from project services that have not yet been invoiced	386	246
less allowances for bad debts	−90	−81
	3,836	4,512

The Group increased the valuation allowance for bad debts by TEUR 91 (2007: TEUR 55) during the financial year. At the same time, the valuation allowance was utilized by TEUR 36 (2007: TEUR 36) and reversed by TEUR 43 (2007: TEUR 67). The net balance is recognized under selling expenses in the income statement. Furthermore, valuation allowances for default risks were deconsolidated as part of the sale of plenum stoll & fischbach GmbH in 2007.

Prepaid expenses and other current assets are broken down as follows:

€ thousands	Dec. 31, 2008	Dec. 31, 2007
Tax receivables	217	268
Prepaid expenses	257	357
Loans	90	180
Installment payment	0	150
Others	94	327
	658	1,282

The prepaid expenses comprise of advance payments and are determined according to proper deferral of expenses for the period. They are broken down as follows:

€ thousands	Dec. 31, 2008	Dec. 31, 2007
Advance payments for rent agreements	46	101
Advance payments for service agreements	99	116
Advance payments for maintenance agreements	24	11
Others	88	129
	257	357

19. Non-current assets

The development of intangible assets and property, plant and equipment is presented in the table below:

€ thousands	Intangible assets	Leasehold im-provements	Plant and office equipment	Total property, plant and equipment
Acquisition costs at Jan. 1, 2007	2.557	1.162	5.012	6.174
Additions	37	49	164	213
Disposals	–425	–693	–1.714	–2.407
Change in consolidation scope	–178	–71	–234	–305
Reclassification	0	0	0	0
Acquisition costs at Dec. 31, 2007	**1.991**	**447**	**3.228**	**3.675**
Accumulated depreciation at Jan. 1, 2007	2.415	945	4.432	5.377
Additions	85	84	236	320
Disposals	–394	–621	–1.576	–2.197
Change in consolidation scope	–169	–33	–194	–227
Reclassification	0	0	0	0
Accumulated depreciation at Dec. 31, 2007	**1.937**	**375**	**2.898**	**3.273**
Net book value at Dec. 31, 2007	**54**	**72**	**330**	**402**
Acquisition costs at Jan. 1, 2008	1.991	447	3.228	3.675
Additions	27	17	71	88
Disposals	0	0	–121	–121
Reclassification to Assets held for sale (Note 3)	–235	–49	–609	–658
Reclassification	0	0	0	0
Acquisition costs at Dec. 31, 2008	**1.783**	**415**	**2.569**	**2.984**
Accumulated depreciation at Jan. 1, 2008	1.937	375	2.898	3.273
Additions	33	35	151	186
Disposals	0	0	–116	–116
Reclassification to Assets held for sale (Note 3)	–228	–32	–504	–536
Reclassification	0	0	0	0
Accumulated depreciation at Dec. 31, 2008	**1.742**	**378**	**2.429**	**2.807**
Net book value at Dec. 31, 2008	**41**	**37**	**140**	**177**

There are no intangible assets with indefinite useful lives; and there are no internally generated intangible assets. Purchased intangible assets are measured at cost and amortized on a systematic straight-line basis over their estimated useful lives.

Property, plant and equipment are measured at cost and depreciated on a straight-line basis over their estimated useful lives, if definite-lived.

Intangible assets and property, plant and equipment are subject to impairment tests as of the balance sheet date when the recoverable amount of the asset is below the asset's net carrying value. The asset's recoverable amount is the higher of an asset's net selling price and the present value of the expected cash inflows from the asset.

The estimated useful lives within the Group are as follows:

	2008
Software and licenses	3–8 years
Patent rights	10 years
Leasehold improvements	3–11 years
Hardware	3–8 years
Plant and office equipment	3–23 years

The financial assets developed as follows in 2008:

€ thousands	Investments and reinsurance	Other Loans	Total
Acquisition costs at Jan. 1, 2007	13,960	1,207	15,167
Additions	22	531	553
Disposals	0	0	0
Reclassification	0	0	0
Acquisition costs at Dec. 31, 2007	**13,982**	**1,738**	**15,720**
Accumulated depreciation at Jan. 1, 2007	13,870	0	13,870
Additions	0	0	0
Disposals	0	0	0
Reclassification	0	0	0
Accumulated depreciation at Dec. 31, 2007	**13,870**	**0**	**13,870**
Net book value at Dec. 31, 2007	**112**	**1,738**	**1,850**
Acquisition cost at Jan. 1, 2008	13,982	1,738	15,720
Additions	7	154	161
Disposals	–16	–929	–945
Reclassification	0	–478	–478
Acquisition costs at Dec. 31, 2008	**13,973**	**485**	**14,458**
Accumulated depreciation at Jan. 1, 2008	13,870	0	13,870
Additions	0	0	0
Disposals	0	0	0
Reclassification	0	0	0
Accumulated depreciation at Dec. 31, 2008	**13,870**	**0**	**13,870**
Net book value at Dec. 31, 2008	**103**	**485**	**588**

Financial assets are capitalized at cost on the date incurred or the transfer of the asset. For purposes of subsequent measurement as of the balance sheet date, a classification is made between financial assets held-to-maturity, loans and receivables, financial assets available-for-sale and financial assets held at fair value through profit or loss.

Financial assets are derecognized when the Group's contractual rights to receive the cash flows from the financial assets expire or the financial assets are transferred, together with all material risks and benefits.

Financial assets available-for-sale are recognized at fair value as at the balance sheet date, if it can be reliably measured. Regarding financial assets available-for-sale, value fluctuations between the balance sheet dates are transferred to reserves without an impact on result. The release of reserves with an impact on result is made either upon disposal or drop in fair value below the carrying value (write-down). Value fluctuations for financial assets held at fair value through profit or loss are recorded with an impact on result. In case the fair value of the unlisted financial assets cannot be reliably measured, the shares are measured at acquisition costs.

Loans and receivables as well as financial assets held-to-maturity are measured at amortized cost as of the balance sheet date. In case the recoverable amount falls below the carrying value as of the balance sheet date, write-downs are recognized with an impact on the result. The recoverable amount is determined as the present value of all future payments incurred on the financial assets.

plenum holds securities that are available-for-sale. These securities were written-down in full in 2001 due to insolvency reported by the issuing company. In prior financial years and as at December 31, 2008, write-ups were not recognized because according to management, a sale of the securities was not possible due to a lack of demand.

Reinsurance claims are stated at the cash surrender value, which corresponds to the amortized cost.

The outstanding residual balance of loans granted to Hartmut Skubch (see Note 34 under related parties) as of the balance sheet date is measured at amortized cost.

20. Non-current tax receivables

The non-current tax receivables comprise of corporate income tax refund claims in the amount of TEUR 642 (prior year: TEUR 658). This relates to a corporate income tax credit that will be realized in equivalent amounts over a period of 10 years from 2008 to 2017. The change over the previous year arises from adjustments to the discount rate and to installment partial amounts of TEUR 92 received in 2008. The partial amounts due within one year after the balance sheet date are shown under other assets and amounted to TEUR 90 as of December 31, 2008 (12/31/2007: TEUR 90).

21. Other non-current assets

Other non-current assets consist of capitalized repayment claims at the present value of bonus payments to one Management Board member for his activities as a managing director of a subsidiary (Sign-On Bonus) in the amount of TEUR 660. The repayment claim was reduced by the length of his services for the subsidiary; the repayment claim will no longer exist on the part of the company by the latest as of December 31, 2011. The partial amount due within one year after the balance sheet date is shown under current loans.

Moreover, other non-current assets also include capitalized repayment claims from a granted bonus payment to key executives of the Group amounting to TEUR 640, which were required to be paid to the entitled person in 2008. The repayment claims accrue interest at a rate of 5 % p.a. and are reduced according to the length of service for activities rendered for the group; the repayment claim will no longer exist on the part of plenum by the latest as of November 29, 2013.

22. Liabilities

Liabilities are broken down as follows:

€ thousands	Dec. 31, 2008	Thereof residual term of > 1 year	Dec. 31, 2007	Thereof residual term of > 1 year
Advance payments	82	0	469	0
Trade accounts payable	307	0	1,222	0
Income tax liabilities	0	0	2	0
Other current liabilities	661	0	522	0
	1,050	0	2,215	0

The Group has differing credit lines available for cash credit, guarantees, discount or money market credit for daily disposition in the total amount of TEUR 253 (12/31/2007: TEUR 542); of which TEUR 150 (12/31/2007: TEUR 150) comprises of cash credits. Of these limits, an amount of TEUR 103 was withdrawn in the form of guarantees as of December 31, 2008 (12/31/2007: TEUR 131).

Other current liabilities consist of:

€ thousands	Dec. 31, 2008	Dec. 31, 2007
Taxes	561	454
Wages and salaries	8	2
Others	92	66
	661	522

Liabilities are initially recognized on the date of addition at fair value and subsequently measured at amortized cost using the effective interest rate method. The accounting of borrowing costs is recognized to profit or loss and matched to the proper period.

23. Provisions

Current provisions developed as follows:

€ thousands	Jan. 1, 2008	Use	Reversal	Addition	Reclassification	Dec. 31, 2008
Outstanding invoices	345	–275	–40	286	–37	279
Personnel accruals	1,545	–1,373	–126	1,286	–109	1,223
Warranties	134	0	–134	0	0	0
Travel costs	20	–28	–2	46	10	46
Other provisions	292	–183	–66	182	4	229
	2,336	–1,859	–368	1,800	–132	1,777

Provisions are recognized when the amount or date of outflow of resources embodying economic benefits of a present obligation to a third party is uncertain, but the amount can be reliably estimated.

The provision for warranties relates to an estimate of total costs incurred upon possible entry of the warranty.

Personnel accruals include annual bonuses and vacation not yet taken. Other provisions are recognized for present obligations (legal or constructive) arising from past events that will probably give rise to a future outflow of resources embodying economic benefits to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. The provisions are recognized at the expected settlement date taking into account all recognizable risks and are not offset against recourse claims. The best estimate of the settlement amount is assumed to be that amount most likely to occur.

As of December 31, 2008, all provisions have been classified as current, since their respective use is expected to occur within one financial year. The reclassification column represents amounts for liabilities held for sale as required under IFRS 5.

24. Pension provisions

The Company granted certain vested direct pension benefits. The amount of pension benefits is based on salary and length of service. The amount of vested benefits is adjusted annually in accordance with IAS 19 (Employee Benefits), provided the premises of the calculation used in the past changed in the current financial year. The pension obligations under the projected unit credit method were calculated using the following assumptions:

	2008	2007
Biometric probabilities	MT 2005 G Dr. Heubeck	MT 2005 G Dr. Heubeck
Discount rate	6.00 %	5.50 %
Inflation rate	1.75 %	1.75 %

Accordingly, the present value of the pension benefits of expected future payments required to settle the obligation resulting from employee service in the respective periods results in the present value of the defined benefit obligation (DBO) as of the balance sheet date.

The development of pension costs for 2008 and 2007 is as follows:

€ thousands	2008	2007
Current service cost	10	12
Interest cost	45	40
Pension cost as at Dec. 31	55	52

The pension obligations developed as follows during the reporting and previous year:

€ thousands	2008	2007
Present value of the obligation (DBO) as at Jan. 1	816	892
Current service cost	10	12
Interest cost	45	40
Actuarial gains/losses	–52	–121
Pension payments	–7	–7
Present value of the obligation (DBO) as at Dec. 31	812	816

The actuarial gains and losses are reported as incurred and recognized directly in equity. In the reporting year an amount of TEUR –\d2 (prior year: TEUR –\d21) was recognized in this manner.

The fair value of plan assets is carried at the cash surrender value. The reported values of the insurance policies are as follows:

€ thousands	2008	2007
Fair value of plan assets at Jan. 1	96	90
Actual return on plan assets	7	6
Fair value of plan assets at Dec. 31	103	96

Because of the development of the balance, the following experience adjustments were made as of December 31, 2008 and December 31, 2007, respectively:

€ thousands	2008	2007
Present value of the obligation (DBO) at Dec. 31	861	932
Fair value of the plan assets at Dec. 31	103	96

In 2008, plenum AG paid an amount of TEUR 76 (2007: TEUR 101) for a defined contribution plan through a provident fund.

25. Stockholders' equity

As of the beginning and end of the financial year, capital stock, capital authorized for issue and conditional capital were broken down as follows:

€ thousands	Dec. 31, 2008	Dec. 31, 2007
Capital stock	11,757	11,757
Capital authorized for issue	5,878	4,789
Conditional capital	213	235
Conditional capital II	3,832	3,832
Conditional capital III	722	722
Conditional capital IV	241	0

The fully paid-in capital stock of plenum AG is divided into 11,757,068 bearer shares as of December 31, 2008.

According to the stockholders' meeting resolution dated July 3, 2008, capital authorized for issue was established in the amount of EUR 5,878,534, which replaced the previous authorized capital of EUR 4,788,534 and expires July 4, 2012. The Management Board of plenum AG is authorized, with the approval of the Supervisory Board, to increase capital stock up to EUR 5,878,534 by one or more issuances of up to 5,878,534 bearer shares against cash and/or contribution in kind up to July 2, 2013. The new shares shall be offered pre-emptively to the stockholders. The Management Board however is authorized, with the approval of the Supervisory Board, to exclude the stockholders' option rights in certain cases.

According to a stockholders' meeting resolution dated July 3, 2008, the conditional capital I was reduced from EUR 235,000 to EUR 213,000, because, based on the conditional capital increase resolved at the stockholders' meeting on June 14, 2002, which exclusively served the purpose of satisfying the exercised option rights (regarding the Stock Option Plan see Note 28 Stock-based Compensation), it is no longer required for the assurance or coverage of options in the amount of EUR 22,000 (as of the date of the stockholders' meeting on June 3, 2008).

At the same time new conditional capital of EUR 240,706 was established (conditional capital IV). By stockholders' resolution dated July 3, 2008, the Management Board is authorized, with the approval of the Supervisory Board, to issue 240,706 option rights up to 240,706 bearer no-par value shares of plenum AG until July 2, 2013. The conditional capital IV serves exclusively to settle option rights (2008 Stock Option Plan). Option rights to the stockholders do not exist. Regarding the issuance of stock options to members of the Management Board is subject to the sole authorization by the Supervisory Board.

According to a stockholders' meeting resolution dated July 3, 2006, the conditional capital II was established in the amount of EUR 3,831,534 in the event that the issuance of 3,831,534 new bearer shares should occur. The conditional capital II serves to grant rights to the holders of the options, convertible participating shares, option bonds and convertible bonds.

According to a stockholders' meeting resolution dated July 5, 2007, the conditional capital III was established in the amount of EUR 722,000, which was to be rendered in the event of utilization through the issuance of up 722,000 new bearer shares. The conditional capital III serves to exclusively fulfill the options (2007 Stock Option Plan).

The Company was authorized until December 31, 2007 to acquire own shares of a maximum of 10 % of issued shares. Authorization for acquisition was not extended beyond December 31, 2007.

According to a stockholders' meeting resolution dated July 3, 2008, the company was empowered to acquire own shares, effective starting from July 4, 2008 to December 31, 2009, to a maximum of the allocable share in capital stock of EUR 1,175,706. The acquisition of shares may be conducted directly via the stock exchange by way of a public purchase bid or within the scope of an off-the-board portfolio acquisition. The acquired stock may be resold, redeemed or applied as compensation for contribution in kind or within the scope of a stock option plan until December 31, 2008

As of December 31, 2008, plenum continued to own treasury stock of 16,790 own shares, which were acquired in 2001 at a total price of TEUR 83 and offset directly to stockholders' equity. In 2008, no treasury stock was acquired, applied or redeemed.

In 2005 option rights were issued to the employees of plenum AG and employees of affiliated companies as of the entitlement date of June 14, 2005 (see related explanations under note 28). The capital reserves increased by TEUR 61 for the amount of personnel costs reported for 2008 and in the cumulative amount of TEUR 147 for the prior years.

The capital reserves as of the balance sheet date amount to TEUR 13,292 (12/31/2007: TEUR 14,464). This includes the amount that will exceed the arithmetic value upon issuance of shares. The amount of transaction costs recognized as a deduction to equity amounted to TEUR 229 (gross) in 2007. After taking into account the income tax effect, this amounted to TEUR 139. In addition as of December 31, 2008, the entire capital reserves amount of plenum AG was withdrawn from the HGB financial statements in the amount of TEUR 1,283 to cover the accumulated deficit.

Other disclosures regarding equity

The main purpose of our capital management is maintaining a stabile capital structure. In this connection, we focus on equity in order to secure the trust of our investors and customers and to assure the future development of our business. We concentrate on safeguarding a solid equity structure to assure independence, security and high financial flexibility through positive effects on conditions for potential future credit which may become necessary. At the present time we do not have a credit rating by a rating agency.

Our debt **ratio at** 31 % (2007: 40 %) is relatively low; we are not and have not been of the opinion that a rating would have a material effect on our current or future credit conditions or financing abilities.
To maintain or optimize our capital structure, we implement various instruments; this includes share repurchases and optimizing the capital structure to allow for dividends. The capital structure as of the balance sheet date was as follows:

Our **equity** increased by TEUR 792 in 2008 as a result of the group earnings for 2008 and increased in 20707 by TEUR 2,816 from a capital increase. The equity ratio (the ratio between equity and the balance sheet total) rose to 69 % (2007: 60 %). This increase relates to the lower balance sheet total based on a virtually unchanged equity amount. We are mostly equity financed.

E. Other disclosures to the consolidated income statement, balance sheet and cash flow statement

26. Costs of purchased merchandise and services

The costs for purchased merchandise and services for the financial year 2008 amounted to TEUR 2,987 (2007: TEUR 5,650).

27. Personnel expenses

The break down of personnel expenses is as follows:

€ thousands	2008	2007
Wages and salaries	9,459	11,085
Social security costs	1,037	1,390
Expenses for pension benefits	132	107
	10,628	12,582

In 2008 the company employed an average of 116 (2007: 157) persons. As of December 31, 2008 the number of employees was 115 (12/31/2007: 114); of which 108 (12/31/2007: 109) were employed in Germany and 7 (12/31/2007: 5) abroad. The personnel expenses per employee totaled approx. TEUR 92 (2007: TEUR 80).

28. Stock-based compensation

For the plenum AG stock option plan, the stockholders' meeting of June 14, 2002 authorized the Management Board, based on approval of the Supervisory Board, to grant single or multiple option rights (maximum of 957,000 granted options) of the capital stock of plenum AG within the stock option plan to company employees and management members as well as employees of affiliated companies of plenum AG pursuant to Article 15 et seq. AktG. For the same period, the Supervisory Board was authorized to grant single or multiple option rights on capital stock of plenum AG to members of the Management Board of plenum AG. The exercise price of option rights is calculated based on the closing stock price of plenum AG at the grant date plus a surcharge of 15 %. Up to 50 % of the respective option rights granted may first be exercised after expiration of the statutory minimum waiting period of 2 years after being granted. The other 50 % of the respective option rights granted may first be exercised after expiration of a waiting period of 3 years after being granted.

The option rights have a maximum term of 5 years. After expiration of the exercise period, the option rights are forfeited without compensation.

According to the stockholders' meeting of July 5, 2007, the Management Board is authorized, with the approval of the Supervisory Board, to issue 722,000 option rights according to the conditions of the 2007 Stock Option Plan until June 4, 2012. Correspondingly, the total volume is allocated to the members of the Management Board of plenum AG (up to 40 %), senior management (up to 10 %), selected key executives and managers (up to 50 %) from affiliated companies as defined within the meaning of § 15 AktG. The exercise price is based on an arithmetic formula of the established closing rate on the 20 trading days before the date of issuance. Exercise of the options is linked to company performance that is met when a pre-determined closing rate based on an arithmetic mean value is reached within a period of 20 consecutive trading days after the date of issuance and exceeds the exercise price by 20 %. The option rights can be exercised for the first time after a waiting period of 2 years after being granted. The option rights have a maximum term of 5 years. After expiration of the exercise period, the option rights are forfeited without compensation.

According to the stockholders' meeting of July 3, 2008, the Management Board is authorized, with the approval of the Supervisory Board, to issue 240,706 option rights according to the conditions of the 2008 Stock Option Plan until July 2, 2013. Correspondingly, the total volume is allocated to the members of the Management Board of plenum AG (up to 40 %), senior management (up to 10 %), selected key executives and managers (up to 50 %) from affiliated companies as defined within the meaning of § 15 AktG. The exercise price is based on an arithmetic formula of the established closing rate on the 20 trading days before the date of issuance. Exercise of the options is linked to company performance that is met when a pre-determined closing rate based on an arithmetic mean value is reached within a period of 20 consecutive trading days after the date of issuance and exceeds the exercise price by 20 %. The option rights can be exercised for the first time after a waiting period of 2 years after being granted. The option rights have a maximum term of 5 years. After expiration of the exercise period, the option rights are forfeited without compensation.

Stock-based compensation granted on or before November 7, 2002 as well as after November 7, 2002, but that has become non-forfeited before January 1, 2005, is not required to be shown according to IFRS 2 (Share-based Payment) for first-time adopters pursuant to IFRS 1 (First Adoption of International Accounting Standards). plenum has selected this election.

Regarding option rights granted before November 7, 2002, the election under IFRS 1 (First Adoption of International Accounting Standards) has been applied and the accounting principles of APB Opinion 25 (Accounting for Stock Issued to Employees) and related interpretations have continued to be applied. The intrinsic value is assumed for the stock options. In accordance with the stipulations of the stock option plan, personnel expense is not incurred.

According to the treasury stock method, the stock options issued from 2000 to 2002 did not have diluting effects on earnings per share, because the average fair value of the share was below the exercise price of the option.

In 2008, no new option rights were issued to employees of plenum AG and employees of affiliated companies.

The option rights issued in 2008 and existing from prior years are subject to the accounting principles of IFRS 2 (Share-based Payment). The personnel expenses incurred for 2008 amounted to TEUR 61 (prior year: TEUR 61).

	Number of options	Average exercise price (€)
Jan. 1, 2007	**235,000**	**1.31**
Granted	563,000	1.18
Cancelled due to expiration or exit	−19,000	1.31
Dec. 31, 2007 / Jan. 1, 2008	**779,000**	**1.22**
Cancelled due to expiration or exit	−96,000	1.22
Dec. 31, 2008	**683,000**	**1.22**

As of December 31, 2008 and as in the previous year, there were no exercisable options.

As of December 31, 2008, outstanding stock options had an unchanged exercise price of EUR 1.22. The average remaining term is 3 years (12/31/2007: 2.5 years).

29. Contingent liabilities and other financial commitments

Contingent liabilities and other financial commitments are stated at nominal values. As of the balance sheet date, obligations for guarantees amounted to TEUR 103 (12/31/2007: TEUR 131).

Commitments for rent and leasing agreements as of the balance sheet date amounted to:

€ thousands	Dec. 31, 2008
2009	769
2010	533
2011	122
2012	7
after 2012	14
	1,445

The expenses for rent and lease agreements amounted to TEUR 842 in 2008 (2007: TEUR 966).

30. Pending litigation and other risks

There remained to be no known risks for pending litigation as of the end of the financial year.

31. Additional information concerning financial instruments

This section provides a comprehensive overview of the importance of financial instruments for plenum and supplies additional information about balance sheet positions containing financial instruments.

The overview below illustrates the net carrying values of all types of financial assets and liabilities:

€ thousands	Dec. 31, 2008	Dec. 31, 2007
Financial assets		
Liquid funds / securities	4,452	4,449
Financial assets available-for-sale	363	0
Financial assets held-to-maturity	1,300	1,258
Loans and receivables	5,978	7,045
	12,093	12,752
Financial liabilities at amortized cost	1,146	2,215

The table below presents the fair values and net carrying values of financial assets and liabilities that are measured at cost or amortized cost:

	Dec. 31, 2008		Dec. 31, 2007	
€ thousands	Fair value	Carrying value	Fair value	Carrying value
Financial assets measured at cost or at amortized cost				
Liquid funds / securities	4,452	4,452	3,939	3,939
Trade accounts receivable	3,836	3,836	4,512	4,512
Other non-derivative financial assets	1,500	1,500	1,875	1,875
Financial liabilities measured at cost or at amortized cost				
Trade accounts payable	307	307	1,222	1,222
Advance payments	82	82	469	469
Other non-derivative financial liabilities	661	661	524	524

The fair value of cash and cash equivalents (liquid funds/securities), of current receivables, of trade accounts payable, of advance payments and of other non-derivative financial assets and liabilities correspond to the carrying value. This is primarily due to the short term nature of such instruments plenum measures non-current fixed and variable interest-bearing receivables on the basis of various parameters, such as, interest rates, specific country risks, individual credit-rating of the customer or debtor and the risk structure of the financing business. Based on this measurement, the Company established valuation allowances for the expected default of receivables. Accordingly, the book values of these receivables less the valuation allowances were basically equivalent to their fair values as of the December 31, 2008 and 2007, respectively.

The fair value of the liabilities due to banks and other non-current financial liabilities is determined by plenum by discounting the expected future cash flows with interest rates of similar financial liabilities with comparable residual terms.

The fair values of the financial assets and liabilities are presented in the table below:

€ thousands	Dec. 31, 2008	Dec. 31, 2007
Financial assets measured at fair value	1,942	658
Financial assets available-for-sale	363	510
Financial liabilities measured at fair value	0	0

Regarding the financial assets available-for-sale, plenum establishes the fair value to be the rate in an active market, if present. In certain cases, the Company determines the fair value by applying a valuation procedure.

The net gains or losses from financial instruments are presented below:

€ thousands	2008	2007
Financial assets available-for-sale	87	10
Loans and receivables	–12	10
Financial liabilities measured at amortized cost	0	0

Net gains or losses from financial assets available-for-sale comprise value reductions and gains or losses from derecognition.

Net gains and losses from loans and receivables include changes in the write-downs, gains and losses from derecognition and cash receipts and reversal to original amounts for loans and receivables previously written-down.

Net gains and losses from financial liabilities at amortized cost comprise of gains or losses from derecognition.

plenum only applies derivative financial statements as part of its risk management only to a very limited extent and individual derivative financial instruments for individual transactions as hedging instruments (forward exchange contracts, forward exchange options). As of December 31, 2008 were no open transactions.

Financial risk management

Financial market risks

Due to the concentration of business activities within the euro zone with respect to its operating, investing and financing activities, plenum is not subject to any material exchange rate risks or any material interest rate fluctuation risks. Market price fluctuations do not impact plenum AG's cash flow or profit situation.
For purposes of optimizing the allocation of financial resources within the Group and to assure the highest possible return, plenum identifies, analyzes and monitors the related financial market risks with foresight. The Company's first priority is to monitor these risks as part of the current business and financial activities. The use of derivative financial instruments has not yet been necessary.
The management of financial market risks is the responsibility of the Management Board of plenum AG. This section of the entire risk management system is the responsibility of the Chairman of the Management Board. Within the framework of ordinary financial management, marketable financial instruments are applied such as money accounts and money market funds.
plenum AG implemented a system based on a sensitivity analysis which it chose from an array of methods for risk analysis and risk management. According to this method, single business units are identified and the risks quantified that can be realized within the given assumptions if certain parameters change to a certain extent. The risk estimation assumes a simultaneous, parallel revaluation of the euro of 10 % versus all foreign currencies and a parallel shift in the interest rate curve of all currencies by 100 base points or 1 %. The potential economic effects therefrom are presented in the speculations. This is based on the assumption that unfavorable market changes will occur as assumed in the sensitivity analysis. The actual effects on the consolidated income statement could differ from the actual market development incurred.
The Group's assets existing in connection with pension plans are not a part of the following qualitative and quantitative disclosures.

Stock price risk

The plenum portfolio does not comprise investments in listed companies. In so far, price risks for the value of the investment portfolio do not arise.

Foreign currency risk

Transaction risks and foreign currency management

Based on the Company's alignment, it is exposed only to very limited exchange rate risks as part of the ordinary business activities.
Exchange rate fluctuations could lead to undesired volatility in the earnings and cash flows. plenum is exposed to risks in connection with foreign exchange rate fluctuations when transactions are concluded with international contractual partners and future cash flows arise therefrom that are not in the respective functional currency (which is the respective country currency). The Company counters the risk by invoicing the business transactions (sales and purchases of services and investing and financing activities) primarily in the respective functional currency. Moreover, the exchange rate risk is offset in part by the rendering of services in the corresponding foreign currency and other service contributions along the value added chain.

The operative units are not permitted to enter into financial funds in foreign currencies for speculative reasons.
The monitoring of financial assets and liabilities in foreign currencies is performed centrally by the parent company. Intercompany financing and investments are concluded in the euro currency.
plenum determines foreign currency sensitivity by means of aggregating the net currency position of the operating business and the cash and cash equivalents. Accordingly, the foreign currency risk is calculated in a simulation of a 10 percent write-down of all foreign currencies against the euro. This simulated write-down would have led to a reduction in the euro-equivalent future cash receipts by TEUR 67 as of December 31, 2008. In the prior year, a reduction of TEUR 81 would have been incurred. This reduction in future cash flows in euro-equivalent amounts would reduce the sales proceeds, but at the same time, would also reduce the payments for external services purchased. A revaluation of the euro against all other currencies would have adverse financial effects for plenum, because the inflow of foreign currencies would exceed the foreign currency payments. For this reason, future exchange rate fluctuations could affect the price for services and lead to changes in the profit margin. The extent of the changes is mainly dependent on the extent by which the foreign currency sales would be offset by expenditures in the respective foreign currency.
According to plenum's definition, the exchange rate risk on balance sheet positions would arise from balance sheet positions and pending transactions in foreign currencies as well as from all cash inflows and outflows in foreign currencies that would arise from anticipated transactions over the next three months. Consequently, plenum observes the foreign currency risks that would arise from the perspective of the entire business group versus all foreign currencies.

The table below depicts the transaction-based net foreign currency risk from balance sheet positions by individual foreign exchange rates as of December 31, 2008 and 2007, respectively. The volume on the sales and expenditures side is netted in the subsequent overview:

December 31, 2008

€ thousands	USD	AED	Others	Total
Foreign currency risk from balance sheet positions	36	614	24	674
of which for liquid funds/securities	0	208	0	208
of which for other financial assets	36	465	0	525
of which for financial liabilities	0	−59	0	−59
Foreign currency risk from pending and anticipated transactions	0	0	0	0
Transaction-based foreign currency positions	36	614	24	674
Change in future cash flows based on a 10 % revaluation of the euro	−4	−61	−2	−67

December 31, 2007

€ thousands	USD	AED	Others	Total
Foreign currency risk from balance sheet positions	210	599	0	809
of which for liquid funds/securities	106	380	0	486
of which for other financial assets	104	226	0	330
of which for financial liabilities	0	−7	0	−7
Foreign currency risk from pending and anticipated transactions	0	0	0	0
Transaction-based foreign currency positions	210	599	0	809
Change in future cash flows based on a 10 % revaluation of the euro	−21	−60	0	−81

Effects from translation-based foreign currency risks

Within the plenum Group there is one unit – plenum FZ- LLC, Dubai – that is not in the euro zone. Since plenum's reporting currency is the euro, the company provides its financial statements in the euro for inclusion in the consolidated financial statements. For purposes of taking into account translation-based foreign currency risks in risk management, the work hypothesis applies in which investments in foreign companies are generally conducted for a duration and the earnings are continually reinvested. Where plenum sells a certain asset or a certain company, the effects therefrom are included in the sensitivity analysis of the transaction-based foreign currency risk. Translation-based effects incurred when the value of the net asset position translated into the euro changes due to exchange rate fluctuation are recognized by plenum in equity in the consolidated financial statements.

Interest rate risk

Since the Group does not have any material interest-bearing financial liabilities, plenum's interest rate risk is limited to interest-bearing accounts and non-current loans. Accordingly, the Group interest rate risk is monitored with the aim of optimizing interest income and interest expense. Where country-specific regulations are not contrary, all companies of the plenum Group are provided with necessary financial funds in the form of centralized intercompany clearing accounts. plenum applies the same principle for deposits from cash and cash equivalents generated from the units.

Depending on whether the corresponding instrument is subject to a fixed or variable interest rate, plenum measures the interest rate risk either on the basis of a fair value or a cash flow sensitivity analysis. In order to determine the total risk from the fair value and the cash flow sensitivity analyses, the Company aggregates the sensitivity figures. Depending on whether plenum has a cash surplus on the investment or issuance side, the interest rate risk could lead to a raising or sinking of the interest rates on the market.
Depending on whether the corresponding instrument is subject to a fixed or variable interest rate, plenum measures the interest rate risk either on the basis of a fair value or a cash flow sensitivity analysis. In order to determine the total risk from the fair value and the cash flow sensitivity analyses, the Company aggregates the sensitivity figures. Depending on whether plenum has a cash surplus on the investment or issuance side, the interest rate risk could lead to a raising or sinking of the interest rates on the market.
In calculating the fair value sensitivity of fixed interest instruments, the change in the fair value, which is defined as the present value, is simulated by a parallel shift of the interest curve by 100 base points. The first calculation step takes the gross payment flows with the interest curve and discounted with congruent term interest rates: this means that the present value of future interest and repayment flows of the fixed interest instrument are depicted. In the second step, the gross payment flows with the 100 base point parallel-shifted interest curve is discounted. The acknowledged and published interest curves as of the respective balance sheet dates are applied in the calculation. As of December 31, 2008, the risk based on an assumed rise in the interest rate by 100 base points amounted to TEUR 38. As of December 31, 2007, this fair value interest rate risk totaled TEUR 46, which also results from an assumed rise in the interest rate by 100 base points.

Regarding variable interest rate instruments, plenum measures the interest rate risk with the assistance of a cash flow sensitivity analysis, which is also based on an assumed parallel shift of the interest curve by 100 base points.

Liquidity risk

A liquidity risk exists for the Company in that it may not be able to meet its financial obligations, such as in the payment of purchase obligations. plenum limits this risk by means of effective net working capital and cautious liquidity management, which includes maintaining adequate reserves in liquid funds and marketable securities.
Supplementary to the above stated instruments, plenum constantly observes financing possibilities offered on the financial markets for its respective needs. In addition, plenum observes developments in respect of availability and costs. Based on the dynamics of the business environment in which the group operates, a significant objective is to maintain the necessary flexibility in financing, in which sufficient unused credit risks exist and unreasonable refinancing risks are restricted.

The table below illustrates all contractual, fixed payments for principal retirements, repayments and interest from financial obligations accounted for as of December 31, 2008 and December 31, 2007, respectively. Accordingly, obligations are shown as undiscounted cash outflows. The cash outflows from financial obligations without fixed amounts or terms, including interest, are based on conditions present as of each balance sheet date.

December 31, 2008

€ thousands	less than 3 months	less than 12 months	2009	Total
Non-derivative financial liabilities	1.050	2	0	1.052
Trade accounts payable	307	0	0	307
Advance payments received	82	0	0	82
Income tax liabilities	0	2	0	2
Other financial liabilities	661	0	0	661
Derivative financial liabilities	0	0	0	0

December 31, 2007

€ thousands	less than 3 months	less than 12 months	2008	Total
Non-derivative financial liabilities	2.213	2	0	2.215
Trade accounts payable	1.222	0	0	1.222
Advance payments received	469	0	0	469
Income tax liabilities	0	2	0	2
Other financial liabilities	522	0	0	522
Derivative financial liabilities	0	0	0	0

Credit risk

Because of its extensive project business, the Company is exposed to certain credit risks. A credit risk is the unexpected loss in cash equivalents or income. This occurs when the customer is not able to meet its obligations upon maturity, when assets deemed as collateral lose their value or when projects in which plenum has invested are not successful. The effective monitoring and detection of credit risks is a core competency of our risk management. For this reason, plenum conducts credit checks for all customers requiring credit that extend beyond specific, centrally established limits. Transaction guidelines are available to assure that projects with major customers can only be initiated if the customer has demonstrated an appropriate payment history in the past. The Group has business policies limiting the credit risk to a specific amount with respect to individual financial institutions.
An estimation arises from the centrally, combined data of operations and the monitoring of customer risk, that can be used as a basis for determining the individual valuation allowance for default risks. Furthermore, plenum can also use individual estimations to take into account particular current development and qualitative information.
Regarding financial assets, their net carrying values limit the maximum credit risk, without taking collateral into consideration. A significant concentration of possible credit risks do not exist within the Group as of December 31, 2008 and December 31, 2007, respectively.

The maximum risk potential as of December 31, 2008 and December 31, 2007, respectively, is presented below as follows:

December 31, 2008

€ thousands	Non-impaired assets	Impaired assets, gross	individual impairment	Net carrying value
Financial assets available-for-sale	363	13,874	13,874	363
Financial assets held-to-maturity	1,300	0	0	1,300
Loans and receivables	5,718	350	90	5,978

December 31, 2007

€ thousands	Non-impaired assets	Impaired assets, gross	individual impairment	Net carrying value
Financial assets available-for-sale	510	13,870	13,870	510
Financial assets held-to-maturity	1,257	0	0	1,257
Loans and receivables	6,907	257	119	7,045

Regarding trade accounts receivable and claims within the other financial assets line item that are neither impaired nor overdue, there are no indications for payment default as of the December 31, 2008 and December 31, 2007, respectively. Impairments are individually considered by plenum.

The following table demonstrates the classification of financial assets that are either overdue or impaired as of December 31, 2008 and December 31, 2007, respectively:

December 31, 2008

€ thousands	overdue since < 90 days	> 90 days < 180 days	> 180 days < 1 year	> 1 year	Net carrying value of impaired assets	Individual impairment	Collateral held and other credit improvements
Financial assets available-for-sale/stock		1	1	13.872	0	13.874	n/a
Trade accounts receivable	159	127	28	36	260	90	n/a

December 31, 2007

€ thousands	overdue since < 90 days	> 90 days < 180 days	> 180 days < 1 year	> 1 year	Net carrying value of impaired assets	Individual impairment	Collateral held and other credit improvements
Financial assets available-for-sale/stock				13.870	0	13.870	n/a
Trade accounts receivable	0	123	56	79	138	119	n/a

32. Consolidated Cash Flow Statement

The consolidated cash flow statement is classified by the Group's cash flows from operating, investing and financing activities. Cash and cash equivalents include only such liquid funds with an original maturity of less than three months. Changes to the group of consolidated companies are eliminated in the respective classification positions. The consolidated cash flow statement includes non-cash increases to financial assets and loans in the amount of TEUR 69 (2007: TEUR 59) and non-cash increases to capital reserves of TEUR 111 (2007: TEUR 74). In addition, the line item "changes in other assets and liabilities" for 2008 includes an amount of TEUR 823 for a bonus payment made to Management Board member of a Group company (Sign-On Bonus).

33. Segment information

Following the sale of plenum stoll & fischbach GmbH on September 30, 2007, the plenum Group now focuses its activities on one primary business segment: consulting services for strategy development, to raise efficiency and for new organization in IT Management/Consulting. The plenum Group does not maintain material, autonomous services at the present time which are also managed internally as a segment. Disclosures regarding secondary segment information according to IAS 14.69 are presented as follows:

€ thousands	Sales revenues	Assets	Investments
December 31, 2008			
Germany	16,412	17,496	115
Europe (excl. Germany)	908	0	0
United Arab Emirates	2,116	1,725	0
Other regions	0	0	0
	19,436	19,221	115
Consolidation	–1,149	–6,616	0
Group data	18,287	12,605	115
December 31, 2007			
Germany	20,026	16,418	766
Europe (excl. Germany)	1,641	0	0
United Arab Emirates	1,692	895	0
Other regions	282	0	0
	23,641	17,313	766
Consolidation	–1,239	–4,047	0
Group data	22,402	13,266	766

The Group's customer structure did not result in any major concentration in any given geographic region.

34. Related party transactions

€ thousands	Liabilities arising from services used Dec. 31, 2008	Dec. 31, 2007	Expenses incurred for services used 2008	2007
Informatik Consulting Bauer GmbH, Moos	0	7	9	92
KomPuls GmbH, Eltville	−39	−50	323	323
Dr. Wolfgang Händel	0	0	260	230
Norbert Rohrig	−8	0	28	0
	−47	−43	620	645

plenum AG maintains business relations with Informatik Consulting Bauer GmbH, Moos. The sole shareholder and managing director of Informatik Consulting Bauer GmbH is Michael Bauer, the Chairman of the Supervisory Board of plenum AG. Informatik Consulting Bauer GmbH presents public and in-house seminars, solicits seminar projects and consults on seminar concepts and advertising.

plenum AG maintains business relations with KomPuls GmbH, Eltville. The managing shareholder is Christiane Skubch-Janssen, the wife of the Chairman of the Management Board. KomPuls GmbH renders event management for plenum in the form of future and expert forums, management briefings and trend days with potentially new customers or existing customers and for marketing. The receivables shown above in the table arise from discount payments (customers with debit balances).

plenum AG maintains business relations with Dr. Wolfgang Händel and with Norbert Rohrig (since 2007), both were members of the Supervisory Board of plenum AG in 2008. Dr. Händel renders consulting services as part of M&A transactions. Since the beginning of 2007, Mr. Rohrig has been active as a Management Consultant and Senior Partner plenum AG. He stepped-down from the Supervisory Board of plenum AG as of December 31, 2008.

Since 2008 plenum AG has also maintained business relations with Lutz Bickhardt, who was appointed a member of the Supervisory Board by resolution of the local court in Wiesbaden dated February 6, 2009. Mr Bickhardt rendered consultancy services in the investor relations unit of the company in 2008.

plenum AG granted a short term loan of TEUR 20 to a managing director of a subsidiary during 2008, which accrues interest at 4.3 % p.a.. The loan will be completely repaid in April 2009.

Services rendered to related companies and parties are normally based on actual costs plus an appropriate profit mark-up.

With the approval of the Supervisory Board on October 9, 2002, plenum AG granted a loan on October 10, 2002 to Hartmut Skubch, Chairman of the Management Board of plenum AG, in the amount of TEUR 400. The loan is subject to an interest rate of 5 % p.a. due upon maturity and had an original term of three years. With the approval of the Supervisory Board on November 25, 2002, plenum AG granted Mr. Skubch another loan on December 6, 2002 in the amount of TEUR 600. This loan is also subject to a 5 % interest rate and had an original term of four years. With the approval of the Supervisory Board on August 27, 2007, both loans have been extended until December 31, 2008. Mr Skubch conducted a partial repayment of the loan in June 2008 amounting to TEUR 848. The residual loan amount of TEUR 430 will be repaid in installment payments until 2012 including accrued interest as of December 31, 2008 in accordance with the repayment schedule between the company and Mr Skubch. The loan including capitalized interest is secured by a personal guarantee from the Chairman of the Supervisory Board, Michael Bauer (TEUR 430). Disclosures regarding remuneration to executive bodies are stated under Note 38.

35. Audit fees

The fees recorded as expenses for Deloitte & Touche Wirtschaftprüfungsgesllschaft mbH, Frankfurt am Main, for the financial year comprise of the following services:

€ thousands	2008	2007
Year end audit	80	90
Tax consulting services	21	56
Other services	6	33
	107	179

The fees for the year end audit relate to the audit of the separate and consolidated financial statements of plenum AG. The other consolidated subsidiaries of plenum AG are exempt from the audit requirement pursuant to Article 264 (3) HGB and are audited only as part of the consolidated financial statements.

36. Important events after the balance sheet date

Important events occurring after the balance sheet date did not arise.

37. Corporate Governance

On November 3, 2008, the Management Board and the Supervisory Board submitted a Declaration of Conformity to the recommendations of the regulatory commission for the German Corporate Governance Code pursuant to Article 161 of the German Stock Corporation Act (AktG) and made this declaration available to the stockholders via the Internet homepage. The Boards declared that they have followed the Code to a major extent and will continue to do so in the future.

38. Executive bodies and management remuneration

The shares held and stock option rights of the executive bodies of plenum AG are presented in the section below:

Shares held by the Management Board Number of shares	Hartmut Skubch	Klaus Gröne*	Michael Rohde*	Total
Jan. 1, 2008	1,891,253	20,453	6,700	1,918,406
Dec. 15, 2008	1,891,253	20,453	6,700	1,918,406
Dec. 31, 2008	1,891,253	0	0	1,891,253

* Mr Klaus Gröne and Mr Michael Rohde stepped-down from the Management Board of plenum AG as of December 15, 2008.

Total remuneration (cash compensation, monetary benefits and insurance) granted by plenum AG to the members of the Management Board for the financial year 2008 amounted to TEUR 1,264 (2007: TEUR 1,354). In 2008, TEUR 190 (2007: TEUR 231) related to variable remuneration.

Remuneration of the Management Board in 2008 and 2007 is broken down as follows:

€ thousands	2008	2007
Fixed compensation	869	1,010
Variable component	190	231
Amortized sign-on-bonus	103	0
Benefits in kind	16	25
Pensions		
current service cost	10	12
contributions to the provident fund	76	76
Remuneration for the financial year	1,264	1,354

Regarding the sign-on bonus paid to a Management Board member, an amount of TEUR 720 will be amortized in the following years up to the end of December 31, 2011. The sign-on bonus represents a one-time bonus payment to a member of the Management Board for his tasks performed as a managing director for a subsidiary. In the case of resignation by the Management Board member, the sign-on bonus must be repaid on a pro rata temporis basis. The amount of the repayment depends on the date of the resignation and decreases on a calendar basis until the end of December 31, 2011. The repayment claim does not accrue interest.

Stock options of the Management Board Number of shares	Hartmut Skubch	Klaus Gröne*	Michael Rohde*	Total
Jan. 1, 2008	118,000	80,000	90,000	288,000
Dec. 15, 2008	118,000	80,000	90,000	288,000
Dec. 31, 2008	118,000	0	0	188,000

* Mr Gröne and Mr Rohde stepped-down from the Management Board of plenum AG as of December 15, 2008.

Effective August 3, 2007 (date of issuance), the Company granted a total of 275,000 options as part of the 2007 Stock Option Plan to entitled option holders of plenum AG and its affiliated companies pursuant to §§ 15 et seq. AktG. Furthermore, according to a resolution passed by the Supervisory Board, 288,000 options were issued to members of the Management Board.

At the stockholders' meeting on July 3, 2006, it was resolved to waive an individual listing of remuneration of the Management Board.

Shares held by the Supervisory Board Number of shares	Michael Bauer	Dr. Wolfgang Händel	Norbert Rohrig	Total
Jan. 1, 2008	370,360	17,750	34,200	422,310
Dec. 31, 2008	370,360	17,750	34,200	422,310

Mr Norbert Rohrig stepped-down from the Supervisory Board as of December 31, 2008. By resolution of the local court in Wiesbaden dated February 6, 2009, Mr Lutz Bickhardt was appointed member of the Supervisory Board. Mr Bickhardt holds 600,000 shares in plenum AG.

The Supervisory Board received remuneration of TEUR 38 for the financial year 2008 (2007: TEUR 38).

39. Members of the Management Board

Name	Ressort
Hartmut Skubch (Chairman)	Business Strategy and Corporate Governance, Finance, Controlling, M&A, Marketing and Investor Relations
Klaus Gröne (until Dec. 15, 2008)	Delivery, Human Resource Management, Corporate Services
Michael Rohde (until Dec. 15, 2008)	Business Management, Sales

Following an extensive restructuring of the operating business as of January 1, 2009, plenum AG will only conduct administration and control functions in the future. Accordingly, the Management Board of plenum AG was streamlined with Mr Hartmut Skubch being the sole Board member. The former Board members, Klaus Gröne and Michael Rohde, resigned from their Board positions of plenum AG with effect from December 15, 2008 and will concentrate on managing the business of plenum Management Consulting GmbH.

40. Members of the Supervisory Board

The following Supervisory Board members of plenum AG also hold mandates in supervisory boards and similar control committees of the companies listed below as defined under Article 125 (1) clause 3 AktG:

Name		Mandates in Supervisory Boards and similar national and international control committees of business enterprises
Michael Bauer (Chairman)	plenum founder and IT consultant, managing director of Informatik Consulting Bauer GmbH, Moos	Chairman of supervisory board of Subito AG, Mörfelden-Walldorf | Chairman of supervisory board of Advanced Information Systems AG, Würzburg | Member of supervisory board of adenin Technologies AG, Nuremburg
Dr. Wolfgang Händel	Independent business consultant	Supervisory board of Solutio AG, Munich | Supervisory board of Space.net AG, Munich | Chairman of supervisory board of Hermanus AG, Bonn | Director of the Board of Newcastle Capital Corporation, Sacramento/CA, USA | Supervisory board of adenin Technologies AG, Nuremburg | Supervisory board of Motus Unternehmens-beteiligungsgesellschaft mbH & Co. KG, Berlin
Norbert Rohrig (until Dec. 12, 2008)	Independent business consultant	Advisory board of EDS Deutschland GmbH, Hamburg
Lutz Bickhardt (since Feb. 6, 2009)	Managing Director KOLOMBOS S.A.R.L., Paris	n/a

41. Responsibility Statement

We declare that, to the best of our knowledge and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group, and the Group management report includes a fair review of the development and performance of the business and position of the Group, together with a description of the principal opportunities and risks associated with the future development of the Group.

Wiesbaden, March 13, 2009

The Management Board

Hartmut Skubch

List of Investments

	Investment interest as of Dec. 31, 2008
Affiliated companies	
plemum Management Consulting GmbH, Wiesbaden	100 %
plenum FZ-LLC, Dubai	100 %
in:sight customer information management GmbH (since Feb. 16, 2007)	51 %
DOM Digital Online Media GmbH, Cologne	100 %
Unconsolidated companies	
prodacta AG in Liquidation, Ettlingen	
engram GmbH in Liquidation, Bremen	

Auditor's Report

We have audited the consolidated financial statements prepared by plenum Aktiengesellschaft, Wiesbaden, comprising the balance sheet, the income statement, statement of changes in stockholders' equity, cash flow statement, segment report and notes to the consolidated financial statements, together with management report combined together with the parent company's Group management report for the business year from January 1, 2008 to December 31, 2008. The preparation of the consolidated financial statements and Group management report in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the additional requirements of German commercial law pursuant to Article 315a (1) HGB (German Commercial Code) are the responsibility of the management of the Company. Our responsibility is to express an opinion on the consolidated financial statements and Group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with Article 317 HGB (German Commercial Code) and the German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with German principles of proper accounting and in the management report combined with the parent company's Group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the management report combined with the parent company's Group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of the entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by the Company's managing directors, as well as evaluating the overall presentation of the consolidated financial statements and management report combined with the parent company's Group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements of plenum Aktiengesellschaft, Wiesbaden, comply with the IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to Article 315a (1) HGB and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The management report combined with the parent company's Group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Frankfurt am Main, March 13, 2009

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

Kompenhans	Ludwig
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Accountant)	(German Public Accountant)

Corporate Calendar

April 23, 2009
Publication of the
Separate and Consolidated
Financial Statements 2008

May 28, 2009
Publication of the Q1
Interim Financial Report 2009

June 3, 2009
Stockholders' Meeting 2009

Aug. 26, 2009
Publication of the Q2
Interim Financial Report 2009

Nov. 9–11, 2009
German Equity Forum,
Frankfurt

Nov. 25, 2009
Publication of the Q3
Interim Financial Report 2009

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