

Annual Financial Report 2009



We are shortening the crisis ...



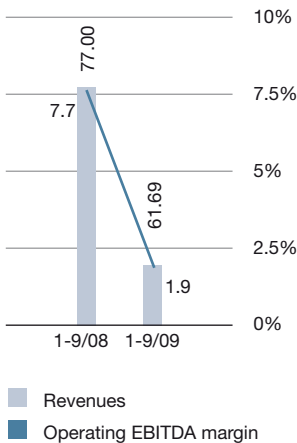


... because it's lasted long enough.

BRAIN FORCE Key Data

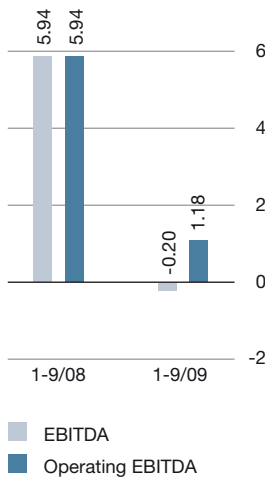
Revenues and EBITDA margin

in € million and %



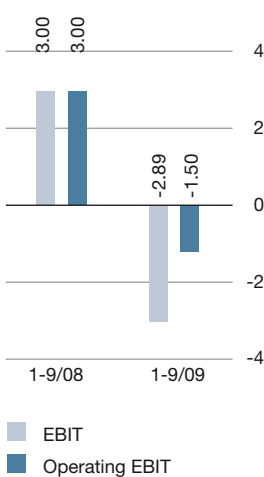
EBITDA

in € million



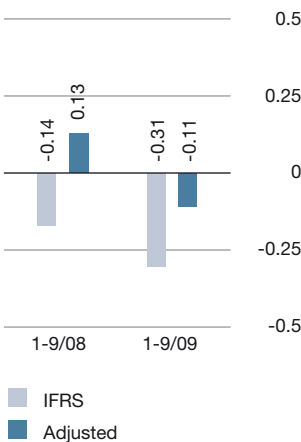
EBIT

in € million



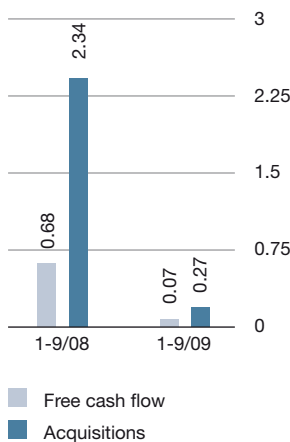
Earnings per share

in €



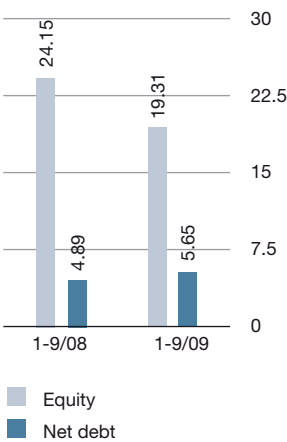
Free cash flow and Acquisitions

in € million

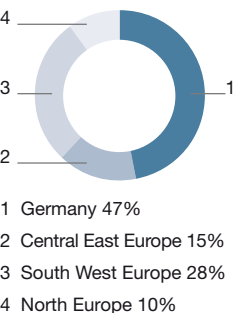


Equity and Net debt

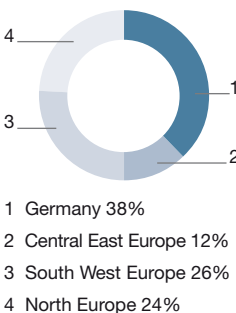
in € million



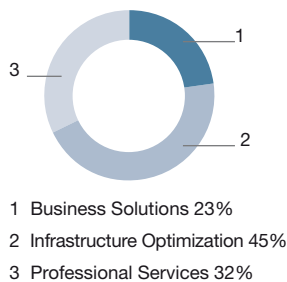
Revenues by regions



Operating EBITDA by regions



Revenues by business areas



Earnings Data		1-9/2009	1-9/2008 ¹⁾	Chg. in %	1-12/2008
Revenues	<i>in € million</i>	61.69	77.00	-20	104.51
EBITDA	<i>in € million</i>	-0.20	5.94	>100	8.19
Operating EBITDA ²⁾	<i>in € million</i>	1.18	5.94	-80	8.19
EBIT	<i>in € million</i>	-2.89	3.00	>100	4.30
Operating EBIT ²⁾	<i>in € million</i>	-1.50	3.00	>100	4.30
Profit before tax	<i>in € million</i>	-3.15	2.35	>100	2.85
Profit after tax	<i>in € million</i>	-2.41	1.48	>100	-1.58
Free cash flow ³⁾	<i>in € million</i>	0.07	0.68	-90	4.83
Capital expenditure	<i>in € million</i>	1.86	1.45	+28	2.23
Acquisitions	<i>in € million</i>	0.27	2.34	-88	2.22
Employees ⁴⁾		1,026	1,136	-10	1,153

Balance Sheet Data		30.9.2009	31.12.2008	Chg. in %
Equity	<i>in € million</i>	19.31	24.15	-20
Net debt	<i>in € million</i>	5.65	4.89	+16
Capital employed	<i>in € million</i>	24.77	28.86	-14
Working capital	<i>in € million</i>	2.83	5.64	-50
Balance sheet total	<i>in € million</i>	54.45	66.31	-18
Equity ratio	<i>in %</i>	35	36	-
Gearing	<i>in %</i>	29	20	-
Net debt / Operating EBITDA ⁵⁾		1.6	0.6	-

Stock Exchange Data		1-9/2009	1-12/2008	Chg. in %
Earnings per share	<i>in €</i>	-0.31	-0.14	>100
Adjusted earnings per share ⁶⁾	<i>in €</i>	-0.11	0.13	>100
Dividend per share	<i>in €</i>	0.00	0.00	-
Equity per share	<i>in €</i>	1.26	1.57	-20
Share price high	<i>in €</i>	2.19	2.58	-15
Share price low	<i>in €</i>	1.02	1.01	+1
Share price at year-end	<i>in €</i>	1.20	1.89	-37
Shares outstanding (weighted)	<i>in 1,000</i>	15.387	15.387	0
Market capitalization at year-end	<i>in € million</i>	18.46	29.08	-37

Segments 1-9/2009 <i>in € million</i>	Germany		Central East Europe		Sout West Europe		North Europe		Holding and Other	
Revenues	28.90	(-20%)	9.08	(-20%)	17.23	(-18%)	6.48	(-24%)	0.00	-
Operating EBITDA ²⁾	1.08	(-75%)	0.34	(-69%)	0.72	(-61%)	0.67	(-43%)	-1.63	(+36%)
Operating EBIT ²⁾	0.43	(-87%)	-0.44	(>100%)	0.12	(-91%)	0.08	(-88%)	-1.68	(+35%)
Capital expenditure	0.57	(+66%)	0.13	(>100%)	0.69	(+13%)	0.43	(+7%)	0.04	(+27%)
Employees ⁴⁾	436	(-5%)	151	(-12%)	351	(-12%)	79	(-15%)	10	(+0%)

1) Unaudited results from the quarterly report

2) Adjusted for restructuring costs. See notes pages 37 and 38

3) Cash flow from operating activities less cash flow from investing activities plus acquisitions


4) Average number of employees (salaried and free-lance) during the period

5) Calculated on the basis of operating EBITDA over the last 12 months

6) Adjusted for restructuring costs and results from discontinued operations as well as other non-recurring income and expense

Cutting it short simplifies things



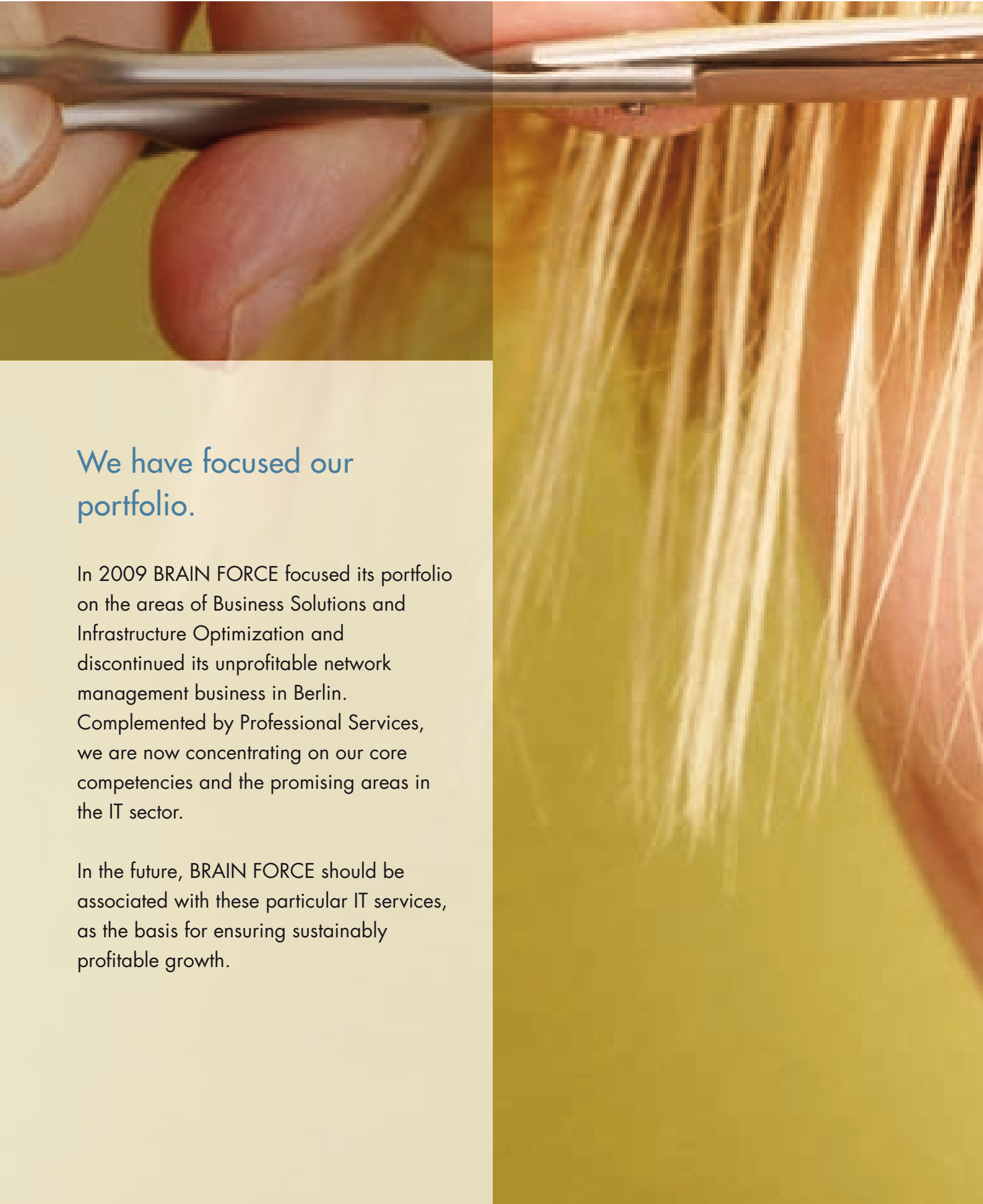


We optimized the cost structure.

BRAIN FORCE reacted to the financial and economic crisis at an early stage. Based on consistently implemented measures, the cost basis was reduced by about € 20 million compared to the record year 2008 and adjusted to the lower level of revenue.

Thus we have laid the groundwork to emerge strengthened from the crisis and generate positive results once again the upcoming years.

Cutting it short improves the outlook



We have focused our portfolio.

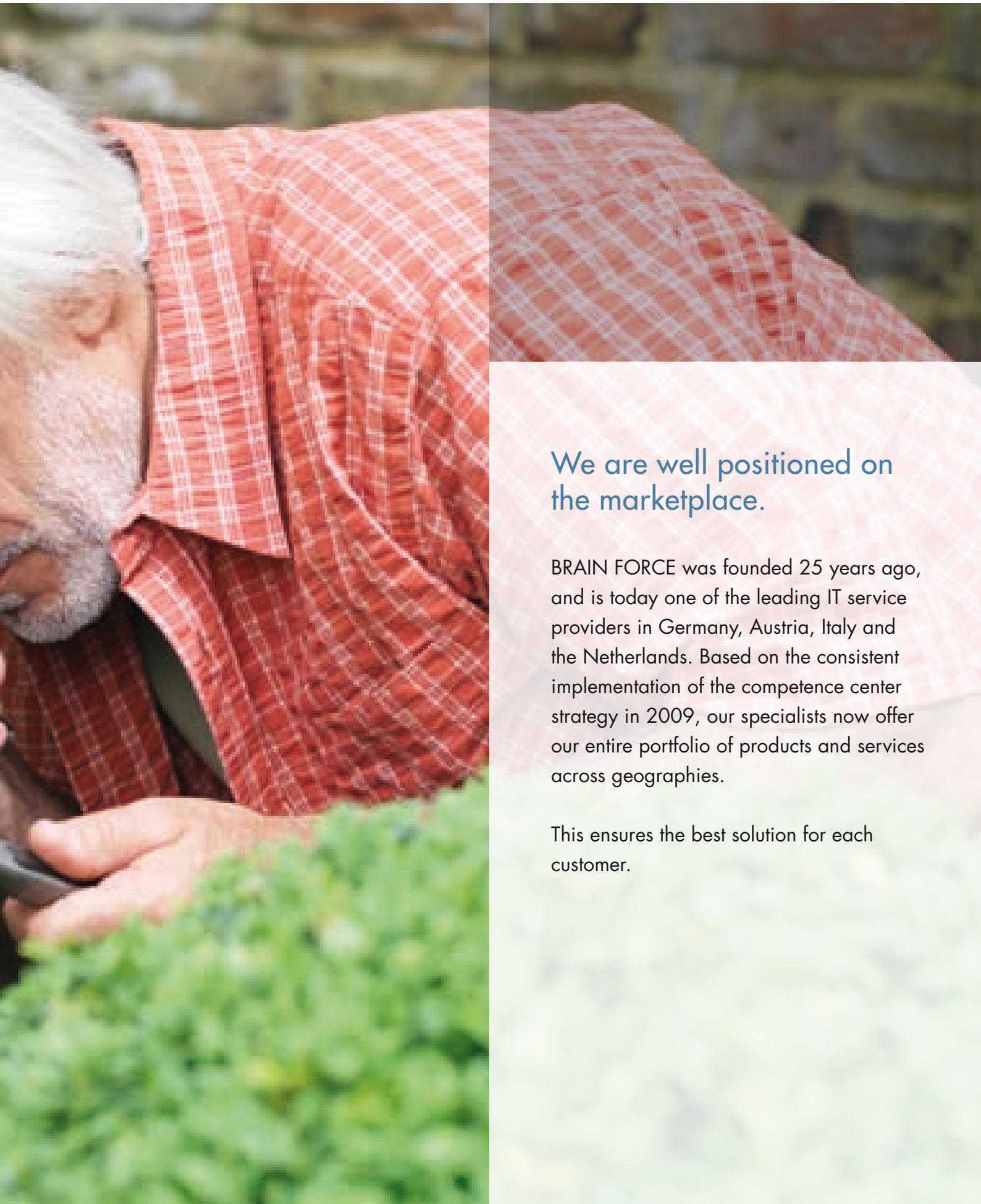
In 2009 BRAIN FORCE focused its portfolio on the areas of Business Solutions and Infrastructure Optimization and discontinued its unprofitable network management business in Berlin. Complemented by Professional Services, we are now concentrating on our core competencies and the promising areas in the IT sector.

In the future, BRAIN FORCE should be associated with these particular IT services, as the basis for ensuring sustainably profitable growth.



Cutting it short sharpens the profile





We are well positioned on the marketplace.

BRAIN FORCE was founded 25 years ago, and is today one of the leading IT service providers in Germany, Austria, Italy and the Netherlands. Based on the consistent implementation of the competence center strategy in 2009, our specialists now offer our entire portfolio of products and services across geographies.

This ensures the best solution for each customer.

Cutting it short facilitates advance

A full-page background image showing a person in a white dress standing in a room. A large mirror is visible in the background, and a wooden chair is in the foreground. The text is overlaid on the left side of the image.

We provide the basis for customer innovations.

Innovations enhance efficiency and enable growth. BRAIN FORCE is the technological leader in the rollout of the new Microsoft operating system Windows 7. Together with our own solution on software packaging, we significantly reduce the IT costs of our customers. In addition, the application and ongoing development of our business solutions increases the business success of companies.

Accordingly, we are able to provide added value and thus make sure that our customers rank among the winners.



9 months are enough this time around

New fiscal year starting
October 1, 2009

The restructuring has been successfully carried out, and the crisis has been shortened.

We've done our homework, and we are hitting the ground running already after 9 months.

We are prepared for the future.



The Short Fiscal Year 2009 at a Glance

BRAIN FORCE was affected by the financial and economic crisis in 2009, and therefore confronted with a 20% decline in revenues to € 61.69 million. However, the negative consequences of the downturn in business could be partially cushioned by tough cost reduction and restructuring measures. Operating EBITDA was down 80% to € 1.18 million, and operating EBIT fell from € 3.00 to -1.50 million. EBITDA including non-recurring restructuring costs of € 1.38 million amounted to € -0.20 million, and EBIT € -2.89 million. Moreover, the Berlin branch office was closed down, leading to a total net loss for the period of € 4.83 million in the first nine months of 2009.

We will return to an active growth strategy in the new fiscal year, positioning ourselves as a specialist for IT infrastructure solutions in Germany as well, in particular for software packaging and the Windows 7 rollout. In addition, we are developing a powerful business unit for ERP solutions in Austria on the basis of Microsoft Dynamics and are promoting the expansion of our SolveDirect service management solutions on the U.S. market. We expect a slight improvement in our order intake in the upcoming months, but do not foresee any easing off of price pressures. Through the restructuring measures implemented in past months, we were able to reduce the cost basis by € 20 million compared to 2008, enabling the company to more effectively cope with lower Group revenues. Accordingly, we aim to achieve positive operating results in the new 2009/10 fiscal year.

BRAIN FORCE at a Glance

BRAIN FORCE provides intelligent IT solutions in the fields of Business Solutions (solutions for business-critical processes) and Infrastructure Optimization (solutions enabling our customers to set up a well-manageable and efficient IT infrastructure). Professional Services (recruitment and supply of IT experts) complements our service offering. In this way, our customers profit from tailor-made services, flexible solutions and products.

- ▶ BRAIN FORCE is a medium-sized IT company, founded in 1983
- ▶ 978 employees at 11 locations in seven European countries (DE, IT, AT, NL, CZ, SK, CH)
- ▶ Registered office and Group headquarters in Vienna, Austria; publicly listed on the Vienna Stock Exchange

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* reviewed by the auditor

Foreword

Chief Executive's Review

Dear shareholders,

Due to the economic downturn, 2009 was a difficult year for BRAIN FORCE HOLDING AG, as expected. However, we initiated the necessary restructuring measures at an early stage, closely working together with the local management at our subsidiaries to guide the company as unscathed as possible through the crisis. Despite the 20% decline in revenues and a relatively high loss, we still managed to achieve a positive cash flow from operating activities of € 1.55 million, and to maintain a solid balance sheet structure. In addition, future financing has been secured, and BRAIN FORCE is fitter today than it was several years ago. This annual report describes developments at the company in the short fiscal year from January 1 to September 30, 2009.

The economic environment in our core markets of Germany, Italy, Austria and the Netherlands was bad during the first nine months, and we suffered from the considerable restraint displayed by our customers in respect to new IT investments. In particular, the resulting decline in licensing sales and increasing price pressure as well as the postponement of new orders ultimately had a negative impact on earnings. Whereas we continued to benefit from the high order intake as at the end of 2008 and the summer months proved to be extremely difficult, especially in Italy, the overall economic situation improved somewhat in September and October.

In the fourth quarter of the previous fiscal year, we already began to adjust our corporate strategy to take account of the recession. Three priorities were defined for 2009: 1) Restructuring and cost reductions in all areas, 2) Strengthening of inter-company financing based on working capital optimization and cash pooling and 3) Solutions designed to help our customers realize IT cost savings.

In our operating business, a series of cost reduction measures was already initiated at the beginning of the year, including cutbacks in consulting, travel and marketing costs, a Group-wide stop to all salary increases, the transfer of the Austrian companies to a much cheaper office and the subleasing of unused space in Germany. Moreover, tough restructuring measures were implemented in Italy to reduce the number of employees, along with short time working in Germany. On balance, 151 employees, or 13% of the total staff of the BRAIN FORCE Group, had to be dismissed in the first nine months of 2009. All countries were affected, in particular our Italian subsidiary, whose staff was cut back by 16%. In addition, the loss-making branch office in Berlin was discontinued effective September 30, 2009. As a result of these measures, restructuring costs of € 1.38 million arose from continuing operations, and the closing of the Berlin office had a net effect on earnings of € -1.81 million. On a positive note, we were able to sell back our stake in KEMP Technologies Inc.

(New York) to the company and cancel the related convertible bond, which resulted in an unexpected cash inflow of € 0.36 million.

Despite the revenue decline, BRAIN FORCE succeeded in posting a positive operating EBITDA in all regions. In Germany, the largest market for BRAIN FORCE, revenues during the period under review were down 20% to € 28.90 million, and operating EBITDA fell from € 4.35 to 1.08 million. Revenues in the Central East European region also decreased by 20% to € 9.08 million, and operating EBITDA declined from € 1.11 to 0.34 million. The North Europe region generated revenues of € 6.58 million, a drop of 24% from the prior year. Operating EBITDA was € 0.67 million, down from € 1.17 million in the first nine months of 2008. Revenues of the South West Europe region were down 18% to € 17.23 million, and operating EBITDA fell from € 1.86 to 0.72 million. However, in the short fiscal year 2009, the Group holding company succeeded in reducing costs by € 0.92 million.

Total Group revenues from continuing operations declined by 20% to € 61.69 million in the 2009 fiscal year. Operating EBITDA fell 80% to € 1.18 million, whereas operating EBIT deteriorated from € 3.00 to -1.50 million. After restructuring, Group EBITDA totaled € -0.20 million, and EBIT amounted to € -2.89 million. BRAIN FORCE posted a total net loss including discontinued operations of € 4.83 million, down from € -1.09 million in the prior year. Earnings per share dropped to -0.31 in the short fiscal year 2009.

It is important to note that despite the negative earnings development of the BRAIN FORCE Group in the past fiscal year, the company generated a positive cash flow from operating activities of € 1.55 million, and features a relatively low net debt at € 5.65 million (December 31, 2008: € 4.89 million). BRAIN FORCE has sufficient cash and unused lines of credit at its disposal. Gearing (the ratio of net debt to equity) is 29%, whereas the equity ratio is 35% (December 31, 2008: 36%). Accordingly, the Group boasts a solid balance sheet structure and has no foreseeable financing shortfall. Due to the negative Group results, the Management Board will propose to the Annual General Meeting on February 24, 2010 that no dividend be distributed for the 2009 fiscal year.

Following the necessary restructuring in the past fiscal year, we will return to an active growth path, and push ahead with the corporate strategy defined in the previous year. Our focus will be on increasing the international marketing of our solutions in the Infrastructure Optimization area. We appointed a responsible manager for this segment, and have begun expanding our software packaging solutions and Windows 7 rollout to the German and Dutch markets.

*Günter Pridt, CEO until 19.10.2009**Michael Hofer, CEO since 19.10.2009*

An initial success was achieved in Germany when we won a major contract to serve a multinational hardware and software provider. Our aim is to further extend our technological leadership for Microsoft solutions, and increasingly exploit the sales potential in our core markets.

A further focal point of our business operations is the development of a Microsoft Dynamics unit in Austria, where we aim to exploit synergies with our Italian subsidiary. We already succeeded in attracting our first customers in the automotive sector. At the same time, we are striving to acquire one or more smaller firms at feasible terms and conditions, in order to be able to quickly strengthen our market position in this area. Furthermore, we are speeding up the expansion of our SolveDirect division in the USA, in order to take advantage of the extensive market potential for IT service management solutions there. We can already count Cisco Systems, the world's largest network supplier, as a major customer, and initial projects have been successfully carried out.

Following the recessionary year 2009, we see indications that the recession has bottomed out and demand has slightly picked up again. However, we continue to anticipate a difficult price situation, and no quick recovery in IT expenditures is in sight. Nevertheless, our restructuring measures will show initial positive effects in the upcoming fiscal year. Our portfolio of products and services is significantly more focused, and we were able to reduce the cost basis by € 20 million compared to the record operating year 2008. Our clearly-defined target is to generate positive operating results

in the 2009/10 fiscal year. On a long-term basis, we will continue to work intensively on improving the profitability of the BRAIN FORCE Group.

I resigned my position as CEO of BRAIN FORCE HOLDING AG for health reasons, effective October 19, 2009, and will retire from the company effective as of December 31, 2009. The Supervisory Board quickly made an optimal decision and appointed Michael Hofer to be my successor as Chief Executive Officer, effective October 19, 2009. I would like to wish him and his colleague CFO Thomas Melzer much success for the future.

I would like to take this opportunity to sincerely thank our customers and business partners for their good cooperation and the confidence they have placed in us. I would also like to extend my thanks to our employees for their hard work and dedication in a very difficult business environment, and their intensive cooperation over the last two years. Esteemed shareholders, I would also like to thank you for your confidence and faith in the solid underpinnings of the company. Please continue to accompany BRAIN FORCE as it moves ahead on its path to a successful future.

Yours

Günter Pridt
Günter Pridt

Interview with the Management Board

Mr. Pridt, 2009 will go down in history as the most serious crisis year since the 1920s. How did BRAIN FORCE perform in the past fiscal year?

The year 2009 was characterized by a strong level of customer restraint in all our markets in respect to initiating new IT investments. In particular, there was a slump in license sales, and tremendous price pressure prevailed in the service business. At the peak of the crisis, our business primarily involved contracts concluded with existing customers, whereas it became considerably more difficult to attract new customers. Nevertheless, we did expect this development, and despite a record order intake at the end of 2008, we quickly took steps to adjust our structures to the lower level of revenues. In this regard, a painful downsizing of staff was necessary in several countries, which contributed to the losses posted by the company in the short fiscal year 2009. In the meantime, we have witnessed a slight recovery in respect to incoming orders and are confident we will emerge strengthened from the crisis as a result of the measures being implemented.

Which measures did you implement to effectively counteract the financial and economic crisis?

Tough cost reduction measures were implemented on all levels. We radically cut back on marketing, travel and consulting costs, transferred the Austrian companies to a much cheaper office location and put a stop to all salary increases. In addition, the managing directors and the members of the Management Board accepted cuts of about 10-15% in their fixed basic salaries. We also had to reduce the number of employees in all countries, introduce short time working in Germany and close the branch office in Berlin, which had posted losses for many years. The sale of our stake in KEMP Technologies Inc. in the USA resulted in an unexpected book gain of € 0.36 million. On balance, we strengthened the focus of our portfolio on profitable areas, and further optimized internal processes. It was particularly important for us to remain in close contact with our customers and show them how to realize IT cost savings. BRAIN FORCE has a range of leading edge solutions which we were able to market effectively during the crisis.

Mr. Melzer, how did earnings develop in the light of the tough restructuring measures?

Total Group revenues from continuing operations declined by 20% to € 61.69 million in the short fiscal year 2009. Organically speaking, i.e. excluding the Hamburg subsidiary which we disposed of, revenues were only down by 17%. What's worse, the traditionally good fourth quarter results are not contained in the short fiscal year 2009, due to the fact that our new balance sheet date is September 30. Neverthe-

less, we managed to generate a positive operating EBITDA of € 1.18 million, compared to € 5.94 million in the previous year. Operating EBIT amounted to € -1.50 million, or € -2.89 including restructuring costs, down from € 3.00 million in the first nine months of 2008. However, there were also positive developments. For example, we succeeded in achieving cost savings of € 0.92 million in the Group holding company, and significantly improved our financial result based on the introduction of a Group-wide cash pool, the optimization of working capital, the sale of our shareholding in KEMP and cancellation of the related convertible bond. The total net loss including restructuring costs and the discontinued operations in Berlin was € 4.83 million.

What are the effects of the high loss on the balance sheet in 2009?

We continue to boast a sound balance sheet structure despite the high loss generated in 2009. The equity ratio is 35% and is thus nearly unchanged. The ratio of net debt to operating EBITDA is 1.6x, and other indicators are solid as well. We have sufficient cash as well as lines of credit to finance working capital, and will first require more extensive refinancing in the year 2014. I would like to emphasize the fact that despite the negative results, we were able to generate a positive cash flow from operating activities of € 1.55 million. This success is mainly related to the optimization of internal processes in project management, invoicing and debt collection. We also reduced investments to a minimum, so that even free cash flow was slightly positive, at € 0.07 million. The optimization of cost structures and internal processes must be continued, and we are further improving our internal reporting to make developments in the Group even more transparent.

Mr. Hofer, in 2008 the BRAIN FORCE strategy was oriented to future growth areas in the IT sector. Then the economic crisis erupted. How would you assess the potential of the company?

My colleagues on the Management Board implemented tough but necessary restructuring measures in the past fiscal year, and made good progress. I would like to express my thanks to them for this. As a former member of the Supervisory Board, I was involved in the strategic decision-making process, and was well informed about the development of the company. The cross-border marketing of our know-how is very promising, as demonstrated by the launch of our Infrastructure Optimization activities in Germany or the development of a Microsoft Dynamics unit in Austria. I see further growth potential in the IT service management solutions offered by our subsidiary SolveDirect. In this regard we will press ahead with our expansion in the USA. A decisive factor underlying the long-term success of BRAIN FORCE is our ability to clearly define our core competencies and invest in them. On a medium-term basis, we will have to dispose of non-core or low margin business activities.

What do you consider to be the growth perspectives for BRAIN FORCE in the months and years ahead?

The marketing of the Infrastructure Optimization area in Germany has proceeded very promisingly. We have concluded a multi-year contract to serve a large multinational hardware and software provider, and we will apply our know-how in the field of software packaging on behalf of this group's customers. This quickly drew considerable attention to the packaging solutions offered by BRAIN FORCE. I also see the rollout of the new Microsoft operating system Windows 7 to be an additional growth driver. We are positioned as an important Microsoft partner, ranking among the technological leaders in this field based on our competence center in the Netherlands, and will exploit our competence to expand across borders. Finally, I would like to point to the successful start of our new Business Solutions unit in Austria, where we are implementing the first customer projects in this area on the basis of Microsoft Dynamics. We are also planning one or more acquisitions in this area, in order to be able to further expand quickly in this interesting market.

What expectations do you have in respect to the new 2009/10 fiscal year?

I am convinced that the upcoming fiscal year will also be a challenge for BRAIN FORCE. The economic crisis has not yet been overcome, and we anticipate a difficult business environment. There are signs of a slight recovery in demand and an end to the investment slowdown, but price pressure on the part of our customers will continue. However, we have done our homework, and reduced the cost basis by about € 20 million compared to the record year 2008. I am confident that our achievements and dedication will propel us into the ranks of the winners. One of the main factors underlying this optimism is our high performing staff, whom I would like to thank for their efforts and their perseverance in the past year. Our clearly-defined goal is to generate positive operating results again, and create long-term value on behalf of our shareholders.



From left to right: Günter Pridt, Michael Hofer, Thomas Melzer

Report of the Supervisory Board

The Supervisory Board and Management Board held a total of four meetings during the period under review, intensively discussing the overall business environment and the future strategic development of the company, as well as significant events and investments. Within the context of its regular reporting and a comprehensive report submitted for all meetings, the Management Board informed the Supervisory Board about the present state of business and the financial position of the Group and its strategic investments, as well as the personnel situation. Additional information was supplied about extraordinary developments.

The committees dealt with individual specialized issues in detail and subsequently reported its findings to the entire Supervisory Board. The Presidium of the Supervisory Board was continually informed about the current business situation by the Management Board. The Audit Committee convened three times, whereas the Remuneration and Nomination Committee met once. The criteria of variable remuneration, the principles of retirement benefits and termination benefits as well as the list of individual Management Board and Supervisory Board salaries are presented in the Remuneration Report found on page 26. No member of the Supervisory Board was absent for more than half of the Supervisory Board

meetings. Except for two meetings, all members were present at the sessions of the Audit Committee and the Remuneration and Nomination Committee.

An important focal point of the work done by the Supervisory Board in the past fiscal year was the restructuring plans developed by the Management Board. Cost reduction and restructuring measures were initiated immediately after it already became evident that a considerable revenue decline already for January was looming on the horizon as a consequence of the difficult business environment. This was designed to guide the company relatively unscathed through the economic crisis. The measures primarily involved a downsizing of the organization and staff in Italy, the closing of the Berlin branch office, short-time working in Germany and a cutback in administrative and marketing expenditures. On a Group-wide basis, 151 people (salaried employees and subcontractors) or about 13% of the total staff were dismissed, thus reducing the cost basis for the new fiscal year beginning October 2009 by about € 20 million. These measures were essential in the light of a 20% drop in revenue in the short fiscal year 2009, to € 61.69 million. The cost savings succeeded in significantly cushioning the impact of the revenue decline on earnings. Operating EBIT excluding non-recurring restructuring costs fell from € 3.00 to -1.50 million. The total net result including discontinued operations amounted to € -4.83 million.



The project to optimize working capital, which was launched in January 2009, fortunately helped the company to generate a clearly positive cash flow from operating activities of € 1.55 million despite the negative earnings. Although equity fell from € 24.15 to 19.31 million, the company has a solid balance sheet structure and there is no cause for concern in respect to financing perspectives. This is demonstrated by the relevant balance sheet indicators and the term structure of the company's financial liabilities, which are presented on page 41 of the annual report.

The Audit Committee held a meeting on March 26, 2009 together with the auditors to discuss the annual financial statements for the 2008 fiscal year. In the subsequent meeting, the Supervisory Board dealt with and formally approved the annual financial statements of BRAIN FORCE HOLDING AG, and also resolved upon the consolidated financial statements, the Management Report, the proposal for the distribution of the dividend submitted by the Management Board and the Report of the Supervisory Board to the Annual General Meeting. Furthermore, a declaration by the Chairman of the Supervisory Board was prepared in respect to the proposed auditors for the 2009 fiscal year, their legal relations to the BRAIN FORCE Group and the members of its corporate bodies were evaluated and the fees for the audit were negotiated. During the same meeting, the Supervisory Board also prepared the resolution for the election of the auditors by the Annual General Meeting.

The Supervisory Board meeting of May 7, 2009 dealt with preparations for the 11th Annual General Meeting of BRAIN FORCE HOLDING AG, which took place on May 14, 2009.

The Audit Committee convened on June 30, 2009 to deal with the issue of risk management in the company, which did not give rise to any objections. A further item on the agenda was the discussion and definition of the procedure, schedule and audit of the annual financial statements as at September 30, 2009.

In its meeting of August 24, 2009, the Management Board informed the Supervisory Board about the planned further strategic development of SolveDirect, a division of BRAIN FORCE SOFTWARE GmbH Austria. It presented a business plan to illustrate the potential opportunities relating to an expansion of the business to the USA. The possibilities to finance this important step towards growth were intensively discussed, and the Management Board was authorized to take all the necessary steps to accomplish this.

The meeting of the Audit Committee held on September 24, 2009 together with the auditors deal with the results of the preliminary audit of the annual financial statements as at September 30, 2009. In the subsequent meeting, the Supervisory Board was provided with detailed information about the current state of business, the

forecasted business results in the short fiscal year from January 1 to September 30, 2009, the 2009/2010 budget and medium-term planning. The budget was approved by the Supervisory Board following an intensive discussion.

The annual financial statements and Management Report of BRAIN FORCE HOLDING AG as well as the consolidated financial statements as at September 30, 2009 in accordance with IFRS were audited by PwC INTER-TREUHAND GmbH, Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna and granted an unqualified auditor's opinion. All documentation related to the annual financial statements, the proposal for the distribution of the profit and the Independent Auditor's Report were discussed in detail with the auditors and presented to the Supervisory Board. We evaluated the documents pursuant to Section 96 Austrian Stock Corporation Act and agree with the results of the audit. Accordingly, the annual financial statements have been adopted by the Supervisory Board in accordance with Section 125 (2) of the Austrian Stock Corporation Act. Furthermore, the Supervisory Board also approves the proposal of the Management Board for the appropriation of the result.

In the middle of October 2009, Günter Pridt surprisingly requested that the Supervisory Board terminate his current employment contract for health reasons, effective at the end of 2009. Subsequently, the Supervisory Board selected someone from its own ranks, namely Michael Hofer, to serve as the new Chief Executive Officer of BRAIN FORCE HOLDING AG. Michael Hofer served in various management positions in the Cross Group since 1991, most recently as the sole managing director of Eternit-Werke Ludwig Hatschek AG, as the IT manager for the Cross Group and since May 2008 as a member of the Supervisory Board of BRAIN FORCE HOLDING AG. The Supervisory Board would like to thank Günter Pridt for his valuable dedication over the last two years. At the same time, we would like to wish the new CEO Michael Hofer and his colleague, CFO Thomas Melzer, much success in further carrying out the growth strategy.

The Supervisory Board would like to thank the management as well as all employees for their dedication and hard work during a very difficult year in respect to the overall economic environment, and believes BRAIN FORCE is well positioned to emerge strengthened from the crisis.

Vienna, December 16, 2009



Christoph Senft
Chairman of the Supervisory Board

Corporate Governance Report

Corporate Governance at BRAIN FORCE

Implementation of strict guidelines focusing on good corporate governance and transparency

BRAIN FORCE pursues a strategy to ensure the sustainable enhancement of shareholder value. The goal of the Management and the Supervisory Board is to implement a strict policy focusing on good corporate governance and transparency, and the ongoing further development of an efficient system of corporate control. This approach is designed to create confidence in the company and establish the basis for long-term value creation.

Commitment to Austrian Corporate Governance Code

BRAIN FORCE is committed to complying with the Austrian Corporate Governance Code (ÖCGK), and has pledged to adhere to the guidelines contained in it. Accordingly, the company oriented its business operations in the short fiscal year 2009 from January 1 to September 30, 2009 to the January 2009 version of the Austrian Corporate Governance Code. In addition to observing the obligatory "L-Rules" (Legal Requirements), the BRAIN FORCE Group also abided by the "C-Rules" (Comply or Explain) of the currently valid Austrian Corporate Governance Code during the short fiscal year, bearing in mind the explanations provided below in respect to C-Rule 18 and C-Rule 45.

Sophisticated Risk management and controlling system, but no internal audit department

C-Rule 18: No separate internal audit department has been set up in the light of the company's size. However, BRAIN FORCE has established an internal controlling and reporting system enabling the Management Board to identify risks and quickly implement an appropriate response. The Supervisory Board, particularly the Audit Committee, is regularly informed about the internal control mechanisms and risk management throughout the Group. The Audit Management Letter prepared by the auditors and their report on the proper functioning of risk management procedures were presented to the Chairman of the Supervisory Board and discussed in a Supervisory Board meeting. Further information on risk management can be found on pages 47 to 50.

Functions of Supervisory Board members in competitive firms

C-Rule 45: The Supervisory Board member Peter Kotauczek, in his capacity as Chief Executive Officer of BEKO HOLDING AG, also serves on the Supervisory Board of its subsidiary, BEKO Engineering & Informatik AG, which operates in the field of Professional Services as does BRAIN FORCE SOFTWARE GmbH, Vienna. The Supervisory Board member Josef Blazicek also serves on the Supervisory Board of update software AG, which offers front office business solutions for similar branches as does BRAIN FORCE Software GmbH, Munich.

Guidelines enacted to prevent insider trading

The updated version of the Austrian Corporate Governance Code and the Corporate Governance Report are available online at www.brainforce.com under the heading "Investors". A compliance code implementing the provisions contained in the Issuer Compliance Regulation of the Austrian Financial Market Authority was enacted in the company as a means of preventing insider trading. Adherence to the guidelines is monitored by a compliance officer.

Commitment to transparency and a "true and fair view"

For the benefit of all BRAIN FORCE HOLDING AG shareholders, the company is committed to the principle of transparency and the goal of providing a "true and fair view" for all owners. All relevant information is published in our annual report, quarterly reports, on the corporate website and within the context of our ongoing public relations work. Reports are prepared in accordance with the internationally recognized accounting principles contained in the International Financial Reporting Standards (IFRS). BRAIN FORCE HOLDING AG also informs its shareholders about all issues and developments of relevance to the company by means of ad-hoc announcements and corporate news. The financial calendar already points out important dates in a timely manner. Comprehensive information is published in the "Investors" section of the BRAIN FORCE Website, and is thus available to all shareholders at the same time.

The principle of "one share – one vote" fully applies

The company has issued a total of 15,386,742 ordinary, no-par value bearer shares. There are no preferential shares or restrictions on these no-par value bearer shares. Accordingly, the principle of "one share – one vote" fully applies. The Austrian Takeover Act ensures that every shareholder will receive the same price for BRAIN FORCE shares in the case of a takeover bid (public tender offer). The shareholder structure is depicted on page 34 of the annual report.

Ongoing and intensive consultation between the Management and Supervisory Boards

The Management Board provides information to the Supervisory Board within the framework of regular meetings (at least one in each quarterly period). Additional meetings are held when necessary, for example to prepare an Annual General Meeting, to consult on the budget or discuss current strategic decisions. As a result, the Supervisory Board has access to all the relevant information required enabling it to perform its consulting and supervisory duties. Four meetings of the Supervisory Board were held in the short fiscal year from January 1 to September 30, 2009. In line with the Austrian Corporate Governance Code, the Management Board and Supervisory Board maintain ongoing contact above and beyond the formal sessions to discuss the development and strategic

orientation of the company. Depending on the significance and type of duty to be fulfilled, the Supervisory Board has also established committees to carry out specific functions. Every Supervisory Board member took part in more than half of the Supervisory Board meetings during the short fiscal year 2009.

The Supervisory Board has enacted guidelines to determine the independence of Supervisory Board members of BRAIN FORCE HOLDING AG in accordance with C-Rule 53 of the Austrian Corporate Governance Code:

- ▶ **Criterion 1:** The Supervisory Board member was not a member of the Management Board or a top executive of BRAIN FORCE HOLDING AG or a subsidiary of BRAIN FORCE HOLDING AG in the previous five-year period.
- ▶ **Criterion 2:** The Supervisory Board did not maintain any business ties with BRAIN FORCE HOLDING AG in the previous five-year period which may be considered significant in scope for the Supervisory Board member. This also applies to related party transactions with companies in which the Supervisory Board member has a considerable economic interest. Approval of individual transactions by the Supervisory Board pursuant to C-Rule 48 of the Austrian Corporate Governance Code does not automatically qualify the Supervisory Board member as being independent.
- ▶ **Criterion 3:** The Supervisory Board member was not an auditor of BRAIN FORCE HOLDING AG, a shareholder or employee of the auditing company over the previous three years.
- ▶ **Criterion 4:** The Supervisory Board member is not a member of the Management Board of another company, in which a member of the Management Board of BRAIN FORCE HOLDING AG serves on its Supervisory Board.
- ▶ **Criterion 5:** The Supervisory Board member has not been on the Supervisory Board of BRAIN FORCE HOLDING AG for more than 15 years. This does not apply to Supervisory Board members who own more than a 10% stake in the company or who represent the interests of such a shareholder.
- ▶ **Criterion 6:** The Supervisory Board member is not a close family member (direct descendant, spouse, common law spouse, parents, uncles, aunts, siblings, nieces and nephews) of a member of the Management Board of BRAIN FORCE HOLDING AG or of people who do not fulfill one of the other five criteria.

All Supervisory Board members of BRAIN FORCE HOLDING AG are to be considered as independent in line with the above-mentioned guidelines. Corresponding declarations were submitted by all Supervisory Board members. The main responsibility of the Supervisory Board is to supervise the work of the Management Board in accordance with Section 95 Austrian Stock Corporation Act. This responsibility is being completely carried out by the currently appointed Supervisory Board. The company has a free float exceeding 20% and less than 50%. Two members of the Supervisory Board (Christoph Senft and Wolfgang Hickel) are not owners of the company with a stake of more than 10%, nor do they represent the interests of a large shareholder. Employees of BRAIN FORCE HOLDING AG have not elected a works council. For this reason, no employee representative is a member of the Supervisory Board.

BRAIN FORCE HOLDING AG has neither granted loans to Management nor to Supervisory Board members. Based on the approval granted by the Supervisory Board (with Josef Blazicek abstaining from voting), the company concluded a Letter of Engagement in August 2009 contracting Ocean Consulting GmbH, a company in which Josef Blazicek is a partner, to provide M&A consulting services. The fees stipulated in the agreement correspond to prevailing market rates and invoicing had not yet been fully concluded as of the balance sheet date. Hofer Management GmbH, a company in which Michael Hofer owns a 100% stake, placed one employee at the disposal of BRAIN FORCE at prevailing market terms and conditions as of the beginning of September 2009.

PwC Inter-Treuhand GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft was appointed by the 11th Annual General Meeting to serve as the auditors of the consolidated annual financial statements and annual financial statements of BRAIN FORCE HOLDING AG for the short fiscal year from January 1 to September 30, 2009. In addition to this work, PwC and partner offices around the world also sporadically perform tax and consulting services on behalf of the BRAIN FORCE Group. In the short fiscal year 2009 total consulting fees invoiced by PwC to BRAIN FORCE HOLDING AG amounted to EUR 0.11 million. The fee charged for auditing the consolidated financial statements and carrying out audit-related services totaled EUR 0.13 million. Contractual agreements do not exist at the present time for project-related consulting services to be performed in the upcoming fiscal year 2010.

Independence criteria for the Supervisory Board pursuant to the Austrian Corporate Governance Code

All Supervisory Board members are independent pursuant to the Austrian Corporate Governance Code

Report on related party transactions

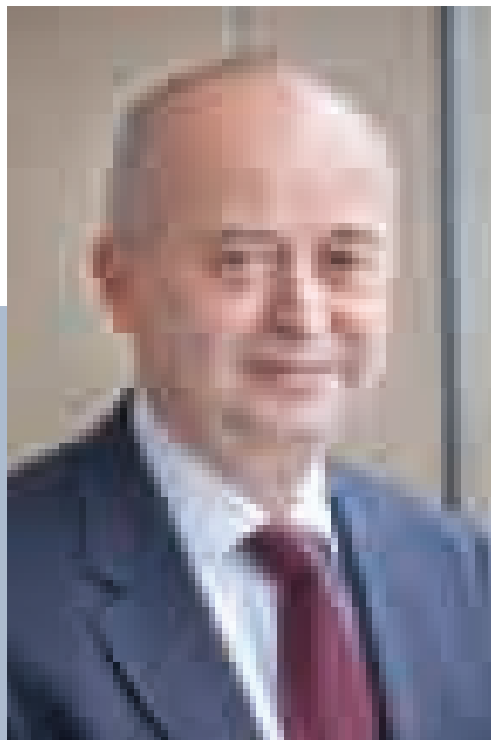
Disclosure of auditor's fees

Management Board

Günter Pridt, who served as Chief Executive Officer of BRAIN FORCE HOLDING AG since September 4, 2007, requested that the Supervisory Board terminate his employment contract for health reasons, effective at the end of 2009. Günter Pridt was a member of the Supervisory Board of BRAIN FORCE HOLDING AG from 2005 to 2007 before being named CEO in September 2007. The Supervisory Board appointed Michael Hofer to be the new Chief Executive Officer, effective October 19, 2009.



Günter Pridt



Michael Hofer



Thomas Melzer

Michael Hofer

Chief Executive Officer since October 19, 2009, appointed until December 31, 2010. Born 1960, married

Dr. Michael Hofer, who holds a master's degree in business administration, has served as Chief Executive Officer of BRAIN FORCE HOLDING AG since October 19, 2008. His professional career began in 1983, when he held a chair in the science of advertising and market research at the Vienna University of Economics and Business Administration until 1991. In that year, he was named product manager at Eternit-Werke Ludwig Hatschek AG and also assumed the position of managing director of Trumag Trunkenbolz VertriebsgmbH. In 1996, he served as the executive officer of Welsermühl Holding AG. From 1997 until 2005 he worked in various positions for KTM Sportmotorcycle AG in the fields of organization, IT, accounting, human resources and distribution logistics. He also served on the company's management board for two and one half years. Before being named the CEO of BRAIN FORCE, he was the sole managing director of Eternit-Werke Ludwig Hatschek AG for about four years in the period 2005 to 2009, and a member of the Supervisory Board of BRAIN FORCE HOLDING AG starting on May 28, 2008.

Areas of responsibility of Michael Hofer since October 19, 2009:

- ▶ Operations
- ▶ Marketing
- ▶ Legal Management
- ▶ Public Relations

Günter Pridt

Chief Executive Officer until October 19, 2009, member of the Management Board until December 31, 2009. Born 1951, married

Günter Pridt joined IBM in 1973. After holding various consulting positions related to key accounts and management positions in distribution and marketing, he assumed overall responsibility for the services segment of IBM Austria, Central Europe and Russia. In this function, he also served on the Management Board. From November 1997 to October 2000, he served as general manager and sole managing director of IBM Austria. In 2001, he joined the Management Board of BRAIN FORCE SOFTWARE AG, where he was in charge of the operating business as COO until 2004, particularly promoting the development of the services business. He subsequently served on the Supervisory Board of the company. From September 4, 2007 to October 19, 2009, Günter Pridt worked as Chief Executive Officer and until December 31, 2009 as member of the Management Board of BRAIN FORCE HOLDING AG.

Areas of responsibility of Günter Pridt until October 19, 2009:

- ▶ Operations
- ▶ Marketing
- ▶ Legal Management
- ▶ Public Relations

Thomas Melzer

Chief Financial Officer, appointed until March 31, 2011. Born 1970, married

Thomas Melzer, who holds a master's degree in business administration, has served as Chief Financial Officer of BRAIN FORCE HOLDING AG since April 1, 2008. He previously worked in various positions for Wienerberger AG, the world's largest brick manufacturer: from 1997 to 1999 in controlling and Group accounting, and starting in the year 2000 as director of investor relations and corporate communications. From 2001 to 2008, Thomas Melzer was also a member of the Management Committee of Wienerberger AG, and served on the Supervisory Board of the Pipeline Group from June 2007 to February 2008. In addition, Thomas Melzer was a member of the Management Board of Cercle Investor Relations Austria (C.I.R.A.), serving as its chairman from October 2004 to September 2007.

Areas of responsibility of Thomas Melzer:

- ▶ Finance & Administration
- ▶ Investor Relations
- ▶ Human Resources
- ▶ Internal Communications

Areas of responsibility shared by all members of the Management Board:

- ▶ Business Strategy
- ▶ Strategic Projects

The members of the Management Board do not serve on the management or supervisory boards of other companies which are not part of the BRAIN FORCE Group.

Members of the Supervisory Board

In the short fiscal year 2009, lasting from January 1 to September 30, 2009, the Supervisory Board of BRAIN FORCE HOLDING AG consisted of seven members elected by the Annual General Meeting.

Christoph Senft, Chairman

Independent pursuant to Rule 53 Austrian Corporate Governance Code, term of office until the end of the annual general meeting resolving upon the 2009 fiscal year, first elected June 12, 2003, born 1961

- ▶ Managing Director of MWS Industrieholding GmbH
- ▶ Managing Director of MWS Aluguss GmbH

Friedrich Roithner, Deputy Chairman

Independent pursuant to Rule 53 Austrian Corporate Governance Code, term of office until the end of the annual general meeting resolving upon the 2011 fiscal year, first elected May 28, 2008, born 1963

- ▶ Management Board of Unternehmens Invest AG
- ▶ Supervisory Board of BEKO HOLDING AG

Josef Blazicek

Independent pursuant to Rule 53 Austrian Corporate Governance Code, term of office until the end of the annual general meeting resolving upon the 2011 fiscal year, first elected May 28, 2008, born 1964

- ▶ Chairman of the Supervisory Board of CROSS Industries AG
- ▶ Chairman of the Supervisory Board of BEKO HOLDING AG
- ▶ Supervisory Board of Unternehmens Invest AG
- ▶ Supervisory Board of update software AG
- ▶ Supervisory Board of Pankl Racing Systems AG
- ▶ Supervisory Board of All for One Midmarket AG

Wolfgang M. Hickel

Independent pursuant to Rule 53 Austrian Corporate Governance Code, term of office until the end of the annual general meeting resolving upon the 2011 fiscal year, first elected June 14, 2000, born 1949

- ▶ Principal of the Höhere Technische Bundeslehr- und Versuchsanstalt Spengergasse school in Vienna

Michael Hofer

Independent pursuant to Rule 53 Austrian Corporate Governance Code, term of office until October 19 2009, first elected May 28, 2008, born 1960

- ▶ Sole Managing Director of Eternit-Werke Ludwig Hatschek AG until July 2, 2009

Peter Kotauczek

Independent pursuant to Rule 53 Austrian Corporate Governance Code, term of office until the end of the annual general meeting resolving upon the 2009 fiscal year, first elected December 22, 2006, born 1939

- ▶ Chief Executive Officer of BEKO HOLDING AG
- ▶ Supervisory Board of TeleTrader Software AG

Stefan Pierer

Independent pursuant to Rule 53 Austrian Corporate Governance Code, term of office until the end of the annual general meeting resolving upon the 2011 fiscal year, first elected May 28, 2008, born 1956

- ▶ Chief Executive Officer of KTM Power Sports AG
- ▶ Management Board of CROSS Industries AG
- ▶ Chairman of the Supervisory Board of Pankl Racing Systems AG
- ▶ Deputy Chairman of the Supervisory Board of Unternehmens Invest AG
- ▶ Supervisory Board of BEKO HOLDING AG
- ▶ Supervisory Board of Austria Email Aktiengesellschaft

Supervisory Board Committees

Audit Committee

Members are: Friedrich Roithner (Chairman), Christoph Senft (Deputy Chairman), Josef Blazicek

The duties of the Audit Committee include:

- ▶ Supervising Group accounting processes
- ▶ Overseeing the work of the auditors
- ▶ Audit and preparations for the approval of the annual financial statements, proposals for the distribution of the profits and the management report
- ▶ Audit of the consolidated financial statements
- ▶ Developing a proposal for the selection of the auditors
- ▶ Supervising internal control and risk management systems

Three meetings of the Audit Committee were held during the short fiscal year 2009 lasting from January 1 to September 30, 2009, primarily focusing on the following issues:

- ▶ March 2009: Auditor's Report on the audit of the financial statements for the 2008 fiscal year ending December 31, 2008
- ▶ June 2009: Preliminary discussions in respect to the audit of the financial statements for the short fiscal year 2009 ending September 30, 2009
- ▶ September 2009: Auditor's Report on the results of the preliminary audit of the financial statements as at September 30, 2009

Remuneration and Nomination Committee

Members are: Christoph Senft (Chairman), Friedrich Roithner (Deputy Chairman)

The duties of the Remuneration and Nomination Committee include:

- ▶ Developing proposals to fill positions on the Management Board and Supervisory Board
- ▶ Remuneration of members of the Management Board
- ▶ Employment contracts with members of the Management Board

One meeting of the Remuneration and Nomination Committee was held during the short fiscal year 2009 lasting from January 1 to September 30, 2009, focusing on an evaluation discussion for the potential filling of a position on the Management Board of the company.

Remuneration Report

Transparent presentation of remuneration paid to the Management and Supervisory Boards in the Remuneration Report

The Remuneration Report summarizes the principles applied in determining the remuneration paid to the Management Board of BRAIN FORCE HOLDING AG, and explains the amount and structure of the income received by the members of the Management Board. In addition, the report also presents the principles and amount of remuneration paid to the members of the Supervisory Board. The Supervisory Board delegated responsibility for determining the remuneration for the BRAIN FORCE Management Board to the Remuneration and Nomination Committee.

The aim of the remuneration scheme is to ensure an adequate and performance-based compensation

Pursuant to the stipulations contained in the Austrian Stock Corporation Act, the Management Board is appointed for a specified period of time (term of office of Günter Pridt until December 31, 2009, term of office of Thomas Melzer until March 31, 2011). Employment contracts for the individual members of the BRAIN FORCE Management Board are concluded for the respective term of office, defining the amount and structure of the remuneration. The aim of the remuneration scheme is to provide appropriate compensation for the Management Board members in accordance with the scope of their functions and areas of responsibility, taking account of national and international comparisons in the IT sector. An important aspect of the remuneration system is a variable salary component which incorporates the success of the company. For this reason, the total gross salary is based on fixed and performance-based salary components, in which case the performance-related component is calculated in accordance with the respective Group profit before tax.

Annual bonus of the Management Board is oriented to profit before tax

The fixed basic salary is oriented to the areas of responsibility assumed by each Management Board member, and is paid in fourteen monthly installments at the end of the respective month, as is customary in Austria. The consequence is that each Management Board member has a different fixed salary depending on the range of his duties and functions, taking the strategic and operational responsibility into consideration. The annual bonus represents a variable cash remuneration, the amount of which directly depends on the profit before tax of the BRAIN FORCE Group. Due to the economic development, the Management Board members have decided to waive part of their fixed annual gross salaries (Günter Pridt: - € 40,000, Thomas Melzer - € 20,000) and make it dependent on achieving the budgeted targets. The original performance-based salary component may not surpass the limit of 100% of the total annual fixed salary. The fixed salary and annual bonus are paid on a pro rata basis if the period of employment is for periods of less than one year.

The Management Board members are not entitled to an annual bonus for the short fiscal year 2009

The total gross cash salaries paid to the members of the Management Board for the short fiscal year 2009 amounted to € 364,286 (2008: € 592,692). Due to the results of the company in the lapsed fiscal year, the Management Board members did not earn the right to an annual bonus.

Cash salaries of Mgmt. Board in €	1-9/2009			1-12/2008		
	Fixed	Variable	Total	Fixed	Variable	Total
Günter Pridt	200,000	0	200,000	280,000	92,967	372,967
Thomas Melzer	164,286	0	164,286	165,000	54,725	219,725
Total	364,286	0	364,286	445,000	147,692	592,692

Management Board members do not serve on other boards

Supervisory Board approval is required for a Management Board member to do additional work. This ensures that the time involved or the remuneration received does not lead to a conflict of interest with the individual's responsibilities on behalf of BRAIN FORCE. In the past fiscal year, the Management Board members of BRAIN FORCE did not perform any other jobs in the form of Supervisory Board or Management Board mandates with other domestic or foreign companies outside of the BRAIN FORCE Group. No remuneration is paid for positions assumed in BRAIN FORCE subsidiaries.

In the case of a termination of the employment relationship to a member of the Management Board, the respective member of the Management Board have a claim for severance payments pursuant to the legal regulations prevailing in Austria. In 2009, payments to “Mitarbeitervorsorgekassen” (statutory contributions to a fund for employee severance payments) totaled € 7,154 (2008: € 6,758). As of 2009 5% and as of 2010 10% of the fixed basic salary of the Chief Financial Officer will be paid by the company on his behalf into a defined contribution pension scheme. No other pension fund agreements exist. No pension expenses for previous Management Board members were recognized (previous year: € 76,664).

Severance payments for Management Board members reflect legal regulations in Austria

The Annual General Meeting held on May 14, 2009 approved the following remuneration scheme for members of the Supervisory Board which is the same as in the previous year: in addition to reimbursement for expenses, the Supervisory Board members receive a fixed remuneration for their work on the Supervisory Board in the 2009 fiscal year, depending on the functions they perform. Accordingly, the Chairman of the Supervisory Board receives € 10,000 p.a., the Deputy Chairman € 8,000 p.a. and every other Supervisory Board member is paid € 6,000 annually. In addition, the Chairman is granted an attendance fee of € 1,000 for each Supervisory Board meeting he attends, whereas the Deputy Chairman is paid € 800, and the other members € 600 for attending. The chairman of a committee is given € 500, the deputy chairman € 400 and other members € 300 for each committee meeting they personally attend. If Supervisory Board members perform additional work on behalf of the company, they may be granted special remuneration by a resolution of the Annual General Meeting. For the fiscal year from January 1 to September 30, 2009 (paid in 2010) and for the fiscal year from January 1 to December 31, 2008 (paid in 2009) expenses for the remuneration of the members of the Supervisory Board in the total amount of € 63,733 and € 70,067 respectively were recognized.

Annual General Meeting resolution on remuneration for the Supervisory Board

Remuneration for the Supervisory Board in €	1-9/2009	1-12/2008
Christoph Senft	15,500	17,800
Friedrich Roithner	10,433	8,500
Josef Blazicek	7,800	5,650
Wolfgang Hickel	7,500	9,600
Michael Hofer	7,500	5,350
Peter Kotauczek	8,100	9,600
Stefan Pierer	6,900	5,350
Christian Schamburek	0	5,167
Christian Wolff	0	3,050
Total	63,733	70,067

For services performed above and beyond the above-mentioned Supervisory Board duties, in particular for any consulting fees or commissions, see the explanation in the Corporate Governance Report on page 21. No pension obligations exist for members of the Supervisory Board of BRAIN FORCE HOLDING AG.

No pension obligations for the Supervisory Board

Sales and acquisitions of BRAIN FORCE shares by members of the Management Board and Supervisory Board are reported to the Financial Market Authority in accordance with Section 48 Austrian Stock Exchange Act, and is published on the BRAIN FORCE Website under “Investors/Corporate Governance/Directors’ Dealings”.

Disclosure of transactions in own shares on the Website

BRAIN FORCE HOLDING AG has taken out a “Directors and Officers” (D&O) insurance policy on behalf of the Management Board and Supervisory Board members, and bears the costs.

Company pays costs of D&O insurance

The Company

Company Profile

Leading IT services Group
with 978 employees in seven
European countries

BRAIN FORCE is a leading IT services group with 978 employees at 11 locations in seven European countries. The corporate headquarters of BRAIN FORCE, a publicly listed company on the Vienna Stock Exchange, are located in Vienna, Austria. Germany is the largest single market, generating 47% of Group revenues, followed by South West Europe (particularly Italy) which contributes 28%, Central East Europe (led by Austria) with a 15% share of revenues and North Europe (Netherlands) which accounts for 10% of total revenues.

BRAIN FORCE was
established in 1983

Founded in 1983, BRAIN FORCE has considerably expanded its portfolio of products and services since the Initial Public Offering in the year 1999 (Neuer Markt segment in Frankfurt). The core business of the company rests upon two pillars, Business Solutions and Infrastructure Optimization.

Business Solutions

The Business Solutions area develops solutions to support business processes in companies, enabling them to achieve competitive advantages.

Infrastructure Optimization

The Infrastructure Optimization area offers solutions providing companies with a well-manageable and efficient IT infrastructure, thus increasing the productivity and reducing the costs of BRAIN FORCE customers.

This portfolio is complemented by **Professional Services** in Germany and Austria, where BRAIN FORCE recruits and supplies IT specialists for customer requirements.

Accordingly, customers and partners profit from intelligent solutions, longstanding competence, high cost efficiency and the strong commitment of BRAIN FORCE employees as the basis for being successful in their markets.

BRAIN FORCE is represented at the following locations:



Products and Services

BRAIN FORCE offers intelligent IT solutions on the basis of best practices, effective services and innovative products in the areas of Business Solutions and Infrastructure Optimization. Professional Services complements the BRAIN FORCE portfolio, offering the recruitment and provision of the right IT experts at the right time. Customers profit from a tailor-made service offering, flexible solutions and products.

Business Solutions encompasses solutions in the following fields:

- ▶ Enterprise Resource Planning (ERP): Improvement of the customer's competitive position through the optimized coordination and integration of business processes based on comprehensive branch know-how
- ▶ Customer Relationship Management (CRM): Increased sales success and customer satisfaction based on a solution which is optimally tailored to everyday business processes
- ▶ Corporate Performance Management (CPM) / Business Intelligence (BI): Processes, methods and KPI (Key Performance Indicator) systems for the orientation of operational and strategic priorities and the preparation of target group specific reports
- ▶ Solutions for financial services providers: Business process optimization with the help of tailor-made solutions. High quality services and solutions for front and back office areas promote the business of customers in the financial industry

Infrastructure Optimization bundles solutions focusing on:

- ▶ Server and Data Management: Buildup of a well-manageable, dynamic, secure and reliable server and data infrastructure
- ▶ Workspace Management: Creation of a dynamic, user-focused infrastructure by means of the implementation of leading-edge technologies and taking advantage of best practices, as well as the achievement of cost savings based on the automation of manual tasks
- ▶ Application Provisioning and Control: Best practices, application management processes and intelligent tools designed to provide users in every situation with the right functions at the right time
- ▶ Communication and Collaboration: Increased user productivity by integrating state-of-the-art technologies in the field of collaboration and communication into the existing infrastructure
- ▶ IT Service Management Solutions: Integration, administration and management of all service processes, systems and partners on a single platform
- ▶ Network Analysis: Innovative solutions enabling improved productivity, increased availability and the prevention of malfunctions or breakdowns in network applications

Intelligent IT solutions
contribute to the business
success of customers

BRAIN FORCE supplies
optimized solutions for
business-critical processes

We provide customers with a
well-manageable and efficient
IT infrastructure

Business Solutions		Infrastructure Optimization
Enterprise Resource Planning Customer Relationship Management Corporate Performance Management / Business Intelligence	to be implemented through Business Units in every country	Server and Data Management Workspace Management Application Provisioning and Control Communication and Collaboration
Financial Services Solutions	driven by Competence Center („do once approach“)	IT Service Management Solutions Network Analysis
Professional Services Recruitment and staffing of IT experts in selective countries		

Corporate Strategy

Adjustment of strategy to the difficult business environment

The BRAIN FORCE management immediately reacted to the slump in its order intake at the beginning of the 2009 fiscal year, taking account of the difficult market environment by making short-term adjustments to the growth strategy previously defined in 2008. Three priorities were set for the recessionary year 2009:

Restructuring and cost-cutting in all areas

1. Restructuring and cost reductions

In addition to a Group-wide stop to all salary increases and capacity adjustments with subcontractors, the company initiated significant cutbacks in marketing, travel and consulting expenditures, a painful but essential downsizing of staff focusing on the company's operations in Italy as well as short-time working in Germany. In addition, BRAIN FORCE closed its branch office in Berlin, which had posted losses for many years, and streamlined the portfolio by ceasing to offer its Network Management solution ICT Suite.

Optimization of Working Capital and Cash Pooling

2. Strengthening of inter-company financing

In line with the motto "Cash is King", BRAIN FORCE launched a project to optimize working capital and implemented a Group-wide cash pooling system. This enabled the company to reduce external financing requirements and interest expenses and to improve its balance sheet structure.

First large Infrastructure Optimization contract in Germany

3. Focus on customer proximity

In this difficult business year, we oriented our business operations even more to current market and customer requirements, and expanded our offering in the Infrastructure Optimization area (e.g. software packaging solutions from the Netherlands), particularly in Germany. We want to help our customers realize IT cost savings in order to more effectively deal with the economic crisis. A large contract to serve a multinational hardware and service company comprises the first major success resulting from the implementation of this strategy.

Creation of a clearly-defined core competence and increased brand recognition

Since the middle of 2008, the two pillars of the **long-term growth strategy of BRAIN FORCE** have been **Business Solutions** and **Infrastructure Optimization**. Following an extensive evaluation of the market environment in the countries served by BRAIN FORCE and on the basis of external analyses of the Gartner Group, these two business areas were identified as promising and future-oriented fields of the IT sector featuring above-average growth potential. The product and service offering in these two growth fields is not only covered by individual countries but by local business units throughout the Group, enabling increased visibility and recognition of the BRAIN FORCE brand on an international level. At the same time, BRAIN FORCE is marketing its existing portfolio (FINAS Suite, Rebecca, Jupiter, SolveDirect) on the basis of a competence center structure in accordance with the "do-once approach", in order to bundle know-how and reduce costs.

Expanded market position for Business Solutions through acquisitions targeted

Business Solutions

In order to strengthen the position of the BRAIN FORCE Group in the Business Solutions area, the potential acquisition of established providers in the fields of ERP, CRM and CPM/BI is being evaluated. At the same time, the company is promoting the marketing of its own software solutions such as FINAS Suite (sales and consulting solutions for financial service providers) from Munich, Rebecca (mortgage administration) and Jupiter (asset management) from the Czech Republic and Slovakia in accordance with the respective market potential.

A separate dedicated Microsoft Dynamics business unit was created in Austria in the middle of the year in order to organically implement the strategy in respect to ERP solutions. At present, we are working on the acquisition of a smaller company which would enable us to more quickly and extensively provide the above-mentioned solutions.

Organic expansion of Infrastructure Optimization solutions in all BRAIN FORCE markets

Infrastructure Optimization

The Infrastructure Optimization area attaches particular importance to expanding its offering of services and software products with growth potential to other markets. The focus is on those services and products which are already being successfully marketed by the Group in individual countries and are recognized as being suitable for application on an international basis, in particular Workspace Management as well

as Server and Data Management solutions for dynamic, user-oriented workplaces, along with Application Provisioning and Control (e.g. BRAIN FORCE Packaging Robot = software packaging solutions from the Netherlands) for highly available and compatible applications. The company aims to organically extend or further expand this business area to all existing local markets.

The Infrastructure Optimization portfolio is complemented by solutions focusing on issues such as IT Service Management (SolveDirect solutions developed in Vienna, Austria) and Communication & Collaboration (from Veenendaal, Netherlands), which are marketed in each case from a central location.

The solutions offered by BRAIN FORCE stand out due to their offering of efficient consulting in respect to the selection, implementation and maintenance of suitable products. These products are partly developed by BRAIN FORCE itself, and partly acquired from business partners. Irrespective of the particular software products, BRAIN FORCE also provides suitable experts for customer projects. These specialists are made available in Austria and Germany by the separate competence center **Professional Services** (recruiting and supply of IT experts).

The new strategic orientation is designed to create a stronger awareness of the BRAIN FORCE Group on the marketplace based on a clearly recognizable core competence, lay the groundwork for greater revenue potential and improve the cost structure. Following the numerous acquisitions carried out in the past, the current management is focusing on achieving a sustainable improvement in profitability and optimally exploiting synergies within the Group. This approach will further strengthen existing business operations and provide the basis for the penetration or expansion of new trend-setting business areas.

Centralized marketing of existing solutions

Professional Services complement the core business areas in Germany and Austria

Creation of new revenue potential and focus on improving profitability

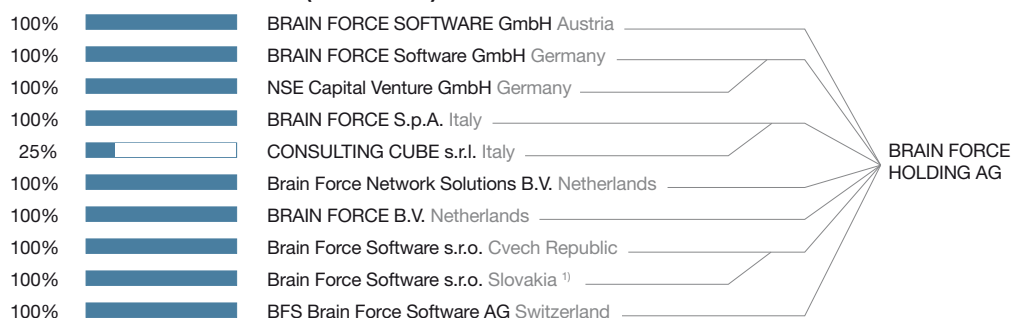
Corporate Structure

In July of the 2009 fiscal year, BRAIN FORCE HOLDING AG sold back its 30% stake in KEMP Technologies, Inc., USA to the company for USD 500,000 in cash (€ 0.36 million). At the same time, the convertible bond issued by KEMP to which BRAIN FORCE subscribed was cancelled. Accordingly, the result was a book gain of about € 0.36 million and an unexpected cash flow from this sale.

Sale of the stake in Kemp Technologies

The following chart shows the existing Group structure on the balance sheet date:

BRAIN FORCE HOLDING AG (shares in %)



¹⁾ of which 99,5% is held by Brain Force Software s.r.o., Czech Republic, and 0,5% by BRAIN FORCE SOFTWARE GmbH, Austria.

Operative Management

The following list contains the names of the top executives of the national subsidiaries of the BRAIN FORCE Group, along with their areas of responsibility as of the balance sheet date.

Germany

Martin Friedrich, Spokesman of the Management Board, responsible for

- ▶ Professional Services
- ▶ Infrastructure Optimization
- ▶ Recruiting
- ▶ Marketing
- ▶ Finance & Administration

Karl Haas, Member of the Management Board, responsible for

- ▶ Business Solutions
- ▶ Infrastructure Optimization, Berlin
- ▶ Internal IT

Günter Pridt, Member of the Management Board, responsible for

- ▶ Infrastructure Optimization, Frankfurt
- ▶ Channel, Frankfurt

Italy

Franco Righini, Spokesman of the Management Board, responsible for

- ▶ Infrastructure Optimization
- ▶ Rome office
- ▶ Human Resources

Stefania Donnabella, Member of the Management Board, responsible for

- ▶ Business Solutions
- ▶ Marketing

Walter Campi, Member of the Management Board, responsible for

- ▶ Finance & Administration

Netherlands

Jean Renes, Spokesman of the Management Board, responsible for

- ▶ Operations
- ▶ Sales
- ▶ Human Resources
- ▶ Finance & Administration
- ▶ International Cooperation Infrastructure Optimization

Günter Pridt und Karl Haas, Members of the Management Board

Austria

Bojan Damjanovic, Spokesman of the Management Board, responsible for

- ▶ Professional Services
- ▶ Business Solutions
- ▶ Administration

Hannes Griesser, Member of the Management Board, responsible for

- ▶ Finance

Martin Bittner, Member of the Management Board, in the Infrastructure Optimization area (SolveDirect) responsible for

- ▶ Sales
- ▶ Contract Management
- ▶ Organisation & Structure
- ▶ Budget

Marcus Oppitz, Member of the Management Board, in the Infrastructure Optimization area (SolveDirect) responsible for

- ▶ Operations
- ▶ Project Planning and Implementation
- ▶ Technology, Product Development
- ▶ Support
- ▶ Human Resources

Czech Republic

Drahomír Hrubý, Sole Managing Director

Slovakia

Ondrej Lipovsky, Sole Managing Director

Switzerland

Karl Haas, Sole Managing Director

BRAIN FORCE Shares and Owners

Share price development

At the beginning of 2009, share prices on the world's leading stock markets continued their downward trend from the previous year and plunged to the lowest levels in many years. Increasingly pessimistic economic forecasts, unfavorable corporate announcements in almost all branches and the loss of confidence in the proper functioning of the capital market led to a kind of "doomsday mood". Contrary to the prevailing trend, the negative forecasts for 2009 were revised upwards for the first time in the second quarter. Investors gained hope on the basis of the numerous economic stimulus programs and government aid packages (e.g. bank rescue plans or car scrappage schemes) in individual countries. Investor uncertainty ebbed regarding the magnitude and duration of the crisis, and the sufficient liquidity available was pumped into stock exchanges once again, leading to a market mood swing. The historically low interest rates also supported the turnaround.

The Vienna benchmark index ATX started the year 2009 at 1,752 points, and reached its lowest level for the year on March 9, 2009, closing at 1,380 points. The index posted a major recovery in subsequent months and closed at 2,637 points on September 30, 2009, an increase of 91% compared to the year's low and a rise of 51% from year-end 2008. The TecDax had a similar development with +49% In the same period, the German DAX index rose 18%, the Dow Jones Industrial climbed by 11% and the NASDAQ-100 of particular relevance to the IT sector gained 42% in value.

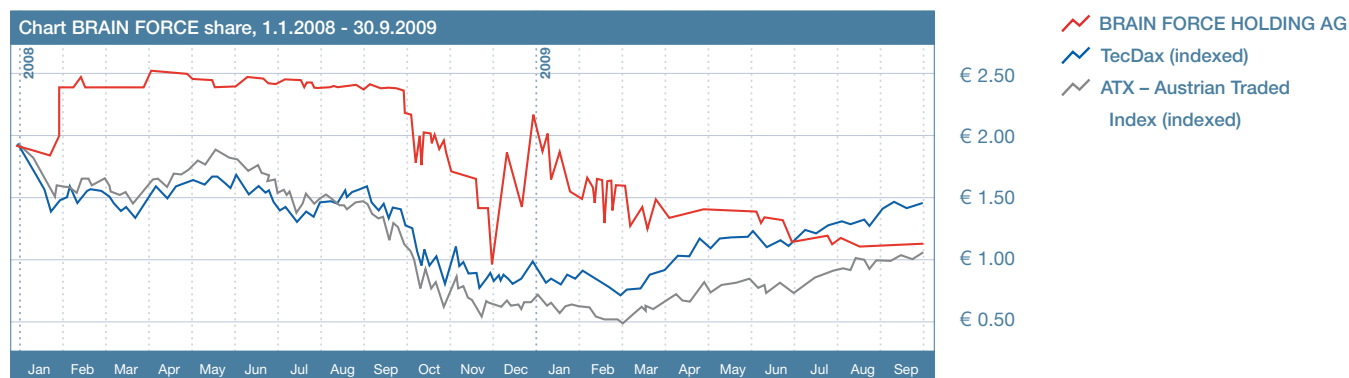
Due to the good results in 2008 the BRAIN FORCE share commenced trading on the Vienna Stock Exchange in 2009 by continuing the upward movement which began at the end of 2008, peaking at € 2.19 on January 5, 2009. In line with the miserable mood on global stock markets, the share price collapsed quickly and bottomed out at € 1.02 on February 23, 2009. Whereas most indices and stocks succeeded in substantially recovering from their lowest levels, the BRAIN FORCE share only climbed in value for a short time, closing at € 1.65 at the end of March before falling again to € 1.10. The share price was € 1.20 as per September 30, 2009.

Dramatic share price losses could be stopped by government measures

Strong growth on all relevant benchmark indices compared to year's low in March

No recovery of the BRAIN FORCE share to date following decline at beginning of 2009

Chart BRAIN FORCE share, 1.1.2008 - 30.9.2009



There are several reasons for this unsatisfactory share price development. For one thing, the volume of BRAIN FORCE shares traded on the Vienna Stock Exchange has dropped by more than 90% since July 2008, which marked the end of the takeover offer by a CROSS Group subsidiary. In addition, the number of shares in free float has declined to about 45%, down from 79% at the end of 2007. Average daily turnover on the Vienna Stock Exchange amounted to close to € 4,000 in the first nine months of 2009, down from € 78,000 in the comparable period of 2008, which was distorted by the takeover phase, and € 56,000 per trading day in 2007. Moreover, since the de-listing on the Frankfurt Stock Exchange in May 2008, Xetra trading has also naturally more or less come to a standstill. The very low liquidity of the BRAIN FORCE share can certainly be attributed to the lower level of free float, which is however by no means low for a listed company of our size. Furthermore, the global collapse of share prices led to a strong risk aversion on the part of investors, which particularly impacted the performance of small cap stocks.

Lower free float led to significant decline in trading volume

**Negative earnings
development of BRAIN
FORCE in 2009 led to share
price losses**

However, the main reason underlying the share price decline is the negative business results generated by BRAIN FORCE in the short fiscal year 2009, which can be attributed to the implementation of restructuring measures. To understand the considerable underperformance of the BRAIN FORCE share in 2009, it is necessary to take a look at the share price development in 2008, when our share remained relatively untouched by the downward trend on international stock markets, and was subject to a spectacular rallye at the end of the year after record operating results were announced. In fact, the BRAIN FORCE share was the second best performing share of all listed companies on the Vienna Stock Exchange (Prime Market and Standard Market Continuous), registering only a -2% decline in value, whereas the ATX index fell by 61%. Considering the period December 31, 2007 to September 30, 2009, the BRAIN FORCE share even performed better (-38%) than the ATX index (-42%).

Key Data per Share		1-9/2009	1-12/2008	Change in %
Earnings	in €	-0.31	-0.14	>100
Adjusted earnings ¹⁾	in €	-0.11	0.13	>100
Earnings from continuing operations	in €	-0.15	-0.10	-50
Earnings from discontinued operations	in €	-0.16	-0.04	>100
Dividend	in €	0.00	0.00	-
Free cash flow ²⁾	in €	0.00	0.31	-99
Equity	in €	1.26	1.57	-20
Share price high	in €	2.19	2.58	-15
Share price low	in €	1.02	1.01	+1
Share price at year-end	in €	1.20	1.89	-37
P / E ratio high ³⁾		n.a.	20.3	-
P / E ratio low ³⁾		n.a.	8.0	-
P / E ratio at year-end ³⁾		n.a.	14.9	-
Share outstanding (weighted)	in 1,000	15,387	15,387	0
Market capitalization at year-end	in € million	18.46	29.08	-37
Average turnover / day Vienna Stock Exchange	in € 1,000	3.91	64.62	-94

1) Excluding restructuring costs and loss from discontinued operations and also other non-recurring income and expense

2) Cash flow from operating activities minus Cash flow from investing activities plus acquisitions

3) Based on adjusted earnings per share

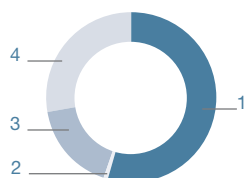
Dividend policy

Due to the loss situation in 2009 the Management Board of BRAIN FORCE HOLDING AG will propose to the Annual General Meeting scheduled for February 24, 2010 that no dividend be distributed for the 2009 fiscal year, in order to maintain a sufficient level of cash and financing reserves as the basis for implementing the company's growth strategy.

Ownership

As at September 30, 2009, after the contribution in kind of the CROSS subsidiary that made a takeover offer for all BRAIN FORCE shares in 2008, BEKO HOLDING AG is the majority shareholder in BRAIN FORCE HOLDING AG, with a stake of 54.65%. In addition, Cross Industries AG (the parent company of BEKO HOLDING AG) owns 0.63% of BRAIN FORCE shares. Furthermore, BRAIN FORCE was notified that the investors association Erste Private Investmentclub Börsebius Zentral (GbR), Cologne, Germany, controls 16.97% of the voting rights in BRAIN FORCE HOLDING AG effective October 22, 2009. This investment club consists of about 1,000 private German shareholders. Moreover, the share capital totaling € 15,386,742 and no-par value shares are in free float.

Shareholder Structure



1 BEKO HOLDING AG 54.65%

2 CROSS Industries AG 0.63%

3 Erster Privater Investmentclub
Börsebius Zentral (GbR) 16.97%

4 Free Float 27.75%

Investor Relations

The Management Board of BRAIN FORCE HOLDING AG pursues a transparent and professional communications policy in its investor relations activities. We are putting considerable effort into inspiring confidence in the company among all target groups of relevance to the capital market, and continually striving to renew this confidence. Investor relations are coordinated by the Chief Financial Officer but closely involve the Chief Executive Officer as well. The declared goal of our IR work is to convey an accurate view of the company as a means of enabling a correspondingly accurate valuation of the BRAIN FORCE share.

In the past fiscal year, the BRAIN FORCE management presented the company at one investor conference and several one-on-one meetings. On September 7, 2009, the Chief Financial Officer took part in a road-show organized by the Börse Express newsletter in Vienna and discussed first half-year earnings, strategy in the recessionary year 2009, the restructuring measures being implemented and long-term growth perspectives to about 200 private investors and analysts. In addition, a forecast was made for the short fiscal year 2009 (January 1 to September 30, 2009).

On March 3, 2009, the Management Board of BRAIN FORCE HOLDING AG was informed by the Vienna Stock Exchange that the BRAIN FORCE shares would be removed from the Prime Market Segment as of March 23, 2009. The Vienna Stock Exchange justified its decision exclusively on the grounds that BRAIN FORCE did not fulfill the criterion of minimum free float market capitalization. Since March 23, 2009, the ordinary shares of BRAIN FORCE HOLDING AG have been traded on the Standard Market Continuous of the Vienna Stock Exchange. Our shareholders can rely on the fact that BRAIN FORCE will continue to meet the strict corporate governance and transparency standards of the Prime Market despite the changeover to the Standard Market Continuous. We aim to be accepted once again for listing in the Prime Market in the future.

The BRAIN FORCE share (15,386,742 outstanding no par value bearer shares) is currently being covered by SES Research (Hamburg, Germany). All analyses of the company carried out since the year 2005 are available for download in the investor relations area of our Website.

Information on the BRAIN FORCE Share

Investor Relations: Thomas Melzer

Phone: +43 1 263 09 09 12

E-Mail: investorrelations@brainforce.com

Internet: www.brainforce.com

Vienna Stock Exchange: BFC

Reuters: BFC.VI

Bloomberg: BFC AV

Datastream: O:BFS

ISIN: AT0000820659

Investor relations designed to inspire the confidence of all capital market participants

Active IR work based on one-on-one meetings and conferences

BRAIN FORCE has been listed on the Standard Market Continuous of the Vienna Stock Exchange since March 23, 2009

Analyses on the company are available on the Website

Group Management Report

Business Environment

Strong downturn of the European economy in 2009

For the first time since 1945, the global economy suffered from an economic contraction, posting a negative growth rate of 2% in the year 2009 as a consequence of the financial crisis, which in turn arose following the collapse of Lehman Brothers. The European economy was also not immune to the most serious financial and economic crisis afflicting the continent for close to a century. The autumn forecasts of the European Commission anticipate negative Gross Domestic Product (GDP) growth of 4.1% in the EU for the year 2009. The economy in Germany, the most important market for BRAIN FORCE, is expected to contract by around 5%, compared to a GDP decline of 3.7% in Austria, 4.7% in Italy and 4.5% in the Netherlands. The economic downturn can be primarily attributed to the slump in global trading and the significant decrease in investment activity.

Slightly positive GDP development expected in all BRAIN FORCE markets in 2010

The European Commission already expects Europe's GDP to expand by 0.7% in 2010, whereas growth in Germany is forecast to rise by 1.2%, somewhat above the European average. Austria's GDP is expected to grow 1.1% in the upcoming year, compared to 0.7% in Italy and 0.3% in the Netherlands. However, the quick recovery of the economy entails several risks. Economists by no means exclude the possibility of renewed shocks impacting the global financial and banking system. At the same time, it is not possible to reliably assess the future effects of the significant increases in unemployment rates and national debt. The expiration of the numerous economic stimulus and government aid packages which successfully counteracted the downswing on a short-term basis could potentially result in a reversal of the upward trend.

Slump in Europe's IT market in 2009, recovery in 2010

The information and telecommunications technology sector was also seriously impacted by the economic crisis. The market research company Gartner Group estimates that there will be a record decline in global IT expenditures in 2009 (5.2% in USD). However, Gartner predicts that IT expenditures will increase once again, anticipating a 3.3% growth rate in 2010. Forecasts for the European IT market in 2009 differ considerably. The international market research institute European Information Technology Observatory (EITO) expects the European IT market (hardware, software and IT services) to contract by 2.6% in 2009 and recover slightly in 2010, expanding by 0.7%. The market research company Forrester Research predicts that the Central and Western European IT sector will post a currency neutral decline in expenditures of 8%, whereas the market in Eastern Europe will contract by 5%.

Positive forecast for Germany in 2010

According to the Federal Association for Information Technology, Telecommunications and New Media (BITKOM), in Germany, the largest BRAIN FORCE market, total revenues in the IT sector are expected to fall 2.6% to € 65.4 billion in 2009. The most dramatic revenue decline will be for hardware (6.5%), whereas expenditures for software and IT services in Germany are predicted to decrease by 3.2% and 0.2% respectively in 2009. It is anticipated that the German IT market will once again grow in 2010, expanding by 1%.

Increased IT investments expected in 2010

We expect that the current investment slowdown in all the geographical regions served by BRAIN FORCE will gradually come to an end over the next two years, even if no quick recovery is on the horizon. Companies are expected to increasingly invest in their IT infrastructures as a means of raising the efficiency of their IT systems and thus reducing related costs (Infrastructure Optimization). In particular, the rollout of the new Microsoft operating system Windows 7 could result in a perceptible market upturn in this area. At the same time, demand is expected to rise once again for business critical solutions (Business Solutions) enabling firms to optimize their business operations and achieve competitive advantages. BRAIN FORCE has defined both areas – Infrastructure Optimization und Business Solutions – as the primary growth pillars of its corporate strategy.

Financial review

Earnings position

The global financial and economic crisis in general and the related reluctance to make investments, as well as massive cutbacks by many companies on IT expenditure in particular significantly affected the earnings position of the BRAIN FORCE Group. As a reaction to this development, consistent restructuring measures were implemented and subsequently the operation at the Berlin location was discontinued. Unless explicitly indicated otherwise, the analysis of the development of operating profit in this chapter relates to the continuing operations.

Due to the change in the balance sheet date, the financial statements relate to the period from January 1 to September 30, 2009. Since the comparability in terms of information value with the prior year of 12 months is very limited, the comparison is made with the prior year period from January 1 to September 30, 2008. Thus, these disclosures in the management report relate to a reporting period neither audited nor subjected to an audit review and are marked accordingly.

In the first nine months of 2009, Group revenues declined by 20% to € 61.69 million, with all regions experiencing declines in revenues over the prior year. Adjusted for BRAIN FORCE Hamburg GmbH, which was deconsolidated as of September 30, 2008, the decline in revenues amounted to 17%. The Germany region reported revenues of € 28.90 million, down 20% on the prior year, and contributed 47% to group revenues. In Central East Europe, revenues also declined 20% to € 9.08 million, accounting for 15% of total revenues. In the South West Europe region, revenues declined 18% to € 17.23 million, which equals a share in group revenues of 28%. The North Europe region experienced the sharpest decline in revenues of 24% to € 6.48 million. This region contributes 10% to group revenues. In particular, the decline in license sales and the noticeable price pressure had a negative impact on the earnings position and resulted in a decline of gross profit to revenues from 25.7 to 20.0%. Comparing the nine-months to the same period of last year, the Group managed to reduce selling expenses by approx. 18% and administrative costs by 21%, which however failed to make up for the decline in gross profit.

Profitability ratios	1-9/2009	1-9/2008 unaudited
	in %	in %
Gross profit to revenues	20.0	25.7
Selling expenses to revenues	10.9	10.6
Administrative costs to revenues	10.6	10.8
Operating EBITDA margin ¹⁾	1.9	7.7
Operating EBIT margin ¹⁾	-2.4	3.9

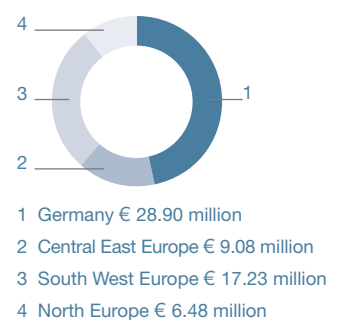
1) Adjusted for non-recurring restructuring costs

In the reporting year 2009, the Group's operating EBITDA declined from € 5.94 to 1.18 million, and the operating EBIT from € 3.00 to -1.50 million. Compared to the prior year, earnings were down in all regions, which was due mainly to the significantly lower license sales and price pressure in the service business. In addition, restructuring expenses were incurred in the continuing operations in the amount of € 1.38 million (prior year: € 0). After restructuring, EBITDA amounted to € -0.20 million (prior year: € 5.94 million), and EBIT to € -2.89 million (prior year: € 3.00 million).

Consistent restructuring and discontinuation of an unprofitable operation

Nine-month comparison due to change of balance sheet date to September 30

Revenues by regions



Earnings decline in all regions due to lower license sales and price pressure

Positive EBIT in Germany even after restructuring

In Germany, operating EBITDA declined 75% to € 1.08 million, and operating EBIT from € 3.28 to 0.43 million, with the Professional Services segment characterized by a smaller number of IT specialists employed and margin pressure from clients. In the Business Solutions segment, the weaker demand was used to advance the FINAS Suite, which also resulted in a lower margin. After a major roll-out project for a globally operating airline had expired, our branch office in Frankfurt also experienced a significant decline in revenues in the third quarter, following a good first half-year. In addition, in 2009 the Germany segment incurred non-recurring restructuring costs in the continuing operations of € 0.16 million.

Positive earnings in Professional Services Area in Austria

The Central East Europe region experienced a decline in operating EBITDA by 69% to € 0.34 million and in operating EBIT from € 0.33 to -0.44 million. Whereas the Professional Services business in Austria and the Czech Republic managed to generate positive results, significantly lower license sales in the Infrastructure Optimization area (SolveDirect IT service management) resulted in an overall negative operating EBIT for this segment. In addition, restructuring costs of € 0.09 million were incurred in Central East Europe.

South West Europe posts negative EBIT following restructuring

In the South West Europe segment, operating EBITDA declined 61% to € 0.72 million, and operating EBIT deteriorated from € 1.36 to 0.12 million. In particular, our company in Italy was faced with a noticeable decline in demand for ERP and CRM licenses, as well as declining IT investments and related services. As a consequence, a harsh restructuring program was implemented in Italy, which resulted in additional expenditure for the necessary staff reduction in the amount of € 1.14 million.

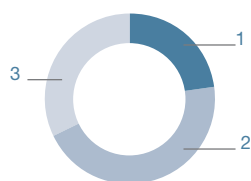
Positive EBIT in North Europe despite significant revenue decline

In North Europe, despite the significant decline in revenues, our subsidiary in the Netherlands was able to generate positive results. Operating EBITDA deteriorated by 43% to € 0.67 million, and operating EBIT by 88% to € 0.08 million. In order to account for the weaker business, most of the freelancers were made redundant. Restructuring costs were not incurred in this segment.

Operating EBIT ¹⁾ by region	1-9/2009	1-9/2008 unaudited	Change
	in € million	in € million	in %
Germany	0.43	3.28	-87
Central East Europe	-0.44	0.33	>100
South West Europe	0.12	1.36	-91
North Europe	0.08	0.65	-88
Holding and Other	-1.68	-2.60	+35
BRAIN FORCE Group	-1.50	3.00	>100

1) Adjusted for non-recurring restructuring costs

Revenues by business areas



- 1 Business Solutions 23%
- 2 Infrastructure Optimization 45%
- 3 Professional Services 32%

In 2009, the Business Solutions segment accounted for € 14.08 million (prior year: € 24.88 million) or 23% of group revenues, the Infrastructure Optimization segment generated € 27.90 million (prior year: € 31.14 million) or 45% and the Professional Services segment € 19.71 million (prior year: € 20.98 million) or 32%. The prior year figure of the Business Solutions segment included revenues of BRAIN FORCE Hamburg GmbH in the amount of € 2.28 million. The additional decline in revenues in this segment is mainly due to BRAIN FORCE Software GmbH, Munich, and BRAIN FORCE S.p.A., Italy. In the Infrastructure Optimization segment, BRAIN FORCE S.p.A., Italy, and BRAIN FORCE B.V., Netherlands, experienced declines in revenues. Least affected was the Professional Services segment with a decline in revenues of around 6%.

Income statement	1-9/2009	1-9/2008 unaudited	Change
	in € million	in € million	in %
Revenues	61.69	77.00	-20
Cost of sales	-49.32	-57.24	+14
Gross profit	12.37	19.76	-37
Selling expenses	-6.70	-8.14	+18
Administrative expenses	-6.56	-8.34	+21
Other operating expenses	-0.79	-0.88	+11
Other operating income	0.18	0.60	-71
Operating EBIT	-1.50	3.00	>100
Restructuring costs	-1.38	0	-
Operating result after restructuring costs (EBIT)	-2.89	3.00	>100
Financial result	-0.26	-0.65	+60
Profit / loss before tax	-3.15	2.35	>100
Income taxes	0.74	-0.87	>100
Profit / loss after tax	-2.41	1.48	>100
Loss from discontinued operation	-2.43	-0.38	>100
Other result	0.01	-0.00	-
Total profit / loss	-4.83	1.10	>100

The improvement in the financial result from € -0.65 to -0.26 million is due primarily to the sale of the 30% share in KEMP and the income from the termination of the convertible bond. The lower interest expenses due to the introduction of the cash pooling also had a positive effect. The interest cover (ratio operating EBITDA to net interest) was 4.4x in 2009 (prior year: 9.7x).

Considerable improvement of financial result

Profit before tax amounted to € -3.15 million, compared to € +2.35 million in the same period of last year. Profit after tax of the continuing operations deteriorated from € 1.48 to -2.41 million. Loss after tax of the discontinued operation amounted to € -2.43 million (prior year: € -0.38 million). The total result for the period declined from € 1.10 to -4.83 million

Negative total result due to restructuring and closing down of Berlin office

Earnings per share (EPS pursuant to IFRS) deteriorated from € -0.14 to -0.31, with the continuing operations accounting for € -0.15 per share and the discontinued operation for € -0.16 per share. Earnings per share, adjusted for restructuring costs and earnings of the discontinued operation, amounted to € -0.11 (prior year: € 0.13).

Slightly negative adjusted EBIT

Financial position

The balance sheet total declined 18% year-on-year to € 54.45 million. This decline is due primarily to the decrease in trade receivables by 28% to € 19.46 million through optimizations under the working capital project and the decline in revenues.

Reduction of balance sheet total due to working capital optimization

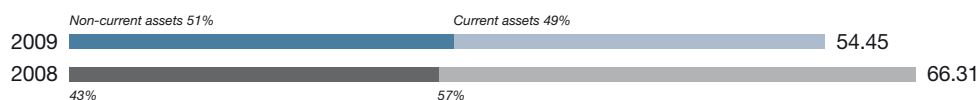
No impairment of goodwill was necessary according to the relevant test.

The portion of non-current assets to total assets increased to 51% (prior year: 43%). In the past fiscal year, capital expenditure on property, plant and equipment and other intangible assets of continuing operations amounted to € 1.86 million, € 1.10 million of which was accounted for by development costs. At the balance sheet date September 30, 2009, development costs reported in the balance sheet totaled € 2.84 million (prior year: € 2.92 million) and thus accounted for 5% (prior year: 4%) of total assets.

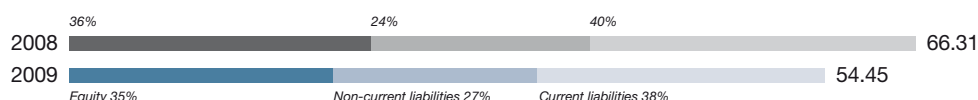
Increase in share of non-current assets based on decrease in trade receivables

Development of balance sheet structure in € million

Assets



Equity and liabilities



Additions to intangible assets lower than write-offs

Non-current assets declined by 3% to € 27.93 million, which is due primarily to the decrease in other intangible assets. Additions to other intangible assets in the amount of € 1.15 million are contrasted with write-downs in the amount of € 2.04 million.

Positive tax effect due to discontinued operations

As of September 30, 2009, deferred tax assets amount to € 0.43 million. Thus, the increase amounts to € 0.38 million and is mainly due to the capitalization of deferred tax assets resulting from loss carry-forwards after the closure of the Berlin location (discontinued operation).

Pro forma presentation of earnings figures for 2009 to enable better comparability

The following balance sheet ratios relate to the balance sheet dates September 30, 2009, compared to December 31, 2008. The earnings figures were based on the periods October 1, 2008 to September 30, 2009 (pro forma) and January 1 to December 31, 2008, respectively, in each case adjusted for the discontinued operation.

Balance sheet ratios		30.9.2009	31.12.2008
Equity	in € million	19.31	24.15
Equity ratio	in %	35.5	36.4
Net debt	in € million	5.65	4.89
Gearing	in %	29.3	20.2
Working capital	in € million	2.83	5.64
Working capital to revenues	in %	3.1	5.3
Net debt / operating EBITDA ¹⁾		1.6	0.6
Operating EBITDA / net interest ¹⁾		4.4	9.7
Operating EBIT / net interest ¹⁾		n.a.	5.1
FFO / net debt ²⁾	in %	12.3	106.5

1) Calculation relating to the EBITDA or EBIT of the past 12 months

2) FFO = Funds from Operations = gross cash flow of the past 12 months

Change in the method for calculating working capital

The computation of working capital was changed over the prior year and is now determined as follows: inventories plus trade receivables less trade payables plus other current liabilities. The prior year figure was adjusted accordingly.

Reduction of current assets related to optimization of internal processes

Current assets declined by € 11.11 to 26.52 million and amount to 49% (prior year: 57%) of total assets. The decline in absolute terms is mainly due to the decrease in trade payables of € 7.44 million and the decline in cash and cash equivalents of € 3.26 million. As a result of optimizing internal processes, in particular with regard to project billing, invoicing and dunning, trade receivables could be reduced significantly.

Decrease in cash and cash equivalents attributed to reduction in financial liabilities

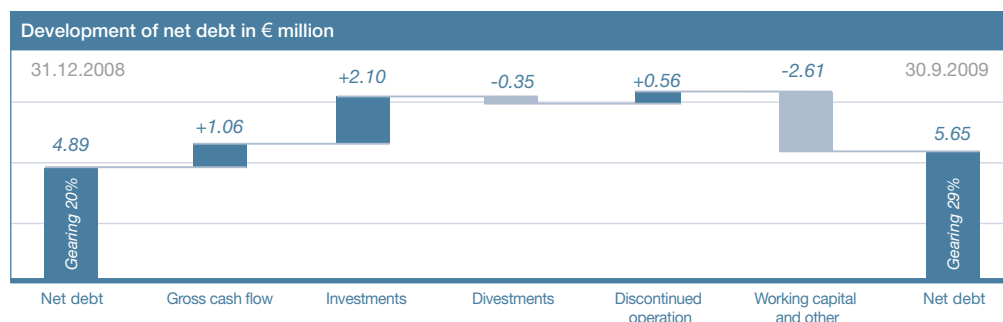
Cash and cash equivalents, including cash in hand and bank balances, declined by € 3.26 to 5.54 million. € 2.70 million of the decline in cash and cash equivalents is attributable to continuing operations. This includes cash inflows from operating activities of € 1.55 million and cash outflows for investments of € 1.86 million and the repayment of financial liabilities of € 2.65 million. The cash outflow from the discontinued operation amounts to € 0.56 million.

As of September 30, 2009, the Group's equity amounts to € 19.32 million, which equals an equity ratio of 35% (prior year: 36%). As a result of the decline in the balance sheet total in connection with the working capital optimization and the cash pooling, the equity ratio – despite negative earnings – could be kept almost at the prior year level.

The interest bearing liabilities (financial liabilities) fell by € 2.50 to 11.19 million, € 10.88 million (prior year: € 10.98 million) of which relating to non-current financial liabilities. 100% of financial liabilities carry fixed interest rates. An analysis of the term structure shows that € 9.95 million of financial liabilities will mature in 2014; € 0.93 million will be due in the fiscal years 2010/2011 and 2012/2013. The remaining € 0.31 million (current financial liabilities) relates to loans with agreed repayment schedule in the fiscal year 2009/2010.

Calculation of net debt	30.9.2009	31.12.2008	Change
	in € million	in € million	in %
Non-current financial liabilities	10.88	10.98	-1
Current financial liabilities	0.31	2.71	-89
- Cash and cash equivalents	-5.54	-8.80	-7
Net debt	5.65	4.89	+16

As of September 30, 2009, net debt amounted to € 5.65 million, up 16% on the prior year figure of € 4.89 million. The rise in net debt is mainly due to the declines in earnings. The ratio of net debt to operating EBITDA of the past 12 months (pro forma) was 1.6x, as compared to 0.6x in the prior year.



At the balance sheet date, other provisions amount to € 2.05 million, as compared to € 1.17 million in the prior year. Provisions include amounts set aside for expected costs in connection with the closure of the Berlin location (discontinued operation) in the amount of € 1.61 million. € 0.19 million of the remainder relates to provisions for restructuring and € 0.25 million to warranties. All other provisions are current.

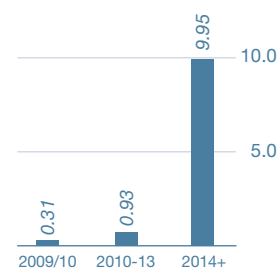
Cash flow

The following table relates to the periods January 1 to September 30, 2009, as compared to January 1 to December 31, 2008, in each case adjusted for the discontinued operation.

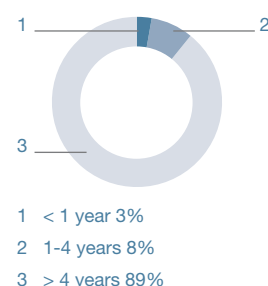
Due to the negative earnings of the discontinued operation, the gross cash flow amounted to € -1.06 million (prior year: € +5.21 million). Taking into account the cash inflow from the optimization of the working capital, a cash flow from operating activities (operating cash flow) of € 1.55 million (prior year: € 7.03 million) was generated. The cash flow from investing activities amounted to € -1.75 million (prior year: € -4.42 million). This includes cash outflows for acquisitions of companies made in previous years (earn-out payments) in the amount of € 0.27 million and cash inflows for the sale of Kemp shares and the termination of the convertible bond in the amount of € 0.36 million. The free cash flow (cash inflow from the operating cash flow minus the cash flow from investing activities plus cash outflows for acquisitions of companies) was positive at € 0.07 million (prior year: € 4.83 million) despite the significant declines in earnings. The cash flow from financing activities shows a balance of increase and repayments of financial liabilities in the amount of € -2.50 million (prior year: € -2.28 million) and results primarily from the repayment of current lines after the introduction of cash pooling.

Equity ratio at previous year's level due to asset liability management

Term structure of financial liabilities



Maturity of financial liabilities

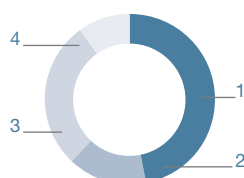


Increase in other provisions based on discontinuation of Berlin operations

Positive free cash flow due to optimization of working capital

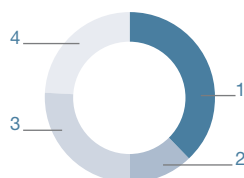
Cash flow Statement	1-9/2009	1-12/2008	Change
	in € million	in € million	in %
Cash flow from operating activities	1.55	7.03	-78
Investments in property, plant and equipment and other intangible assets	-1.86	-2.23	+17
Acquisition of subsidiaries	-0.27	-2.22	+88
Divestments and others	0.38	0.03	>100
Cash flow from investing activities	-1.75	-4.42	+60
Acquisition of subsidiaries	+0.27	+2.22	-88
Free cash flow	0.07	4.83	-99

Revenues by regions



- 1 Germany 47%
- 2 Central East Europe 15%
- 3 South West Europe 28%
- 4 North Europe 10%

Operating EBITDA by regions



- 1 Germany 38%
- 2 Central East Europe 12%
- 3 South West Europe 26%
- 4 North Europe 24%

Relatively stable development in the Business Solutions area

Promising launch of Infrastructure Optimization solutions in Germany

Development of Segments

The business activities of BRAIN FORCE are divided into the following segments respectively regions:

- ▶ Germany
- ▶ Central East Europe with Austria, the Czech Republic and Slovakia
- ▶ South West Europe with Italy and Switzerland
- ▶ North Europe with the Netherlands

BRAIN FORCE HOLDING AG reports according to geographic segments in accordance with the management approach stipulated in IFRS 8, "Operating Segments". The segment earnings (EBITDA and EBIT) have been reported before brand licensing costs and intercompany charges since 2009. These costs were still included in the previous year's segment reporting. The 2008 figures were adjusted correspondingly in the current reporting.

Germany

During the period under review, revenues in Germany declined by 20% to € 28.90 million, equaling 47% or the largest share of Group revenues. Operating EBITDA before restructuring costs was down 75% to € 1.08 million and the operating EBIT fell 87% to € 0.43 million. One-off restructuring costs of € 0.16 million for severance payments due to dismissed employees are not included in the operating results.

The segment **Professional Services** suffered from restrained demand in the past fiscal year. Numerous customers refrained from making investments in IT services or postponed projects to a later date. The Professional Services area benefited from a slight improvement in demand at the middle of the year, enabling a number of IT consultants to be placed in projects once again. BRAIN FORCE was able to deploy projects with existing customers in the banking, aviation and cellphone industries as well as several new customers, for example, in the telematics industry with specialists. However, the segment is faced with considerable downward pressure on margins, and the order intake is below the previous year's level.

The **Business Solutions** segment was also characterized by the reluctance to invest on the part of customers during the period under review. Nevertheless, it managed to do relatively well under the circumstances thanks to the economic stability in the insurance sector. A longstanding insurance customer slightly reduced its annual level of services but confirmed its ongoing cooperation with BRAIN FORCE in the years ahead. The pension benefit solution Vorsorgeoptimierung (optimization of pension planning) was adapted on behalf of an international insurance group to take current requirements into account. In addition, the new calculation kernel aroused considerable interest on the market, leading several customers to order licenses. For the first time, BRAIN FORCE Germany only sold its consulting services to a new customer, and a large Austrian bank renewed its servicing and maintenance contract for the consultant software FINAS Suite.

In the **Infrastructure Optimization** segment, BRAIN FORCE Germany has marketed the packaging solutions of its sister company in the Netherlands since the beginning of 2009. A number of smaller projects were already won in the initial months. In the second quarter of the year, one IT service provider and one company in the food industry purchased the first licenses in Germany for the BRAIN FORCE solution

Packaging Robot. An extensive cooperation agreement was concluded with a leading global hardware and software supplier in the third quarter of 2009. In its capacity as subcontractor, BRAIN FORCE will provide this multinational player with packaging services for customers as well as its specialized know-how and own software. Our office in Frankfurt successfully continued the rollout project with a leading airline. However, contract volume was adjusted to reflect the current situation in the airline industry, which has also been impacted by the global economic crisis.

The Channel activities featuring the Tap products developed by NetOptics to analyze high speed networks as well as the Load Balancer products of Kemp to monitor and manage Internet traffic developed very positively in the past fiscal year.

Successful Channel activities

The management of BRAIN FORCE Germany together with the Management Board of the BRAIN FORCE Group decided to withdraw the software and services offered in connection with the management solution ICT Suite from the German market effective September 30, 2009 due to the ongoing unfavorable economic development, and dismissed 18 employees. The Berlin branch office was classified as a discontinued operation pursuant to IFRS, and is not included in the operating results.

Discontinuation of the Berlin branch due to ongoing losses

Central East Europe

In the 2009 fiscal year, revenues in the Central East Europe region amounted to € 9.08 million, a decline of 20% from the previous year and equaling a share of 15% of Group revenues. Operating EBITDA totaled € 0.34 million, down 69% from 2008, whereas operating EBIT deteriorated to € -0.44 million, compared to € +0.33 million in the first nine months of the preceding year. Restructuring costs of € 0.09 million were also recognized in Austria during the period under review.

Positive EBITDA and low restructuring costs in Austria

The BRAIN FORCE division SolveDirect (**Infrastructure Optimization**) managed to further optimize its service and maintenance portfolio in the past fiscal year, but its overall performance was below expectations as a consequence of the prevailing business environment and weak licensing sales. The service management software SD.cube was installed on behalf of an international IT company. Cisco, a leading multinational producer of network structures in the USA, has been won as a large customer and several SD.bridges were implemented, and related services were sold. Moreover, a large media group selected the service management solution Service Desk SD².

SolveDirect won Cisco as a large customer in the USA

In the **Professional Services** area, BRAIN FORCE experts were deployed to carry out an infrastructure project for an IT company. Two public sector customers and a food manufacturer decided to rely on the services provided by BRAIN FORCE. Several consultants were deployed in the IT sector for the purpose of infrastructure and small server maintenance and other support services in connection with the operating systems, networks and applications of a longstanding customer in the IT sector.

Improved order intake for Professional Services towards year's end

Furthermore, the Austrian subsidiary launched in the area **Business Solutions** the marketing of Microsoft Business Solutions Dynamics, setting up a powerful business unit and winning initial contracts from customers in the automotive industry. Several Microsoft project orders were placed by financial services providers in the Czech Republic to migrate the latest version of the Microsoft SQL data base and adjust it to the current operating environment.

New business unit in Austria attracts initial customers in the automotive industrie

South West Europe

Revenues generated by the South West Europe region fell by 18% from the previous year to € 17.23 million, accounting for 28% of total Group revenues. Operating EBITDA was down 61% to € 0.72 million, and the operating EBIT totaled € 0.12 million, a drop of 91% from the preceding year. Restructuring costs in the region of € 1.14 million were for severance payments relating to the necessary downsizing of staff. All in all, a total of 62 employees (-16%) had to be dismissed in Italy as a response to the revenue decline.

Adjusted workforce numbers in Italy reflect decline in revenues

Strong decline in demand on the Italian market leads to significant drop in license sales

The Italian subsidiary suffered from a strong downturn in the entire Italian IT market in 2009 and a considerable reluctance on the part of customers to initiate new IT infrastructure investments. In turn, this resulted in a significant drop in license sales, primarily in the **Business Solutions** segment. Nevertheless, BRAIN FORCE Italy succeeded in further expanding its good position in the financial services sector. An important bank will rely on ERP solutions provided by BRAIN FORCE in the future. Additional Microsoft Dynamics AX licenses could be sold and will be installed on behalf of an industrial company, a consulting firm and a prominent financial institution.

Relatively better results in the Infrastructure Optimization segment in Italy

The development of the **Infrastructure Optimization** segment was comparatively more stable than the performance of the Business Solutions area. Accordingly, orders were placed by two companies in the health care sector, two banking customers and one transport firm for services ranging from optimizing the applied hardware and software to the virtualization of the entire IT infrastructure architecture.

Positive operating results in the Netherlands despite strong revenue decline

North Europe

In the short fiscal year 2009, the North Europe region (area Infrastructure Optimization) generated revenues of € 6.48 million, down 24% from the previous year, and accounts for 10% of Group revenues. Within the same period, EBITDA fell by 43% to € 0.67 million, and EBIT was at € 0.08 million, a decrease of 88% from 2008. Restructuring costs did not arise in this segment.

Strong position of BRAIN FORCE Netherlands in the public sector

The Dutch subsidiary was also affected by the difficult economic environment prevailing at present, in particular as its business model is primarily based on attracting new customers. However, BRAIN FORCE Netherlands succeeded in acquiring several new customers in 2009, which will make use of the Packaging Robot, Workspace Manager and Infrastructure Framework solutions in the future. The subsidiary in the Netherlands once again demonstrated its strong position in the public sector, adding four new companies to its customer base. In addition, larger project orders were also placed by an energy company as well as a company in the health care sector to virtualize the entire server and software landscape.

Technological leadership for Microsoft solutions and implementation of first Windows 7 rollouts

The Dutch subsidiary realized a ground-breaking project with Bugaboo, an international manufacturer of baby carriages. On behalf of this customer, BRAIN FORCE became one of the very first IT companies to implement the new Microsoft operating system Windows 7 even before its official market launch in October, 2009, thus demonstrating its technological leadership in respect to Microsoft solutions. BRAIN FORCE Netherlands also makes its comprehensive know-how in this area available in Germany, Italy and Austria in cooperation with the local companies.

Strong improvement in cost structure due to cost reduction measures in the holding company

Holding and Other

The EBITDA of the Holding and Other segment significantly improved during the short fiscal year 2009, rising from € -2.55 to -1.63 million, whereas EBIT improved from € -2.60 to -1.68 million. Cost savings of € 0.92 million achieved in the holding company in respect to rental and travel costs, legal fees, liability insurance and investor relations had a clearly positive effect on the earnings development of this segment.

Research and Development

Research and development in the fields of Business Solutions and Infrastructure Optimization

The decisive factor underlying the sustainable success of BRAIN FORCE is the ability to offer the optimal combination of software and services for the benefit of our customers. For this reason, we are continually improving our portfolio of products and services in the fields of **Business Solutions** and **Infrastructure Optimization**. In the 2009 fiscal year, BRAIN FORCE invested a total of € 1.11 million (previous year: € 1.07 million) in developing its own software products.

In the field of Business Solutions, our subsidiary in Germany further developed the financial analysis software FINAS Suite. The Moduls Financial Analysis Center, Risk Hedging and Health Care modules were adjusted for an HTML connection, thus ensuring the online applicability of the systems. As a result, financial service providers have the possibility to access all relevant customer data online when meeting their clients, improving the quality of the consultation session as well as client satisfaction. In addition, a solution involving pension planning for civil service employees along with an amendment for the Citizens Relief Act (Bürgerentlastungsgesetz) were developed. Moreover, different tools were launched on the marketplace to support the sale of insurance policies, which provide financial service providers with a high added value during their consultations.

Trend-setting further development of the consultant software FINAS Suite

In Italy, the new BRAIN FORCE Biz Suite was developed for the **Business Solutions** area in the 2009 fiscal year. It supports companies in analyzing and predicting business developments, and also provides decision-making support to exploit future market potential. The suite includes BRAIN FORCE Control Manager for the process optimization of annual accounts as well as Plan Manager, a tool designed to ensure more effective planning and control of production processes and incoming goods and better management of inventories. The Margin Manager enables an even quicker and more flexible management of work processes, and calculates the expected product profits.

New process management solution developed in Italy

In the Netherlands, our subsidiary continued its further development of the infrastructure solutions Packaging Robot, Workspace Manager and Infrastructure Framework, and made the required preparations for the launch of the new Microsoft operating system Windows 7 in October 2009. In addition, the new demands placed on MSI Packaging were implemented, and the user interfaces of the applications were adapted to the new conditions. BRAIN FORCE Process Manager and the Product System Setup were created, enabling improved performance and an optimized interface design for the application environment in companies.

Ongoing adaptations made to the existing Microsoft systems in the Netherlands

In Austria, the SolveDirect division (IT service management) launched a new version of its SD line of products. In addition to providing a more clearly structured and understandable presentation of service costs and working hours, the upgrading includes a more effective processing of inbound messages via SD.bridge as well as speedier and more efficient processes based on improved user navigation.

SolveDirect solution featuring improved presentation and user navigation

Human Resources

Employees are the human capital of BRAIN FORCE and a decisive factor underlying its success. Their expertise and commitment enables the company to develop further and achieve its goals.

Employees are the human capital of BRAIN FORCE

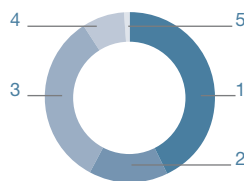
Unfortunately, due to the difficult market situation and the significant revenue decline in all countries, the management was forced to significantly reduce the number of employees. We developed extensive social compensation plans as a result of negotiations carried out with local trade unions in Italy and Germany, and tried to cushion hardship cases. The total number of staff (salaried employees and subcontractors) in the Group had to be trimmed by 13% from January 1 to September 30, 2009. Our subsidiary in Italy was most seriously affected by the economic crisis. The BRAIN FORCE staff there was cut by 16% compared to staff numbers as at December 31, 2008, following intensive negotiations with the trade union. The work force was downsized by 12% in Austria, whereas the total staff in the Netherlands was reduced by 11%. In Germany, 12% of the employees had to be dismissed, which is primarily due to the closing of the Berlin branch office. In addition, short-time working was introduced at the Munich office in the middle of the year.

Extensive staff reductions in all regions due to considerable revenue decreases

The staff of the BRAIN FORCE Group was comprised of 714 salaried employees as at September 30, 2009, and 264 people on a free-lance basis. All in all, a total of 978 employees were working for BRAIN FORCE on the balance sheet date, a drop of 13% from the comparable figure at December 31, 2008.

Number of employees down 13% in the short fiscal year

Employees by regions

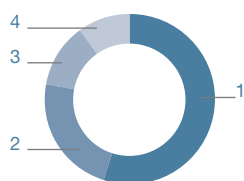


- 1 Germany 43%
- 2 Central East Europe 15%
- 3 South West Europe 33%
- 4 North Europe 8%
- 5 Holding and Other 1%

Cross-border exchange of know-how within the Group

Lower order volume due to economic crisis and expiration of a large contract

Order intake by segments



- 1 Germany 55%
- 2 Central East Europe 23%
- 3 South West Europe 12%
- 4 North Europe 10%

The breakdown of staff (salaried and free-lance) by region as at September 30, 2009 is as follows:

- ▶ Germany: 422 (previous year: 481 / Chg. from Dec. 31, 2008: -12%)
- ▶ Central East Europe: 144 (previous year: 163 / Chg. from Dec. 31, 2008: -12%)
- ▶ South West Europe: 324 (previous year: 387 / Chg. from Dec. 31, 2008: -16%)
- ▶ North Europe: 78 (previous year: 88 / Chg. from Dec. 31, 2008: -11%)
- ▶ Holding and Other: 10 (previous year: 10 / Chg. from Dec. 31, 2008: 0%)

On average, the staff of BRAIN FORCE was comprised of 761 salaried employees (1-9/08: 835) and 265 people on a free-lance basis (1-9/08: 301) in the short fiscal year from January 1 to September 30, 2009. On balance, the total average number of employees in the BRAIN FORCE Group declined by 10% from the previous year, to 1,026 people.

The ongoing specialized training, further education and professional development of our employees is essential in order to effectively deal with the continuing changes and innovations in the fast-moving IT sector. This training starts with the IT consultants and is also provided to administrative and sales staff. Employees in the Netherlands take part in regular training programs focusing on the latest product developments of Microsoft, VMWare and Citrix. As a result, they boast a technological edge and are among the first people to be contacted, for example in launching new software such as the Windows 7 operating system. Employees in Italy are trained and certified in the latest technologies developed by Microsoft Dynamics, Oracle, Symantec and Cisco. The BRAIN FORCE Academy and the Friday Dashboard in Austria provide the basis for the continuing transfer of know-how on current projects. Round-table talks take place in Germany to promote the exchange of ideas and expertise among employees and the individual business units.

The introduction of the competence center structure in the Group has enabled the company to impart local knowledge beyond national borders and open new revenue potential. The successful launch of the Infrastructure Optimization segment based on the marketing of our Dutch packaging expertise in Germany, or the creation of a Microsoft Dynamics business unit in Austria and the related close cooperation with the Italian subsidiary are integral parts of this strategy.

Order Intake

As of September 30, 2009, the order volume at the Group level amounted to € 23.43 million, down 19% over the prior year's level of € 28.96 million. The reduced order intake can be primarily attributed to the difficult economic environment as well as customer restraint in respect to IT investments. In addition, a large contract in the field of managed services implemented on behalf of a globally operating airline by our office in Frankfurt expired during the past fiscal year and was subsequently renewed, but to a lesser extent.

At the balance sheet date, the order volumes are attributable to the segments as follows:

- ▶ Germany accounts for orders of € 13.01 million (Sept. 30, 2008: € 16.61 million)
- ▶ Central East Europe has orders on hand totaling € 5.37 million (Sept. 30, 2008: € 6.94 million)
- ▶ South West Europe accounts for orders of € 2.79 million (Sept. 30, 2008: € 4.10 million)
- ▶ North Europe has an order intake of € 2.26 million (Sept. 30, 2008: 1.31 million)

The North Europe region succeeded in achieving a significant increase of 72% in its order volume, which is related to the considerable surge in customer demand arising as the result of the market launch of the new Microsoft operating system Windows 7. BRAIN FORCE is one of the leading implementation partners of Microsoft in this region, and thus profits disproportionately from the pent-up demand for workspace management solutions. Nevertheless, the higher order volume in North Europe could not compensate for the declining order intake in other regions, particularly in Germany, our largest market. However, the slight economic recovery is expected to once again lead to a growth in incoming orders.

Outlook and Targets

BRAIN FORCE had defined the goal of achieving positive operating results in its guidance for the 2009 fiscal year, and also communicated this in its last annual report. The half-year results clearly showed that this goal was out of reach in the short fiscal year 2009, due to the significant decline in revenue and the restructuring of the company. For this reason, the new guidance contained in the Six Months 2009 Report predicted an EBIT including restructuring costs of approximately € -4.0 million. In reality, BRAIN FORCE generated an EBIT from continuing operations of € -2.89 million. The total net loss amounted to € 4.83 million, including a net effect from the discontinued operation in Berlin of € -1.81 million.

Despite the negative results, BRAIN FORCE generated a positive cash flow from operating activities of € 1.55 million. The company has a solid balance sheet structure, an equity ratio of 35%, gearing of 29%, and has no foreseeable financing shortfall, as demonstrated by the term structure of the financial liabilities. BRAIN FORCE has total cash of € 5.54 million at its disposal as of September 30, 2009, and about € 8 million in unused lines of credit from banks.

Following the restructuring implemented in the past months, the BRAIN FORCE management will pursue an active growth strategy in the new fiscal year. We are positioning ourselves now as the specialist for IT infrastructure solutions, particularly software packaging and the Windows 7 rollout, based on our Dutch product and service portfolio. An initial success was achieved when we won a large software packaging order in Germany to serve the customers of a multinational hardware and service company. In addition, BRAIN FORCE is developing a powerful business unit in Austria for ERP solutions on the basis of Microsoft Dynamics, and we are speeding up the expansion of our SolveDirect service management solutions on the U.S. market.

We are expecting the order intake to slightly recover in the months ahead, but we do not foresee any easing off of price pressure. Through the restructuring efforts over the past nine months, the cost basis was reduced by about € 20 million compared to the 2008 fiscal year, enabling the company to more effectively cope with lower Group revenues. BRAIN FORCE aims to generate revenues of more than € 80 million and achieve positive operating results in the 2009/10 fiscal year.

Risk Management

The BRAIN FORCE Group is subject to various risks within the context of its international business operations. For the BRAIN FORCE Group, an effective risk management represents a crucial factor for the sustainable preservation of corporate success and the achievement of the business targets designed to create and enhance shareholder value. Accordingly, risk is not only the negative deviation from corporate goals, but also the failure to realize potential profits. BRAIN FORCE strengthened its risk management in 2008 and initiated a centrally managed Group-wide risk management system. The implementation of this process was completed in 2009 with the launch of a Group-wide Risk Management Guideline. Since then, risks in the Group are regularly and systematically identified in order to evaluate their probability of occurrence and potential damage, as well as to implement suitable countermeasures to manage risk. BRAIN FORCE focuses its efforts on the top 10 risks facing the Group. The annual risk assessment is updated within the context of the budgeting process.

In line with the decentralized structure of the BRAIN FORCE Group, the local business units are responsible for managing operational risks. However, the level of compliance with risk management processes is monitored on the level of the holding company, which also prepares a Group-wide risk report. The relevant events are reported to the entire Management Board and subsequently to the Supervisory Board.

The planning and controlling processes, Group-wide guidelines, ongoing reporting and the 14 day rolling forecasting comprise the most important instruments of risk monitoring and control. Reporting plays a particularly important role in the monitoring and control of current business risks. Each year, the auditors of

BRAIN FORCE could not achieve its goal of generating positive operating results

Solid balance sheet structure and sufficient lines of credit to finance working capital

Active growth strategy in the new fiscal year

Positive operating results defined as the target for 2009/10

Group-wide risk management process focusing on the top 10 risks

Local responsibility but centralized risk management

Reporting is the most important instrument to monitor risk

the consolidated financial statements also evaluate in the course of the annual audit the proper functioning of risk management processes in the Group and present their conclusions to the Management Board and Supervisory Board.

Only operational risks are taken

As a contribution to optimal risk prevention and management, the local business units only intentionally take operational risks where necessary, and always in relation to the potential profits. In particular, it is absolutely forbidden to engage in any speculative activities above and beyond the scope of normal business operations. Risks that go beyond the scope of normal business operations, such as financial risks, are also monitored by the holding company, and hedged if necessary.

No existence-threatening risks identified at present

From today's perspective, the Group has not identified a single existence-threatening risk with any appreciable probability of occurrence. The assessment of all top 10 risks accounts for approx. 12% of total equity. The relevant risks and the pre-defined countermeasures are described below.

Creation of a Group-wide cash pool enabling optimized Group financing at low costs

Financial risks

Liquidity risk is monitored by ongoing financial planning on the level of the local business units, and also by the Group holding company. In 2009, a cash pool was established encompassing the most important subsidiaries in Austria, Germany, Italy and the Netherlands. The cash pooling was launched at the beginning of 2009, and enables the holding company to put together an up-to-date settlement of accounts, secure better terms and conditions in investing surplus funds and optimize the Group's financing requirement on the basis of the internal equalization of liquidity and low financing costs.

Financing of the BRAIN FORCE Group has been secured

The financing of the BRAIN FORCE Group has been secured, based on a solid balance sheet structure, a high level of cash and cash equivalents and sufficient lines of credit made available by banks. BRAIN FORCE has no noteworthy short-term financing requirements.

Goodwill confirmed by impairment tests

It was not necessary to carry out an amortization of the goodwill of the BRAIN FORCE Group in the 2009 fiscal year. Detailed explanations can be found in the consolidated financial statements (note 14).

Currency risk plays a minor role at present

Because of the fact that the BRAIN FORCE Group operates almost exclusively in the Euro area, currency risk can hardly be considered a problem at the current time. However, within the framework of the planned expansion of business ties to customers in the USA, the holding company will closely monitor the EUR/USD exchange rate risk and take appropriate hedging measures if required.

Interest rate risk managed by the corporate treasury

The interest rate risk is the risk related to changes in the value of financial instruments as a consequence of a change in the market interest rates. The interest-bearing financial liabilities of the BRAIN FORCE Group are comprised of 100% fixed-interest components on the balance sheet date. The investments of liquid funds is carried out within the framework of a cash pool and managed by corporate treasury. A more detailed description of the financing situation is contained in the consolidated financial statements (note 24).

Focus on core competencies and profitable business areas

Market and competitive risk

The BRAIN FORCE Group operates in a very highly competitive environment. In addition, software and IT services are subject to cyclical fluctuations. These factors are taken into consideration by focusing on the Group's core competencies and profitable business areas, and by the targeted development of new technologies and penetration of new markets within the framework of the "Strategy 2009+" . A surplus of IT consultants can potentially lead to price pressure and costs exceeding earnings. In order to act flexibly and minimize the impact on our profitability, a part of the employees in our Professional Services segment work for BRAIN FORCE on a free-lance basis.

The product portfolio is oriented to customer requirements and expected trends, and is continually being adapted

The BRAIN FORCE Group offers a diverse range of products which are subject to ongoing and rapid technological change and customer demands which are continually changing in short cycles. The company's efforts to permanently further develop products and tailor them to market requirements are designed to counteract this risk. Moreover, the growth of the BRAIN FORCE Group is dependent on factors such as the exploitation of customer potential and its success in new markets. The ongoing monitoring and analysis of

the markets by local managing directors, who without exception boast long-standing experience in the IT sector, enables the company to minimize the risk of deviating from these crucial factors in achieving goals. In addition, studies prepared by renowned market research institutes are analyzed to evaluate future trends and make sound decisions pertaining to the strategic orientation of the Group.

Despite a broad-based customer basis, the business in the operational subsidiaries of the BRAIN FORCE Group displays partially a significant level of dependence on individual, large-sized customers. However, this risk is considerably limited by the fact that the five largest customers only account for about 30% of total Group revenues. As a means of minimizing the impact on earnings resulting from a potential loss of a few key customers, the company is continuously striving to expand its customer base and thus reduce its dependence on any individual customers. The credit risk involved from customers potentially defaulting on receivables is described in the consolidated financial statements. BRAIN FORCE took out credit insurance effective September 1, 2009.

Top 5 customers account for about 30% of Group revenues

Highly qualified specialists and executives are an important success factor in our branch. We offer attractive, performance-based remuneration schemes and professional development programs and trainings to lure and retain top notch employees.

Employee retention promoted by trainings and performance-based remuneration

Legal risks

The BRAIN FORCE Group works together with its customers in developing and integrating individualized software solutions, or sells standard software solutions which have usually been developed or improved by the company. In order to identify potential product liability claims at an early stage which arise from program errors or avoid such legal disputes altogether, the development as well as the implementation of the respective product is carried out in a quality controlled manner on the basis of pre-defined processes. When the product is deemed to be market ready, a customer acceptance test occurs which either confirms the proper functioning of the software or identifies deficiencies in the program which must be corrected. Problems arising from program errors are resolved within the context of the warranty period. Ongoing project controlling aims at minimizing potential liability risks from project work. Depending on the size and risk potential of the project, a risk and change management system is installed to support project execution.

Comprehensive project controlling to minimize potential liability risks

A legal review of all important contracts is mandatory. Insurance policies have been concluded to protect against specific liability risks and damage claims. The policy size is being continually assessed and oriented to the economic relation of the maximum possible risk and the insurance fees.

Insurance policies concluded to protect against specific contract liabilities

Corresponding provisions have been made in the balance sheet as at September 30, 2009 for risks arising from the closing of the Berlin office.

The decision-making process of the BRAIN FORCE management is based on internal and external consultations designed to effectively manage and counteract risks relating to the diverse range of tax and legal regulations. The consistent compliance with rules and the evaluation of how employees deal with risks are among the fundamental responsibilities of all managers in the company.

Decisions made on the basis of internal and external consultations

Reporting on the accounting-based and internal control and risk management system

The responsibility for the setting up and configuration of a internal control and risk management system capable of meeting the needs of accounting procedures and of assuring compliance with legal requirements rests with the Management Board. The BRAIN FORCE Group's accounting department forms part of BRAIN FORCE HOLDING AG. The department is comprised of the organizational units Accountancy Countries & Group Consolidation, which is responsible for reporting to outside parties, and Financial Controlling, which handles reporting within the Group. Both units report directly to the Chief Financial Officer.

Responsibility for the internal control and risk management system is taken by the Management Board

The foundations of the processes underlying Group accounting and reporting procedures are laid down in the Accounting Manual published and updated on a regular basis by BRAIN FORCE HOLDING. The manual contains the IFRS-based accounting and reporting requirements as applied in the Group. These requirements especially apply to the accounting of and reporting on non-current assets, trade receivables,

Accounting manual regulates reporting requirements pursuant to IFRS

accruals and deferrals, financial instruments, provisions and the translation of deferred tax assets and liabilities.

Compliance to guideline is verified on a regular basis

The nature of the business conducted by the Group make the requirements pertaining to the realization of revenues and the recording of project invoices of primary importance. Such processes are carried out largely automatically in all BRAIN FORCE subsidiaries. Group headquarters undertake assessments of goodwill and of groups of assets assigned to individual business segments on a regular basis. The adherence to the respective requirements is assured through regular reviews carried out at management meetings and, whenever necessary, through securing the participation of the central department.

Largely automated transfer of data for consolidation

The entering, recording and accounting of all Group transactions is handled by a variety of software solutions. In a number of countries, the sizes of the subsidiaries have caused accounting to be outsourced to locally-based tax accountants. Companies submit Reporting Packages on a quarterly basis containing all accounting data pertaining to the income statement, balance sheet and cash flow statement. This data is then transferred into the central consolidation system. In cases in which Group companies use the same system as their corporate parent, the transferring of data occurs automatically. Manual recording is required for subsidiaries using other systems. This financial information is verified on the Group-wide basis by the central Accountancy Countries & Group Consolidation department. The information forms the basis of the reports issued on a quarterly basis by the BRAIN FORCE Group pursuant to IFRS.

No internal audit department

No separate internal audit department has been set up in the light of the company's size. However, the internal control and reporting-system has been configured to enable the Management Board to rapidly identify and respond to risks.

Fully-developed reporting system featuring rolling 3 months forecasts

A standard planning and reporting system is used for the internal management reporting. Automatic interfaces have been created to transfer actual data from the primary system. A standardized process is employed to enter the figures comprising forecasts. Reports are structured according to region, to the particular subsidiary and to the Business Solutions, Infrastructure Optimization and Professional Services business areas. These reports include the development of operating results during the preceding month as well as twice-monthly a rolling forecast for the next three months. These reports feature summaries of the most important results as well as divergences from values contained in budgets, achieved in the same period in the prior year, and predicted in the preceding forecasts. Also included, if need be, are updated valuations of individual risks.

Securing of regular and comprehensive information provided to the Supervisory Board

The financial information described above and the quarterly performance figures form the basis for the Management Board's reporting to the Supervisory Board, which holds meetings on a regular basis. The Supervisory Board is informed about business development using consolidated presentations, consisting of segment reporting, earnings development with comparisons of current figures with figures of the budget and the previous period as well as forecasts, Group financial statements, developments in respect to the number of employees and the order intake, and selected financial indicators.

Disclosure in accordance with Section § 243a (1) UGB

1. The share capital consists of 15,386,742 no par value bearer shares. The share capital was paid in full.
2. The Management Board is not aware of any restrictions in respect to voting rights or the transfer of shares.
3. As far as the company knows, the following had a direct or indirect stake of at least 10% in the share capital of BRAIN FORCE as at September 30, 2009: BEKO HOLDING AG: 54.65%
Erster Privater Investmentclub Börsebius Zentral (GbR), Cologne, Germany: 11.40%
(as of October 22, 2009: 16.97%)
4. No shares with special control rights have been issued.
5. No employee participation scheme has been set up within the BRAIN FORCE Group.
6. Above and beyond legally binding requirements, there are no additional provisions valid within the BRAIN FORCE Group in respect to the members of the Management and Supervisory Boards.
7. Opportunities to issue or buy back shares:
 - a) Pursuant to the resolution approved by the Annual General Meeting on May 9, 2007, the Management Board is authorized, within five years after the corresponding amendment to the company's Articles of Association has been entered into the Commercial Registry to increase the company's share capital by up to EUR 7,693,371. This is to occur through the issuing, in one or more tranches, of up to 7,693,371 common bearer shares. Payment for such is to take the form of cash or contribution in kind. This authorization extends to the decision as to whether or not to exclude shareholders' subscription rights in cases in which payment has occurred in cash and/or contribution in kind, or in which the shares issues are granted to employees of the company or affiliated companies. The Management Board is also authorized to determine the amounts and conditions of issue with the formal consent of the Supervisory Board. In addition, the Supervisory Board is authorized to resolve upon amendments to the Articles of Association necessitated by the issuing of shares from the authorized capital.
 - b) Pursuant to the resolution approved by the Annual General Meeting on May 14, 2009, the Management Board is authorized to acquire treasury stock, with the percentage of the share capital of the stock to be acquired to be limited to 10%, and the authorization applying to a period of 30 months as of the date of the resolution being adopted. The counter value (basis price) per no par value share to be acquired may not undershoot or overshoot the market price by more than 20%. The decisive market price shall be deemed the average value of the closing prices for the shares of the respective securities within the last 5 trading days prior to the acquisition of the shares.
8. With the exception of the information provided in point 9 of this disclosure, any agreements on the part of the company which would take effect, change or no longer apply in the case of a change in the controlling interest in the company as a result of a public takeover offer will not be disclosed, due to the fact that it would considerably harm the company.
9. In the case of a hostile takeover of the company in accordance with the Austrian Takeover Act, a contractual agreement has been concluded with the Management Board members Günter Pridt and Thomas Melzer, that the respective Management Board member has the right, within a period of two months after the takeover legally takes effect, to unilaterally and immediately resign his position in the company and immediately terminate the management contract without the necessity of having to provide any advance notice. If the Management Board member exercises this right, the company is only required to pay the fixed basic salary to which the Management Board member is entitled until the contractually stipulated end of his employment contract. In this case, a single lump sum would be paid as a severance payment within a period of four weeks after the resignation of the Management Board member.

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Income Statement in EUR	Note	1.1.-30.9.2009	1.1.-31.12.2008
Continuing operations			
Revenues	1	61,689,964	104,505,377
Cost of sales	2	-49,321,249	-77,407,875
Gross profit		12,368,715	27,097,502
Selling expenses	2	-6,704,514	-10,976,013
Administrative expenses	2	-6,555,618	-10,735,361
Other operating expenses	2	-786,916	-1,742,300
Other operating income	3	176,020	652,894
Operating profit/loss before restructuring costs (Operating EBIT)		-1,502,313	4,296,722
Restructuring costs	2	-1,383,523	0
Operating profit/loss after restructuring costs (EBIT)		-2,885,836	4,296,722
Financial income	6	367,876	37,491
Financial expenses	6	-627,678	-1,485,745
Financial result	6	-259,802	-1,448,254
Result from associates	16	-1,657	0
Profit/loss before tax		-3,147,295	2,848,468
Income taxes	7	740,669	-4,427,098
Loss after tax from continuing operations		-2,406,626	-1,578,630
Loss after tax from discontinued operations	32	-2,427,881	-522,270
Profit/loss after tax		-4,834,507	-2,100,900
Changes in fair values of available-for-sale financial assets	23	10,248	3,734
Currency translation differences	23	-10,005	-19,138
Other result		243	-15,404
Total loss		-4,834,264	-2,116,304
Earnings per share ¹⁾	34	-0.31	-0.14
Earnings per share – adjusted ²⁾		-0.11	0.13
Earnings per share from continued operations		-0.15	-0.10
Earnings per share from discontinued operations		-0.16	-0.04

1) Results are attributable exclusively to the equity holders of the parent company

2) Adjusted for restructuring costs and loss from discontinued operation

Key ratios by segment 1-9/2009 in EUR	Germany	Central East Europe	South West Europe	North Europe	Holding and Other	Group
Revenues (consolidated)	28,898,457	9,077,692	17,234,423	6,479,392	0	61,689,964
Operating EBITDA ¹⁾	1,076,711	342,466	722,761	671,562	-1,630,338	1,183,162
EBITDA	916,654	255,895	-414,134	671,562	-1,630,338	-200,361
Depreciation and amortization	-650,557	-782,858	-606,605	-592,193	-53,261	-2,685,475
Operating EBIT ¹⁾	426,154	-440,392	116,156	79,368	-1,683,599	-1,502,313
Restructuring costs	-160,057	-86,571	-1,136,895	0	0	-1,383,523
EBIT	266,097	-526,963	-1,020,739	79,368	-1,683,599	-2,885,836

Key ratios by segment 1-12/2008 in EUR	Germany	Central East Europe	South West Europe	North Europe	Holding and Other	Group
Revenues (consolidated)	49,546,646	15,482,742	28,420,407	11,055,582	0	104,505,377
EBITDA	5,657,477	1,947,274	2,473,917	1,412,352	-3,301,724	8,189,296
Depreciation and amortization	-1,448,196	-1,040,115	-688,432	-715,105	-69,548	-3,961,396
EBIT	4,278,103	907,159	1,785,485	697,247	-3,371,272	4,296,722

1) before restructuring costs

Cash Flow Statement in EUR	Note	1.1.-30.9.2009	1.1.-31.12.2008
Profit/loss before tax		-3,147,295	2,848,468
Depreciation and amortization		2,685,475	3,892,574
Financial result		259,802	1,448,254
Result from associates		1,657	0
Gains / losses from the disposal of property, plant and equipment and intangible assets		64,089	35,314
Other non-cash income		0	-250,000
Changes in non-current provisions and liabilities		-393,809	-343,091
Net interest paid		-368,129	-769,504
Income taxes paid		-164,715	-1,655,296
Gross Cash flow of continuing operations	9	-1,062,925	5,206,719
Changes in inventories		-65,287	83,242
Changes in trade receivables		7,216,701	1,025,500
Changes in trade payables		-824,977	-1,405,309
Changes in other current assets and liabilities		-3,708,042	2,109,136
Currency translation differences		-8,921	13,341
Cash flow from operating activities of continuing operations	9	1,546,549	7,032,629
Acquisition of subsidiaries		-266,406	-2,215,220
Net payments for the sale of subsidiaries		0	-87,116
Investments in property, plant and equipment and other intangible assets		-1,859,042	-2,234,282
Sale of property, plant and equipment and other intangible assets		12,880	78,974
Sale of shares and receivables from associates		355,164	0
Investments in financial assets		12,713	37,491
Cash flow from investing activities of continuing operations	10	-1,744,691	-4,420,153
Increase in financial liabilities		148,366	884,769
Repayment of financial liabilities and bank overdrafts		-2,646,221	-3,168,553
Dividends paid		0	0
Capital increase		0	0
Purchase of treasury shares		0	0
Cash flow from financing activities of continuing operations	11	-2,497,855	-2,283,784
Change in cash and cash equivalents from continuing operations		-2,695,997	328,692
Change in cash and cash equivalents from discontinued operation	32	-559,754	-970,391
Cash and cash equivalents at the beginning of the period		8,799,244	9,440,943
Change in cash and cash equivalents		-3,255,751	-641,699
Cash and cash equivalents at the end of the period	12, 22	5,543,493	8,799,244

Balance Sheet in EUR	Note	30.9.2009	31.12.2008
ASSETS			
Property, plant and equipment	13	2,464,411	2,493,383
Goodwill	14	14,516,571	14,516,571
Other intangible assets	15	10,213,570	11,328,281
Investments in associates	16	9,809	11,466
Financial assets	17	193,376	183,128
Other receivables and assets	21	100,252	101,712
Deferred tax assets	18	433,899	50,723
Non-current assets		27,931,888	28,685,264
Inventories	19	267,256	185,787
Trade receivables	20	19,457,294	26,898,432
Other receivables and assets	21	1,249,600	1,741,880
Cash and cash equivalents	22	5,543,493	8,799,244
Current assets		26,517,643	37,625,343
Total assets		54,449,531	66,310,607
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent company			
Share capital	23	15,386,742	15,386,742
Reserves	23	12,085,388	15,245,099
Retained earnings		-8,157,276	-6,482,723
Equity		19,314,854	24,149,118
Financial liabilities	25	10,877,500	10,975,548
Other liabilities	27	138,273	144,891
Provisions for post-employment benefits	24	1,964,139	2,271,221
Deferred tax liabilities	18	1,783,410	2,613,772
Non-current liabilities		14,763,322	16,005,432
Financial liabilities	25	313,349	2,713,156
Trade payables	26	7,526,871	8,340,473
Other liabilities	27	9,368,320	13,105,463
Income tax provisions	29	1,113,692	824,561
Other provisions	30	2,049,123	1,172,404
Current liabilities		20,371,355	26,156,057
Total equity and liabilities		54,449,531	66,310,607

Changes in equity in EUR	Note	Attributable to equity holders of the parent company				
		Share capital	Share-premium	Other reserves	Retained earnings	Total equity
Balance 1.1.2008		15,386,742	15,536,020	-275,517	-4,381,823	26,265,422
Total result for the period		0	0	-15,404	-2,100,900	-2,116,304
Balance 31.12.2008	23	15,386,742	15,536,020	-290,921	-6,482,723	24,149,118
Transfer of reserves		0	-3,159,954	0	3,159,954	0
Profit/loss after tax		0	0	0	-4,834,507	-4,834,507
Total result for the period		0	-3,159,954	243	-1,674,553	-4,834,264
Balance 30.9.2009	23	15,386,742	12,376,066	-290,678	-8,157,276	19,314,854

Notes to the consolidated financial statements for the short fiscal year from January 1 to September 30, 2009

The Company

BRAIN FORCE HOLDING AG, Vienna, is a leading IT company with subsidiaries in Austria, Germany, Switzerland, Italy, the Netherlands, the Czech Republic and Slovakia. BRAIN FORCE develops own software solutions and implements products of leading technology providers. The portfolio includes products and services in the areas of Business Solutions, Infrastructure Optimization and Professional Services. The parent company is headquartered in Karl-Farkas-Gasse 22, 1030 Vienna, Austria.

The majority of shares in BRAIN FORCE HOLDING AG are held by BEKO HOLDING AG, Nöhagen, Austria. In the past fiscal year, the ultimate holding company was CROSS Industries AG, domiciled in Wels, Austria.

Based on a resolution passed at the annual general meeting on May 14, 2009, the balance sheet date was changed from December 31 to September 30 for all group companies. Thus, these financial statements relate to a short fiscal year. As a result, the comparability, in particular regarding key performance ratios, is limited in these notes to the consolidated financial statements.

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the reporting periods presented.

Financial reporting principles

The consolidated financial statements at September 30, 2009 were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and the applicable Austrian regulations pursuant to Section 245a UGB.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note "accounting estimates and assumptions".

For clarity purposes, amounts are rounded and – unless otherwise stated – reported in euro thousand. However, the exact amounts are used for calculations, including the undisclosed digits, which is why computing differences may arise.

New and amended standards and interpretations that have been adopted by the EU and applied for the first time in the fiscal year

IFRS 8 "Operating segments" replaces IAS 14 "Segment reporting". The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The application of this standard is not expected to have an impact on the consolidated financial statements of the Company.

IAS 1 "Presentation of financial statements" replaces the existing IAS 1. The main changes to the previous version are that an entity shall a) present all non-owner changes either in one statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). Components of comprehensive income are not permitted to be presented in the statement of changes in equity and b) present a statement of financial position (balance sheet) as at the beginning of the earliest comparative period in a complete set of financial statements when the entity applies an accounting policy retrospectively or makes a retrospective restatement, and c) disclose income tax relating to each component of other comprehensive income, and d) disclose reclassification adjustments relating to the components of other comprehensive income. The first-time application resulted in changes in presentation, which however do not have an impact on the Group's earnings position.

All other new regulations (standards, amendments to standards, interpretations), which were mandatory for the first time in the fiscal year, had no material impact on the consolidated financial statements.

Standards, interpretations and amendments to published standards that have not yet been applied

IFRS 3 (revised) "Business combinations" and IAS 27 (amendment) "Consolidated and separate financial statements" (mandatory for reporting periods beginning on or after July 1, 2009) will be applied to business combinations after October 1, 2009.

A number of amendments to standards, new standards and interpretations have already been published, but have not yet been adopted by the European Union or are not yet mandatory. The impact of these regulations on the consolidated financial statements of the Company is not material and, therefore, not presented in detail.

Principles of consolidation

The financial statements included in consolidation were all drawn up with the uniform consolidated balance sheet date September 30, 2009.

In addition to BRAIN FORCE HOLDING AG, domestic and foreign subsidiaries are included in the consolidated financial statements over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Consolidated group

The consolidated group changed as follows, compared to the consolidated financial statements at December 31, 2008: As of July 3, 2009, BRAIN FORCE HOLDING AG sold its 30% share in KEMP Technologies Inc., New York, USA.

Thus, the consolidated financial statements include BRAIN FORCE HOLDING AG, Vienna, and the listed subsidiaries and associates:

Company	Method of consolidation	Share in %
BRAIN FORCE SOFTWARE GmbH, Vienna	F	100
BRAIN FORCE Software GmbH, Munich, Germany	F	100
BRAIN FORCE S.p.A., Milan, Italy	F	100
BRAIN FORCE Network Solutions B.V., Veenendaal, Netherlands	F	100
BRAIN FORCE B.V., Veenendaal, Netherlands	F	100
BFS Brain Force Software AG, Kloten, Switzerland	F	100
BRAIN FORCE SOFTWARE s.r.o., Prague, Czech Republic	F	100
Brain Force Software s.r.o., Bratislava, Slovakia ¹⁾	F	100
NSE Capital Venture GmbH, Munich, Germany ²⁾	F	100
CONSULTING CUBE s.r.l., Bologna, Italy ³⁾	E	25

F ... Full consolidation

E ... Equity method of consolidation

1) 99.5% of the share is held by BRAIN FORCE SOFTWARE s.r.o., Prague, Czech Republic, 0.5% by BRAIN FORCE SOFTWARE GmbH, Vienna.

2) The share is held by BRAIN FORCE Software GmbH, Munich, Germany.

3) The share is held by BRAIN FORCE S.p.A., Milan, Italy.

Methods of consolidation

Consolidation is carried out in accordance with the regulations of IFRS 3. All business combinations are accounted for using the purchase method. The acquisition costs of the shares in the subsidiaries included in consolidation plus costs directly attributable to the acquisition are offset against the proportionate net assets based on the fair values of the assets and liabilities assumed at the time of acquisition or transfer of control.

Identifiable intangible assets are recognised separately and amortized systematically. The remaining goodwill is allocated to the cash-generating unit(s) and is tested for impairment at least annually at this level.

If the fair value of the net assets of the subsidiary acquired exceeds the cost of acquisition, the assets acquired and liabilities and contingent liabilities assumed as well as acquisition costs have to be remeasured and any remaining excess has to be recognised directly in the income statement.

Intragroup receivables and liabilities, income, expenses and any intercompany results are eliminated.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency). All financial statements are presented in the respective local currencies.

The consolidated financial statements are presented in euro, which is the functional currency of the parent company and the presentation currency of the Group.

The differences resulting from the translation of financial statements of consolidated entities are recognised in equity, not affecting net income.

In the individual financial statements of group companies, foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

The financial statements of foreign subsidiaries that have a functional currency different from the presentation currency of the Group are translated into the presentation currency at the respective year-end exchange rates.

The euro exchange rates for the major currencies are presented in the following table:

Currency	Rate at 30.09.2009	Rate at 31.12.2008
	1 EUR	1 EUR
CHF Swiss franc	1.5100	1.4955
CZK Czech crowns	25.1950	26.600
USD US dollar	1.4650	1.4160

Property, plant and equipment

Property, plant and equipment is stated at historical cost less systematic depreciation. PP&E is depreciated on a straight-line basis over the expected useful lives of the assets. The assets are depreciated on a pro rata temporis basis from the month in which the asset is available for use.

Systematic depreciation is based on the following useful lives, which are uniform within the Group:

	Useful life
Building investments in non-owned facilities	5 to 10 years
IT equipment	3 to 5 years
Office machines	4 to 5 years
Office equipment	5 to 10 years

If an asset is impaired, the carrying amount is reduced to its recoverable amount.

Maintenance expenses

Maintenance expenses are recognised in the income statement in the period in which they are incurred.

Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Intangible assets

In accordance with IFRS 3, goodwill arising from a business combination shall not be amortized systematically.

Assets accounted for in connection with the purchase price allocation are amortized on a straight-line basis as follows:

	Useful life
Trademarks	10 years
Product developments	5 years
Customer relations	5 to 7 years
Orders on hand	over the corresponding time required for their processing

Other purchased intangible assets are recognised at cost less amortization calculated according to the straight-line method and based on the estimated useful lives of the assets, which are as follows:

	Useful life
Software	3 to 5 years
Licenses and distribution rights	3 years
Registered trademarks	10 years

If an asset is impaired, the carrying amount is reduced to its recoverable amount. In addition, goodwill shall be tested annually for impairment.

Research and development

Expenditure on research is recognised as an expense. Development costs, both for bought-in goods and services and for internal development costs arising from development projects, if they meet the required criteria, are recognised as assets arising from development (other intangible assets) in accordance with IAS 38, to the extent that such expenditure is expected to generate future economic benefits. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Capitalized development costs are amortized on a straight-line basis over the expected useful life of the respective product, currently 3 to 5 years.

Associates

Investments in associates, i.e. companies in which the Group, directly or indirectly, holds more than 20% of the voting rights or in another way can exercise a significant influence on the operating policies of the associated company, are accounted for using the equity method. Under this method, investments are initially recorded at cost and subsequently adjusted according to the investor's share in the net assets of the associated company. The income statement reflects the investor's share in the results of the associated company.

Financial assets

In addition to investments, financial assets include securities held for an indefinite period that may be sold for liquidity requirements or due to changes in interest rates. They are classified as "available-for-sale".

Available-for-sale securities are subsequently measured at fair value (based on stock prices), with unrealised changes in value being recognised in equity under other reserves.

Investments are also classified as available-for-sale financial assets, they are, however, normally measured at cost, as an active market value does not exist for these companies and the respective fair values cannot be determined reliably at reasonable expense. If there are any indications to a lower fair value, this value will be recognised.

If any indications exist, assets will be tested for impairment. If assets are impaired, the corresponding impairment loss is recognised in profit or loss.

All purchases and sales are recognised at the date of settlement; acquisition costs include transaction costs.

Impairment of certain non-current assets

Property, plant and equipment, goodwill and other intangible assets are examined to assess whether changed circumstances or events indicate that the carrying amount is no longer recoverable. If an asset is impaired, the carrying amount is reduced to its recoverable amount. The recoverable amount is the higher of an asset's net selling price and its value in use. In order to assess impairment, assets are grouped into cash-generating units, i.e. the smallest identifiable group of assets that generates separate cash inflows. If the reason for the impairment no longer exists, a corresponding write-up is made, except for goodwill.

Inventories

Inventories are recognised at the lower of cost or net realisable value in accordance with IAS 2. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Construction contracts

The profit from a construction contract is recognised as soon as it can be estimated reliably. The Group uses the percentage-of-completion method to determine the appropriate amount in a period. The stage of completion is shown as the number of hours worked up to the balance sheet date in proportion to all the hours allocated to the project. Losses are recognised at the earliest possible date. Advance payments received are deducted from the receivables from construction contracts. Any negative balance for a construction contract resulting from this will be recognised as a liability from construction contracts.

Receivables and other assets

Receivables and other assets are recognised at cost less any necessary provision for impairment. Receivables in foreign currencies are measured at the exchange rate prevailing at the balance sheet date.

Non-current receivables falling due within twelve months after the balance sheet date are recognised under current assets.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank deposits. Deposits held in foreign currencies are measured at the exchange rate prevailing at the balance sheet date September 30, 2009.

Liabilities

Liabilities are recognised at cost or at the amount repayable, if different. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings, using the effective interest method.

Liabilities in foreign currencies are measured at the exchange rate prevailing at the balance sheet date.

Provisions

Provisions are recognised, if the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle this obligation, and that the amount can be estimated reliably.

Long-term provisions are recognised at the amount repayable, discounted to the balance sheet date, if the interest effect resulting from discounting is material.

Provisions for post-employment benefits

Provisions for post-employment benefits include long-term obligations for pensions and termination benefits (severance payments) calculated in accordance with actuarial methods pursuant to IAS 19. The present value of the defined benefit obligation = DBO is calculated on the basis of the length of service, the expected development of salary and (in the case of pensions) the pension adjustment. The obligation

resulting according to the projected unit credit method is reduced for pensions payable by a multi-employer pension fund by the plan assets of the fund. To the extent that the plan assets do not cover the obligation, the net obligation is recognised as a liability under provisions for pensions.

The expense for the period to be recognised includes service cost, interest cost, and expense or income from the amortization of past service costs and actuarial gains and losses. The calculation of the obligations is based on actuarial assumptions, particularly with regard to the interest rate applicable for discounting, the rate of increase for salaries and pensions, the pensionable age and probabilities concerning labour turnover and the probability of occurrence. The calculation is based on local biometrical data.

The interest rate applied in calculating the present value of defined benefit obligations is based on the average market yield on corporate bonds with the same term to maturity.

Estimated future salary increases are derived from the average salary development of the past years, which is considered realistic for the future.

The deductions for labour turnover and for the probability of occurrence are based on figures for comparable prior periods.

The pensionable age used in the calculation of post-employment benefit obligations is derived from the actual commitments made; severance payments are calculated on the basis of estimated pensionable age.

Actuarial gains and losses are not taken into account unless they exceed the higher of 10% of total obligations or any plan assets (corridor). The amount exceeding the corridor will be taken through profit or loss over the average remaining service period of the active staff and recognised in the balance sheet.

Severance payments relate to obligations under Austrian or Italian law.

Severance payments under Austrian labour law are one-off employee benefits, which have to be paid on an enterprise's decision to terminate an employee's employment and when the employee goes into regular retirement. Their amount is based on the years of service and the amount of remuneration.

Severance payments under Austrian law (old)						
Years of service	3	5	10	15	20	25
No. of months remuneration	2	3	4	6	9	12

Since the beginning of 2003, defined contribution plans have been applicable to employees joining an Austrian company. Starting from the second month of the employment relationship, the employer pays a regular contribution of 1.53% of monthly remuneration and any additional payments to a Mitarbeitervorsorgekasse or MVK (statutory scheme for severance payments). No additional obligation exists on the part of the company. The employees' entitlements exist vis-à-vis the respective MVK, and the current contributions paid by the company are recognised under personnel expenses.

Severance payments under Italian law (TFR) are one-off employee benefits which have to be paid as soon as an employee leaves an enterprise. The amount of the compensation is based on the number of monthly salaries (indexed), whereby a monthly salary (annual salary divided by 13.5) is earned per service year. The employee can receive an advance of up to 70% of the entitlement under certain conditions, e.g. to purchase a home or medical care. As of the fiscal year 2007, the amounts earned have to be paid to the statutory social security or a provision fund designated by the employee.

Revenues

Revenue is recognised upon delivery or transfer of risk to the customer, rebates and other discounts are deducted. Sales relating to the rendering of services in accordance with IAS 18 are measured using the percentage-of-completion method.

Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

Income taxes

Income taxes are recognised according to the source of tax and are based on the corresponding profit of the fiscal year.

Deferred taxes are determined on the basis of all temporary differences arising from tax values and IFRS values of all assets and liabilities using the liability method and the relevant national tax rates prevailing on the balance sheet date or which have been substantially enacted and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax liabilities are recognised under non-current liabilities, deferred tax assets under non-current assets.

The most important temporary differences result from the capitalization of development costs and other assets and liabilities identifiable in the allocation of the purchase price under IFRS 3, the depreciation of property, plant and equipment, receivables, provisions for tax purposes, construction contracts and the provisions for post-employment benefit obligations. Deferred taxes relating to tax loss carry-forwards and deductible temporary differences are recognised to the extent that it is probable that future taxable profit will be available against which they can be utilised.

Fair values

Due to their short-term nature, trade receivables, other receivables and payables and cash and cash equivalents recognised in the balance sheet basically correspond to their fair values. The fair values stated for financial liabilities are determined as the present value of discounted future cash flows using the market interest rates applicable for financial debt of corresponding maturity and risk structure.

Accounting estimates and assumptions

In applying the accounting and measurement principles, BRAIN FORCE Group, to a certain extent, made assumptions about future developments and used estimates with regard to non-current assets, allowances for receivables, provisions and deferred taxes. Actual values may eventually differ from these assumptions and estimates.

Transfer prices

Intragroup service relations exist to a small extent between the segments. The services rendered are charged at arm's length according to the cost plus method.

Impairment of goodwill

The effects of adverse changes of estimates made in the annual impairment test of the interest rate by plus 10% or of the cash flow by minus 10% would not result in an impairment of the recognised goodwill.

Deferred taxes

If future taxable income within the plan period defined for the recognition and measurement of deferred taxes fell 10% short of the value assumed at the balance sheet date, the recognised net position of deferred tax assets would not change (prior year: reduction by EUR 32k).

Provisions for post-employment benefits

In the BRAIN FORCE Group, actuarial gains and losses relating to pensions and severance payments under Austrian law are recognised in the income statement over the average remaining service period considering the corridor rule, in case of severance payments under Italian law immediately at the full amount.

The present value of the obligation depends on a number of factors which are based on actuarial assumptions. The assumptions used in calculating the expenses include the estimated increase in salaries and the interest rate. Any change in these assumptions has effects on the present value of the obligation and on actuarial gains and losses not yet recognised. Applying the corridor method, the amount of actuarial gains and losses outside the corridor has to be allocated in profit or loss over the average remaining service period of the beneficiary. Estimated future salary increases are derived from the average salary development of the past years, which is considered realistic for the future.

The Group calculates the relevant interest rate at the end of each year. This is the interest rate which is used in the calculation of the present value of expected future cash outflows for the payment of the obligation. The calculation of the interest rate is based on the interest rate for corporate bonds of the highest credit standing denominated in the currency in which the services are paid and whose maturities equal those of the pension and severance payment obligations. Further material assumptions are in part based on market conditions.

If the assumptions were based on a discount rate which fell 10 percent short of the estimates made by management, the present value of the obligation for pensions and severance payments would have to be raised by EUR 109k (prior year: EUR 105k).

Other balance sheet items

With regard to the other balance sheet items, changes in estimates and assumptions do not result in significant effects on the assets and liabilities, the financial position and result of operations for the following fiscal year.

Comments on the Income Statement

With the end of the short fiscal year 1-9/2009, an operation in the BRAIN FORCE Group was discontinued, namely the Infrastructure Optimization business at the Berlin location.

The following comments on the income statement relate to the continuing operations.

(1) Revenues

Revenues are broken down as follows:

in EUR	1-9/2009	1-12/2008
Current services	39,188,452	60,183,121
Construction/service contracts	11,361,185	23,550,390
Products	11,140,327	20,771,866
Revenues	61,689,964	104,505,377

Compared to the prior year, the allocation was adjusted, with EUR 8,524,556 having been transferred from current services to service contracts.

(2) Types of expenditure

The income statement was prepared using the function of expense method. The following presentation shows a breakdown by type of expenditure.

in EUR	1-9/2009	1-12/2008
Increase or decrease in services not yet invoiced	3,379	98,263
Cost of materials and purchased services	21,676,987	34,735,944
Own work capitalised	-1,097,341	-1,083,724
Personnel expenses	31,099,747	47,818,500
Depreciation and amortization	2,685,475	3,892,574
Restructuring costs	1,383,523	0
Rents and energy costs	2,116,059	3,573,122
Automobile expenses	1,752,157	2,461,624
Travel expenses	1,021,740	2,087,462
Advertising and marketing expenses	442,966	822,075
Legal, audit and consulting fees	1,195,891	2,086,058
Postage and communication charges	526,079	641,227
Bad debts and allowances for receivables	204,185	357,803
Company insurances	131,052	282,588
Other expenses	1,609,846	3,088,034
Manufacturing, selling and administrative expenses and other costs	64,751,745	100,861,550

Restructuring costs include expenses in connection with the staff reduction measures carried out.

Other expenses mainly comprise training costs, recruiting costs and costs for repairs and maintenance of in-house equipment.

(3) Other operating income

Other operating income includes:

in EUR	1-9/2009	1-12/2008
Cancellation fees and compensations	0	100,000
Income from the deconsolidation of BRAIN FORCE Hamburg GmbH	0	250,000
Other	175,945	302,894
Other operating income	175,945	652,894

(4) Cost of materials and purchased services

These expenses are allocated to production costs and broken down as follows:

in EUR	1-9/2009	1-12/2008
Cost of goods sold	2,766,564	4,127,995
Maintenance	742,792	858,200
Licenses	885,105	2,297,867
Cost of materials	4,394,461	7,284,062
Subcontractors	17,282,526	27,451,882
Cost of materials and purchased services	21,676,987	34,735,944

(5) Personnel expenses

Manufacturing, selling and administrative expenses include the following personnel expenses:

in EUR	1-9/2009	1-12/2008
Salaries	24,691,315	38,576,899
Expenses for severance payments	509,455	715,713
Expenses for pensions	52,054	52,211
Expenses for statutory social security, payroll-related taxes and mandatory contributions	5,846,923	8,473,677
Personnel expenses	31,099,747	47,818,500

Expenses for severance payments, in addition to statutory entitlements (see Note 24), also include contributions payable to the staff provision fund ("Mitarbeitervorsorgekasse") in the amount of EUR 58,621 (prior year: EUR 80,558).

(6) Financial result

The financial result is calculated as follows:

in EUR	1-9/2009	1-12/2008
Income from the disposal of securities	12,713	37,491
Income from the disposal of shares in associates (see Note 16)	52,396	0
Income from termination of convertible bond	302,768	0
Write-down convertible bond	0	-626,741
Interest and similar expenses	-637,546	-843,871
Net gain/loss from foreign currency translation	9,867	-15,133
Financial result	-259,802	-1,448,254

(7) Income taxes

Income taxes of the continuing operations are as follows:

in EUR	1-9/2009	1-12/2008
Current tax expense	399,908	1,794,119
Deferred tax income/expense	-1,140,577	2,632,979
Income taxes	-740,669	4,427,098

The income tax expense for the year is EUR 46,155 higher (prior year: EUR 3,714,981) than the calculated income tax expense of EUR -786,824 (prior year: EUR 712,117), which would result from applying a tax rate of 25% (prior year: 25%) on the profit before tax, with the tax rate equaling the income tax rate applicable to the parent company. The reasons for the difference between calculated and recognised income tax expenses are as follows:

In the tax reconciliation below, the effect from the changes in presentation resulting from the discontinued operation has been presented in an adjustment item with the prior year figures.

in EUR	1-9/2009	1-12/2008
Result before income taxes	-3,147,295	2,848,468
thereof 25% = calculated income tax expense	-786,824	712,117
Effects of different tax rates in other countries	173,525	778,763
Tax-free income	0	-1,838
Expenses not deductible for tax purposes	75,470	29,444
Other permanent differences	24,940	-108,609
Tax losses for which no deferred tax assets have been recognised	127,724	437,441
Write-down of deferred tax assets	156,000	3,070,729
Utilisation and subsequent capitalization of temporary differences and tax losses not recognised in the year in which they arose	-10,615	-306,641
Deferred tax assets from losses in or adjustments from discontinued operations (see Note 32)	-622,431	-173,651
Income tax expense – current period	-862,211	4,437,755
Non-periodic income tax expense/income	121,542	-10,657
Recognised income tax expense/income	-740,669	4,427,098

(8) Segment information

In accordance with the requirements of IFRS 8 (management approach), BRAIN FORCE HOLDING AG reports by geographical segments. Segment results (operating EBITDA and operating EBIT after restructuring costs) are recognised, not taking into account the costs recharged for trademark license fees and intragroup services. In the prior year reporting, these costs were included in the individual segments. The prior year figures were adjusted in the current reporting. Revenues, EBITDA and EBIT, as well as of assets and liabilities are allocated according to the corporate domicile of the entities to the following regions:

- ▶ Germany
- ▶ Central East Europe with Austria, the Czech Republic and Slovakia
- ▶ South West Europe with Italy and Switzerland
- ▶ North Europe with the Netherlands

The segment results are presented following the income statement. Austria accounts for EUR 8.78 million (prior year: EUR 14.95 million) of revenues for the short fiscal year 1-9/2009, other countries for EUR 52.91 million (prior year: EUR 89.56 million).

Investments, assets and liabilities are broken down as follows by region:

Key ratios 1-9/2009 in EUR	Germany	Central East Europe	South West Europe	North Europe	Holding and Other	Group
Capital expenditure	568,291	128,844	692,544	433,715	35,648	1,859,042
Assets	15,624,385	15,165,343	14,287,931	7,734,160	1,637,712	54,449,531
Liabilities	7,934,804	3,549,737	8,483,836	1,319,504	13,846,796	35,134,677

In the Germany region, the 1-9/2009 key ratios include assets in the amount of EUR 382,170 and liabilities in the amount of EUR 1,767,673, which are attributable to the discontinued operation.

Key ratios 1-12/2008 in EUR	Germany	Central East Europe	South West Europe	North Europe	Holding and Other	Group
Capital expenditure	433,600	242,588	816,432	646,675	94,987	2,234,282
Assets	20,963,975	17,356,800	18,865,834	8,571,605	552,393	66,310,607
Liabilities	9,326,613	4,017,122	11,306,432	1,721,014	15,790,308	42,161,489

In the Germany region, the 2008 key ratios include assets in the amount of EUR 881,820 and liabilities in the amount of EUR 399,196, which are attributable to the discontinued operation.

The group entities operating in the individual regions generate revenues in the areas Business Solutions, Infrastructure Optimization and Professional Services.

The Business Solutions segment provides optimized solutions for critical business processes in the following areas: Enterprise Resource Planning (ERP), Customer Relationship Management (CRM), Corporate Performance Management/Business Intelligence (CPM/BI) and Financial Services Solutions.

The Infrastructure Optimization segment provides solutions for better manageable and more efficient IT infrastructure in the following areas: Server and Data Management, Workspace Management, Application Provisioning and Control, Communication and Collaboration, and IT Service Management.

The Professional Services segment offers the experience and know-how of its IT and telecommunications specialists in the form of temporary consulting and service assignments. Such assignments cover all project phases from planning over realisation, test and integration to the actual operation. The scope of the services offered includes: consulting, programming, infrastructure, integration, migration, rollout, operation, support und maintenance.

Revenues by business segment:

in EUR	Business Solutions	Infrastructure Optimization	Professional Services	Group
Revenues 1-9/2009	14,078,522	27,900,258	19,711,184	61,689,964
Revenues 1-12/2008	32,474,024	45,833,844	26,197,509	104,505,377

Comments on the Cash Flow Statement

The cash flow statement of the BRAIN FORCE Group was prepared using the indirect method.

It illustrates the change in cash and cash equivalents in the Group resulting from cash inflows and outflows over the reporting period, divided into cash flow from operating, investing and financing activities.

The change in cash and cash equivalents of the discontinued operation is stated in a separate item.

(9) Cash flow from operating activities

The cash flow from operating activities, based on the profit before tax, adjusted for non-cash expenses/income, after changes of funds tied up in working capital and after deduction of paid interest (netted against interest earned), dividends received and income taxes, illustrates the inflow/outflow of cash and cash equivalents from operating activities.

(10) Cash flow from investing activities

This section shows all cash inflows and outflows relating to additions to and disposals of property, plant and equipment, intangible assets and financial investments, as well as financial assets.

The payments made for acquisitions of companies in the short fiscal year from January 1 to September 30, 2009 amount to EUR 266,406 and relate to the payment of a variable purchase price obligation in connection with the acquisition of BRAIN FORCE B.V. (formerly VAI B.V.), Veenendaal, Netherlands.

EUR 52,396 of the payments received from the disposal of shares and receivables from associated companies relates to the sale of the 30% share in KEMP Technologies Inc., New York, USA, and EUR 302,768 is attributable to the termination of the convertible bond issued by KEMP.

(11) Cash flow from financing activities

This section shows all cash inflows and outflows relating to equity and debt financing.

(12) Cash and cash equivalents

Cash and cash equivalents include cash in hand and at bank, as long as they are available at short notice and unrestricted.

Comments on the Balance Sheet

(13) Property, plant and equipment

Property, plant and equipment have changed as follows:

2009 in EUR	Building investments in non-owned facilities	Office machines, IT equipment, other office equipment	Total
Acquisition or production costs 1.1.2009	1,632,844	5,428,266	7,061,110
Currency translation differences	92	625	717
Additions	338,493	374,715	713,208
Disposals	-122,997	-197,006	-320,003
Acquisition or production costs 30.9.2009	1,848,432	5,606,600	7,455,032
Accumulated depreciation 1.1.2009	845,992	3,721,735	4,567,727
Currency translation differences	5	624	629
Depreciation charge 1-9/2009	148,727	506,679	655,406
Disposals	-65,664	-167,477	-233,141
Accumulated depreciation 30.9.2009	929,060	4,061,561	4,990,621
Carrying amounts 30.9.2009	919,372	1,545,039	2,464,411

2008 in EUR	Building investments in non-owned facilities	Office machines, IT equipment, other office equipment	Total
Acquisition or production costs 1.1.2008	1,380,124	5,089,037	6,469,161
Currency translation differences	0	235	235
Additions	273,183	824,102	1,097,285
Change in consolidated group	-9,634	-189,450	-199,084
Disposals	-10,829	-295,658	-306,487
Acquisition or production costs 31.12.2008	1,632,844	5,428,266	7,061,110
Accumulated depreciation 1.1.2008	688,722	3,452,379	4,141,101
Currency translation differences	0	174	174
Depreciation charge 2008	161,742	710,866	872,608
Change in consolidated group	-3,635	-182,618	-186,253
Disposals	-837	-259,066	-259,903
Accumulated depreciation 31.12.2008	845,992	3,721,735	4,567,727
Carrying amounts 31.12.2008	786,852	1,706,531	2,493,383

(14) Goodwill

Goodwill changed as follows:

in EUR	1-9/2009	1-12/2008
Carrying amount – beginning of period	14,516,571	15,861,876
Disposal resulting from purchase price adjustment	0	-1,345,305
Carrying amount – end of period	14,516,571	14,516,571

The goodwill as of September 30 of the fiscal year results from past acquisitions of corresponding shares for BRAIN FORCE S.p.A., Milan, Italy (formerly TEMA Studio di Informatica S.p.A.), Brain Force Financial Solutions AG, Munich, Germany (formerly NSE Software AG, merged with BRAIN FORCE Software GmbH, Munich, Germany), INDIS S.p.A., Milan, Italy, in the fiscal year 2006 (merged with BRAIN FORCE S.p.A., Milan, Italy, in the fiscal year 2006), BRAIN FORCE B.V., Veenendaal, Netherlands (formerly VAI B.V.), BRAIN FORCE Frankfurt GmbH, Langen, Germany (formerly SYSTEAM Ingenieurbüro für Datenkommunikation und Informatik GmbH, merged with BRAIN FORCE Software GmbH, Munich, Germany, in the fiscal year 2008) and SolveDirect.com Internet-Service GmbH, Vienna (merged with BRAIN FORCE SOFTWARE GmbH, Vienna, in the fiscal year 2007).

The disposal of the prior year mainly results from the adjustment of the obligation to pay a variable purchase price component regarding BRAIN FORCE B.V. and SolveDirect.com Internet-Service GmbH due to the failure to achieve certain objectives and changes in estimates, respectively.

In the short fiscal year from January 1 to September 30, 2009, impairment tests were performed for the following cash generating units:

in EUR	Allocated goodwill
BRAIN FORCE S.p.A. - Segment South West Europe, Business Solutions division	1,783,670
BRAIN FORCE S.p.A. - Segment South West Europe, Infrastructure Optimization division	1,014,887
BRAIN FORCE Software GmbH - Segment Germany, Business Solutions - Financial Solutions division	1,172,812
BRAIN FORCE B.V. - Segment North Europe	3,842,616
BRAIN FORCE SOFTWARE GmbH (SolveDirect.com Internet-Service GmbH) - Segment Central East Europe, Infrastructure Optimization division	4,676,009
BRAIN FORCE Software GmbH (SYSTEAM GmbH) - Segment Germany, Infrastructure Optimization – Aviation division	2,026,577
Carrying amount 30.9.2009	14,516,571

The recoverable amount of the cash-generating units was determined based on value in use calculations. These value-in-use calculations are based on cash flow projections derived from the 2009/2010 financial budget approved by management and the resulting medium-term planning for the subsequent three years. The material assumptions of the management in the calculation of values in use are the estimated revenues, EBIT margins and discount rates. The calculation was based on an adequate EBIT margin on the basis of the segment performance by region.

Cash flows beyond this four-year period are extrapolated using the estimated growth rates stated below, which do not exceed the long-term average growth rate for the respective business segments. The calculations did not result in a need for impairment.

Key assumptions used to calculate the values in use:

in %	Growth rate	Discount rate before tax	Discount rate after tax
BRAIN FORCE S.p.A. - Segment South West Europe, Business Solutions division	0.0	24.1	10.2
BRAIN FORCE S.p.A. - Segment South West Europe, Infrastructure Optimization division	0.0	23.8	10.2
BRAIN FORCE Software GmbH – Segment Germany, Business Solutions – Financial Solutions division	0.0	13.7	10.5
BRAIN FORCE SOFTWARE GmbH - (SolveDirect.com Internet Services GmbH) - Segment Central East Europe, Infrastructure Optimization division	1.0	10.9	10.7
BRAIN FORCE B.V. - Segment North Europe	0.0	12.6	10.0
BRAIN FORCE Software GmbH (SYSTEM GmbH) - Segment Germany, Infrastructure Optimization – Aviation division	0.0	13.4	10.5

The respective discount rates before tax were determined iteratively on the basis of cash flows before tax, using the value in use. The value in use is calculated by applying discount rates after tax to cash flows after tax. The discount rates account for the realisable tax loss carry-forwards. The deviations from the discount rates after tax are due to the effective tax burden of the respective unit.

The discount rate used was derived from the weighted average cost of capital (WACC), computed according to the capital asset pricing model (CAPM), reflecting the financial structure and market risks associated with the business segments.

(15) Other intangible assets

Other intangible assets changed as follows:

in EUR	Development costs	Other	Intangible assets
Acquisition or production costs 1.1.2009	12,860,513	14,910,101	27,770,614
Currency translation differences	8,872	1,094	9,966
Additions	1,112,275	49,045	1,161,320
Disposals	-2,790,110	-1,250	-2,791,360
Acquisition or production costs 30.9.2009	11,191,550	14,958,990	26,150,540
Accumulated amortization 1.1.2009	9,940,812	6,501,521	16,442,333
Currency translation differences	8,872	1,094	9,966
Amortization charge 1-9/2009	1,103,707	978,008	2,081,715
Transfers	-102,800	102,800	0
Disposals	-2,595,795	-1,249	-2,597,044
Accumulated amortization 30.9.2009	8,354,796	7,582,174	15,936,970
Carrying amounts 30.9.2009	2,836,754	7,376,816	10,213,570

in EUR	Development costs	Other	Intangible assets
Acquisition or production costs 1.1.2008	11,561,027	14,937,488	26,498,515
Currency translation differences	0	0	0
Additions	1,299,486	55,899	1,355,385
Change in consolidated group	0	-83,286	-83,286
Disposals	0	0	0
Acquisition or production costs 31.12.2008	12,860,513	14,910,101	27,770,614
Accumulated amortization 1.1.2008	8,250,384	5,183,078	13,433,462
Currency translation differences	0	0	0
Amortization charge 2008	1,690,428	1,398,360	3,088,788
Impairment charge	0	0	0
Disposals	0	-79,917	-79,917
Accumulated amortization 31.12.2008	9,940,812	6,501,521	16,442,333
Carrying amounts 31.12.2008	2,919,701	8,408,580	11,328,281

In addition to acquired software and rights, the item "other intangible assets" includes other intangible assets, such as trademark rights, distribution rights, orders on hand and customer relations, identified in the allocation of the purchase price in connection with acquisitions under IFRS 3 with a carrying amount of EUR 7,207,270 (prior year: EUR 8,107,573).

(16) Investments in associates

The investments in associates, which are recognised according to the equity method changed as follows:

in EUR	2009	2008
Carrying amount – beginning of period	11,466	11,466
Profit/loss share after taxes	-1,657	0
Carrying amount – end of period	9,809	11,466

In the fiscal year 2007, a need for impairment was identified relating to the 30% share in KEMP Technologies Inc., USA, and, consequently, the investment was written down to a carrying amount of EUR 0. In the past short fiscal year 1-9/2009, the 30% share was sold for EUR 52,396 and recognised in the financial result as income from the disposal of shares in associates.

The carrying amount of investments in associates reported in these consolidated financial statements relates exclusively to the 25% share in CONSULTING CUBE s.r.l., Italy.

The financial data of the company reported as associate at the balance sheet date are as follows:

in EUR	30.9.2009
Assets	226,744
Liabilities	187,508
Revenues	626,891
Result for the period	-6,627

(17) Financial assets

Financial assets changed as follows:

in EUR	Securities
Carrying amount 1.1.2009	183,128
Adjustment to fair value	10,248
Carrying amount 30.9.2009	193,376

The securities are shares in investment funds, which are classified as available for sale and carried at fair value (stock market price at the balance sheet date).

(18) Deferred taxes

Deferred tax assets are recognised under other non-current assets, deferred tax liabilities are included in non-current liabilities.

Deferred taxes are calculated as follows:

in EUR	1.1.2009	Currency translation	Change in income statement	30.9.2009
Provisions for post-employment benefits	129,584	0	-327	129,257
Tax loss carry-forwards	322,476	0	1,035,557	1,358,033
Other	283,313	0	-59,234	224,079
Deferred tax assets	735,373	0	975,996	1,711,369
Development costs and other intangible assets	661,241	0	-8,327	652,914
Other non-current assets	2,224,459	0	-263,377	1,961,082
Receivables	297,588	0	45,914	343,502
Other	115,134	0	-11,752	103,382
Deferred tax liabilities	3,298,422	0	-237,542	3,060,880

in EUR	1.1.2008	Currency translation	Change in income statement	31.12.2008
Provisions for post-employment benefits	134,646	0	-5,062	129,584
Tax loss carry-forwards	3,471,310	0	-3,148,834	322,476
Other	260,966	0	22,347	283,313
Deferred tax assets	3,866,922	0	-3,131,549	735,373
Development costs and other intangible assets	773,495	0	-112,254	661,241
Other non-current assets	2,594,858	6	-370,405	2,224,459
Receivables	332,124	0	-34,536	297,588
Other	99,726	0	15,408	115,134
Deferred tax liabilities	3,800,203	6	-501,787	3,298,422

The calculation of deferred taxes was presented taking into account the discontinued operation. A deferred tax asset in the amount of EUR 72,960 (prior year: deferred tax liability of EUR 57,445) of the change in deferred taxes totaling EUR 1,213,538 is attributable to the discontinued operation.

Deferred tax assets and deferred tax liabilities are netted and shown in the balance sheet as assets or liabilities provided that the company has an enforceable right to offset actual tax refund claims against actual tax liabilities and that the deferred tax assets and tax liabilities relate to income taxes levied by the same tax authority.

The following amounts were shown in the consolidated balance sheet after netting:

in EUR	30.9.2009	31.12.2008
Deferred tax assets	433,899	50,723
Deferred tax liabilities	-1,783,410	-2,613,772
Carrying amount	-1,349,511	-2,563,049

Within the next 12 months, a realisation of deferred tax assets is expected in the amount of EUR 438,785, and a settlement of deferred tax liabilities in the amount of EUR 560,574.

Deferred tax assets are recognised for loss carry-forwards to the extent that it is probable that future taxable profit will be available against which they can be utilised. In assessing the probability, estimates are based on the available budgeted figures.

In the fiscal year 2008, deferred tax assets on loss carry-forwards in the amount of EUR 2,903,834 were written off. The write-off was required due to an amendment of the German Corporate Income Tax Act (Körperschaftsteuergesetz). By the Unternehmensteuerreform-

gesetz (Corporate Tax Reform Act) 2008 the restrictions on loss deductibility were significantly tightened in Germany. As of the fiscal year 2008, the regulation provides for restrictions on loss deductibility in case of indirect or direct transfers of shares or voting rights. By the takeover bid of BF Informationstechnologie-Beteiligungsgesellschaft m.b.H., Wels (BFIB) and the subsequent transfer of this company into BEKO HOLDING AG, Nöhagen, the majority of the shares in BRAIN FORCE HOLDING AG were taken over in 2008.

Thus, no deferred tax assets have been recognised in the Group for the following unused tax losses and for deductible differences, respectively:

in EUR	Basis	Deferred tax claim
Tax losses that can be carried forward for an unlimited period of time	29,897,141	7,474,284
Tax losses that can be carried forward for a limited period of time	2,082,149	507,390
Deductible temporary differences	7,455,773	1,863,943
30.9.2009	39,435,063	9,845,617

in EUR	Basis	Deferred tax claim
Tax losses that can be carried forward for an unlimited period of time	28,525,938	7,131,485
Tax losses that can be carried forward for a limited period of time	1,444,218	357,188
Deductible temporary differences	5,013,860	1,253,465
31.12.2008	34,984,016	8,742,138

The amount of deductible differences mainly relates to write-downs made, which have to be allocated for tax purposes on a systematic basis over 7 years.

(19) Inventories

Inventories are measured at acquisition or production cost. A write-down to the net realisable value was not necessary in the fiscal years.

Inventories comprise the following items:

in EUR	30.9.2009	31.12.2008
Work in progress	29,149	14,443
Goods for resale	238,107	171,344
Inventories	267,256	185,787

Inventories include EUR 16,677 that is attributable to the discontinued operation.

(20) Trade receivables

in EUR	30.9.2009	31.12.2008
Trade receivables already invoiced	17,730,689	27,344,522
Less allowance for doubtful accounts	-1,007,975	-2,386,002
Trade receivables not yet invoiced	1,438,802	626,362
Receivables from construction/service contracts	1,250,841	1,313,550
Trade receivables from affiliated companies	44,937	0
Trade receivables	19,457,294	26,898,432

EUR 359,115 of the trade receivables recognised is attributable to the discontinued operation.

Adequate allowances were made to account for the estimated risk of default on receivables, which developed as follows:

in EUR	1-9/2009	1-12/2008
Allowance for doubtful accounts – beginning of period	2,386,002	2,217,338
Utilisation	-1,482,287	0
Reversal	-112,433	-244,344
Allocation	216,693	413,008
Allowance for doubtful accounts – end of period	1,007,975	2,386,002

The following unimpaired trade receivables are overdue at the balance sheet date:

in EUR	30.9.2009	31.12.2008
Less than 30 days	1,486,387	4,252,389
More than 30 days	4,545,357	3,703,125
Overdue unimpaired receivables	6,031,744	7,955,514

The total of costs incurred and revenues recognised for projects underway at the balance sheet date amounts to EUR 2,291,466 (prior year: EUR 1,679,386). Prepayments received amount to EUR 866,913 (prior year: EUR 587,105).

(21) Other receivables and assets

Other receivables and assets comprise the following items:

in EUR	30.9.2009	31.12.2008
Deposits	91,994	87,750
Other	8,258	13,962
Non-current other receivables and assets	100,252	101,712
Prepayments	76,489	51,531
Tax authorities	195,540	187,209
Maintenance contracts and other prepaid expenses	708,818	910,441
Receivables from employees	83,236	108,350
Other	185,517	484,349
Current other receivables and assets	1,249,600	1,741,880

Other receivables and assets include EUR 6,379 that is attributable to the discontinued operation.

(22) Cash and cash equivalents

Cash and cash equivalents comprise the following:

in EUR	30.9.2009	31.12.2008
Cash in hand	9,716	10,244
Cash at bank	5,533,777	8,789,000
Cash and cash equivalents	5,543,493	8,799,244

(23) Equity

The share capital amounts to EUR 15,386,742 (prior year: EUR 15,386,742) and is divided into 15,386,742 individual no-par value bearer shares.

The shares of the Company are listed in the Standard Market Continuous segment of the Vienna Stock Exchange.

At the balance sheet date the authorized capital amounts to EUR 7,693,371 (prior year: EUR 7,693,371).

At the 11th annual general meeting, the authorization was granted to repurchase treasury stock of up to 10% of the share capital. As yet, this authorization has not been used.

The development of share capital and reserves is shown in the table below:

in EUR	Share capital	Reserves
Balance 1.1.2009	15,386,742	15,245,099
Used to cover losses	0	-3,159,954
Other changes	0	243
Balance 30.9.2009	15,386,742	12,085,388

in EUR	Share capital	Reserves
Balance 1.1.2008	15,386,742	15,260,503
Other changes	0	-15,404
Balance 31.12.2008	15,386,742	15,245,099

Other reserves comprise the following items at the respective balance sheet date:

in EUR	30.9.2009	31.12.2008
Fair value reserve for securities	7,474	-2,774
Reserve for currency translation differences	-298,152	-288,147
Other reserves	-290,678	-290,921

(24) Provisions for post-employment benefits

Provisions for post-employment benefits are broken down as follows:

in EUR	30.9.2009	31.12.2008
Provisions for pensions	61,651	60,806
Provisions for severance payments	408,171	405,815
Provisions for severance payments (TFR)	1,494,317	1,804,600
Provisions for post-employment benefits	1,964,139	2,271,221

Provisions for pensions

Due to individual arrangements, three employees of BRAIN FORCE Software GmbH, Munich, Germany, were promised an additional pension after their retirement. The amount of this pension basically depends on the defined benefit plan.

The amounts recognised for provisions for pensions at the balance sheet dates are computed by actuaries based on the projected unit credit method and are broken down as follows:

in EUR	30.9.2009	31.12.2008
Actuarial present value of defined benefit obligation	198,550	170,845
Fair value of plan assets	-147,610	-164,008
	50,940	6,837
Unrecognised actuarial gains/losses	10,711	53,969
Liability in the balance sheet	61,651	60,806

The plan assets pursuant to IAS 19 consist of the insurance cover for the pension commitments pledged in favour of employees. No expected incomes from the plan assets are shown.

The development of the actuarial **present value of the defined benefit obligations** is as follows:

in EUR	1-9/2009	1-12/2008
Balance – beginning of period	170,845	199,245
Current service cost	1,153	9,531
Interest expense	7,579	7,057
Actuarial (gains)/losses	21,399	-31,865
Plan curtailments/settlements	-2,426	-13,123
Balance – end of period	198,550	170,845

The development of the **fair value of plan assets** is as follows:

in EUR	1-9/2009	1-12/2008
Balance – beginning of period	164,008	137,786
Actuarial gains/(losses)	-18,143	6,976
Paid contributions	1,745	19,246
Balance – end of period	147,610	164,008

The expense/income recognised in the income statement concerning defined benefit obligations comprises the following:

in EUR	1-9/2009	1-12/2008
Current service cost	1,153	9,531
Interest expense	7,579	7,057
Amortization of actuarial gains	-2,951	-14,126
Effects of plan curtailments/settlements	-3,192	0
Expense/income for defined benefit obligations	2,589	2,462

The interest expense is recognised in the financial result. Thus, the expenses for defined benefit obligations recognised in personnel expenses amount to EUR -4,990 (prior year: EUR -4,595).

The basic actuarial assumptions are as follows:

in EUR	1-9/2009	1-12/2008
Interest rate	5.5%	6%
Future salary increases	3%	3%
Future pension increases	2%	2%
Pensionable age	60, 62 years	60, 62 years
Mortality tables - Germany	Heubeck 2005	Heubeck 2005

In addition to defined benefit obligations, fixed contributions are paid to a pension fund for some employees in Austria due to pension commitments; the payments made by the Company are recognised in accordance with IAS 19 as contributions to defined contribution plans.

Pension costs (excluding interest expense) recognised in personnel expenses are broken down as follows:

in EUR	1-9/2009	1-12/2008
Pension costs – defined benefit plan	-4,990	-4,595
Pension costs – defined contribution plan	57,044	56,806
Pension costs (excluding interest expense)	52,054	52,211

Provisions for severance payments (Austria)

The amounts of the provisions for severance payments were computed in the same way as the provisions for pensions:

in EUR	30.9.2009	31.12.2008
Actuarial present value of defined benefit obligation	361,224	315,257
Unrecognised actuarial gains/losses	46,947	90,558
Liability in the balance sheet	408,171	405,815

The development of the provision recognised in the balance sheet is as follows:

in EUR	1-9/2009	1-12/2008
Balance – beginning of period	405,815	383,780
Expenses for severance payments	33,444	46,440
Payment of severance payments	-31,088	-24,405
Balance – end of period	408,171	405,815

The expense recognised in the income statement includes the following:

in EUR	1-9/2009	1-12/2008
Current service cost	23,186	33,028
Interest expense	14,101	16,138
Amortization of actuarial losses	-3,843	-2,726
Expenses for severance payments (Austria)	33,444	46,440

The interest expense is recognised in the financial result. Thus, the expenses for defined benefit obligations recognised in personnel expenses amount to EUR 19,343 (prior year: EUR 30k).

The basic actuarial assumptions are as follows:

	1-9/2009	1-12/2008
Interest rate	5.5%	6%
Future salary increases	3%	3%
Average labour turnover	Age-related	Age-related
Pensionable age	According to pension reform 2004	According to pension reform 2004
Mortality tables	AVÖ 2008-P, employees	AVÖ 2008-P, employees

Provisions for severance payments (TFR - Italy)

In the short fiscal year from January 1 to September 30, 2009, the values of provisions for severance payments (TFR - Italy) were computed in the same way as the provisions for pensions. The balance recognised at September 30, 2009 in the amount of EUR 1,494,317 corresponds to the actuarial net present value of the obligation for severance payments (defined benefit obligation).

The development of the provision recognised in the balance sheet is as follows:

in EUR	1-9/2009	1-12/2008
Balance – beginning of period	1,804,600	2,097,999
Expenses for severance payments	52,191	24,793
Payment of severance payments	-362,474	-318,192
Balance – end of period	1,494,317	1,804,600

The expense recognised in the income statement includes the following:

in EUR	1-9/2009	1-12/2008
Interest expense	72,184	104,821
Recognition of actuarial gains/losses	-19,993	-80,028
Expenses for severance payments (Italy)	52,191	24,793

The interest expense is recognised in the financial result. Thus, the expenses for defined benefit obligations recognised in personnel expenses amount to EUR 19,993 (prior year: EUR 80,028).

The basic actuarial assumptions are as follows:

	1-9/2009	1-12/2008
Interest rate	5.5%	6%
Future salary increases	3%	3%
Inflation	2%	2%
Average labour turnover	10%	12.5%
Pensionable age	65 years	65 years
Mortality tables	ISTAT 2002	ISTAT 2002

(25) Financial liabilities

in EUR	30.9.2009	31.12.2008
Non-current loans	10,877,500	10,975,548
Current loans	313,220	263,520
Bank overdrafts	129	2,449,636
Current financial liabilities	313,349	2,713,156

Non-current financial liabilities include a bonded loan in the amount of EUR 10,000,000 taken out in the fiscal year 2007. The bullet loan carries an interest rate of 5.17 percent and matures in March 2014.

Interest on other loans is currently charged at 2 to 5.5%, and on overdrafts at 1.7 to 6.5% (2008: 4.75 to 8.875%).

At the balance sheet date, the Group had committed credit lines amounting to a total of EUR 8.25 million.

At the balance sheet date, the fair value of the loans amounts to EUR 11,231,127 (prior year: EUR 11,336,025).

(26) Trade payables

in EUR	30.9.2009	31.12.2008
Trade payables already invoiced	6,252,555	6,706,827
Advance payments from customers	4,696	74,014
Trade payables not yet invoiced	1,260,839	1,559,632
Trade payables to affiliated companies	8,781	0
Trade payables	7,526,871	8,340,473

EUR 8,934 of the trade payables recognised is attributable to the discontinued operation.

(27) Other liabilities

Other liabilities include the following:

in EUR	30.9.2009	31.12.2008
Non-current other liabilities	138,273	144,891
Taxes	1,359,780	2,752,879
Social security payables	873,751	1,274,461
Holiday entitlements and overtime payables	1,572,220	1,833,806
Bonuses	582,626	1,553,230
Payroll-accounting	1,699,571	1,327,755
Deferred income from maintenance contracts	2,356,068	2,915,005
Other	924,304	1,448,327
Current other liabilities	9,368,320	13,105,463

Other liabilities include EUR 149,616 that is attributable to the discontinued operation.

(28) Contingent liabilities

The Company has no contingent liabilities to third parties.

(29) Tax provisions

Balance 1.1.2009	Utilisation	Allocation/Reversal	Balance 30.9.2009
EUR	EUR	EUR	EUR
824,561	0	289,131	1,113,692

(30) Other provisions

in EUR	Balance 1.1.2009	Utilisation	Reversal	Allocation	Balance 30.9.2009
Non-current	0	0	0	0	0
Outstanding purchase price obligations from the acquisition of shares	238,729	-238,729	0	0	0
Restructuring	0	0	0	190,000	190,000
Warranties	0	0	0	250,000	250,000
Closure costs of discontinued operation (see Note 32)	0	0	0	1,609,123	1,609,123
Rework	668,675	-668,675	0	0	0
Impending losses	35,000	0	-35,000	0	0
Other	230,000	-69,672	-160,328	0	0
Current	1,172,404	-977,076	-195,328	2,049,123	2,049,123

(31) Financial instruments

The financial instruments listed in the balance sheet are securities, investments, cash and cash equivalents including bank accounts, receivables and supplier credits, as well as financial liabilities. The accounting principles described for each balance sheet item are applicable to original financial instruments.

Information on financial instruments by category:

in EUR	30.9.2009	31.12.2008
Financial assets available for sale	193,376	183,128
Trade receivables	19,412,357	26,898,432
Other receivables and assets	395,583	754,996
Cash and cash equivalents	5,543,493	8,799,244
Loans and receivables	25,351,433	36,452,672
Financial liabilities	11,190,849	13,688,704
Trade payables	7,513,395	8,266,459
Other liabilities	4,778,720	6,163,118
Liabilities recognised at (amortized) cost	23,482,964	28,118,281

The carrying amounts and cash flows of the financial liabilities with a remaining maturity of more than one year are as follows:

Carrying amounts in EUR	30.9.2009	31.12.2008
Non-current financial liabilities	10,877,500	10,975,548
Current portion	313,220	263,520
Financial liabilities due in >1 year	11,190,720	11,239,068

Cash flows in EUR:	30.9.2009		31.12.2008
2009/2010 Redemption	313,220	2009 Redemption	263,520
2009/2010 Interest	559,457	2009 Interest	566,957
2010/2011 Redemption	577,116	2010 Redemption	256,520
2010/2011 Interest	543,357	2010 Interest	552,106
2011/2012 Redemption	291,700	2011 Redemption	409,956
2011/2012 Interest	526,914	2011 Interest	531,785
2012/2013 Redemption	56,575	2012 Redemption	365,000
2012/2013 Interest	518,556	2012 Interest	520,438
2013/2014 Redemption	9,952,109	2013 Redemption	0
2013/2014 Interest	114,889	2013 Interest	517,000
after 2013/2014 Redemption	0	after 2013 Redemption	9,944,073
after 2013/2014 Interest	0	after 2013 Interest	114,889

Financial instruments were recognised in the income statement with the following net results:

in EUR	1-9/2009	1-12/2008
Write-offs of and allowances for trade receivables Operating result, net	216,693	357,803
Financial assets available for sale	12,713	45,060
Loans and receivables	355,741	-343,529
Liabilities recognised at (amortized) cost	-586,787	-1,021,769
Financial result, net	-218,333	-1,320,238

(32) Discontinued operation

The result of the discontinued operation is as follows:

in EUR	1-9/2009	1-12/2008
Revenues from discontinued operation	813,041	1,702,325
Cost of sales	-872,410	-1,386,102
Selling expenses	-324,538	-557,516
Administrative expenses	-209,877	-246,381
Other operating expenses/income	23,076	22,849
Closure costs	-1,930,134	0
EBIT	-2,500,842	-464,825
Taxes on income	72,961	-57,445
Result after tax from discontinued operation	-2,427,881	-522,270

The closure costs mainly include personnel expenses in connection with the staff redundancies (EUR 870k), rental costs for vacant space (EUR 329k), as well as costs for expected warranty and guarantee claims (EUR 410k).

EUR 7,720 of the income taxes totaling EUR 72,961 is attributable to ordinary activities of the discontinued operation, EUR 65,241 to the discontinued operation. The loss carry-forwards resulting from closure costs are transferred to the continuing operations (see Note 7).

The assets and liabilities are as follows:

in EUR	30.9.2009	31.12.2008
Non-current assets	0	240,368
Current assets	382,170	641,453
Assets from discontinued operation	382,170	881,821
Non-current liabilities	4,803	83,940
Current liabilities	1,762,870	315,256
Liabilities from discontinued operation	1,767,673	399,196

Current liabilities at 30.9.2009 mainly include a provision for closure costs in the amount of EUR 1,609k.

Cash flow from discontinued operation:

in EUR	1-9/2009	1-12/2008
Cash flow from operating activities	-544,268	-752,003
Cash flow from investing activities	-15,486	-218,388
Cash flow from discontinued operation	-559,754	-970,391

Other disclosures

Financial risk management

The BRAIN FORCE Group is exposed to a variety of financial risks (liquidity risk, credit risk, foreign exchange risk, interest rate risk). The principles of risk management of the BRAIN FORCE Group are determined by the management board and monitored by the supervisory board. The risk strategy is implemented decentrally in the respective entities and is coordinated centrally. Necessary safeguards, such as e.g. insurances, are negotiated and concluded centrally for the Group, wherever possible. The liquidity, foreign exchange and interest rate risk is controlled centrally under policies set by the management board and is designed to minimize the potential negative effects on the financial position of the Group.

Liquidity risk

Liquidity risk refers to the risk that an entity will not have sufficient funds available at any given time to meet its obligations on time. Financial planning is monitored constantly at management level. In addition, detailed analyses and projections are prepared on a quarterly basis. Due to the dynamic nature of the IT industry, the Group aims to maintain flexibility in funding by keeping committed credit lines available. In 2009, a cash pool was established, encompassing the most important subsidiaries in Germany, Austria, Italy and the Netherlands. The cash pooling enables the holding company to put together an up-to-date settlement of accounts, secure better terms and conditions in investing surplus funds and optimize the Group's financing requirement on the basis of the internal equalization of liquidity and low financing costs.

In the fiscal year 2007, BRAIN FORCE has taken out a long-term bullet loan in the amount of EUR 10,000,000, which matures in 2014 and carries a fixed interest rate of 5.17% per annum. On the part of the financing bank, a measurement was made using an international measurement system at the time the loan was granted, based on the 2005 consolidated financial statements. The measurement is renewed annually. In case the measurement deteriorates more than three notches within one year or falls below a determined notch, the creditors are entitled to terminate the loan agreement. This, however, may only be done on the condition that the termination on the whole is appropriate considering the economic circumstances.

Credit risk

It covers the risk of default in particular, hence the risk that one party fails to meet its obligations and that a default occurs. Despite a widely dispersed customer base in the Group, the operating companies of some countries of the BRAIN FORCE Group depend heavily on individual major customers. In order to be able to minimise the adverse effect on the result in case of defaults by customers, the focus is on expanding the customer base further to reduce these dependencies. As per September 1, 2009, a credit insurance was concluded in the Group, resulting in a coverage ratio of more than 90% at the time of the initial application.

The write-offs of receivables and allowances for doubtful accounts recognised in the nine months of the year 2009 amount to approx. 1.0% of total receivables.

Foreign exchange risk

The risk resulting from fluctuations in fair values of financial instruments or other balance sheet items and/or cash flows due to foreign currency fluctuations is referred to as currency risk. In particular, the risk occurs where business transactions in currencies other than the local currency of the Group exist or can arise in the course of regular business operations.

The BRAIN FORCE Group is not exposed to significant foreign exchange risks as part of its operating activities. Approx. 99% of its sales is generated within the Euro zone, the rest in Switzerland, the Czech Republic and the USA. On the assets side, the foreign exchange exposure results from trade receivables not denominated in euro of approx. 1% and, on the liabilities side, from trade payables not denominated in euro of less than 1%.

These and other foreign currency positions are not hedged by derivative financial instruments, because the risk was considered insignificant at the balance sheet date. Thus, any further sensitivity analysis is considered unnecessary.

Interest rate risk

The interest rate risk refers to the risk resulting from the change of fluctuations in fair values of financial instruments, other balance sheet items and/or interest-related cash flows due to fluctuations of market interest rates. The interest rate risk comprises the fair value risk for balance sheet items bearing fixed interest rates and the cash flow risk for balance sheet items bearing variable interest rates.

For financial instruments carrying fixed interest rates, a market interest rate is stipulated for the entire period. The risk exists that the market value (present value of future payments, i.e. interest and repayable amount, discounted at the market interest rate for the remaining term prevailing at the balance sheet date) of the financial instrument changes when the interest rate changes. The price risk caused by changes in interest rate results in a loss or gain, if the fixed-interest bearing financial instrument is sold before maturity. The interest rate for variable interest bearing financial instruments is adjusted immediately and normally follows the respective market interest rate. The risk involved here is that the market interest rate fluctuates and, as a result, changed interest payments will fall due.

At the end of the fiscal year 2009, financial liabilities accounted for 21% of the balance sheet total. The major part of financial liabilities is accounted for by the long-term bullet loan in the amount of EUR 10,000,000 taken out in 2007, which basically carries a fixed interest rate that can only be adjusted in case of a significant change in the credit standing (see liquidity risk). Short-term financial liabilities accounted for less than 1% of the balance sheet total and also carry fixed interest rates.

The income and operating cash flows of the BRAIN FORCE Group are largely not affected by changes in market interest rates. Cash and cash equivalents are invested on a short-term basis and only into asset-backed instruments of business partners with excellent credit standing.

Capital risk management

The Group's objectives regarding the capital risk management include securing its going concern to continue to provide the shareholders with income and the other stakeholders with adequate services, and maintaining an optimal capital structure, in order to reduce capital costs. BRAIN FORCE is not subject to statutory capital requirements. The equity ratio amounts to 35% at the balance sheet date (prior year: 36%).

Derivative financial instruments

In the short fiscal year 1-9/2009, the Group did not use any derivative financial instruments.

Fair values

Due to their short-term nature, trade receivables, other receivables and payables and cash and cash equivalents recognised in the balance sheet basically correspond to their fair values. The fair values stated for financial liabilities are determined as the present value of discounted future cash flows using the market interest rates applicable for financial debt of corresponding maturity and risk structure.

(33) Costs for the auditor

The costs for the auditor include: audit of the consolidated financial statements EUR 32,000, other audit services EUR 19,000 (EUR 10,000 thereof relating to BRAIN FORCE SOFTWARE GmbH, Vienna) and other services EUR 15,600. PwC with its partner offices charged EUR 127,000 for the audit of the Group's financial statements.

(34) Earnings per share

Earnings per share is computed by dividing profit / loss after tax by the weighted average number of ordinary shares, adjusted for treasury stock.

in EUR	1-9/2009	1-12/2008
Profit/loss after tax attributable to the equity holders of the parent company	-4,834,507	-2,100,900
Weighted average number of ordinary shares (basic and diluted)	15,386,742	15,386,742
Earnings per share (in EUR)	-0.31	-0.14

The consolidated financial statements of the Company will be dealt with in the supervisory board meeting on December 16, 2009. The proposal on profit distribution, which has to be submitted together with the report of the supervisory board, is subject to approval by the annual general meeting.

(35) Related parties

The major shareholders and the management and supervisory board members of BRAIN FORCE HOLDING AG, as well as associates are considered related parties.

Remunerations paid to members of the management board for the short fiscal year from January 1 to September 30, 2009 amounted to EUR 364,286, the variable portion of which was EUR 0 (prior year: EUR 592,692, variable portion of which EUR 147,692). These remunerations include the entitlements of members of the management board earned in the short fiscal year from January 1 to September 30, 2009 and recognised in the income statement.

In addition, expenses for severance payments (contributions to staff provision funds) and pensions for members of the management board in the amount of EUR 15,407 (prior year: EUR 6,758) were recognised in the income statement.

In the short fiscal year from January 1 to September 30, 2009, remunerations paid to members of the supervisory board in the amount of EUR 63,733 (prior year: EUR 70,067) were expensed as incurred.

Neither were any loans granted to nor guarantees given for the benefit of members of the management and supervisory board.

In August 2009, BRAIN FORCE HOLDING AG entered into a mandate agreement with Ocean Consulting GmbH, Vienna, for the provision of M&A advisory services. The compensation stipulated in the agreement is on arm's length terms.

The supervisory board member Josef Blazicek is shareholder of Ocean Consulting GmbH. The agreement with Ocean Consulting GmbH was approved by the supervisory board, with Josef Blazicek abstaining from the vote.

Since September 2009, an agreement has existed in the BRAIN FORCE Group with Hofer Management GmbH, Vöcklabruck, on the provision of distribution services. The agreement regulates distribution activities for the Business Solutions segment in Austria and was concluded on arm's length terms. Dr. Michael Hofer is managing director and shareholder of Hofer Management GmbH.

In the short fiscal year 1-9/2009, BRAIN FORCE HOLDING AG terminated the convertible bond in the amount of USD 900,000, issued in 2005 by the associate KEMP Technologies Inc., New York, USA. The redemption amount for the bond, which was fully written off in the previous year, amounts to EUR 302,768 (USD 426,237).

(36) Share-based compensation

Currently, a share-based compensation plan for employees of BRAIN FORCE HOLDING AG is not in place. Consequently, neither the members of the management board nor of the supervisory board hold any option rights at the balance sheet date.

(37) Commitments from leasing transactions

Operating lease commitments or rents in EUR	1-9/2009	1-12/2008
Not later than one year	3,942,481	3,809,032
Later than 1 and not later than 5 years	10,275,483	10,427,760
Later than 5 years	2,529,000	3,529,113

(38) Employees

	Average		At the balance sheet date	
	1-9/2009	1-12/2008	30.9.2009	31.12.2008
Number of employees (salaried)	761	846	714	816

(39) Events after the balance sheet date

On October 16, 2009, BRAIN FORCE HOLDING AG announced that the CEO Günter Pridt asked the supervisory board for his contract to be terminated as per year-end 2009 for health reasons. As of October 19, 2009, the supervisory board appointed Dr. Michael Hofer as new CEO. Mr. Hofer has served on the supervisory board since May 2008 and resigned his supervisory board mandate as of October 19, 2009.

Effective November 24, 2009, CROSS Industries AG, majority shareholder of BEKO HOLDING AG, transferred 3,333,333 shares of BEKO HOLDING AG to Opportunity Beteiligungs AG, which equals a share of approx. 14.44% in the share capital. Considering the 1,794,625 shares of BEKO HOLDING AG, which equals a share of approx. 7.77% in the share capital, the voting rights remain with CROSS Industries AG, so that CROSS Industries AG continues to have approx. 48.0% of the voting rights in BEKO HOLDING AG.

At an extraordinary general meeting on November 25, 2009, BRAIN FORCE HOLDING AG as sole shareholder of BRAIN FORCE SOFTWARE GmbH, Vienna, passed a resolution to spin off the "SolveDirect" business to a newly developing company. The company was registered in the commercial register on December 3, 2009.

(40) Authorization for issue

These consolidated financial statements were prepared, signed and authorized for issue by the management board at the date indicated below. The separate financial statements of the parent company, which after the adoption of the applicable accounting standards were also included in the consolidated financial statements, together with these consolidated financial statements, will be submitted to the supervisory board for review and regarding the separate financial statements also for adoption on December 16, 2009. The supervisory board and, in case of submittal to the general meeting, the shareholders can change these separate financial statements in a way which might also affect the presentation of the consolidated financial statements.

(41) Members of the management board and supervisory board

In the short fiscal year from January 1 to September 30, 2009, the following persons served on the management board:

- ▶ Günter Pridt, Vienna, Chairman
- ▶ Mag. Thomas Melzer, Deputy Chairman

By supervisory board resolution, Dr. Michael Hofer was appointed as CEO of BRAIN FORCE HOLDING AG as per October 19, 2009.

In the short fiscal year from January 1 to September 30, 2009, the following persons served on the supervisory board:

- ▶ Christoph Senft, Angerberg, Chairman
- ▶ Friedrich Roithner, Linz, Deputy Chairman
- ▶ Josef Blazicek, Perchtoldsdorf
- ▶ Wolfgang M. Hickel, Vienna
- ▶ Michael Hofer, Vöcklabruck
- ▶ Peter Kotauczek, Breitenbrunn am Neusiedler See
- ▶ Stefan Pierer, Wels

With his appointment as CEO as per October 19, 2009, Mr. Michael Hofer resigned from the supervisory board.

Vienna, December 4, 2009

The Management Board:



Günter Pridt



Michael Hofer



Thomas Melzer

Auditor's Report

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of BRAIN FORCE HOLDING AG, Vienna, for the short fiscal year from January 1 to September 30, 2009. These consolidated financial statements comprise the consolidated balance sheet as at September 30, 2009, the consolidated income statement, the consolidated cash flow statement and the consolidated statement of changes in equity for the short fiscal year ended September 30, 2009, and notes.

Management's Responsibility for the Consolidated Financial Statements and for the Accounting System

The Company's management is responsible for the group accounting system and for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility and Scope of the Statutory Audit

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and in accordance with International Standards on Auditing (ISA), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with Professional Standards and that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as at September 30, 2009 and of its financial performance and its cash flows for the short fiscal year from January 1 to September 30, 2009 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

Report on the Management Report

Austrian legal requirements require us to verify whether the management report for the Group is consistent with the consolidated financial statements and whether the other disclosures made in the management report for the Group do not give rise to misconception of the position of the Group. The auditor's report should also include a statement whether the management report for the Group is consistent with the consolidated financial statements and whether the disclosures as required under Section 243a Austrian Company Code (UGB) are adequate.

In our opinion, the management report for the Group is consistent with the consolidated financial statements. The disclosures as required under Section 243a Austrian Company Code (UGB) are adequate.

Vienna, December 4, 2009

PwC INTER-TREUHAND GmbH

Wirtschaftsprüfungs- und Steuerberatungsgesellschaft



Aslan Milla

Austrian Certified Public Accountant

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Glossary

ATX: "Austrian Traded Price Index", benchmark index of the Vienna Stock Exchange

BRAIN FORCE Biz Suite: Comprehensive solution to analyze and more effectively plan business developments

BRAIN FORCE Desktop Manager: Solution for the fully automated administration of configurations, applications and user profiles

BRAIN FORCE Finanzanalyse Center: Integrated analysis solution enabling financial consulting of private and corporate customers

BRAIN FORCE FINAS Suite: Front office solutions for financial service providers

BRAIN FORCE Infrastructure Framework: Solution enabling the standardized installation of operating systems

BRAIN FORCE Packaging Robot: Solution from best practice methodologies and software tools for automated software packaging

BRAIN FORCE Vorsorgeoptimierung: Consulting solution to determine gaps in pension benefits

BRAIN FORCE Workspace Manager: Solution to standardize working environments on PCs, notebooks and servers

Business solutions: Application solutions and services to support business processes

Capital employed: Equity and interest-bearing debt less liquid funds and financial assets = the entire interest-bearing capital applied in the company

Cash flow: Earnings indicator for corporate analyses – describes the increase in cash and cash equivalents in an accounting period

CFROI: „Cash flow Return on Investment“; Ratio of operating EBITDA to average historical capital employed

Corporate governance: Behavioral rules underlying responsible management and control of companies, laid out in the Austrian Corporate Governance Code, which is comprised of voluntary guidelines.

DAX: "Deutscher Aktien Index", the benchmark index of the German Stock Exchange

Deferred taxes: Temporary differences between the tax bases and the IFRS balance sheet lead to deferred taxes

DSO: "Day Sales Outstanding"; average time customer receivables remain outstanding

EBIT: Earnings before interest and tax (operating profit)

EBITDA: Earnings before interest, tax, depreciation and amortization; operating profit before depreciation/amortization = gross cash flow

EBITDA margin: EBITDA in relation to revenues

Equity ratio: An indicator measuring the ratio of equity to total assets

EPS: Earnings per share = Profit after tax divided by the weighted number of shares less treasury stock

Equity method: Valuation method in Group accounting for equity stakes of between 20% and 50%

ERP: "Enterprise Resource Planning"; application software for resource planning in by companies

FFO: "Funds From Operations"; Gross cash flow

Free Cash flow: Cash flow from operating activities less cash flow from investing activities plus acquisitions; indicates the liquid funds generated in a given fiscal year available for dividends, loan repayments or share buybacks

Gearing: Ratio of net debt to equity

Goodwill: Positive difference between the acquisition price and the net worth of an acquired company

Historical capital employed: Capital employed + accumulated depreciation and amortization

IFRS: International Financial Reporting Standards

Infrastructure Optimization: Solutions enabling companies to achieve a more manageable and efficient IT infrastructure

Interest cover: Ratio of operating EBITDA to the net interest result, showing how often the operating result of a company can pay for the interest expense

ICT: Information and communication technology

Jupiter: Asset management solution for banks
Managed Services: Adoption of IT processes by customers

Load Balancer: Solution to monitor and manage Internet traffic

Microsoft Dynamics: Business solutions developed by Microsoft (ERP and CRM)

Net debt: Balance of financial liabilities less cash and cash equivalents

NOPAT: „Net Operating Profit After Tax“

OTC: Over-the-counter trading among financial market participants outside of the organized market

Payroll Services: Adoption of personnel and salary administration services

P/E ratio: price-earnings ratio, the yardstick underlying the valuation of a share on the capital market

Professional Services: Recruitment and supply of IT experts

Rebecca: Solution for credit processing

Return on Equity: Financial indicator for the ratio of profit after tax to average equity

ROCE: "Return on Capital Employed"; ratio of NOPAT to the average capital employed

SD.bridge: Centralized application to link service partners

SD.cube ML: Central application for all internal and external IT service processes

ServiceDesk SD2: Complete solution to more efficiently manage customer inquiries

Tap: "Test Access Port"; solution to analyze high speed networks

TECDAX: German share index for technology companies

Treasury: Corporate function designed to secure financing, manage financial risk and the cash management of the Group

Visual Space: Software for the resource planning of small and medium-sized enterprises

VMware ThinApp: Software for the virtualization of application programs

WACC: "Weight Average Cost of Capital", average costs of capital which a company must pay to finance its external borrowing and equity on financial markets

Windows 7: Latest operating system developed by Microsoft

Working Capital: Current assets excl. cash - current liabilities excl. financial liabilities

If you want to learn more about
BRAIN FORCE and cannot find an order
card here:

Annual reports, quarterly reports and
the possibility to be included in the
distribution list can also be obtained
under:

T +43 (1) 263 09 09 0 or
info@brainforce.com

Financial Calendar

Date	Event
December 22, 2009	2009 preliminary 1-9 results (short fiscal year ending at September 30, 2009)
February 16, 2010	Report on the first quarter of 2009/2010
February 24, 2010	12th Annual General Meeting
February 25, 2010	Ex-dividend day 2009
March 1, 2010	1st dividend payment day for 2009
May 12, 2010	Six months report 2009/2010
August 12, 2010	Report on the first three quarters of 2009/2010
December 21, 2010	2009/2010 annual report and press conference

Imprint

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Our warmest thanks go in particular to all the staff involved in
the making of this annual report.

Key Data 2004 – 2009

Earnings Data		2004	2005	2006	2007	2008 ¹⁾	Short fiscal year 1-9/2009
Revenues	in € 1,000	64,421	76,618	88,531	98,333	106,208	61,690
EBITDA	in € 1,000	4,133	6,048	6,514	346	7,793	-200
Operating EBITDA ²⁾	in € 1,000	4,133	6,048	7,463	2,457	7,793	1,183
Operating EBITDA margin	in %	6.4	7.9	8.4	2.5	7.3	1.9
EBIT	in € 1,000	2,390	3,581	2,918	-16,683	3,832	-2,886
Operating EBIT ²⁾	in € 1,000	2,390	3,581	3,867	-2,526	3,832	-1,503
Operating EBIT margin	in %	3.7	4.7	4.4	-2.6	3.6	-2.4
Profit before tax	in € 1,000	3,361	3,678	3,230	-17,910	2,384	-3,147
Profit after tax ³⁾	in € 1,000	1,775	3,028	4,173	-19,915	-2,101 ⁴⁾	-2,407
Free cash flow	in €1,000	-4,317 ⁵⁾	1,587	4,517	-4,640	3,857	68

Balance Sheet Data		2004	2005	2006	2007	2008 ¹⁾	Short fiscal year 1-9/2009
Equity	in € 1,000	29,858	32,108	48,093	26,265	24,149	19,315
Net debt	in € 1,000	-16,006	-5,603	-10,987	6,532	4,889	5,647
Capital expenditure	in € 1,000	-2,195	-8,179	-13,973	-9,750	-4,668	-1,859
Working Capital	in € 1,000	4,773	7,703	7,141	6,450	5,638	2,829
Capital employed	in € 1,000	13,852	26,505	37,106	32,797	29,039	24,962
Balance sheet total	in € 1,000	48,474	63,624	81,580	74,342	66,311	54,450
Gearing	in %	-53.6	-17.4	-22.8	24.9	20.2	29.2
Interest cover ⁶⁾		137.5	405.1	56.1	3.5	9.3	4.4
Net debt / Operating EBITDA ⁶⁾		-3.9	-0.9	-1.5	2.7	0.6	1.6
Employees (balance sheet date)		856	1,101	1,172	1,146	1,129	978

Performance Key Data		2004	2005	2006	2007	2008 ¹⁾	Short fiscal year 1-9/2009
Equity ratio	in %	8.3	9.8	10.4	-53.6	-8.3	n.a. ⁸⁾
ROCE	in %	9.9	15.1	15.0	-13.5	5.7 ⁷⁾	n.a. ⁸⁾
CFROI	in %	19.6	22.7	18.5	4.6	14.7	n.a. ⁸⁾

Stock Exchange Data		2004	2005	2006	2007	2008 ¹⁾	Short fiscal year 1-9/2009
Earnings per share	in €	0.21	0.30	0.30	-1.29	-0.14	-0.15
Adjusted earnings per share ⁹⁾	in €	0.21	0.30	0.34	-0.47	0.09	-0.11
Dividend per share	in €	0.06	0.08	0.10	0.00	0.00	0.00
Dividend	in € 1,000	0	606	820	1,506	0	0
Free Cash flow per share	in €	-0.51 ⁴⁾	0.16	0.32	-0.30	0.25	0.00
Equity per share	in €	2.91	3.13	3.13	1.71	1.57	1.26
Share price at year-end	in €	2.89	3.45	3.15	1.92	1.89	1.20
Shares outstanding (weighted)	in 1,000	8,393	10,162	14,025	15,387	15,387	15,387
Market capitalization at year-end	in € 1,000	24,256	35,058	44,179	29,543	29,081	18,464

1) As reported in 2008, inclusive figures from discontinued operations in 2009

2) Adjusted for restructuring costs as well as other non-recurring income and expense

3) Attributable to equity holders of the parent company

4) Including a non-recurring tax effect of € -2.9 million or € -0.39 per share

5) Including investments in current financial assets to a net amount of € -3.3 million

6) Calculated on the basis of operating EBITDA over the last 12 months

7) Adjusted for a non-recurring tax effect of € -2.9 million

8) Not appropriate due to short fiscal year

9) Adjusted for restructuring costs as well as other non-recurring income and expense and in 2009 also for the results of discontinued operations

This crisis has changed beyond recognition.



Jahresabschluss

zum 30. September 2009 nach UGB der BRAIN FORCE HOLDING AG, Wien

Inhalte

- 1 Bilanz
- 2 Gewinn- und Verlustrechnung
- 3 Anhang
- 4 Lagebericht
- 5 Bestätigungsvermerk
- 6 Erklärung des Vorstands gemäß § 82 (4) BörseG

Bilanz zum 30. September 2009

A k t i v a

P a s s i v a

	30.9.2009	31.12.2008		30.9.2009	31.12.2008
	EUR	TEUR		EUR	TEUR
A. Anlagevermögen			A. Eigenkapital		
I. Immaterielle Vermögensgegenstände			I. Grundkapital	15.386.742,00	15.387
Software und Markenrechte	8.076,96	63	II. Kapitalrücklagen		
			gebundene	16.408.356,74	19.568
II. Sachanlagen			III. Bilanzgewinn, davon Gewinnvortrag EUR 530.420,87	0,00	530
1. Bauten auf fremdem Grund	63.555,07	58	(Vorjahr: TEUR 0)		
2. andere Anlagen, Betriebs- und Geschäftsausstattung	55.123,70	65		31.795.098,74	35.485
	118.678,77	123			
III. Finanzanlagen			B. Rückstellungen		
1. Anteile an verbundenen Unternehmen	39.461.812,47	43.394	1. Rückstellungen für Abfertigungen	55.209,00	50
2. Wertpapiere des Anlagevermögens	32.753,70	33	2. sonstige Rückstellungen	390.755,05	904
	39.494.566,17	43.427		445.964,05	954
	39.621.321,90	43.613			
B. Umlaufvermögen			C. Verbindlichkeiten		
I. Forderungen und sonstige Vermögensgegenstände			1. Verbindlichkeiten gegenüber Kreditinstituten	10.000.129,44	11.059
1. Forderungen aus Lieferungen und Leistungen	23.138,76	0	2. Verbindlichkeiten aus Lieferungen und Leistungen	122.192,82	238
2. Forderungen gegenüber verbundenen Unternehmen	5.104.239,36	4.853	3. Verbindlichkeiten gegenüber verbundenen Unternehmen	3.007.231,20	657
3. sonstige Forderungen und Vermögensgegenstände	50.619,78	242	4. sonstige Verbindlichkeiten,	410.015,69	470
	5.177.997,90	5.095	davon aus Steuern EUR 41.859,64 (Vorjahr: TEUR 36),		
			davon im Rahmen der sozialen Sicherheit EUR 15.575,40		
II. Kassenbestand, Guthaben bei Kreditinstituten	909.694,79	58	(Vorjahr: TEUR 14)		
	6.087.692,69	5.153		13.539.569,15	12.424
C. Rechnungsabgrenzungsposten	90.899,65	97	D. Rechnungsabgrenzungsposten	19.282,30	
	45.799.914,24	48.863		45.799.914,24	48.863
			Eventualverbindlichkeiten	1.896.884,99	1.225

**Gewinn- und Verlustrechnung für das Rumpfgeschäftsjahr
vom 1. Jänner bis 30. September 2009**

	1.1.-30.9.2009	1.1.- 31.12.2008
	EUR	TEUR
1. Umsatzerlöse	1.831.033,07	3.173
2. sonstige betriebliche Erträge		
a) Erträge aus der Auflösung von Rückstellungen	160.328,14	0
b) übrige	644.727,19	515
	805.055,33	515
3. Personalaufwand		
a) Gehälter	-855.224,26	-1.224
b) Aufwendungen für Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen	-17.583,91	-13
c) Aufwendungen für Altersversorgung	-12.671,64	-5
d) Aufwendungen für gesetzlich vorgeschriebene Sozialabgaben sowie vom Entgelt abhängige Abgaben und Pflichtbeiträge	-158.141,26	-171
e) sonstige Sozialaufwendungen	-2.913,82	-1
	-1.046.534,89	-1.414
4. Abschreibungen auf immaterielle Gegenstände des Anlagevermögens und Sachanlagen	-94.303,54	-131
5. sonstige betriebliche Aufwendungen		
a) Steuern, soweit sie nicht unter Z 14 fallen	-23.024,38	-14
b) übrige	-1.050.594,72	-2.783
	-1.073.619,10	-2.797
6. Zwischensumme aus Z 1 bis 5 (Betriebsergebnis)	421.630,87	-654
7. Erträge aus Beteiligungen an verbundenen Unternehmen	0,00	2.000
8. sonstige Zinsen und ähnliche Erträge, davon aus verbundenen Unternehmen EUR 101.586,96 (Vorjahr: TEUR 112)	101.633,37	251
9. Erträge aus dem Abgang von Finanzanlagen	355.163,69	0
10. Aufwendungen aus Finanzanlagen,	-3.932.726,27	-609
a) Abschreibungen EUR 3.932.726,27 (Vorjahr: TEUR 609)		
b) Aufwendungen aus verbundenen Unternehmen EUR 3.932.726,27 (Vorjahr: TEUR 0)		
11. Zinsen und ähnliche Aufwendungen, davon aus verbundenen Unternehmen EUR 9.557,38 (Vorjahr: TEUR 0)	-472.513,06	-627
12. Zwischensumme aus Z 7 bis 11 (Finanzergebnis)	-3.948.442	1.015
13. Ergebnis der gewöhnlichen Geschäftstätigkeit	-3.526.811,40	361
14. Steuern vom Einkommen und vom Ertrag, davon Steuerumlage an Gruppenmitglied EUR -163.563,19 (Vorjahr: TEUR 169)	-163.563,19	169
15. Jahresfehlbetrag/-überschuss	-3.690.374,59	530
16. Auflösung von Kapitalrücklagen	3.159.953,72	0
17. Jahresverlust/-gewinn	-530.420,87	530
18. Gewinnvortrag aus dem Vorjahr	530.420,87	0
19. Bilanzgewinn	0,00	530

Anhang für das Rumpfgeschäftsjahr vom 1. Jänner bis 30. September 2009

A. Bilanzierungs- und Bewertungsmethoden

Allgemeine Grundsätze

Auf den vorliegenden Jahresabschluss für das Rumpfgeschäftsjahr vom 1. Jänner bis 30. September 2009 wurden die Rechnungslegungsbestimmungen des Unternehmensgesetzbuches in der geltenden Fassung angewandt. Aufgrund des Rumpfgeschäftsjahres ist der Vergleich mit dem Vorjahreszeitraum (1. Jänner bis 31. Dezember 2008) nur eingeschränkt möglich.

Der Jahresabschluss wurde unter Beachtung der Grundsätze ordnungsmäßiger Buchführung und Bilanzierung sowie unter Beachtung der Generalnorm, ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage des Unternehmens zu vermitteln, aufgestellt.

Bei der Erstellung des Jahresabschlusses wurde der Grundsatz der Vollständigkeit eingehalten.

Bei der Bewertung der einzelnen Vermögensgegenstände und Schulden wurde der Grundsatz der Einzelbewertung beachtet und eine Fortführung des Unternehmens unterstellt.

Dem Vorsichtsprinzip wurde dadurch Rechnung getragen, dass nur die am Abschlussstichtag verwirklichten Gewinne ausgewiesen werden. Alle erkennbaren Risiken und drohenden Verluste wurden berücksichtigt.

Die Gewinn- und Verlustrechnung wird nach dem Gesamtkostenverfahren erstellt.

Anlagevermögen

Die Bewertung der ausschließlich entgeltlich erworbenen **immateriellen Vermögensgegenstände** erfolgt zu Anschaffungskosten, vermindert um die der voraussichtlichen wirtschaftlichen Nutzungsdauer entsprechenden planmäßigen Abschreibungen. Die planmäßigen Abschreibungen werden linear vorgenommen.

Die **Sachanlagen** werden zu Anschaffungs- oder Herstellungskosten, vermindert um die planmäßigen Abschreibungen bewertet. Die planmäßigen Abschreibungen werden entsprechend der voraussichtlichen Nutzungsdauer linear vorgenommen.

Für Zugänge während der ersten Hälfte des Geschäftsjahres wird die volle Jahresabschreibung, für Zugänge während der zweiten Hälfte des Geschäftsjahres die halbe Jahresabschreibung verrechnet.

Geringwertige Vermögensgegenstände des Anlagevermögens mit Einzelanschaffungswerten von bis zu EUR 400 werden im Zugangsjahr voll abgeschrieben und im Anlagenspiegel als Zugang und Abgang dargestellt.

Die **Finanzanlagen** sind mit den Anschaffungskosten bzw. bei wesentlicher Wertminderung mit den niedrigeren Börsenkursen bzw. dem niedrigeren beizulegenden Wert zum Bilanzstichtag bewertet.

Umlaufvermögen

Die **Forderungen und sonstigen Vermögensgegenstände** sind zum Nennwert bewertet, soweit nicht im Fall erkennbarer Risiken erforderliche Einzelwertberichtigungen vorgenommen werden und der niedrigere beizulegende Wert angesetzt wird.

Forderungen in Fremdwährung werden mit dem Entstehungskurs oder mit dem für die Bilanzierung niedrigeren Stichtagskurs bewertet.

Kassenbestand und Guthaben bei Kreditinstituten werden zum Nennwert bewertet. Auf Fremdwährung lautende Guthaben bei Kreditinstituten werden mit dem Entstehungskurs oder dem niedrigeren Kurs zum Bilanzstichtag bilanziert.

Rückstellungen

Die Rückstellungen werden unter Bedachtnahme auf den Grundsatz der unternehmerischen Vorsicht in Höhe des voraussichtlichen Anfalls gebildet.

Die Bilanzierung der **Rückstellungen für Abfertigungen** nach versicherungsmathematischen Grundsätzen erfolgt gemäß den Richtlinien der „International Financial Reporting Standards“ (IFRS) nach der sogenannten „Methode der laufenden Einmalprämien“ nach IAS 19.

Die Berechnung erfolgt auf Basis eines Rechnungszinssatzes von 5,50 % (Vorjahr: 6 %) und einer wie im Vorjahr 3%igen Gehaltssteigerung. Für die Berechnung der Rückstellungen wurden die Rechnungsgrundlagen AVÖ 2008-P verwendet. Das Pensionseintrittsalter wurde bei den Rückstellungen für Abfertigungen gemäß Pensionsreform 2004 angesetzt. Die Annahmen für die Fluktuation erfolgten auf Basis von Erfahrungswerten.

Auf Basis der getroffenen versicherungsmathematischen Annahmen wurde der Barwert der leistungsorientierten zukünftigen Verpflichtungen errechnet. Im Rahmen der Bewertung und Erfassung der Rückstellung sieht IAS 19 vor, dass im Rahmen der Bewertung aufgetretene versicherungsmathematische Gewinne oder Verluste nicht berücksichtigt werden müssen, soweit der Gesamtbetrag der versicherungsmathematischen Gewinne oder Verluste 10 % (= Korridor) des Barwertes der Verpflichtung nicht übersteigt. Übersteigt der Betrag der nicht angesetzten versicherungsmathematischen Gewinne oder Verluste den Korridor, so ist der übersteigende Betrag erfolgswirksam verteilt über die Restdienstzeit der aktiven Dienstnehmer zu buchen.

Die Anwendung der Korridormethode gemäß IAS 19 führte bei den Rückstellungen für Abfertigungen zu im Bilanzansatz nicht berücksichtigten versicherungsmathematischen Gewinnen in Höhe von EUR 28.316 (Vorjahr: EUR 32.459).

Verbindlichkeiten

Die Bewertung der **Verbindlichkeiten** erfolgte mit dem Rückzahlungsbetrag unter Bedachtnahme auf den Grundsatz der Vorsicht.

Fremdwährungsverbindlichkeiten wurden mit dem Entstehungskurs oder mit dem höheren Kurs zum Bilanzstichtag angesetzt.

B. Erläuterungen zu Posten der Bilanz**A k t i v a****Anlagevermögen**

Entwicklung des Anlagevermögens:

	Anschaffungs-/Herstellungskosten				kumulierte Abschrei- bungen	Restbuchwerte		Abschreibungen des laufenden Geschäftsjahres
	Stand 1.1.2009	Zugänge	Abgänge	Stand 30.9.2009		Stand 30.9.2009	Stand 31.12.2008	
	EUR	EUR	EUR	EUR		EUR	EUR	
I. Immaterielle Vermögensgegenstände								
Software und Markenrechte	475.510,63	0,00	0,00	475.510,63	467.433,67	8.076,96	62.693,18	54.616,22
II. Sachanlagen								
1. Bauten auf fremdem Grund	58.343,40	19.122,19	0,00	77.465,59	13.910,52	63.555,07	58.343,40	13.910,52
2. andere Anlagen, Betriebs- und Geschäfts- ausstattung *)	290.982,46	16.525,64	3.351,56	304.156,54	249.032,84	55.123,70	64.374,86	25.776,80
	349.325,86	35.647,83	3.351,56	381.622,13	262.943,36	118.678,77	122.718,26	39.687,32
III. Finanzanlagen								
1. Anteile an verbundenen Unternehmen	62.179.443,13	0,00	142,35	62.179.300,78	22.717.488,31	39.461.812,47	43.394.538,74	3.932.726,27
2. Beteiligungen	583.278,65	0,00	583.278,65	0,00	0,00	0,00	0,00	0,00
3. Ausleihungen an Unternehmen, mit denen ein Beteiligungsverhältnis besteht	751.590,00	0,00	751.590,00	0,00	0,00	0,00	0,00	0,00
4. Wertpapiere des Anlagevermögens	35.024,58	5,70	0,00	35.030,28	2.276,58	32.753,70	32.748,00	0,00
	63.549.336,36	5,70	1.335.011,00	62.214.331,06	22.719.764,89	39.494.566,17	43.427.286,74	3.932.726,27
	64.374.172,85	35.653,53	1.338.362,56	63.071.463,82	23.450.141,92	39.621.321,90	43.612.698,18	4.027.029,81

*) davon geringwertige Vermögensgegenstände
gemäß § 13 EStG

3.351,56 3.351,56

3.351,56

Immaterielle Vermögensgegenstände

Bei den immateriellen Vermögensgegenständen werden als Nutzungsdauern im Falle von Markenrechten 10 Jahre bzw. bei Software 4 bis 5 Jahre angenommen.

Im Geschäftsjahr wurden wie im Vorjahr keine immateriellen Vermögensgegenstände von verbundenen Unternehmen erworben.

Sachanlagen

Den linear vorgenommenen Abschreibungen liegen folgende Nutzungsdauern zugrunde:

	Jahre
EDV-Anlagen	3 - 5
Büromaschinen	3 - 5
sonstige Büroeinrichtung	5 - 10

Finanzanlagen

Der Abgang im Bereich der **Anteile an verbundenen Unternehmen** in Höhe von EUR 142,35 betrifft die BRAIN FORCE SOFTWARE Ltd. Cambridge, UK, die nach abgeschlossener Liquidation per 12. Mai 2009 im Handelsregister gelöscht wurde.

Die Abschreibung von Anteilen an verbundenen Unternehmen des laufenden Geschäftsjahres resultiert aus der Anpassung an einen niedrigeren beizulegenden Zeitwert und betrifft folgende Unternehmen:

	1-9/2009 EUR
BRAIN FORCE Software GmbH, München, Deutschland	1.588.735
BRAIN FORCE S.p.A., Mailand, Italien	1.935.000
BFS Brain Force Software AG, Kloten, Schweiz	408.992
	<u>3.932.727</u>

Die Anpassung an den niedrigeren beizulegenden Zeitwert der Beteiligung an der BRAIN FORCE Software GmbH, Deutschland, war erforderlich, da im Rahmen der Restrukturierungen im abgelaufenen Geschäftsjahr der Standort Berlin geschlossen wurde. Der Abschreibungsbetrag entspricht jenem Anteil der Beteiligung, der aus der Akquisition des Standortes Berlin resultiert.

Aufgrund der deutlichen Verschlechterung der wirtschaftlichen Rahmenbedingungen musste auch die BRAIN FORCE S.p.A., Italien, weitreichende Restrukturierungsmaßnahmen setzen. Dadurch ist in den zukünftigen Perioden mit einer deutlich geringeren Ergebnisentwicklung zu rechnen.

Die Geschäftstätigkeit der BFS Brain Force Software AG, Schweiz, wurde nahezu eingestellt. Aus heutiger Sicht wird auf Dauer keine wesentliche Belegung der Aktivitäten geplant. Der Beteiligungsansatz war somit zur Gänze abzuschreiben.

Die im Geschäftsjahr 2007 vollständig wertberichtigte **Beteiligung** an der KEMP Technologies Inc., New York, USA, wurde im Rumpfgeschäftsjahr 1-9/2009 veräußert. Der Ertrag für den Verkauf des 30%-Anteils beläuft sich auf EUR 52.396.

Die im Geschäftsjahr 2008 zu 100 % abgeschriebene **Ausleihung** betraf die von der KEMP Technologies Inc. ausgegebene Wandelanleihe in Höhe von USD 900.000. Die Anleihe mit einer Laufzeit bis 30. Juni 2009 wurde im laufenden Geschäftsjahr aufgelöst. Der Rückzahlungsbetrag belief sich auf EUR 302.768.

Umlaufvermögen

Forderungen und sonstige Vermögensgegenstände

In den Forderungen und sonstigen Vermögensgegenständen sind Forderungen in Höhe von EUR 745.651 (Vorjahr: TEUR 815) enthalten, die eine Restlaufzeit von mehr als einem Jahr aufweisen.

Die Forderungen gegenüber verbundenen Unternehmen bestehen in Höhe von EUR 2.473.095 (Vorjahr: TEUR 2.380) aus Darlehen sowie aus einer Forderung in Höhe von EUR 601.500 (Vorjahr: TEUR 900) aus unbaren Entnahmen im Rahmen eines Umgründungsvorganges. Die restlichen Forderungen betreffen Lieferungen und Leistungen in Höhe von EUR 2.029.644 (Vorjahr: TEUR 1.498 sowie Forderungen aus Steuerumlagen in Höhe von TEUR 75).

In den sonstigen Forderungen sind keine Erträge (Vorjahr: TEUR 175) enthalten, die erst nach dem Bilanzstichtag zahlungswirksam werden.

P a s s i v a

Eigenkapital

Grundkapital

Das Grundkapital beträgt zum Bilanzstichtag EUR 15.386.742 und ist in 15.386.742 nennwertlose Stückaktien, welche auf Inhaber lauten, aufgeteilt.

Die Aktien der Gesellschaft notieren an der Wiener Börse.

Das genehmigte Kapital beträgt zum Bilanzstichtag EUR 7.693.371 (Vorjahr: TEUR 7.693).

Anlage 3/7

Das Grundkapital und die Kapitalrücklagen haben sich wie folgt entwickelt:

	Grundkapital EUR	gebundene Kapital- rücklagen EUR
Stand 1.1.2009	15.386.742	19.568.310
Auflösung der gebundenen Kapitalrücklage zur Verlustabdeckung	0	-3.159.954
Stand 30.9.2009	<u>15.386.742</u>	<u>16.408.356</u>

Rückstellungen

Die **sonstigen Rückstellungen** enthalten folgende Posten:

	30.9.2009 EUR	31.12.2008 TEUR
gesetzliche Sonderzahlungen	43.054	0
nicht konsumierte Urlaube	13.192	24
Prämien	108.515	194
Wirtschaftsprüfung und Beratung	111.406	109
offene Kaufpreisverpflichtungen aus Anteilserwerb	0	239
übrige	114.588	338
	<u>390.755</u>	<u>904</u>

Verbindlichkeiten

Am 6. März 2007 wurde ein endfälliges Darlehen über EUR 10 Mio. aufgenommen, welches am 20. März 2014 zurückzuführen ist.

Die restlichen Verbindlichkeiten gegenüber Dritten haben eine Restlaufzeit von weniger als einem Jahr.

Die Verbindlichkeiten gegenüber verbundenen Unternehmen resultieren aus Lieferungen und Leistungen in Höhe von EUR 237.900 (Vorjahr: TEUR 657), die wie im Vorjahr eine Restlaufzeit von unter einem Jahr ausweisen. Weiters ist darin eine Verbindlichkeit aus Steuerumlage in Höhe von EUR 88.397 enthalten, deren Restlaufzeit mehr als 1 Jahr beträgt. EUR 2.680.934 entfallen auf Verbindlichkeiten in Verbindung mit Cash-Pooling-Vereinbarungen, deren Laufzeiten unter 12 Monaten liegen.

In den sonstigen Verbindlichkeiten sind Aufwendungen in Höhe von EUR 331.759 (Vorjahr: TEUR 470) enthalten, die erst nach dem Bilanzstichtag zahlungswirksam werden.

C. Erläuterungen zu Posten der Gewinn- und Verlustrechnung

Umsatzerlöse

Im Rumpfgeschäftsjahr vom 1. Jänner bis 30. September 2009 wurden Umsatzerlöse aus Dienstleistungen und aus der Verrechnung von Markenlizenzentgelten an Beteiligungsunternehmen erzielt.

Von den Umsatzerlösen in Höhe von EUR 1.831.033 (Vorjahr: TEUR 3.173) wurden EUR 280.004 (Vorjahr: TEUR 458) im Inland erwirtschaftet. Weitere EUR 1.543.893 (Vorjahr: TEUR 2.706) wurden in übrigen Ländern der Europäischen Union bzw. EUR 7.136 (Vorjahr: TEUR 9) in Nicht-EU-Ländern erzielt.

Steuern vom Einkommen und vom Ertrag

Die Gesellschaft ist Gruppenträger einer Unternehmensgruppe nach § 9 KStG und hat mit dem Gruppenmitglied, der BRAIN FORCE SOFTWARE GmbH, Wien, einen Steuerumlagevertrag geschlossen. Die auf Basis der Belastungsmethode ermittelte Steuerumlage für das Rumpfgeschäftsjahr vom 1. Jänner bis 30. September 2009 sieht eine Steuerentlastung an das Gruppenmitglied in Höhe von EUR 163.563 (Vorjahr: Erstattung TEUR 169) vor.

Der in der steuerlichen Gruppe aufgrund der zeitlichen Differenzen gemäß § 198 Abs. 10 UGB aktivierbare Betrag beträgt ohne Berücksichtigung des steuerlich entstandenen Verlustes bzw. der voraussichtlichen Nutzbarkeit EUR 1.843.129 (Vorjahr: TEUR 1.312) und resultiert vorwiegend aus der unterschiedlichen Behandlung von außerplanmäßigen Abschreibungen auf Beteiligungen.

D. Sonstige Angaben

Beteiligungsverhältnisse

Name/Sitz	Anteil am Kapital	Eigenkapital zum 30.9.2009	Jahres- ergebnis
	%	EUR	EUR
BRAIN FORCE SOFTWARE GmbH, Wien	100	2.413.888	-391.292
BRAIN FORCE Software GmbH, München, Deutschland	100	2.385.516	-3.294.796
BRAIN FORCE S.p.A., Mailand, Italien	100	568.929	-1.216.499
BFS Brain Force Software AG, Kloten, Schweiz ¹⁾	100	-45.944	-63.082
BRAIN FORCE B.V., Veenendaal, Niederlande	100	2.038.206	-137.497
BRAIN FORCE Network Solutions B.V., Veenendaal, Niederlande	100	-223.935	31.558
BRAIN FORCE SOFTWARE s.r.o., Prag, Tschechien	100	215.161	3.027

Beziehungen zu verbundenen Unternehmen

Verbundene Unternehmen im Sinne des § 228 Abs. 3 UGB sind alle Unternehmen, die im Rumpfgeschäftsjahr 1-9/2009 dem Konzern der CROSS Industries AG, Wels, angehören. Geschäfte mit diesen Gesellschaften werden wie mit unabhängigen Dritten abgewickelt.

Honorare für den Abschlussprüfer

Die Aufwendungen für den Abschlussprüfer setzen sich zusammen aus: Prüfung Jahresabschluss EUR 9.000, sonstige Prüfungsleistungen (Konzern) EUR 32.000 und sonstige Leistungen EUR 15.600.

Konsolidierungskreis

Die BRAIN FORCE HOLDING AG, Wien, ist mehrheitlich im Besitz der BEKO HOLDING AG, Nöhagen. Zum Bilanzstichtag 30. September 2009 war die CROSS Industries AG, Wels, oberste Konzerngesellschaft.

Haftungsverhältnisse

Mit der BFS Brain Force Software AG, Kloten, Schweiz, wurde eine Rangrücktrittsvereinbarung basierend auf Forderungen der BRAIN FORCE HOLDING AG abgeschlossen. Der Umfang des vom Rangrücktritt erfassten Betrages ist EUR 83.850. Eine Begleichung der Forderung durch die BFS Brain Force Software AG, Kloten, Schweiz, ist nach Schweizer Recht erst möglich, wenn keine Besorgnis der Überschuldung mehr vorliegt.

Weiters hat die BRAIN FORCE HOLDING AG gegenüber der Deutsche Bank AG, München, Deutschland, eine unwiderrufliche und unbedingte Zahlungsgarantie für eine Finanzierungsverbindlichkeit der BRAIN FORCE Software GmbH, München, Deutschland, in Höhe von EUR 1.500.000 übernommen.

Gegenüber der Volksbank Dreieich eG hat die BRAIN FORCE HOLDING AG eine selbstschuldnerische Bürgschaft zur Sicherung der bestehenden Forderungen der Bank gegenüber der BRAIN FORCE Software GmbH, München, Deutschland, übernommen. Zum 30. September 2009 beträgt die Forderung der Volksbank Dreieich eG EUR 313.035 (Vorjahr: TEUR 391).

Sonstige finanzielle Verpflichtungen

Finanzielle Verpflichtungen der Gesellschaft aus der Nutzung von in der Bilanz nicht ausgewiesenen Sachanlagen des folgenden Geschäftsjahres betragen EUR 442.100 (Vorjahr: TEUR 444) und der Gesamtbetrag der folgenden fünf Jahre beläuft sich auf insgesamt EUR 1.927.082 (Vorjahr: TEUR 2.057).

Pflichtangaben über Organe und Arbeitnehmer

Die durchschnittliche Zahl der Arbeitnehmer (= Angestellte) betrug im Rumpfgeschäftsjahr 1-9/2009 10 Personen (Vorjahr: 9).

Eingeräumte Aktienoptionen

Derzeit besteht kein Mitarbeiterbeteiligungsprogramm in der BRAIN FORCE HOLDING AG.

Aufwendungen für Abfertigungen und Pensionen

Die Aufwendungen für Abfertigungen und Pensionen für Vorstandsmitglieder und leitende Angestellte im Sinne des § 80 AktG betragen EUR 18.260 (Vorjahr: TEUR 10) und für andere Arbeitnehmer EUR 12.749 (Vorjahr: TEUR 8). Von den Gesamtaufwendungen sind EUR 754 (Vorjahr: TEUR 1) unter dem Posten „Zinsen und ähnliche Aufwendungen“ ausgewiesen.

Der Posten „Aufwendungen für Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen“ enthält Aufwendungen für Abfertigungen in Höhe von EUR 5.223 (Vorjahr: EUR 385).

Gesamtbezüge des Vorstandes und des Aufsichtsrates

Die Bezüge der Vorstandsmitglieder für das Rumpfgeschäftsjahr vom 1. Jänner bis 30. September 2009 betrugen EUR 364.286 (Vorjahr: TEUR 593). Die angegebenen Bezüge beinhalten die erworbenen und im Aufwand erfassten Ansprüche der Vorstandsmitglieder. In den Bezügen sind variable Anteile in Höhe von EUR 0 (Vorjahr: TEUR 148) enthalten.

Im Rumpfgeschäftsjahr 1-9/2009 wurden Vergütungen an Aufsichtsratsmitglieder in Höhe von EUR 63.733 (Vorjahr: TEUR 70) aufwandsmäßig erfasst.

Mitglieder des Vorstandes und des Aufsichtsrates

Im Rumpfgeschäftsjahr vom 1. Jänner bis 30. September 2009 waren folgende Personen als **Vorstand** tätig:

Günter Pridt, Wien, Vorsitzender
Mag. Thomas Melzer, Stellvertreter des Vorsitzenden

Mit Beschluss des Aufsichtsrates wurde per 19. Oktober 2009 Herr Dr. Michael Hofer als Vorstandsvorsitzender der BRAIN FORCE HOLDING AG bestellt.

Im Rumpfgeschäftsjahr vom 1. Jänner bis 30. September 2009 waren folgende Personen als **Aufsichtsrat** tätig:

Dr. Christoph Senft, Angerberg, Vorsitzender
Mag. Friedrich Roithner, Linz, Vorsitzender-Stellvertreter
Josef Blazicek, Perchtoldsdorf
Mag. Wolfgang M. Hickel, Wien
Dr. Michael Hofer, Vöcklabruck
Prof. Ing. Peter Kotauczek, Breitenbrunn am Neusiedler See
Dipl.-Ing. Stefan Pierer, Wels

Mit der Bestellung zum Vorstandsvorsitzenden per 19. Oktober 2009 ist Herr Dr. Michael Hofer aus dem Aufsichtsrat ausgeschieden.

Wien, den 4. Dezember 2009

Der Vorstand:

gez.:

Günter Pridt

gez.:

Mag. Thomas Melzer

gez.:

Dr. Michael Hofer

BRAIN FORCE HOLDING AG, Wien

Lagebericht für das Rumpfgeschäftsjahr vom 1. Jänner bis 30. September 2009

Bericht über die wirtschaftliche Lage und den Geschäftsverlauf

Wirtschaftliche Lage

Die bereits zur Jahresmitte 2008 spürbare Abschwächung der Konjunktur hat in den neun Monaten des Jahres 2009 sämtliche Volkswirtschaften und Wirtschaftszweige erfasst. Der damit zusammenhängende Nachfragerückgang hat auch auf die Ergebnisse vieler Unternehmen des IT-Sektors deutliche Auswirkungen. Auch die europäische Wirtschaft bleibt von der schwersten Finanz- und Wirtschaftskrise seit fast einem Jahrhundert nicht verschont. Laut ihrer Herbstprognose erwartet die Europäische Kommission in 2009 einen Einbruch des Bruttoinlandsproduktes (BIP) in der EU um 4,1%. In Deutschland, dem für BRAIN FORCE wichtigsten Markt, soll das Minus bei rund 5% liegen, in Österreich bei 3,7%, in Italien bei 4,7% und in den Niederlanden bei 4,5%. Der Wirtschaftsabschwung ist vor allem auf den Einbruch des Welthandels und die deutlich gesunkenen Investitionen zurückzuführen.

Nach Einschätzung der Marktforschungsfirma Gartner wird 2009 das Jahr mit dem höchsten Rückgang bei den weltweiten IT-Ausgaben (-5,2% auf Dollarbasis). Für 2010 prognostiziert Gartner jedoch wieder ein Wachstum von 3,3%. Für den europäischen IT-Markt liegen die Einschätzungen für 2009 innerhalb einer großen Bandbreite. Das internationale Marktforschungsinstitut (EITO) European Information Technology Observatory sagt für 2009 ein Schrumpfen des europäischen IT-Marktes (Hardware, Software und IT-Services) von 2,6% voraus und sieht für 2010 eine leichte Erholung von +0,7%. Der Marktforscher Forrester sieht für den zentral- und westeuropäischen IT-Markt heuer sogar einen Einbruch von währungsneutralen 8% und für den osteuropäischen IT-Markt von 5%.

Für das Jahr 2010 erwartet die Europäische Kommission bereits wieder ein BIP-Wachstum in der EU von 0,7%. In Deutschland soll der Anstieg mit 1,2% deutlich über dem europäischen Durchschnitt liegen. In Österreich wird im kommenden Jahr mit einem Wachstum von 1,1%, in Italien von 0,7% und in den Niederlanden von 0,3% gerechnet. Die rasche Erholung der Wirtschaft ist jedoch mit einigen Risiken behaftet. So sind Ökonomen zufolge neue Erschütterungen des internationalen Finanz- und Bankensystems keineswegs ausgeschlossen, und auch die Auswirkungen der stark steigenden Arbeitslosenrate und der Staatsverschuldung lassen sich nicht verlässlich abschätzen. Auch könnte ein Auslaufen der zahlreichen Konjunkturprogramme und Beihilfen, die dem Abschwung kurzfristig erfolgreich entgegengewirkt haben, wieder zu einem Rückschlag führen.

Der Geschäftsverlauf der BRAIN FORCE HOLDING AG, die als Mutterunternehmen verbundener Unternehmen vor allem in den Ländern Deutschland, Österreich, Italien und den Niederlanden agiert, war von den äußerst schwierigen wirtschaftlichen Rahmenbedingungen im abgelaufenen Geschäftsjahr deutlich betroffen.

Geschäftsverlauf

Ertragslage

Unternehmensgegenstand der BRAIN FORCE HOLDING AG ist unter anderem der Erwerb, das Halten, die Verwaltung und die Verwertung von Beteiligungen, die geschäftsführende Verwaltung dieser Unternehmen und die Erbringung von entgeltlichen Dienstleistungen sowie die Verwaltung und Verwertung von Patenten, Lizenzen und Urheberrechten.

Die entgeltlich erbrachten Dienstleistungen gegenüber den Beteiligungsunternehmen und die ab dem Geschäftsjahr 2008 verrechneten Markenlizenzzentgelte werden in den Umsatzerlösen ausgewiesen.

Die nachfolgende Aufstellung zeigt die Aufgliederung der wesentlichen Posten der Gewinn- und Verlustrechnung:

	1-9/2009	1-12/2008
	TEUR	TEUR
Umsatzerlöse	1.831	3.173
Sonstige betriebliche Erträge	805	515
Personalaufwand	-1.047	-1.414
Abschreibungen	-94	-131
Sonstige betriebliche Aufwendungen	-1.074	-2.797
Betriebsergebnis	422	-654
Beteiligungsergebnis	-3.933	2.000
Sonstiges Finanzergebnis	-16	-985
Auflösung von Kapitalrücklagen	3.160	0

Die Umsatzerlöse beinhalten Dienstleistungserträge und Markenlizenzzentgelte gegenüber Beteiligungsunternehmen. Der Rückgang gegenüber dem Vorjahr ist in erster Linie auf das Rumpfwirtschaftsjahr 2009 zurückzuführen, zusätzlich reduzierten sich die Markenlizenzzentgelte aufgrund gesunkener Konzernumsätze.

Die sonstigen betrieblichen Erträge beinhalten im Wesentlichen weiterverrechnete Sachkosten an Konzerngesellschaften, Mieterträge sowie Erträge aus der Auflösung von Rückstellungen.

Der Personalaufwand des Rumpfgeschäftsjahres 2009 reduzierte sich um 26% auf TEUR 1.047, wobei sich die durchschnittliche Mitarbeiteranzahl von 9 auf 10 erhöht hat.

Die sonstigen betrieblichen Aufwendungen verringerten sich um TEUR 1.723 auf TEUR 1.074. Auch bereinigt um die Auswirkung des verkürzten Geschäftsjahres konnten deutliche Kosteneinsparungen, insbesondere bei den Mietaufwendungen, Betriebsversicherungen und Reisespesen erzielt werden.

Das Beteiligungsergebnis des Geschäftsjahres 2009 ist mit Abschreibungen auf Anteile an verbundenen Unternehmen in Höhe von TEUR 3.933 belastet. Durch die Auswirkungen der Wirtschaftskrise mussten in einigen Landesgesellschaften weitreichende Restrukturierungsmaßnahmen gesetzt werden, die sich auch auf die zukünftigen Erwartungen auswirken werden. Zusätzlich wurde mit dem Standort Berlin ein Geschäftsbereich der BRAIN FORCE Software GmbH, München, Deutschland, geschlossen.

Das sonstige Finanzergebnis beinhaltet den Zinsensaldo in Höhe von TEUR -370 (Vorjahr: TEUR -376) sowie Erträge von TEUR 355 aus dem Verkauf des 30%-Anteiles an der KEMP Technologies Inc., New York, USA, und der Auflösung der von KEMP begebenen Anleihe. Das Finanzergebnis der BRAIN FORCE HOLDING AG beträgt TEUR -3.948 (Vorjahr: TEUR +1.015).

Der Jahresfehlbetrag des Rumpfgeschäftsjahres 2009 beläuft sich auf TEUR -3.690 (Vorjahr: Jahresüberschuss TEUR 530).

Nach Rücklagenbewegung und unter Berücksichtigung des Ergebnisvortrages schließt die BRAIN FORCE HOLDING AG das Rumpfgeschäftsjahr 2009 mit einem Bilanzergebnis von TEUR 0 (Vorjahr: Bilanzgewinn TEUR 530).

Durch die Anzahl der im In- und Ausland gehaltenen Beteiligungen stellt die Einbeziehung der wirtschaftlichen Lage dieser Unternehmen einen wesentlichen Leistungsindikator der BRAIN FORCE HOLDING AG dar. Nachfolgende Aufstellung zeigt aussagekräftige Kennzahlen auf Ebene der Muttergesellschaft:

	1-9/2009	1-9/2008	Änderung
	TEUR	TEUR	in %
Konzernumsatz	61.690	76.998	-20
Konzern-EBITDA operativ 1)	1.183	5.937	-80
Konzern-EBIT operativ 1)	-1.502	3.002	>100
Restrukturierungsaufwendungen	-1.384	0	-100
Konzernergebnis vor Steuern 2)	-3.147	2.351	>100
Konzernergebnis nach Steuern 2)	-2.407	1.477	>100

1) Vor nicht wiederkehrenden Restrukturierungsaufwendungen

2) Bezogen auf fortgeführte Geschäftsbereiche

Der Konzern verzeichnete im Rumpfgeschäftsjahr 2009 deutliche Umsatz- und Ergebnismrückgänge, wobei davon alle geografischen Regionen betroffen waren. Die Umsatzrückgänge in Höhe von 20% konnten nur teilweise durch Kostensparungsmaßnahmen kompensiert werden. Die gesetzten Restrukturierungsmaßnahmen werden sich zukünftig positiv auf eine niedrigere Umsatzbasis auswirken. Der operative Konzern-Cash-flow mit TEUR 1.547 sowie der Free Cash-flow mit TEUR 68 sind trotz der Ergebnismrückgänge positiv. Darin zeigen sich die Auswirkungen eines konzernweiten Working Capital Projektes.

Vermögens- und Finanzlage

Die Bilanzsumme zum 30.9.2009 der BRAIN FORCE HOLDING AG reduzierte sich im Vergleich zum 31.12.2008 um 6% auf TEUR 45.800 (Vorjahr: TEUR 48.863).

Die nachfolgende Aufstellung zeigt die wesentlichen Bilanzposten:

	30.09.2009 TEUR	31.12.2008 TEUR	Veränderung in %
AKTIVA			
Immaterielle Vermögensgegenstände und Sachanlagen	127	186	-32
Finanzanlagen	39.495	43.428	-9
Forderungen gegenüber verbundenen Unternehmen	5.104	4.853	+5
Kassenbestand, Guthaben bei Kreditinstituten	910	58	>100
PASSIVA			
Eigenkapital	31.795	35.485	-10
Rückstellungen	446	953	-53
Verbindlichkeiten gegenüber Kreditinstituten	10.000	11.059	-10
Verbindlichkeiten aus Lieferungen und Leistungen	122	238	-49
Verbindlichkeiten gegenüber verbundenen Unternehmen	3.007	657	>100

Der Rückgang der Finanzanlagen um TEUR 3.933 resultiert aus der Abschreibung von Anteilen an der BRAIN FORCE Software GmbH, Deutschland, der BRAIN FORCE S.p.A., Italien, und der BFS Brain Force Software AG, Schweiz.

Der Anstieg der liquiden Mittel sowie die Reduktion der Verbindlichkeiten gegenüber Kreditinstituten zeigen die Auswirkungen des im Geschäftsjahr 2009 eingeführten Cash Poolings.

Ergebnisbedingt verringerte sich das Eigenkapital um 10% auf TEUR 31.795, was einer Eigenkapitalquote von 69% (Vorjahr: 73%) entspricht.

Die Rückstellungen reduzierten sich um TEUR 507 auf TEUR 446. Im Wesentlichen ist der Rückgang auf die Bezahlung von Kaufpreisverpflichtungen aus Anteilserwerben in Höhe von TEUR 266 und auf die Auflösung nicht benötigter Rückstellungen für erwartete Mietleerstände und vertragliche Instandsetzungsarbeiten zurückzuführen.

Die Finanzlage ist durch folgende Netto-Geldflüsse gekennzeichnet:

	1-9/2009 TEUR	1-9/2008 TEUR
Netto-Geldfluss aus laufender Geschäftstätigkeit	-1.028	1.322
Netto-Geldfluss aus Investitionstätigkeit	258	-3.546
Netto-Geldfluss aus Finanzierungstätigkeit	1.622	548
Veränderung Kassenbestand und liquide Mittel	852	-1.676
Finanzmittelbestand zum Periodenende	910	58

Durch die deutlich gesunkenen Umsätze aus Konzerndienstleistungen und Markenlizenzentgelten reduzierte sich der Geldfluss aus laufender Geschäftstätigkeit auf TEUR -1.028 (Vorjahr: TEUR +1.322).

Der Geldfluss aus Investitionstätigkeit beträgt TEUR +258 (Vorjahr: TEUR -3.546). Darin enthalten sind Zuflüsse aus Finanzanlagenabgängen und sonstigen Finanzinvestitionen in Höhe von TEUR 560. Demgegenüber stehen Auszahlungen für in Vorjahren getätigte Unternehmensakquisitionen mit TEUR 266. Die Investitionen für immaterielle Vermögensgegenstände und Sachanlagen betragen TEUR 36 (Vorjahr: TEUR 95).

Der Geldfluss aus Finanzierungstätigkeit zeigt einerseits die Tilgung von Finanzverbindlichkeiten in Höhe von TEUR 1.059 (Vorjahr: TEUR 548), andererseits Einzahlungen der Konzernunternehmen von TEUR 2.681 im Rahmen des Cash Poolings.

Als kapitalmarktorientiertes Unternehmen werden in weiterer Folge relevante Börsenkennzahlen dargestellt:

		2009	2008
Höchstkurs	in €	2,19	2,58
Tiefstkurs	in €	1,02	1,01
Ultimokurs	in €	1,20	1,89
Ultimo Börsekapitalisierung	in Mio. €	18,46	29,08
Durchschnittlicher Börseumsatz/Tag 1)	in Tsd. €	3,91	64,62

1) Wiener Börse
Wertpapierkennnummer (ISIN): AT0000820659
Börsenkürzel: BFC

Forschung und Entwicklung

Die BRAIN FORCE HOLDING AG hat im abgelaufenen Geschäftsjahr keine Forschung und Entwicklung getätigt.

Zweigniederlassungen

Die Gesellschaft verfügt über keine Zweigniederlassungen.

Ereignisse von besonderer Bedeutung nach dem Bilanzstichtag

Am 16. Oktober 2009 gab die BRAIN FORCE HOLDING AG bekannt, dass der Vorstandsvorsitzende Günter Pridt aus gesundheitlichen Gründen den Aufsichtsrat um Auflösung seines Vertrages per Jahresende 2009 gebeten hat. Als neuen Vorstandsvorsitzenden hat der Aufsichtsrat per 19. Oktober 2009 Herrn Dr. Michael Hofer bestellt. Herr Hofer war seit Mai 2008 als Mitglied des Aufsichtsrats tätig und hat sein Aufsichtsratsmandat per 19. Oktober 2009 zurückgelegt.

Mit 24. November 2009 hat die CROSS Industries AG, Mehrheitsaktionärin der BEKO HOLDING AG 3.333.333 Stück Aktien der BEKO HOLDING AG an die Opportunity Beteiligungs AG abgetreten, was einer Beteiligung am Grundkapital von rund 14,44% entspricht. In Ansehung von 1.794.625 Stück Aktien der BEKO HOLDING AG, was einer Beteiligung im Ausmaß von rund 7,77% am Grundkapital entspricht, verbleiben die Stimmrechte bei CROSS Industries AG, sodass CROSS Industries AG weiterhin über rund 48,0% der Stimmrechte an der BEKO HOLDING AG verfügt.

Am 25. November 2009 hat die BRAIN FORCE HOLDING AG als Alleingesellschafter der BRAIN FORCE SOFTWARE GmbH, Wien, im Rahmen einer außerordentlichen Generalversammlung die Abspaltung des Teilbetriebes „SolveDirect“ auf eine neu entstehende Kapitalgesellschaft beschlossen. Die Eintragung der Gesellschaft im Firmenbuch erfolgte am 3. Dezember 2009.

Voraussichtliche Entwicklung des Unternehmens

Nach der Restrukturierung der vergangenen Monate wird das BRAIN FORCE Management im neuen Wirtschaftsjahr wieder eine aktive Wachstumsstrategie verfolgen. Dazu positionieren wir uns mit der Angebotspalette der niederländischen Konzerngesellschaft nun auch in Deutschland als der Spezialist für IT-Infrastrukturlösungen, insbesondere zur Software-Paketierung und zum Windows 7 Rollout. Ein erster Erfolg konnte durch den Abschluss eines Großauftrages für Kunden eines multinationalen Hardware- und Servicekonzerns zur Software-Paketierung in Deutschland bereits erzielt werden. Zusätzlich baut BRAIN FORCE eine schlagkräftige Unit für ERP-Lösungen auf Basis MS Dynamics NAV und AX in Österreich auf und forciert die US-Expansion ihrer SolveDirect Servicemanagement-Lösungen.

Aus Konzernsicht rechnen wir zwar in den nächsten Monaten mit einer leichten Besserung des Auftragseingangs, sehen jedoch noch keine Entspannung beim Preisniveau. Im Zuge der Restrukturierung der vergangenen neun Monate wurde die Kostenbasis im Konzern deutlich gesenkt, um dem geringeren Umsatzvolumen Rechnung zu tragen.

Wir erwarten, dass sich der aktuelle Investitionsstau in allen BRAIN FORCE Regionen in den nächsten zwei Jahren schrittweise auflöst, auch wenn aktuell keine rasche Erholung absehbar ist. Unternehmen sollten wieder verstärkt in ihre IT-Infrastruktur investieren und somit die Effizienz ihrer IT-Landschaft erhöhen bzw. die damit zusammenhängenden Kosten senken.

Angaben gemäß § 243a UGB

1. Das Grundkapital setzt sich aus 15.386.742 nennwertlosen Stückaktien, welche auf Inhaber lauten, zusammen. Das Grundkapital wurde voll einbezahlt.
2. Dem Vorstand sind keine Beschränkungen, die Stimmrechte oder die Übertragung von Aktien betreffen, bekannt.
3. Nach Kenntnis der Gesellschaft bestand per 30. September 2009 folgende direkte oder indirekte Beteiligung am Kapital, die zumindest 10 von Hundert beträgt:
BEKO HOLDING AG: 54,65%.
Erster Privater Investmentclub Börsebius Zentral (GbR), Köln, Deutschland: 11,40% (ab 22. Oktober 2009: 16,97%)
4. Es gibt keine Aktien mit besonderen Kontrollrechten.
5. Im BRAIN FORCE-Konzern besteht kein Mitarbeiterbeteiligungsmodell.
6. Es bestehen keine über das Gesetz hinausgehenden Bestimmungen hinsichtlich der Mitglieder des Vorstandes und des Aufsichtsrates.
7. Möglichkeiten, Aktien auszugeben oder zurückzukaufen:
 - a) gemäß Beschluss der Hauptversammlung vom 9. Mai 2007 wurde der Vorstand ermächtigt, innerhalb von fünf Jahren nach Eintragung der entsprechenden Satzungsänderung im Firmenbuch das Grundkapital in einer oder mehreren Tranchen um bis zu weitere EUR 7.693.371,-- durch Ausgabe von bis zu 7.693.371 Stück neuer, auf Inhaber lautender Stammaktien (Stückaktien) gegen Bar- und/oder Sacheinlagen, und zwar jeweils mit oder ohne Ausschluss des Bezugsrechtes der Aktionäre im Falle von Bar- und/oder Sacheinlagen

und/oder der Ausgabe von Aktien an Dienstnehmer der Gesellschaft und mit ihr verbundener Unternehmen, zu erhöhen und den Ausgabebetrag sowie die Ausgabebedingungen im Einvernehmen mit dem Aufsichtsrat festzusetzen. Darüber hinaus ist der Aufsichtsrat ermächtigt, Änderungen der Satzung, die sich durch die Ausgabe von Aktien aus dem genehmigten Kapital ergeben, zu beschließen.

- b) Gemäß Beschluss der Hauptversammlung vom 14. Mai 2009 besteht die Ermächtigung zum Erwerb eigener Aktien von bis zu 10% des Grundkapitals innerhalb von 30 Monaten ab Beschlussfassung. Der Gegenwert (Erwerbskurs) je zu erwerbender Stückaktie darf den Börsenkurs nicht mehr als 20% unter- oder überschreiten. Als maßgeblicher Börsenkurs gilt dabei der Mittelwert der Schlusskurse für die Aktien der jeweiligen Wertpapierbörse innerhalb der letzten fünf Börsentage vor dem Erwerb der Aktien.
8. Vereinbarungen der Gesellschaft, die bei einem Kontrollwechsel infolge eines Übernahmeangebotes wirksam werden, sich ändern oder enden, sowie deren Wirkungen werden seitens der Gesellschaft mit Ausnahme der Angaben in Punkt 9 nicht bekannt gegeben, da dies der Gesellschaft erheblich schaden würde.
9. Für den Fall einer „feindlichen“ Übernahme der Gesellschaft im Sinne des Übernahmegesetzes wurde mit jedem Vorstandsmitglied vertraglich vereinbart, dass das Vorstandsmitglied das einseitige Recht hat, jederzeit innerhalb einer Frist von zwei (2) Monaten ab dem Zeitpunkt der rechtskräftigen Übernahme der Gesellschaft per sofort und ohne weitere Frist seinen Vorstandsvertrag mit der Gesellschaft aufzulösen und sein Amt sofort niederzulegen. Die Gesellschaft hat sich verpflichtet, wenn das Vorstandsmitglied dieses vorstehende Recht ausübt, dem Vorstandsmitglied ausschließlich seine fixe Vergütung, die ihm bis zum Ende seiner Tätigkeit bei voller vereinbarter Laufzeit seines Vorstandsvertrages zustünde, in Form einer Einmalzahlung als Abfertigungszahlung innerhalb von vier Wochen ab seinem Austrittsdatum anzuweisen.

Berichterstattung zum rechnungslegungsbezogenen internen Kontroll- und Risikomanagementsystem

Die Verantwortung für die Einrichtung und Ausgestaltung des rechnungslegungsbezogenen Internen Kontroll- und Risikomanagementsystem und die Sicherstellung der Einhaltung aller rechtlichen Anforderungen liegt beim Vorstand. Die Rechnungslegung und Berichterstattung der BRAIN FORCE HOLDING AG wird in den beiden Organisationseinheiten „*Accountancy Countries & Group Consolidation*“, zuständig für das externe Berichtswesen, und „*Financial Controlling*“, zuständig für das konzerninterne Berichtswesen, wahrgenommen. Beide Bereiche unterstehen direkt dem Finanzvorstand.

Die Buchhaltung der Gesellschaft wird auf Basis unternehmensrechtlicher und sonstiger relevanter Vorschriften sowie unter Beachtung der für die wesentlichen Prozesse in der Konzernrechnungslegung und –berichterstattung vorgegebenen Regeln des BRAIN FORCE Bilanzierungshandbuchs („*Accounting Manual*“) durchgeführt. Die Erfassung, Buchung und Bilanzierung aller Geschäftsfälle erfolgt mit der Anwendersoftware BMD. Die Einhaltung der entsprechenden Vorgaben wird regelmäßig in Management Meetings sichergestellt. Die wirtschaftliche Tätigkeit der Gesellschaft beschränkt sich auf die Wahrnehmung von Holding Aufgaben und die aktive Beratung und Steuerung der Beteiligungsgesellschaften. Managementdienstleistungen sowie Marken- und andere Lizenzgebühren werden auf Grund von in der Gesellschaft geführten Aufzeichnungen und entsprechenden Verträgen laufend an die Konzerngesellschaften weiterverrechnet. Die von den Mitarbeitern/innen im Rechnungswesen geführten Aufzeichnungen und Verbuchungen werden dabei von dem Verantwortlichen der Organisationseinheit „*Accountancy Countries & Group Consolidation*“ regelmäßig überwacht und kontrolliert.

Für das interne Management-Reporting wird eine gängige Planungs- und Reportingsoftware verwendet. Für die Übernahme der Ist-Daten aus dem BMD gibt es eine automatisierte Schnittstelle. Die Eingabe der Werte für Vorscheurechnungen erfolgt in einem standardisierten Prozess. Die Berichterstattung auf Konzernebene ist dabei nach Regionen, pro Gesellschaft und auch nach den Geschäftsfeldern *Business Solutions*, *Infrastructure Optimization* und *Professional Services* aufgebaut. Konzerninterne Verrechnungen und Transaktionen werden abgestimmt und eliminiert. Die operative Ergebnisentwicklung sowie eine rollierende 3-Monats-Vorschau und eine Darstellung der wichtigsten Ereignisse bzw. Abweichungen zu den Werten des Budgets, des Vorjahreszeitraumes sowie der jeweils vorangegangenen Vorscheurechnung sind gemeinsam mit den Konzern-Quartalszahlen Basis der Berichterstattung im Vorstand und an den Aufsichtsrat. In den regelmäßig stattfindenden Sitzungen über die wirtschaftliche Entwicklung wird in Form von zusammengefassten Darstellungen, bestehend aus Segmentberichterstattung, Ergebnisentwicklung mit Budget- und Vorjahresvergleich, Vorscheurechnungen, Konzernabschlüsse, Personal- und Auftragsentwicklung sowie ausgewählten Finanzkennzahlen informiert.

Risikoberichterstattung

Als Muttergesellschaft von im In- und Ausland ansässigen und europaweit tätigen Unternehmen sieht sich die Unternehmensführung mit übergreifenden internationalen Risiken konfrontiert. BRAIN FORCE sieht in einem effektiven Risikomanagement einen wesentlichen Erfolgsfaktor für die nachhaltige Sicherung des Unternehmenserfolges und die Erreichung der Ziele zur Schaffung von Shareholder Value. Als Risiko wird daher nicht nur die Möglichkeit der negativen Abweichung von Unternehmenszielen verstanden, sondern auch die Nichtrealisierung von potenziellen Gewinnen. Um der gewachsenen Konzerngröße und dem geänderten wirtschaftlichen Umfeld Rechnung zu tragen, hat BRAIN FORCE im Jahr 2008 das Risikomanagement verstärkt und einen zentral gesteuerten konzernweiten Prozess initiiert. Die Implementierung dieses Prozesses wurde 2009 mit der Einführung einer konzernweiten Risikomanagement-Richtlinie abgeschlossen. Seither werden die Risiken der Gruppe regelmäßig und systematisch identifiziert, hinsichtlich ihrer Eintrittswahrscheinlichkeit und dem möglichen Schadensausmaß bewertet sowie geeignete Maßnahmen zur Risikosteuerung getroffen. Die jährliche Aktualisierung der Risikobewertung findet im Zuge des Budgetierungsprozesses statt.

Gemäß der dezentralen Struktur liegt die Verantwortung für das Management der operativen Risiken bei den jeweils zuständigen lokalen Geschäftsleitern. Auf Ebene der BRAIN FORCE HOLDING AG wird die Einhaltung der Prozesse überwacht und ein gruppenweiter Risikobericht erstellt. Die Ergebnisse werden an den Gesamtvorstand und von diesem weiter an den Aufsichtsrat berichtet.

Die wichtigsten Instrumente zur Risikoüberwachung und -kontrolle sind der Planungs- und Controllingprozess, konzernweite Richtlinien sowie die laufende Berichterstattung und das 14-tägig rollierende Forecasting.

Zur Risikovermeidung und -bewältigung werden in den lokalen Gesellschaften Risiken bewusst nur im operativen Geschäft eingegangen und dabei immer im Verhältnis zum möglichen Gewinn analysiert. Insbesondere sind Spekulationen außerhalb der operativen Geschäftstätigkeit unzulässig. Risiken außerhalb der operativen Tätigkeit, wie finanzielle Risiken, werden zusätzlich von der Holding beobachtet und im notwendigen Maße abgesichert.

Das Liquiditätsrisiko wird durch laufende Finanzplanungen auf Ebene der lokalen Geschäftsführungen und zusätzlich von der Konzernholding überwacht. In 2009 wurde ein Cash Pool geschaffen, in den die wichtigsten Gesellschaften in Deutschland, Österreich, Italien und den Niederlanden einbezogen werden. Der Cash Pool startete zu Jahresbeginn 2009 und ermöglicht der Holding einen aktuellen Saldenabgleich, bessere Konditionen in der Veranlagung von Zahlungsmittelüberschüssen sowie eine Optimierung der Konzernfinanzierung durch internen Liquiditätsausgleich und niedrigere Finanzierungskosten. Die Finanzierung der BRAIN FORCE Gruppe ist aufgrund der soliden Bilanzstruktur sowie eines hohen Zahlungsmittelbestands und ausreichender Banklinien gesichert. BRAIN FORCE hat keinen nennenswerten kurzfristigen Refinanzierungsbedarf.

Das Währungsrisiko spielt eine untergeordnete Rolle. Das Zinsänderungsrisiko stellt das Risiko dar, das sich aus der Änderung von Wertschwankungen von Finanzinstrumenten infolge einer Änderung der Marktzinssätze ergibt. Das Schuldscheindarlehen in Höhe von EUR 10 Mio. ist fix verzinst.

Umwelt- und Arbeitnehmerbelange

Aufgrund der Geschäftstätigkeit der BRAIN FORCE HOLDING AG spielen Umweltbelange eine untergeordnete Rolle.

Für die strategische Absicherung und Entwicklung des wirtschaftlichen Erfolges zeichnet maßgeblich der derzeitige Vorstand der BRAIN FORCE HOLDING AG verantwortlich. Eine entscheidende Rolle in der Geschäftstätigkeit nehmen auch einzelne Mitarbeiter in Schlüsselpositionen ein. Daher ist es ein erklärtes Ziel, dieses Humankapital zu halten und zu motivieren.

Wien, am 4. Dezember 2009

Der Vorstand:

gez.:

Günter Pridt

gez.:

Mag. Thomas Melzer

gez.:

Dr. Michael Hofer

Bestätigungsvermerk

Bericht zum Jahresabschluss

Wir haben den beigefügten Jahresabschluss der BRAIN FORCE HOLDING AG, Wien, für das Rumpfgeschäftsjahr vom 1. Jänner bis 30. September 2009 unter Einbeziehung der Buchführung geprüft. Dieser Jahresabschluss umfasst die Bilanz zum 30. September 2009, die Gewinn- und Verlustrechnung für das am 30. September 2009 endende Rumpfgeschäftsjahr sowie den Anhang.

Verantwortung der gesetzlichen Vertreter für den Jahresabschluss und für die Buchführung

Die gesetzlichen Vertreter der Gesellschaft sind für die Buchführung sowie für die Aufstellung eines Jahresabschlusses verantwortlich, der ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft in Übereinstimmung mit den österreichischen unternehmensrechtlichen Vorschriften vermittelt. Diese Verantwortung beinhaltet: Gestaltung, Umsetzung und Aufrechterhaltung eines internen Kontrollsystems, soweit dieses für die Aufstellung des Jahresabschlusses und die Vermittlung eines möglichst getreuen Bildes der Vermögens-, Finanz- und Ertragslage der Gesellschaft von Bedeutung ist, damit dieser frei von wesentlichen Fehldarstellungen ist, sei es auf Grund von beabsichtigten oder unbeabsichtigten Fehlern; die Auswahl und Anwendung geeigneter Bilanzierungs- und Bewertungsmethoden; die Vornahme von Schätzungen, die unter Berücksichtigung der gegebenen Rahmenbedingungen angemessen erscheinen.

Verantwortung des Abschlussprüfers und Beschreibung von Art und Umfang der gesetzlichen Abschlussprüfung

Unsere Verantwortung besteht in der Abgabe eines Prüfungsurteils zu diesem Jahresabschluss auf der Grundlage unserer Prüfung. Wir haben unsere Prüfung unter Beachtung der in Österreich geltenden gesetzlichen Vorschriften und Grundsätze ordnungsgemäßer Abschlussprüfung durchgeführt. Diese Grundsätze erfordern, dass wir die Standesregeln einhalten und die Prüfung so planen und durchführen, dass wir uns mit hinreichender Sicherheit ein Urteil darüber bilden können, ob der Jahresabschluss frei von wesentlichen Fehldarstellungen ist.

Eine Prüfung beinhaltet die Durchführung von Prüfungshandlungen zur Erlangung von Prüfungsnachweisen hinsichtlich der Beträge und sonstigen Angaben im Jahresabschluss. Die Auswahl der Prüfungshandlungen liegt im pflichtgemäßen Ermessen des Abschlussprüfers unter Berücksichtigung seiner Einschätzung des Risikos eines Auftretens wesentlicher Fehldarstellungen, sei es auf Grund von beabsichtigten oder unbeabsichtigten Fehlern. Bei der Vornahme dieser Risikoeinschätzung berücksichtigt der Abschlussprüfer das interne Kontrollsystem, soweit es für die Aufstellung des Jahresabschlusses und die Vermittlung eines möglichst getreuen Bildes der Vermögens-, Finanz- und Ertragslage der Gesellschaft von Bedeutung ist, um unter Berücksichtigung der Rahmenbedingungen geeignete Prüfungshandlungen festzulegen, nicht jedoch um ein Prüfungsurteil über die Wirksamkeit der internen Kontrollen der Gesellschaft abzugeben. Die Prüfung umfasst ferner die Beurteilung der Angemessenheit der angewandten Bilanzierungs- und Bewertungsmethoden und der von den gesetzlichen Vertretern vorgenommenen wesentlichen Schätzungen sowie eine Würdigung der Gesamtaussage des Jahresabschlusses.

Wir sind der Auffassung, dass wir ausreichende und geeignete Prüfungsnachweise erlangt haben, sodass unsere Prüfung eine hinreichend sichere Grundlage für unser Prüfungsurteil darstellt.

Prüfungsurteil

Unsere Prüfung hat zu keinen Einwendungen geführt. Auf Grund der bei der Prüfung gewonnenen Erkenntnisse entspricht der Jahresabschluss nach unserer Beurteilung den gesetzlichen Vorschriften und vermittelt ein möglichst getreues Bild der Vermögens- und Finanzlage der Gesellschaft zum 30. September 2009 sowie der Ertragslage der Gesellschaft für das Rumpfgeschäftsjahr vom 1. Jänner bis zum 30. September 2009 in Übereinstimmung mit den österreichischen Grundsätzen ordnungsmäßiger Buchführung.

Aussagen zum Lagebericht

Der Lagebericht ist auf Grund der gesetzlichen Vorschriften darauf zu prüfen, ob er mit dem Jahresabschluss in Einklang steht und ob die sonstigen Angaben im Lagebericht nicht eine falsche Vorstellung von der Lage der Gesellschaft erwecken. Der Bestätigungsvermerk hat auch eine Aussage darüber zu enthalten, ob der Lagebericht mit dem Jahresabschluss in Einklang steht und ob die Angaben nach § 243a UGB zutreffen.

Der Lagebericht steht nach unserer Beurteilung in Einklang mit dem Jahresabschluss. Die Angaben gemäß § 243a UGB sind zutreffend.

Wien, den 4. Dezember 2009

PwC INTER-TREUHAND GmbH
Wirtschaftsprüfungs- und
Steuerberatungsgesellschaft

gez.:

Mag. Dr. Aslan Milla
Wirtschaftsprüfer

Eine von den gesetzlichen Vorschriften abweichende Offenlegung, Veröffentlichung und Vervielfältigung im Sinne des § 281 Abs. 2 UGB in einer von der bestätigten Fassung abweichenden Form unter Beifügung unseres Bestätigungsvermerks ist nicht zulässig. Im Fall des bloßen Hinweises auf unsere Prüfung bedarf dies unserer vorherigen schriftlichen Zustimmung.

Statement of all Legal Representatives according Article 82 (4) Austrian Stock Exchange Act

The members of the Management Board confirm to best of their knowledge that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards. The group management report gives a true and fair view of the development and performance of the business and the position of the group, together with a description of the principal risks and uncertainties the group faces.

The members of the Management Board confirm to the best of their knowledge that the separate financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the management report gives a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties the company faces.

Vienna, December 4, 2009

The Management Board:



Günter Pridt



Michael Hofer
Chairman



Thomas Melzer
Deputy Chairman