Interim Report

CANCOM®

Q1/2010

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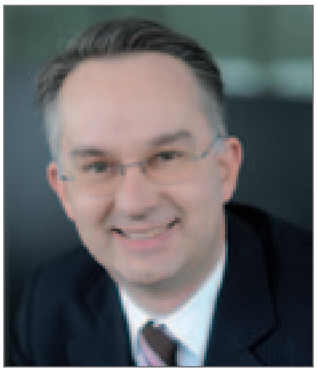
Dear Shareholders,

With the figures for the first quarter of 2010, we have managed to build on the success of the past financial year. The upward trend during the fourth quarter of 2009 continued in the first quarter of 2010, allowing us to achieve record sales revenues and especially profits.

The first quarter was dominated by the integration of CANCOM Bürotex and CANCOM SCC, the companies acquired in December 2009. We also focused on continuing our policy of rigorous cost management, which has left us with a cushion of available cash to continue our active participation in the market consolidation process, and to spur our growth by means of acquisitions.

According to the latest industry barometer of the German Federal Association for Information Technology, Telecommunications and New Media, BITKOM, the IT industry is confident about the business prospects for 2010. This positive sentiment is in line with our own outlook. We also notice a significant improvement in our customers' appetite for investment. The current IT industry growth segments of cloud computing, outsourcing and managed services, in which we are very well placed, will be particularly strong drivers of growth in the current financial year.



We would like to thank you, our shareholders, for your confidence in us and trust that you will continue to give us your support.

Kind regards,

Klaus Weinmann,
CEO

Key figures

in Euro million

Kennzahlenübersicht CANCOM Konzern in Mio. €	01/01/ - 03/31/2010	01/01/ - 03/31/2009	Veränderungen/ Change	Overview of key figures CANCOM group in € million
Umsatzerlöse	114.6	105.7	+ 8.4 %	Revenue
Rohertrag	36.0	29.2	+ 23.3 %	Gross profit
Rohertragsmarge	31.4 %	27.6 %	+ 3.8 %	Gross margin
EBITDA	3.1	1.7	+ 82.4 %	EBITDA
EBIT	2.2	1.1	+ 100.0 %	EBIT
Periodenergebnis	1.4	0.5	+ 180.0 %	Net profit before minority interests
Ergebnis pro Aktie (in €) (verwässert)	0.13	0.05	+ 160.0 %	Earnings per share (in €) from continuing operations /diluted)
Durchschnittliche Aktienzahl (in 1.000) (verwässert)	10,321	10,391	- 0.7 %	Adjusted average number of shares (in 1,000) (diluted)
Mitarbeiter zum 31.03.	1,987	1,682	+ 18.1 %	Employees as of 31 March
in Mio. €	**03/31/2010**	**12/31/2009**	**Veränderungen/ Change**	**in € million**
Bilanzsumme	126.9	134.9	- 5.9 %	Balance sheet total
Eigenkapital	45.2	43.9	+ 3.0 %	Equity
Eigenkapitalquote in %	35.6 %	32.5 %	+ 3.1 %	Equity ratio

Consolidated interim management report

1. CANCOM's business and the general economic situation

Organisational and legal structure of the CANCOM Group

CANCOM IT Systeme Aktiengesellschaft, based in Jettingen-Scheppach, Germany, performs the central financial and management role for the equity investments held by the CANCOM Group.

Focus of activities and sales markets

One of the three largest independent integrated systems providers in Germany, the CANCOM Group has steadily been transformed over the last few years through strategic acquisitions from a systems house focusing primarily on hardware and software, into an IT systems integrator. As a provider of integrated services, its central focus is now on providing IT services in addition to selling hardware and software from prestigious manufacturers. Its IT services range includes design and integration of IT systems, as well as system operation.

The CANCOM Group's customer base therefore includes primarily commercial end-users, from independent professionals to medium and large-sized companies and public-sector institutions. Through the e-commerce platform of HOH Home of Hardware GmbH at www.hoh.de, the CANCOM Group provides products and services to private as well as business customers.

Explanation of the control system used within the Group

To control and monitor the development of the individual subsidiaries, once a month CANCOM analyses, among other things, their sales revenues, gross profit, operating expenditure and operating profit, and compares these key figures with the original plan as well as the quarterly forecast. Additionally, the Company regularly uses external indicators such as inflation rates, interest rates, the general economic trend and the performance of the IT sector – as well as forecasts for these – for the purpose of management control. The cash management procedures include a daily status investigation.

Research and development activities

Innovation is very important for economic momentum and growth. CANCOM concentrates its research and development activities on IT growth segments such as virtualisation solutions, managed services, online technologies, systems development and process optimisation.

CONSOLIDATED INTERIM MANAGEMENT REPORT

Overview of the CANCOM Group's business performance

The CANCOM Group increased its consolidated revenue by 8.4 percent to € 114.6 million, as compared with € 105.7 million in the first quarter of 2009. Consolidated gross profits rose 23.3 percent year-on-year, from € 29.2 million to € 36.0. The gross profit margin rose from 27.6 percent to 31.4 percent. The consolidated EBITDA rose by 82.4 percent, from € 1.7 million to € 3.1 million. The consolidated EBIT doubled from € 1.1 million in the first three months of 2009 to € 2.2 million in the first quarter of 2010. A net income for the first three months of 2010 of € 1.4 million compared with € 0.5 million in the first quarter of 2009 resulted in earnings per share of € 0.13 after € 0.05 in 2009.

Significant events and investments

On 11 February 2010, CANCOM SYSDAT GmbH was merged into CANCOM IT Solutions GmbH, Jettingen-Scheppach, Germany, with retroactive effect from 1 January 2010. The CANCOM Group's solutions business will be concentrated in the new unit, which will operate under the name of CANCOM IT Solutions GmbH.

On 17 March 2010, CANCOM IT Systeme AG acquired a 17.73 percent equity investment in Plaut Aktiengesellschaft, based in Vienna, Austria. A listed company, Plaut is a management and IT consultancy company and develops innovative business solutions for controlling, logistics, IT governance and SAP consultancy and services. The company has more than 20 years' experience working with SAP and has worked on more than 1,000 projects, making it one of the most experienced and preferred SAP partners.

Employees

As at 31 March 2010 the Group employed 1,987 people.

The employees worked in the following areas (as at 31 March 2010):

Professional services:	1,286
Sales and distribution:	364
Marketing and product services:	28
Purchasing, logistics and order processing:	142
Central services:	167

The personnel expenses in the first three months were as follows (in € '000):

	01/01/-03/31/2010	**01/01/-03/31/2009**
Wages and salaries	21,239	17,862
Social security contributions	3,852	3,199
Pension provisions	110	42
Total	**25,201**	**21,103**

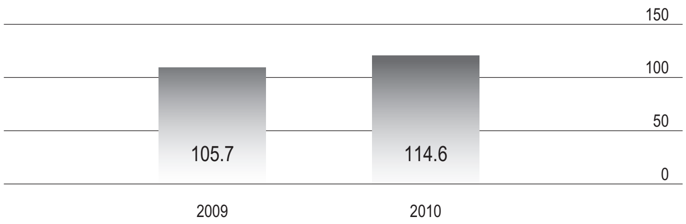
2. Earnings, financial and assets position of the CANCOM Group

a) Earnings position

There was a considerable year-on-year increase in sales revenues in the first three months of 2010. The consolidated sales revenues of the CANCOM Group rose by 8.4 percent year on year, from € 105.7 million to € 114.6 million. The significant growth is partly owing to the improved general economic conditions, but also to the inclusion of the recently acquired CANCOM Bürotex and CANCOM SCC in the consolidated financial statements.

Note: some adjustments to the figures for the first quarter of 2009 have been necessary to take into account businesses that were classified as discontinued operations in the first quarter of 2009 in compliance with IFRS 5.

CANCOM Group sales revenues: year-on-year comparison of first-quarter figures, 2009 and 2010 (in € million)



In Germany, the sales revenues for the first three months of 2010 were up 9.2 percent year on year, from € 96.9 million to € 105.8 million. This growth is partly owing to the acquisition of CANCOM Bürotex and CANCOM SCC.

In the international business, sales revenues stayed with € 8.8 million at the previous year's level.

In the e-commerce/trade segment, sales revenues were down 10.9 percent, from € 57.1 million to € 50.9 million. In the IT solutions segment they were up 30.9 percent, from € 48.6 million to € 63.6 million.

The consolidated gross profit for the first three months of 2010 was up 23.3 percent year on year, from € 29.2 million to € 36.0 million. The gross profit margin rose from 27.6 percent to 31.4 percent.

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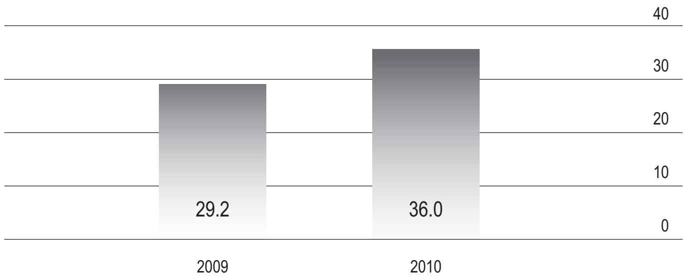
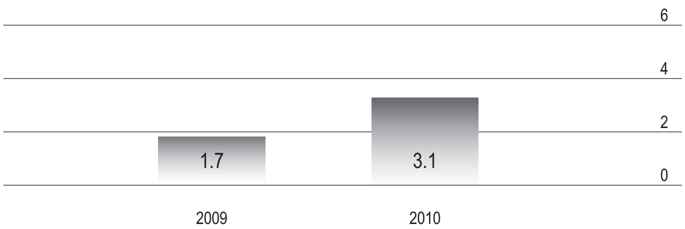
CANCOM Group's gross profit: year-on-year comparison of first-quarter figures, 2009 and 2010 (in € million)



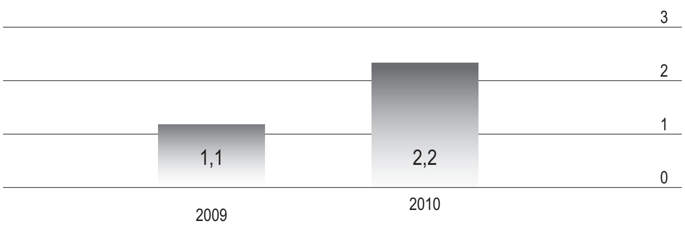
Consolidated EBITDA was up 82.4 percent on the same period in 2009, at € 3.1 million compared with € 1.7 million.

CANCOM Group's EBITDA: year-on-year comparison of first-quarter figures, 2009 and 2010 (in € million)



Consolidated EBIT doubled in comparison with the first quarter of 2009, from € 1.1 million to € 2.2 million.

CANCOM Group's EBIT: year-on-year comparison of first-quarter figures, 2009 and 2010 (in € million)



The net income for the first three months of 2010 amounted to € 1.4 million, in comparison with € 0.5 million in 2009. As a result, earnings per share were € 0.13, compared with € 0.05 for the first three months of 2009.

The order position

In the e-commerce/trade segment and parts of the IT solutions segment, the majority of incoming orders are converted to sales within two weeks because of our large delivery capacity. Consequently, the reporting date figures on their own do not give a true picture of our order situation in this area of business, which is why they are not published.

In the IT solutions segment, orders are often given over long periods. At present, the volume of orders is rising slightly.

Because of the stable services business – which now accounts for about two thirds of the gross profits (total output less material costs and services rendered) – as well as the healthy condition of the balance sheet, the management feels the Group is in a strong position within the IT sector.

Explanations of individual items on the income statement

Further details on items in the income statement are given in the Notes to the consolidated income statement.

b) Financial and assets position

Objectives of financial management

The core objective of the financial management of the CANCOM Group is to safeguard its liquidity at all times, to ensure that day-to-day business activities can be continued. In addition, the Group aims to achieve optimum profitability as well as a high credit status to ensure favourable refinancing rates.

Notes on the capital structure

On the assets side of the consolidated balance sheet, there was a 16 percent decrease in current assets between 31 December 2009 and 31 March 2010, from € 93.2 million to € 78.3 million. Cash and cash equivalents are down from € 25.8 million to € 4.2 million owing to seasonal effects. Inventories are up 49.2 percent, from € 12.6 million to € 18.8 million, mainly owing to growth and acquisitions.

Non-current assets are up 16.5 percent, from € 41.7 million at 31 December 2009 to € 48.6 million at 31 March 2010. Intangible assets are up from € 6.7 million to € 10.2 million, and financial assets are up from € 0.2 million to € 2.4 million as a result of the equity investment in Plaut Aktiengesellschaft.

On the liabilities side of the balance sheet, there has been a 16.7 percent reduction in current liabilities from € 67.5 million to € 56.2 million. This is mainly owing to a fall in trade accounts payable from € 47.9 million to € 36.3 million.

Non-current liabilities, which comprises liabilities with a residual term of at least one year, are up from € 23.5 million to € 25.5 million.

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The balance sheet total has fallen to € 126.9 million as at 31 March 2010, compared with € 134.9 million at 31 December 2009.

The nominal equity capital has been increased from € 43.9 million to € 45.2 million since the start of the year, mainly through transfers to net profits. Overall, this resulted in an equity ratio of 35.6 percent at 31 March 2010 compared with 32.5 percent at 31 December 2009.

Further details of the individual balance sheet items can be found in the Notes to the consolidated balance sheet.

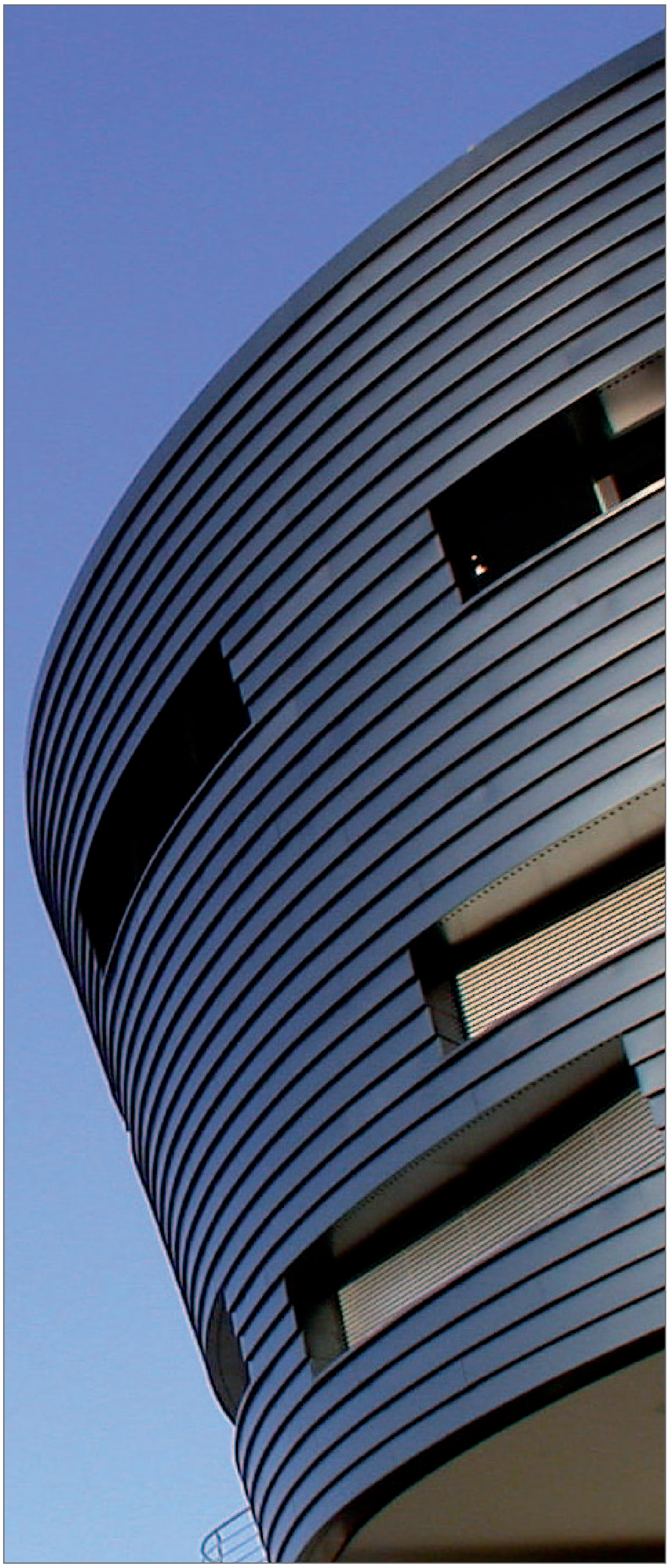
Notes to the changes in of cash flow

The cash flow from ordinary activities is typically highly negative during the course of the year, and there was a negative cash flow of € 14.9 million as at 31 March 2010. The change in comparison with the same date in 2009 was influenced by various factors. One of these was the expansion of business activities and an increase in inventories as a result of company takeovers and replenishment to take advantage of favourable purchase conditions. The other factor was a reduction in trade accounts payable.

The negative cash flow from investing activities increased from a negative cash flow of € 0.3 million to a negative cash flow of € 8.1 million. The reasons for this were the payment of the purchase price for the acquisition of the Bürotex companies and the acquisition of an equity investment in Plaut Aktiengesellschaft. On top of this, the available cash was invested in fixed assets, resulting in a reduction in future financing and lease payments.

The cash flow from financing activities was up from € 0.7 million to € 1.4 million.

Overall, this gave rise to cash and cash equivalents of € 4.2 million, compared with € 10.0 million in 2009.



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3. Shares held by members of the Executive and Supervisory Boards as at 31 March 2010

Total numbers of shares	**10,390,751**	**100%**
Executive Board		
Klaus Weinmann	543,312	5.23%
Paul Holdschik	1	0.00%
Rudolf Hotter	175,000	1.68%
Supervisory Board		
Walter von Szczytnicki	6,252	0.06%
Dr. Klaus F. Bauer	1,500	0.01%
Stefan Kober	826,289	7.95%
Raymond Kober	920,891	8.86%
Walter Krejci	10,000	0.10%
Regina Weinmann	100,000	0.96%

4. Events of particular significance after the reporting date

CANCOM Bürotex GmbH has aquired the remaining 25.0 percent of the shares of live Netzwerk and Computer GmbH, increasing its shareholding to 100 percent. The acqusition is documented in a contract dated 7 May 2010.

5. Risk report

There have been no major changes in the risks of future development at CANCOM since the start oft he current financial year. Details of the risks can be found in the annual report for 2009, starting on page 21. The annual report can be downloaded from www.cancom.de or obtained free of charge from the Company.

6. Opportunities report

There have been no major changes in the opportunities of future development at CANCOM since the start oft he current financial year. Details of the opportunities can be found in the annual report for 2009, starting on page 25.

7. Forecast

Germany was particularly badly affected by the economic crisis during the past year because of its strong international links. Because of the major slump, particularly in exports, the real gross domestic product (GDP) fell by 5 percent overall in 2009, although by the fourth quarter of the year it had at least stabilised at 0 percent*. The basic trend in the German economy continues to be upward. From springtime, it is expected that there will be a strong impact on the economy from companies catching up on investment, but also a continuation of the economic recovery process. Forecasts for economic growth in 2010 range between 4.3 percent (global) and 2.0 percent (Germany). (Source: Deutsche Bank Economic Research Bureau, Frankfurt/Main, Germany, 19 April 2010.)

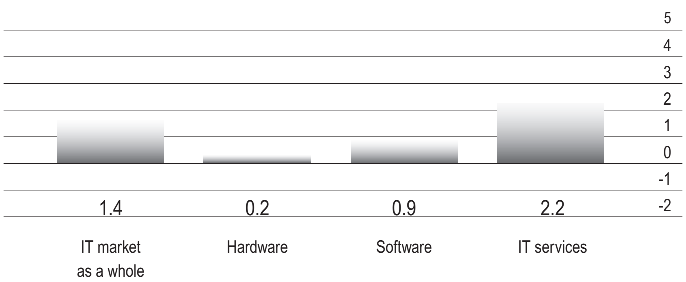
According to the latest market figures from the German Federal Association for Information Technology, Telecommunications and New Media, BITKOM, the experts expect growth of about 1.4 percent in the western European IT market in 2010, after shrinkage of 5.4 percent in 2009.

They forecast 2.2 percent growth in the IT services segment following a decline of 2.5 percent in 2009, while they expect the software and hardware segments to grow by 0.9 percent and 0.2 percent respectively, after a decline of 5.2 percent and 10.6 percent respectively in 2009.

Trend in the German IT sector in 2010*

(real change in comparison to 2009 as a percentage)

* Forecast: BITKOM, March 2010



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The reasons for the growth forecast for the IT services segment, according to IDC, are increased cost-consciousness among companies and the improved general economic outlook for the current year. Once confidence in the economic recovery becomes established, companies will conclude more medium and long-term outsourcing contracts again.

The U.S. market research company Forrester sees huge potential for growth in the e-commerce segment for the next two years, with annual growth rates of 7 percent, while it expects the consumer electronics segment to grow by as much as 11 percent. BITKOM's assessment is in line with Forrester's.

CANCOM geared its business policy to these future trends at an early stage and designed its sales and services structure around them.

CANCOM has expanded its market presence as well as improving its customer proximity in the German-speaking countries, and is represented all over Germany and Austria by its many service and consulting locations.

The improvement and streamlining of logistics processes as well as the concentration of administrative tasks at the company's head office should result in major cost savings. By means of cross selling, synergies and best practices, we are reducing costs and pooling our resources, enabling CANCOM to operate even more competitively in the future. The resulting benefits will bring added value to CANCOM and to its customers and business partners.

In view of the acquisitions and the positive business development as well as the improved economic conditions in 2010 and 2011, the Executive Board generally expects a future growth in sales revenues and result with a continued positive financial situation. CANCOM's plans are consolidated sales revenues of € 500 million (financial year 2010) and € 530 million (financial year 2011), consolidated EBITDA of € 11.6 million (financial year 2010) and € 13.1 million (financial year 2011) and earnings per share up to at least € 0.60 in 2010 and € 0.70 in 2011.

The Executive Board advises that the actual results may differ significantly from the expectations about future developments. Forecasting is made considerably more complicated by the uncertain economic climate.

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Jettingen-Scheppach, May 2010
CANCOM IT Systeme Aktiengesellschaft

The Executive Board

This document has not been audited. It contains statements and information about the future that are based on the assumptions and estimates of the Executive Board of CANCOM IT Systeme Aktiengesellschaft. These statements are identifiable by words and phrases such as "plan", "intend", "will", "expect", "we feel" etc. and are based on current expectations, assumptions and assessments. Although we feel that these expectations are realistic, we cannot guarantee their correctness. The assumptions may be subject to several internal and external risks and uncertainties, which may lead to the actual results deviating considerably, either positively or negatively, from the situations and figures forecast. The following influencing factors are relevant in this respect: changes in the general economic and business situation; changes in interest rates and foreign currency exchange rates; changes in the competitive situation, for instance by the emergence of new competitors, new products and services or new technologies; changes in the consumer habits of target customer groups etc.; and changes to the business strategy. CANCOM does not plan to update its forecasts beyond the legal requirements, nor does it make any commitment to do so.

CONSOLIDATED BALANCE SHEET (IFRS) – ASSETS

Zahlenangaben in T€ Aktiva	Notes	03/31/2010	12/31/2009	01/01/2009	Figures in € '000 Assets
Kurzfristige Vermögenswerte					**Current assets**
Zahlungsmittel und Zahlungsmitteläquivalente		4,168	25,836	18,282	Cash and cash equivalents
Zur Veräußerung gehaltene Vermögenswerte		0	0	3,378	Assets held for sale
Forderungen aus Lieferungen und Leistungen		44,534	47,191	44,175	Trade accounts receivable
Sonstige kurzfristige finanzielle Vermögenswerte	B.1.	3,867	3,223	4,141	Other current financial assets
Vorräte		18,814	12,589	10,080	Inventories
Aufträge in Bearbeitung		2,053	990	1,140	Orders in process
Rechnungsabgrenzungsposten und sonstige kurzfristige Vermögenswerte	B.2.	4,904	3,384	2,099	Prepaid expenses and other current assets
Kurzfristige Vermögenswerte, gesamt		**78,340**	**93,213**	**83,295**	**Total current assets**
Langfristige Vermögenswerte					**Long-term assets**
Sachanlagevermögen		7,541	6,529	5,401	Property, plant and equipment
Immaterielle Vermögenswerte		10,218	6,730	4,544	Intangible assets
Geschäfts- oder Firmenwert		24,812	24,812	23,787	Goodwill
Finanzanlagen		2,444	157	129	Investments
Nach der Equity-Methode bilanzierte Finanzanlagen		0	0	13	Investments accounted for by the equity method
Ausleihungen		0	0	199	Notes receivable/loans
Sonstige finanzielle Vermögenswerte		758	822	766	Other financial assets
Latente Steuern aus temporären Differenzen	B.3.	319	338	394	Deferred taxes arising from temporary differences
Latente Steuern aus steuerlichem Verlustvortrag	B.3.	2,305	2,224	2,088	Deferred taxes arising from tax loss carryover
Sonstige Vermögenswerte		178	77	58	Other assets
Langfristige Vermögenswerte, gesamt		**48,575**	**41,689**	**37,379**	**Total long-term assets**
Aktiva, gesamt		**126,915**	**134,902**	**120,674**	**Total assets**

Consolidated balance sheet (IFRS) – Equity and liabilities

Zahlenangaben in T€ Passiva	Notes	03/31/2010	12/31/2009	01/01/2009	Figures in € '000 Equity and liabilities
Kurzfristige Schulden					**Current liabilities**
Kurzfristige Darlehen und kurzfristiger Anteil an langfristigen Darlehen		1,654	707	1,800	Short term debt and current portion of long-term debt
Verbindlichkeiten aus Lieferungen und Leistungen		36,260	47,852	39,257	Trade accounts payable
Erhaltene Anzahlungen		1,469	1,140	1,951	Advanced payments redeived
Sonstige kurzfristige finanzielle Schulden	B.4.	1,749	3,158	2,547	Other current financial liabilities
Rückstellungen	B.5.	4,671	3,905	2,630	Accrued expenses
Rechnungsabgrenzungsposten		1,056	908	835	Deferred revenues
Verbindlichkeiten aus Ertragssteuern		668	438	529	Income tax payable
Sonstige kurzfristige Schulden	B.6.	8,636	9,437	9,690	Other current liabilities
Schulden im Zusammenhang mit zur Veräußerung gehaltenen Vermögenswerten		0	0	1,590	Liabilities associated with held for sale
Kurzfristige Schulden, gesamt		**56,163**	**67,545**	**60,829**	**Total current liabilities**
Langfristige Schulden					**Long-term liabilities**
Langfristige Darlehen		6,081	5,194	5,014	Long-term debt, less current portion
Genussrechtskapital und nachrangige Darlehen		12,805	12,784	11,571	Profit-participation capital and subordinated loans
Rechnungsabgrenzungsposten		2,059	1,767	381	Deferred revenues
Latente Steuern aus temporären Differenzen	B.7.	2,645	1,967	1,287	Deferred taxes from temporary differences
Pensionsrückstellungen		26	26	150	Pension provisons
Sonstige langfristige finanzielle Schulden		440	491	1,207	Other long-term financial liabilities
Sonstige langfristige Schulden		1,490	1,259	1,319	Other long-term liabilities
Langfristige Schulden, gesamt		**25,546**	**23,488**	**20,929**	**Total Long-term liabilities**
Eigenkapital					**Equity**
Gezeichnetes Kapital	B.8.	10,391	10,391	10,391	Shared capital
Kapitalrücklage		15,441	15,441	15,441	Additional paid-in capital
Bilanzgewinn/Bilanzverlust (inklusive Gewinnrücklagen)		19,858	18,476	13,416	Net profit (incl. retained earnings)
Eigenkapitaldifferenz aus Währungsumrechnung		-285	-279	-324	Currency translation difference
Eigene Anteile zu Anschaffungskosten	B.8.	-259	-165	0	
Minderheitenanteile		60	5	-8	Minority interests
Eigenkapital, gesamt		**45,206**	**43,869**	**38,916**	**Total equity**
Passiva, gesamt		**126,915**	**134,902**	**120,674**	**Total equity and liabilities**

INCOME STATEMENT (IFRS)

Zahlenangaben in T€ Gewinn- und Verlustrechnung	Notes	01/01/2010 -03/31/2010	01/01/2009 -03/31/2009	Figures in € '000 Income Statement
Umsatzerlöse		114,560	105,684	Revenues
Sonstige betriebliche Erträge	C.2.	1,213	197	Other operating income
Andere aktivierte Eigenleistungen		0	0	Other capitalised services rendered for own account
Gesamtleistung		**115,773**	**105,881**	**Total operating revenue**
Materialaufwand / Aufwand für bezogene Leistungen		-79,807	-76,679	Cost of purchased materials and services
Rohertrag		**35,966**	**29,202**	**Gross profit**
Personalaufwand	C.3.	-25,201	-21,103	Personnel expenses
Abschreibungen auf Sachanlagen und immaterielle Vermögensgegenstände		-948	-651	Depreciation of property, plant and equipment and amortisation of intangible assets
Sonstige betriebliche Aufwendungen	C.4.	-7,662	-6,380	Other operating expenses
Betriebsergebnis		**2,155**	**1,068**	**Operating income**
Zinsen und ähnliche Erträge		45	58	Interest and similar income
Zinsen und ähnliche Aufwendungen		-461	-365	Interest and other expenses
Abschreibungen auf Finanzanlagen		0	0	Write-downs of financial assets
Gewinn-Verlustanteile aus Joint Ventures, die nach der Equity-Methode bilanziert werden		0	0	Share in profit or loss from joint ventures accounted for by the equity method
Währungsgewinne / -verluste		-15	2	Foreign currency exchange income / losses
Ergebnis vor Ertragsteuern		**1,724**	**763**	**Profit before taxes**
Ertragsteuern	C.5.	-338	-280	Income tax expense
Ergebnis nach Steuern aus aus fortzuführenden Geschäftsbereichen		**1,386**	**483**	**After tax profit from continuing operations**
Ergebnis aus aufgegebenen Geschäftsbereichen		0	0	Loss from discontinued operations
Periodenergebnis		**1,386**	**483**	**Net income for the year**
davon entfallen auf Gesellschafter des Mutterunternehmens		1,382	493	thereof attributable to the shareholders of the parent
davon entfallen auf Minderheiten	C.6.	4	-10	thereof attributable to minority interests
Durchschnittlich im Umlauf befindliche Aktien (Stück) unverwässert		10,320,738	10,390,751	Average number of shares outstanding (basic)
Durchschnittlich im Umlauf befindliche Aktien (Stück) verwässert		10,320,738	10,390,751	Average number of shares outstanding (diluted)
Ergebnis je Aktie aus fortzuführenden Geschäftsbereichen (unverwässert)		**0.13**	**0.05**	**Earnings per share from continuing operations (non-diluted)**
Ergebnis je Aktie aus fortzuführenden Geschäftsbereichen (verwässert)		**0.13**	**0.05**	**Earnings per share from continuing operations (diluted)**
Ergebnis je Aktie aus aufgegebenen Geschäftsbereichen (unverwässert)		**0.00**	**0.00**	**Earnings per share from discontinued operations (non-diluted)**
Ergebnis je Aktie aus aufgegebenen Geschäftsbereichen (verwässert)		**0.00**	**0.00**	**Earnings per share from discontinued operations (diluted)**

Consolidated cash flow statement (IFRS)

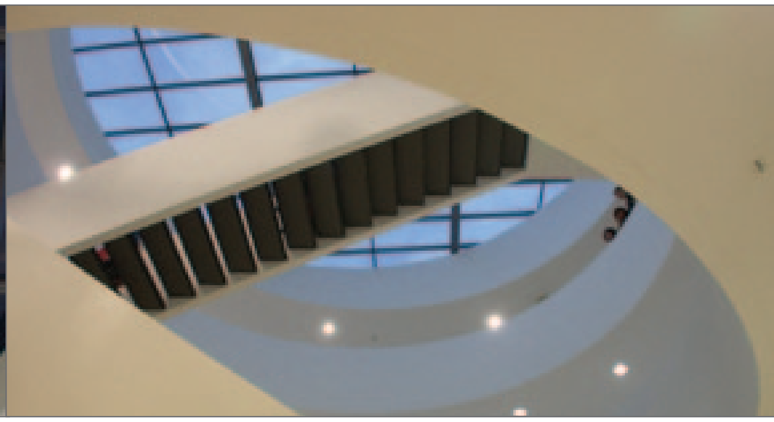
Zahlenangaben in T€ Kapitalfluss	Anhang	01/01/2010 -03/31/2010	01/01/009 -03/31/2009	Figures in € '000 Cashflow
Cashflow aus gewöhnlicher Geschäftstätigkeit:				**Cash flow from ordinary activities:**
Periodengewinn vor Steuern- und Minderheitenanteilen		1,724	763	Net profit for the period before taxes and minority interests
Berichtigungen:				Adjustments:
+/- Abschreibungen auf Sachanlagen und immaterielle Vermögensgegenstände		948	651	+/- Depreciation of property, plant and equipment, and amortisation of intangible assets
+/- Veränderungen der langfristigen Rückstellungen		-46	2	+/- Changes in long-term accruals
+/- Veränderungen der kurzfristigen Rückstellungen		12	-101	+/- Changes in current accruals
+/- Ergebnis aus dem Abgang von Anlagevermögen		-3	-7	+/- Profit/ losses on the disposal of fixed assets
+/- Zinsaufwand		416	307	+/- Interest expense
+/- Veränderungen der Vorräte		-5,300	-3,181	+/- Changes in inventories
+/- Veränderungen der Forderungen aus Lieferungen und Leistungen sowie anderer Forderungen		5,542	5,456	+/- Changes in trade accounts receivable and other accounts receivables
+/- Veränderungen der Verbindlichkeiten aus Lieferungen und Leistungen sowie anderer Schulden		-17,028	-13,024	+/- Changes in trade accounts payables and other accounts payable
+/- Gezahlte Zinsen		-101	-83	+/- Interest paid
+/- Gezahlte und erstattete Ertragsteuern		-429	-57	+/- Income tax payments and rebates
+/- Zahlungsunwirksame Aufwendungen und Erträge		-662	0	+/- Non-cash expenses and income
+/- Einzahlungen / Auszahlungen aufgegebene Geschäftsbereiche		0	0	+/- Cash inflow / outflow from discontinued operations
Nettozahlungsmittel aus betrieblicher Tätigkeit		**-14,927**	**-9,274**	**Net cash from operating activities**
Cashflow aus Investitionstätigkeit				**Cash flow from investing activities**
+/- Erwerb von Tochterunternehmen		-2,697	422	+/- Acquisition of subsidiaries
+/- Beim Kauf von Anteilen erworbene Zahlungsmittel		-724	0	+/- Cash from acquisitions
+/- Zahlungen für Zugänge zu immateriellen Vermögenswerten sowie Sachanlagen		-2,457	-752	+/- Payments for additions to intangible assets as well as property, plant and equipment
+/- Zahlungen für Zugänge und Abgänge zu anderen Finanzanlagen		-2,305	0	+/- Payments for additions to and disposal of financial assets
+/- Erlöse aus dem Abgang von Sachanlagen und Finanzanlagen		22	0	+/- Proceeds from disposal of property, plant and equipment as well as financial assets
- Beim Verkauf von Anteilen hingegebene Zahlungsmittel		0	0	- Cash used in disposal of equity holdings
+/- Erhaltene Zinsen		45	58	+/- Interest received
+/- Einzahlungen / Auszahlungen aufgegebene Geschäftsbereiche		0	0	+/- Cash inflow / outflow from discontinued operations
Für Investitionstätigkeit eingesetzte Nettozahlungsmittel		**-8,116**	**-272**	**Net cash used in investing activities**
Cashflow aus Finanzierungstätigkeit				**Cash flow from financing activities**
+/- Ein/Auszahlungen für aufgenommene Kredite		1,821	115	+/- Inflows/ outflows from borrowings
+/- Gezahlte Zinsen		-360	-282	+/- Interest paid
+/- Erwerb eigener Anteile	B.8.	-94	0	+/- Purchases of own shares
+/- Ein- / Auszahlungen aus Finanzierungs-Leasingverträgen		-36	858	+/- Cash inflow/outflow finance lease
+/- Einzahlungen / Auszahlungen aufgegebene Geschäftsbereiche		50	0	+/– Cash inflow / outflow from discontinued operations
Für Finanzierungstätigkeit eingesetzte Nettozahlungsmittel		**1,381**	**691**	**Net cash used in financing activities**
Nettozu-/abnahme von Zahlungsmitt. u. Zahlungmittelaquivalente		**-21,662**	**-8,855**	**Net change in cash and cash equivalents**
+/- Wechelkursbedingte Wertänderungen		-6	22	+/- Changes in value resulting from foreign currency exchange
+/- Finanzmittelbestand am Anfang der Periode		25,836	18,877	+/- Cash and cash equivalents as at beginning of period
Finanzmittelbestand am Ende der Periode		**4,168**	**10,044**	**Cash and cash equivalent sat end of period**
Zusammensetzung:				*Breakdown:*
Liquide Mittel		*4,168*	*10,044*	*Cash*
Liquide Mittel aus aufgegebene Geschäftsbereiche			*0*	*Cash from discontinued operations*
		4,168	*10,044*	

Consolidated statement of changes in equity (IFRS)

	Aktien / Shares	Gezeichnetes Kapital / Share capital	Kapitalrücklagen / Additional paid-in capital	Gewinnrücklagen / Retained earnings	Rücklage Währungsumrechnung / Foreign currency translation reserve	Neubewertungsrücklage / Revaluation reserve	Bilanzgewinn / Net profit loss	Summe Eigenkapitalgeber Mutterunternehmen / Total investors parent company	Minderheitenanteile / Minority interest	Eigenkapital gesamt / Total equity cash	
	units '000	in €'000	in €'000	in €'000	in €'000	in €'000	in €'000	in €'000	in €'000	in €'000	
31. Dezember 2008	**10,391**	**10,391**	**15,441**	**122**	**-324**	**-153**	**13,447**	**38,924**	**-8**	**38,916**	**31 December 2008**
Erwerb eigene Anteile								-165		-165	Purchase of own shares
Gesamtergebnis der Periode					45		5,060	5,105	39	5,144	Comprehensive income for the period
Effekt aus Abgang Minderheiten									-26	-26	Impact of derecognition of minority interests
31. Dezember 2009	**10,391**	**10,391**	**15,441**	**122**	**-279**	**-153**	**18,507**	**43,864**	**5**	**43,869**	**31 December 2009**
Erwerb eigene Anteile								-94		-94	Purchase of own shares
Gesamtergebnis der Periode					-6		1,382	1,376	4	1,380	Comprehensive income for the period
Effekt aus Abgang Minderheiten								0	51	51	Impact of derecognition of minority interests
31. März 2010	**10,391**	**10,391**	**15,441**	**122**	**-285**	**-153**	**19,889**	**45,146**	**60**	**45,206**	**31 March 2010**

Statement of comprehensive income (IFRS)

(in T€)	01/01/2010 **bis 03/31/2010**	01/01/2009 bis 03/31/2009	
Periodenergebnis	**1,386**	**483**	**Net income for the period**
Übriges Ergebnis			**Other income**
Unerschied aus Währungsumrechnung	-9	32	Currency translation difference
Ertragsteuern auf übriges Gesamtergebnis	3	-10	Income tax expense on other compehensive income
Übriges Ergebnis der Periode (nach Steuern)	**-6**	**22**	**Other after-tax income for the period**
Gesamtergebnis der Periode	**1,380**	**505**	**Comprehensive income for the period**
davon entfallen auf Gesellschafter des Mutterunternehmens	1,376	2,695	thereof attributable to the shareholder of the parent
davon entfallen auf Minderheiten	4	-10	thereof attributable to the minority interests



Segment information (IFRS)

	e-commerce/trade		IT Solutions	
	03/31/10 €'000	03/31/09 €'000	03/31/10 €'000	03/31/09 €'000
Sales revenues				
– External sales	50,935	57,068	63,625	48,616
– Intersegment sales	1,344	496	6,346	4,719
– Total sales revenues	52,279	57,564	69,971	53,335
– Cost of purchased materials and services	-44,025	-49,049	-41,478	-31,692
– Personnel expenses	-4,447	-4,657	-19,892	-15,730
– Other operative income and expenses	-2,369	-2,858	-5,456	-4,281
EBITDA	1,438	1,000	3,145	1,632
– calculated depreciation and amortisation	392	362	518	259
Operating income (EBIT)	**1,046**	**638**	**2,627**	**1,373**
– Interest income	23	45	32	42
– Interest expenditure	-150	-69	-129	-55
– Write-downs of financial assets				
– Share in profit or loss of joint ventures accounted for by the equity				
Result from ordinary activities	919	614	2,530	1,360
– Result from extraordinary activities	0	0	0	0
– Foreign currency exchange gains / losses				
Pre-tax profit	919	614	2,530	1,360
– Income taxes				
– discontinued operations		0		
Consolidated income for the year				
thereof attributable to the shareholders of the parent				
thereof attributable to minority interest				
Other information				
– Assets[1)]	53,467	55,577	66,080	45,677
– Investments[1)]	237	669	5,524	127

1) Segment assets and investments including goodwill from consolidation of capital

2) Tax assets

Segment information (IFRS)

Totals		Other companies		Reconcilation		consolidated	
03/31/10	03/31/09	03/31/10	03/31/09	03/31/10	03/31/09	03/31/10	03/31/09
€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
114,560	105,684	0	0				
7,690	5,215	1,440	1,640	-9,130	-6,855		
122,250	110,899	1,440	1,640	-9,130	-6,855	144,560	105,684
-85,503	-80,741	0		5,696	4,062	-79,807	-76,679
-24,339	-20,387	-862	-716	0	0	-25,201	-21,103
-7,825	-7,139	-2,058	-2,313	3,434	3,269	-6,449	-6,183
4,583	2,632	-1,480	-1,389	0	476	3,103	1,719
910	621	38	30	0	0	948	651
3,673	**2,011**	**-1,518**	**-1,419**	**0**	**476**	**2,155**	**1,068**
55	87	157	32	-167	-61	45	58
-279	-124	-349	-302	167	61	-461	-365
0	0			0	0	0	0
0	0	0	0	0	0	0	0
3,449	1,974	-1,710	-1,689	0	476	1,739	761
0	0			0	0	0	0
0	0		0	-15	2	-15	2
3,449	1,974	-1,710	-1,689	-15	478	1,724	763
				-338	-280	-338	-280
0	0	0	0	0	0	0	0
						1,386	**483**
						1,382	493
						4	-10
				Reconcilation 2)			
119,547	101,254	3,865	5,630	3,503	2,845	126,915	109,729
5,761	796	2,819	6			8,580	802

Notes to the consolidated accounts

Notes to the consolidated accounts
for the quarter ended 31 March 2010

A. The principles adopted for the consolidated financial statements

1. General information

The consolidated financial statements of CANCOM IT Systeme Aktiengesellschaft and its subsidiaries ("the CANCOM Group" or "the Group") for the financial year 2009 were drawn up according to the International Financial Reporting Standards or the International Accounting Standards (IFRS/IAS).

The interim consolidated financial statements of the CANCOM Group are drawn up and published in euro.

This interim consolidated financial report is condensed and was drawn up in compliance with IAS 34 Interim Financial Reporting. It should be read in conjunction with the IFRS-compliant consolidated financial statements for the financial year 2009, which can be downloaded from www.cancom.de.

2. Reporting entity – scope of consolidation

The consolidated financial statements include CANCOM IT Systeme Aktiengesellschaft and all subsidiaries in which CANCOM IT Systeme Aktiengesellschaft has either a direct or an indirect majority shareholding, or in which it holds the majority of the voting rights. These subsidiaries are fully consolidated.

In December 2009, CANCOM IT Systeme Aktiengesellschaft purchased all the shares of CANCOM Bürotex GmbH (formerly BT IT-Systemhaus GmbH), nominally valued at € 120,000. The acquisition is documented by a contract of sale drawn up by notary Dr Thomas Braun under deed no. B1937/2009, dated 21/22 December 2009.

The provisional price is € 3,541,852, of which € 2,500,000 was paid on 5 January 2010. The price is still subject to change.

The company is included in the consolidated financial statements from 1 January 2010.

The company sells and distributes computer, telecommunications, IT and document management systems, as well as providing related services including consultancy, maintenance, repairs, support and project management.
The company has shares in BT IT-Solutions GmbH, Nürtingen, Germany (100 percent) and live Netzwerk & Computer GmbH, Munich, Germany (75.0 percent).

Change in the reporting entity in 2010:

Name and registered office of company	Date of first consolidation	Equity investment%	Share of voting rights %
CANCOM Bürotex GmbH, Nürtingen, Germany	**01/01/10**	**100.0**	**100.0**
and its subsidiaries			
• CANCOM Bürotex IT solutions GmbH, Nürtingen, Germany	01/01/10	100.0	100.0
• live Netzwerk & Computer GmbH, Munich, Germany	01/01/10	75.0	75.0

The change in the reporting entity had the following effects on the consolidated financial statements at the date on which CANCOM Bürotex GmbH was first included, on 1 January 2010:

	Fair values €'000	Carrying amounts €'000
Cash and cash equivalents	776	776
Trade accounts receivable	3,667	3,667
Other current financial assets	571	571
Group accounts receivable	1,255	1,255
Inventories	760	760
Prepaid expenses, deferred charges and other current assets	714	714
Current Assets	**7,743**	**7,743**
Property, plant and equipment	493	493
Intangible assets	2,517	74
Financial assets	8	8
Deferred taxes from temporary differences	0	0
Deferred taxes from tax loss carryover	20	0
Other assets	100	100
Non-current assets	3,138	575
Total assets	**10,881**	**8,318**
Short-term loans and current component of long-term loans	34	34
Trade accounts payable	2,865	2,865
Other current financial liablities	262	262
Accrued expensed	107	107
Deferred revenues	136	136
Taxes on income	102	102
Other current liabilities	603	603
Current liabilites	4,109	4,109
Long-term debt	1,500	1,500
Deferrex taxes from temporary differences	737	0
Other long-term liabilites	280	280
Non-current liabilities	2,517	1,780
Total liabilities	**6,626**	**5,889**
Net assets acquired	**4,255**	**2,429**

Notes to the consolidated accounts

The company acquisition, and the newly valued assets acquired and liabilities assumed resulted in a negative difference of € 662k as well as intangible assets of € 2,443k. The negative difference was recognised in the income statement and shown under other operating income.

The consolidated net income includes the profit/loss of CANCOM Bürotex GmbH amount to € -95k since acquisition date.

	Company's registered office	Share-holding
1. CANCOM Deutschland GmbH	**Jettingen-Scheppach, Germany**	**100.0**
and its subsidiaries		
• CANCOM (Switzerland AG)	Caslano / Switzerland	100.0
• CANCOM Computersysteme GmbH	Grambach / Austria	100.0
and its subsidiary		
– CANCOM a + d IT solutions GmbH	Perchtoldsdorf / Austria	100.0
2. CANCOM NSG GmbH	**Jettingen-Scheppach, Germany**	**100.0**
3. CANCOM IT Solutions GmbH	**Jettingen-Scheppach, Germany**	**100.0**
and its subsidiary		
• acentrix GmbH	Jettingen-Scheppach, Germany	51.0
4. CANCOM SYSDAT GmbH	**Cologne, Germany**	**100.0**
5. HOH Home of Hardware GmbH	**Jettingen-Scheppach, Germany**	**100.0**
6. CANCOM Bürotex GmbH	**Nürtingen, Germany**	**100.0**
and its subsidiaries		
• CANCOM Bürotex IT solutions GmbH	Nürtingen, Germany	100.0
• live Netzwerk & Computer GmbH	Munich, Germany	75.0
7. CANCOM SCC GmbH	**Stuttgart, Germany**	**100.0**
8. CANCOM physical infrastructure GmbH	**Jettingen-Scheppach, Germany**	**100.0**
and its subsidiary		
• Novodrom People Value Service GmbH	Jettingen-Scheppach, Germany	100.0
9. CANCOM Service Center Süd GmbH	**Jettingen-Scheppach, Germany**	**100.0**
10. CANCOM Ltd.	**Guildford / UK**	**100.0**
11. CANCOM Financial Services GmbH	**Jettingen-Scheppach, Germany**	**100.0**
12. NSG Datacenter Services GmbH	**Jettingen-Scheppach, Germany**	**100.0**
13. CANCOM IT Services GmbH	**Jettingen-Scheppach, Germany**	**100.0**

3. Accounting and valuation policies

The interim consolidated financial report is compiled using basically the same accounting and valuation methods as those used for the consolidated financial statements for the financial year 2009.

However, the amendment to IFRS 3 Business Combinations was not applicable in the financial year 2009, so this interim report is the first in which it is applied. The acquisition method is applied in accounting for all business combinations. Identifiable assets acquired and liabilities assumed are measured and shown in the balance sheet at their acquisition-date fair values. Incidental costs in relation to the acquisition are recorded as expenses at the date on which they were incurred.

B. Notes to the consolidated balance sheet

1. Other current financial assets
This item includes bonuses due from suppliers (€ 1,642k), receivables due from suppliers for returned goods (€ 784k), a claim to the payment of a purchase price (€ 393k), receivables from employees (€ 323k), creditors with a debit balance (€ 252k), marketing revenue (€ 207k), claims in respect of loans (€ 158k), property, plant and equipment classified as held for sale (€ 61k) and receivables from former shareholders (€ 47k).

2. Prepaid expenses, deferred charges and other current assets
This item mainly consists of other current assets such as a receivable arising from a copyright levy (€ 1,858k), tax refunds (€ 1,426k), accounts receivable from insurance companies (€ 274k), compensation damages (€ 267k) and receivables from the German Federal Employment Agency (€ 109k).

The prepaid expenses and deferred charges (€ 767k) also include deferred insurance premiums.

3. Deferred tax assets
The deferred tax assets are as follows:

Deferred tax resulting from	Temporary differences	Tax loss carryforward
	€'000	€'000
As at 1 January 2010	338	2,224
Inflow from capitalisation		128
Tax expenditure from profit and loss calculation	-19	-47
As at 31 March 2010	**319**	**2,305**

As at 31 March 2010, the CANCOM Group had corporation tax loss carryovers of € 14.9 million and trade tax loss carryovers of € 11.3 million. The unused corporation tax losses for which no deferred tax claim was recognised in the balance sheet amounted to € 6.3 million, and the trade tax loss carryovers for which no deferred tax claim was recognised amounted to € 5.7 million.

The deferred taxes from temporary differences are the result of differences in goodwill (€ 173k), other provisions (€ 96k) and intangible assets (€ 50k).

4. Other current financial liabilities
This item includes liabilities to former shareholders of a subsidiary (€ 552k), outstanding bills of charges (€ 521k), debtors with a credit balance (€ 294k), purchase price liabilities (€ 330k) and Supervisory Board remuneration (€ 52k).

5. Other provisions
Provisions mainly includes a copyright levy (€ 1,858k), the price of shares in affiliated companies (€ 1,569k), guarantees and warranties (€ 1,262k), severance payments and salaries (€ 803k), additional leasing costs (€ 304k), provisions for financial statement costs (€199k) and contingent risks (€ 144k).

The total provisions include long-term provisions of € 1,490k, which are disclosed under other non-current liabilities. They are mainly a provision for guarantees and warranties (€ 801k), a provision for severance payments which are legally mandatory in Austria (€ 347k), anniversaries (€ 141k), additional leasing costs (€ 100k) and provisions for part-time employment prior to retirement (€ 67k).

Notes to the consolidated accounts

6. Other current liabilities

Other current liabilities mainly include bonus payments to Board members and employees (€ 2,305k), holiday and overtime entitlements (€ 1,933k), sales tax (€ 1,587k), tax on wages and salaries and church tax (€ 1,374), trade association payments (€ 635k), wages and salaries (€ 424k), social security contributions (€ 76k) and compensation levy for non-employment of the severely handicapped (€ 45k).

7. Deferred tax liabilities

The deferred tax liabilities are as follows:

	€'000
As at 1 January 2010	1,967
Addition from deferred tax liabilities	738
Profit and loss account - tax expenses	-60
As at 31 March 2010	**2,645**

The deferred tax liabilities arise from deviations from the tax balance sheets. They are the result of the revaluation of intangible assets (€ 2,587), orders in process (€ 27k), capital from profit-participation rights and subordinated loans (€ 21k), property, plant and equipment (€ 6k) and other provisions (€ 4k).

They are recognised at an individual tax rate of between 25 percent (for the Austrian subsidiary) and 32.98 percent.

8. Equity capital

Share capital

The Company's share capital at 31 December 2009 was € 10,390,751, divided into 10,390,751 notional no-par-value shares.

Purchase of the Company's own shares

The Company bought back 23,010 of its own shares during the first quarter of 2010. As at 31 March 2010, the Company's holding of its own shares was 74,329 (nominally valued at € 74,329) with a book value of € 258,936.31.

Change of the number of shares outstanding:

	number of shares
Number of shares outstanding as at 31 December 2009	10,339,432
less purchased own shares in the first quarter 2010	-23,010
Number of shares outstanding as at 31 March 2010	**10,316,422**

As of 7 May 2010, no further CANCOM shares had been repurchased in the second quarter of 2010.

C. Notes to the consolidated income statement

1. Segment information (see page 16 – 17)

For a description of the segments subject to mandatory reporting, please see page 69 of CANCOM's annual report for 2009.

The subsidiaries included in the consolidated financial statements for the first time in this consolidated interim financial report are allocated to the IT solutions segment.

Reconciliation

Reconciliation shows items not directly connected with the operating segments and the other companies. They include sales within the segments, and the income tax expense.

The income tax expense is not a component of the profits of the operating segments. Since the tax expense is allocated to the parent company where the parent company is the taxable entity, the allocation of the income tax does not exactly correspond to the structure of the segments.

Information on geographical regions

	Sales revenues according to customer location		Sales revenues according to company location	
	03/31/2010	03/31/2009	03/31/2010	03/31/2009
	€'000	€'000	€'000	€'000
Germany	103,913	102,932	105,760	96,878
Outside Germany	10,647	2,752	8,800	8,806
Group	114,560	105,684	114,560	105,684

	Long-term assets	
	03/31/2010	03/31/2009
	€'000	€'000
Germany	39,877	32,033
Outside Germany	3,630	4,346
Group	43,507	36,379

Non-current assets includes property, plant and equipment, intangible assets, goodwill and other non-current assets. Financial instruments and deferred tax claims are not included.

Notes to the consolidated accounts

2. Other operating income

The other operating income is made up of the following:

€'000	01/01/ - 03/31/2010	01/01/ - 03/31/2009
Rent	22	99
Earnings from differences from consolidation of capital	662	0
Income not relating to the period	377	76
Government grants	77	0
Other operating income	75	22
Summe	**1,213**	**197**

Income not relating to the period mainly includes income from derecognition of debtors with a credit balance and overpayment of sales tax in previous years.

Grants from public funds comprises the subsidy from the German Federal Employment Agency for social security on short-time working benefit (€ 47k), and the subsidy from Germany's publicly owned development bank, KfW, allocated to the first quarter of the financial year 2010, which was granted at an interest rate below the market rate (€ 30k).

3. Personnel expenses

The personnel expenses consist of the following:

€'000	01/01/ - 03/31/2010	01/01/ - 03/31/2009
Wages and salaries	21,239	17,862
Social security contributions	3,852	3,199
Pension expenses	110	42
Total	**25,201**	**21,103**

4. Other operating expenses

The other operating expenses consist of the following:

€'000	01/01/ - 03/31/2010	01/01/ - 03/31/2009
Office space	1,557	1,313
Insurance and other charges	290	307
Motor vehicles	1,391	1,019
Advertising	520	537
Stock exchange and entertainment expenses	150	10
Hospitality and travelling expenses	543	421
Delivery costs	810	676
Thrid-party services	752	663
Repairs, maintenance, leasing	338	401
Communication and office expenses	444	431
Legal and consultancy expenes	362	129
Fees and charges, costs of money transactions	150	126
Allowance for bad debts	12	85
Other operating expenses	343	262
Total	**7,662**	**6,380**

5. Income tax

The rate of income tax for German companies was 31.54 percent (2009: 30.46 percent). This is made up of corporation tax, trade tax and the solidarity surcharge. The slight rise in the income tax rate is owing to the increase in the average rate of trade tax.
The divergence between the tax expenses reported and those at the tax rate of CANCOM IT Systeme Aktiengesellschaft is shown below:

€'000	01/01/ - 03/31/2010	01/01/ - 03/31/2009
Earnings before tax	**1,720**	**773**
Expected tax rate at to German companies (31.54 percent; 2009: 30.46 percent)	**542**	**235**
- Difference from tax paid abroad	-22	8
- Change in the value adjustment of deferred tax assets on loss carryforwards	-28	0
- Actual income tax not relating to the period	-8	-17
- Permanent differences: non-deductible operating expenses and additions and reductions due to trade tax	54	53
- Earnings from differences from consolidation of capital	-209	0
- Others	9	1
Total Group income tax	**338**	**280**

Notes to the consolidated accounts

The actual tax rate is calculated as follows:

	€'000
Income before tax	1,720
Income tax	338
Actual tax expense rate	**19.65 %**

Income tax comprises the income tax paid or owed in the individual countries and also the deferred taxes:

€'000	01/01/ - 03/31/2010	01/01/ - 03/31/2009
Actual income tax paid	**332**	**87**
Deferred taxes:		
Assets	66	213
Liabilities	-60	-20
	6	193
Group income tax	**338**	**280**

6. Minority interests

Minority interests account for 49 percent of acentrix GmbH's net income for the year (€ 8k) and 25 percent of live Netzwerk & Computer GmbH's net loss for the year (€ 3k).

D. Other disclosures

1. Related party disclosures

For the purposes of IAS 24, Klaus Weinmann can be considered a related party who can exercise a significant influence on the CANCOM Group, both as an Executive Board member and as a shareholder in CANCOM IT Systeme Aktiengesellschaft. Rudolf Hotter and Paul Holdschik, the other Executive Board members, are also related parties for the purposes of IAS 24, as are the members of the Supervisory Board.

There were no receivables or payables in relation to the Executive Board or the other companies in the CANCOM Group at the balance sheet date.

Since 1 July 2007, a consultancy agreement has been in place between CANCOM IT Systeme Aktiengesellschaft and the Chairperson of its Supervisory Board, Walter von Szczytnicki. The contract was drawn up on 9 March 2007 and approved in accordance with Section 114 of the German Stock Companies Act (Aktiengesetz, AktG), and provides for an annual remuneration of € 60,000.

On 27 June 2007 the Supervisory Board approved an M&A consultancy agreement with Auriga Corporate Finance GmbH, Munich, Germany on the occasion of the election to the Supervisory Board of CANCOM IT Systeme AG of Walter Krejci, managing director of Auriga Corporate Finance GmbH. The agreement had been signed on 7 March 2007 and required the approval of the Supervisory Board in accordance with Section 114 I of the German Stock Companies Act (Aktiengesetz, AktG).

Transactions with related parties were settled in the same way as arm's length transactions.

2. Shares held by members of the Executive and Supervisory Boards (at the balance sheet date)

For the shareholding structure, please see page 8 of this interim report.

3. Equity interests in the Company as defined in Section 20 IV of the German Stock Companies Act (Aktiengesetz, AktG)

In the first quarter of 2010 CANCOM IT Systeme Aktiengesellschaft received no written notice from any shareholder disclosing a majority shareholding as defined in Section 20 of the above Act.

Interim Report

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MASTHEAD

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